

THE LONG COMMUNITY

Statements of Financial Position

July 31, 2017 and December 31, 2016

Assets	July 31, 2017	December 31, 2016
Cash and cash equivalents	\$ 260,555	262,152
Investments	9,562,502	8,845,919
Accounts receivable, net	31,295	36,503
Prepaid expenses	284,508	133,560
Property and equipment (net of accumulated depreciation of \$5,539,374 and \$4,905,328)	39,016,618	39,619,270
Assets under capital lease (net of accumulated depreciation of \$35,948 and \$30,335)	7,216	12,829
Assets held in trust by others	<u>813,525</u>	<u>787,774</u>
Total assets	<u>\$ 49,976,219</u>	<u>49,698,007</u>

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Statements of Financial Position

July 31, 2017 and December 31, 2016

Liabilities and Net Assets	July 31, 2017	December 31, 2016
Accounts payable	\$ 266,740	112,282
Accrued expenses	453,577	423,913
Resident deposits	15,200	17,200
Due to affiliated entities	14,165,150	13,433,590
Annuities payable	72,668	73,147
Obligations under capital lease	7,478	13,194
Long-term debt	<u>29,860,311</u>	<u>30,880,228</u>
Total liabilities	<u>44,841,124</u>	<u>44,953,554</u>
Net assets:		
Unrestricted	4,296,440	3,949,456
Temporarily restricted	25,131	7,223
Permanently restricted	<u>813,525</u>	<u>787,774</u>
Total net assets	<u>5,135,096</u>	<u>4,744,453</u>
Total liabilities and net assets	<u>\$ 49,976,219</u>	<u>49,698,007</u>

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Statements of Operations and Changes in Net Assets

Periods ended July 31, 2017 and year ended December 31, 2016

	July 31, 2017	December 31, 2016
Operating revenues, gains, and other support:		
Resident services	\$ 2,934,166	4,936,761
Interest and dividend income	125,294	339,336
Realized gain on investments	125,203	136,011
Contributions, gifts and bequests	64,486	82,608
Net assets released from restrictions	832	17,055
Total operating revenues, gains, and other support	3,249,981	5,511,771
Expenses:		
Nursing services	412,061	654,884
Recreation and special services	61,383	114,532
Pharmacy	6,411	11,190
Social services	55	29
Physician services	4,500	9,000
Food services	348,711	603,081
Building operations and maintenance	626,929	1,141,330
Housekeeping	33,122	63,455
Laundry and linen	—	412
General and administrative	501,899	874,250
Employee benefits	132,021	191,093
Interest	630,973	1,103,629
Depreciation	639,658	1,103,165
Fundraising and investment fee	25,795	47,022
Total expenses	3,423,518	5,917,072
Gain (loss) from continuing operations	(173,537)	(405,301)
Other changes:		
Unrealized gain on investments	520,521	85,073
Total other changes	520,521	85,073
Increase (decrease) in unrestricted net assets	346,984	(320,228)

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Statements of Operations and Changes in Net Assets

Periods ended July 31, 2017 and year ended December 31, 2016

	<u>July 31,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>
Temporarily restricted net assets:		
Contributions, gifts and bequests	18,740	20,963
Net assets released from restrictions	(832)	(17,055)
	<u>17,908</u>	<u>3,908</u>
Change in temporarily restricted net assets	17,908	3,908
Permanently restricted net assets:		
Change in fair value of assets held in trust by others	25,751	(25,427)
	<u>25,751</u>	<u>(25,427)</u>
Change in permanently restricted net assets	25,751	(25,427)
Change in net assets	390,643	(341,747)
Net assets, beginning of year	4,744,453	5,086,200
Net assets, end of year	<u>\$ 5,135,096</u>	<u>4,744,453</u>

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Statements of Cash Flows

Periods ended July 31, 2017 and year ended December 31, 2016

	July 31, 2017	December 31, 2016
Cash flows from operating activities:		
Change in net assets	\$ 390,643	(341,747)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	639,658	1,103,165
Provision for bad debt	749	1,506
Proceeds from entrance fees and deposits	(2,000)	1,200
Unrealized gain on investments	(546,272)	(59,646)
Realized gain on investments	(125,203)	(136,011)
Change in assets and liabilities:		
Accounts receivable	4,459	22,977
Other assets	(150,948)	(2,729)
Accounts payable	154,458	(45,486)
Accrued expenses and deferred revenue other	29,664	4,638
Net cash provided by operating activities	395,207	547,868
Cash flows used in investing activities:		
Acquisition of property and equipment	(31,394)	(85,728)
Net proceeds from purchases of investments	(70,859)	(247,428)
Net cash used in investing activities	(102,253)	(333,156)
Cash flows for financing activities:		
Principal payments on long-term debt	(1,019,917)	(1,423,428)
Repayments on capital lease obligations	(5,716)	(10,547)
Due from affiliated entity	731,560	1,231,152
Change in annuities payable	(479)	(3,671)
Net cash used in financing activities	(294,552)	(206,495)
Net (decrease) increase in cash and cash equivalents	(1,597)	8,217
Cash and cash equivalents, beginning of year	262,152	253,935
Cash and cash equivalents, end of year	\$ 260,555	262,152