

LASELL COLLEGE

Fiscal 2019 Financial Summary

The following are some financial highlights for the fiscal year ended June 30, 2021:

- Unmodified Independent Auditors Opinion
- Loss from operations of \$4.3 million in Fiscal 2019 compared to loss from operations of \$1.4 million for Fiscal 2018, an increase in the operating loss of \$2.9 million

FY19 Financial Results

Statement of Financial Position (FY19 compared to FY18)

Total assets decreased \$1.7 million primarily because of:

- Depreciation in excess of capital expenditures of \$1.9 million
- Decrease in cash, receivables, beneficial interest in trusts, and other assets of \$1.7 million
- Decrease in land held for investment of \$0.8 million
- Decreases offset primarily by increase in investments of \$2.7 million

Total liabilities decreased \$0.8 million due to:

- \$1.5 million decrease in long-term debt offset by an increase of \$0.9 million in the interest rate swaps liability
- Accounts payable, accrued expenses, deferred revenues, and other liabilities decreased by a combined \$0.2 million

Total net assets decreased \$0.9 million to \$70.4 million due to:

- An operating loss of \$4.3 million offset by a non-operating gain of \$3.4 million

Statement of Activities (FY19 compared to FY18)

Operation revenues declined \$2.0 million year over year primarily due to declines in Tuition & Fees and Room & Board. At the same time operating expenses increased \$0.9 million year-over-year.

Non-operating activities were fairly consistent year-over-year with a modest decrease in non-operating activities of \$0.3 million.

Total operating revenues and other support decreased by \$2.0 million. The key drivers were:

- Decreases in collaborative revenue of \$1.2 million (mainly due to the Mt. Ida Public Safety contract that ended in August 2018)

- Decrease in annual giving of \$0.2 million
- Decrease in room and board of \$0.2 million due to decline in undergraduate enrollment
- Increase in graduate tuition and fees of \$0.6 million
- Increase Child Study Centers revenue of \$0.2 million due to new Rockwell full day program

Total operating expenses increased by \$0.9 million. The key drivers were:

- Increase in admin & staff salaries of \$0.5 million
- Increase in plant operations of \$0.4 million

Statement of Cash Flows (FY19)

Operating Activities:

Net cash provided by operating activities was \$3.1 million, not significantly different than the \$3.4 million in net cash provided by operations in Fiscal 2018. The operating cash is a function of the \$0.9 million decrease in net assets, adjusted for depreciation and other operating balance sheet changes.

Investing Activities:

Net cash used by investing activities was \$2.1 million due to \$3.1 million of plant, property and equipment purchases offset by \$1.0 million more in sale of investments than purchases of investments.

Financing Activities:

Net cash used by financing activities was approximately \$1.2 million mainly due to bond principal payments of \$1.6 million offset by \$0.4 million of contributions restricted for long-term investment.