

DENVER SEMINARY

Statements of Financial Position

	June 30,	
	2016	2015
Assets		
Cash	\$ 491,888	\$ 823,732
Restricted cash	521,319	506,572
Accounts receivable, net	161,888	211,898
Prepaid expenses and other assets	314,619	270,959
Investments	14,404,026	14,123,806
Trust assets	848,715	925,439
Property and equipment, net	20,014,901	20,933,246
Total assets	\$ 36,757,356	\$ 37,795,652
Liabilities and Net Assets		
Line-of-credit	\$ 700,000	\$ 300,000
Accounts payable and other liabilities	205,703	297,831
Deferred revenue	604,168	569,215
Capital lease obligations	388,244	568,738
Bonds payable, net	5,025,577	5,512,853
Interest rate swap	153,316	176,738
Gift annuity payable	261,247	279,617
Trust liability	613,509	686,614
Total liabilities	7,951,764	8,391,606
Commitments and contingencies		
Net assets		
Unrestricted	12,861,805	14,219,071
Unrestricted - Board-designated endowments	2,357,100	2,529,725
Total unrestricted	15,218,905	16,748,796
Temporarily restricted		
Irrevocable charitable trusts	225,262	241,669
Endowment funds	1,670,294	2,174,522
Term endowments	2,894,931	2,788,620
Projects	1,527,996	1,351,913
Total temporarily restricted	6,318,483	6,556,724
Permanently restricted		
Endowment funds	7,268,204	6,098,526
Total net assets	28,805,592	29,404,046
Total liabilities and net assets	\$ 36,757,356	\$ 37,795,652

See notes to financial statements.

DENVER SEMINARY

Statements of Activities

	For the Years Ended							
	June 30, 2016				June 30, 2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and support								
Tuition and fees	\$ 7,363,220	\$ -	\$ -	\$ 7,363,220	\$ 7,925,787	\$ -	\$ -	\$ 7,925,787
Scholarships and grants	(1,392,464)	-	-	(1,392,464)	(1,292,095)	-	-	(1,292,095)
Net tuition and fees	5,970,756	-	-	5,970,756	6,633,692	-	-	6,633,692
Contributions	1,029,187	1,873,603	1,169,678	4,072,468	787,744	2,180,149	337,987	3,305,880
Contributions-in-kind	350,619	-	-	350,619	-	-	-	-
Auxiliary services and other income	1,292,508	7,054	-	1,299,562	1,256,543	6,140	-	1,262,683
Total revenues and support	8,643,070	1,880,657	1,169,678	11,693,405	8,677,979	2,186,289	337,987	11,202,255
Net assets released from restrictions								
Net assets released from purpose restrictions	1,700,050	(1,700,050)	-	-	1,513,600	(1,513,600)	-	-
Transfer of net assets due to donor re-designation	-	-	-	-	-	18,614	(18,614)	-
Total revenues and support, net	10,343,120	180,607	1,169,678	11,693,405	10,191,579	691,303	319,373	11,202,255
Expenses								
Compensation and benefits	8,284,860	-	-	8,284,860	8,260,356	-	-	8,260,356
Travel, meals, and entertainment	390,134	-	-	390,134	360,454	-	-	360,454
Office	566,066	-	-	566,066	448,460	-	-	448,460
Maintenance and repairs	314,881	-	-	314,881	308,404	-	-	308,404
Utilities and telephone	290,923	-	-	290,923	314,960	-	-	314,960
Advertising and printing	324,158	-	-	324,158	324,072	-	-	324,072
Professional services	171,709	-	-	171,709	167,614	-	-	167,614
Interest	141,339	-	-	141,339	141,772	-	-	141,772
Other	301,365	-	-	301,365	247,585	-	-	247,585
Total expenses before depreciation and amortization	10,785,435	-	-	10,785,435	10,573,677	-	-	10,573,677
Change in net assets from operations before depreciation and amortization	(442,315)	180,607	1,169,678	907,970	(382,098)	691,303	319,373	628,578
Depreciation and amortization expense	1,425,436	-	-	1,425,436	1,330,552	-	-	1,330,552
Total change in net assets from operations	(1,867,751)	180,607	1,169,678	(517,466)	(1,712,650)	691,303	319,373	(701,974)
Other (loss) income								
Investment (loss) income	(45,707)	(402,441)	-	(448,148)	118,240	156,178	-	274,418
Mineral royalties income	438,603	-	-	438,603	339,717	-	-	339,717
Change in value of annuities and trusts	(78,458)	(16,407)	-	(94,865)	(75,656)	(7,969)	-	(83,625)
Gain on sale or disposal of fixed assets	-	-	-	-	4,469	-	-	4,469
Change in value of interest rate swap	23,422	-	-	23,422	-	-	-	-
Total other (loss) income	337,860	(418,848)	-	(80,988)	386,770	148,209	-	534,979
Change in net assets	(1,529,891)	(238,241)	1,169,678	(598,454)	(1,325,880)	839,512	319,373	(166,995)
Net assets, beginning of year	16,748,796	6,556,724	6,098,526	29,404,046	18,074,676	5,717,212	5,779,153	29,571,041
Net assets, end of year	\$ 15,218,905	\$ 6,318,483	\$ 7,268,204	\$ 28,805,592	\$ 16,748,796	\$ 6,556,724	\$ 6,098,526	\$ 29,404,046

See notes to financial statements.

DENVER SEMINARY

Statements of Cash Flows

	For the Years Ended	
	June 30,	
	2016	2015
Operating activities		
Change in net assets	\$ (598,454)	\$ (166,995)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation and amortization	1,425,436	1,330,552
Bad debt	37,121	1,048
Gain on disposal of property and equipment	-	(4,469)
Gift received of non-cash asset	(185,952)	-
Change in value of interest rate swap	(23,422)	-
Contributions for capital campaign	-	(20,000)
Net realized and unrealized losses on investments	882,009	108,409
Change in value of annuities and trusts	78,458	75,656
Gifts received for long-term purposes	(1,593,886)	(1,331,376)
Changes in operating assets and liabilities		
Accounts receivable	12,889	43,867
Prepaid expenses and other assets	(43,660)	28,547
Accounts payable and other liabilities	(92,128)	(7,372)
Deferred revenue	34,953	(291,987)
	531,818	(67,125)
Net cash used in operating activities	(66,636)	(234,120)
Investing activities		
Net change in restricted cash	(14,747)	(12,795)
Purchase of investments	(1,836,408)	(1,405,776)
Proceeds from sale of investments	677,798	502,553
Purchases of property and equipment	(313,415)	(368,599)
Net cash used in investing activities	(1,486,772)	(1,284,617)
Financing activities		
Draws on line-of-credit	400,000	300,000
Payments on capital lease obligations	(180,494)	(153,430)
Payments on bonds payable	(495,000)	(480,000)
Contributions for capital campaign	-	20,000
Gifts received for long-term purposes	1,593,886	1,331,376
Payments on annuities	(96,828)	(96,791)
Net cash provided by financing activities	1,221,564	921,155
Net decrease in cash	(331,844)	(597,582)
Cash at beginning of year	823,732	1,421,314
Cash at end of year	\$ 491,888	\$ 823,732

Supplemental disclosure of cash flow and non-cash information:

Interest paid was \$144,224 and \$144,469 for the years ended June 30, 2016 and 2015, respectively.

During 2015, the Seminary financed \$314,210 of property and equipment additions through capital leases and \$93,750 through accounts payable.

See notes to financial statements.