

Grand Canyon University
Consolidated Statements of Financial Position
(In thousands)

| | As of June 30, | |
|---|---------------------|---------------------|
| | 2022 | 2021 |
| ASSETS: | | |
| Current assets | | |
| Cash and cash equivalents | \$ 228,575 | \$ 407,438 |
| Cash deposits with Trustee | 56,599 | - |
| Investments | 167,155 | - |
| Student accounts receivable, net | 13,485 | 13,808 |
| Pledges receivable | 1,600 | 1,379 |
| Other receivables | 5,144 | 4,288 |
| Other current assets | 6,835 | 4,817 |
| Total current assets | 479,393 | 431,730 |
| Property and equipment, net | 1,358,437 | 1,296,295 |
| Finance lease right-of-use (ROU) assets | 26,487 | - |
| Operating lease right-of-use (ROU) assets | 106 | - |
| Intangible assets, net | 100,000 | 101,500 |
| Pledges receivable, net | 1,168 | 1,521 |
| Other assets | 729 | 319 |
| Total assets | \$ 1,966,320 | \$ 1,831,365 |
| LIABILITIES: | | |
| Current liabilities | | |
| Accounts payable | \$ 21,198 | \$ 16,503 |
| Accrued compensation and benefits | 27,634 | 31,219 |
| Accrued interest payable | 13,385 | - |
| Accrued liabilities and other | 9,539 | 6,749 |
| Student deposits | 116,354 | 110,161 |
| Deferred revenue | 65,725 | 59,068 |
| Line of credit for capital expenditures | 50,000 | - |
| Current portion of bonds payable, net of issuance costs | 46,132 | - |
| Current portion of finance lease liability | 572 | - |
| Current portion of operating lease liability | 81 | - |
| Current portion of notes payable and capital leases | 150 | 357 |
| Total current liabilities | 350,770 | 224,057 |
| Other noncurrent liabilities | 2,549 | 3,748 |
| Operating lease liability, less current portion | 27,389 | - |
| Finance lease liability, less current portion | 27 | - |
| Bonds payable net of issuance costs, less current portion | 1,129,369 | - |
| Notes payable and capital leases, less current portion | 100 | 1,160,407 |
| Total liabilities | 1,510,204 | 1,388,212 |
| NET ASSETS: | | |
| Without donor restrictions | 448,850 | 437,442 |
| With donor restrictions | 7,266 | 5,711 |
| Total net assets | 456,116 | 443,153 |
| Total liabilities and net assets | \$ 1,966,320 | \$ 1,831,365 |

Grand Canyon University
Consolidated Statements of Activities
(In thousands)

| | For The Year Ended | |
|--|--------------------|-------------------|
| | June 30, | |
| | 2022 | 2021 |
| Changes in net assets without donor restrictions: | | |
| Revenues: | | |
| Net tuition and fees | \$ 1,260,415 | \$ 1,245,575 |
| Contributions and grants | 30,441 | 11,785 |
| Nonfinancial asset contributions | 2,215 | 103 |
| Auxiliary enterprises | 14,417 | 10,077 |
| Other income | 6,532 | 3,320 |
| Total revenues, gains and other support without donor restrictions | 1,314,020 | 1,270,860 |
| Net assets released from restrictions | 1,905 | 1,974 |
| Total revenues and releases | 1,315,925 | 1,272,834 |
| Expenses: | | |
| Instructional program services | 379,830 | 328,414 |
| General and administrative | 26,948 | 23,860 |
| Fundraising | 1,748 | 1,324 |
| Auxiliary enterprises | 18,910 | 13,847 |
| Educational service fee | 768,332 | 755,256 |
| Interest expense | 55,482 | 57,666 |
| Depreciation and amortization | 53,267 | 65,147 |
| Total expenses | 1,304,517 | 1,245,514 |
| Increase in net assets without donor restrictions | 11,408 | 27,320 |
| Changes in net assets with donor restrictions: | | |
| Contributions | 2,533 | 7,062 |
| Nonfinancial asset contributions | 939 | - |
| Investment return, net | (12) | 4 |
| Net assets released from restrictions | (1,905) | (1,974) |
| Increase in net assets with donor restrictions | 1,555 | 5,092 |
| Increase in total net assets | 12,963 | 32,412 |
| Net assets, beginning | 443,153 | 410,741 |
| Net assets, ending | \$ 456,116 | \$ 443,153 |

Grand Canyon University
Consolidated Statements of Cash Flows
(In thousands)

| | For The Year Ended | |
|--|---------------------------|-------------------|
| | June 30, | |
| | 2022 | 2021 |
| Cash flows provided by operating activities: | | |
| Changes in net assets | \$ 12,963 | \$ 32,412 |
| Adjustments to reconcile changes in net assets to net cash provided by operating activities: | | |
| Depreciation and amortization | 53,267 | 65,147 |
| Provision for bad debts | 25,749 | 22,525 |
| Deferred compensation plan | 2,344 | 3,669 |
| Other, including fixed asset impairments | 3,968 | - |
| Changes in assets and liabilities: | | |
| Accounts receivable, net | (26,503) | (27,049) |
| Other assets | (1,314) | (1,092) |
| HERRF grant received for institutional use | - | 11,176 |
| HERRF grant received for student aid | 26,551 | - |
| HEERF funds distributed to ground students | (26,551) | (7,903) |
| Right-of-use assets and lease liabilities | 571 | - |
| Accounts payable | (7,561) | 10,022 |
| Accrued liabilities and other | 8,137 | 233 |
| Student deposits | 6,193 | (174) |
| Deferred revenue | 6,657 | (5,579) |
| Net cash provided by operating activities | 84,471 | 103,387 |
| Cash flows used in investing activities: | | |
| Capital expenditures | (100,849) | (118,241) |
| Purchase of investments | (194,577) | - |
| Proceeds from sale or maturity of investments | 26,749 | - |
| Net cash used in investing activities | (268,677) | (118,241) |
| Cash flows provided by (used in) financing activities: | | |
| Principal payments on notes payable and capital lease obligations | (108) | (311) |
| Proceeds from bond issuance | 1,200,000 | - |
| Bond issuance costs | (26,755) | - |
| Change in deposits with Trustee | (56,599) | - |
| Principal payments under finance lease obligations | (501) | - |
| Repayments on notes payable line of credit, net | (1,159,912) | (75,000) |
| Proceeds from line of credit | 50,000 | - |
| Line of credit issuance costs | (782) | - |
| Proceeds from notes payable | - | 190,000 |
| Net cash provided by financing activities | 5,343 | 114,689 |
| Net increase (decrease) in cash and cash equivalents | (178,863) | 99,835 |
| Cash, cash equivalents and restricted cash, beginning of year | 407,438 | 307,603 |
| Cash, cash equivalents and restricted cash, end of year | \$ 228,575 | \$ 407,438 |
| Supplemental disclosure of cash flow information | | |
| Cash paid during the year for interest | \$ 41,261 | \$ 56,266 |
| Cash paid to Trustee during the year for bond interest | \$ 16,528 | \$ - |
| Cash paid during the year for unrelated business income tax | \$ 380 | \$ 510 |
| Supplemental disclosure of non-cash investing and financing activities | | |
| Purchases of property and equipment included in accounts payable | \$ 13,597 | \$ 1,341 |
| Lease adoption - recognition of right of use assets and lease liabilities | \$ 27,999 | \$ - |
| Reclassification of capital leases to right-of-use financing assets | \$ 494 | \$ - |