

PRESBYTERIAN APARTMENTS, INC.

Statements of Financial Position

August 31, 2016 and December 31, 2015

Assets	August 31, 2016	December 31, 2015
Cash and cash equivalents	\$ 95,646	43,074
Restricted deposits and funded reserves	374,907	334,112
Accounts receivable, net	32,695	11,980
Prepaid expenses and other current assets	18,172	12,283
Property and equipment (net of accumulated depreciation of \$5,564,014 and \$5,483,179 respectively)	<u>1,544,466</u>	<u>1,484,697</u>
Total assets	<u>\$ 2,065,887</u>	<u>1,886,146</u>

PRESBYTERIAN APARTMENTS, INC.

Statements of Financial Position

August 31, 2016 and December 31, 2015

Liabilities and Net Liabilities	August 31, 2016	December 31, 2015
Accounts payable	\$ 62,503	100,745
Due to affiliated entity	1,066,004	780,044
Accrued expenses	398,997	397,360
Residents deposits	39,047	35,869
Long-term debt	1,910,006	1,969,371
Total liabilities	3,476,558	3,283,389
Net (liabilities) assets:		
Unrestricted	(1,417,190)	(1,403,761)
Temporarily restricted	6,518	6,518
Total net liabilities	(1,410,672)	(1,397,243)
Total liabilities and net liabilities	\$ 2,065,887	1,886,146

PRESBYTERIAN APARTMENTS, INC.

Statements of Operations and Changes in Net Assets (Liabilities)

Periods ended August 31, 2016 and year ended December 31, 2015

	August 31, 2016	December 31, 2015
Operating revenues, gains, and other support:		
Resident services	\$ 657,677	1,050,459
Net rental revenue	20,983	30,967
Interest and dividend income	95	140
Contributions, gifts, grants and bequests	636	82,952
Net assets released from restrictions	—	1,655
	679,391	1,166,173
Total operating revenues, gains, and other support		
Expenses:		
Recreation and special services	—	5,277
Social services	30,633	44,100
Building operations and maintenance	344,150	581,301
Housekeeping	16,693	25,532
General and administrative	165,895	246,491
Employee benefits	38,035	66,464
Interest	16,580	27,061
Depreciation	80,835	115,802
	692,820	1,112,028
Total expenses		
(Increase) decrease in unrestricted net liabilities	(13,429)	54,145
Temporarily restricted net assets:		
Net assets released from restrictions	—	(1,655)
	—	(1,655)
Change in temporarily restricted net assets		
	—	(1,655)
Change in net assets	(13,429)	52,490
Net liabilities beginning of year	(1,397,243)	(1,449,733)
Net liabilities, end of year	\$ (1,410,672)	(1,397,243)

PRESBYTERIAN APARTMENTS, INC.

Statements of Cash Flows

Periods ended August 31, 2016 and year ended December 31, 2015

	<u>August 31, 2016</u>	<u>December 31, 2015</u>
Cash flows from operating activities:		
Change in net liabilities	\$ (13,429)	52,490
Adjustments to reconcile change in net liabilities to net cash provided by operating activities:		
Depreciation	80,835	115,802
Bad debt expense	(750)	30,496
Cash restricted for tenant deposits held in trust	3,178	(4,200)
Change in assets and liabilities:		
Accounts receivable	(19,965)	(20,942)
Other assets	(5,889)	5,534
Accounts payable	(38,242)	5,209
Accrued expenses	1,637	1,915
Net cash provided by operating activities	<u>7,375</u>	<u>186,304</u>
Cash flows used in investing activities:		
Acquisition of property and equipment	(140,604)	(335,455)
Deposits into reserve for replacement	(40,795)	(31,090)
Net cash used in investing activities	<u>(181,399)</u>	<u>(366,545)</u>
Cash flows from financing activities:		
Principal payments on long-term debt	(59,365)	(86,855)
Due to affiliate	285,960	197,174
Net cash provided by financing activities	<u>226,596</u>	<u>110,319</u>
Net increase (decrease) in cash and cash equivalents	52,572	(69,922)
Cash and cash equivalents, beginning of year	<u>43,074</u>	<u>112,996</u>
Cash and cash equivalents, end of year	<u>\$ 95,646</u>	<u>43,074</u>