

PRESBYTERIAN APARTMENTS, INC.

Statements of Financial Position

May 31, 2016 and December 31, 2015

Assets	May 31, 2016	December 31, 2015
Cash and cash equivalents	\$ 13,763	43,074
Restricted deposits and funded reserves	361,216	334,112
Accounts receivable, net	11,315	11,980
Prepaid expenses and other current assets	22,822	12,283
Property and equipment (net of accumulated depreciation of \$5,533,994 and \$5,483,179 respectively)	<u>1,513,882</u>	<u>1,484,697</u>
Total assets	<u>\$ 1,922,998</u>	<u>1,886,146</u>

PRESBYTERIAN APARTMENTS, INC.

Statements of Financial Position

May 31, 2016 and December 31, 2015

Liabilities and Net Liabilities	May 31, 2016	December 31, 2015
Accounts payable	\$ 50,356	100,745
Due to affiliated entity	931,715	780,044
Accrued expenses	399,945	397,360
Residents deposits	39,305	35,869
Long-term debt	<u>1,932,396</u>	<u>1,969,371</u>
Total liabilities	3,353,717	3,283,389
Net (liabilities) assets:		
Unrestricted	(1,437,237)	(1,403,761)
Temporarily restricted	<u>6,518</u>	<u>6,518</u>
Total net liabilities	(1,430,718)	(1,397,243)
Total liabilities and net liabilities	<u>\$ 1,922,998</u>	<u>1,886,146</u>

PRESBYTERIAN APARTMENTS, INC.

Statements of Operations and Changes in Net Assets (Liabilities)

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

	May 31, 2016	December 31, 2015
Operating revenues, gains, and other support:		
Resident services	\$ 407,119	1,050,459
Net rental revenue	13,088	30,967
Interest and dividend income	53	140
Contributions, gifts, grants and bequests	636	82,952
Net assets released from restrictions	—	1,655
	420,896	1,166,173
Total operating revenues, gains, and other support		
Expenses:		
Recreation and special services	—	5,277
Social services	18,459	44,100
Building operations and maintenance	231,023	581,301
Housekeeping	10,678	25,532
General and administrative	109,604	246,491
Employee benefits	23,302	66,464
Interest	10,491	27,061
Depreciation	50,815	115,802
	454,371	1,112,028
Total expenses		
(Increase) decrease in unrestricted net liabilities	(33,475)	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	(33,475)	52,490
Net liabilities beginning of year	(1,397,243)	(1,449,733)
Net liabilities, end of year	\$ (1,430,718)	(1,397,243)

PRESBYTERIAN APARTMENTS, INC.

Statements of Cash Flows

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

	May 31, 2016	December 31, 2015
Cash flows from operating activities:		
Change in net liabilities	\$ (33,475)	52,490
Adjustments to reconcile change in net liabilities to net cash (used in) provided by operating activities:		
Depreciation	50,815	115,802
Bad debt expense	(149)	30,496
Cash restricted for tenant deposits held in trust	3,436	(4,200)
Change in assets and liabilities:		
Accounts receivable	814	(20,942)
Other assets	(10,540)	5,534
Accounts payable	(50,389)	5,209
Accrued expenses	2,585	1,915
Net cash (used in) provided by operating activities	<u>(36,903)</u>	<u>186,304</u>
Cash flows used in investing activities:		
Acquisition of property and equipment	(80,000)	(335,455)
Deposits into reserve for replacement	(27,104)	(31,090)
Net cash used in investing activities	<u>(107,104)</u>	<u>(366,545)</u>
Cash flows from financing activities:		
Principal payments on long-term debt	(36,975)	(86,855)
Due to affiliate	151,671	197,174
Net cash provided by financing activities	<u>114,696</u>	<u>110,319</u>
Net decrease in cash and cash equivalents	(29,311)	(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>\$ 13,763</u>	<u>43,074</u>