

PRESBYTERIAN APARTMENTS, INC.

Statements of Financial Position

May 31, 2017 and December 31, 2016

Assets	May 31, 2017	December 31, 2016
Cash and cash equivalents	\$ 32,052	60,215
Restricted deposits and funded reserves	428,057	399,989
Accounts receivable, net	16,359	20,087
Prepaid expenses and other current assets	24,388	12,460
Property and equipment (net of accumulated depreciation of \$5,656,782 and \$5,604,340 respectively)	<u>1,591,367</u>	<u>1,638,049</u>
Total assets	<u>\$ 2,092,223</u>	<u>2,130,800</u>

PRESBYTERIAN APARTMENTS, INC.

Statements of Financial Position

May 31, 2017 and December 31, 2016

Liabilities and Net Liabilities	May 31, 2017	December 31, 2016
Accounts payable	\$ 51,003	115,400
Due to affiliated entity	1,284,889	1,133,256
Accrued expenses	407,716	408,245
Residents deposits	47,990	43,554
Long-term debt	<u>1,841,772</u>	<u>1,879,877</u>
Total liabilities	3,633,370	3,580,332
Net (liabilities) assets:		
Unrestricted	(1,547,288)	(1,455,674)
Temporarily restricted	<u>6,141</u>	<u>6,141</u>
Total net liabilities	(1,541,146)	(1,449,532)
Total liabilities and net liabilities	<u>\$ 2,092,223</u>	<u>2,130,800</u>

PRESBYTERIAN APARTMENTS, INC.

Statements of Operations and Changes in Net Assets (Liabilities)

Periods ended May 31, 2017 and year ended December 31, 2016

	May 31, 2017	December 31, 2016
Operating revenues, gains, and other support:		
Resident services	\$ 416,074	981,323
Net rental revenue	13,413	31,607
Interest and dividend income	62	154
Contributions, gifts, grants and bequests	(10)	1,668
Net assets released from restrictions	-	377
Total operating revenues, gains, and other support	429,540	1,015,129
Expenses:		
Social services	18,922	46,592
Building operations and maintenance	294,166	556,068
Housekeeping	7,589	23,322
General and administrative	123,212	247,873
Employee benefits	15,463	47,603
Interest	9,360	24,422
Depreciation	52,442	121,161
Total expenses	521,154	1,067,042
(Increase) decrease in unrestricted net liabilities	(91,614)	(51,912)
Temporarily restricted net assets:		
Net assets released from restrictions	-	(377)
Change in temporarily restricted net assets	-	(377)
Change in net assets	(91,614)	(52,289)
Net liabilities beginning of year	(1,449,532)	(1,397,243)
Net liabilities, end of year	\$ (1,541,146)	(1,449,532)

PRESBYTERIAN APARTMENTS, INC.

Statements of Cash Flows

Periods ended May 31, 2017 and year ended December 31, 2016

	May 31, 2017	December 31, 2016
Cash flows from operating activities:		
Change in net liabilities	\$ (91,614)	(52,290)
Adjustments to reconcile change in net liabilities to net cash (used in) provided by operating activities:		
Depreciation	52,442	121,161
Bad debt expense	15,693	11,763
Cash restricted for tenant deposits held in trust	4,436	7,685
Change in assets and liabilities:		
Accounts receivable	(11,965)	(19,870)
Other assets	(11,928)	(176)
Accounts payable	(64,397)	14,655
Accrued expenses	(530)	10,885
Net cash (used in) provided by operating activities	(107,864)	93,814
Cash flows used in investing activities:		
Acquisition of property and equipment	(5,760)	(274,513)
Deposits into reserve for replacement	(28,068)	(65,877)
Net cash used in investing activities	(33,828)	(340,390)
Cash flows from financing activities:		
Principal payments on long-term debt	(38,105)	(89,494)
Due to affiliate	151,633	353,212
Net cash provided by financing activities	113,528	263,718
Net (decrease) increase in cash and cash equivalents	(28,163)	17,141
Cash and cash equivalents, beginning of year	60,215	43,074
Cash and cash equivalents, end of year	\$ <u>32,052</u>	<u>60,215</u>