

PRESBYTERIAN APARTMENTS, INC.

Statements of Financial Position

February 28, 2018 and December 31, 2017

Assets	February 28, 2018	December 31, 2017
Cash and cash equivalents	\$ 143,169	76,674
Restricted deposits and funded reserves	473,174	464,364
Accounts receivable, net	17,262	11,336
Prepaid expenses and other current assets	38,254	13,289
Property and equipment (net of accumulated depreciation of \$5,758,262 and \$5,735,264 respectively)	<u>1,634,777</u>	<u>1,644,314</u>
Total assets	<u>\$ 2,306,636</u>	<u>2,209,977</u>

PRESBYTERIAN APARTMENTS, INC.

Statements of Financial Position

February 28, 2018 and December 31, 2017

Liabilities and Net Liabilities	February 28, 2018	December 31, 2017
Accounts payable	\$ 109,252	67,879
Due to affiliated entity	1,492,122	1,440,254
Accrued expenses	461,388	410,342
Residents deposits	50,024	49,289
Long-term debt	<u>1,772,003</u>	<u>1,787,659</u>
Total liabilities	3,884,789	3,755,423
Net (liabilities) assets:		
Unrestricted	(1,584,103)	(1,551,396)
Temporarily restricted	<u>5,950</u>	<u>5,950</u>
Total net liabilities	(1,578,153)	(1,545,446)
Total liabilities and net liabilities	<u>\$ 2,306,636</u>	<u>2,209,977</u>

PRESBYTERIAN APARTMENTS, INC.

Statements of Operations and Changes in Net Assets (Liabilities)

Periods ended February 28, 2018 and year ended December 31, 2017

	February 28, 2018	December 31, 2017
Operating revenues, gains, and other support:		
Resident services	\$ 164,528	1,002,312
Net rental revenue	4,170	32,402
Interest and dividend income	22	183
Contributions, gifts, grants and bequests	(34)	500
Net assets released from restrictions	—	191
	168,686	1,035,588
Total operating revenues, gains, and other support		
Expenses:		
Social services	6,810	49,247
Building operations and maintenance	119,592	602,338
Housekeeping	1,906	9,568
General and administrative	40,193	274,235
Employee benefits	6,564	43,302
Interest	3,331	21,697
Depreciation	22,998	130,924
	201,393	1,131,311
Total expenses		
Increase in unrestricted net liabilities	(32,707)	(95,723)
Temporarily restricted net assets:		
Net assets released from restrictions	—	(191)
	—	(191)
Change in temporarily restricted net assets		
	—	(191)
Change in net assets	(32,707)	(95,914)
Net liabilities beginning of year	(1,545,446)	(1,449,532)
Net liabilities, end of year	\$ (1,578,153)	(1,545,446)

PRESBYTERIAN APARTMENTS, INC.

Statements of Cash Flows

Periods ended February 28, 2018 and year ended December 31, 2017

	February 28, 2018	December 31, 2017
	<u> </u>	<u> </u>
Cash flows from operating activities:		
Change in net liabilities	\$ (32,707)	(95,914)
Adjustments to reconcile change in net liabilities to net cash provided by operating activities:		
Depreciation	22,998	130,924
Bad debt expense	351	29,026
Cash restricted for tenant deposits held in trust	735	5,735
Change in assets and liabilities:		
Accounts receivable	(6,277)	(20,275)
Other assets	(24,965)	(829)
Accounts payable	41,373	(47,522)
Accrued expenses	51,046	2,099
	<u>52,553</u>	<u>3,244</u>
Net cash provided by operating activities		
Cash flows used in investing activities:		
Acquisition of property and equipment	(13,461)	(137,189)
Deposits into reserve for replacement	(8,810)	(64,376)
	<u>(22,271)</u>	<u>(201,565)</u>
Net cash used in investing activities		
Cash flows from financing activities:		
Principal payments on long-term debt	(15,656)	(92,218)
Due to affiliate	51,868	306,998
	<u>36,212</u>	<u>214,780</u>
Net cash provided by financing activities		
Net increase in cash and cash equivalents	66,495	16,459
Cash and cash equivalents, beginning of year	<u>76,674</u>	<u>60,215</u>
Cash and cash equivalents, end of year	\$ <u><u>143,169</u></u>	<u><u>76,674</u></u>