



Luther Speight & Company, LLC
Certified Public Accountants and Consultants

JANE PLACE NEIGHBORHOOD SUSTAINABILITY INITIATIVE, INC.

FINANCIAL STATEMENTS AND ACCOMPANYING
INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

For the Year Ended December 31, 2023

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Trustees of
Jane Place Neighborhood Sustainability Initiative, Inc.

Management is responsible for the accompanying financial statements of Jane Place Neighborhood Sustainability Initiative, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

The Depreciation Expense calculation for the Jane Place Neighborhood Sustainability Initiative had not been completed as of the date of these financial statements. Accounting principles generally accepted in the United States of America require that the cost of long-lived assets be spread over the expected useful life of the asset in such a way as to allocate it as equitably as possible to the periods during the asset utilization.

Luther Speight & Company CPAs

Luther Speight & Company, LLC
New Orleans, LA
June 17, 2024

JANE PLACE NEIGHBORHOOD SUSTAINABILITY INITIATIVE, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

ASSETS	
Cash and Cash Equivalents	\$ 1,366,684
Property and Equipment, Net	<u>2,309,980</u>
TOTAL ASSETS	<u><u>\$ 3,676,664</u></u>
LIABILITIES	
Accounts Payable	\$ 12,880
Security Deposits	9,698
HOME Loans	1,000,000
Notes Payable	<u>750,000</u>
TOTAL LIABILITIES	<u>1,772,578</u>
NET ASSETS	
Net Assets Without Donor Restrictions	<u>1,904,086</u>
TOTAL NET ASSETS	<u>1,904,086</u>
TOTAL LIABILITIES & EQUITY	<u><u>\$ 3,676,664</u></u>

The accompanying notes are an integral part of these financial statements

JANE PLACE NEIGHBORHOOD SUSTAINABILITY INITIATIVE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Grant Income	\$ 305,000	\$ -	\$ 305,000
Foundation Income	917,999	-	917,999
Contributions	81,301	-	81,301
Program Income	151,823	-	151,823
Rental Income	94,684	-	94,684
Interest Income	1,790	-	1,790
Other Income	1,912	-	1,912
TOTAL REVENUE	<u>1,554,509</u>	<u>-</u>	<u>1,554,509</u>
EXPENSES			
Program Services	773,142	-	773,142
Administrative Expenses	265,296	-	265,296
TOTAL EXPENSES	<u>1,038,438</u>	<u>-</u>	<u>1,038,438</u>
CHANGE IN NET ASSETS	516,071	-	516,071
NET ASSETS - BEGINNING	1,342,214	-	1,342,214
NET ASSET ADJUSTMENT	45,801	-	45,801
NET ASSETS - ENDING	<u>\$ 1,904,086</u>	<u>\$ -</u>	<u>\$ 1,904,086</u>

The accompanying notes are an integral part of these financial statements

JANE PLACE NEIGHBORHOOD SUSTAINABILITY INITIATIVE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	PROGRAM SERVICES	ADMINISTRATIVE EXPENSES	TOTAL
EXPENSES			
Contractual Services	\$ -	\$ 9,535	\$ 9,535
Outreach & Special Events	13,975	18,246	32,221
Pass Thru Grant Expenses	9,500	-	9,500
Payroll Expenses	357,802	115,105	472,907
Professional Services	150	7,345	7,495
Advertising	-	28,242	28,242
Gifts & Contributions	-	1,059	1,059
Office Expense	2,348	23,814	26,162
Tax, Licenses, and Fees	12,271	3,514	15,785
Insurance Expense	65,868	3,638	69,506
Occupancy Expense	9,217	22,950	32,167
Bank Fees	-	482	482
Property Maintenance	301,869	-	301,869
Travel Expenses	142	5,243	5,385
Interest Expense	-	25,824	25,824
Miscellaneous	-	299	299
TOTAL EXPENSES	<u>\$ 773,142</u>	<u>\$ 265,296</u>	<u>\$ 1,038,438</u>

The accompanying notes are an integral part of these financial statements

JANE PLACE NEIGHBORHOOD SUSTAINABILITY INITIATIVE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

Cash Flows from Operating Activities:	
Change in Net Assets	\$ 516,071
Net Assets Adjustment	45,801
Adjustments to Reconcile Change in Net Assets to Net Cash (Used) Provided by Operating Activities:	
Net Changes in Assets and Liabilities:	
Decrease in Accounts Payable	(7,923)
Total Adjustments	<u>(7,923)</u>
Net Cash Provided by Operating Activities	<u>553,949</u>
Cash Flows from Investing Activities:	
Decrease in Fixed Assets	<u>36,677</u>
Net Cash Used by Investing Activities	<u>36,677</u>
Cash Flows from Financing Activities:	
Increase to Notes Payable	750,000
Repayment of Mortgages Payable (Net)	<u>(299,595)</u>
Net Cash Used by Financing Activities	<u>450,405</u>
Net Change in Cash	1,041,031
Cash at Beginning of Year	<u>325,653</u>
Cash at End of Year	<u><u>\$ 1,366,684</u></u>

The accompanying notes are an integral part of these financial statements

JANE PLACE NEIGHBORHOOD SUSTAINABILITY INITIATIVE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 – BACKGROUND AND NATURE OF OPERATIONS

Jane Place Neighborhood Sustainability Initiative, Inc. (JPNSI) was organized in 2008 as a nonprofit organization with the purpose to support and contribute to the building of safe, affordable housing for low and moderate income residents in the Mid-City neighborhood of New Orleans, LA; to preserve the quality and affordability of housing for future low income and moderate income residents of the community; to promote sustainable land use and community development; to foster community participation and neighborhood unity. JPNSI is organized on a non-stock basis, and there is but one class of membership.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

JPNSI financial statements are prepared on the accrual basis of accounting, whereby revenue is recorded when earned and expenses are recorded when incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, JPNSI considers all cash in demand deposits and investments purchased with a maturity date of three months or less to be cash equivalents.

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

Financial Statement Presentation

In accordance with the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as set forth in FASB ASC 958, which established standards for external financial reporting by not-for-profit organizations, JPNSI classifies resources for accounting and reporting purposes into two net asset categories which are without donor restrictions and with donor restrictions.

JANE PLACE NEIGHBORHOOD SUSTAINABILITY INITIATIVE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation

A description of these two net asset categories is as follows:

- Net assets without donor restrictions include funds not subject to donor-imposed stipulations. The revenues received and expenses incurred in conducting the mission of JPNSI are included in this category. JPNSI has determined that any donor-imposed restrictions for current or developing programs and activities are generally met within the operating cycle of JPNSI and therefore, their policy is to record those net assets without donor restrictions. As of December 31, 2023, JPNSI had \$1,904,086 in net assets without donor restrictions.
- Net assets with donor restrictions include funds that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. At December 31, 2023, JPNSI had no net assets with donor restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, program and support service expenses are specifically identified with or allocated to JPNSI functions. Expenses requiring allocation include services provided by the JPNSI management and administrative staff to specific program-related activities.

Interest

Interest costs are charged to expense as incurred. Total Interest Expense was \$25,824 for the year ended December 31, 2023.

Advertising

JPNSI uses advertising to promote its programs within the community it serves. The production costs of advertising are expensed as incurred. During the year ended December 31, 2023, advertising costs totaled \$28,242.

JANE PLACE NEIGHBORHOOD SUSTAINABILITY INITIATIVE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

JPNSI has been determined to be tax exempt under Section 501(c)(3) of the Internal Revenue Code. Under section 501(c)(3), JPNSI is exempt from taxes on income other than unrelated business income. During the year ended December 31, 2023, JPNSI did not recognize unrelated business income. Therefore, no provision for income taxes is made in the accompanying financial statements.

JPNSI utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of December 31, 2023, JPNSI has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

Revenue Recognition

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor's conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identifying of a barrier, which is more than trivial, must be overcome before the revenue can be earned and recognized.
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised if the condition is not met.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as revenue with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Conditional contributions are recognized when the barriers to entitlement are overcome, and the promises become unconditional. Unconditional contributions are recognized as revenue when received. Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award. Exchange transactions are reimbursed based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed.

**JANE PLACE NEIGHBORHOOD SUSTAINABILITY INITIATIVE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 17, 2024. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

NOTE 3 – PROPERTY AND EQUIPMENT

A summary of property and equipment is as follows:

Land	\$ 232,266
Buildings	2,028,659
Office Equipment	1,150
Pre-Development Project	89,284
	2,351,359
Accumulated Depreciation	(274,544)
	2,076,815
Construction-In-Progress	216,909
Closing Costs	41,200
Accumulated Amortization	(24,944)
	\$ 2,309,980
Total Fixed Assets (Net)	

Depreciable property and equipment were depreciated for prior periods. The Depreciation Expense calculated for the Jane Place Neighborhood Sustainability Initiative had not been completed as of the date of these financial statements.

NOTE 4 – HOME LOANS

JPNSI receives funding from public agencies of the City of New Orleans and Louisiana Housing Corporation (State of Louisiana) in the form of HOME Loans. These HOME Loans are collateralized by real property and bear no interest. The City’s CNI Loans totaled \$600,000 and the State’s LHC Loan was \$400,000. The total balance due on HOME loans was \$1,000,000 as of December 31, 2023. These HOME Loans are forgivable if JPNSI meets certain affordability requirements on the development projects. As such, the entire balance of these loans is considered noncurrent as the projects have not satisfied the requirements for forgiveness as of December 31, 2023.

JANE PLACE NEIGHBORHOOD SUSTAINABILITY INITIATIVE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 – PROGRAM RELATED INVESTMENT LOANS

JPNSI received \$750,000 in Program Related Investment Loans (PRI Loans) from two investors. The investments are no fee, 0% interest, no payment, 7-year loans. The loans are payable in single balloon payments payable in 2030.

NOTE 6 – DEFINED CONTRIBUTION PLAN

JPNSI sponsors a defined contribution plan (the Plan) covering all employees with at least one year of service who agree to make contributions to the Plan. JPNSI matches participant's contributions to the Plan up to 3% of the individual participant's compensation. JPNSI matches 50% of the next 2% of participant's contributions to the Plan of the individual participant's compensation.

NOTE 7 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued on June 17, 2024, and determined that no events occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

NOTE 8 – RELATED PARTY TRANSACTION

As of December 31, 2023, JPNSI had one remaining loan payable to a related party. The related party loan is uncollateralized and bears no interest. The remaining balance at December 31, 2023 was \$12,301.

**JANE PLACE NEIGHBORHOOD SUSTAINABILITY INIATIVE, INC.
SCHEDULE OF COMPENSATION, PAYMENTS, AND OTHER BENEFITS TO
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2023**

Agency Head Name: Veronica Reed, Executive Director

Purpose	Amount
Salary	\$ 96,000
Benefits-insurance	10,265
Benefits-retirement	3,840
Benefits-other	5,000
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses*	-
Special meals	-