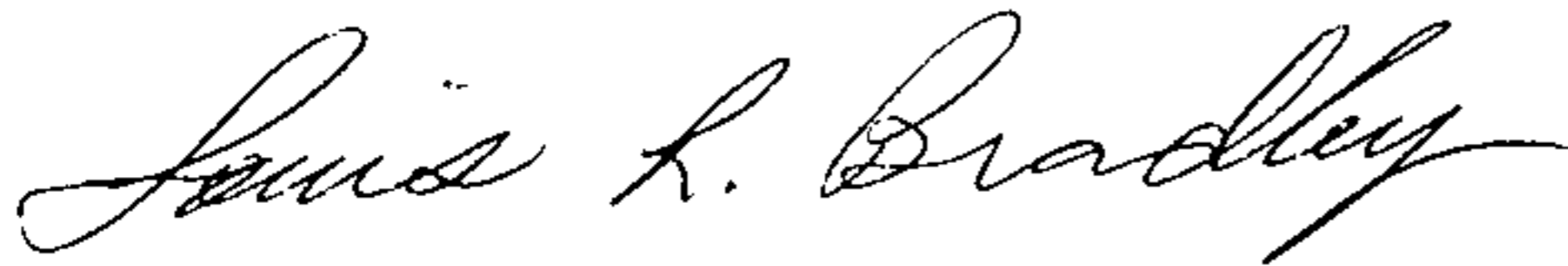


HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
Compliance with the General Requirement
Page 2

This report is intended for the information of the audit committee, management, the U. S. Department of Housing and Urban Development and Legislative Auditor's Office. However, this report is a matter of public record and its distribution is not limited.

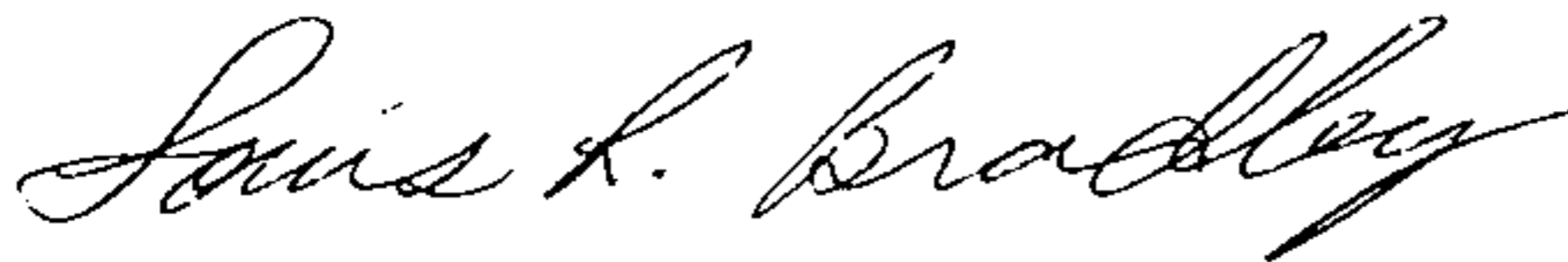


Louis R. Bradley,
Certified Public Accountant
Incorporated

Monroe, Louisiana
October 10, 1996

HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
Compliance with Laws and Regulations
Page 2

This report is intended for the information of the audit committee, management, the U.S. Department of Housing and Urban Development, and the Legislative Auditor's Office. However, this report is a matter of public record and this distribution is not limited.



Louis R. Bradley,
Certified Public Accountant
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Monroe, Louisiana
October 10, 1996

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SINGLE AUDIT REPORT ON THE INTERNAL CONTROL
STRUCTURE USED IN ADMINISTERING
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Board of Commissioners
HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
East Hodge, Louisiana

I have audited the financial statements of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE, for the year ended March 31, 1996, and have issued my report thereon dated October 10, 1996.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audit of State and Local Governments". Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit for the year ended March 31, 1996, I considered the AUTHORITY'S internal control structure in order to determine my auditing procedures for the purpose of expressing an opinion on the AUTHORITY'S financial statements and not to provide assurance on the internal control structure. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs.

The management of the HOUSING AUTHORITY is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objective of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principle.

Because of inherent limitations in any internal control structure, errors, irregularities or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any

HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
Single Audit Report on the Internal Control
Page 2

evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

- Revenue/Receipts
- Purchasing/Disbursements

For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk.

During the year ended March 31, 1996, the HOUSING AUTHORITY expended 100% of its total federal financial assistance under the following nonmajor federal financial assistance programs; Housing and Urban Development-Leased, Section 23.

I did not review the HOUSING AUTHORITY'S internal control procedures and compliance related to eligibility for the Housing and Urban Development Leased Section 23 Grant. These federal funds represent one-hundred percent (100%) of the total federal financial assistance.

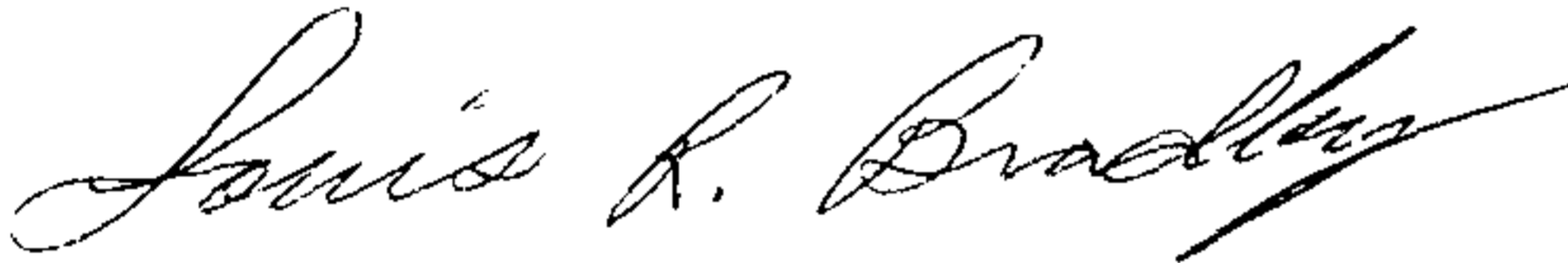
I performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material non-compliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned nonmajor federal financial assistance programs.

My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
Single Audit Report on the Internal Control
Page 2

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

The report is intended for the information of the audit committee, management, the U.S. Department of Housing and Urban Development, and the Legislative Auditor's Office. However, this report is a matter of public record and its distribution is not limited.



Louis R. Bradley
Certified Public Accountant
Incorporated

Monroe, Louisiana
October 10, 1996

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH THE GENERAL REQUIREMENTS APPLICABLE TO
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Board of Commissioners
HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
East Hodge, Louisiana

I have audited the financial statements of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE, as of and for the year ended March 31, 1996, and have issued my report thereon dated October 10, 1996.

I have applied procedures to test the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE'S, compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the year ended March 31, 1996: political activity, civil rights, cash management, federal financial reports, allowable costs/cost principles, Drug-free Workplace Act, and administrative requirements.

My procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments". My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE'S, compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

With respect to the items tested, the result of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE had not complied, in all material respects, with those requirements. Also, the result of my procedures did not disclose any immaterial instance of noncompliance with those requirements.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

Board of Commissioners
HOUSING AUTHORITY OF THE VILLAGE OF
EAST HODGE
East Hodge, Louisiana

I have audited the financial statements of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE, as of and for the year ended March 31, 1996, and have issued my report thereon dated October 10, 1996.

In connection with my audit of the March 31, 1996 financial statement of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE, and with my consideration of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE'S internal control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, Audits of State and local Governments, we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended March 31, 1996.

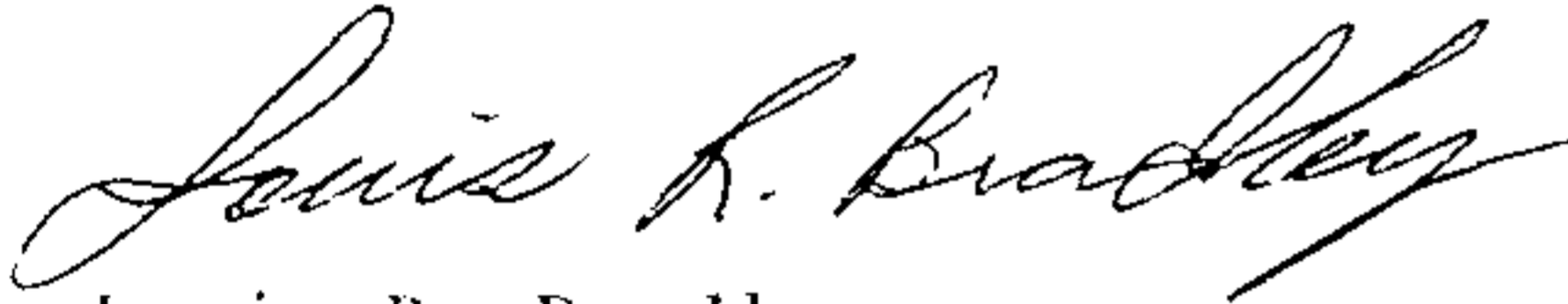
As required by OMB Circular A-128, I have performed auditing procedures to test compliance with the requirements governing types of cost allowed or unallowed and that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of Louisiana's compliance with these requirements. Accordingly, I do not express such an opinion.

I did not review the HOUSING AUTHORITY'S internal control procedures and compliance related to eligibility for the Housing and Urban Development Leased Section 23 grant. These federal funds represent one-hundred percent (100%) of the total federal financial assistance.

HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
Compliance with Specific Requirements
Page 2

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE had to complied, in all material respect, with those requirements. However, the results of my procedures disclosed no immaterial instances of noncompliance with those requirements.

This report is intended for the information of the audit committee, management, the Department of Housing and Urban Development and Legislative Auditor's Office. However, this report is a matter of public record and its distribution is not limited.



Louis R. Bradley,
Certified Public Accountant
Incorporated

Monroe, Louisiana
October 10, 1996

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INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF
FEDERAL FINANCIAL ASSISTANCE

Board of Commissioners
HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
East Hodge, Louisiana

I have audited the financial statements of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE for the year ended March 31, 1996, and have issued my report thereon dated October 10, 1996. These financial statements are the responsibility of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the financial statements of the HOUSING AUTHORITY OF VILLAGE OF EAST HODGE, taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
Report on Schedule of Federal Financial
Page 2

A handwritten signature in cursive script that reads "Louis R. Bradley". The signature is written in dark ink and is positioned above the printed name and title.

Louis R. Bradley
Certified Public Accountant
Incorporated

Monroe, Louisiana
October 10, 1996

SUPPLEMENTAL INFORMATION SCHEDULES

HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
Internal Control Report
Page 3

MANAGEMENT'S RESPONSE:

The auditor completed the audit within the contract period but did not submit the reports by the due dates. In the future the reports will be distributed in a timely manner.

This report is intended for the information of the audit committee, management, the U.S. Department of Housing and Urban Development, and the Legislative Auditor's Office. However, this report is a matter of public record and its distribution is not limited.

Louis R. Bradley
Certified Public Accountant
Incorporated

Monroe, Louisiana
October 10, 1996

HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE
EAST HODGE, LOUISIANA

March 31, 1996

STATUS OF PRIOR AUDIT FINDINGS

There were no prior audit findings.

FINDINGS, RECOMMENDATIONS, AND MANAGEMENT'S RESPONSE

There were no current findings.

ACTIVITIES OF THE PHA

The PHA had 26 units in management under the leased housing program (Project N. LA 127-1), which represents all of the activities of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE.

HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
Internal Control Report
Page 2

nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories:

- Cash/Revenues/Receipts
- Expenses/Purchasing/Disbursements
- Fixed Assets

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted one (1) matter involving the internal control structure and its operation that I consider to be a material weakness as defined above.

1. FINDING:

AUDIT SERVICES

Under Louisiana State Law the HOUSING AUTHORITY required to have an audit completed and copies submitted to the Office of the Legislative Auditor within six months after the end of the fiscal year.

RECOMMENDATION:

The HOUSING AUTHORITY should have the audit completed and applicable reports properly distributed as indicated in the engagement letter.

HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE
 EAST HODGE, LOUISIANA

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED MARCH 31, 1996

Source of Federal Assistance	CFDA No.	Award Period	Award Type	Federal Assistance	Contribution Earned
----- Nonmajor Program -----					
Housing and Urban Develop- ment-Leased Section 23	14.146	04-01-95 to 03-31-96	Annual Contribution	44630	44630

HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE
EAST HODGE, LOUISIANA

ANALYSIS OF FUND EQUITY-HUD BASIS
FOR THE YEAR ENDED MARCH 31, 1996

Annual Contribution Contract-FW-2019

Fund Balance-Unreserved:	
Balance at March 31, 1995	\$ 894,725
Net loss: PHA leased housing:	
For the year ended March 31, 1996	54,869
(Provision for)/Reduction of Operating Reserve:	
For the year ended March 31, 1996	19,729
Balance at March 31, 1996	----- 969,323
(Provision For)/Reduction of Operating Reserve:	
For the year ended March 31, 1996	(52,633)
Balance at March 31, 1996	----- (52,633)
Cumulative HUD Contributions:	
Balance at March 31, 1996	(915,560)
Annual Contributions:	
For the year ended March 31, 1996	(44,630)
Operating Subsidies:	
For the year ended March 31, 1996	(31,143)
Balance at March 31, 1996	----- (991,333)
Cumulative Donations:	
Balance at March 31, 1996	(2,131)
Total Fund Equity at March 31, 1996	----- \$ (76,774) =====

The accompanying notes are integral part of this financial statement.

**REPORTS ON COMPLIANCE, INTERNAL CONTROLS, AND
OTHERS**

HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE
EAST HODGE, LOUISIANA

ANALYSIS OF ANNUAL CONTRIBUTIONS EARNED-HUD BASIS
FOR THE YEAR ENDED MARCH 31, 1996

Annual Contribution Contract-FW-2019

	1996 -----
Maximum Basic Annual Contribution	\$ 44,630 =====
Net Operating Loss	56,044
Capital Expenditures	1,174
Operating Subsidies	(31,143)
Total Deficit Per Audit	----- 26,075
Miscellaneous Adjustments	----- -
Total Deficit Per PHA Before Provision For Reserve	26,075
Provision For/(reduction of) Operating Reserve	----- 18,555
Annual Contribution Earned	\$ 44,630 =====

The accompanying notes are integral part of this financial statement.

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HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE
East Hodge, Louisiana

FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORTS
AS OF AND FOR THE TWO YEARS ENDED MARCH 31, 1995
WITH SUPPLEMENTAL INFORMATION SCHEDULES

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date NOV 20 1996

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EAST HODGE, LOUISIANA

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For the Year Ended March 31, 1996

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HOUSING AUTHORITY OF THE VILLAGE
 OF EAST HODGE
 EAST HODGE, LOUISIANA
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 MARCH 31, 1996

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
East Hodge, Louisiana

I have audited the accompanying financial statements of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE, as listed on the contents page, for the year ended March 31, 1996, relating to its low-income Section 23 housing program. These financial statements are the responsibility of the project's management. My responsibility is to express an opinion on these financial statements based on My audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General and when applicable, Public Law 98-502, the Single audit Act of 1984, and the provisions of office of Management and Budget Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statement are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for our opinion.

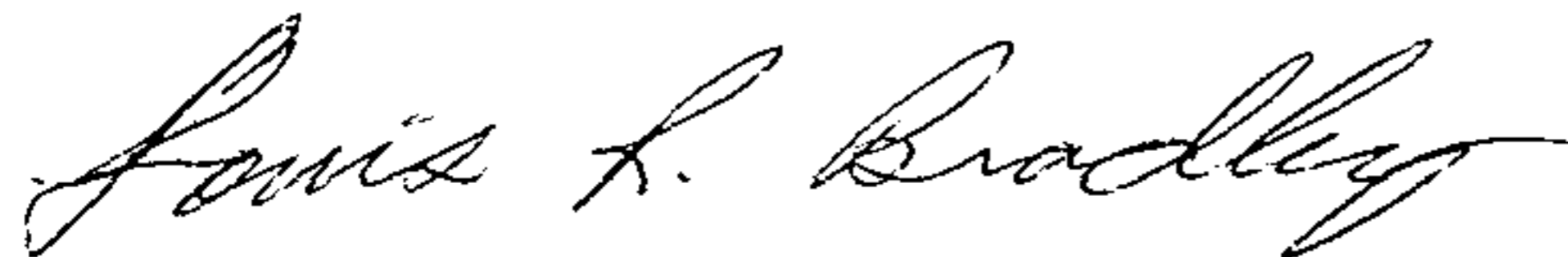
As discussed in Note 1 to the financial statement, the Authority's policy is to prepare its financial statements on the basis of accounting practices prescribe or permitted by the Department of Housing and Urban Development. These practices differ in some respects from generally accepted accounting principles. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles. This report is intended solely for filing with the Department of Housing and Urban Development and is not intended for any other purpose.

HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
Independent Auditor's Report
Page 2

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects the financial position of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE, as of March 31, 1996, and the results of its operations and changes in its surplus for the year then ended in conformity with accounting practices generally followed by local Housing Authorities.

My audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental information schedules included in the report are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of these financial statements and, in my opinion, is fairly stated in all material respect in relation to the financial statements taken as a whole.

This report is intended for the information of the audit committee, management, U.S. Department of Housing and Urban Development, and the Legislative Auditor's Office. However, this report is a matter of public record and its distribution is not limited.



Louis R. Bradley,
Certified Public Accountant
Incorporated

Monroe, Louisiana
October 10, 1996

FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Board of Commissioners
HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
East Hodge, Louisiana

I have audited the financial statements of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE, as of and for the year ended March 31, 1996, and have issued my report thereon dated October 10, 1996.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of office of Management and Budget Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statement are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the HOUSING AUTHORITY, is the responsibility of the HOUSING AUTHORITY'S management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the AUTHORITY'S compliance with certain provisions of laws regulations, contracts, and grants. However, my objective was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests indicate that, with respect to the items tested, the HOUSING AUTHORITY, complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to item not tested, nothing came to my attention that caused me to believe that the AUTHORITY had not complied, in all material respects, with those provisions.

HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE
EAST HODGE, LOUISIANA

STATEMENTS OF INCOME AND EXPENSES-HUD BASIS
FOR THE YEAR ENDED MARCH 31, 1996

Annual Contributions Contract - FW-2019

	1996

Operating Income:	
Dwelling rental	\$ 19,903
Other income	325

Total Operating Income	\$ 20,228

Operating expenses:	
Administration	13,200
Travel	1,200
Accounting	1,225
Auditing Fees	3,000
Sundry	2,470
Legal	50
Recreation, Publication	307
Contracts Costs, Training & Others	25
Utilities	1,471
Material	2,681
Contract Costs	8,748
Labor	950
Insurance	4,135
Employee Benefit Contributions	808
Rent To Owners Leasing Dwellings	34,827
Replacement of Nonexpenditure	1,175

Total operating expenses	\$ 76,272

Net Operating (Loss)	\$ (56,044)
	=====

The accompanying notes are an integral part of this financial statement.

HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE
East Hodge, Louisiana

Notes To Financial Statement

March 31, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Method

The HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE is a political submission of the Village of East Hodge.

The HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE uses the accounting practices prescribed or permitted by the Department of Housing and Urban Development. Revenues are recognized on a modified accrual basis of accounting. Under this method revenues are recognized in the accounting period which they become both available and measurable.

Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

Fixed Assets and Depreciation

Fixed assets are reported at cost, and these costs are not depreciated over future periods.

Activities of the Public Housing Authority

The Public Housing Authority had twenty-six (26) units in management under the leased housing program (Project No. LA 127-1), which represents all of the activities of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE.

NOTE 2 - CASH

Cash consisted of demand deposits of \$51,774,26 at March 31, 1996. These deposits are stated at cost, which approximates market.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL
STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Board of Commissioners
HOUSING AUTHORITY OF THE VILLAGE
OF EAST HODGE
East Hodge, Louisiana

I have audited the financial statements of the HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE for the year ended March 31, 1996, and have issued my report thereon date October 10, 1996.

I have conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of "Office of Governments". Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit of the financial statements of the HOUSING AUTHORITY for the year ended March 31, 1996, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

The management of the HOUSING AUTHORITY is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may

USING AUTHORITY OF THE VILLAGE
F EAST HODGE
otes to the Financial Statement
age 2

OTE 2 - CASH (CONTINUED)

nder state law, these deposits, or the resulting bank balances,
ust be secured by federal deposit insurance or the pledge of
curities owned by the fiscal agent bank. The market value of the
ledge securities, plus the federal deposit with the fiscal agent.
ash at March 31, 1996 is fully secured with federal deposit
nsurance.

HOUSING AUTHORITY OF THE VILLAGE OF EAST HODGE
EAST HODGE, LOUISIANA

BALANCE SHEET-HUD BASIS
MARCH 31, 1996

Annual Contributions Contract - FW-2019

ASSETS

	1996
Cash (Note 3)	\$ 51,774
Accounts receivable-HUD	22,306
Other Receivables-Deposits Over & Under	1,770
Land, structures and equipment	25,205

Total Assets	\$ 101,055
	=====

LIABILITIES AND SURPLUS

Tenant security deposits	\$ 1,095
Other Payable	23,186

Total liabilities	24,281
Fund equity (Schedule 1)	76,774

Total Liabilities and Surplus	\$ 101,055
	=====

The accompanying notes are an integral part of this financial statement.