

Additional Information

DESIRE COMMUNITY HOUSING CORPORATION
FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 1986

General

(1) 1099's

Statement of Condition:

No 1099's were issued for contract services.

Criteria:

Federal Law requires that employers issue 1099's for all contract services in excess of \$600.

Effect of Condition:

The agency is not in compliance with federal regulations and could be penalized for such omissions.

Recommendation:

(2) Late filing of 990's

Statement of Condition:

The agency has not filed their 990 for year end December 31, 1986 to the Internal Revenue Service.

Criteria:

Federal Law requires that all non-profit companies file their 990's within five months after the close of their period.

Effect of Condition:

Unknown at this time, but there could be possible penalties and interest.

(3) Property Listing

Statement of Condition

Dexter Community Housing Corporation
12-31-96
Findings and Recommendations

General Requirement:

Management Comments:

1. The agency has not collected rents in a timely manner. This has caused larger than normal balances in the accounts receivable account for rent receivables.
2. Property documentation, tagging and the booking of property was not sufficient at the time of audit. We have developed schedules that would facilitate this for accounting. This would allow the inclusion of these assets on the financial statements of the agency.
3. A General Requirement was not met when the agency did not include in it's Agency/Personnel manual adequate language to address affirmative action. We are not aware of any pending suits or grievances identified against DCHC in this area. The receipt of federal funds requires the agency to address this in it's operational agenda.

D. W. Hall

George Hall
Certified Public Accountant
New Orleans, La.

October 9, 1957

 **GEORGE RABB, P.C.** **ACCOUNTING AND TAX COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL AWARD PROGRAM TRANSACTIONS**

Board of Directors
Desire Community Housing Corporation

I have audited the financial statements of Desire Community Housing Corporation (a non-profit organization) as of and for the year ended December 31, 1996, and have issued my report thereon dated October 9, 1997. In my report, my opinion was qualified because DCHC failed to reconcile Due To's and Due From's. The ultimate effect of the difference cannot be determined. Accordingly, no provision for any difference has been made in the accompanying financial statements.

In connection with my audit of the financial statements of Desire Community Housing Corporation and with my consideration of the Organization's internal control structure used to administer federal award programs, as required by Office of Management and Budget Circular A-133, "Audit of Institutions of Higher Education and Other Nonprofit Institutions," I selected certain transactions applicable to certain nonmajor federal award programs for the year ended December 31, 1996. As required by OMB Circular A-133, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed, eligibility that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Desire Community Housing Corporation's compliance with these requirements. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of my procedures disclosed no material instance 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 Desire Community Housing Corporation had not complied in all material respects, with those requirements. However, the results of my procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and Questioned Costs.

This report is intended for the information of management, board of directors, the Legislative Auditor of the State of Louisiana, the City of New Orleans, and the U.S. Department of Housing and Urban Development. However, this report is a matter of public record, and its distribution is not limited.

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George Ruff
Certified Public Accountant
New Orleans, La.

October 5, 1987



GEORGE RABB, P.C. ~~CONSULTING FIRM~~ **COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL AWARDS PROGRAMS**

Board of Directors
Deane Community Housing Corporation

I have audited the financial statements of Deane Community Housing Corporation (a non-profit organization) as of and for the year ended December 31, 1996, and have issued my report thereon dated October 9, 1997. In my report, my opinion was qualified because DCHEC failed to reconcile Due To's and Due From's. The ultimate effect of the difference cannot be determined. Accordingly, no provision for any difference has been made in the accompanying financial statements.

I have also audited the compliance of Deane Community Housing Corporation's with the requirements governing types of services allowed or disallowed; eligibility; reporting; claims for advances and reimbursements; that are applicable to each of its major federal award programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended December 31, 1996. The management of Deane Community Housing Corporation is responsible for the Deane Community Housing Corporation's compliance with these requirements. My responsibility is to express an opinion on compliance with these requirements based on my audit.

I conducted my audit of compliance with these requirements 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-133, "Audit of Institutions of Higher Education and Other Nonprofit Organizations". These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to in the second paragraph occurred. An audit includes examining, on a test basis, evidence about Deane Community Housing Corporation's compliance with these requirements. I believe that my audit provides a reasonable basis for my opinion.

The results of my audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying Schedule of Findings and Questioned Costs. I considered these instances of noncompliance in forming my opinion on compliance, which is expressed in the following paragraph.

In my opinion, Deane Community Housing Corporation complied, in all material respects, with the requirements referred to in the second paragraph that are applicable to each of its major federal award programs, for the year ended December 31, 1996.

Questioned Costs.

This report is intended for the information of management, board of directors, the Legislative Auditors of the State of Louisiana, the City of New Orleans, and the U.S. Department of Housing and Urban Development. However, this report is a matter of public record, and its distribution is not limited.



George Rabb
Certified Public Accountant
New Orleans, La.

October 9, 1997



GEORGE RABB, P.C. REPORT ON COMPLIANCE WITH THE
GENERAL REQUIREMENTS APPLICABLE TO FEDERAL AWARDS
PROGRAMS

Board of Directors
Deane Community Housing Corporation

I have audited the financial statements of Deane Community Housing Corporation (a non-profit organization) as of and for the year ended December 31, 1996, and have issued my report thereon dated October 9, 1997. In my report, my opinion was qualified because DCCHC failed to reconcile Due To's and Due From's. The ultimate effect of the difference cannot be determined. Accordingly, no provision for any difference has been made in the accompanying financial statements.

I have applied procedures to test the compliance of Deane Community Housing Corporation with the following requirements applicable to its federal award programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended December 31, 1996:

GENERAL REQUIREMENTS

- Political activity
- Civil rights
- Cash management
- Drug-free workplace
- Federal financial reports
- Allowable costs/cost principles
- Administrative requirements

My procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Audits of Institutions of Higher Learning and Other Non-Profit Institutions". My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Deane Community Housing Corporation'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 results of my procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of the report. With respect to items not tested, nothing came to my attention that caused me to believe that Deane Community Housing Corporation had not complied, in all material respects, with those requirements. However, the results of my procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and

Criteria

State Law requires timely payment of State Unemployment Tax Reserve.

Effect of Condition

Assessment of penalties and interest due to late payment of reserves.

2) Reporting

The audit report for Devise Community Housing Corporation for the period ending December 31, 1996 was not submitted within six months of the close of the entity's fiscal year as required by Louisiana Revised Statute 24:513.

I considered these material instances of noncompliance in forming our opinion on whether Devise Community Housing Corporation's 1996 financial statements are prepared fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect my report dated October 3, 1997 on those financial statements.

This report is intended for the information of management, board of directors, the Legislative Auditor of the State of Louisiana, the City of New Orleans, and the U.S. Department of Housing and Urban Development. However, this report is a matter of public record, and its distribution is not limited.



George Balle
Certified Public Accountant
New Orleans, La.

October 3, 1997



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

Board of Directors
Deane Community Housing Corporation

I have audited the financial statements of Deane Community Housing Corporation (a non-profit organization) as of and for the year ended December 31, 1996, and have issued my report thereon dated October 3, 1997. In my report, my opinion was qualified because DCHC failed to reconcile Due To's and Due From's. The ultimate effect of the difference cannot be determined. Accordingly, no provision for any difference has been made in the accompanying financial statements.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

The results of our test disclosed the following instances of noncompliance that are required to be reported herein under Government Auditing standards for which the ultimate resolution cannot presently be determined. Accordingly no provision for any liability that may result has been recognized in DCHC's December 31, 1996 financial statements.

(i) Payroll Tax Returns

Conditions:

State Unemployment Tax Returns filed in 1996 were paid late.

George Rabb

George Rabb
Certified Public Accountant
New Orleans, La.

October 5, 1997

4. Accounting Records

The accounting records were incomplete due in part to a change in financial management and a new accounting system which was scheduled to go in place for the year 1996. An alternate accounting system was used for 1996 and adjustments were recorded during the audit to complete the accounting records. Because of the limited resources in the alternate accounting system the client was able to only provide receipts and disbursement transactions.

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 non-compliance with laws and regulations would be material to a federal award program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure policies and procedures used in administering federal awards would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I noted the following matters involving the internal control structure and its operation as defined above that I consider to be material weaknesses as defined above.

MATERIAL WEAKNESSES

1. Interfund Receivables/Payables

My review of interfund balances revealed that interfund receivables and payables between programs are not reconciled on a regular basis. Interfund payables were carried in the random payable account of a program. Interfund receivables were not identified in specific accounts in the program general ledgers.

I recommend that proper controls be established over interfund receivables and payables to include monthly reconciliation. Interfund receivables and payables should be carried in separate receivable and payable accounts and not combined in accounts carrying non-interfund activity.

This report is intended for the information of management, board of directors, the Legislative Auditor of the State of Louisiana, the City of New Orleans, and the U.S. Department of Housing and Urban Development. However, this report is a matter of public record, and its distribution is not limited.

compliance with specific requirements, general requirements, and requirements governing claims for reimbursements that are applicable to each of the Organization's major federal awards programs, which are identified in the accompanying Schedule of Federal Awards. 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.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgement, could adversely affect the Organization's ability to administer federal awards programs in accordance with applicable laws and regulations.

REPORTABLE CONDITIONS

1. Budget

The agency did not maintain budgets for active programs.

I recommend the organization set up budgetary controls on all active programs and monitor their budgets on a monthly basis.

2. Fixed Assets

The organization did not have a detail listing of the fixed assets. Further, the organization did not perform an annual inventory of fixed assets on hand for the audit period.

3. Tax Lien

The corporation had a tax lien for state unemployment taxes in the amount of \$38,142.06, this levy was subsequent release during the audit period and the corporation paid prior period taxes with current period funds.

Under the terms and conditions of the contracts, the Organization is to maintain a record of property and equipment which has a useful life of one year or more. The records to include a description of the property, including model and serial number, if applicable, date of acquisition, and the assigned program that the asset was acquired for.

financial statements in accordance with generally accepted accounting principles, and that federal awards programs are managed in compliance with applicable laws and regulations. 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 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 program in the following categories:

- * Cash
- * Investments
- * Support, receivables and receipts
- * Expenses for programs, supporting services and accounts payable
- * Payroll and related liabilities
- * Property and equipment
- * Debt and other liabilities
- * Fund balances
- * Governmental financial assistance programs

GENERAL REQUIREMENTS

- * Political activity
- * Civil rights
- * Cash management
- * Drug-free workplace
- * Federal financial reports
- * Allowable costs/cost principles
- * Administrative requirements

SPECIFIC REQUIREMENTS

- * Types of service allowed or not allowed
- * Financial reports and claims for reimbursements
- * Cost allocation

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

During the year ended December 31, 1996, Devco Community Housing Corporation expended 91% of its total federal awards under major federal programs.

I performed tests of controls, as required by OMB Circular A-133, 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-



Board of Directors
Desire Community Housing Corporation

I have audited the financial statements of Desire Community Housing Corporation (a non-profit organization) as of and for the year ended December 31, 1996, and have issued my report thereon dated October 9, 1997. In my report, my opinion was qualified because DCHC failed to reconcile Due To's and Due From's. The ultimate effect of the difference cannot be determined. Accordingly, no provision for any difference has been made in the accompanying financial statements.

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-133, *Audit of Institutions of Higher Education and Other Nonprofit Institutions*. These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether Desire Community Housing Corporation complied with laws and regulations, noncompliance with which would be material to a major federal program.

In planning and performing my audit for the year ended December 31, 1996, I considered the internal control structure of Desire Community Housing Corporation in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements of Desire Community Housing Corporation and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal programs. I have addressed internal control policies and procedures relevant to my audit of the financial statements in a separate report dated October 9, 1997.

The management of Desire Community Housing Corporation is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure and procedures. The objectives of an internal control structure are to provide management with reasonable, but no absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of

recorded during the audit to complete the accounting records. Because of the limited resources in the alternate accounting system the client was able to only provide receipts and disbursement transactions.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structures 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I noted the following:

MATERIAL WEAKNESSES

1. Interfund Receivables/Payables

My review of interfund balances revealed that interfund receivables and payables between programs are not reconciled on a regular basis. Interfund payables were carried in the vendor payable accounts of a program. Interfund receivables were not identified in specific accounts in the program general ledgers.

I recommend that proper controls be established over interfund receivables and payables to include monthly reconciliations. Interfund receivables and payables should be carried in separate receivable and payable accounts and not combined in accounts carrying non-interfund activity.

I also noted other matters involving the internal control structure and its operation that I have reported to the management of DCHC in a separate letter dated October 7, 1997.

This report is intended for the information of management, board of directors, the Legislative Auditor of the State of Louisiana, the City of New Orleans, and the U.S. Department of Housing and Urban Development. However, this report is a matter of public record, and its distribution is not limited.


George Kable
Certified Public Accountant
New Orleans, La.
October 9, 1997

assessed control risk 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. Accordingly, I do not express such an opinion.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the Organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

REPORTABLE CONDITIONS:

1. Budget:

The agency did not maintain budgets for active programs.

I recommended the organization set up budgetary controls on all active programs and monitor these budgets on a monthly basis.

2. Fixed Assets

The organization did not have a detail listing of the fixed assets. Further, the organization did not perform an annual inventory of fixed assets on hand for the audit period.

Under the terms and conditions of the contracts, the organization is to maintain a record of property and equipment which has a useful life of one year or more. The record is to include a description of the property, including model and serial number, if applicable, date of acquisition, and the assigned program for which the asset was acquired.

3. Tax Lien

The corporation had a tax lien for state unemployment tax in the amount of \$38,140.06, this levy was subsequently released during the audit period and the corporation paid prior period taxes with current period funds.

4. Accounting Records

The accounting records were incomplete due in part to a change in financial management and a new accounting system which was scheduled to go in place for the year 1996. An alternate accounting system was used for 1996 and adjustments were



GEORGE RABB, P.C. Certified Public Accountant

**INDEPENDENT ACCOUNTANT'S REPORT ON INTERNAL CONTROL
STRUCTURE**

**BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Deane Community Housing Corporation

I have audited the financial statements of Deane Community Housing Corporation (a non-profit organization) as of and for the year ended December 31, 1996, and have issued my report thereon dated October 9, 1997. In my report, my opinion was qualified because DCCHC failed to reconcile Due To's and Due From's. The ultimate effect of the difference cannot be determined. Accordingly, no provision for any difference has been made in the accompanying financial statements.

I have also audited the compliance of DCCHC with requirements applicable to major federal award programs and have issued my report dated October 9, 1997.

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

The management of Deane Community Housing Corporation is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control measures, 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 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 and operation of policies and procedures may deteriorate.

In planning and performing my audit of the financial statements of Deane Community Housing Corporation for the year ended December 31, 1996, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we

DESIRE COMMUNITY HOUSING CORPORATION
SCHEDULE OF FEDERAL AWARDS
For The Year Ended December 31, 1988

Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Revenue Recognized	Expenditures
U.S. Department of Agriculture				
Passed Through Louisiana				
Department of Education:				
Child Care Food	10-558	N/A	\$ 51,213	\$ 55,154
U.S. Department of Health & Human Services				
Direct Programs:				
HeadStart - Demonstration Grant	93-808		301,737	283,813 *
Passed Through Louisiana				
Department of Social Services:				
Project Independence			18,718	13,148
Total Health & Human Services			317,442	297,961 *
Department of Housing and Urban Development:				
Hud Grant	14-218	Ho2g040807	58,183	42,812 *
Home Investment Partnership Program	14-239	84-007	713,086	713,511 *
Hope Homeownership	14-240		142,340	55,358 *
United Way (CDMA)	14-218		4,748	4,715 *
Olester			34,580	78 *
Passed Through City of New Orleans				
Black Grant	14-218	CDMS	60,524	118,788 *
Total Housing and Urban Development:			1,047,380	903,879 *
Total			\$ 1,670,028	\$ 1,288,794

* Denotes major program.

Basin Community Housing Commission
 Condensed Statement of Activity and
 Changes in Net Assets
 For the Year Ended December 31, 1999

	41 Bayou Apartment	42 Haze 2 Phase 2	43 Sutton Center SOBT	44 Cape Pio City SO	45 Housing Counselling SOBT	TOTAL
Revenue						
Grant	\$0	\$0	\$24,202	\$0	\$65,675	\$89,877
Contract	147,658	76,608		64,881		289,147
Program Income	(7,358)					(7,358)
Contribution and Donation						46,783
Interest Income	0					5,415
Gain From Sales of Assets						64,400
Other Income						11,322
Total Revenue	178,471	76,608	24,202	64,881	66,675	1,907,612
Expenses						
Salaries	5,982	9,285	19,285	41,248	55,755	170,155
Fringe Benefits	589	758	3,471	3,300	4,487	17,505
Contract Services	28,253	11,541			3,600	43,394
Depreciation						6,100
Utilities	1,348	30	585		1,028	3,031
Building Maintenance						5,500
Materials & Supplies	611		478			10,833
Travel & Conferences		430	1,567			22,688
Property - Capitalized	160,000					188,147
Property - Non-Capitalized						75,182
Maintenance	1,537					25,048
Interest Expense	4,225	1,528				89,973
Bank Fees	559	704	280	268	248	3,495
Debt & Indefinite	9,650		8,870			66,477
Insurance						188
Printing & Photography						284
Postage & Freight						13,877
Telephone	600		493		1,080	0
Board Meetings						12,029
International Administrative Cost	76	2,880				2,347
Professional Services						18,210
Training						7,267
Qualified Cost						
Other Expenses						
Total Expenses	207,258	26,443	21,862	46,870	64,260	1,145,479
Excess Revenue Over Expenses	(21,847)	50,165	2,340	17,911	(276)	162,134
Net Assets Beginning of Year		218				(80,778)
Net Property Beginning of Year						170,818
Property Addition	160,200					(70,888)
Net Assets End of Year	(17,447)	\$54,152	\$2,340	\$17,911	(874)	\$1,028,415

Deane Community Housing Corporation
Combined Statement of Activity and
Changes in Net Assets
For the Year Ended December 31, 1999

	00 1997 Proceeds	01 1998 1999 Total	02 1999 1998 1999 Security D	03 01/01/1994 Fund	04 01/01/94 Admin.	05 General Fund
Revenue						
Grant	\$0	\$0	\$0	\$0	\$0	\$0
Concessions						
Program Income						
Contributions and Donations		4,748		10,891		381
Investment Income						
Gain from Sales of Assets						10
Other Income						10
Total Revenue	0	4,748	0	10,891	0	391
Expenses						
Salaries					209	809
Fringe Benefits				0,000		0,000
Contract Services	100	4,624	(50)			0,000
Emergency						(80)
Interest						(80)
Building Maintenance						
Materials & Supplies				1,000		940
Taxes & Licenses						
Property - Capitalized						
Property - Non-Capitalized						
Maintenance				800		70
Interest Expense		80				
Bank Fees	104		100	71		900
Dues & Subscriptions					(100)	00
Insurance						(1,000)
Printing & Photocopying						00
Postage & Freight						1,000
Telephone						
Board Meetings				1,000		700
Interest and Administrative Cost						200
Participant Act-1998						
Training						1,000
Outplacement Cost						
Other Expenses						
Total Expenses	104	4,710	(50)	10,360	80	10,220
Excess Revenue Over Expenses	(104)	30	50	(469)	(80)	(11,829)
Net Assets Beginning of Year				1,871	0	(1,100)
Net Property Beginning of Year						(1,100)
Property Addition						(1,000)
Net Assets End of Year	(1,000)	60	100	1,402	(80)	(2,200)

Deane Community Housing Corporation
 Condensed Statement of Activity and
 Changes in Net Assets
 For the Year Ended December 31, 2008

	2004 Unaudited & Notes	05 Unaudited Financial Statements	06 Audited Financial Statements	07 DC/HC Real Estate	08 DC/HC Insurance	09 Lease Mortgage
Revenue						
Gross	\$0	\$0	\$0	\$0	\$0	\$0
Contract	486,071	12,268				
Program Income	6,900					
Contribution and Donation		1,541				
Interest Income			2,820	500	10,218	1,180
Gain From Sales of Assets			66,620			
Other Income						
Total Revenue	493,071	13,809	69,440	500	10,218	1,180
Expenses						
Salaries	50,116					
Fringe Benefits	1,947				2,718	1,000
Contract Services	189,323	140	2,200		7,863	308
Occupancy	286					
Utilities	1,106		100			
Building Maintenance	2,754					
Materials & Supplies	22,120		100		976	
Travel & Conference						
Property - Capitalized	12,288					
Property - Non-Capitalized	1,158				1,000	
Maintenance	10,050				375	410
Insurance Expenses	42,715	6,717		1,000	180	
Bank Fees	181	145	94	82	80	228
Dues & Subscriptions				48		
Insurance	8,288	140	1,000	1,878		317
Printing & Photography						
Postage & Freight					128	
Telephone	818					
Board Meetings						
Interest and Administrative Cost	13				163	
Participation Activities						
Printing					8,894	
Distributed Cost	0					
Other Expenses						
Total Expenses	362,780	8,045	3,124	2,880	18,918	2,718
Excess Revenue Over Expense	130,291	5,764	66,316	(2,380)	(8,700)	(200)
Net Asset Beginning of Year	(188,004)	0	10,001			
Net Property Beginning of Year	107,678	(1,342)				
Property Addition	47,889	(3,871)				
Net Asset End of Year	\$11,164	\$(1,459)	\$66,316	\$11,164	\$(8,700)	(200)

Quaker Community Housing Corporation
Condensed Statement of Activity and
Changes in Net Assets
For the Year Ended December 31, 1999

	19 Cash and Fund	18 Gross Square Feet	18 Million of \$	17 Vacant Square Feet	1919 1918 Unit Cost Expense	20 Cost Plus Margin
Revenue						
Grant	\$0	\$0	\$0	\$0	\$64,127	\$0
Contract	\$2,882					\$2,882
Program Income		\$8,789	\$1,075			
Contribution and Donation						
Interest Income						
Gain From Sale of Assets						
Other Income	\$92					
Total Revenue	\$3,874	\$8,789	\$1,075	0	\$64,127	\$1,632
Expenses						
Salaries	\$8,000	\$4,571	\$58		\$68,000	\$2,870
fringe Benefits	2,878	2,888	49		22,040	2,826
Contract Services	1,888	2,282	2,579	4	28,140	
Contingency					152	
Utilities		24,330				249
Building Maintenance	840					
Materials & Supplies	22,788	1,219	41		12,767	883
Taxes & Licenses		1,488				3,891
Property - Capitalized					18,882	
Property - Non-Capitalized					12,888	11
Maintenance	88				1,482	1,275
Interest Expense						
Bank Fees	57	72		16	288	29
Auto & Automobile					127	827
Insurance		2,627	\$4,488		1,115	
Printing & Photocopying						
Postage & Freight						
Telephone		1,484			628	2,489
Board Meetings						
Office and Administrative Cost		292			87	881
Participant Activities					221	
Training	105	619			2,848	404
Equipment Cost						
Other Expenses						
Total Expenses	\$5,144	\$12,014	\$17,728	14	\$222,812	\$17,922
Excess Revenue Over Expenses	(1,270)	(3,225)	(6,653)	(14)	\$41,315	(1,290)
Net Asset Beginning of Year	\$1,842	\$945	\$18,619	(1,088)	8,808	(1,842)
Net Property Beginning of Year		\$48,820	\$1,798			
Property Addition		(22,508)	(3,728)		18,882	
Net Asset End of Year	\$57,324	\$266,837	\$12,875	(1,102)	\$48,923	(29,132)

Delta Community Housing Corporation
Condensed Statement of Activity and
Changes in Net Assets
for the Year Ended December 31, 2008

	8 2008	9 2007	10 2006	11 2005	12 2004	13 2003
	Net Assets	Net Assets	Net Assets	Net Assets	Net Assets	Net Assets
Revenue						
Grant	\$0	\$50,140	\$74,558	\$0	\$0	\$0
Contract				21,272	2,587	15,715
Program Income						
Contributions and Donations						
Interest Income						
Gain From Sales of Assets						
Other Income				4,381	1,221	
Total Revenue	0	50,140	74,558	25,653	3,808	15,715
Expenses						
Travel		20,288		68,883	2,859	9,803
Foreign Benefits		2,679		9,381	218	178
Contract Services	75	508			1,650	1,568
Consulting		329				
Utilities	542	272				
Printing/Stationery					208	
Travel & Expenses		2,178		2,555	88	241
Traffic & Concessions		7,874				7,708
Property - Capitalized		3,880				
Property - Non-Capitalized						
Maintenance		2,415		660	200	
Interest Expense						
Bank Fees	178	89	75	172	58	41
Books & Subscription		100			100	
Insurance		322			2,748	
Printing & Photography						
Postage & Freight						
Telephone		1,627			88	
Board/Meetings						
Interest and Administrative Cost		1,550			51	
Participant Activities				974		346
Training						
Depreciated Cost						
Other Expenses						
Total Expenses	724	42,812	75	82,215	5,752	11,145
Excess Revenue Over Expense	(724)	7,328	24,483	(56,562)	(1,944)	4,570
Net Asset Beginning of Year	(4,000)	9,218	29,448	(2,790)	(18,985)	(1,548)
Net Property Beginning of Year	30,000					
Property Addition	(1,000)	3,000				
Net Assets End of Year	\$24,976	\$28,546	\$53,931	(\$24,552)	(\$21,929)	\$689

**Deane Community Housing Corporation
Condensed Statement of Activity and
Changes in Net Assets
For the Year Ended December 31, 2008**

	1 Senior Center \$	2 Housing Counseling (\$,000)	4 Lodges & Halls	5 Other Occupied Resale	6 Housing \$	7 Net Assets
Revenue						
Chen	104,200	180,687	89	89	89	607,900
Condit				87,988	81,852	
Program Income						
Contribution and Donation	178					
Interest Income						
Gain From Sale of Assets			2,357			
Other Income						
Total Revenue	104,378	180,687	2,446	88,077	81,941	607,900
Expenses						
Salaries	13,987	69,311	30,358	10,504	9,125	
Fringe Benefits	1,891	1,600	2,180	4,800	894	
Contract Services	5,900	800	26,328		18,718	21,388
Occupancy		1,000				
Utilities	608	400	100			
Building Maintenance						
Materials & Supplies	1,600	1,688	4,771			
Travel & Conferences	1,100	4,004				369
Property - Capitalized			3,688			
Property - Non-Capitalized		268				
Maintenance	2,581					
Interest Expense					1,814	
Rent Fees	80	67	313		130	17
dues & Subscriptions	37	483				
Miscellaneous	10,807		1,794		1,400	
Printing & Photography						
Postage & Freight		162	281			
Telephone	40	761				
Board Meetings						
Interest and Administrative Cost	200	18				
Professional Services		1,900				
Training						
Occupant Cost						
Other Expenses	0					
Total Expenses	27,787	83,012	60,996	15,304	28,968	21,841
Excess Revenue Over Expenses	76,591	97,675	38,710	72,773	53,973	586,059
Net Assets Beginning of Year	2,730	189		8		
Net Property Beginning of Year			3,688		194,407	
Property Addition	0		8		(8,124)	
Net Assets End of Year	2,730	189	3,696	8	196,283	586,059

Dixie Community Housing Corporation
Consolidated Statement of
Financial Position
December 31, 1988

	41 Roxas Apartment	42 Roxas A Phase I	43 Roxas Center PHOT	66 Duffin City PH	45 Housing Counselling PHOT	TOTAL
Assets						
Current Assets						
Cash	\$793	\$277	\$1,188	\$6,114	\$97,541	\$107,403
Accounts Receivable	552					552
Contracts Receivable	107,498					261,818
Monies Receivable						52,788
Due From	24,818	51,905	154	11,617	9,298	499,392
Total Current Assets	143,561	54,182	1,342	17,731	106,839	323,655
Fixed Assets						
Land	16,888					162,000
Buildings	105,000					1,230,878
Furniture and Fixtures						13,822
Office Equipment						22,488
Intangibles						5,588
Property Renovations and Improvements						271,377
Accumulated Depreciation	(6,788)					(259,888)
Total Fixed Assets	143,288	0	0	0	0	1,273,787
Other Assets						
						448
Total Assets	\$329,133	\$54,182	\$1,342	\$17,731	\$106,839	\$628,605
Liabilities and Net Assets						
Current Liabilities						
Accounts Payable	98	90	80	88	88	\$38,881
Taxes Payable						13,848
Tenant Security Deposits	837					3,810
Deferred Revenue					78,288	83,883
Due To	6,030				0	888,888
Total Current Liabilities	6,963	0	0	0	78,288	525,888
Long-term Debt						
Notes Payable	188,873					888,888
Monies Payable						78,117
Total Long-term Debt	188,873	0	0	0	0	966,995
Total Liabilities	254,436	0	0	0	78,288	1,492,883
Net Assets						
Net Assets		278				(88,177)
Net Assets Property	143,288					848,888
Current Surplus / Deficit	(21,887)	52,888	2,260	17,881	(814)	382,134
Total Net Assets	(1,406)	54,182	2,260	(7,881)	(814)	(1,888,475)
Total Liabilities and Net Assets	\$329,027	\$54,182	\$1,342	\$10,000	\$106,025	\$628,007

Deere Construction Holding Corporation
 Condensed Statement of
 Financial Position
 December 31, 1999

	30 1999 Proceeds	30 United Funds	30 United Values Security B	30 Corporate Fund	30 D(FC) Admin. 30	40 General Fund
Assets						
Current Assets						
Cash	882	221	\$2,654	(815)	578	\$17,761
Accounts Receivable						
Contracts Receivable						
Mortgages Receivable						
Due From	48		118	1,828	50	81,883
Total Current Assets	<u>978</u>	<u>221</u>	<u>2,772</u>	<u>1,841</u>	<u>628</u>	<u>79,644</u>
Fixed Assets						
Land						4,388
Buildings						24,889
Furniture and Fixtures						11,782
Office Equipment						
Veículos						
Property Renovations and Improvements						(2,880)
Accumulated Depreciation						38,883
Total Fixed Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>35,286</u>
Other Assets						
						68
Total Assets	<u>978</u>	<u>221</u>	<u>\$2,772</u>	<u>\$1,841</u>	<u>628</u>	<u>\$111,834</u>
Liabilities and Net Assets						
Current Liabilities						
Accounts Payable	888	90	80	814	88	80
Taxes Payable						
Interest Payable			1,995			
Deferred Revenue					184	171,888
Due To						184,888
Total Current Liabilities	<u>888</u>	<u>90</u>	<u>1,995</u>	<u>814</u>	<u>184</u>	<u>171,888</u>
Long-Term Debt						
Notes Payable						
Mortgages Payable						
Total Long-Term Debt	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>888</u>	<u>90</u>	<u>1,995</u>	<u>814</u>	<u>184</u>	<u>171,888</u>
Net Assets						
Net Assets				1,027	0	(8,144)
Net Assets-Property						21,888
Current Surplus - Deficit	(288)	31	88	(488)	(81)	(17,884)
Total Net-Assets	<u>(288)</u>	<u>31</u>	<u>88</u>	<u>(1,501)</u>	<u>(81)</u>	<u>37</u>
Total Liabilities and Net Assets	<u>978</u>	<u>221</u>	<u>\$2,772</u>	<u>\$1,841</u>	<u>628</u>	<u>\$111,834</u>

Seaside Community Housing Corporation
 Condensed Statement of
 Financial Position
 December 31, 1998

	12/31 1998 Dollars & Cents	12- 31- 1997 Dollars	12- 31- 1996 Dollars Mortgage	12- 31- 1995 Dollars Real Estate	12- 31- 1994 Dollars	12- 31- 1993 Dollars Mortgage
Assets						
Current Assets						
Cash	980	\$114	\$1,116	\$113	(5094)	8033
Accounts Receivable	3,448		200	873		
Contracts Receivable			41,156			21,010
Mortgages Payable/DOE Due From	22,118		22,056	6,788		
Total Current Assets	<u>26,546</u>	<u>114</u>	<u>64,326</u>	<u>17,774</u>	<u>(594)</u>	<u>21,843</u>
Fixed Assets						
Land	18,550	8,800				
Buildings	487,000	77,400				
Furniture and Fixtures	2,580					
Office Equipment	937					
Vehicles					8,000	
Property Renovations and Improvements	267,680					
Accumulated Depreciation	(50,276)	(11,613)				
Total Fixed Assets	<u>407,861</u>	<u>74,687</u>	<u>0</u>	<u>0</u>	<u>8,000</u>	<u>0</u>
Other Assets						
Total Assets	<u>\$494,407</u>	<u>\$79,481</u>	<u>64,326</u>	<u>\$17,774</u>	<u>\$5,196</u>	<u>\$21,843</u>
Liabilities and Net Assets						
Current Liabilities						
Accounts Payable	80	\$0	1904	918	80	3340
Taxes Payable	11,220					
Ferret Security Deposits						
Deferred Rent/In	75	0,288			3,414	21,388
Due To	75	0,288			3,414	21,388
Total Current Liabilities	<u>11,250</u>	<u>0,288</u>	<u>1904</u>	<u>918</u>	<u>3,494</u>	<u>24,058</u>
Long-term Debt						
Notes Payable	208,208					
Mortgages Payable		76,137				
Total Long-term Debt	<u>208,208</u>	<u>76,137</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>209,458</u>	<u>82,525</u>	<u>1904</u>	<u>918</u>	<u>3,494</u>	<u>24,058</u>
Net Assets						
Net Assets	(108,044)			13,267		
Net Assets Property	178,511	111,613				
Current Surplus / (Deficit)	113,881	5,856	54,388	(2,287)	(2,708)	(190)
Total Net Assets	<u>284,348</u>	<u>117,469</u>	<u>54,388</u>	<u>11,080</u>	<u>(5,416)</u>	<u>(190)</u>
Total Liabilities and Net Assets	<u>\$494,407</u>	<u>\$79,481</u>	<u>64,326</u>	<u>\$17,774</u>	<u>\$5,196</u>	<u>\$21,843</u>

Beane Community Housing Corporation
Consolidated Statement of
Financial Position
December 31, 1999

	14	15	16	17	18	19
	Dec	Dec	Dec	Dec	Dec	Dec
	31	31	31	31	31	31
	1998	1998	1999	1999	2000	2000
	Actual	Actual	Actual	Actual	Actual	Actual
Assets						
Current Assets						
Cash	\$4,418	975		(830)	\$4,554	820
Accounts Receivable		3,888				
Contracts Receivable					0	
Mortgage Receivable						
Due From	26,888		14,421		14,564	5,879
Total Current Assets	31,306	4,863	14,421	(830)	19,118	6,699
Fixed Assets						
Land		50,000	8,000			
Buildings		450,000	74,700			
Furniture and Fixtures						
Office Equipment					10,000	
Vehicles						
Property Renovations and Improvements						
Accumulated Depreciation		(150,000)	(74,940)			
Total Fixed Assets	0	350,000	68,760	0	10,000	0
Other Assets						
Total Assets	\$31,306	\$352,863	\$83,181	(830)	\$29,118	\$6,700
Liabilities and Net Assets						
Current Liabilities						
Accounts Payable	90	90	180	1,140	90	90
Taxes Payable						
Rentals Security Deposits						
Deferred Revenue					0	
Due To	3,915	31,000	8,800			11,899
Total Current Liabilities	3,915	31,080	8,980	1,140	0	12,889
Long-term Debt						
Bonds Payable						
Mortgages Payable						
Total Long-term Debt	0	0	0	0	0	0
Total Liabilities	3,915	31,080	8,980	1,140	0	12,889
Net Assets						
Net Assets	27,391	321,783	74,201	(1,970)	29,118	(6,189)
Net Assets Property		500,000	88,000		10,000	
Contract Backup / Deficit	(2,883)	(78,215)	(3,884)	(1,141)	18,114	(8,789)
Total Net Assets	24,508	243,568	70,317	(1,170)	47,232	(14,878)
Total Liabilities and Net Assets	\$49,214	\$596,431	\$153,498	(2,000)	\$76,350	\$41,822

Greene Community Housing Corporation
Combined Statement of
Financial Position
December 31, 1999

	0	1	2	3	4	5
	\$K\$	Full	Full	Dev	Dev	Dev/Fin
		Grant	Grant	Fin	Fin	Project
				City	State	Response
Assets						
Current Assets						
Cash	\$76	\$227	(\$2)	\$1,630	\$1,490	\$1,490
Accounts Receivable						
Contract Receivable				6,792		
Mortgages Receivable						
Due From						
Total Current Assets	10,888	21,776	\$2,892	782	368	1,380
	20,342	22,268	\$2,890	9,304	1,830	1,380
Fixed Assets						
Land	\$176					
Buildings	50,258					
Furniture and Fixtures						
Office Equipment		3,058		569		
Vehicles						
Property Improvements and Improvements						
Accumulated Depreciation	(9,918)					
Total Fixed Assets	79,168	3,058	0	569	0	0
Other Assets	48		22	50	272	
Total Assets	80,164	25,326	\$2,912	\$9,717	\$2,162	\$1,380
Liabilities and Net Assets						
Current Liabilities						
Accounts Payable	\$27,824	\$971	\$0	\$0	\$0	\$0
Taxes Payable	(52)	437			(7,188)	
Tenant Security Deposits						
Deferred Revenue		2,214				
Due To	1,892	1,335	0	\$4,877	24,472	1,081
Total Current Liabilities	28,742	6,057	0	\$4,877	23,284	1,081
Long-term Debt						
Bonds Payable						
Mortgages Payable						
Total Long-term Debt	0	0	0	0	0	0
Total Liabilities	28,742	6,057	0	\$4,877	23,284	1,081
Net Assets						
Net Assets	14,000	9,229	25,498	(2,379)	(18,998)	(1,380)
Net Assets Property	28,190	2,550				
Current Surplus / Deficit	(734)	12,207	24,424	(4,782)	(17,714)	1,067
Total Net Assets	34,456	24,126	\$2,872	(4,882)	(7,182)	807
Total Liabilities and Net Assets	\$63,198	\$30,183	\$2,872	\$8,712	\$1,642	\$1,887

Bevco Community Housing Corporation
Condensed Statement of
Financial Position
December 31, 1999

	2	3	4	5	6	7
	(Bevco	Housing	Loans	Owner	6	7
	Center 65)	Cooperating	&	Occupied	Steps 1,	10-17/18/19
		04/06)	Notes	Resale		
Assets						
Current Assets						
Cash	\$0	(\$20)	(\$187)		\$838	\$246
Accounts Receivable	0					
Contracts Receivable	0			\$0,000		
Mortgages Receivable	0					
Due From	0	0			\$3,087	0
Total Current Assets	0	(\$20)	(\$187)	\$0,000	\$4,933	246
Fixed Assets						
Land					\$5,000	
Buildings	0				114,470	
Furniture and Fixtures	0					
Office Equipment	0					
Vehicles	0					
Property Renovations and Improvements	0		3,668			
Accumulated Depreciation					(18,170)	
Total Fixed Assets	0	0	3,668	0	111,300	0
Other Assets	0	0				
Total Assets	\$0	(\$20)	\$3,481	\$0,000	\$208,733	\$246
Liabilities and Net Assets						
Current Liabilities						
Accounts Payable	\$07	\$1,094	\$3,898	\$0	\$0	\$391
Taxes Payable	0	3,340			(875)	
Tenant Security Deposits						
Deferred Revenue	0	4,411	(5,153)	\$1,500	(1,262)	188
Due To						
Total Current Liabilities	07	8,846	(1,255)	\$1,500	(1,855)	428
Long-term Debt						
Notes Payable	0		40,100			
Mortgages Payable	0					
Total Long-term Debt	0	0	40,100	0	0	0
Total Liabilities	07	8,846	38,845	\$1,500	(1,855)	428
Net Assets						
Net Assets	2,730	88	0			
Net Assets Property			1,668		179,883	
Current Surplus/Deficit	(\$,795)	(\$,101)	(\$8,794)		26,875	(188)
Total Net Assets	(17)	(\$,013)	(\$7,126)	0	217,558	(188)
Total Liabilities and Net Assets	\$0	(\$20)	\$3,481	\$0,000	\$208,733	\$246



Board of Directors
Desire Community Housing Corporation

I have audited the financial statements of Desire Community Housing Corporation (a non-profit organization), for the year ended December 31, 1996, and have issued my report thereon dated October 9, 1997. In my report my opinion was qualified because costs failed to reconcile due to's and due from's. The ultimate effect of the difference cannot be determined. Accordingly, no provision for any difference has been made in the accompanying financial statements. These financial statements are the responsibility of DCNC's management. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing standards issued by the comptroller general of the United States. Those standards require that we 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 accounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statements presentation. I believe that my audit provides a reasonable basis for my opinion.

The audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subject to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

George Rabb
Certified Public Accountant
New Orleans, LA

October 9, 1997

DESIRE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

Desire Community Housing Corporation leases facilities to programs administered by the corporation. These leases total \$8,170 for the year ended 12-31-98. Management is of the opinion that these leases are comparable to rental costs charged by other lessees.

<u>Lessee</u>	<u>Lease</u>	<u>Annual Rental</u>
Gordon Plaza Apartments	Administration	\$8,170

DESIRE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1996

NOTE N - CONCENTRATION OF CREDIT RISKS

During the fiscal year bank balance of a single or aggregate accounts may exceed the FDIC insured limit of \$100,000.

NOTE O - INCOME TAXES

The corporation is exempt from corporate income taxes under Section 501(c)(4) of the Internal Revenue Code. Form 990, Return of Organization, Exempt from Income Tax for the year ended December 31, 1996 was not timely filed.

NOTE P - BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board therefore, no compensation has been paid to any person as a Board Member.

NOTE Q - ECONOMIC DEPENDENCY

The corporation received the majority of its revenue from funds provided through grants administered by federal Government, the State of Louisiana and the City of New Orleans. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the organization receives could be reduced significantly and have an adverse impact on its operations. At the time of completion of the examination of the organization's financial statements, management was not aware of any actions taken that would adversely affect the amount of funds the organization will receive in the next fiscal year.

NOTE R - CONTINGENCY

The agency paid \$13,700 to the State of Louisiana, Office of Employment Security in 1997 out of current funds for prior period taxes.

The agency replaced its accounting management in 1997. New management has pledged to correct the deficiencies the organization experienced in the past.

NOTE S - RELATED PARTY TRANSACTIONS

DESIRE COMMUNITY HOUSING CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 1996

Unrestricted Property

Land and Building	\$611,350	
Furniture and Fixtures	13,152	
Office Equipment	0	0
Vehicles	5,000	
Property Improvements	0	
Accumulated Depn.	(322,142)	
Total	\$415,812	

NOTE F Notes Payable consist of the following at 12-31-96

Linden and Wales (First Commerce)	\$118,477
Notes payable to the Community Development Corporation for interim financing at a floating rate due upon demand this is a credit line	
Linden and Wales (Hilowind)	
A fixed rate of 8.750%, line of credit for \$200,000 due March 30, 1998	248,500
Byron Apartments (Bank One)	
A fixed rate of 9.75 line of credit for \$100,000	139,522
Total	<u>\$506,500</u>

NOTE G Mortgage Payable

The Agency holds two mortgages as of December 31, 1996. The mortgages have an annual percentage rate of 13.5 with a balloons payment due 6-99.

26,132

NOTE H Deferred Income

Desire has two programs which have provided funds in advance of the ability to earn those funds. These programs are the Housing Counseling and the Health and Human Services Grant. These funds are shown as deferred income.

DESIRE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1996

Note C - Contracts and Grants Receivable

The agency contracts with various funding sources. At December 31, 1996 there were receivables from various reimbursable programs such as Project Independence Health and Human Services, Chronic Occupied Rehabilitation and the Child Care Food program. There also were receivables from association type programs such as the Bayou Apartments.

NOTE D - Due From and Due to

Other programs receivables consist of interfund borrowing. As of December 31, 1996, the interfund payables and receivables were not reconciled. Management is still in the process of hiring a consultant to assess the problem and provide feasible alternatives to correct this deficiency.

NOTE E - Fixed Assets

Property

Acquisition of land and building has come primarily from the City and certain individuals. The value is recorded at their donated value at date of donation. Such donations are recorded as unrestricted assets unless the donor has restricted the donated asset to a specific purpose. Property donated with explicit restrictions regarding their use must be used for donation or other required use. Almost donor stipulations regarding how long these donated assets must be maintained. The organization reports expirations of donor restriction when the donated or required asset are placed in service as instructed by the donor. The organization reclassifies restricted net assets to unrestricted net assets at that time. Buildings are depreciated using the straight-line method.

Fixed Assets at December 31, 1996 consist of the following:

Restricted Property	
Land and Building	1653,636
Furniture and Fixture	2,381
Office Equipment	33,429
Vehicles	0
Property Improvements	171,377
Accumulated Depr.	(62,828)
Total	1803,975

DESIRE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization

Desire Community Housing Corporation (a non profit organization) was organized primarily to provide affordable housing to low and moderately low income individuals through acquisition, construction, rehabilitation and housing assistance programs.

2. Presentation of Financial Statements

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles. They are presented on the accrual basis of accounting.

3. Method of Accounting

The records are maintained in accordance with the principles of fund accounting. Accordingly, resources for various programs are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund.

4. Depreciation and Amortization

Depreciation is provided for in amounts sufficient to reduce the cost of depreciable assets to operations over their estimated service lives, principally on the straight-line method. Depreciation expense for the year ended December 31, 1996 totaled \$38,294.

5. Revenue Recognition

For financial reporting, the corporation recognized unrestricted fund revenues as received. Revenues on restricted funds is recognized as it is earned in accordance with approved contracts.

NOTE B - Accounts Receivable

The corporation considers accounts receivable to be fully collectible, the balance consists principally of payments due under rental contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

Debra Community Housing Corporation
Statement of Cash Flow
For the Year Ended December 31, 1995

Cash Flows from Operating Activities:	
Increase in net assets	\$ 102,134
Adjustments to reconcile net assets to net cash provided by operating activities	
Depreciation expense	\$ 56,828
Change in account receivable	(531,857)
Change in mortgage receivable	(62,798)
Change in other assets	(2)
Change in account payable	(54,945)
Change in deferred revenue	878
Change in other liabilities	360,783
Total adjustment	<u>(238,427)</u>
Net Cash Provided by Operating Activities	(88,265)
Cash Flows from Investment Activities:	
Investment in Fixed Asset	<u>(526,168)</u>
Net Cash Provided by Investment Activities	(526,168)
Cash Flows from Financing Activities:	
Repayment of long term debt	503,518
Property Addition	<u>60,815</u>
Net Cash Provided by Financing Activities	602,333
Net Increase (Decrease) in Cash	7,872
Cash at Beginning of Period	113,543
Cash at End of Period	\$ <u>121,415</u>

Debris Community Housing Corporation
Statement of Activity and Changes in
Net Assets
For the Year Ended December 31, 1998

	Unaudited	Revised	Total
Revenue			
Grant	\$	\$	\$ 629,984
Contract		1,022,389	1,022,389
Program Income	104,811	38,880	143,691
Contribution and Donation	35,850	8,890	44,740
Interest Income		5,413	5,413
Gain From Sales of Assets		64,490	64,490
Other Income	19	12,313	12,332
Total Revenue	155,714	1,171,829	1,327,543
Expenses			
Salaries	98,838	871,303	970,141
Fringe Benefits	11,810	71,234	83,044
Contract Services	22,131	244,178	266,307
Occupancy		8,148	8,148
Utilities	24,804	7,048	31,852
Building Maintenance	0	3,823	3,823
Materials & Supplies	5,860	82,873	88,733
Travel & Conference	5,140	17,358	22,498
Property - Capitalized		166,117	166,117
Property - Non-Capitalized	1,382	18,808	20,190
Maintenance	3,268	29,898	33,166
Interest Expense	1,638	68,134	69,772
Bank Fees	1,247	4,043	5,290
Dues & Subscription	804	1,512	2,316
Insurance	23,482	43,075	66,557
Printing & Photography	138	0	138
Postage & Freight	(2)	394	392
Telephone	8,241	8,838	17,077
Interest and Administrative Cost	9,575	3,758	13,333
Participant Activities	290	2,041	2,331
Training	8,282	9,848	18,130
Disallowed Cost	7,047	0	7,047
Total Expenses	195,089	1,366,380	1,561,469
Excess Revenue Over Expense	(34,375)	215,449	181,074
Net Asset Beginning of Year	28,121	(711,842)	(683,721)
Net Property Beginning of Year	428,285	238,819	667,104
Property Addition	(27,438)	200,268	172,830
Net Assets End of Year	\$ 382,989	\$ 845,807	\$ 1,228,875

Debra Community Housing Corporation
Statement of Financial Position
December 31, 1998

	Unrestricted	Restricted	Total
Assets			
Current Assets			
Cash	\$ 18,441	\$ 102,074	\$ 121,415
Accounts Receivable	4,771	4,388	9,159
Contracts Receivable		281,818	281,818
Mortgages Receivable		82,788	82,788
Due From	90,151	107,071	197,222
Total Current Assets	113,963	788,187	902,150
Fixed Assets			
Land	82,858	68,738	151,596
Buildings	848,108	883,828	1,731,936
Furniture and Fixtures	11,152	3,281	14,433
Office Equipment		33,489	33,489
Vehicles	3,928	0	3,928
Property, Reparatizations, and Improvements		271,277	271,277
Accumulated Depreciation	(202,148)	(87,828)	(290,976)
Total Fixed Assets	425,648	688,975	1,114,623
Other Assets	108	324	432
Total Assets	\$ 539,611	\$ 1,482,486	\$ 2,022,097
Liabilities and Net Assets			
Current Liabilities			
Accounts Payable	\$ 977	\$ 26,884	\$ 27,861
Taxes Payable		13,848	13,848
Tenant Security Deposits		3,810	3,810
Deferred Revenue		83,883	83,883
Due To	156,938	128,820	285,758
Total Current Liabilities	158,913	379,225	538,138
Long-term Debt			
Notes Payable		688,288	688,288
Mortgages Payable		78,127	78,127
Total Long-term Debt	\$ 0	\$ 766,415	\$ 766,415
Total Liabilities	158,913	1,078,889	1,237,804
Net Assets			
Net Assets	(28,184)	184,807	156,623
Net Assets Property	408,190	538,800	946,990
Total Net Assets	380,006	643,607	1,023,613
Total Liabilities and Net Assets	\$ 538,919	\$ 1,682,496	\$ 2,022,327

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time. Accordingly, no provision for liability has been made in the financial statements for possible claims for repayment of these grant monies.

In accordance with Government Audit Standards, I have also issued a report dated October 9, 1987 on my consideration of Desire Community Housing Corporation's internal control structure and a report dated October 9, 1987 on its compliance with laws and regulations.

My audit was made for the purpose of forming an opinion on the basic financial statements of Desire Community Housing Corporation taken as a whole. The accompanying schedule of federal awards, combined statements of financial position and activity and changes in the net assets are presented for additional analysis and are not required parts of the basic financial statements. The information in these schedules have been subjected to the procedures applied in the audit of the basic financial statements and in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



George Ralls
Certified Public Accountant

October 9, 1987

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.



GEORGE RABB, P.C. Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Deane Community Housing Corporation

I have audited the accompanying statement of financial position of Deane Community Housing Corporation (a non-profit corporation) as of December 31, 1986, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Deane Community Housing Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as discussed in the following paragraph, 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 the Office of Management and Budget (OMB) Circular A-133, *Audit of Institutions of Higher Education and other Non Profit Institutions*. Those standards and OMB Circular A-133 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.

As discussed in Note D to the financial statements, Deane Community Housing Corporation failed to reconcile Due To's and Due From's. The ultimate effect of the difference cannot presently be determined. Accordingly, no provision for any difference has been made in the accompanying financial statements.

In my opinion, except for the effects of such adjustments, the financial statements present fairly, in all material aspects, the financial position of Deane Community Housing Corporation as of December 31, 1986, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note M to the financial statements, the organization expended funds for the payment of unemployment taxes with current period funds and management plans to repay these funds with non-public monies. The possible outcome of this matter which has been reported to appropriate funding sources is uncertain at this

Dixie Community Housing Corporation
 Corrective Action Taken on Prior Year Finding
 For the Year Ended December 31, 1996

	Action Taken		Prior year Finding	
	yes	no	pending	undetermined
Tax Liens were used on the corporation	X			
Audit report was not submitted timely			X	
Cost reports were late	X			

* Yes - Definitive Action Taken

* No - No Definitive Action

* Pending - Action still pending or in progress

* Undetermined - Could not determine what action was taken

Effect of Condition

The organization was not in compliance with the terms of the contract.

DESIRE COMMUNITY HOUSING CORPORATION
FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 1996 (CONT.)

Statement of Condition:

The agency reimbursed the City of New Orleans for hospitalization cost incurred by the NHIF program.

Criteria:

The agency did not request prior approval from the city to charge the NHIF program for hospital cost.

Effect of Condition:

The general fund was forced to absorb the cost incurred by NHIF program which results in a cash shortage.

(E) Payment of prior cost with current funds

Statement of Condition:

Federal grants require only current cost be paid from current funds.

Criteria:

Allowable cost principals are violated

Effect of Condition:

Payment of prior cost could cause a loss in funding

(F) Program Funding

Lindero/Walke Revitalization Project City of New Orleans Home 34-027

Statement of Condition:

Program income was not reported to the City for the program year

Criteria:

Rental income is considered program income and should be reported to the City on a monthly basis. The corporation should seek prior approval from the City before it should expend program income.