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20 pages
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**WILMINGTON HOUSING PARTNERSHIP
CORPORATION**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2014 AND 2013

WILMINGTON HOUSING PARTNERSHIP CORPORATION

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Independent Auditors' Report

To the Board of Directors of
Wilmington Housing Partnership Corporation

We have audited the accompanying financial statements of Wilmington Housing Partnership Corporation (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

To the Board of Directors of
Wilmington Housing Partnership Corporation

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wilmington Housing Partnership Corporation as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements of Wilmington Housing Partnership Corporation as of June 30, 2013 were audited by other auditors whose report dated November 20, 2013 expressed an unmodified opinion on those statements.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the 2014 financial statements as a whole. The accompanying schedules of program administrative expenses for the year ended June 30, 2014 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2014 financial statements as a whole.

The accompanying schedules of program administrative expenses for the year ended June 30, 2013 were subjected to the auditing procedures applied in the 2013 audit of the financial statements by other auditors, whose report on such information stated that it was fairly stated in all material respects in relation to the 2013 financial statements as a whole.

Belfint, Lyons & Shurman, P.A.

December 12, 2014
Wilmington, Delaware

WILMINGTON HOUSING PARTNERSHIP CORPORATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2014 AND 2013

ASSETS

	2014	2013
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 127,442	\$ 320,232
Pledges Receivable	83,333	250,000
Current Maturities of Notes Receivable	18,700	-
TOTAL CURRENT ASSETS	229,475	570,232
OTHER ASSETS		
Notes Receivable (Net of Current Maturities)	1,613,608	1,754,582
Advances Receivable - Net	22,150	22,150
Property Held for Development - Net	102,198	400,254
Capital Assets - Net	621	1,675
Loan Origination Fees - Net	33,150	-
TOTAL OTHER ASSETS	1,771,727	2,178,661
TOTAL ASSETS	\$ 2,001,202	\$ 2,748,893

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts Payable	\$ 174,998	\$ 65,329
Retainage Payable	46,485	37,393
Loans Payable (Current Maturities)	-	1,543,350
TOTAL CURRENT LIABILITIES	221,483	1,646,072
OTHER LIABILITIES		
Loans Payable (Net of Current Maturities)	2,703,264	800,000
TOTAL LIABILITIES	2,924,747	2,446,072
NET ASSETS		
Unrestricted - Accrued Subsidies on Property Held for Development	(4,209,827)	(4,167,707)
Unrestricted - Other	3,286,282	4,470,528
TOTAL UNRESTRICTED NET ASSETS	(923,545)	302,821
TOTAL LIABILITIES AND NET ASSETS	\$ 2,001,202	\$ 2,748,893

The accompanying notes are an integral part of these financial statements.

WILMINGTON HOUSING PARTNERSHIP CORPORATION
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
REVENUE AND OTHER SUPPORT		
Real Estate Sales		
Sales Revenue	\$ 780,567	\$ 2,437,450
Cost of Sales and Accrued Subsidies	(1,773,336)	(4,532,178)
Total Real Estate Sales - Net	(992,769)	(2,094,728)
Other Support		
Contributions	249,418	257,905
Grants	126,663	861,003
Miscellaneous Income	-	9,482
Total Other Support	376,081	1,128,390
TOTAL REVENUE AND OTHER SUPPORT	(616,688)	(966,338)
EXPENSES		
Property Acquisition and Demolition	43,421	118,280
Professional Fees Associated with Properties Under Development	120,715	-
Program Administrative Expenses	394,050	377,535
Bad Debt Expense	51,492	126,006
TOTAL EXPENSES	609,678	621,821
CHANGE IN UNRESTRICTED NET ASSETS	(1,226,366)	(1,588,159)
UNRESTRICTED NET ASSETS - Beginning of Year	302,821	1,890,980
UNRESTRICTED NET ASSETS - End of Year	\$ (923,545)	\$ 302,821

The accompanying notes are an integral part of these financial statements.

WILMINGTON HOUSING PARTNERSHIP CORPORATION
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from Real Estate Sales	\$ 780,567	\$ 2,437,450
Cash Received from Contributions, Grants, and Other	542,748	1,253,646
Collections on Notes Receivable	70,782	(13,190)
Cash Paid for Property Acquisition and Development	(1,450,145)	(3,245,519)
Cash Paid for Employee Costs	(303,891)	(280,015)
Cash Paid to Other Suppliers and Vendors	(148,565)	(344,173)
	(508,504)	(191,801)
NET CASH FROM OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of Capitalized Loan Origination Fees	(44,200)	-
Proceeds from Loans Payable	359,914	263,588
	315,714	263,588
NET CASH FROM FINANCING ACTIVITIES		
CHANGE IN CASH AND CASH EQUIVALENTS	(192,790)	71,787
CASH AND CASH EQUIVALENTS - Beginning of Year	320,232	248,445
CASH AND CASH EQUIVALENTS - End of Year	\$ 127,442	\$ 320,232

The accompanying notes are an integral part of these financial statements.

WILMINGTON HOUSING PARTNERSHIP CORPORATION
STATEMENTS OF CASH FLOWS - CONTINUED
YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH FROM OPERATING ACTIVITIES		
Change in Net Assets	<u>\$ (1,226,366)</u>	<u>\$ (1,588,159)</u>
Adjustments to Reconcile Change in Net Assets to Net Cash from Operating Activities		
Depreciation	1,054	1,766
Amortization	11,050	-
Bad Debts on Notes Receivable	51,492	126,006
(Increase) Decrease in Assets		
Notes Receivable	70,782	(139,196)
Pledges Receivable	166,667	125,256
Property Held for Development (Net of Allowance)	298,056	1,432,346
Increase (Decrease) in Liabilities		
Accounts Payable	77,059	(4,133)
Retainage Payable	<u>9,092</u>	<u>(145,687)</u>
Total Adjustments	<u>685,252</u>	<u>1,396,358</u>
NET CASH FROM OPERATING ACTIVITIES	<u><u>\$ (541,114)</u></u>	<u><u>\$ (191,801)</u></u>

The accompanying notes are an integral part of these financial statements.

WILMINGTON HOUSING PARTNERSHIP CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1: NATURE OF ACTIVITIES

Nature of Activities - Wilmington Housing Partnership Corporation (Corporation) is a nonprofit organization formed to assist residents of the City of Wilmington (City) in obtaining affordable housing. The Corporation collaborates with select private, nonprofit, and government entities to increase the City's affordable housing stock by promoting renovation and rehabilitation of existing homes and limited construction of new homes in strategically selected areas. The Corporation carries out its mission by acting as the developer of properties or by providing loans or subsidies to other developers. The Corporation is a separate legal entity from the City. However, the City is a related party of the Corporation by virtue of having a presence on the Corporation's board of directors.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader. The financial statements and notes are representations of management, who is responsible for their integrity and objectivity.

Basis of Presentation - The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Financial Accounting Standards Board (FASB). Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board's Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Under ASC 958, the Corporation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. A description of the three net asset classifications follows:

Unrestricted Net Assets include those assets that are available for the support of operations and whose use is not externally restricted, although their use may be limited by other factors such as by contract or board designation. Unrestricted net assets includes the Corporation's accumulated provision for estimated losses on property held for development.

Temporarily Restricted Net Assets include gifts whose use has been limited by donors to a specific time period and purpose and whose restrictions have not been met.

Permanently Restricted Net Assets include gifts, trusts, and pledges which require by donor restriction that the corpus be invested in perpetuity and only the income be made available for operations in accordance with donor restrictions.

WILMINGTON HOUSING PARTNERSHIP CORPORATION

NOTES TO FINANCIAL STATEMENTS - CONTINUED

JUNE 30, 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents - For purposes of the statements of cash flows, the Corporation considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Allowance for Uncollectible Accounts - The Corporation provides an allowance whenever any note, loan, or other receivable becomes doubtful of collection and the doubtful portion can be reasonably estimated. The provision reduces the carrying amount of the receivable to its net realizable amount.

Property Held for Development - Property held for development is carried at cost less a subsidy allowance. Cost includes initial acquisition and all subsequent estimated costs to develop the property. It is not the Corporation's intent to earn a profit selling developed property. Generally, sales are at a loss. The Corporation considers losses incurred to be a subsidy to the respective buyer. However, in accordance with accounting principles generally accepted in the United States of America, the Corporation records a provision for estimated losses on developed property in the period such losses are determined. These estimated losses are recorded on the statements of financial position as a subsidy allowance to the costs incurred. Accrued subsidies as of June 30, 2014 and 2013 were \$4,209,827 and \$4,167,707, respectively.

Occasionally properties are acquired that are ultimately given away. These properties are valued at \$1. All costs related to these properties are expensed in the period incurred.

Capital Assets - Property and equipment are recorded at cost. Depreciation is recorded using the straight-line method over the estimated useful lives of the related assets. Estimated useful lives range from five to seven years. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. The Corporation's capitalization threshold is \$500.

Income Tax - The Corporation is a nonprofit organization that is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (IRC). In addition, the Corporation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

WILMINGTON HOUSING PARTNERSHIP CORPORATION

NOTES TO FINANCIAL STATEMENTS - CONTINUED

JUNE 30, 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Income Tax - continued -

Income not related to the Corporation's tax-exempt purpose may be subject to taxation as unrelated business income. Accounting principles generally accepted in the United States of America impose a threshold for determining when an income tax benefit can be recognized in regard to uncertain tax positions. The Corporation has determined that no liability for uncertain tax positions is required to be accrued and included in the statement of financial position as of June 30, 2014.

The Corporation's federal Forms 990 for the years ended June 30, 2011, 2012, and 2013 are subject to examination by the IRS, generally for three years after they were filed.

Advertising - Advertising costs are expensed as incurred. Advertising expense was \$250 and \$1,306 for the years ended June 30, 2014 and 2013, respectively.

Subsequent Events - The Company's policy is to evaluate events and transactions subsequent to its year end for potential recognition in the financial statements or disclosure in the notes to the financial statements. Management has evaluated events and transactions through the date of the independent auditors' report, which is the date the financial statements were available to be issued.

NOTE 3: FINANCIAL INSTRUMENTS

Cash is comprised of demand deposits and money market accounts with financial institutions located in Wilmington, Delaware. Under the general deposit insurance rules, the Federal Deposit Insurance Corporation (FDIC) insures all accounts up to \$250,000 per depositor. As of June 30, 2014 and 2013, the amount uninsured was \$11,881 and \$205,163, respectively.

Financial instruments, other than cash, that potentially subject the Corporation to concentrations of credit risk consist principally of notes receivable. Concentrations of credit risk with respect to notes receivable are limited due to the underlying customer base.

NOTE 4: PLEDGES RECEIVABLE

As of June 30, 2014 and 2013, pledges receivable consisted of grants and contributions from the City during the year that were received subsequent to the fiscal year end. Pledges receivable as of June 30, 2014 and 2013 are due within one year and therefore do not require a discount to present value. The Corporation considers pledges receivable to be fully collectible.

WILMINGTON HOUSING PARTNERSHIP CORPORATION
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2014

NOTE 5: NOTES RECEIVABLE

Notes receivable consisted of the following as of June 30:

	2014	2013
<i>Cameo Enterprises</i> - Interest at 4% for 30 years, secured by property.	\$ 66,125	\$ 66,125
<i>Bethel Villa Associates, L.P.</i> - \$187,000 loan for property taxes, payable in ten annual installments beginning a year after permanent financing was obtained (October 2010). The note is non-interest-bearing and is secured by a mortgage and all tangible property of the project.	130,900	187,000
<i>Low Income and Down Payment Settlement Assistance Loans (LIDPSA/DPSA)</i> - Individual loans are subject to a maximum amount of \$7,500. Loans are subject to 0% or 5% interest, depending on the borrower's income, due when the property is sold or when the first mortgage is repaid, secured by second mortgages on the properties.	1,780,649	1,831,173
<i>Buyers of the Individual Units of the ALMAC Project</i> - Loans range from 84 to 360 months, with maturity dates through November 2003, payable in annual installments, amortized monthly at interest rates ranging from 5% to 9%, secured by second mortgages on the properties.	135,875	135,875
<i>Buyers of WHDC Projects, Collateralized by Subordinated Liens on the Properties</i> - Loans range from 24 to 360 months, with maturity dates through January 2029. Some of the mortgages are receivable in monthly or annual installments, with interest rates ranging from 0% to 7%. Other mortgages are self-amortizing and are forgiven each year if the individual does not sell the home. The amount forgiven is included in loan forgiveness expense for the year.	133,605	133,605
Total Notes Receivable	2,247,154	2,353,778
Less: Current Maturities Notes Receivable	(18,700)	-
Notes Receivable (Net of Current Maturities)	\$ 2,228,454	\$ 2,353,778

WILMINGTON HOUSING PARTNERSHIP CORPORATION
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2014

NOTE 5: NOTES RECEIVABLE - CONTINUED

Notes receivable are presented in the statements of financial position net of an allowance for estimated uncollectible accounts. The allowance for estimated uncollectible notes receivable consisted of the following as of June 30:

	2014	2013
Total Notes Receivable	\$ 2,247,154	\$ 2,353,778
Allowance for Uncollectible Accounts as of June 30		
Cameo Enterprises	66,125	66,125
LIDPSA/DPSA	279,241	263,591
Buyers of the Individual Units of the ALMAC Project	135,875	135,875
Buyers of WHDC Projects	133,605	133,605
Total Allowance for Uncollectible Accounts	614,846	599,196
Notes Receivable - Net of Allowance	\$ 1,632,308	\$ 1,754,582

NOTE 6: ADVANCES RECEIVABLE

The Corporation has entered into an agency agreement to carry out approved programs of acquisition, construction or rehabilitation, and sale of properties. Outstanding advances are usually secured by a mortgage held by the Corporation on each subject property.

Advances receivable consisted of the following as of June 30:

Agency or Project Name	2014	2013
Cameo Enterprises	\$ 22,150	\$ 22,150

NOTE 7: LOANS PAYABLE

The Corporation has an unsecured loan with the City allowing the Corporation to borrow up to \$4 million for the purchase of properties to be rehabilitated and sold. The interest rate for this loan is determined by the lender, but is equal to either the adjusted London Interbank Offered Rate (LIBOR) for the period in effect plus .70% or the prime rate. As of June 30, 2014 and 2013, the interest rate was 1.44% and .95%, respectively. Interest payments are made quarterly and principal payments are due only when properties for which the loans were created are sold. The loan matured on September 30, 2013 and was renewed through September 30, 2016. The balance on this loan was \$1,903,265 and \$1,500,000 as of June 30, 2014 and 2013, respectively.

WILMINGTON HOUSING PARTNERSHIP CORPORATION
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2014

NOTE 7: LOANS PAYABLE - CONTINUED

The Corporation received funding through the City in the form of a loan derived from federal Neighborhood Stabilization Program (NSP) funds. This loan was for the construction of seven townhomes on a parcel comprised of 1101 - 1113 Coleman Street in Wilmington, Delaware. Under the terms of the loan, the Corporation is required to rehabilitate the property for use as low-income, owner-occupied housing. In accordance with NSP guidelines and under the terms of the agreement with the City, the units constructed must remain affordable housing for a specified number of years, which is dependent on the number of units constructed. Once these conditions have been satisfied, the loan obligation reverts to grant revenue. During the year ended June 30, 2013, six of the seven townhomes from parcels 1101 - 1113 Coleman Street were sold. During the year ended June 30, 2014, the remaining parcel was sold. As of June 30, 2014 and 2013, the balance on the loan was \$0 and \$43,350, respectively.

During the year ended June 30, 2013, the Corporation established an unsecured credit agreement with the Barclay's Bank, allowing the Corporation to borrow up to \$800,000 for the purchase of properties to be rehabilitated and sold. The interest rate for this loan is fixed and is equal to the sum of the applicable Federal Funds Rate plus 200 basis points. At no time will the fixed rate ever exceed 10%. Interest payments are due monthly. The loan matures on July 13, 2015, at which time any unpaid balance becomes due. The outstanding balance on this loan was \$800,000 as of June 30, 2014 and 2013.

Future principal maturities of loans payable as of June 30, 2014 are as follows:

<u>For the Years Ending June 30</u>	
2015	\$ -
2016	800,000
2017	<u>1,903,265</u>
	<u>\$ 2,703,265</u>

NOTE 8: CAPITAL ASSETS

Capital assets consisted of the following as of June 30:

	<u>2014</u>	<u>2013</u>
Furniture and Fixtures	\$ 29,727	\$ 29,727
Less: Accumulated Depreciation	<u>(29,106)</u>	<u>(28,052)</u>
	<u>\$ 621</u>	<u>\$ 1,675</u>

WILMINGTON HOUSING PARTNERSHIP CORPORATION
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2014

NOTE 9: LOAN ORIGINATION FEES

Loan origination fees consisted of the following as of June 30:

	2014	2013
Loan Origination Fees	\$ 44,200	\$ -
Less: Accumulated Amortization	(11,050)	-
	\$ 33,150	\$ -

NOTE 10: COMMITMENTS AND CONTINGENCIES

The Corporation has entered into various contracts with subcontractors for repair, renovation, demolition, and clean-up services for properties owned by the Corporation. As of June 30, 2014, remaining contract commitments for contracts in progress totaled approximately \$400,000.

The Corporation is exposed to various risks of loss relating to general liability, property held for resale or renovation, and workers' compensation, health, and accident claims. It is the Corporation's policy to insure properties that are owned through a property-specific, general liability policy. The Corporation also holds directors' and officers' insurance.

In the normal course of business, there are various commitments and contingencies outstanding which are not reflected in these financial statements. In the opinion of management, the outcome of such events, if any, will not have a material effect on the Corporation's financial statements.

NOTE 11: ACCOUNTING CHANGES - CHANGE IN ACCOUNTING PRINCIPLES

As disclosed in Note 2 to the financial statements, the Corporation is a nonprofit organization that is exempt from income tax under Section 501(c)(3) of the IRC. Generally, nonprofit organizations are subject to accounting principles generally accepted in the United States of America (GAAP). The Financial Accounting Standards Board (FASB) is recognized by the American Institute of Certified Public Accountants (AICPA) as the primary standards-setting body for GAAP.

An exception to this rule applies if the reporting nonprofit organization is considered a governmental entity. Governmental entities are subject to GAAP for state and local governments. The Governmental Accounting Standards Board (GASB) is recognized by the AICPA as the primary standards-setting body for governmental GAAP. FASB and GASB agreed on the definition of a governmental entity for financial reporting purposes.

WILMINGTON HOUSING PARTNERSHIP CORPORATION
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2014

NOTE 11: ACCOUNTING CHANGES - CHANGE IN ACCOUNTING PRINCIPLES - CONTINUED

Other entities are considered governmental entities if appointment of a controlling majority of the members of the nonprofit organization's governing body is done so by officials of one or more state or local governments. Prior to the year ended June 30, 2014, the Corporation's governing documents allowed control of the majority of its governing board by the City of Wilmington, Delaware (City). As a result, the Corporation's financial statements for fiscal years prior to the year ended June 30, 2014 were prepared in accordance with governmental GAAP as prescribed by GASB.

The Corporation's governing documents were revised during the year ended June 30, 2014. The revised governing documents did not allow for control of the majority of its governing board by the City. As a result, these financial statements have been prepared in accordance with GAAP as prescribed by FASB. There were no material changes to amounts reported in previously issued financial statements as a result of this change in accounting principles.

SUPPLEMENTAL INFORMATION

WILMINGTON HOUSING PARTNERSHIP CORPORATION
SCHEDULES OF PROGRAM ADMINISTRATIVE EXPENSES
YEARS ENDED JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Advertising	\$ 250	\$ 1,306
Consulting/Promotion Fees	8,499	10,466
Depreciation	12,104	1,766
Dues and Subscriptions	2,499	2,147
Interest Expense	12,736	18,763
Legal and Accounting Fees	30,918	38,344
Meetings	8,423	5,568
Office Expense	5,034	9,441
Payroll - Employee Benefits	35,657	34,489
Payroll - Salaries	249,138	228,147
Payroll - Taxes	19,096	17,379
Postage	91	296
Public Relations	1,500	1,083
Taxes and Licenses	713	154
Training	1,319	1,465
Travel	<u>6,073</u>	<u>6,721</u>
TOTAL PROGRAM ADMINISTRATIVE EXPENSES	<u><u>\$ 394,050</u></u>	<u><u>\$ 377,535</u></u>



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