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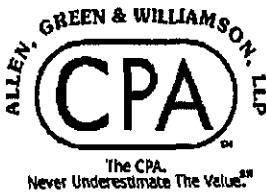
Ouachita Grand Plaza, Inc.
Monroe, Louisiana
HUD Project No. 064-EH150-WAH-NP-L8
Annual Financial Report
As of and for the Year Ended June 30, 2004

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

Release Date 2/2/05

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Ouachita Grand Plaza, Inc.
Monroe, Louisiana

We have audited the accompanying BASIC FINANCIAL STATEMENTS of Ouachita Grand Plaza, Inc., HUD Project No. 064-EH150-WAH-NP-L8, as of and for the year ended June 30, 2004, as listed in the table of contents. These basic financial statements are the responsibility of Ouachita Grand Plaza, Inc.'s management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of 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 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Ouachita Grand Plaza, Inc., as of June 30, 2004, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated August 26, 2004, on our consideration of Ouachita Grand Plaza, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Ouachita Grand Plaza, Inc., taken as a whole. The accompanying SUPPLEMENTAL INFORMATION as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Also, the accompanying OTHER INFORMATION as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of Ouachita Grand Plaza, Inc. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
August 26, 2004

OUACHITA GRAND PLAZA, INC.
Monroe, Louisiana
HUD PROJECT NO. 064-EH150-WAH-NP-L8

STATEMENT OF FINANCIAL POSITION
June 30, 2004

ASSETS

CURRENT ASSETS

1120 Cash - operations	\$	25,298
1145 Accounts receivable - accrued interest		21
1200 Miscellaneous prepaid expenses		<u>14,727</u>

Total current assets 40,046

DEPOSITS HELD IN TRUST - FUNDED

1191 Tenant deposits held in trust		15,702
------------------------------------	--	--------

DEPOSITS FOR FUNDED RESERVES

1320 Replacement reserve	\$	186,840
1340 Residual receipts reserve		<u>41,725</u>

Total deposits for funded reserves 228,565

FIXED ASSETS

1420 Buildings		3,129,638
1421 Building additions		364,590
1440 Building equipment (portable)		65,064
1450 Furniture for project/tenant use		68,957
1470 Maintenance equipment		7,045
1490 Computer equipment		<u>8,900</u>
Total fixed assets		3,644,194

1495 Accumulated depreciation		<u>(1,356,958)</u>
Net fixed assets		2,287,236

OTHER ASSETS

1590 Restricted deposits - donations for courtyard improvements		<u>3,047</u>
---	--	--------------

TOTAL ASSETS **\$ 2,574,596**

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

2110 Accounts payable - operations	\$	7,160
2111 Accounts payable - construction/development		330
2113 Accounts payable - Monroe Housing Authority		24,932
2130 Accrued interest payable		19,208
2170 Mortgage payable - First Mortgage		26,693
2190 Auditorium rental deposit		1,500
2210 Deferred revenue		<u>15</u>

Total current liabilities 79,838

DEPOSITS

2191 Tenant deposits held in trust (Contra)		15,568
---	--	--------

LONG-TERM LIABILITIES

2320 Mortgage payable - First Mortgage	\$	2,473,840
Less current portion		<u>(26,693)</u>
Total long-term liabilities		<u>2,447,147</u>

TOTAL LIABILITIES 2,542,553

NET ASSETS

3131 Unrestricted		
Operations	(389,849)	
Contributed capital	418,845	
3132 Temporarily restricted		<u>3,047</u>
Total net assets		<u>32,043</u>

TOTAL LIABILITIES AND NET ASSETS \$ 2,574,596

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS FINANCIAL STATEMENT.

OUACHITA GRAND PLAZA, INC.
Monroe, Louisiana
HUD PROJECT NO. 064-EH150-WAH-NP-L8

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2004

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
REVENUES, GAINS AND OTHER SUPPORT			
Rent revenue			
5120 Rent revenue - gross potential	\$ 165,766	\$ 0	\$ 165,766
5121 Housing assistance payments	<u>436,586</u>	<u>0</u>	<u>436,586</u>
Total rent revenue	602,352	0	602,352
 Vacancies			
5220 Apartments	<u>(11,564)</u>	<u>0</u>	<u>(11,564)</u>
Net rental revenue (rent revenue less vacancies)	<u>590,788</u>	<u>0</u>	<u>590,788</u>
 Financial revenue			
5430 Income from investments - residual receipts	86	0	86
5440 Income from investments - reserve for replacement	1,215	0	1,215
5490 Income from investments - restricted donations	<u>0</u>	<u>6</u>	<u>6</u>
Total financial revenue	<u>1,301</u>	<u>6</u>	<u>1,307</u>
 Other revenue			
5910 Laundry and vending	6,680	0	6,680
5920 Tenant charges	7	0	7
5990 Other revenues	<u>91,791</u>	<u>0</u>	<u>91,791</u>
Total other revenue	<u>98,478</u>	<u>0</u>	<u>98,478</u>
 Net assets released from restriction			
Restrictions satisfied by payments	<u>0</u>	<u>0</u>	<u>0</u>
 TOTAL REVENUES, GAINS, AND OTHER SUPPORT	 <u>690,567</u>	 <u>6</u>	 <u>690,573</u>
 EXPENSES			
Administrative expenses			
6210 Advertising and marketing	1,648	0	1,648
6311 Office expenses	5,116	0	5,116
6320 Management fee	36,720	0	36,720
6330 Manager or superintendent salaries	20,258	0	20,258
6340 Legal expenses - project	42	0	42
6350 Auditing expense	7,030	0	7,030
6351 Bookkeeping fees/Accounting services	<u>3,206</u>	<u>0</u>	<u>3,206</u>
Total administrative expense	<u>\$ 74,020</u>	<u>\$ 0</u>	<u>\$ 74,020</u>

Statement B

EXPENSES (CONTINUED)	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
Utilities Expenses			
6450 Electricity	\$ 54,635	\$ 0	\$ 54,635
6451 Water	4,804	0	4,804
6452 Gas	7,557	0	7,557
6453 Sewer	1,579	0	1,579
Total utilities expense	<u>68,575</u>	<u>0</u>	<u>68,575</u>
Operating and Maintenance Expenses			
6510 Payroll	44,111	0	44,111
6515 Supplies	33,694	0	33,694
6520 Contracts	17,008	0	17,008
6525 Garbage and trash removal	1,870	0	1,870
6530 Security payroll contract	24,071	0	24,071
6546 Heating/Cooling repairs and maintenance	22,170	0	22,170
Total operating and maintenance expense	<u>142,924</u>	<u>0</u>	<u>142,924</u>
Taxes and Insurance			
6711 Payroll taxes	7,367	0	7,367
6720 Property and liability insurance (hazard)	17,774	0	17,774
6721 Fidelity bond insurance	94	0	94
6722 Workman's compensation	2,486	0	2,486
6723 Health insurance and other employee benefits	8,987	0	8,987
Total taxes and insurance	<u>36,708</u>	<u>0</u>	<u>36,708</u>
Financial Expenses			
6820 Interest on mortgage payable	<u>223,851</u>	<u>0</u>	<u>223,851</u>
Total financial expense	<u>223,851</u>	<u>0</u>	<u>223,851</u>
6900 Assisted living/board and care/other elderly care expenses	<u>35,715</u>	<u>0</u>	<u>35,715</u>
Total cost of operations before depreciation	<u>581,793</u>	<u>0</u>	<u>581,793</u>
Increase (decrease) in Net Assets before Depreciation	108,774	6	108,780
6600 Depreciation	<u>91,705</u>	<u>0</u>	<u>91,705</u>
Increase (Decrease) in Net Assets	17,069	6	17,075
NET ASSETS AT BEGINNING OF YEAR	<u>11,927</u>	<u>3,041</u>	<u>14,968</u>
NET ASSETS AT END OF YEAR	<u>\$ 28,996</u>	<u>\$ 3,047</u>	<u>\$ 32,043</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

OUACHITA GRAND PLAZA, INC.
Monroe, Louisiana
HUD PROJECT NO. 064-EH150-WAH-NP-L8

STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2004

CASH FLOW FROM OPERATING ACTIVITIES

Cash received from:

Rentals	\$ 154,407
HAP	441,696
Other income	98,478
Interest	<u>1,323</u>
	<u>695,904</u>

Cash paid for:

Administrative	(100,047)
Utilities	(68,575)
Operations and Maintenance	(142,924)
Taxes and Insurance	(36,709)
Interest	(223,851)
Service	<u>(35,715)</u>
	<u>(607,821)</u>

Cash paid (into) out of:

Tenant security deposits	(2,158)
Tenant security deposits (liability)	2,334
Auditorium rental deposit	<u>(2,800)</u>
	<u>(2,624)</u>

Net cash provided (used) by operating activities 85,459

CASH FLOW FROM INVESTING ACTIVITIES

Withdrawal from investment - short term	0
Deposits into reserve for replacement	64,505
Net deposits to residual receipts reserve	(86)
Deposits into restricted deposits - donations	(6)
Increase in cost of capital assets	(104,756)
Decrease in retainage	<u>0</u>

Net cash provided (used) by investing activities (40,343)

CASH FLOW FROM FINANCING ACTIVITIES

Payment of mortgage principal	<u>(24,404)</u>
-------------------------------	-----------------

NET INCREASE IN CASH AND CASH EQUIVALENTS 20,712

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 4,586

CASH AND CASH EQUIVALENTS AT END OF YEAR \$ 25,298

Statement C

Increase (Decrease) in Net Assets	\$ 17,075
ADJUSTMENTS TO RECONCILE NET INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Depreciation	91,705
Change in assets and liabilities	
(Increase) decrease in accounts receivable - tenants	205
(Increase) decrease in accounts receivable - HUD	5,110
(Increase) decrease in accrued interest receivable	16
(Increase) decrease in prepaid insurance	(1)
(Increase) decrease in tenant security deposits (asset)	(2,158)
Increase (decrease) in accounts payable	(14,325)
Increase (decrease) in management fees payable	(3,060)
Increase (decrease) in accounts payable - Monroe Housing Authority	(8,657)
Increase (decrease) in deferred revenue	15
Increase (decrease) in prepaid rent	0
Increase (decrease) in tenant security deposits (liability)	2,334
Increase (decrease) in auditorium rental deposits	<u>(2,800)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ <u>85,459</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Ouachita Grand Plaza, Inc.
Notes to the Basic Financial Statements
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Ouachita Grand Plaza, Inc.
Notes to the Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Corporate Purpose The Corporation was organized without capital stock under Louisiana law on April 19, 1985, as a non-profit corporation to provide housing for elderly and handicapped individuals pursuant to Section 202 of the National Housing Act, as amended. Membership in the Corporation is evidenced by certificates of membership and is limited to individuals who are members of the Board of Directors, or other persons who have the approval of the Board of Directors of this Corporation.

Income Taxes The Corporation is qualified as an organization exempt from federal income taxes, pursuant to paragraph 501(c)(3) of the Internal Revenue Code; therefore, no provision for income taxes is necessary.

HUD Requirements The books of the Corporation are maintained in accordance with applicable HUD requirements. However, for this report, the financial statements are prepared on a generally accepted accounting principles basis. The assets, liabilities, and net assets reflected in these statements relate only to Ouachita Grand Plaza, Inc., and no other assets, liabilities, or capital of the owners are reported herein.

Cash and Cash Equivalents For purposes of the statement of cash flows, the Corporation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Fixed Assets Fixed assets are capitalized at the time they are purchased or constructed. Public domain or infrastructures are capitalized (construction period interest is capitalized). All fixed assets costing more than \$500 are capitalized. An asset may be capitalized if its cost is less than \$500 if it is considered to have a long useful life.

Use of Estimates The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to 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 statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS At June 30, 2004, the Corporation has cash and cash equivalents (book balances) as follows:

Petty Cash	\$ 50
Demand Deposit	25,248
Interest-bearing demand deposits	202,542
Total deposits	<u>227,840</u>
Less: demand deposits restricted	202,542
Total cash and cash equivalents	<u>\$ 25,298</u>

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledge securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year-end, the Corporation's carrying amount of deposits was \$227,840 and the bank balance was \$229,610. The bank balance was covered by federal depository insurance or by collateral held by the Corporation's agent in the Corporation's name (GASB Category 1).

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Corporation or its agent in the Corporation's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the Corporation's name.

Ouachita Grand Plaza, Inc.
Notes to the Basic Financial Statements

3. Uninsured and unregistered, with securities held by the counter party, or by its department or agent but not in the Corporation's name.

At year end, the Corporation investment balances included the following:

	Category			Carrying Amount		Total Carrying Amount
	1	2	3	Fair Value	Cost	
U.S. Treasury Securities	\$ 44,772	\$ 0	\$ 0	\$ 44,772	\$ 0	\$ 44,772

NOTE 3 - RESTRICTED DEPOSITS AND FUNDED RESERVES Under the provisions of the regulatory agreement with HUD, the Corporation is required to make monthly deposits to a reserve for replacement account. Any disbursements from this account must be approved by HUD. At June 30, 2004, the reserve for replacements account amounted to \$186,840

The Corporation is also required, under the regulatory agreement, to compute surplus cash and deposit it into a Residual Receipts Reserve. Any disbursements from this fund require HUD approval. The balance of this fund at June 30, 2004, amounted to \$41,725.

These deposits are restricted by regulatory agreement but not restricted as defined by financial Accounting Standards Statement No. 117. Therefore, these deposits are classified as unrestricted.

NOTE 4 - DEPOSITS HELD IN TRUST - FUNDED Tenants are required to pay a security deposit upon occupancy of an apartment. To comply with HUD guidelines, these security deposits are maintained in a separate bank account, in the name of the Corporation, which is limited to those transactions directly concerning the security deposits. The tenant security deposit escrow account had a balance of \$15,702 at June 30, 2004, at which time the Corporation was liable to tenants for security deposits of \$15,568.

NOTE 5 - FIXED ASSETS Property and equipment are recorded at historical cost. Depreciation is calculated using the straight-line method over estimated useful lives ranging from five to 40 years. Details of the lives, cost, accumulated depreciation and net book value are as follows:

		Estimated Useful Lives	Cost	Accumulated Depreciation	Net Book Value
1420	Buildings	40	3,129,638	1,130,259	\$ 1,999,379
1421	Building additions	39	364,590	86,918	\$ 277,672
1440	Building equipment (portable)	5	65,064	65,009	\$ 55
1450	Furniture for project/tenant use	5	68,957	59,200	\$ 9,757
1470	Maintenance equipment	5	7,045	7,045	\$ -
1490	Computer equipment	5	8,900	8,527	\$ 373
Total fixed Assets			\$ 3,644,194	\$ 1,356,958	\$ 2,287,236

NOTE 6 - RESTRICTED DEPOSITS DONATIONS The restricted donations are from private contributions restricted by the donors for renovation of the auditorium of Ouachita Grand Plaza, Inc.

NOTE 7 - ACCOUNTS PAYABLE - MONROE HOUSING AUTHORITY The Corporation was liable to Monroe Housing Authority for \$24,932 at June 30, 2004. This is the result of expenses paid by Monroe Housing Authority for the repairs, upkeep, salaries, and administrative costs. The Corporation reimburses Monroe Housing Authority periodically.

Ouachita Grand Plaza, Inc.

Notes to the Basic Financial Statements

NOTE 8 - MORTGAGE PAYABLE Ouachita Grand Plaza, Inc., is indebted to the U.S. department of Housing and Development for a mortgage on the building and improvements in the original amount of \$2,682,000. The forty-year, nine percent loan was obtained to finance the conversion and renovation of the old Ouachita Parish High School into ninety-one units of elderly low-income housing. The building, with a book value of \$2,277,051 is pledged as collateral to secure the loan. The mortgage principal and interest are to be paid in monthly installments of \$20,688.

Following is a schedule of principal maturities for the next five years and thereafter:

Principal Years ending June 30,	Maturing
2005	\$ 26,693
2006	29,197
2007	31,935
2008	34,931
2009	41,792
2010 and thereafter	2,309,292
Total	<u>\$ 2,473,840</u>

NOTE 9 - RELATED PARTY TRANSACTIONS The Monroe Housing Authority manages all aspects of this entity's operation including leasing decisions, grounds and building upkeep, requisition of funds from HUD, landlord decisions, rental collections, and payment of bills. The Monroe Housing Authority was paid \$36,720 in management fees.

NOTE 10 - HOUSING ASSISTANCE PAYMENTS CONTRACT The Corporation entered into a HAP contract with HUD on July 10, 1989. Under the terms of the HAP contract HUD will pay the difference between the contract (gross potential) rent and the portion of the rent payable by the tenants. During the year ended June 30, 2004, the HAP payments totaled \$436,586 and comprised 74 percent of the Corporation's net rental income.

NOTE 11 - LITIGATION AND CLAIMS

Grant Disallowances The Corporation participates in a Section 8 Housing Assistance payments grant program. The program is subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Ouachita Grand Plaza, Inc.

Supporting Data Required By HUD

OTHER REVENUE: Other revenue for the year ended June 30, 2004 is as follows:

Auditorium rental	\$ 17,400
Cable TV	9,732
Maintenance and other	44,659
Community Development Block Grant	20,000
Total	<u>\$ 91,791</u>

RESERVE FOR REPLACEMENTS: In accordance with the provisions of the regulatory agreement, the Corporation has established a restricted account to be used for replacement of property. For the year ended June 30, 2004, the account had the following activity:

Balance, beginning of year	\$ 251,345
Required deposit, 2004	30,000
Less disbursement	(95,720)
Interest earned	1,215
Balance, end of year	<u>\$ 186,840</u>

RESIDUAL RECEIPTS: The Corporation is also required, under the regulatory agreement, to compute surplus cash and deposit it into a restricted account for residual receipts. For the year ended June 30, 2004, the account had the following activity:

Balance, beginning of year	\$ 41,639
Required deposit, 2004	0
Less disbursement	0
Interest earned	86
Balance, end of year	<u>\$ 41,725</u>

Ouachita Grand Plaza, Inc.

**Supporting Data Required By HUD
Computation of Surplus Cash, Distributions and Residual Receipts
June 30, 2004**

PART A - Compute Surplus Cash

1. Cash (accounts 1120, 1191)	<u>\$ 41,000</u>
2. Accounts receivable - HUD (1135)	<u>0</u>
(a) Total cash	<u>\$ 41,000</u>
4. Accrued mortgage interest payable	19,208
7. Accounts Payable (due within 30 days)	32,422
11. Prepaid rents	0
12. Tenant security deposits liability (accounts 2191)	<u>15,568</u>
(b) Less total current obligations	<u>67,198</u>
(c) Surplus cash (deficiency)	<u>\$ (26,198)</u>

PART B - Complete Distributions to Owners and Required Deposit To Residual Receipts

1. Surplus Cash	<u>\$ 0</u>
4. Amount Available for distribution during next fiscal year	<u>\$ 0</u>
5. Deposit due residual receipts	<u>\$ 0</u>

Ouachita Grand Plaza, Inc.

Supporting Data Required By HUD
 Schedule of Changes in Fixed Assets
 As of and for the Year Ended June 30, 2004

	Assets			Depreciation Reserve			Net Book Balance 6-30-04
	Balance 7-01-03	Additions	Deletions	Balance 7-01-03	Additions	Deletions	
Buildings	\$ 3,037,544	\$ 92,094	\$ 0	\$ 3,129,638	\$ 78,241	\$ 0	\$ 1,999,379
Building additions	364,590	0	0	364,590	9,348	0	277,672
Building equipment (portable)	65,064	0	0	65,064	600	0	55
Furniture for project/tenant use	56,761	12,196	0	68,957	3,423	0	9,757
Maintenance equipment	7,045	0	0	7,045	0	0	0
Computer equipment	8,434	466	0	8,900	93	0	373
Totals	\$ 3,539,438	\$ 104,756	\$ 0	\$ 3,644,194	\$ 91,705	\$ 0	\$ 2,287,236

**Ouachita Grand Plaza, Inc.
Supporting Data Required by HUD**

**Schedule of Gross Potential Rent
For the Year Ended June 30, 2004**

<u>Description of units</u>	<u>Number of Units</u>	<u>Monthly Rate</u>	<u>Total Monthly Amount</u>
Rent income - apartments			
Zero-bedroom (efficiency)	21	478.00	\$ 10,038
One-bedroom	69	582.00	\$ 40,158
			<u>\$ 50,196</u>
			X <u>12</u>
Total Gross potential rent income			<u><u>\$ 602,352</u></u>

Ouachita Grand Plaza, Inc.
Supporting Data Required by HUD

Schedule of Funds in Financial Institutions
June 30, 2004

A. Funds held by mortgagor, regular operating account:	
1. Bank One - rental agency account	\$ 25,298 ¹
2. Bank One - held in Monroe PHA's general fund account	0
3. U.S. Treasury bills (variable) - auditorium rental fees	0
B. Funds held by mortgagor in trust	
1. Bank One - tenants security deposit, money market (variable)	15,702 ¹
C. Restricted fund - donations	
1. Bank One investment account - U.S. Treasury security money market	<u>3,047</u> ²
Fund held by mortgagor, total	<u>44,047</u>
D. Funds held by mortgagee (in trust)	
1. Tax and insurance escrow, none	0
2. Reserve fund for replacements Equipment reserve account - Bank One (variable)	186,840 ²
3. Residual receipts	
a. Bank One investment account U.S. Treasury bills (variable)	<u>41,725</u> ²
Funds held by mortgagee, total	<u>228,565</u> ¹
Total funds in financial institution	<u>\$ 272,612</u>

¹ Balances confirmed by bank

² Included in pooled investment account with Bank One, balance confirmed by Bank One

Owner: OUACHITA GRAND PLAZA, INC.
 Reporting From: 07/01/2003
 FHA/Contract Number(s): 064EH150

TIN: 581627458
 Reporting To: 06/30/2004
 Submission Type: AUD-A133

Assets		
Account	Description	Value
1120	Cash - Operations	\$ 25,298
1160	Accounts Receivable - Interest	\$ 21
1200	Miscellaneous Prepaid Expenses	\$ 14,727
1100T	Total Current Assets	\$ 40,046
1191	Tenant/Patient Deposits Held in Trust	\$ 15,702
1320	Replacement Reserve	\$ 186,840
1340	Residual Receipts Reserve	\$ 41,725
1300T	Total Deposits	\$ 228,565
1420	Buildings	\$ 3,494,228
1440	Building Equipment (Portable)	\$ 65,064
1450	Furniture for Project/Tenant Use	\$ 68,957
1470	Maintenance Equipment	\$ 7,045
1490	Miscellaneous Fixed Assets	\$ 8,900
1400T	Total Fixed Assets	\$ 3,644,194
1495	Accumulated Depreciation	\$ 1,356,958
1400N	Net Fixed Assets	\$ 2,287,236
1590	Miscellaneous Other Assets	\$ 3,047
Detail - Miscellaneous Other Assets		
1590-010	Description - Miscellaneous	Donation money market
Detail for 1590		
1590-020	Amount - Miscellaneous	\$ 3,047
Detail for 1590		
1500T	Total Other Assets	\$ 3,047
1000T	Total Assets	\$ 2,574,596

Liabilities		
Account	Description	Value
2105	Bank Overdraft - Operations	\$ 0
2110	Accounts Payable - Operations	\$ 7,160
2111	Accounts Payable - Construction/ Development	\$ 330
2113	Accounts Payable - Entity	\$ 24,932
2131	Accrued Interest Payable - First Mortgage (or Bonds)	\$ 19,208
2170	Mortgage (or Bonds) Payable - First Mortgage (Bonds) (Short Term)	\$ 26,693
2190	Miscellaneous Current Liabilities	\$ 1,500
Detail - Miscellaneous Current Liabilities		

2190-010 - Description - Miscellaneous Auditorium rental deposit
 Detail for 2190
 2190-020 - Amount - Miscellaneous \$ 1,500
 Detail for 2190

2210	Prepaid Revenue	\$ 15
2122T	Total Current Liabilities	\$ 79,838
2191	Tenant/Patient Deposits Held In Trust (Contra)	\$ 15,568
2320	Mortgage (or Bonds) Payable - First Mortgage (or Bonds)	\$ 2,447,147
2300T	Total Long Term Liabilities	\$ 2,447,147
2000T	Total Liabilities	\$ 2,542,553

Net Assets

Account	Description	Value
3131	Unrestricted Net Assets	\$ 28,996
3132	Temporarily Restricted Net Assets	\$ 3,047
3130	Total Net Assets	\$ 32,043
2033T	Total Liabilities and Equity/Net Assets	\$ 2,574,596

Rent Revenue

Account	Description	Value
5120	Rent Revenue - Gross Potential	\$ 165,766
5121	Tenant Assistance Payments	\$ 436,586
5100T	Total Rent Revenue	\$ 602,352

Vacancies

Account	Description	Value
5220	Apartments	\$ 11,564
5200T	Total Vacancies	\$ 11,564
5152N	Net Rental Revenue (Rent Revenue Less Vacancies)	\$ 590,788
5430	Revenue from Investments - Residual Receipts	\$ 86
5440	Revenue from Investments - Replacement Reserve	\$ 1,215
5490	Revenue from Investments - Miscellaneous	\$ 6

Details - Miscellaneous Revenue from Investments

5490-010 - Description Auditorium rental interest
 5490-020 - Amount \$ 6

5400T	Total Financial Revenue	\$ 1,307
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Other Revenue

Account	Description	Value
5910	Laundry and Vending Revenue	\$ 6,680
5920	Tenant Charges	\$ 7
5990	Miscellaneous Revenue	\$ 91,791

Details - Miscellaneous Revenue

5990-010 - Description Auditorium rental
 5990-020 - Amount \$ 17,400

Details - Miscellaneous Revenue

5990-010 - Description Cable TV
 5990-020 - Amount \$ 9,732

Details - Miscellaneous Revenue

	5990-010 - Description	Maintenance and other	
	5990-020 - Amount	\$ 44,659	
	Details - Miscellaneous Revenue		
	5990-010 - Description	CDBG	
	5990-020 - Amount	\$ 20,000	
5900T	Total Other Revenue		\$ 98,478
5000T	Total Revenue		\$ 690,573
6210	Advertising and Marketing		\$ 1,648
6311	Office Expenses		\$ 5,116
6320	Management Fee		\$ 36,720
6330	Manager or Superintendent Salaries		\$ 20,258
6340	Legal Expense - Project		\$ 42
6350	Audit Expense		\$ 7,030
6351	Bookkeeping Fees/Accounting Services		\$ 3,206
6263T	Total Administrative Expenses		\$ 74,020
6450	Electricity		\$ 54,635
6451	Water		\$ 4,804
6452	Gas		\$ 7,557
6453	Sewer		\$ 1,579
6400T	Total Utilities Expense		\$ 68,575
Operating & Maintenance Expenses			
Account	Description		Value
6510	Payroll		\$ 44,111
6515	Supplies		\$ 33,694
6520	Contracts		\$ 17,008
6525	Garbage and Trash Removal		\$ 1,870
6530	Security Payroll/Contract		\$ 24,071
6546	Heating/Cooling Repairs and Maintenance		\$ 22,170
6500T	Total Operating and Maintenance Expenses		\$ 142,924
6711	Payroll Taxes (Project's Share)		\$ 7,367
6720	Property & Liability Insurance (Hazard)		\$ 17,774
6721	Fidelity Bond Insurance		\$ 94
6722	Workmen's Compensation		\$ 2,486
6723	Health Insurance and Other Employee Benefits		\$ 8,987
6700T	Total Taxes and Insurance		\$ 36,708
Financial Expenses			
Account	Description		Value
6820	Interest on Mortgage (or Bonds) Payable		\$ 223,851
6800T	Total Financial Expenses		\$ 223,851
6900 Expenses			
Account	Description		Value
6900	Nursing Homes/Assisted Living/ Board & Care/Other Elderly Care Expenses		\$ 35,715
Operating Results			
Account	Description		Value
6000T	Total Cost of Operations before Depreciation		\$ 581,793
5060T	Profit (Loss) before Depreciation		\$ 108,780

6600	Depreciation Expenses	\$ 91,705
5060N	Operating Profit or (Loss)	\$ 17,075

Change in Net Assets from Operations

Account	Description	Value
3247	Change in Unrestricted Net Assets from Operations	\$ 17,069
3248	Change in Temporarily Restricted Net Assets from Operations	\$ 6
3250	Change in Total Net Assets from Operations	\$ 17,075

Part II

Account	Description	Value
S1000-010	Total mortgage (or bond) principal payments required during the audit year [12 monthly payments]. This applies to all direct loans and HUD-held and fully insured first mortgages.	\$ 24,403
S1000-020	Total of 12 monthly deposits in the audit year into the Replacement Reserve account, as required by the Regulatory Agreement even if payments may be temporarily suspended or reduced.	\$ 30,000
S1000-030	Replacement Reserves, or Residual Receipts and Releases which are included as expense items on this Profit and Loss statement.	\$ 95,720
S1100-060	Previous Year Unrestricted Net Assets	\$ 11,927
3247	Change in Unrestricted Net Assets from Operations	\$ 17,069
3131	Unrestricted Net Assets	\$ 28,996
S1100-070	Previous Year Temporarily Restricted Net Assets	\$ 3,041
3248	Change in Temporarily Restricted Net Assets from Operations	\$ 6
3132	Temporarily Restricted Net Assets	\$ 3,047
S1100-050	Previous Year Total Net Assets	\$ 14,968
3250	Change in Total Net Assets from Operations	\$ 17,075
3130	Total Net Assets	\$ 32,043

Cash Flow from Operating Activities

Account	Description	Value
S1200-010	Rental Receipts	\$ 596,103
S1200-020	Interest Receipts	\$ 1,325
S1200-030	Other Operating Receipts	\$ 98,478
S1200-040	Total Receipts	\$ 695,906
S1200-050	Administrative	\$ -63,327
S1200-070	Management Fee	\$ -36,720
S1200-090	Utilities	\$ -68,575
S1200-100	Salaries and Wages	\$ -44,111
S1200-110	Operating and Maintenance	\$ -98,813
S1200-140	Property Insurance	\$ -17,774

S1200-150 Miscellaneous Taxes and Insurance	\$ -18,935
S1200-160 Tenant Security Deposits	\$ 176
S1200-170 Other Operating Expenses	\$ -2,800
S1200-180 Interest on First Mortgage	\$ -229,851
S1200-220 Miscellaneous Financial	\$ -35,715
S1200-230 Total Disbursements	\$ -610,445
S1200-240 Net Cash provided by (used in) Operating Activities	\$ 85,459
S1200-250 Net Deposits to the Reserve for Replacement account	\$ 64,505
S1200-260 Net Deposits to the Residual Receipts account	\$ -86
S1200-330 Net Purchase of Fixed Assets	\$ -104,756
S1200-340 Other Investing Activities	\$ -6
S1200-350 Net Cash used in Investing Activities	\$ -40,343
Cash Flow from Financing Activities	
Account	Value
S1200-360 Principal Payments - First Mortgage (or Bonds)	\$ -24,404
S1200-460 Net Cash used in Financing Activities	\$ -24,404
S1200-470 Net increase (decrease) in Cash and Cash Equivalents	\$ 20,712
Cash and Cash Equivalents	
Account	Value
S1200-480 Beginning of Period Cash	\$ 4,586
S1200T End of Period Cash	\$ 25,298
Reconciliation of Net Profit (Loss) to Net Cash Provided by (Used in) Operating Activities	
Account	Value
3250 Change in Total Net Assets from Operations	\$ 17,075
Adjustments to Reconcile Net Profit (Loss) to Net Cash Provided by (Used in) Operating Activities	
Account	Value
6600 Depreciation Expenses	\$ 91,705
S1200-490 Decrease (increase) in Tenant/Member Accounts Receivable	\$ 205
S1200-500 Decrease (increase) in Accounts Receivable - Other	\$ 5,110
S1200-510 Decrease (increase) in Accrued Receivable	\$ 16
S1200-520 Decrease (increase) in Prepaid Expenses	\$ -1
S1200-530 Decrease (increase) in Cash Restricted for Tenant Security Deposits	\$ -2,158
S1200-540 Increase (decrease) in Accounts Payable	\$ -22,967
S1200-560 Increase (decrease) in Accrued Liabilities	\$ -3,060
S1200-580 Increase (decrease) in Tenant Security Deposits held in trust	\$ 2,334
S1200-590 Increase (decrease) in Prepaid Revenue	\$ -2,800
Net Cash provided by (used in) Operating Activities	
Account	Value

S1200-610 Net Cash provided by (used in)
Operating Activities

\$ 85,459

S3100-010 Organization and Presentation Note

Corporate Purpose The Corporation was organized without capital stock under Louisiana law on April 19, 1983, as a non-profit corporation to provide housing for elderly and handicapped individuals pursuant to Section 202 of the National Housing Act, as amended. Membership in the Corporation is evidenced by certificates of membership and is limited to individuals who are members of the Board of Directors or other persons who have the approval of the Board of Directors of this Corporation.

S3100-040 Summary of Significant Accounting Policies Note

Income Taxes The Corporation is qualified as an organization exempt from federal income taxes, pursuant to paragraph 501(c)(3) of the Internal Revenue Code; therefore, no provision for income taxes is necessary. **HUD Requirements** The books of the Corporation are maintained in accordance with applicable HUD requirements. However, for this report, the financial statements are prepared on a generally accepted accounting principles basis. The assets, liabilities, and net assets reflected in these statements relate only to Ouachita Grand Plaza, Inc., and no other assets, liabilities, or capital of the owners are reported herein. **Cash and Cash Equivalents** For purposes of the statement of cash flows, the Corporation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. **Fixed Assets** Fixed assets are capitalized at the time they are purchased or constructed. Public domain or infrastructures are capitalized (construction period interest is capitalized). All fixed assets costing more than \$500 are capitalized. An asset may be capitalized if its cost is less than \$500 if it is considered to have a long useful life. **Use of Estimates** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to 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

statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

S3100-050 Mortgages (or Bond) Payable Note	NOTE 8 - MORTGAGE PAYABLE Ouachita Grand Plaza, Inc., is indebted to the U.S. department of Housing and Urban Development for a mortgage on the building and improvements in the original amount of \$2,682,000. The forty-year, nine percent loan was obtained to finance the conversion and renovation of the old Ouachita Parish High School into ninety-one units of elderly low-income housing. The building, with a book value of \$2,277,951 is pledged as collateral to secure the loan. The mortgage principal and interest are to be paid in monthly installments of \$20,688. Following is a schedule of principal maturities for the next five years and thereafter: Principal Years ending June 30, Maturing 2005 \$26,693 2006 29,197 2007 31,935 2008 34,931 2009 41,792 2010 and thereafter 2,309,292 Total \$2,473,840
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Details - Mortgages Payable

S3100-060 - Principal Payments in the next 12 months - Year 1	\$ 26,693
S3100-070 - Principal Payments in the next 12 months - Year 2	\$ 29,197
S3100-080 - Principal Payments in the next 12 months - Year 3	\$ 31,935
S3100-090 - Principal Payments in the next 12 months - Year 4	\$ 34,931
S3100-100 - Principal Payments in the next 12 months - Year 5	\$ 41,792
S3100-110 - Principal Payments remaining after Year 5	\$ 2,309,292
S3100-200 Related Party Transactions Note	

NOTE 7 - ACCOUNTS PAYABLE - MONROE HOUSING AUTHORITY The Corporation was liable to Monroe Housing Authority for \$24,932 at June 30, 2004. This is the result of expenses paid by Monroe Housing Authority for the repairs, upkeep, salaries, and administrative costs. The Corporation reimburses Monroe Housing Authority periodically.

Details - Related Party Transactions

S3100-210 - Company Name	Monroe Housing Authority
S3100-220 - Amount Received	\$ 24,932

S3100-230 Management Fee Note	NOTE 9 - RELATED PARTY
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TRANSACTIONS The Monroe Housing Authority manages all aspects of this entity's operation including leasing decisions, grounds and building upkeep, requisition of funds from HUD, landlord decisions, rental collections, and payment of bills. The Monroe Housing Authority was paid \$36,720 in management fees.

S3100-240 Additional Note

NOTE 2 - DEPOSITS AND INVESTMENTS At June 30, 2004, the Corporation has cash and cash equivalents (book balances) as follows: Petty Cash \$50 Demand Deposit 25,248 Interest-bearing demand deposits 202,542 Total deposits 227,840 Less: demand deposits restricted 202,542 Total cash and cash equivalents \$25,298 Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledge securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At year-end, the Corporation's carrying amount of deposits was \$227,840 and the bank balance was \$229,610. The bank balance was covered by federal depository insurance or by collateral held by the Corporation's agent in the Corporation's name (GASB Category 1). Investments are categorized into these three categories of credit risk: 1. Insured or registered, or securities held by the Corporation or its agent in the Corporation's name. 2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the Corporation's name. 3. Uninsured and unregistered, with securities held by the counter party, or by its department or agent but not in the Corporation's name. At year end, the Corporation investment balances included the following:

Category	Carrying Amount	Fair Value	Cost	U.S. Treasury Securities
1	\$44,772	\$0	\$0	\$44,772
2	\$0	\$0	\$0	\$0
3	\$44,772	\$44,772	\$0	\$44,772

S3100-240 Additional Note

NOTE 3 - RESTRICTED DEPOSITS AND FUNDED RESERVES Under the provisions of the regulatory agreement with HUD, the Corporation is required to make monthly deposits to a reserve for replacement account. Any disbursements from this account must be approved by HUD. At June 30, 2004, the reserve for replacements account amounted to \$186,840. Reserves for replacement account amounted to 186,840.00. The Corporation is also required, under the regulatory agreement, to compute surplus cash and deposit it into a Residual Receipts Reserve. Any disbursements from this fund require HUD approval. The balance of this fund at June 30, 2004, amounted to \$41,725. Balance of fund at 06/30/2004 amounted to be 41,725.00. These deposits are restricted by regulatory agreement but not restricted as defined by financial Accounting Standards Statement No. 117. Therefore, these deposits are classified as unrestricted.

S3100-240 Additional Note

NOTE 4 - DEPOSITS HELD IN TRUST - FUNDED Tenants are required to pay a security deposit upon occupancy of an apartment. To comply with HUD guidelines, these security deposits are maintained in a separate bank account, in the name of the Corporation, which is limited to those transactions directly concerning the security deposits. The tenant security deposit escrow account had a balance of \$15,702 at June 30, 2004, at which time the Corporation was liable to tenants for security deposits of \$15,568.

S3100-240 Additional Note

NOTE 5 - FIXED ASSETS Property and equipment are recorded at historical cost. Depreciation is calculated using the straight-line method over estimated useful lives ranging from five to 40 years. Details of the lives, cost, accumulated depreciation and net book value are as follows:

Estimated Useful Lives	Cost	Accumulated Depreciation	Net Book Value
1420			
Buildings	40	\$3,129,638	1,130,259
	\$1,999,379	1421	Building additions
	39	\$64,590	86,918
	\$277,672	1440	Building equipment (portable)
	5	65,064	65,009
	\$55	1450	Furniture for project/tenant use
	5	68,957	59,200
	\$9,757	1470	Maintenance

equipment \$ 7,045 7,045 \$- 1490 Computer
equipment \$ 8,900 8,527 \$373 Total fixed
Assets \$3,644,194 \$1,356,958 \$2,287,236

S3100-240 Additional Note

**NOTE 6 - RESTRICTED DEPOSITS
DONATIONS** The restricted donations are
from private contributions restricted by the
donors for renovation of the auditorium of
Ouachita Grand Plaza, Inc.

S3100-240 Additional Note

**NOTE 10 - HOUSING ASSISTANCE
PAYMENTS CONTRACT (HAP)** The
Corporation entered into a HAP contract
The Corporation entered into a HAP
contract with HUD on July 10, 1989. Under
the terms of the HAP contract HUD will pay
the difference between the contract (gross
potential) rent and the portion of the rent
payable by the tenants. During the year
ended June 30, 2004, the HAP payments
totaled \$436,586 and comprised 74 percent
of the Corporation's net rental income.

S3100-240 Additional Note

**NOTE 11 - LITIGATION AND CLAIMS
Grant Disallowances** The Corporation
participates in a Section 8 Housing
Assistance payments grant program. The
program is subject to compliance audits
under the single audit approach. Such audits
could lead to requests for reimbursement by
the grantor agency for expenditures
disallowed under terms of the grants.
Management believes that the amount of
disallowances, if any, which may arise from
future audits will not be material.

Report on the Financial Statement and on the Supplementary Schedule of Federal Awards

Account	Description	Value
S3400-020	Opinion	UNQUALIFIED

S3400-030 Opinion Explanation

In our opinion, the basic financial
statements referred to above present fairly,
in all material respects, the financial
position of Ouachita Grand Plaza, Inc., as of
June 30, 2004, and the changes in its net
assets and cash flows for the year then
ended in conformity with accounting
principles generally accepted in the United
States of America. Schedule of
Expenditures of Federal Awards We have
audited the basic financial statements of
Ouachita Grand Plaza, Inc., as of and for the
year ended June 30, 2004, and have issued
our report thereon dated August 26, 2004.
Our audit was performed for the purpose of
forming an opinion on the basic financial

statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular No. A-133 and is not a required part of the basic financial statements of Ouachita Grand Plaza, Inc. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

S3400-050 Going Concern Issue			N
Report on Supplemental Data			
Account	Description		Value
S3400-100	Opinion		UNQUALIFIED
S3400-110	Opinion Explanation	Our audit was performed for the purpose of forming an opinion on the basic financial statements of Ouachita Grand Plaza, Inc. taken as a whole. The accompanying SUPPLEMENTAL INFORMATION as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.	
Report on Compliance and on Internal Control over Financial Reporting			
Account	Description		Value
S3500-020	Reportable Conditions Indicator		N
S3500-030	Material Weakness Indicator		N
S3500-040	Material Non-Compliance Indicator		N
Report on Compliance Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133			
Account	Description		Value
S3600-020	Reportable Conditions Indicator		N
S3600-030	Material Weakness Indicator		N
Schedule of Findings and Questioned Costs			
Account	Description		Value
S3700-010	Indicator - Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133		N
S3700-020	Dollar threshold used to distinguish between type A and type B programs		\$ 300,000
S3700-030	Low-Risk Auditee Indicator		Y
Schedule of Reserve for Replacement			

Account	Description	Value
1320P	Balance at Beginning of Year	\$ 251,345
1320DI	Total Monthly Deposits	\$ 30,000
1320INT	Interest on Replacement Reserve Accounts	\$ 1,215
1320WT	Approved Withdrawals	\$ 95,720
1320	Balance at End of Year, Confirmed by Mortgagee	\$ 186,840
1320R	Deposits Suspended or Waived Indicator	N

Schedule of Residual Receipts

Account	Description	Value
1340P	Balance at Beginning of Year	\$ 41,639
1340INT	Interest on Residual Receipt Accounts	\$ 86
1340	Balance at Current Fiscal Year End	\$ 41,725

Computation of Surplus Cash, Distributions, and Residual Receipts (Annual)

Account	Description	Value
S1300-010	Cash	\$ 41,000
S1300-040	Total Cash	\$ 41,000
S1300-050	Accrued Mortgage (or Bond) Interest Payable	\$ 19,208
S1300-075	Accounts Payable - 30 days	\$ 32,407
2210	Prepaid Revenue	\$ 13
2191	Tenant/Patient Deposits Held In Trust (Contra)	\$ 15,568
S1300-140	Total Current Obligations	\$ 67,198
S1300-150	Surplus Cash (Deficiency)	\$ -26,198
S1300-210	Deposit Due Residual Receipts	\$ 0
1420P	Beginning Balance for 1420	\$ 3,402,134
1420AT	Additions for 1420	\$ 92,094
	Details - Additions for 1420	
	1420A-010 - Item Purchased	Air conditioning system
	1420A-030 - Total Amount	\$ 92,094
1420	Buildings	\$ 3,494,228
1440P	Beginning Balance for 1440	\$ 65,064
1440	Building Equipment (Portable)	\$ 65,064
1450P	Beginning Balance for 1450	\$ 56,761
1450AT	Additions for 1450	\$ 12,196
	Details - Additions for 1450	
	1450A-010 - Item Purchased	Furniture
	1450A-030 - Total Amount	\$ 12,196
1450	Furniture for Project/Tenant Use	\$ 68,957
1470P	Beginning Balance for 1470	\$ 7,045
1470	Maintenance Equipment	\$ 7,045
1490P	Beginning Balance for 1490	\$ 8,434
1490AT	Additions for 1490	\$ 466
	Details - Additions for 1490	
	1490A-010 - Item Purchased	Computer equipment
	1490A-030 - Total Amount	\$ 466
1490	Miscellaneous Fixed Assets	\$ 8,900
1400PT	Total Beginning Balance for Fixed Assets	\$ 3,539,438

1400AT	Total Asset Additions	\$ 104,756
1400T	Total Fixed Assets	\$ 3,644,194
1495P	Beginning Balance for 1495	\$ 1,265,253
6600	Total Provisions	\$ 91,703
1495	Ending Balance for Accumulated Depreciation	\$ 1,356,958
1400N	Total Net Book Value	\$ 2,287,236
6952	Other Housekeeping	\$ 35,715

Details - Schedule of Expenditures of Federal Awards

S3300-020 Program Number

S3300-030 - Name of Federal Agency Department of Housing and Urban Development
 S3300-040 - Name of Federal Program Section 8 Rental Certificates
 S3300-050 - CFDA Number 14.857
 S3300-080 - Federal Awards Expended \$ 436,586
 S3300-150 - Opinion UNQUALIFIED

Details - Schedule of Expenditures of Federal Awards

S3300-020 Program Number

S3300-030 - Name of Federal Agency Department of Housing and Urban Development
 S3300-040 - Name of Federal Program Section 202 Outstanding HUD Loan
 S3300-050 - CFDA Number 14.157
 S3300-080 - Federal Awards Expended \$ 2,473,840
 S3300-150 - Opinion UNQUALIFIED

Details - Schedule of Expenditures of Federal Awards

S3300-020 Program Number

S3300-030 - Name of Federal Agency Department of Housing and Urban Development
 S3300-040 - Name of Federal Program CDBG
 S3300-050 - CFDA Number 14.218
 S3300-080 - Federal Awards Expended \$ 20,000
 S3300-150 - Opinion UNQUALIFIED

S3300-500 Total Federal Awards Expended \$ 2,930,426

S3300-510 Note to the Schedule

NOTE 1 - GENERAL This schedule presents the activity of all federal awards programs of Ouachita Grand Plaza, Inc. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule. **NOTE 2 - BASIS OF ACCOUNTING** This schedule is presented using the accrual basis of accounting. **NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS** Federal awards revenues are reported in the Corporation's basic financial statements. **NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in this schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect

amounts in accordance with accounting principles generally accepted in the United States of America.

Mortgagor's Certification		
Account	Description	Value
S2900-010	Narrative	We hereby certify that we have examined the accompanying financial statements and supplemental information of Ouachita Grand Plaza, Inc., and to the best of our knowledge and belief, the same is complete and accurate.
S2900-020	Name of Signatory #1	Dr. Henry Bonner
S2900-025	Title of Certifying Official	President
S2900-030	Name of Signatory #2	Vicki Krutzer
S2900-040	Auditee Telephone Number	318.388.1500
S2900-050	Date of Certification	08/26/2004
S2900-080	Auditee Name	Ouachita Grand Plaza, Inc.
S2900-090	Auditee Street Address Line 1	300 Harrison Street
S2900-110	Auditee City	Monroe
S2900-120	Auditee State	Louisiana
S2900-130	Auditee Zip Code	71201
S2900-150	Auditee Contact Name	Dr. Henry Bonner
S2900-160	Auditee Contact Title	President

Managing Agent's Certification		
Account	Description	Value
S3000-010	Narrative	We hereby certify that we have examined the accompanying financial statements and supplemental information of Ouachita Grand Plaza, Inc., and to the best of our knowledge and belief, the same is complete and accurate.
S3000-020	Name of Managing Agent	Monroe Housing Authority
S3000-030	Name of Signatory	Frank Wilcox
S3000-040	Managing Agent TIN	726001704
S3000-050	Name of Individual (i.e., Property Manager)	Frank Wilcox

Auditor's Transmittal Letter		
Account	Description	Value
S3200-005	Audit Firm ID (UII)	95070
S3200-010	Audit Firm	Allen, Green & Company, CPAs, LLP
S3200-020	Lead Auditor First Name	Margie
S3200-040	Lead Auditor Last Name	Williamson
S3200-045	Auditor Contact Title	Partner
S3200-050	Auditor Street Address Line 1	2414 Ferrand Street
S3200-060	Auditor Street Address Line 2	P. O. Box 6075
S3200-070	Auditor City	Monroe
S3200-080	Auditor State	LA
S3200-090	Auditor Zip Code	71211
S3200-100	Auditor Zip Code Extension	6075
S3200-110	Telephone Number	318.388.4422
S3200-120	Audit Firm TIN	721221121

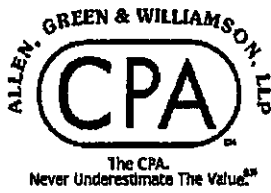
S3200-130 Date of Independent Auditor's Report

08/26/2004

S3200-150 Auditor Contact E-mail

margie@allengreenepa.com

- end of statement -



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Tim Green, CPA

Margie Williamson, CPA

Ernest L. Allen, CPA
(Retired)
1963 - 2000

Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

The Board of Directors
Ouachita Grand Plaza, Inc.
Monroe, Louisiana

We have audited the basic financial statements of Ouachita Grand Plaza, Inc., Monroe, Louisiana, HUD Project No. 064-EH150-WAH-NP-L8, as of and for the year ended June 30, 2004, and have issued our report thereon dated August 26, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ouachita Grand Plaza, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

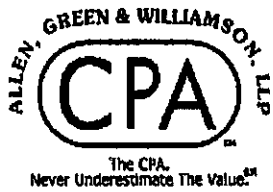
In planning and performing our audit, we considered Ouachita Grand Plaza, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud 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. We noted no matters involving the internal control over financial reporting and its operation that we considered to be material weaknesses.

This report is intended solely for the information and use of the Board, management and HUD, and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
August 26, 2004



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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1963 - 2000

Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular No. A-133

The Board of Directors
Ouachita Grand Plaza, Inc.
Monroe, Louisiana

Compliance

We have audited the compliance of Ouachita Grand Plaza, Inc., Monroe, Louisiana, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular No. A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2004. Ouachita Grand Plaza, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Ouachita Grand Plaza, Inc.'s management. Our responsibility is to express an opinion on Ouachita Grand Plaza, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular No. A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Ouachita Grand Plaza, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Ouachita Grand Plaza, Inc.'s compliance with those requirements.

In our opinion Ouachita Grand Plaza, Inc., complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

Internal Control Over Compliance

The management of Ouachita Grand Plaza, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Ouachita Grand Plaza, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular No. A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of Ouachita Grand Plaza, Inc., as of and for the year ended June 30, 2004, and have issued our report thereon dated August 26, 2004. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular No. A-133 and is not a required part of the basic financial statements of Ouachita Grand Plaza, Inc. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Directors; management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

August 26, 2004

Ouachita Grand Plaza, Inc.

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004**

FEDERAL GRANTOR/ THROUGH GRANTOR/PROGRAM NAME	PASS-	CFDA Number	Pass-Through Grantor No	<u>Expenditures</u>
United States Department of Housing and Urban Development Direct Programs				
Section 8 Rental Certificates		14.857	064-EH150-WAH-NP-L8	\$ 436,586
Section 202 Outstanding HUD Loan		14.157	064-EH150-WAH-NP-L8	2,473,840
CDBG Grant		14.218	B02-MC22-0005	<u>20,000</u>
TOTAL				<u>\$ 2,930,426</u>

NOTE 1 - GENERAL This schedule presents the activity of all federal awards programs of Ouachita Grand Plaza, Inc. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING This schedule is presented using the accrual basis of accounting.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Corporation's basic financial statements.

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in this schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

Ouachita Grand Plaza, Inc.

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2004**

PART I - Summary of the Auditors' Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statement.

Audit of Federal Awards

- iv. There was no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit did not disclose audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vii. The major federal programs are:

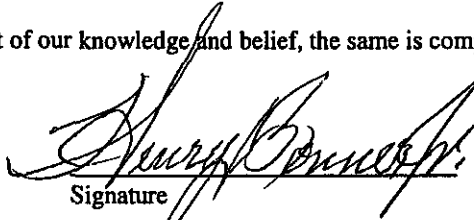
CFDA #14.157 Section 202 Outstanding HUD Loan
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No. A-133, Section .520(b) was \$300,000.
- ix. The auditee qualifies as a low-risk auditee under OMB Circular No. A-133, Section .530.

**Ouachita Grand Plaza, Inc.
Monroe, Louisiana**

**Mortgagor's Certification
June 30, 2004**

We hereby certify that we have examined the accompanying financial statements and supplemental information of Ouachita Grand Plaza, Inc., and to the best of our knowledge and belief, the same is complete and accurate.

President
Title


Signature

10/21/04
Date

Vice-President
Title


Signature

10/21/04
Date

Employer's Identification number
58-1627458

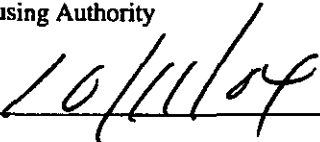
**Ouachita Grand Plaza, Inc.
Monroe, Louisiana**

**Management Agent's Certification
June 30, 2004**

We hereby certify that we have examined the accompanying financial statements and supplemental information of Ouachita Grand Plaza, Inc., and to the best of our knowledge and belief, the same is complete and accurate.



Signature
Mr. Frank Wilcox, Executive Director
Monroe Housing Authority



Date