

**Inner-City Revitalization Corporation**

**Alexandria, Louisiana**

**Financial Statements**

**December 31, 2024**

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Dona Manuel  
CPA

## **Independent Accountant's Review Report**

Board of Directors  
Inner-City Revitalization Corporation  
Alexandria, Louisiana

We have reviewed the accompanying financial statements of Inner-City Revitalization Corporation, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **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.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Inner-City Revitalization Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

### **Supplementary Information**

The Schedule of Compensation, Benefits and Other Payments to the Executive Director is presented for purposes of additional analysis and is not a required part of the basic 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 supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and accordingly do not express an opinion on such information.

### **Report on Summarized Comparative Information**

We previously audited the financial statements of Inner-City Revitalization Corporation as of and for the year ended December 31, 2023, and our report dated September 3, 2024 expressed an unmodified opinion of those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived

A handwritten signature in blue ink that reads "Dona Manuel CPA".

Dona Manuel CPA, LLC

Alexandria, Louisiana

June 30, 2025

**Dona Manuel, CPA, LLC**

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Inner-City Revitalization Corporation  
Statements of Financial Position  
December 31, 2024

	<u>2024</u>	<u>2023</u> <u>Summarized</u> <u>Total</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 621,824	\$ 494,867
Notes receivable - current portion	56,312	46,331
Inventory	131,673	843,764
Investments	35,023	31,736
Total Current Assets	<u>844,833</u>	<u>1,416,698</u>
Plant, Property and Equipment, net	1,301,867	1,366,938
Other Assets		
Deposits	1,200	1,200
Notes receivable - net of current portion	366,218	322,727
Restricted cash	256,309	256,233
Total Other Assets	<u>623,727</u>	<u>580,160</u>
Total Assets	<u>\$ 2,770,426</u>	<u>\$ 3,363,796</u>
Liabilities and Net Assets		
Current Liabilities		
Payroll liabilities	\$ 10,283	\$ 9,230
Rental deposits and escrow accounts	15,813	14,948
Accrued liabilities	301	98
Notes payable	124,904	829,180
Total Current Liabilities	<u>151,301</u>	<u>853,456</u>
Net Assets		
without Donor Restriction	1,935,622	1,463,429
with Donor Restriction	683,503	1,046,911
Total Net Assets	<u>2,619,125</u>	<u>2,510,340</u>
Total Liabilities and Net Assets	<u>\$ 2,770,426</u>	<u>\$ 3,363,796</u>

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

Inner-City Revitalization Corporation  
Statements of Activities  
For the Year Ended December 31, 2024

		<u>2024</u>		<u>2023</u>
	without Donor	with Donor		Summarized
	<u>Restrictions</u>	<u>Restrictions</u>	<u>Total</u>	<u>Total</u>
Revenues				
Contributions, gifts and grants	\$ 841,618	\$ 26,875	\$ 868,493	\$ 312,629
Investment income	8,969	438	9,407	10,353
Program income	128,964	442,786	571,750	449,719
Other income	<u>206,879</u>	<u>-</u>	<u>206,879</u>	<u>5,645</u>
Total Revenues	1,186,430	470,099	1,656,529	778,346
Net Assets released from restrictions	833,507	(833,507)	-	-
Functional Expenses				
Program Services				
Rental activities	281,731	-	281,731	256,009
Subdivision lots	1,196,333	-	1,196,333	606,823
Supporting Services				
Management and general	<u>69,680</u>	<u>-</u>	<u>69,680</u>	<u>74,240</u>
Total Functional Expenses	<u>1,547,744</u>	<u>-</u>	<u>1,547,744</u>	<u>937,072</u>
Change in Net Assets	472,193	(363,408)	108,785	(158,726)
Net Assets - Beginning	<u>1,463,429</u>	<u>1,046,911</u>	<u>2,510,340</u>	<u>2,669,066</u>
Net Assets - Ending	<u>\$ 1,935,622</u>	<u>\$ 683,503</u>	<u>\$ 2,619,125</u>	<u>\$ 2,510,340</u>

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

Inner-City Revitalization Corporation  
Statements of Cash Flows  
For the Years Ended December 31, 2024

	<u>2024</u>	<u>Summarized</u> <u>2023</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 108,785	\$ (158,726)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities		
Depreciation	65,071	65,071
Financed closing cost	(99,802)	(60,000)
Forgiveness of notes payable	(770,849)	-
Forgiveness of mortgage receivable	46,331	51,752
(Increase) decrease in inventory	712,091	(611,329)
Increase (decrease) in other liabilities	2,120	(1,641)
Net Cash Provided/(Used) by Operating activities	<u>63,747</u>	<u>(714,873)</u>
Cash flows from Investing Activities		
Investment (income) loss	<u>(3,287)</u>	<u>(4,198)</u>
Net Cash Provided/(Used) by Investing Activities	<u>(3,287)</u>	<u>(4,198)</u>
Cash flows from Financing Activities		
Advances on notes payable	124,904	829,180
Payments on notes payable	<u>(58,331)</u>	<u>-</u>
Net Cash Used by Financing Activities	<u>66,573</u>	<u>829,180</u>
Net Increase (Decrease) in Cash and Cash Equivalents	127,033	110,109
Cash and Cash Equivalents - Beginning	<u>751,100</u>	<u>640,991</u>
Cash and Cash Equivalents - Ending	<u>\$ 878,133</u>	<u>\$ 751,100</u>
Consisting of:		
Cash and cash equivalents	\$ 621,824	\$ 494,867
Restricted cash	<u>256,309</u>	<u>256,233</u>
Total	<u>\$ 878,133</u>	<u>\$ 751,100</u>
Cash paid for:		
Interest	<u>\$ 1,471</u>	<u>\$ 5,312</u>

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

Inner-City Revitalization Corporation  
Statements of Functional Expenses  
For the Year Ended December 31, 2024

					2023
	<u>Lot</u>	<u>Rental</u>	<u>Management</u>	<u>Total</u>	<u>Summarized</u>
	<u>Sales</u>	<u>Activities</u>	<u>and General</u>	<u>Expenses</u>	<u>Total</u>
Utilities	\$ -	\$ 19,640	\$ -	\$ 19,640	\$ 29,056
Office supplies	-	-	4,292	4,292	4,820
Pest control	-	5,739	-	5,739	4,974
Payroll expenses	87,752	98,721	32,907	219,379	207,569
Contracts	7,143	-	-	7,143	1,200
Telephone	-	-	6,119	6,119	9,747
Direct program expenses	1,090,467	-	-	1,090,467	520,453
Insurance	-	24,905	5,025	29,930	35,166
Interest	1,471	-	-	1,471	5,312
Repairs and maintenance	-	67,655	-	67,655	44,619
Legal and professional	9,500	-	10,939	20,439	3,609
Depreciation	-	65,071	-	65,071	65,071
Miscellaneous	-	-	9,809	9,809	5,122
Dues and subscriptions	-	-	589	589	354
	<u>\$ 1,196,333</u>	<u>\$ 281,731</u>	<u>\$ 69,680</u>	<u>\$ 1,547,744</u>	<u>\$ 937,072</u>

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



Inner-City Revitalization Corporation  
Notes to the Financial Statements  
For the Year Ended December 31, 2024

**Note 1 – Nature of Activities and Significant Accounting Policies**

Nature of Activities

Inner-City Revitalization Corporation (the Corporation) is a not-for-profit organization formed under the laws of the State of Louisiana. The purpose of the Corporation is to (1) foster, encourage, and coordinate, through all possible means and in cooperation with municipalities and other groups and interests, the rebuilding and revitalization of blighted metropolitan neighborhoods in Rapides Parish, Louisiana, and (2) to help make clean, healthful, safe, and affordable housing available to citizens who need it.

The Corporation's funding sources consist of contributions and grants from foundations and federal, state and local governments. The Corporation owns a 20-unit housing facility (Olive House) which it rents to low-income individuals with broken backgrounds and provides case workers to help these individuals get back on their feet. The Corporation also owns thirteen single family dwellings that it rents to low-income individuals. Monthly rent is calculated based on the tenant's income and family size.

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with the generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Corporation and changes therein are classified and reported as follows:

*Net Assets without Donor Restrictions* - Net assets not subject to donor-imposed stipulations.

*Net Assets with Donor Restrictions* - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Corporation and/or the passage of time or be permanently maintained by the Corporation. When a restriction expires, net assets with donor restrictions are reclassified to net asset without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Inner-City Revitalization Corporation  
Notes to the Financial Statements  
For the Year Ended December 31, 2024

**Note 1 – Nature of Activities and Significant Accounting Policies (Continued)**

Cash and Cash Equivalents

The Corporation considers all demand deposits and highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents include monies designated for specific programs or held for others.

Contributions and Grants

Contributions and grants are recorded as received. Unconditional promises to give are recorded as they are made. Conditional promises to give are recognized as revenue when the necessary conditions are fulfilled.

Inventory

Inventory consists of single-family homes and lots for single-family homes to be constructed on. Interest on the construction line of credit was capitalized into the value of the inventory. Inventory is stated at cost using the specific identification method.

Investments

The Corporation reports all investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Gains and losses on investments are reported as increases or decreases in the respective net assets.

Property, Equipment, and Depreciation

Property and equipment are stated at cost if purchased, or fair value at the date of donation, if contributed to the Corporation, less accumulated depreciation. Depreciation is computed on depreciable assets on a straight-line basis over the estimated useful lives of the assets. The cost of maintenance and repairs is expensed as incurred; however, significant renewals and improvements are capitalized.

Mortgage Note Receivables

Mortgage note receivables are reported in the financial statements at the outstanding principal balance. Delinquency status is based on the contractual terms of the mortgage; and management is confident that these funds will be fully collected; therefore, no provision for loss has been made. Interest income is recognized as collected.

Inner-City Revitalization Corporation  
Notes to the Financial Statements  
For the Year Ended December 31, 2024

**Note 1 – Nature of Activities and Significant Accounting Policies (Continued)**

Income Taxes

Inner-City is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Furthermore, Inner-City is not classified as a “private foundation” by the Internal Revenue Service. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the organization and recognize a tax liability (or asset) if the organization has undertaken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the organization, and has concluded that as of December 31, 2024, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or assets) or disclosure in the financial statements.

**Note 2 – Restricted Cash**

Restricted cash on December 31, 2024, consisted of:

<u>Restriction purpose</u>	<u>Amount</u>	<u>Source</u>
Low Income Housing	\$226,730	Grantor Restriction
Homebuyer Program	<u>29,579</u>	Grantor Restriction
Total	<u>\$256,309</u>	

**Note 3 – Inventory**

The Corporation sold four houses in 2024, one of which was constructed in 2024. The Corporation began construction of a new building project. The total inventory on December 31, 2024, of the remaining project is \$131,673.

**Note 4 – Investments**

On June 13, 2013, the Corporation established a non-endowed agency fund at the Central Louisiana Community Foundation (the Foundation), by transferring \$12,311 into this fund. The fund is held by the Foundation for the purpose of administering funds as endowments for various charitable and educational purposes and organizations primarily in the central Louisiana community. These funds are not subjected to restrictions whether by donor or otherwise, nor are they required to be held permanently or for any designated purposes other than charitable purposes within the corporate powers of the Corporation. The principal may be expended as a whole or in part as stated in the agreement.

The Corporation may request distribution of all or part of the principal it contributes to the fund. The Board of the Foundation will grant such a request if it concludes that such a distribution is consistent with the charitable purposes of the Foundation, which may be deferred for up to 90 days to permit orderly and timely liquidation of assets to meet the request. If the Foundation ceases to be a qualified charitable organization or if the Foundation proposes to dissolve, the assets of the fund shall be distributed to the Corporation. At that time if the Corporation is not then a qualified charitable

Inner-City Revitalization Corporation  
Notes to the Financial Statements  
For the Year Ended December 31, 2024

**Note 4 – Investments (Continued)**

organization, the Foundation shall distribute the assets of the fund in a manner and to any organization serving the Central Louisiana community that satisfies the requirements of a qualified charitable organization and serve purposes similar to those of the Corporation. The investments are presented in the financial statements at a fair value of \$35,023 on December 31, 2024, as reported by the Foundation.

Investment income for the year ended December 31, 2024, was made up of the following components.

Interest and Dividends	\$ 6,358
Realized and Unrealized Gain	<u>3,049</u>
 Total Investment Income	 <u>\$9,407</u>

**Note 5 – Fair Value Measurement**

FASB ACS 820-10, Fair Value Measurement, defines fair value, establishes a framework for measuring fair value, establishes a three-level valuation hierarchy for disclosure of fair value measurement and enhances disclosure requirements for fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of the fair value of an asset or liability as of the measurement date. The three levels are defined as follows:

- Level 1 – Represented by quoted prices that are available in an active market. Level 1 securities include checking and savings accounts, certificates of deposit, highly liquid government bonds, treasury securities, mortgage products and exchange traded equities.
- Level 2 – Represented by assets and liabilities similar to Level 1 where quoted prices are not available, but observable, either directly or indirectly through corroboration with observable market data and estimated using pricing models or discounted cash flows. Level 2 securities would include U.S. agency securities, mortgage-backed agency securities, obligations of states and political subdivisions, and certain corporate, asset backed securities, and swap agreements.
- Level 3 – Represented by financial instruments where there is limited activity or unobservable market prices and pricing models significant to determining the fair value measurement include the reporting entity's own assumptions about market risk. Level 3 securities would include hedge funds, private equity securities, and private investments in public entities.

Inner-City Revitalization Corporation  
Notes to the Financial Statements  
For the Year Ended December 31, 2024

**Note 5 – Fair Value Measurement (Continued)**

Fair value of assets measured on a recurring basis on December 31, 2024, are as follows:

<u>Description</u>	<u>Fair Value Measurement on December 31, 2023</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash	\$878,133	\$878,133	-	-
Investments	\$ 35,023	-	\$35,023	-

**Note 6 – Property and Equipment**

On December 31, 2024, property and equipment consisted of the following:

	<u>Life</u>	<u>Carrying Value</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land		\$ 90,594	\$ -	\$ 90,594
Olive House – building	39 years	1,101,385	573,978	527,407
Rental property	39 years	1,078,264	394,398	683,866
Total		<u>\$2,270,243</u>	<u>\$968,376</u>	<u>\$1,301,867</u>

Depreciation expense for the current year is \$65,071.

**Note 7 – Notes Receivable**

In 2011 and then again in 2016, 2017, 2018, 2020, 2023, and 2024 the Corporation received a grant from the Louisiana Housing Finance Agency (Soft Seconds) to aid qualified buyers in the purchase of the low-income housing constructed by the Corporation. The aid is in the form of a mortgage that is forgiven over a period of ten to fifteen years depending on the amount of aid awarded to the individual, as long as the homeowner abides by the covenants in the agreement signed with the Corporation. In 2024, \$46,331 of the receivable balance was forgiven.

On December 31, 2024, soft seconds receivable balance was:

Current	\$ 56,312
Long-term	<u>366,218</u>
Total	<u>\$422,530</u>

Inner-City Revitalization Corporation  
Notes to the Financial Statements  
For the Year Ended December 31, 2024

**Note 8 – Notes Payable**

During 2023, the Corporation entered into an agreement with the Louisiana Housing Corporation to rehabilitate several single-family homes. Louisiana Housing Corporation will reimburse the Corporation for all expenses related to the project. The reimbursements are in the form of a forgivable loan. The loan will be forgiven when each home is sold to a qualifying family. The amount forgiven in 2024 on this project is \$770,849.

During 2024, a new project with Louisiana Housing Corporation was started to rehabilitate a single-family home. Louisiana Housing Corporation will reimburse the Corporation for all expenses related to the project. The reimbursements are in the form of a forgivable loan. The loan will be forgiven when the home is sold to a qualifying family. The balance of the note on December 31, 2024, is \$124,904.

The Corporation also has a \$100,000 line of credit with a national bank. The line of credit is used to help with the cash flow related to the housing projects. As of December 31, 2024, the line of credit balance is \$0.

**Note 9 – Net Assets**

On December 31, 2024, net assets with donor restrictions consisted of the following:

Homebuyer's Education	\$ 29,579
Reuse Funds	226,730
Soft Second Mortgages	422,530
Endowment Fund	<u>4,664</u>
Total	<u>\$683,503</u>

In October 2001, the Corporation established an endowment fund to help insure the financial future of the Corporation. Contributions to the endowment fund may not be withdrawn and earnings on the fund may not be withdrawn until the principal reaches \$10,000. These funds are part of the Community Foundation investment, and on December 31, 2024, they totaled \$4,664.

**Note 10 – Income Taxes**

The Corporation's tax return for the years ended December 31, 2021, through December 31, 2023, remain open and subject to examination by taxing authorities. The tax return for the year ending December 31, 2024, has not been filed as of the report date.

**Note 11 – Contributed Services**

The Board of Directors is a voluntary board. These volunteers have made significant contributions of their time to the Corporation. The value of the contributed time is not reflected in these statements since it is not susceptible to an objective measurement or valuation.

Inner-City Revitalization Corporation  
Notes to the Financial Statements  
For the Year Ended December 31, 2024

**Note 12 – Liquidity and Availability of Financial Assets**

Financial assets, consisting of cash, that are available for general expenditure, that is, without donor or other restrictions limiting their use, totaled \$621,824 on December 31, 2024. The Corporation has a goal to maintain sufficient financial resources on hand to meet sixty days of normal operating expenses.

**Note 13 – Concentration of Credit Risk**

The Corporation maintains cash balances with a regional bank. Accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. On December 31, 2024, cash on deposit in excess of the federally insured limits was \$355,576.

**Note 14 – Subsequent Events**

The Corporation has no material subsequent events that require disclosure. Subsequent events have been evaluated through June 30, 2025, which is also the date the financial statements were available to be issued.

## **Supplementary Information**



Inner-City Revitalization Corporation  
Schedule of Compensation, Benefits and Other Payments to Executive Director  
For the Year Ended December 31, 2024

<u>Purpose</u>	<u>2024</u>	<u>2023</u>
Salary	\$ 92,000	\$ 88,750
Bonus	<u>35,000</u>	<u>35,000</u>
	<u>\$ 127,000</u>	<u>\$ 123,750</u>