BOGALUSA REBIRTH

FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

BOGALUSA REBIRTH

TABLE OF CONTENTS

BERNARD & FRANKS
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Executive Director of
Bogalusa Rebirth
Bogalusa, Louisiana

Opinion

We have audited the accompanying financial statements of Bogalusa Rebirth (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bogalusa Rebirth as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bogalusa Rebirth and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bogalusa Rebirth's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore it is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of

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not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Bogalusa Rebirth's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bogalusa Rebirth's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Reimbursements to the Executive Director is presented for purposes of additional analysis and is 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 financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2026, on our consideration of Bogalusa Rebirth'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 solely 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 effectiveness of Bogalusa Rebirth's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bogalusa Rebirth's internal control over financial reporting and compliance.

Bernard & Franks

Metairie, Louisiana
June 26, 2026

BOGALUSA REBIRTH

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 460,963	$ 312,652
Restricted cash - future development	137,010	162,091
Accounts receivable-grants	289,437	225,260
Due from homebuyer	4,189	2,565
Prepaid expenses	-	411
Inventory	1,321,571	915,397
Total current assets	$ 2,213,170	$ 1,618,376
OTHER ASSETS		
Property	$ 103,204	$ 72,510
Operating right-of-use asset	24,017	-
Due from homebuyer, less current portion	-	8,135
Total other assets	$ 127,221	$ 80,645
Total assets	$ 2,340,391	$ 1,699,021
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 19,326	$ 32,825
Escrow for lease to purchase	-	7,618
Current portion of operating lease liability	4,332	-
Current portion of notes payable	874,718	246,558
Total current liabilities	$ 898,376	$ 287,001
LONG-TERM LIABILITIES		
Operating lease liability, less current portion	$ 19,685	$ -
Notes payable, less current portion	289,438	495,923
Total long-term liabilities	$ 309,123	$ 495,923
NET ASSETS		
Net assets without donor restrictions-undesignated	$ 1,132,892	$ 916,097
Net assets without donor restrictions-designated	-	-
Net assets with donor restrictions	-	-
Total net assets	$ 1,132,892	$ 916,097
Total liabilities and net assets	$ 2,340,391	$ 1,699,021

See Notes to Financial Statements.

BOGALUSA REBIRTH

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS, AND OTHER SUPPORT			
Federal grants	$ 603,347	$ -	$ 603,347
Sales of houses	417,000	-	417,000
Less: Development costs	(622,189)	-	(622,189)
Other grants	53,140	-	53,140
Contributions	15,300	-	15,300
Miscellaneous	1,460	-	1,460
Total revenues, gains and other support	$ 468,058	$ -	$ 468,058
EXPENSES			
Program services	$ 159,950	$ -	$ 159,950
Supporting services			
General and administrative	83,482	-	83,482
Fund-raising	7,831	-	7,831
Total expenses	$ 251,263	$ -	$ 251,263
Change in net assets	$ 216,795	$ -	$ 216,795
NET ASSETS AT BEGINNING OF YEAR	916,097	-	916,097
NET ASSETS AT END OF YEAR	$ 1,132,892	$ -	$ 1,132,892

See Notes to Financial Statements.

BOGALUSA REBIRTH

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS, AND OTHER SUPPORT			
Federal grants	$ 225,560	$ -	$ 225,560
Sales of houses	275,000	-	275,000
Less: Development costs	(368,388)	-	(368,388)
Other grants	65,900	-	65,900
Contributions	19,425	-	19,425
Rental revenue	4,018	-	9,000
Net assets released from restrictions	25,000	(25,000)	-
Total revenues, gains and other support	$ 246,515	$ (25,000)	$ 226,497
EXPENSES			
Program services	$ 148,421	$ -	$ 148,421
Supporting services			
General and administrative	74,677	-	74,677
Fund-raising	8,182	-	8,182
Total expenses	$ 231,280	$ -	$ 231,280
Change in net assets	$ 15,235	$ (25,000)	$ (9,765)
NET ASSETS AT BEGINNING OF YEAR	900,862	25,000	925,862
NET ASSETS AT END OF YEAR	$ 916,097	$ -	$ 916,097

See Notes to Financial Statements.

BOGALUSA REBIRTH

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Program Service Affordable Housing	General and Administrative	Fund-raising	Total
Compensation and related expenses	$ 124,563	$ 14,654	$ 7,327	$ 146,544
Accounting	-	25,000	-	25,000
Advertising and marketing	-	953	-	953
Beautification projects	10,420	-	-	10,420
Communications	-	7,627	-	7,627
Computer and equipment	-	1,084	-	1,084
Conferences	-	916	-	916
Development costs	622,189	-	-	622,189
Direct homebuyer assistance	20,686	-	-	20,686
Education and training	-	362	-	362
Fees	-	3,510	-	3,510
Furniture and equipment	-	3,209	-	3,209
Insurance	-	2,621	-	2,621
Miscellaneous	50	2,571	-	2,621
Occupancy expenses	-	5,268	-	5,268
Office supplies	-	4,538	-	4,538
Professional fees	4,231	875	-	5,106
Software	-	3,650	-	3,650
Special events	-	-	504	504
Travel and meals	-	6,644	-	6,644
Total expenses	$ 782,139	$ 83,482	$ 7,831	$ 873,452
Less: Development costs	(622,189)	-	-	(622,189)
	$ 159,950	$ 83,482	$ 7,831	$ 251,263

See Notes to Financial Statements.

BOGALUSA REBIRTH

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Service Affordable Housing	General and Administrative	Fund-raising	Total
Compensation and related expenses	$ 110,803	$ 13,036	$ 6,518	$ 130,357
Accounting	-	8,000	-	8,000
Advertising and marketing	-	294	-	294
Beautification projects	5,297	-	-	5,297
Communications	-	4,280	-	4,280
Computer and equipment	-	2,076	-	2,076
Conferences	-	868	-	868
Development costs	368,388	-	-	368,388
Direct homebuyer assistance	31,466	-	-	31,466
Education and training	-	60	-	60
Fees	-	5,790	-	5,790
Furniture and equipment	-	844	-	844
Insurance	-	1,296	-	1,296
Interest	-	6,293	-	6,293
Miscellaneous	-	4,808	-	4,808
Occupancy expenses	-	5,051	-	5,051
Office supplies	-	4,667	-	4,667
Professional fees	855	1,228	-	2,083
Software	-	11,300	-	11,300
Special events	-	-	1,664	1,664
Travel and meals	-	4,786	-	4,786
Total expenses	$ 516,809	$ 74,677	$ 8,182	$ 599,668
Less: Development costs	(368,388)	-	-	(368,388)
	$ 148,421	$ 74,677	$ 8,182	$ 231,280

See Notes to Financial Statements.

BOGALUSA REBIRTH

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 216,795	$ (9,765)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
(Increase) decrease in operating assets:		
Accounts receivable-grants	(64,177)	(132,890)
Unconditional promise to give	-	25,000
Prepaid expense	411	7,239
Due from homebuyer	6,511	4,088
Inventory	(406,174)	(363,344)
Increase (decrease) in operating liabilities:		
Accounts payable	(13,499)	36,239
Escrow for lease to purchase	(7,618)	-
Net cash used in operating activities	$ (267,751)	$ (433,433)
CASH FLOWS FROM INVESTING ACTIVITES		
Purchases of property	$ (30,694)	$ (72,510)
Net cash used in investing activities	$ (30,694)	$ (72,510)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from notes payable	$ 1,040,028	$ 545,923
Repayments of notes payable	(537,659)	(90,942)
Repayments of lines of credit	(50,000)	(95,206)
Net cash provided by financing activities	$ 452,369	$ 359,775
Change in net assets, cash equivalents and restricted cash	$ 153,924	$ (146,168)
Beginning cash, cash equivalents and restricted cash, as restated	$ 474,743	$ 620,911
Ending cash, cash equivalents and restricted cash	$ 597,973	$ 474,743

Cash, cash equivalents and restricted cash consist of the following:

	2025	2024
Cash and cash equivalents	$ 460,963	$ 312,652
Cash restricted for:		
Future developments	137,010	162,091
Total cash, cash equivalents and restricted cash	$ 597,973	$ 474,743
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the year for interest	$ -	$ 6,293
Financing activities:		
Right-of-use asset obtained in exchange for lease liability	$ 24,017	$ -
Operating lease liability arising from right-of-use asset	$ 24,017	$ -

See Notes to Financial Statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Bogalusa Rebirth (the "Organization") is a non-profit Louisiana organization incorporated in 2007. The Organization's mission is "through broad partnerships, HUD funding, grants, local contributions and the commitment of working families, the Organization will replace blight in Bogalusa neighborhoods with new houses to be sold to families earning less than 80% of median household income (MHI)." The vision of the Organization is to see a future for the City of Bogalusa with its streets free of blight and safe decent affordable housing available for all residents.

Since achieving Community Housing Development Organization (CHDO) status in 2017, the Organization has been successful in bringing Federal funds, private financing and development and local business investment to the issue of affordable housing in Bogalusa:

Priority Area	Impact
HUD HOME funds awarded	$ 3,629,623
Affordable housing units produced	7
HUD HOME fund committed additionally	$ 1,194,977

In 2016 the Organization held the first Annual Housing Fair to attract applicants meeting income requirements to apply to purchase the planned HUD homes. The Organization provides financial literacy training, credit counseling and homebuyer training. The annual housing fair along with family services has produced a waiting list of qualified applicants in need of safe decent affordable housing:

Priority Goal	Impact
Current applicant pool earning >80% MHI	35+
Applicants currently in credit counseling	23
Applicants mortgage ready	7

Bogalusa Rebirth Blight Remediation Program has both City Government, local business, and Foundation support. For the year ended December 31, 2025, the following progress has been made:

Priority Goal	Impact
Number of condemned structures	450+
Number of tear downs completed	3
New homes built to replace blight	2
Donations to blight remediation fund	$ 10,000

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

The Organization's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America on the accrual basis of accounting.

Financial Statement Presentation

The Organization follows the financial statement presentation recommended by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic 958, Not-for-Profit Entities. The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions. The governing board has not designated net assets without donor restrictions, net assets for an operating reserve or a board-designated endowment.

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may by expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors. The revenues received in conducting the mission of the Organization is included in this category.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature, those restrictions will be met by actions of the Organization or by the passage of time. Other restrictions are perpetual in nature, such as those that are restricted by a donor that the resources be maintained in perpetuity.

For the years ended December 31, 2025 and 2024, the Organization did not receive any contributions with donor-imposed restrictions that would result in net assets with donor restrictions.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

The Organization classifies as cash and cash equivalents all highly liquid debt instruments with an initial maturity of three months or less.

Cash balances are held in several financial institutions in Bogalusa, Louisiana. The Federal Deposit Insurance Corporation insures a balance of up to $250,000. There was a balance at one institution in excess of the limit by $153,056 and $0 at December 31, 2025 and 2024, respectively.

Receivables

The Organization considers accounts receivable to be fully collectible. The balance consists of payments due under a governmental reimbursable grant. If amounts due become uncollectible, they will be charged to operations when that determination is made.

Collection losses have historically not been significant. As of December 31, 2025 and 2024, management concluded that based on its review of accounts receivable balances outstanding, a valuation allowance was not required.

The Organization estimates credit losses associated with accounts receivable using as expected credit loss model, which utilizes an aging schedule methodology based on historical information and adjusted for asset-specific considerations and current economic conditions.

The Organization's approach considers a number of factors, including overall historical credit losses and payment experience, as well as current collection trends such as write-off frequency.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Due from Homebuyer

During the year ended December 31, 2023, the Organization advanced $15,000 to assist a homebuyer in purchasing a home. The Organization and the homebuyer entered into a fifteen-year loan agreement beginning January 29, 2024 and ending February 1, 2039, bearing interest at 0.25%, with required monthly payments of $214. The outstanding principal balance due from the homebuyer as of December 31, 2025 and 2024 was $4,189 and $10,700, respectively.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

All acquisitions of property and equipment over $5,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the useful life of the assets.

Inventory

All direct materials, labor and equipment costs and those indirect costs related to home construction such as indirect labor, supplies and tool costs are recorded as inventory on the Statements of Financial Position as they are incurred. Land costs included in inventory are stated at cost or fair value at the date of the contribution. When revenue from the sale of a home is recognized, the corresponding costs are then expensed in the Statements of Activities. Inventory included the following:

December 31, 2025:	Land	Development Costs	Total Inventory
	$ 252,394	$ 1,069,177	$ 1,321,571

December 31, 2024:	Land	Development Costs	Total Inventory
	$ 122,968	$ 792,429	$ 915,397

In-Kind Contributions and Contributed Services

In-kind contributions are reflected as contributions at their fair value at date of donation and are reported as support without donor restrictions unless explicit donor stipulations specify how donated assets must be used. The Organization recognizes the fair value of contributed services received if such services a) create or enhance nonfinancial assets or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed.

The Organization receives a significant amount of contributed time from volunteers that does not meet the recognition criteria described above. Accordingly, the value of this contributed time is not reflected in the accompanying financial statements.

Revenue Recognition

Revenue is recognized when control of the promised goods or services is transferred to customers or when donor-imposed conditions, if any, are substantially met, in an amount that reflects the consideration the Organization expects to receive. The Organization's revenues are derived primarily from contributions, government grants, and the sale of homes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (continued)

Contributions

Contributions, including unconditional promises to give, are recognized as revenue when received or unconditionally pledged. Contributions are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Contributions with donor-imposed restrictions that are met in the same reporting period are reported as revenue within net assets without donor restrictions. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Government Grants

The Organization receives funding from governmental agencies under cost-reimbursement and other grant agreements. Revenue under these agreements is recognized as allowable expenditures are incurred, or as other grant requirements are met, to the extent the Organization has a right to reimbursement under the terms of the grant agreement. Amounts received in advance of satisfying the related conditions or other performance requirements are reported as refundable advances.

The Organization evaluates each grant agreement to determine whether the agreement is a contribution within the scope of Not-for-Profit Entities Revenue Recognition or an exchange transaction within the scope of Revenue from Contracts with Customers. Based on the terms of its grant agreements, substantially all grant revenue recognized by the Organization is reported as the related qualifying costs are incurred.

House Sales

Revenue from the sale of homes is recognized at a point in time upon closing, when legal title transfers and the Organization has satisfied its performance obligation. The transaction price is based on the contract sales price stated in the closing documents. Direct construction and land costs associated with homes sold are recognized as cost of houses sold when the related sale is recognized.

Contract and Grant Balances

Grant receivables represent amounts due from grantors under cost-reimbursement and other grant agreements for expenditures incurred prior to year end.

Leases

The Organization determines if an arrangement is a financing or operating lease at the inception of the agreement. Leases, with an initial term of over one year, are stated as right-of-use asset and operating lease liability in the statement of financial position. The Organization has elected to exclude leases with an initial term of one year or less from the requirements of the pronouncement.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (continued)

The Organization applies judgment in determining whether a contract contains a lease and whether a lease is classified as an operating lease or a finance lease. The Organization defines the lease term as the non-cancellable term of the lease, which may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. The lease term is used in determining the classification between an operating lease and a finance lease, calculating the lease liability, the right-of-use asset, and assigning the incremental borrowing rate.

Right-of-use assets represent the Organization's right to use an underlying asset for the lease term. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Organization is required to discount lease payments using the rate implicit in the lease if that rate is readily available. If that rate cannot be readily determined, the lessee is required to use its incremental borrowing rate. The Organization generally uses the incremental borrowing rate when initially recording real estate leases. Information from the lessor regarding the fair value of underlying assets and initial direct costs incurred by the lessor related to the leased assets is not available.

The Organization determines the incremental borrowing rate of each lease by estimating the credit rating of the Organization at the time the lease is recognized, referencing market yields corresponding to the credit rating and weighted average life of the lease, and factoring in other lease-specific factors such as assumed collateral.

Advertising

The Organization expenses all advertising costs as incurred. For the years ended December 31, 2025 and 2024, the Organization incurred and expensed advertising costs of $953 and $294, respectively.

Functional Allocation of Expense

Expenses are summarized on a functional basis. The statements of functional expenses present the natural classification detail of expense by function. Salaries and related payroll expenses are allocated based upon the time spent for each function. Allocation of all other shared expenses is based upon management's estimates of the usage applicable to conducting various program or support activities.

Income Taxes

The Organization is a nonprofit organization and exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Code as other than a private foundation. The Organization believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to financial statements. The Organization's Federal Exempt Information Returns (Form 990) for the years ended 2023, 2024 and 2025 are subject to examination by the IRS, generally for three years after they were filed.

NOTE 2. CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the Statements of Financial Position that sum to the total of the same such amounts shown in the Statements of Cash Flows:

	2025	2024
Cash and cash equivalents	$ 460,963	$ 312,652
Restricted cash	137,010	162,091
Total	$ 597,973	$ 474,743

The Organization is contractually obligated to keep the amounts received from the sales of houses developed from Louisiana Housing Corporation funds in a separate bank account. The funds are to be used for future development costs.

NOTE 3. PROPERTY

During the fiscal year December 31, 2024, the Organization began the process of building an administrative office. Property consisted of the following at December 31:

	2025	2024
Land	$ 7,583	$ 7,583
Construction in Progress	95,621	64,927
Total Property	$ 103,204	$ 72,510

NOTE 4. OPERATING LEASE

The Organization entered an operating lease for an administrative office space beginning December 1, 2025, and expiring on November 30, 2028. There is a lease renewal beginning December 1, 2028 through November 30, 2031. The lease requires monthly payments of $361 increasing by $8 monthly every twelve months. Operating lease cost is recognized on a straight-line basis over the lease term.

The components of lease expense are as follows:

	2025	2024
Operating lease cost	$ 4,693	$ 4,293

The following summarizes the weighted average remaining lease term and discount rate for the operating lease:

	2025	2024
Weighted average lease term (years)	6	-
Weighted average discount rate	3.94%	-

NOTE 4. OPERATING LEASE (Continued)

Future minimum lease payments due under the lease as of December 31, 2025, is as follows:

2026	$	4,332
2027		4,339
2028		4,424
2029		4,519
2030		4,604
Thereafter		4,700
Less: imputed interest		(2,901)
Total	$	24,017

NOTE 5. CONCENTRATION OF RISK

The Organization receives donations and grants from various funders. For the years ended December 31, 2025 and 2024, $615,252 (56%) and $225,560 (38%) of the Organization's revenue received was from federal reimbursement grants. $417,000 (38%) and $275,000 (47%) was received from the sales of houses. The remaining $69,900 (6%) and $89,343 (15%) was received from other grants, contributions and miscellaneous revenue.

The Organization receives the majority of these revenues through a federal government agency. If significant budget cuts are made at the federal, state, or local level, the amount of funds the Organization receives could be reduced significantly and have an adverse impact on its operations. As of June 26, 2026, management was not aware of any actions taken that would adversely affect the funds received by the Organization from these sources in the upcoming fiscal year.

NOTE 6. SALES OF HOUSES

The Organization had the following sales of houses and in-kind donated land for the years ended December 31, 2025 and 2024. The amounts are included in the Statement of Activities and changes in net assets.

December 31, 2025	Land	Development Costs	Total Cost	Sale Price
	$ 21,374	$ 536,518	$ 557,892	$ 417,000

December 31, 2024	Land	Development Costs	Total Cost	Sale Price
	$ 13,395	$ 354,993	$ 368,388	$ 275,000

NOTE 7. NOTES PAYABLE

Notes payable consisted of the following as of December 31:

	2025	2024
Louisiana Housing Corporation no-interest forgivable loan.The loan is secured by certain homes in inventory and is subject to forgiveness as qualifying homes are sold to eligible homebuyers in accordance with the related program requirements.	$ 949,656	$ 592,731
Housing Authority Council note, bearing interest at 6.00% due May 31, 2026, collateralized by certain homes in inventory.	164,500	99,750
Enterprise Community Partners no-interest note. Repayment is contingent on the Organization receiving a specific operating grant; if the grant is received, the note becomes payable, and if the grant is not received, the note is forgiven. As of the reporting date, there is no fixed due date.	50,000	50,000
Total notes payable	$ 1,164,156	$ 742,481

At December 31, 2025, the Organization also maintained a revolving line of credit with interest based on the Wall Street Journal prime rate. Borrowings under the line of credit are collateralized by a home included in inventory. There were no amounts outstanding under the line of credit at December 31, 2025.

Interest expense related to notes payable, and the line of credit was $0 for the year ended December 31, 2025 and $6,293 for the year ended December 31, 2024.

Future principal maturities of notes payable as of December 31, 2025 were as follows:

2026	$ 874,718
2027	-
2028	-
2029	-
2030	-
Thereafter	289,438
Total	$ 1,164,156

Notes payable were classified in the Statements of Financial Position as follows:

	2025	2024
Current portion	$ 874,718	$ 164,500
Long-term portion	289,438	759,975
Total	$ 1,164,156	$ 924,475

NOTE 8. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments while also striving to maximize the investment of available funds. The Organization's primary sources of liquidity are cash and cash equivalents, grant receivables, proceeds from the sale of homes, and amounts available under its line of credit. In addition, certain cash balances are required to be maintained in separate accounts and are not available for general expenditures.

For purposes of analyzing resources available to meet general expenditures over a twelve-month period, the Organization considers all expenditures related to its ongoing activities of developing and selling affordable housing and providing related services, as well as the conduct of services undertaken to support those activities.

As of December 31, 2025 and 2024, financial assets available within one year for general expenditures were as follows:

	2025	2024
Cash and cash equivalents	$ 460,963	$ 312,652
Grant receivables	289,437	225,260
Total financial assets available within one year for general expenditures	$ 750,400	$ 537,912

Restricted cash of $137,010 and $162,091 at December 31, 2025 and 2024, respectively, is excluded from financial assets available for general expenditures because those amounts are contractually restricted for future development costs. The Organization manages its liquidity and reserves following a policy of operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operations, and relying, as needed, on its revolving line of credit.

NOTE 9. PENSION PLAN

Employees of the Organization may participate in a sponsored 401(k) retirement plan, whereby the employees may elect to make contributions pursuant to a salary reduction agreement. Employees are vested upon three years of service. Employees may elect to defer a portion of their annual salary subject to Internal Revenue Service limits. The Organization makes discretionary matches up to 5% of the employees' annual salary. Employer contributions for the years ended June 30, 2025 and 2024 was $4,063 and $2,188, respectively.

NOTE 10. COMPENSATION

The Board of Directors serves the Organization without compensation.

NOTE 11. RECLASSIFICATION OF PRIOR YEAR PRESENTATION

For the year ended December 31, 2024, certain amounts were reclassified to the correct year, therefore restating the beginning net asset balance as follows:

Beginning Net Assets	$ 1,627,581
Prior year adjustments:	
Accounts receivable	$ (162,519)
Note payable-LHC	(34,039)
Federal revenue	(530,161)
Total prior year adjustments	$ (726,719)
Beginning Net Assets, restated	$ 900,862

NOTE 12. SUBSEQUENT EVENTS

Management evaluated subsequent events through June 26, 2026, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

BOGALUSA REBIRTH
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO THE EXECUTIVE DIRECTOR
FOR THE YEAR ENDED DECEMBER 31, 2025

Purpose:	Wendy Dupont
Salary	$ 75,000
Bonus	5,000
401k match	4,063
Cell phone	1,239
Mileage	1,759
Travel	7,560
Other reimbursements	2,677
Total	$ 97,298

SPECIAL REPORTS OF INDEPENDENT AUDITORS

BERNARD & FRANKS
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

JAMES L. WHITE, C.P.A.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER NCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors and Executive Director of
Bogalusa Rebirth
Bogalusa, Louisiana

We have audited, in accordance with the 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, the financial statements of Bogalusa Rebirth (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 26, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bogalusa Rebirth's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bogalusa Rebirth's internal control. Accordingly, we do not express an opinion on the effectiveness of Bogalusa Rebirth's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bogalusa Rebirth's financial statements are free from 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not

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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*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bernard & Franks

Metairie, Louisiana
June 26, 2026

BOGALUSA REBIRTH

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unmodified opinion on the financial statements of Bogalusa Rebirth, which was prepared in accordance with generally accepted accounting principles 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.

2. No significant deficiencies or material weaknesses in internal control were disclosed during the audit of the financial statements as reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in accordance with *Government Auditing Standards*.

3. No instances of noncompliance material to the financial statements of Bogalusa Rebirth were disclosed in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in accordance with *Government Auditing Standards*.

4. No management letter was issued for the year ended December 31, 2025.

5. Bogalusa Rebirth did not expend more than $1,000,000 in federal awards during the year ended December 31, 2025, and therefore, is exempt from the audit requirements under the *Uniform Guidance*.

FINDINGS-FINANCIAL STATEMENTS

There were no findings for the year ended December 31, 2025.

FINDINGS-FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

This is not applicable to the Organization for the year ended December 31, 2025.

REPORTS BY MANAGEMENT

BOGALUSA REBIRTH

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2025

There were no findings for the year ended December 31, 2024.

BERNARD & FRANKS
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

JAMES L. WHITE, C.P.A.

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

To the Board of Directors and Executive Director of
Bogalusa Rebirth
Bogalusa, Louisiana
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by Bogalusa Rebirth and the Louisiana Legislative Auditor on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the year end December 31, 2025. We are required to perform each procedure and report the results, including any exceptions. Management is required to provide a corrective action plan that addresses all exceptions noted. For any procedures that do not apply, we have marked them "not applicable."

The management of Bogalusa Rebirth and the Legislative Auditor, State of Louisiana, agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of describing the scope of testing performed on those control and compliance (C/C) areas identified in the Statewide Agreed-Upon Procedures (SAUPs), and the result of that testing. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report; as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

3.) Bank Reconciliations

A. Obtain a listing of Organization bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the Organization's main operating account. Select the Organization's main operating account and randomly select four additional accounts (or all accounts if fewer than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

  ii. Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

  Result: There were no exceptions noted.

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We were engaged by Bogalusa Rebirth to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those control and compliance (C/C) areas identified in the Statewide Agreed-Upon Procedures (SAUPs). Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Bogalusa Rebirth and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the management of Bogalusa Rebirth and the Legislative Auditor, State of Louisiana to describe the scope of testing performed on those control and compliance (C/C) areas identified in the Statewide Agreed-Upon Procedures (SAUPs), and the result of that testing, and not to provide an opinion on control or compliance. It should not be used by those who have not agreed to the procedures and have not taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bernard & Franks

June 26, 2026
Metairie, Louisiana

LOUISIANA COMPLIANCE QUESTIONNAIRE
(For Audit Engagements of Quasi-Public Agencies)

__________________ (Date Transmitted)

Bernard & Franks (CPA Firm Name)
4141 Veterans Memorial Blvd (CPA Firm Address)
Metairie, La. 70002 (City, State Zip)

In connection with your audit of our financial statements as of 12/31/2025 and for 1/1/2025 - 12/31/2025 (period of audit) for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our internal control structure as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of __________________ (date completed/date of the representations).

PART I. Agency Profile

1. Name and address of the organization. Bogalusa Rebirth
305 Ave B, Ste 111
Bogalusa, La. 70427

2. List names, addresses, and telephone numbers of entity officials. Include elected/appointed members of the governing board, chief executive and fiscal officer, and legal counsel.
Attached Staff + Board Member List

3. Period of time covered by this questionnaire.
1/1/2025 - 12/31/2025

4. The entity has been organized under the following provisions of the Louisiana Revised Statute(s) (R.S.) and, if applicable, local resolutions/ordinances.

5. Briefly describe the public services provided.
Affordable Housing Development + 1st time homebuyer Counseling

6. Expiration date of current elected/appointed officials' terms.

Part II. Federal, State, and Local Awards

7. We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes [✓] No [ ] N/A [ ]

8. All transactions relating to federal grants have been properly recorded within our accounting records and reported to the appropriate federal grantor officials.

Yes [✓] No [ ] N/A [ ]

9. All transactions relating to state grants have been properly recorded within our accounting records and reported to the state grantor officials.

Yes [✓] No [ ] N/A [ ]

10. All transactions relating to local grants have been properly recorded within our accounting records and reported to the appropriate local grantor officials.

Yes [✓] No [ ] N/A [ ]

11. The reports filed with federal agencies are properly supported by books of original entry and supporting documentation.

Yes [✓] No [ ] N/A [ ]

12. The reports filed with state agencies are properly supported by books of original entry and supporting documentation.

Yes [✓] No [ ] N/A [ ]

13. The reports filed with local agencies are properly supported by books of original entry and supporting documentation.

Yes [✓] No [ ] N/A [ ]

14. We have complied with all applicable compliance requirements of all federal programs we administer,

Yes [✓] No [ ] N/A [ ]

15. We have complied with all applicable specific requirements of all state programs we administer, to include matters contained in the grant awards.

Yes [✓] No [ ] N/A [ ]

16. We have complied with all applicable specific requirements of all local programs we administer, to include matters contained in the grant awards.

Yes [✓] No [ ] N/A [ ]

17. We have provided you with all communications from grantors concerning noncompliance with or deficiencies in administering grant programs.

Yes [✓] No [ ] N/A [ ]

Part III. Public Records

18. We are familiar with the Public Records Act and have made available to the public those records as required by R.S. 44:33.

Yes [✓] No [ ] N/A [ ]

Part IV. Open Meetings

19. Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes [✓] No [ ] N/A [ ]

Part V. Budget

20. For each federal grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes [✓] No [ ] N/A [ ]

21. For each grant received from the state, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose, duration, specific goals and objectives, and measures of performance.

Yes [✓] No [ ] N/A [ ]

22. For each local grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes [✓] No [ ] N/A [ ]

Part VI. Reporting

23. We have had our financial statements audited in a timely manner in accordance with R.S. 24:513.

Yes [✓] No [ ] N/A [ ]

24. We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [✓] No [ ] N/A [ ]

25. We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [✓] No [ ] N/A [ ]

26. We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes [✓] No [ ] N/A [ ]

The previous responses have been made to the best of our belief and knowledge. We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur subsequent to the issuance of your report.

Judy Sapp ____ Secretary 4/17/26 ____ Date

Judy Sapp ____ Treasurer 4/17/26 ____ Date

____ President 4/17/26 ____ Date