PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Years Ended December 31, 2024 and 2023

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES

Years Ended December 31, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Providence Community Housing
and Subsidiaries
New Orleans, Louisiana

Opinion

We have audited the accompanying consolidated financial statements of Providence Community Housing and Subsidiaries (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Providence Community Housing and Subsidiaries as of December 31, 2024 and 2023, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are required to be independent of Providence Community Housing and Subsidiaries and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Providence Community Housing and Subsidiaries' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Providence Community Housing and Subsidiaries' 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The following accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements:

- Consolidating Schedules of Financial Position;
- Consolidating Schedules of Activities;
- Notes to Consolidating Schedules;

- Consolidating Schedule of Financial Position - Property Operations;
- Consolidating Schedule of Activities - Property Operations;
- Schedule of Compensation, Benefits, and Other Payments to the Chief Executive Officer from Public Funds, as required by *Louisiana Revised Statute 24:513 (A)(3)*;
- Schedule of Expenditures of Federal Awards , as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and
- Notes to Schedule of Expenditures of Federal Awards.

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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2025, on our consideration of Providence Community Housing and Subsidiaries' 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 Providence Community Housing and Subsidiaries' 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 Providence Community Housing and Subsidiaries' internal control over financial reporting and compliance.

Paciera, Gautreau + Priest

Paciera, Gautreau & Priest, LLC
Metairie, Louisiana
June 23, 2025

PROVIDENCE COMMUNITY HOUSING
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024 and 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 7,458,701	$ 4,257,277
Accounts receivable, net	188,966	91,427
Other receivable, net	0	243,698
Prepaid expenses	470,241	70,778
Right-of-use assets:		
Operating leases	26,292	34,081
Financing leases	1,357	12,654
Total Current Assets	8,145,557	4,709,915
PROPERTY AND EQUIPMENT		
Land	1,440,354	458,061
Buildings	46,044,939	4,178,300
Furniture and equipment	1,014,090	329,352
	48,499,383	4,965,713
Less: Accumulated depreciation	22,255,302	1,233,729
Total Property and Equipment	26,244,081	3,731,984
OTHER ASSETS		
Cash restricted	1,470,911	324,506
Deposits	80,244	310,134
Properties held for sale	11,500	273,394
Due from affiliates, net	95,187	334
Developer fee receivable - Affiliates, net	1,721,995	2,117,931
Notes receivable, net	3,227,178	2,393,026
Right-of-use assets:		
Operating leases	442,939	352,800
Financing leases	259,390	224,497
Investments in partnerships	1,424,438	3,030,170
Infrastructure, net	0	0
Pre-development costs	3,306,336	1,354,376
Total Other Assets	12,040,118	10,381,168
Total Assets	$46,429,756	$18,823,067

See accompanying notes to consolidated financial statements.

PROVIDENCE COMMUNITY HOUSING
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(CONTINUED)
DECEMBER 31, 2024 and 2023

	2024	2023
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and other accrued expenses	$ 139,417	$ 133,406
Accrued wages and vacation	38,785	54,940
Accrued interest	67,661	0
Deferred rents	19,691	3,698
Lease liabilities:		
Operating	26,292	34,081
Financing	1,357	12,654
Long-term debt due within one year	336,140	181,752
Total Current Liabilities	629,343	420,531
OTHER LIABILITIES		
Accounts payable - Other	98,993	98,993
Line of credit	683,718	278,031
Accrued interest	2,236,337	0
Other liabilities and recoverable grants	998,135	432,541
Deposits	125,665	0
Lease liabilities:		
Operating	359,689	352,800
Financing	259,390	224,497
Long-term debt, Less current portion	22,846,293	867,854
Total Other Liabilities	27,608,220	2,254,716
Total Liabilities	28,237,563	2,675,247
NET ASSETS		
Without donor restrictions:		
Controlling interest	17,548,248	14,225,699
Noncontrolling interest	631,726	674,740
Total Without Donor Restrictions	18,179,974	14,900,439
With donor restrictions	12,219	1,247,381
Total Net Assets	18,192,193	16,147,820
Total Liabilities and Net Assets	$46,429,756	$18,823,067

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024 and 2023

	2024	2023
WITHOUT DONOR RESTRICTIONS		
REVENUE, SUPPORT, GAINS AND LOSSES		
Rents	$ 5,801,530	$ 298,970
Grants	418,951	603,998
Interest	440,108	505,515
Consulting	270,665	158,036
Program services	137,170	108,383
Contributions - cash	38,945	62,323
Contributions - noncash (partnership interests)	3,320,825	0
Miscellaneous	38,817	3,035
Partnership income (loss)	(2,494)	91
Gain (loss) on dispositions	(107,374)	701,381
Reversal of allowance for credit losses	2,030,343	424
Net assets released from restriction	1,250,396	69,291
Total Revenue, Support, Gains and Losses	13,637,882	2,511,447
EXPENSES		
Program Services:		
Real estate development	764,090	667,803
Home ownership administration	0	16,683
Asset management	815,335	862,515
Community services	236,020	272,885
Property management	427,646	79,506
Property operations	6,024,367	0
Total Program Services	8,267,458	1,899,392
Supporting Services:		
Management and general	477,807	489,856
Fund-raising and communications	73,772	90,780
Total Supporting Services	551,579	580,636
Total Expenses	8,819,037	2,480,028
Change in net assets	4,818,845	31,419
WITH DONOR RESTRICTIONS		
SUPPORT		
Grants	0	69,291
Interest	15,234	7,949
Net assets released from restriction	(1,250,396)	(69,291)
Change in net assets	(1,235,162)	7,949
TOTAL CHANGE IN NET ASSETS	$ 3,583,683	$ 39,368

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2024 and 2023

	Net Assets Without Donor Restrictions			Net Assets With Donor	Total
	Controlling	Noncontrolling	Total	Restrictions	Net Assets
Balance, January 1, 2023	$14,201,253	$667,767	$14,869,020	$1,239,432	$16,108,452
Contributions	0	0	0	0	0
Distributions	0	0	0	0	0
Other changes	0	0	0	0	0
Change in net assets	24,446	6,973	31,419	7,949	39,368
Balance, December 31, 2023	14,225,699	674,740	14,900,439	1,247,381	16,147,820
Contributions	182,390	0	182,390	0	182,390
Distributions	(29,494)	0	(29,494)	0	(29,494)
Other changes	(1,692,206)	0	(1,692,206)	0	(1,692,206)
Change in net assets	4,861,859	(43,014)	4,818,845	(1,235,162)	3,583,683
Balance, December 31, 2024	$17,548,248	$631,726	$18,179,974	$ 12,219	$18,192,193

See accompanying notes to consolidated financial statements.

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	Program Services						Supporting Services			2024
	Real Estate Development	Asset Management	Community Services	Property Management	Property Operations	Total Program Services	Management and General	Fund-raising and Commun-ications	Total Supporting Services	Total Program and Supporting Services Expenses
Accounting	$ 600	$ 0	$ 0	$ 0	$ 67,667	$ 68,267	$ 44,355	$ 0	$ 44,355	$ 112,622
Carrying costs on properties held for sale	0	199	0	0	0	199	0	0	0	199
Community center activities	0	0	38,648	0	21,222	59,870	0	0	0	59,870
Conferences and meetings	4,869	2,660	128	1,186	5,052	13,895	444	127	571	14,466
Consulting	708	65,758	708	26,108	0	93,282	6,757	708	7,465	100,747
Contracted services	1,981	2,672	24,476	262	519,571	548,962	6,341	490	6,831	555,793
Contributions	1	0	2,599	0	0	2,600	0	0	0	2,600
Depreciation	5,575	118,712	0	0	1,288,742	1,413,029	8,644	0	8,644	1,421,673
Direct assistance	0	34,280	0	0	0	34,280	0	0	0	34,280
Dues and subscriptions	0	0	0	0	0	0	4,485	0	4,485	4,485
Employee benefits	16,127	32,814	2,917	11,784	133,020	196,662	57,105	2,917	60,022	256,684
Equipment rental	0	0	0	0	0	0	1,565	0	1,565	1,565
Insurance	13,902	86,329	20,994	0	722,427	843,652	15,343	0	15,343	858,995
Interest	72,260	9,207	0	0	1,023,747	1,105,214	5,625	0	5,625	1,110,839
IT Support	13,664	5,465	1,097	10,596	63,693	94,515	20,995	3,143	24,138	118,653
Legal	0	2,393	0	39,559	11,804	53,756	0	0	0	53,756
Management fees	0	15,977	0	0	247,220	263,197	0	0	0	263,197
Marketing and sponsorships	0	0	768	11,200	7,893	19,861	0	7,559	7,559	27,420
Meals and entertainment	230	246	333	2,220	0	3,029	2,988	143	3,131	6,160
Miscellaneous	40	0	0	0	36,602	36,642	0	0	0	36,642
Office	0	19,525	146	247	17,722	37,640	14,653	0	14,653	52,293
Payroll taxes	18,224	17,907	3,602	20,858	46,043	106,634	17,879	3,602	21,481	128,115
Postage and shipping	0	0	0	0	3,682	3,682	546	0	546	4,228
Printing and publications	0	0	0	0	12,034	12,034	471	0	471	12,505
Property taxes	0	0	0	0	232,167	232,167	0	0	0	232,167
Provision for credit losses	334,671	37,691	0	0	38,850	411,212	0	0	0	411,212
Rent and office occupancy	5,865	7,911	1,279	777	10,014	25,846	18,775	1,453	20,228	46,074
Repairs	0	90,236	21,166	0	46,817	158,219	0	0	0	158,219
Salaries	263,217	255,919	53,500	300,684	754,292	1,627,612	229,378	51,408	280,786	1,908,398
Supplies	0	0	0	0	106,956	106,956	0	0	0	106,956
Telephone	3,378	4,557	9,863	447	18,653	36,898	10,815	836	11,651	48,549
Travel	6,230	1,440	755	1,381	0	9,806	2,486	755	3,241	13,047
Utilities	2,548	3,437	53,041	337	588,477	647,840	8,157	631	8,788	656,628
Total Expenses	$ 764,090	$ 815,335	$ 236,020	$ 427,646	$ 6,024,367	$ 8,267,458	$ 477,807	$ 73,772	$ 551,579	$ 8,819,037

See accompanying notes to consolidated financial statements.

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Services						Supporting Services			2023
	Real Estate Development	Home Ownership Admini-stration	Asset Management	Community Services	Property Management	Total Program Services	Management and General	Fund-raising and Commun-ications	Total Supporting Services	Total Program and Supporting Services Expenses
Accounting	$ 575	$ 0	$ 0	$ 4,500	$ 0	$ 5,075	$ 44,956	$ 0	$ 44,956	$ 50,031
Provision for credit losses	330,439	0	76,536	0	0	406,975	0	0	0	406,975
Carrying costs on properties held for sale	0	0	9,900	0	0	9,900	0	0	0	9,900
Community center activities	0	0	0	17,447	0	17,447	0	0	0	17,447
Conferences and meetings	728	59	1,071	237	0	2,095	597	296	893	2,988
Consulting	0	0	72,446	0	32,863	105,309	15,960	0	15,960	121,269
Contributions	0	0	5,340	0	0	5,340	2,550	0	2,550	7,890
Depreciation	5,575	0	122,886	0	0	128,461	8,644	0	8,644	137,105
Direct assistance	0	0	38,154	0	0	38,154	0	0	0	38,154
Dues and subscriptions	0	0	0	240	0	240	3,300	139	3,439	3,679
Employee benefits	12,423	2,296	27,970	8,427	1,609	52,725	27,863	3,452	31,315	84,040
Equipment rental	0	0	0	10,677	0	10,677	1,677	0	1,677	12,354
Insurance	11,409	0	84,837	12,452	0	108,698	16,993	0	16,993	125,691
Interest	38,823	0	13,427	0	0	52,250	0	0	0	52,250
IT Support	5,874	301	6,666	2,984	728	16,553	7,476	1,946	9,422	25,975
Legal	4,600	0	0	0	15,659	20,259	0	0	0	20,259
Management fees	0	0	16,202	0	0	16,202	0	0	0	16,202
Marketing and sponsorships	0	0	0	0	0	0	0	5,425	5,425	5,425
Meals and entertainment	956	0	431	471	0	1,858	8,374	480	8,854	10,712
Miscellaneous, office, and supplies	19,091	0	7,733	26,716	0	53,540	24,797	1,911	26,708	80,248
Payroll taxes	14,957	774	17,181	7,706	1,684	42,302	22,049	5,007	27,056	69,358
Postage and shipping	0	0	0	0	0	0	378	0	378	378
Pre-Development/Development	2,400	0	0	0	0	2,400	0	0	0	2,400
Printing and publications	0	0	0	0	0	0	618	0	618	618
Rent and office occupancy	9,937	2,546	10,288	2,546	1,416	26,733	34,498	2,912	37,410	64,143
Repairs	0	0	115,043	8,605	0	123,648	0	0	0	123,648
Salaries	205,872	10,543	233,652	104,593	25,523	580,183	262,019	68,201	330,220	910,403
Telephone	920	83	1,020	10,058	0	12,081	4,863	225	5,088	17,169
Travel	3,224	81	1,732	1,165	24	6,226	2,244	786	3,030	9,256
Utilities	0	0	0	54,061	0	54,061	0	0	0	54,061
Total Expenses	$ 667,803	$ 16,683	$ 862,515	$ 272,885	$ 79,506	$ 1,899,392	$ 489,856	$ 90,780	$ 580,636	$ 2,480,028

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 3,583,683	$ 39,368
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Contributions - noncash	(3,320,825)	0
Provision for credit losses	411,212	406,975
Accrued interest on notes receivable	(333,448)	(485,181)
Bad debt recoveries	(2,030,343)	0
Depreciation	1,421,673	137,105
Amortization	3,077	0
Forgiveness of debt	(107,951)	(189,499)
Partnership (income) loss	2,494	(91)
(Gain) loss on dispositions	107,374	(701,381)
(Increase) Decrease in operating assets:		
Accounts receivable, grants receivable, and prepaid expenses	96,600	680,591
Deposits	0	0
Developer fee receivable	85,276	(14,568)
Increase (Decrease) in operating liabilities:		
Accounts payable and accrued expenses	(10,144)	14,196
Deferred rents	9,235	1,381
Deposits	10,785	0
Net Cash (Used for) Operating Activities	(71,302)	(111,104)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net advances to affiliates	(95,378)	(35,740)
Proceeds from involuntary conversion	41,062	0
Proceeds from sale of property	113,458	748,858
Investments in partnerships	(100,813)	(8,721)
Distributions	29,494	0
Proceeds from liquidation of partnership	43,445	0
Advances on notes receivable	(2,096,627)	(119,290)
Payments on notes receivable	2,030,343	1,085,725
Deposits made	0	(307,312)
Additions to property and equipment and pre-development costs	(358,041)	(868,402)
Net Cash Provided by (Used for) Investing Activities	(393,057)	495,118

See accompanying notes to consolidated financial statements.

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Continued)
Years Ended December 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on long-term debt	$ (320,209)	$ (71,733)
Loan proceeds	2,096,627	0
Line of credit proceeds	405,687	278,031
Advances (payments) of recoverable grants and other liabilities	117,660	(510,054)
Net Cash Provided by (used for) Financing Activities	2,299,765	(303,756)
Net Increase in Cash, Cash Equivalents, and Restricted Cash	1,835,406	80,258
Net effects of consolidation changes including cash balances from new consolidation entities	2,512,423	0
Cash, Cash Equivalents, and Restricted Cash:		
Beginning of Year	4,581,783	4,501,525
End of Year	$ 8,929,612	$ 4,581,783
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for:		
Interest - Net of capitalized amounts	$ 991,683	$ 35,927
Income taxes	$ 0	$ 0
Non-cash Investing and Financing Activities		
Right-of-use assets for lease liabilities	$ 646,728	$ 624,032
Loans payable in exchange for capital contributions	$ 0	$ 1,239,512
Land transferred to reduce loans payable	$ 0	$ 35,820
Notes receivable forgiven	$ 49,580	$ 0
Net reduction of assets and liabilities related to ownership change of partnerships	$ 0	$ 3,070,814
Noncash decrease in investment in partnership	$ 195,388	$ 0
Deposits	$ 309,090	$ 0

See accompanying notes to consolidated financial statements.

A. Organization and Summary of Significant Accounting Policies

Providence Community Housing (PCH or the Corporation) is a nonprofit Louisiana corporation created on April 5, 2006. The Corporation's mission is to transform lives and communities through the development and preservation of affordable homes while connecting individuals and families to opportunities that enhance their quality of life.

A.1 Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Providence Community Housing and all of its controlled subsidiaries. This includes corporations, limited partnerships and limited liability companies in which Providence Community Housing has a controlling interest. These entities are included in the consolidation according to accounting principles generally accepted in the United States of America (GAAP) which require that partnership accounts be consolidated for all limited partnerships or limited liability companies which are deemed to be controlled by Providence Community Housing. All inter-company transactions have been eliminated in consolidation. The following entities are included in the consolidated financial statements of Providence Community Housing:

1. Providence Annunciation Inn Apartments, LLC;
2. Providence Nazareth Inn I, LLC;
3. Providence Nazareth Inn II Apartments, LLC;
4. Providence Delille Inn Apartments, LLC;
5. Providence St. John Berchman's Apartments, LLC;
6. Providence St. Bakhita Apartments, LLC;
7. St. Bakhita Apartments, LLC;
8. Lafitte Redevelopment, LLC;
9. Providence Enterprise Orleans, LLC;
10. Providence Building 12, LLC;
11. Building 12, LLC;
12. Providence Builders of Hope, LLC;
13. Providence Lafitte Treme-Oak Place, LLC;
14. PCH Sacred Heart at St. Bernard, LLC;
15. Providence Columbia Sacred Heart, LLC;
16. Onzaga Development Partners, LLC
17. St. Ann 2017 MM, LLC;
18. Lafitte Block 6 Homeownership, LLC;
19. Our Lady of Lourdes, LLC
20. Annunciation Inn 2024 Manager, LLC;
21. Annunciation Inn 2024, LLC
22. Nazareth Inn 2024 Manager, LLC;
23. Nazareth Inn 2024, LLC;
24. Annunciation Inn Apartments, LLC;
25. Delille Inn Apartment, LLC;
26. Nazareth Inn I, LLC;
27. Nazareth Inn II Apartments, LLC;
28. Providence BW Cooper Senior, LLC;
29. Providence BW Cooper Family, LLC;
30. BW Cooper Senior, LLC;
31. BW Cooper Family, LLC;
32. Lafitte 2017 Manager, LLC
33. Lafitte 2017, LLC
34. Providence Community Management, LLC

Effective January 1, 2024, PCH acquired an additional 99.99% ownership interest in Annunciation Inn Apartments, LLC; Delille Inn Apartments, LLC; Nazareth Inn I, LLC; and Nazareth Inn II Apartments, LLC. In addition, during 2024, it was determined that PCH exercises control over Providence BW Cooper Senior, LLC; Providence BW Cooper Family, LLC; and Lafitte 2017 Manager, LLC. As a result, these entities have been consolidated into the financial statements for the first time in 2024. Furthermore, Providence Community Management, LLC was formed during the year and has also been included in the consolidated financial statements for the first time. Due to these additions, the financial results for 2024 are not directly comparable to those of the prior year.

A.2 Limited Liability Companies

The Corporation owns or owned .01% and is the following managing member in these limited liability companies, which have investments in rental real estate:

1. Annunciation Inn Apartments, LLC;
2. Delille Inn Apartment, LLC;
3. Nazareth Inn I, LLC;
4. Nazareth Inn II Apartments, LLC;
5. St. John Berchman’s Apartments, LLC;
6. Building 12, LLC;
7. St. Bakhita Apartments, LLC:
8. Lafitte Treme-Oak Place, LLC;
9. St. Ann 2017, LLC; and
10. Sacred Heart of St. Bernard, LLC.

As previously mentioned, On January 1, 2024 PCH acquired an additional 99.99% of Annunciation Inn Apartments, LLC; Delille Inn Apartments, LLC; Nazareth Inn I, LLC; and Nazareth Inn II Apartments, LLC.

The Corporation owns 100% of Providence St. Bakhita Apartments, LLC. Providence St. Bakhita, LLC owns .01% of St. Bakhita Apartments, LLC and is the managing member of St. Bakhita Apartments, LLC. The Corporation owns 99.99% of St. Bakhita Apartments, LLC.

The Corporation owns 100% of Providence Building 12, LLC. Providence Building 12, LLC owns .01% of Building 12, LLC and is the managing member of Building 12, LLC. The Corporation owns 99.99% of Building 12, LLC.

The Corporation owns 100% of PCH Sacred Heart at St. Bernard, LLC which owns 51% of Providence Columbia Sacred Heart, LLC. Providence Columbia Sacred Heart, LLC owns .01% of Sacred Heart at St. Bernard, LLC and is the managing member in this limited liability company, which has investments in a rental real estate development.

The Corporation owns 51% of Onzaga Development Partners, LLC and is the managing member in this limited liability company, which is the developer on the Sacred Heart at St. Bernard project.

The Corporation owns 50% of Lafitte 2017 Manager, LLC; which owns 100% and is the managing member of Lafitte 2017, LLC.

The Corporation owns 100% of PCH Lafitte, LLC. PCH Lafitte, LLC owns 50% of Lafitte Block 6 Homeownership, LLC, 50% of Providence Enterprise Orleans, LLC, 50% of Lafitte Redevelopment, LLC, and 30% of PELM Market, LLC (PELM). PELM is the sole member of Lafitte Market Rental Manager, LLC which is the sole member of Lafitte Market Rate Rental, LLC.

The Corporation owns 100% of Our Lady of Lourdes Manager, LLC; which owns 100% of Our Lady of Lourdes, LLC and is its managing member.

The Corporation owns 100% of Providence BW Cooper Developer, LLC; which owns 50% of BW Cooper Developer, LLC.

The Corporation owns 100% of Providence BW Cooper Senior, LLC; which owns 50% of BW Cooper Senior Manager, LLC; which owns 100% of BW Cooper Senior, LLC and is the managing member.

The Corporation owns 100% of Providence BW Cooper Family, LLC; which owns 50% of BW Cooper Family Manager, LLC; which owns 100% of BW Cooper Family, LLC and is the managing member.

The Corporation owns 100% of Providence Orleans, LLC; which owns 30% of Providence Enterprise L&M, LLC; which owns .01% of Lafitte Redevelopment Blocks 1-3, LLC and .01% of Lafitte Redevelopment Blocks 5-7, LLC. Providence Enterprise L&M, LLC is the managing member of Lafitte Redevelopment Blocks 1-3, LLC and of Lafitte Redevelopment Blocks 5-7, LLC.

The Corporation owns 100% of Providence Community Management, LLC.

A.3 Noncontrolling Interests

Noncontrolling interests represent the portion of net assets and results of operations of consolidated subsidiaries that are attributable to ownership interests held by parties other than the Corporation. These interests are reported as a separate component of net assets in the consolidated financial statements. Income or loss attributable to noncontrolling interests is presented separately in the consolidated statement of activities based on various operating agreements.

The following entities included in the consolidated financial statements have ownership interests held by noncontrolling parties:

	Entity Name	Corporate Ownership %	Noncontrolling Interest %
1.	Providence Enterprise Orleans, LLC	50%	50%
2.	Lafitte Redevelopment, LLC	50%	50%
3.	Providence-Builders of Hope, LLC	50%	50%
4.	Providence Columbia Sacred Heart, LLC	51%	49%
5.	Onzaga Development Partners, LLC	51%	49%
6.	Lafitte Block 6 Homeownership, LLC	50%	50%
7.	Lafitte 2017 Manager, LLC	50%	50%
8.	BW Cooper Senior Manager, LLC	50%	50%
9.	BW Cooper Family Manager, LLC	50%	50%

A.4 Program Services

Following are the descriptions of the Corporation's program services:

Real Estate Development - This program includes all costs, excluding capital expenses, associated with acquiring, developing, and preserving affordable real estate for individuals, seniors, and families, including both rental units and homes for sale.

	Units 2024	Units 2023
Stage at year-end:		
Concept/pre-development	1,119	815
Under construction	0	0
Stabilization/lease-up	0	0
Operating with active capital projects	270	106

Home Ownership Administration - This program consists of costs associated with long-term compliance and other close-out costs related to completed home ownership programs. This program ended in 2024.

Asset Management - This program consists of expenses related to overseeing the management of operating rental properties including individual, multi-family and senior housing as both a direct owner and general partner.

	2024	2023
Units in service at year-end	1,119	1,120

Property Management - This program includes all costs and fee income related to the Corporation's contractual relationship with Christopher Homes, Inc. ("CHI"). The Corporation provides consulting services to CHI to assist in improving the portfolio performance of the units that it manages. These units include units controlled by the Corporation. Beginning January 1, 2024, the Corporation began full oversight of the CHI management portfolio. On January 1, 2025, Providence Community Management, LLC, a wholly owned subsidiary, replaced CHI as the contractual manager of the portfolio.

	2024	2023
Units managed	2,418	2,418
Units controlled	636	636

Property Operations - This program encompasses the operations of affordable multifamily apartment communities. Effective January 1, 2024, Providence Community Housing (PCH) acquired sole control of four limited liability companies: Annunciation Inn Apartments, LLC; Delille Inn Apartments, LLC; Nazareth Inn I, LLC; and Nazareth Inn II Apartments, LLC. Collectively, these entities operate a total of 427 affordable housing units. Their inclusion in the Property Operations program reflects PCH's continued commitment to expanding and managing quality affordable housing.

Community Services - This program encompasses activities focused on improving quality of life through resident service coordination and programming. This program includes all operations and programming provided to the Faubourg Lafitte Community through Sojourner Truth Neighborhood Center. It also includes the cost of staffing a coordinator to bring in partners and resources to serve our senior population and prevent evictions. The Corporation and its partners (CHI and Enterprise Community Partners) contract with and provide support for third-party providers. Services include meal deliveries, commodity distributions, assistance accessing utility, food, and rental assistance from public and private resources, health fairs, and youth programming.

A.5 Supporting Services

Following are the descriptions of the Corporation’s supporting services:

Management and General - This supporting service includes the functions necessary to maintain an equitable employment program, ensure an adequate working environment, provide coordination and articulation of the Corporation’s program strategy through the office of the President, secure proper administrative functioning of the Board of Directors, maintain competent legal services for the program administration of the Corporation, and manage the financial and budgetary responsibilities of the Corporation.

Fund-raising and Communications - This supporting service provides the structure necessary to encourage and secure public and private financial support from individuals, foundations, corporations, and governmental agencies. It also includes communications support which is designed to increase and retain donors, increase awareness of the Corporation, and further the Corporation’s mission with investors, stakeholders, and the community at large.

A.6 Net Assets

The Corporation reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions are amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met. In addition, for purposes of consolidated financial reporting, this category includes the members’ equity or retained earnings of the Corporation’s wholly owned for-profit subsidiaries, which are accounted for in accordance with ASC 810. These amounts are presented within net assets without donor restrictions to reflect the consolidated nature of the financial statements and to provide a simplified and consistent presentation aligned with nonprofit financial reporting standards.

Net assets with donor restrictions are assets subject to usage limitations based on donor-imposed or grantor requirements. These restrictions may be temporary or perpetual in nature. Temporary restrictions may be satisfied by the passage of time or by actions of the Corporation, while certain restrictions may require that the principal be maintained in perpetuity.

Earnings related to restricted net assets are included in net assets without donor restrictions unless otherwise specifically required to be included in donor-restricted net assets by the donor or by applicable state law.

A.7 Cost Allocation

The consolidated financial statements report certain categories of expenses that are attributable to one or more programs or supporting services of the Corporation. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, information technology support ("IT"), and rent. Salaries and IT are allocated based on time and effort. Rent is allocated on a square footage basis. All other expenses are directly attributable to a program or supporting service, except for Property Operations. This program includes all costs related to the operation of the apartment complexes included in the program.

A.8 Allowance for Credit Losses

Allowances for credit losses are estimated based on historical account write-off trends, facts about the current financial condition of the debtor, forecasts of future operating results based upon current trends, and macroeconomic factors. Credit quality is monitored through the timing of payments compared to payment terms and known facts regarding the financial condition of debtors.

A.9 Contributions and Noncash Contributions

The Corporation recognizes contributions, including unconditional promises to give, as revenue in the period received. Contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is limited by donor-imposed restrictions. Conditional contributions are recognized when the conditions on which they depend are substantially met.

Contributed nonfinancial assets are recognized at fair value on the date of donation. These assets are reported as a separate line item in the statement of activities in accordance with ASU 2020-07. The Corporation discloses the valuation techniques used, any donor restrictions, and how the assets are utilized.

During the year, the Corporation received a noncash contribution consisting of partnership interests valued at $3,320,825. The fair value of the contributed interests was determined using appraisals based on the leased fee value methodology. This contribution is reported under "Contributions – noncash (partnership interests)" in the statement of activities.

The contributed partnership interests relate to apartment complexes, which the Corporation intends to hold and operate as part of its Property Operations program. There are no donor-imposed restrictions on the use or disposition of these assets.

A.10 Notes Receivable - Programmatic Loans

The Corporation uses the effective interest rate approach to account for its programmatic loans. When the Corporation believes its likely cash flows are less than the contractual cash flows, impairment losses are recorded.

A.11 Construction in Progress and Pre-development Costs

If present, construction in progress and pre-development costs consist of projects that will be rehabilitated for rental or home ownership purposes and the costs associated with rehabilitation.

A.12 Property and Equipment

Items capitalized as part of property and equipment are valued at cost. Donated property used by the Corporation is recorded at the fair market value on the date contributed.

The Corporation has adopted a policy of capitalizing property and equipment greater than $2,000. However, some of the consolidating subsidiaries have a policy of capitalizing property and equipment greater than $500.

Depreciation of property and equipment is provided over the estimated lives (5 - 40 years) of the respective asset using the straight-line method of depreciation.

A.13 Income Taxes

Providence Community Housing qualifies as a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code of 1954 as amended. The Corporation had no unrelated business income for the year. Providence Annunciation Inn Apartments, LLC; Providence Nazareth Inn I, LLC; Providence Nazareth Inn Apartments II, LLC; Providence Delille Inn Apartments, LLC; Providence St. John Berchman’s Apartments, LLC; Providence St. Bakhita Apartments, LLC; Providence Lafitte Treme-Oak Place, LLC; PCH Sacred Heart at St. Bernard, LLC; and St. Ann 2017 MM, LLC have elected to be taxed as corporate entities. Lafitte Redevelopment, LLC; Providence Enterprise Orleans, LLC; Providence Building 12, LLC; Providence-Builders of Hope, LLC; Providence Columbia Sacred Heart, LLC; Onzaga Development Partners, LLC; Lafitte Block 6 Homeownership, LLC; and Our Lady of Lourdes, LLC have elected to be treated as partnerships for tax purposes.

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity’s financial statements. It requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained on examination. As of December 31, 2024, management of Providence Community Housing and Subsidiaries believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Tax years ended December 31, 2021 and later remain subject to examination by the taxing authorities.

A.14 Cash Restricted

The Corporation operates apartment complexes under Section 202 of the National Housing Act and are regulated by the U.S. Department of Housing and Urban Development (HUD). They also are subject to Section 8 Housing Assistance Payments agreements with HUD. The complexes are operated by the following subsidiaries:

1. Annunciation Inn Apartments, LLC
2. Delille Inn Apartments, LLC
3. Nazareth Inn I, LLC
4. Nazareth Inn II Apartments, LLC

The Corporation and its subsidiaries receive funds that are subject to restrictions and are included in the restricted cash balance. Some subsidiaries are required to make monthly deposits for the replacement of project assets, such deposits are controlled by HUD. Certain subsidiaries are also required to make yearly deposits of surplus cash, if any, to residual receipts accounts. Use of residual receipt funds is contingent upon the prior written approval of HUD. Replacement reserves and residual receipts are included in the restricted cash balance in our consolidated statement of financial position. Certain subsidiaries make the required monthly escrow deposits for taxes and insurance in separate bank accounts. The mortgagor for the subsidiary controls these escrow deposits. These funds are included in the restricted cash balance on our Consolidated Statements of Financial Position. Receipts received by the Corporation's subsidiaries from HUD and other financing authorities for construction of low-income housing projects are included in the restricted cash balance.

Additionally, Cash restricted includes amounts received with donor-imposed restrictions that limit their use to specific programs or future periods.

A.15 Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

A.16 Contributed Services

Donated services are recognized as contributions in accordance with GAAP, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Corporation. Donated services are valued and reported at estimated fair value in the consolidated financial statements based on current rates for similar services. The Corporation did not recognize any donated services during the year.

Volunteers also provided services throughout the year, which are not recognized as contributions in the consolidated financial statements since the recognition criteria under GAAP were not met.

A.17 Donated Property and Equipment

Donation of property and equipment are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Corporation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Corporation reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

A.18 Properties Held for Sale

Properties held for sale are recorded at cost when acquired or constructed. The properties held for sale consist of various lots located in the City of New Orleans that will be used in redevelopment projects. The costs associated with maintaining these properties are included in 'Carrying costs on properties held for sale' on the consolidated statement of functional expenses.

A.19 Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

A.20 Management Fees

The Corporation enters into agreements with management companies to oversee its rental properties. Typically, these companies are compensated with a monthly fee per occupied unit. However, certain subsidiaries of the Corporation operate under different management agreements. These alternative arrangements often include a fee structure based on a percentage of gross collections, along with additional special fees.

A.21 Fair Value Measurements

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities(Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Corporation has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

A.22 Leases

The Corporation follows the guidance of Accounting Standards Codification (ASC) Topic 842, *Leases*, which was issued by the Financial Accounting Standards Board (FASB) as Accounting Standards Update (ASU) No. 2016-02 in February 2016.

A lease is a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Corporation determines whether a contract contains a lease at inception by assessing whether it has the right to obtain substantially all of the economic benefits from the use of the asset and the right to direct the use of the asset.

The Corporation classifies leases as either operating or finance leases based on criteria that are largely consistent with those applied in legacy lease accounting guidance. Operating leases result in the recognition of a right-of-use (ROU) asset and a lease liability on the consolidated statement of financial position, while finance leases result in the recognition of an ROU asset, a lease liability, and interest and amortization expense on the consolidated statement of activities.

The ROU asset represents the Corporation's right to use the leased asset for the lease term, and the lease liability represents the Corporation's obligation to make lease payments arising from the lease. The ROU asset and lease liability are initially measured at the present value of future lease payments over the lease term, discounted using the implicit rate in the lease or, if not readily determinable, the Corporation's incremental borrowing rate. The ROU asset is subsequently amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. The lease liability is subsequently adjusted for interest and lease payments, as well as any reassessment or lease modifications.

The Corporation recognizes lease expense for operating leases on a straight-line basis over the lease term as expenses on the consolidated statement of activities. The Corporation recognizes interest expense on the lease liability and amortization expense on the ROU asset for finance leases within interest expense and depreciation and amortization expense, respectively, on the consolidated statement of activities.

The Corporation excludes leases with an initial term of 12 months or less from consolidated statement of financial position recognition and recognizes them as operating expenses on a straight-line basis over the lease term.

A.23 Revenue Recognition

Revenue is recognized when control of the promised service is transferred to PCH's customers, in an amount that depicts the consideration PCH expects to be entitled to in exchange for those services.

Rent revenue, principally from short-term leases on apartment units, is recognized as rents become due. The Corporation's primary revenue stream is rent charges for residential units under leases with durations of less than one year. The Corporation records revenue for such leases at gross potential rent as prescribed by HUD. Subsidy rental revenue for low-income eligible tenants is provided under a Section 8 housing assistance payment contracts. These contracts require tenants to contribute a portion of the contract rent based on formulas prescribed by the Department of Housing and Urban Development (HUD). Subsidy income is considered part of the lease and is not considered a contribution under ASC 958. This standard indicates that government payments to specifically identified participants are to be considered exchange transactions and potentially subject to ASC 606. The Corporation believes that rental and subsidy income streams are exempted from compliance with ASC 606 due to their inclusion under current and future lease standards. Revenue streams subject to ASC 606 include: tenant reimbursement of consumption-based costs paid by the Corporation on behalf of the tenant, such as utilities and other monthly fees. Other revenue includes laundry, vending, and damages. Such fees are ancillary to the lease process and are recognized as revenue at the point in time such fees are incurred.

Special event revenues are recognized when the event is held. Contributions received at or related to a special event are recorded as contributions in the consolidated statements of activities.

Revenue from developer fees, consulting fees and other program service fees is recognized when control of the promised service is transferred to PCH’s customers, in an amount that depicts the consideration PCH expects to be entitled to in exchange for those services. Revenue is not recognized unless collectability under the contract is considered probable, the contract has commercial substance, and the contract has been approved. Additionally, the contract must contain payment terms, as well as the rights and commitments of both parties. See Notes O. and P. for a further discussion of PCH's net assets.

PCH provides consulting services and program services on a contractual basis for owners of residential rental real estate. These services include leasing, accounting, management and assistance with compliance with regulatory agreements. PCH is also often reimbursed for its administrative and payroll costs directly attributable to the properties under management. Consistent with the transfer of control for distinct, daily services to the customer, revenue is recognized at the end of each period for the fees associated with the services performed.

Developer fees are recognized over the development period beginning with the admission of an equity partner, as units are delivered or based on the external construction costs incurred as a percentage of the total expected external construction costs, and concluding with the application for final allocation of tax credits. Developer fees earned are paid from the project's equity and debt proceeds at construction completion. Any portion of the developer fee not expected to be paid using contributions from the equity partner, such as out of cash flow from operations represents variable consideration.

PCH estimates whether it will be entitled to variable consideration under the terms of the development agreement and includes its estimate of variable consideration in the total developer fee amount when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur in accordance with the accounting guidance in ASC Topic 606, *Revenue from Contracts with Customers*, on constraining estimates of variable consideration, which includes many factors such as susceptibility of outside influence, sufficiency of equity and debt proceeds, uncertainties, experience, the range of possible consideration amounts, and payment terms.

The cumulative amount of developer fees earned is updated based on the project's estimate of the variable consideration using best available information. Any difference between the gross amount of the project’s developer fee payable and the estimate of variable consideration to which the developer expects to be entitled is eliminated in consolidation.

B. Cash, Cash Equivalents, and Cash Restricted

For the purposes of the consolidated statement of cash flows, the Corporation considers highly-liquid investments purchased with an original maturity of three months or less to be cash equivalents.

The following table provides a reconciliation of cash and cash restricted reported within the consolidated statement of financial position that sum to the total in the consolidated statement of cash flows at year-end:

	2024	2023
Cash and cash equivalents	$7,458,701	$4,257,277
Cash restricted	1,470,911	324,506
Total	$8,929,612	$4,581,783

Cash restricted balances are for the following purposes:

Capital Magnet Fund	$ 12,219	$316,131
Tenant security deposits	0	5,000
Real estate development	4,600	3,375
HUD Section 202	1,454,092	0
Total	$1,470,911	$324,506

C. Accounts Receivable - Allowance for Credit Losses

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Corporation maintains an allowance for credit losses to reflect management’s estimate of uncollectible amounts. Balances are charged off against the allowance when collection efforts have been exhausted and the receivable is deemed uncollectible.

The balance of the allowance for credit losses related to accounts receivable was zero as of both December 31, 2024, and 2023. There was no activity in the allowance for credit losses during the year ended December 31, 2024. As of January 1, 2023, the Corporation had a beginning allowance balance of $17,266, which was fully written off during the year ended December 31, 2023.

D. Due from Affiliates

The Corporation has provided assistance to affiliated projects. The amounts due from affiliates are non-interest bearing, have no repayment terms, and are payable out of surplus cash, if available.

The following are the balances receivable from affiliates:

	2024	2023
Administrative fees:		
St. Ann 2017, LLC	$ 90,528	$ 68,581
Lafitte Treme Oak Place, LLC	223,015	201,629
Sacred Heart at St. Bernard	94,717	0
Others	470	334
Subtotal	408,730	270,544
Less allowance for credit losses	(313,543)	(270,210)
Total	$ 95,187	$ 334

The Corporation had the following activity for its allowance for credit losses for balances due from affiliates for the years ended December 31:

	2024	2023
Beginning balance	$270,210	$228,575
Provision for expected credit losses	43,333	41,635
Write-offs	0	0
Recoveries	0	0
Ending balance	$313,543	$270,210

E. Developer Fee Receivable - Affiliates

The Corporation, through its subsidiary Providence-Builders of Hope, LLC, is owed a developer fee from Lafitte Treme Oak Place, LLC. The developer fee is payable from project surplus cash. No payments were received during the years ended December 31, 2024 and 2023. The balance was $387,412 and $446,401 at December 31, 2024 and 2023, respectively.

The Corporation, through its subsidiary, Onzaga Development Partners, LLC, is owed a developer fee from Sacred Heart of St. Bernard, LLC. The developer fee is payable from equity and project surplus cash. No payments were received during the years ended December 31, 2024 and 2023. The balance was $585,714 as of both December 31, 2024 and 2023.

The Corporation, through its subsidiary St. Ann 2017 MM, LLC, is entitled to a developer fee from St. Ann 2017, LLC. The fee accrues interest at a rate of 2% per annum and is payable solely from project surplus cash. As of December 31, 2024 and 2023, the total amounts due include accrued interest of $60,938 and $46,775, respectively. No payments were received on this receivable during the years ended December 31, 2024 and 2023. The balance was $748,869 and $775,156 at December 31, 2024 and 2023, respectively.

As of December 31, 2023, the Corporation was owed developer fees from Delille Inn, LLC and Nazareth Inn I, LLC in the amounts of $132,045 and

$178,615, respectively, payable from surplus cash if available; however, effective January 1, 2024, the Corporation acquired an additional 99.99% ownership interest in Delille Inn Apartments, LLC and Nazareth Inn I, LLC, and the related developer fee receivables were eliminated from the December 31, 2024 consolidated balances.

The following table summarizes the developer fee receivable balances:

Receivable from	2024	2023
Lafitte Treme Oak Place, LLC	$ 387,412	$ 446,401
Sacred Heart of St. Bernard, LLC	585,714	585,714
St. Ann 2017, LLC	748,869	775,156
Delille Inn, LLC	0	132,045
Nazareth Inn I, LLC	0	178,615
	$1,721,995	$2,117,931

F. Notes Receivable

The notes receivable balance includes accrued interest, is net of an allowance for expected credit losses, and consists of the following non-related and related parties.

Non-related Parties:

(1) The Corporation has lent funds to homeowners to acquire properties. These notes are reserved in full.

Related Parties:

(2) In May 2009, Annunciation Inn Apartments, LLC (AIA) signed a promissory note in the amount of $610,848. During 2023, an additional advance of $100,000 for the generator project was made. The balance of this note and additional advance ("note") is $681,644 and bears interest at the applicable federal rate of 4.34% at December 31, 2023. This note is due and payable on or before August 1, 2049. As previously mentioned, On January 1, 2024 PCH acquired an additional 99.99% of Annunciation Inn Apartments, LLC. Accordingly, the notes receivable balance for this entity has been eliminated from the December 31, 2024 balances. This has no effect on the 2023 balances.

(3) In May 2009, Delille Inn Apartments, LLC (DIA) signed a promissory note in the amount of $388,826. This note bears interest at the applicable federal rate that ranged from 1.9% to 4.34% during the year ended December 31, 2023, respectively. This note is unsecured and is due and payable on or before January 1, 2050. As previously mentioned, On January 1, 2024 PCH acquired an additional 99.99% of Delille Inn Apartments, LLC. Accordingly, the notes receivable balance for this entity has been eliminated from the December 31, 2024 balances. This has no effect on the 2023 balances.

(4) In September 2009, Nazareth Inn I, LLC (NAZ1) signed a promissory note to pay the Corporation for plumbing improvements. This note is for $315,000 and accrues interest at 8%. This amount is unsecured and is due on or before October 1, 2049. As previously mentioned, On January 1, 2024 PCH acquired an additional 99.99% of Nazareth Inn I, LLC . Accordingly, the notes receivable balance for this entity has been eliminated from the

December 31, 2024 balances. This has no effect on the 2023 balances.

(5) In May 2009, St. John Berchman's Apartments, LLC (STJB) signed a promissory note in the amount of $1,284,626. The balance of this note is $923,465 and bears interest at the applicable federal rate which is 5.03% and 4.34% at December 31, 2024 and 2023, respectively. This note is unsecured and is due and payable on or before February 1, 2050.

(6) In 2019, St. Ann 2017, LLC (St. Ann 2017) signed a surplus cash promissory note in the amount of $875,000. During 2022 the note was increased up to $1,218,510. This note is collateralized by property and bears no interest. The balance of the note is payable annually commencing on January 1, 2020 and thereafter until the entire indebtedness has been paid. The balance of this note is payable out of surplus cash with all unpaid amounts due on May 1, 2060. The note is collateralized by the property of St. Ann 2017, LLC.

(7) On December 6, 2018, St. Ann 2017, LLC signed a surplus cash promissory note in the original amount of $1,998,409. The note is collateralized by property, bears interest at 7.5%, which commenced January 1, 2020 and thereafter until the entire indebtedness has been paid. This note is payable out of surplus cash with all unpaid amounts due on May 1, 2060. The note is collateralized by the property of St. Ann 2017, LLC. The note and all accrued interest were paid in full during 2024.

(8) In December of 2016, Sacred Heart at St. Bernard, LLC (SHSB) signed a promissory note with Providence Columbia Sacred Heart, LLC, a subsidiary of PCH, in the amount of $1,017,055. This note bears interest at 4.16% per year. The principal balance of this note and all accrued, but unpaid interest shall be paid annually for a period of thirty-six years beginning on October 1, 2018, solely from the available cash flow under the operating agreement, and the principal balance and all accrued, but unpaid interest shall be due and payable on October 1, 2054.

(9) During 2017, Sacred Heart at St. Bernard, LLC (SHSB) signed a promissory note in the amount of $1,145,621. This note was subsequently increased to $1,552,022 and bears interest at 5% per year. The principal balance of this note and all accrued, but unpaid interest shall be paid annually for a period of thirty-six years beginning on October 1, 2018, solely from the available cash flow under the operating agreement, and the principal balance and all accrued, but unpaid interest shall be due and payable on October 1, 2054.

(10) During 2019, Lafitte 2017, LLC (Lafitte 2017) signed a non-interest bearing promissory note with the Corporation totaling $475,000. In April 2021, $250,000 was repaid. In 2021, Lafitte 2017 signed an additional promissory note with the Corporation in the amount of $250,000. Both notes matured December 31, 2024 but were extended to May 31, 2025. In 2024 it was determined that PCH has control of Lafitte 2017, LLC. Accordingly, the notes receivable balance is eliminated. This has no effect on the 2023 balances.

(11) On March 15, 2024, St. Ann 2017, LLC signed a surplus cash promissory note in the original amount of $2,096,627. The note is collateralized by property and bears interest at 8%, which commenced March 15, 2024 and thereafter until the entire indebtedness has been paid. This note is payable out of surplus cash with all unpaid amounts due on May 1, 2063. The note is collateralized by the property of St. Ann 2017, LLC.

The following tables summarize the notes receivable balance, accrued interest, and allowance for expected credit losses at December 31, 2024 and 2023:

December 31, 2024:

	Description	Note receivable	Accrued interest	Subtotal	Less allowance	Total
(1)	Homeowners	$ 201,092	$ 0	$ 201,092	$ 201,092	$ 0
(2)	Annunciation Inn	0	0	0	0	0
(3)	Delille Inn	0	0	0	0	0
(4)	Nazareth Inn	0	0	0	0	0
(5)	St. John Berchman	920,383	23,586	943,969	943,969	0
(6)	St. Ann 2017	1,218,510	0	1,218,510	1,218,510	0
(7)	St. Ann 2017	0	0	0	0	0
(8)	Sacred Heart at St. Bernard	1,017,055	369,709	1,386,764	256,214	1,130,550
(9)	Sacred Heart at St. Bernard	1,552,022	627,468	2,179,490	2,179,490	0
(10)	Lafitte 2017	0	0	0	0	0
(11)	St. Ann 2017	2,096,628	125,798	2,222,426	125,798	2,096,628
	Total	$7,005,690	$1,146,561	$8,152,251	$4,925,073	$3,227,178

December 31, 2023:

	Description	Note receivable	Accrued interest	Subtotal	Less allowance	Total
(1)	Homeowners	$ 250,672	$ 0	$ 250,672	$ 250,672	$ 0
(2)	Annunciation Inn	681,644	93,366	775,010	675,010	100,000
(3)	Delille Inn	388,826	205,949	594,775	594,775	0
(4)	Nazareth Inn	315,000	389,478	704,478	0	704,478
(5)	St. John Berchman	923,465	74,553	998,018	998,018	0
(6)	St. Ann 2017	1,218,510	0	1,218,510	1,218,510	0
(7)	St. Ann 2017	1,623,816	303,998	1,927,814	1,927,814	0
(8)	Sacred Heart at St. Bernard	1,017,055	314,324	1,331,379	217,831	1,113,548
(9)	Sacred Heart at St. Bernard	1,552,022	523,683	2,075,705	2,075,705	0
(10)	Lafitte 2017	475,000	0	475,000	0	475,000
	Total	$8,446,010	$1,905,351	$10,351,361	$7,958,335	$2,393,026

The Corporation had the following activity for its allowance for credit losses for balances notes receivable for the year ended December 31:

	2024	2023
Beginning balance	$ 7,958,335	$ 9,856,998
Adjustment	(1,269,786)	0
Provision for expected credit losses	356,325	365,340
Write-offs	(89,458)	(2,263,579)
Recoveries (recorded in income)	(2,030,343)	(424)
Ending balance	$ 4,925,073	$ 7,958,335

The adjustment in 2024 represents the elimination of allowance balances previously recorded for Annunciation Inn Apartments, LLC ($675,011) and Delille Inn Apartments, LLC ($594,775). These entities are now consolidated, and their allowance balances have been removed from the beginning balance accordingly.

G. Infrastructure

Management determined that the infrastructure construction related to the Lafitte redevelopment site will be dedicated to the City of New Orleans at the end of the agreement, and therefore, has no value on the consolidated statement of financial position. Accordingly, improvements are stated at net realizable value with a valuation allowance of $5,398,499.

The amounts included in the accompanying consolidated statement of financial position at December 31, are as follows:

	2024	2023
Infrastructure	$5,398,499	$5,398,499
Less: Valuation allowance	(5,398,499)	(5,398,499)
Total	$ 0	$ 0

H. Leasing Activities

The Corporation has operating and financing leases for office space and ground rental.

One operating lease is for office space lease is from St. Ann 2017, LLC, an affiliated entity and has a term of 15 years ending in 2035. The right-of-use asset is $385,981 as of December 31, 2024. Delille Inn Apartments, LLC, a subsidiary of the Corporation leases land for a term of 99 years, continuing until May 8, 2107. A lump sum payment of $100,000 was paid in May 2008. The right-of-use asset is $83,250 as of December 31, 2024.

The finance lease relates to the Lafitte redevelopment site. It is a ground lease from the Housing Authority of the City of New Orleans with a term of 65 years ending in 2072.

The following summarizes the line items in the consolidated statement of financial position at December 31, 2024:

	Operating	Finance	Total
Right-of-use assets:			
Current	$ 26,292	$ 1,357	$ 27,649
Noncurrent	442,939	259,390	702,329
Total	$469,231	$260,747	$729,978
Lease liabilities:			
Current	$ 26,292	$ 1,357	$ 27,649
Noncurrent	359,689	259,390	619,079
Total	$385,981	$260,747	$646,728

The weighted average remaining lease term for operating and finance leases is 11 years and 47 years, respectively.

The weighted average discount rate for operating and finance leases is 3% and 5%, respectively.

The following summarizes the line items in the consolidated statement of financial position at December 31, 2023:

	Operating	Finance	Total
Right-of-use assets:			
Current	$ 34,081	$ 12,654	$ 46,735
Noncurrent	352,800	224,497	577,297
Total	$386,881	$237,151	$624,032
Lease liabilities:			
Current	$ 34,081	$ 12,654	$ 46,735
Noncurrent	352,800	224,497	577,297
Total	$386,881	$237,151	$624,032

The weighted average remaining lease term for operating and finance leases is 12 years and 48 years, respectively.

The weighted average discount rate for operating and finance leases is 3% and 5%, respectively.

The maturities of lease liabilities at December 31, 2024 are:

	Operating	Finance	Total
2025	$ 37,513	$ 14,363	$ 51,876
2026	38,263	14,363	52,626
2027	39,029	14,363	53,392
2028	39,809	14,363	54,172
2029	40,606	14,363	54,969
Thereafter	261,116	614,032	875,148
Subtotal	456,336	685,847	1,142,183
Less: Interest	(70,355)	(425,100)	(495,455)
Present value	$ 385,981	$ 260,747	$ 646,728

The maturities of lease liabilities at December 31, 2023 are:

	Operating	Finance	Total
2024	$ 36,778	$ 14,363	$ 51,141
2025	37,513	14,363	51,876
2026	38,263	14,363	52,626
2027	39,029	14,363	53,392
2028	39,809	14,363	54,172
Thereafter	301,721	628,394	930,115
Subtotal	493,113	700,209	1,193,322
Less: Interest	(106,232)	(463,058)	(569,290)
Present value	$ 386,881	$ 237,151	$ 624,032

For the years ended December 31, 2024 and 2023, the Corporation recognized total lease costs of $51,433 and $50,420, respectively. These amounts include operating lease cost of $37,070 and $36,057 for 2024 and 2023, respectively, primarily related to the amortization of the right-of-use asset associated with a prepaid land lease. The finance lease cost was $14,363 for both 2024 and 2023, which includes amortization of the right-of-use asset and interest expense on the lease.

I. Programmatic Investments in Partnerships

The Corporation reports its programmatic investments, Investments in Partnerships, using the equity method. The equity method is considered appropriate due to significant influence. See "Limited Liability Companies" in Note A.2.

The programmatic investments consist of the following:

	2024	2023
Managing Members:		
Delille Inn Apartments, LLC	$ 0	$ 197,261
Lafitte Treme - Oak Place, LLC	720,346	720,736
Nazareth Inn I, LLC	0	1,455,803
Other investments	0	6,647
St. Ann 2017, LLC	704,092	649,723
Total	$1,424,438	$3,030,170

On January 1, 2024, PCH acquired an additional 99.9% of Delille Inn Apartments, LLC and Nazareth Inn I, LLC. Accordingly, these balances have been eliminated in 2024. This has no effect on the 2023 balances.

The following is a summary of the financial information for significant investments in partnerships at December 31, 2024:

Name	Total Assets	Total Liabilities	Net (loss)
Lafitte Treme Oak Place, LLC	$ 9,592,900	$2,545,473	$(242,184)
St. Ann 2017, LLC	$14,050,399	$7,727,365	$(737,154)

The following is a summary of the financial information for significant investments in partnerships at December 31, 2023:

Name	Total Assets	Total Liabilities	Net (loss)
Lafitte Treme Oak Place, LLC	$ 9,873,608	$2,583,997	$(258,700)
Nazareth Inn I, LLC	$11,359,313	$8,990,893	$(655,960)
St. Ann 2017, LLC	$14,574,816	$7,569,071	$(663,566)
Delille Inn Apartments, LLC	$ 5,297,160	$3,306,704	$(146,554)

As previously mentioned, On January 1, 2024 PCH acquired an additional 99.99% of Delille Inn Apartments, LLC and Nazareth Inn I, LLC. Accordingly, the programmatic investments in these partnerships have been eliminated from the December 31, 2024 balances.

J. Pre-Development Costs

As part of its mission to develop affordable housing, the Corporation has incurred pre-development costs totaling $3,306,336 as of December 31, 2024. These costs are associated with projects currently in the planning and development stages and include expenditures for architectural and design services, market studies, land surveys, environmental assessments, appraisals, loan fees, legal services, and other related soft costs.

Soft costs refer to non-construction expenses that are necessary to plan, finance, and manage a development project. These typically include professional fees, consulting services, legal and financing costs, and other administrative expenses incurred prior to the start of construction. These costs are capitalized and will be allocated to the respective projects upon commencement of construction or expensed if a project is determined to be nonviable.

K. Accounts Payable - Other

Accounts Payable - Other consists of $98,993 of developer fees owed to an unrelated entity.

L. Other Liabilities and Recoverable Grants

Other liabilities and recoverable grants consist of:

Subsidiary and Description:	2024	2023
Providence BW Cooper Family, LLC		
Due Columbia Residential	$ 43,117	$ 0
Providence BW Cooper Senior, LLC		
Due Columbia Residential	334,692	0
Lafitte 2017, LLC		
Due to VPG	57,785	0
Lafitte Block 6 Homeownership, LLC		
Due to Housing Authority of New Orleans	14,616	14,616
Providence Columbia Sacred Heart		
Due to Affordable Housing Partners	312,934	312,934
Other deposits	0	5,000
Other liabilities	763,144	332,550
Lafitte Block 6 Homeownership, LLC		
Enterprise recoverable grant	99,991	99,991
Lafitte 2017, LLC		
Enterprise recoverable grant	135,000	0
Recoverable grants	234,991	99,991
Total	$998,135	$432,541

2024 represents the first year Lafitte 2017, LLC; Providence BW Cooper

Family, LLC; and Providence BW Cooper Senior, LLC have been included in the Corporation's consolidated financial statements.

M. Line of Credit

In February 2023, the Corporation obtained a $2 million line of credit that bears interest of 5.75% and expires on February 28, 2026. The line of credit is unsecured.

The following is the line of credit at December 31:

	2024	2023
Line of credit	$2,000,000	$2,000,000
Amount used	683,718	278,031
Unused	$1,316,282	$1,721,969

N. Long-Term Debt

The long-term debt consists of the following.

(1) In August 2013, the Corporation entered into an agreement in the amount of $850,000. This loan bears interest at a rate of 5.75% and is payable in 180 monthly payments of $7,097 ending August 28, 2028. This loan is collateralized by real estate with a carrying value of $1,053,707 and $1,259,616 at December 31, 2024 and 2023, respectively.

(2) Beginning in 2011, the Corporation entered into forgivable debt agreements with the State of Louisiana. The agreements are non-interest bearing. The debt is forgivable at 10% per year once the property meets the State of Louisiana's affordability criteria. $107,951 and $189,499 of this debt was forgiven during the years ended December 31, 2024 and 2023, respectively.

(3) In April 2022, the Corporation entered into a loan agreement with the Greater New Orleans Foundation in the amount of $750,000. This loan bears interest at a rate of 3% and is due and payable April 25, 2027. Interest is payable semi-annually on October 1st and April 1st. This loan is unsecured.

(4) During 2024, the Corporation entered into a debt agreement with the State of Louisiana, funded through the Community Development Block Grant (CDBG) program, a federal initiative administered by the U.S. Department of Housing and Urban Development (HUD). The loan is non-interest bearing and is payable solely from surplus cash, as defined in the loan agreement. There are no scheduled principal or interest payments unless surplus cash is available, and the loan may be forgiven or deferred under certain conditions as outlined in the agreement.

In accordance with Accounting Standards Codification (ASC) 835-30-15-3(e), the Corporation has not imputed interest on this loan, as the interest-free terms are prescribed by a governmental agency and are consistent with the public policy objectives of the CDBG program.

The outstanding balance of the loan as of December 31, 2024, is $2,096,627. The loan is secured by a property mortgage and matures upon the earliest occurrence of: (i) a sale or refinancing of the property not expressly permitted under the loan agreement; (ii) an event of default; or (iii) May 1, 2063.

(5) On January 1, 2024 PCH acquired an additional 99.99% of Annunciation Inn Apartments, LLC. On December 10, 2007, Annunciation Inn Apartments, LLC, a subsidiary of the Corporation, assumed the HOME Promissory Note in the amount of $1,327,610. This note bears interest of 4.72% per annum. This note shall be paid in amounts equal to the lesser of $73,890 or 75% of surplus cash commencing April 1, 2010. This payment is subject to subordination agreements included in the Operating Agreement, which states that other notes or obligations will be paid from surplus cash before the HOME Promissory note. This note is secured by a mortgage and is subject to a regulatory agreement. The balance on this note at December 31, 2024 was $1,327,610. The accrued interest on this note was $556,505 at December 31, 2024. Principal and interest payments on this note may only be made to the extent of surplus cash. All unpaid principal and accrued interest will be due and payable April 1, 2038. The holder of this note is the Louisiana Housing Corporation.

(6) On January 1, 2024 PCH acquired an additional 99.99% of Annunciation Inn Apartments, LLC. On June 1, 2013, Annunciation Inn Apartments, LLC signed a Mortgage Note in the amount of $4,651,800. This note bears interest of 4.43% per annum over a 40 year period ending July 2053. HUD insures the mortgage note. The apartment complex is pledged as collateral for the mortgage. The balance on the note less unamortized deferred financing costs was $3,929,968 at December 31, 2024. As of December 31, 2024, unamortized deferred financing costs of $93,711, consist of financing costs of $138,005 less accumulated amortization of $44,294. The effective interest rate is approximately 4.64% over the life of the loan. During the year ended December 31, 2024, amortization expense incurred was $3,450. The accrued interest on this note was $14,854. The holder of this mortgage is NorthMarq Finance, LLC.

(7) On January 1, 2024 PCH acquired an additional 99.99% of Delille Inn Apartments, LLC. On May 9, 2008, Delille Inn Apartments, LLC, a subsidiary of the Corporation, assumed the HOME Promissory Note in the amount of $249,954. This note bears interest of 4.21% per annum. This note shall be paid in amounts equal to 75% of surplus cash commencing April 1, 2010. This payment is subject to subordination agreements included in the Operating Agreement, which states that other notes or obligations will be paid from surplus cash before the HOME Promissory note. This note is secured by a mortgage and is subject to a regulatory agreement. The balance of this note at December 31, 2024 was $249,954. The accrued interest on this note was $177,723 at December 31, 2024. Principal and interest on this note may only be made to the extent of surplus cash. All unpaid principal and accrued interest will be due and payable April 1, 2038. The holder of this note is Louisiana Housing Corporation.

(8) On January 1, 2024 PCH acquired an additional 99.99% of Delille Inn Apartments, LLC On July 29, 2015, Delille Inn Apartments, LLC signed a Mortgage Note in the amount of $2,400,000. This note bears interest of 4.97% per annum over a 40 year period ending August 2055. HUD insures the mortgage note. The apartment complex is

pledged as collateral for the mortgage. The balance on the note less unamortized deferred financing costs was $2,101,624 at December 31, 2024. As of December 31, 2024, unamortized deferred financing costs of $73,077, consist of financing costs of $103,560 less accumulated amortization of $30,483. The effective interest rate is approximately 5.31% over the life of the loan. During the year ended December 31, 2024, amortization expense incurred was $2,589 . The accrued interest on this note was $9,007. The holder of this mortgage is Greystone Servicing Corporation.

(9) On January 1, 2024 PCH acquired an additional 99.99% of Nazareth Inn I, LLC. On December 27, 2007, Nazareth Inn I, LLC assumed the HOME Promissory Note in the amount of $1,316,457. This note bears interest of 4.72% per annum. This note shall be paid in amounts equal to the lesser of $75,138 or 75% of surplus cash commencing April 1, 2010. This payment is subject to subordination agreements included in the Operating Agreement, which states that other notes or obligations will be paid from surplus cash before the HOME Promissory note. This note is secured by a mortgage and is subject to a regulatory agreement. The balance on this note at December 31, 2024 was $1,316,457. The accrued interest on this note was $1,072,847 at December 31, 2024. Interest expense was $63,190 for the year. Principal and interest payments on this note may only be made to the extent of surplus cash. All unpaid principal and accrued interest will be due and payable April 1, 2038. The holder of this note is Louisiana Housing Corporation.

(10) On January 1, 2024 PCH acquired an additional 99.99% of Nazareth Inn I, LLC. On August 1, 2013, Nazareth Inn I, LLC signed a Mortgage Note in the amount of $6,353,000. This note bears interest of 5.45% per annum over a 40 year period ending September 2053. HUD insures the mortgage note. The apartment complex is pledged as collateral for the mortgage. The balance on the note less unamortized deferred financing costs was $5,555,196 at December 31, 2024. As of December 31, 2024, unamortized deferred financing costs of $110,920, consist of financing costs of $155,151 less accumulated amortization of $44,231. The effective interest rate is approximately 5.76% over the life of the loan. During the year ended December 31, 2024, amortization expense incurred was $3,534. The accrued interest on this note was $25,734. The holder of this mortgage is NorthMarq Finance, LLC.

(11) On January 1, 2024 PCH acquired an additional 99.99% of Nazareth Inn Apartments II, LLC. On December 27, 2007, Nazareth Inn Apartments II, LLC, assumed the HOME Promissory Note in the amount of $1,046,715. This note bears interest of 4.72% per annum. This note shall be paid in annual amounts equal to the lesser of $58,256 or 75% of surplus cash commencing April 1, 2010. This payment is subject to subordination agreements included in the Operating Agreement, which states that other notes or obligations will be paid from surplus cash before the HOME Promissory note. All unpaid principal and accrued interest will be due and payable on April 1, 2038. This note is secured by a mortgage and is subject to a regulatory agreement. The balance of this note at December 31, 2024 was $1,046,715. The accrued interest on this note was $315,767 at December 31, 2024. Principal and interest payments on this note may only be made to the extent of surplus cash. The holder of this note is Louisiana Housing Corporation.

(12) On January 1, 2024 PCH acquired an additional 99.99% of Nazareth Inn Apartments II, LLC. On June 1, 2013, Nazareth Inn Apartments II, LLC, signed a Mortgage Note in the amount of $5,558,000. This note bears interest of 4.5% per annum over a 40-year period ending July 2053. HUD insures the mortgage note. The apartment complex is pledged as collateral for the mortgage. The balance on the note less unamortized deferred financial costs was $4,692,655 at December 31, 2024. As of December 31, 2024, unamortized deferred financing costs of $124,978, consist of financing costs of $188,381 less accumulated amortization of $63,403. The effective interest rate is approximately 4.75% over the life of the loan. During the year ended December 31, 2024, amortization expense incurred was $4,709. The accrued interest on this note was $18,066. The holder of this mortgage is NorthMarq Finance, LLC.

The following table summarizes the long-term debt at December 31:

		2024	2023
(1)	First Horizon Bank	$ 115,627	$ 191,655
(2)	State of Louisiana	0	107,951
(3)	Greater New Orleans Foundation	750,000	750,000
(4)	State of Louisiana	2,096,627	0
(5)	Louisiana Housing Corporation	1,327,610	0
(6)	NorthMarq Finance, LLC	3,929,968	0
(7)	Louisiana Housing Corporation	249,954	0
(8)	Greystone Servicing Corporation	2,101,624	0
(9)	Louisiana Housing Corporation	1,316,457	0
(10)	NorthMarq Finance, LLC	5,555,196	0
(11)	Louisiana Housing Corporation	1,046,715	0
(12)	NorthMarq Finance, LLC	4,692,655	0
	Total	$23,182,433	$1,049,606

As of December 31, 2024 the future maturities on long-term debt are projected as follows:

2025	$ 336,140
2026	306,760
2027	1,034,394
2028	299,155
2029	314,653
Thereafter	20,891,331
Total	$23,182,433

O. Net Assets Without Donor Restrictions

The accompanying consolidated financial statements include the accounts of Providence Community Housing, a Louisiana nonprofit corporation, and its consolidated limited liability companies (LLCs), both nonprofit and for-profit, in which it has a controlling financial interest. As a nonprofit entity, Providence Community Housing presents its financial position and activities in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, which requires the classification of net assets as either with or without donor restrictions. The for-profit subsidiaries are accounted for in accordance with ASC 810 and present their equity as either members' equity or retained earnings. However, for the purposes of these consolidated financial statements, changes in net assets of the nonprofit parent are reported in accordance with ASC 958 as either with or without donor restrictions, while changes in members' equity of the for-profit subsidiaries are included within net assets without donor restrictions.

Following are the changes in net assets without donor restrictions:

	Controlling	Noncontrolling	Total
Balance, January 1,2023	$14,201,253	$667,767	$14,869,020
Contributions	0	0	0
Distributions	0	0	0
Other changes	0	0	0
Change in net assets	24,446	6,973	31,419
Balance, December 31, 2023	14,225,699	674,740	14,900,439
Contributions	182,390	0	182,390
Distributions	(29,494)	0	(29,494)
Other changes	(1,692,206)	0	(1,692,206)
Change in net assets	4,861,859	(43,014)	4,818,845
Balance, December 31, 2024	$17,548,248	$631,726	$18,179,974

As previously mentioned, PCH acquired additional ownership interests in certain entities and also began consolidating other entities over which it exercises control. The "Other changes" line primarily reflects the impact of these additions to the consolidated financial statements. A detailed listing of these entities is provided in Note A.1, titled "Principles of Consolidation".

The following table details the net "Other changes" for the year ended December 31, 2024:

Change in allowance for credit losses related to newly consolidated entities	$ 1,269,786
Newly consolidated partnership interests	(2,961,992)
	$(1,692,206)

P. Net Assets with Donor Restrictions

Following are the changes in net assets with donor restrictions:

	Total
Balance, January 1,2023	$ 1,239,432
Contributions and interest	77,240
Released from restrictions	(69,291)
Balance, December 31, 2023	1,247,381
Contributions and interest	15,234
Released from restrictions	(1,250,396)
Balance, December 31, 2024	$ 12,219

Net assets with donor restrictions of $12,219 and $1,247,381 are available for real estate development at December 31, 2024 and 2023, respectively. Net assets with donor restrictions of $1,250,396 and $69,291 were released from restrictions for real estate development during the years ended December 31, 2024 and 2023, respectively. As a result, net assets with donor restrictions for real estate development decreased by $1,235,162 during the year ended December 31, 2024, and increased by $7,949 during the year ended December 31, 2023.

Q. NeighborWorks America Grants

NeighborWorks America provides expendable grants that have no donor restrictions to support program activities. $301,000 and $399,500 was expended for this purpose during the years ended December 31, 2024 and 2023, respectively.

R. Concentrations

The Corporation may be subject to credit risk to its cash and cash equivalent investments, which are placed with high credit-quality financial institutions. From time to time, the Corporation may have amounts on deposit in excess of the Federal Deposit Insurance Corporation ("FDIC") $250,000 limit. The Corporation has approximately $4,402,999 and $3,118,563 in cash and cash equivalents in excess of the FDIC $250,000 limit as of December 31, 2024 and 2023, respectively.

Effective in 2024, the Corporation's operations include HUD-regulated multifamily real estate projects, which are consolidated for the first time in the financial statements. These operations are subject to extensive federal, state, and local regulations, including administrative directives issued by the U.S. Department of Housing and Urban Development (HUD). Regulatory requirements are subject to change through legislative action or administrative updates, which may be implemented with limited notice and without corresponding funding to offset compliance costs. In 2024, the Corporation received $4,003,307 in HUD Section 8 rental assistance revenue. These regulatory and financial impacts were not present in 2023 and therefore are not comparable to the prior year.

S. Fair Value Measurements

Fair values of financial instruments measured on a recurring basis are as follows:

December 31, 2024:

	Carrying Amount	Fair Value	Fair Value Hierarchy
Financial Liabilities:			
Notes payable	$23,182,433	$23,182,433	Level 2
Line of credit	683,718	683,718	Level 2
Total	$23,866,151	$23,866,151	

December 31, 2023:

	Carrying Amount	Fair Value	Fair Value Hierarchy
Financial Liabilities:			
Notes payable	$1,049,606	$1,049,606	Level 2
Line of credit	278,031	278,031	Level 2
Total	$1,327,637	$1,327,637	

Management estimates that the fair values of the notes payable and the line of credit approximate the carrying values by reference to similar liabilities with similar interest rates and similar repayment terms.

In addition, the Corporation had non-financial assets classified as properties held for sale, which are measured at fair value on a nonrecurring basis in accordance with ASC 360. These assets are measured at fair value less costs to sell and are categorized as Level 3 within the fair value hierarchy due to the use of significant unobservable inputs. As of December 31, 2024 and 2023, the carrying amounts of properties held for sale were $11,500 and $273,394, respectively.

As of December 31, 2024 and 2023, the Corporation had no assets or liabilities measured at fair value using Level 1 or Level 3 inputs on a recurring basis. However, the Corporation did measure certain non-financial assets (properties held for sale) using Level 3 inputs on a nonrecurring basis.

T. Liquidity and Availability of Financial Assets

The following reflects the Corporation's financial assets as of December 31, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the consolidated statement of financial position date.

	2024	2023
Financial assets	$15,492,189	$12,458,369
Less: Amounts unavailable	(7,951,947)	(8,188,953)
Available financial assets	$ 7,540,242	$ 4,269,416

As part of its liquidity management, the Corporation has a policy to structure its financial assets to be available for general expenditures, liabilities, and as other obligations become due. Financial assets held by the Corporation include cash, accounts receivable, restricted cash, amounts due from affiliates, development fees receivable, notes receivable, and programmatic investments in partnerships.

The Corporation actively monitors its liquidity position and cash flow needs throughout the year. To manage liquidity risk, the Corporation has a line of credit and designated reserves to be available for operational needs or unexpected funding requirements.

Certain financial assets are subject to donor-imposed or contractual restrictions, or are not readily convertible to cash within one year, and are therefore excluded from financial assets available to meet general expenditures within one year.

U. Commitments, Contingencies, and Guarantees

In the normal course of business, the Corporation is involved in disputes related to certain projects. Management believes that the resolution of these matters will not have a material effect on the Corporation's financial position or results of operations.

The Corporation has operating deficit guarantees for the various projects that they are the managing member. No amounts were required for the years ended December 31, 2024 and 2023.

On May 1, 2016, the Corporation guaranteed a loan from the Louisiana Housing Corporation for the Artspace Bell School Project of $3,711,649. $3,672,188 and $3,672,188 was outstanding at December 31, 2024 and 2023, respectively.

V. Reclassifications

Certain accounts in the prior year's financial information have been reclassified for comparative purposes to conform with the presentation in the current year's consolidated financial statements.

W. Related Party Transactions

In December 2008, Building 12, LLC signed a promissory note to pay the Corporation $270,000. The note accrues interest at 8%. This note is due and payable in one payment in December 2040. In 2010, Building 12, LLC completed development, and per the development agreement agreed to pay the Corporation $92,447. In 2012, Building 12, LLC completed additional development, and per the development agreement agreed to pay the Corporation an additional $76,509. The Corporation is owed $168,956 of development fees which accrue interest at 8% and are payable from cash flow pursuant to the partnership's operating agreement. During 2023, these amounts were paid partially, in full, or written off in conjunction with the sale of Building 12, LLC. No balance is due at December 31, 2023.

In December 2007, St. Bakhita Apartments, LLC signed a note to pay the Corporation $50,000. The note accrues interest at a rate of 8% and is due on or before December 31, 2042. In December 2007, St. Bakhita Apartments, LLC signed a note to pay the Corporation $559,869. The note accrues interest at a rate of 8% and is due on or before December 31, 2042. During 2023, these amounts were paid partially, in full, or written off in conjunction with the sale of St. Bakhita Apartments, LLC. No balance is due at December 31, 2023.

In May 2008, Delille Inn Apartments, LLC signed a development service agreement to pay the Corporation for developing the project. The deferred development fee is $65,941 and accrues interest at 8%. This amount is due on or before December 31, 2023. The principal balance and accrued interest of $65,941 and $131,611, respectively, were paid via a non-cash capital contribution of $197,552 by the Corporation. No balance is due at December 31, 2023. In January 2024, the Corporation acquired the 99.99% limited partnership interest in Delille Inn Apartments, LLC and all balances and amounts as of and for the year ended December 31, 2024 have been eliminated.

In May 2009, Nazareth Inn I, LLC signed an unsecured development service agreement to pay the Corporation for developing the project. The deferred development fee was $544,365 and accrued interest at 8%. This amount was due on or before December 31, 2023. The principal balance and accrued interest of $544,365 and $497,595, respectively, were paid via a non-cash capital contribution of $1,041,960 by the Corporation. No balance is due at December 31, 2023. In January 2024, the Corporation acquired the 99.99% limited partnership interest in Nazareth Inn I, LLC and all balances and amounts as of and for the year ended December 31, 2024 have been eliminated

As previously mentioned, in January 2024, the Corporation acquired the 99.99% limited partnership interest in Annunciation Inn Apartments, LLC; Delille Inn Apartments, LLC; Nazareth Inn Apartments, LLC; and Nazareth Inn II Apartments, LLC.

Also see related party transactions in the following notes.

Note	Description
A.2	Limited Liability Companies
D.	Due from Affiliates
E.	Developer Fee Receivable - Affiliates
F.	Notes Receivable - Related Parties
H.	Leasing Activities
I.	Programmatic Investments in Partnerships
X.	Subsequent Events

X. Subsequent Events

As of December 31, 2023, deposits included amounts that were subsequently utilized in 2024. The Corporation assumed the limited partners’ interest in Nazareth Inn II Apartments LLC, a related party, for $127,670. Additionally, the Corporation sold a property for $179,392. The total amount of deposits utilized in 2024 was $307,062.

According to the First Amended and Restated Agreement of St. John Berchman's Apartments, LLC, the General Partner has an option to purchase the Investor Member's entire interest in the Project at the end of the low-income housing tax credit compliance period at a buyout price of $100,000. Such option is based on the General Partner or sponsor maintaining the low-income occupancy of the Project for at least fifteen years after the end of the compliance period, and at least through the end of the extended use period and is in a form satisfactory to legal and accounting counsel. Subsequent to the year ended December 31, 2024, on January 1, 2025, the assignment of interest was made and entered into between Enterprise RB Fund I, LLP and Providence Community Housing.

Effective January 1, 2025, Providence Community Management, LLC, a subsidiary of the Corporation, assumed the role of contractual property manager for 2,148 units, replacing Christopher Homes, Inc. This total includes 636 units directly controlled by the Corporation. Although related party transactions will be eliminated in consolidation in future reporting periods, this change impacts the Corporation’s Property Operations and Property Management programs and reflects a strategic shift in its internal management structure.

Effective January 1, 2025, the Corporation implemented an employer-sponsored 401(k) retirement plan for its employees.

Subsequent events have been evaluated through June 23, 2025, which is the date the consolidated financial statements were available to be issued.

Y. Adoption of FASB 2016-13 and Related Standards

At the beginning of 2023, the Corporation adopted FASB ASU 2016-13. *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Corporation adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Corporation’s consolidated financial statements but did change how the allowance for credit losses is determined.

SUPPLEMENTARY INFORMATION

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

December 31, 2024

	Providence Community Housing	Lafitte Redevelop-ment, LLC	Providence Enterprise Orleans, LLC	Providence Community Management, LLC	Providence Builders of Hope, LLC	Onzaga Development Partners, LLC	Development Companies (Note 4)	Sacred Heart Consolidated (Note 1)	Property Operations (Note 2)	Other Partnerships Total (Note 3)	Total Before Eliminations	Eliminations	Total 2024
CURRENT ASSETS													
Cash and cash equivalents	$ 4,670,129	$ 14,964	$ 31,072	$ 500,000	$ 0	$ 0	$ 12,474	$ 0	$ 2,230,062	$ 0	$ 7,458,701	$ 0	$ 7,458,701
Accounts receivable, net	544,667	10,000	0	0	0	0	0	84,050	50,657	0	689,374	(500,408)	188,966
Prepaid expenses	70,118	6,810	10,648	0	0	0	0	0	382,665	0	470,241	0	470,241
Right-of-use assets:													
Operating leases	26,292	0	0	0	0	0	0	0	0	0	26,292	0	26,292
Finance leases	0	1,357	0	0	0	0	0	0	0	0	1,357	0	1,357
Total Current Assets	5,311,206	33,131	41,720	500,000	0	0	12,474	84,050	2,663,384	0	8,645,965	(500,408)	8,145,557
PROPERTY AND EQUIPMENT													
Land	458,061	0	0	0	0	0	0	0	982,293	0	1,440,354	0	1,440,354
Buildings	4,122,550	55,750	0	0	0	0	0	0	50,862,017	0	55,040,317	(8,995,378)	46,044,939
Furniture and equipment	342,652	0	0	0	0	0	0	0	671,438	0	1,014,090	0	1,014,090
	4,923,263	55,750	0	0	0	0	0	0	52,515,748	0	57,494,761	(8,995,378)	48,499,383
Less: Accumulated Depreciation	1,330,393	36,267	0	0	0	0	0	0	21,113,527	0	22,480,187	(224,885)	22,255,302
Total Property and Equipment	3,592,870	19,483	0	0	0	0	0	0	31,402,221	0	35,014,574	(8,770,493)	26,244,081
OTHER NON-CURRENT ASSETS													
Cash restricted	16,819	0	0	0	0	0	0	0	1,454,092	0	1,470,911	0	1,470,911
Deposits	2,822	0	0	0	0	100	0	0	77,322	0	80,244	0	80,244
Properties held for sale	11,500	0	0	0	0	0	0	0	0	0	11,500	0	11,500
Due from affiliates, net	218,811	0	0	0	0	0	0	0	0	0	218,811	(123,624)	95,187
Developer fee receivable:													
Affiliates, net	1,059,529	0	0	0	387,412	585,714	0	0	0	0	2,032,655	(310,660)	1,721,995
Notes receivable, net	5,915,050	0	0	0	0	0	0	1,386,764	0	0	7,301,814	(4,074,636)	3,227,178
Right-of-use assets:													
Operating leases	359,689	0	0	0	0	0	0	0	83,250	0	442,939	0	442,939
Finance leases	0	259,390	0	0	0	0	0	0	0	0	259,390	0	259,390
Investments in partnerships	5,215,522	0	0	0	0	0	0	819,592	0	3,076,109	9,111,223	(7,686,785)	1,424,438
Infrastructure, net	0	0	0	0	0	0	0	0	0	0	0	0	0
Pre-development costs	921,325	237,730	0	0	0	0	3,249,562	0	0	5,000	4,413,617	(1,107,281)	3,306,336
Total Non-Current Assets	13,721,067	497,120	0	0	387,412	585,814	3,249,562	2,206,356	1,614,664	3,081,109	25,343,104	(13,302,986)	12,040,118
Total Assets	$22,625,143	$ 549,734	$ 41,720	$ 500,000	$ 387,412	$ 585,814	$ 3,262,036	$2,290,406	$35,680,269	$ 3,081,109	$69,003,643	$(22,573,887)	$ 46,429,756

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

December 31, 2024

	Providence Community Housing	Lafitte Redevelop- ment, LLC	Providence Enterprise Orleans, LLC	Providence Community Management, LLC	Providence Builders of Hope, LLC	Onzaga Development Partners, LLC	Development Companies (Note 4)	Sacred Heart Consolidated (Note 1)	Property Operations (Note 2)	Other Partnerships Total (Note 3)	Total Before Eliminations	Eliminations	Total 2024
LIABILITIES AND NET ASSETS													
CURRENT LIABILITIES													
Accounts payable and other accrued expenses	$ 35,554	$ 0	$ 2,101	$ 0	$ 0	$ 0	$ 9,999	$ 0	$ 91,763	$ 0	$ 139,417	$ 0	$ 139,417
Accrued wages and vacation	38,785	0	0	0	0	0	0	0	0	0	38,785	0	38,785
Accrued interest	0	0	0	0	0	0	0	0	67,661	0	67,661	0	67,661
Deferred rents	8,813	2,650	0	0	0	0	0	0	8,228	0	19,691	0	19,691
Lease liabilities:													
Operating	26,292	0	0	0	0	0	0	0	0	0	26,292	0	26,292
Finance	0	1,357	0	0	0	0	0	0	0	0	1,357	0	1,357
Debt	79,200	0	0	0	0	0	0	0	256,940	0	336,140	0	336,140
Total Current Liabilities	188,644	4,007	2,101	0	0	0	9,999	0	424,592	0	629,343	0	629,343
LONG-TERM LIABILITIES													
Accounts payable - other	98,993	0	0	0	0	0	0	0	0	0	98,993	0	98,993
Due to related parties	0	0	123,099	500,000	0	0	2,566,836	1,524,121	0	725,752	5,439,808	(5,439,808)	0
Line of credit	683,718	0	0	0	0	0	0	0	0	0	683,718	0	683,718
Accrued interest	0	0	0	0	0	0	0	369,709	2,900,774	0	3,270,483	(1,034,146)	2,236,337
Other liabilities and recoverable grants	0	0	0	0	0	0	685,201	312,934	1,381,655	0	2,379,790	(1,381,655)	998,135
Deposits	4,600	0	0	0	0	0	0	0	121,065	0	125,665	0	125,665
Lease liabilities:													
Operating	359,689	0	0	0	0	0	0	0	0	0	359,689	0	359,689
Finance	0	259,390	0	0	0	0	0	0	0	0	259,390	0	259,390
Debt	2,883,054	0	0	0	0	0	0	0	20,278,239	0	23,161,293	(315,000)	22,846,293
Total Long-Term Liabilities	4,030,054	259,390	123,099	500,000	0	0	3,252,037	2,206,764	24,681,733	725,752	35,778,829	(8,170,609)	27,608,220
Total Liabilities	4,218,698	263,397	125,200	500,000	0	0	3,262,036	2,206,764	25,106,325	725,752	36,408,172	(8,170,609)	28,237,563
NET ASSETS	18,406,445	286,337	(83,480)	0	387,412	585,814	0	83,642	10,573,944	2,355,357	32,595,471	(14,403,278)	18,192,193
Total Liabilities and Net Assets	$22,625,143	$ 549,734	$ 41,720	$ 500,000	$ 387,412	$ 585,814	$ 3,262,036	$2,290,406	$35,680,269	$ 3,081,109	$69,003,643	$(22,573,887)	$ 46,429,756

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
December 31, 2023

	Providence Community Housing	Lafitte Redevelop-ment, LLC	Providence Enterprise Orleans, LLC	Our Lady of Lourdes, LLC	Providence Builders of Hope, LLC	Onzaga Development Partners, LLC	Lafitte Block 6 Homeowner-ship, LLC	Sacred Heart Consolidated (Note 1)	General Partners Total (Note 2)	Total Before Eliminations	Eliminations	Total 2023
CURRENT ASSETS												
Cash and cash equivalents	$ 4,166,499	$ 16,212	$ 67,560	$ 0	$ 0	$ 0	$ 0	$ 0	$ 7,006	$ 4,257,277	$ 0	$ 4,257,277
Accounts receivable, net	11,805	10,000	0	0	0	0	0	69,622	0	91,427	0	91,427
Other receivable, net	0	0	0	243,698	0	0	0	0	0	243,698	0	243,698
Grants receivable, net	0	0	0	0	0	0	0	0	0	0	0	0
Prepaid expenses	58,175	5,454	7,149	0	0	0	0	0	0	70,778	0	70,778
Right-of-use assets, current portion:												
Operating leases	34,081	0	0	0	0	0	0	0	0	34,081	0	34,081
Finance leases	0	12,654	0	0	0	0	0	0	0	12,654	0	12,654
Total Current Assets	4,270,560	44,320	74,709	243,698	0	0	0	69,622	7,006	4,709,915	0	4,709,915
PROPERTY AND EQUIPMENT												
Land	458,061	0	0	0	0	0	0	0	0	458,061	0	458,061
Buildings	4,122,550	55,750	0	0	0	0	0	0	0	4,178,300	0	4,178,300
Office furniture and equipment	329,352	0	0	0	0	0	0	0	0	329,352	0	329,352
	4,909,963	55,750	0	0	0	0	0	0	0	4,965,713	0	4,965,713
Less: Accumulated Depreciation	1,203,037	30,692	0	0	0	0	0	0	0	1,233,729	0	1,233,729
Total Property and Equipment	3,706,926	25,058	0	0	0	0	0	0	0	3,731,984	0	3,731,984
OTHER ASSETS												
Cash restricted	321,131	0	0	0	0	0	3,375	0	0	324,506	0	324,506
Deposits	310,134	0	0	0	0	0	0	0	0	310,134	0	310,134
Properties held for sale	273,394	0	0	0	0	0	0	0	0	273,394	0	273,394
Due from affiliates, net	123,335	0	0	0	0	100	0	151	0	123,586	123,252	334
Developer fee receivable: Affiliates, net	1,085,816	0	0	0	446,401	585,714	0	0	0	2,117,931	0	2,117,931
Notes receivable, net	3,434,964	0	0	0	0	0	0	1,331,379	0	4,766,343	2,373,317	2,393,026
Right-of-use assets, noncurrent portion:												
Operating leases	352,800	0	0	0	0	0	0	0	0	352,800	0	352,800
Finance leases	0	224,497	0	0	0	0	0	0	0	224,497	0	224,497
Investments in partnerships	3,691,621	0	0	0	0	0	0	855,061	3,022,223	7,568,905	4,538,735	3,030,170
Infrastructure, net	0	0	0	0	0	0	0	0	0	0	0	0
Pre-development costs	633,474	237,730	0	0	0	0	111,232	0	899,658	1,882,094	527,718	1,354,376
Total Other Assets	10,226,669	462,227	0	0	446,401	585,814	114,607	2,186,591	3,921,881	17,944,190	7,563,022	10,381,168
Total Assets	$ 18,204,155	$ 531,605	$ 74,709	$ 243,698	$ 446,401	$ 585,814	$ 114,607	$ 2,256,213	$ 3,928,887	$ 26,386,089	$ 7,563,022	$ 18,823,067

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
December 31, 2023

	Providence Community Housing	Lafitte Redevelop-ment, LLC	Providence Enterprise Orleans, LLC	Our Lady of Lourdes, LLC	Providence Builders of Hope, LLC	Onzaga Development Partners, LLC	Lafitte Block 6 Homeowner-ship, LLC	Sacred Heart Consolidated (Note 1)	General Partners Total (Note 2)	Total Before Eliminations	Eliminations	Total 2023
LIABILITIES AND NET ASSETS												
CURRENT LIABILITIES												
Accounts payable and other accrued expenses	$ 34,709	$ 0	$ 2,204	$ 0	$ 0	$ 0	$ 0	$ 314,324	$ 0	$ 351,237	$ 217,831	$ 133,406
Accrued wages and vacation	54,940	0	0	0	0	0	0	0	0	54,940	0	54,940
Deferred rents, current portion	3,698	0	0	0	0	0	0	0	0	3,698	0	3,698
Lease liabilities, current portion:												
Operating	34,081	0	0	0	0	0	0	0	0	34,081	0	34,081
Finance	0	12,654	0	0	0	0	0	0	0	12,654	0	12,654
Long-term debt, due within one year	181,752	0	0	0	0	0	0	0	0	181,752	0	181,752
Total Current Liabilities	309,180	12,654	2,204	0	0	0	0	314,324	0	638,362	217,831	420,531
OTHER LIABILITIES												
Accounts payable - other	98,993	0	0	0	0	0	0	0	0	98,993	0	98,993
Line of credit	278,031	0	0	0	0	0	0	0	0	278,031	0	278,031
Due to related parties	102	0	123,099	243,698	0	0	0	1,524,172	2,051,047	3,942,118	3,942,118	0
Other liabilities and recoverable grants	5,000	0	0	0	0	0	114,607	312,934	0	432,541	0	432,541
Lease liabilities, noncurrent portion:												
Operating	352,800	0	0	0	0	0	0	0	0	352,800	0	352,800
Finance	0	224,497	0	0	0	0	0	0	0	224,497	0	224,497
Long-term debt, less current portion	867,854	0	0	0	0	0	0	0	0	867,854	0	867,854
Total Other Liabilities	1,602,780	224,497	123,099	243,698	0	0	114,607	1,837,106	2,051,047	6,196,834	3,942,118	2,254,716
Total Liabilities	1,911,960	237,151	125,303	243,698	0	0	114,607	2,151,430	2,051,047	6,835,196	4,159,949	2,675,247
NET ASSETS	16,292,195	294,454	(50,594)	0	446,401	585,814	0	104,783	1,877,840	19,550,893	3,403,073	16,147,820
Total Liabilities and Net Assets	$ 18,204,155	$ 531,605	$ 74,709	$ 243,698	$ 446,401	$ 585,814	$ 114,607	$ 2,256,213	$ 3,928,887	$ 26,386,089	$ 7,563,022	$ 18,823,067

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	Providence Community Housing	Lafitte Redevelop-ment, LLC	Providence Enterprise Orleans, LLC	Providence Community Management, LLC	Providence Builders of Hope, LLC	Onzaga Development Partners, LLC	Development Companies (Note 4)	Sacred Heart Consolidated (Note 1)	Property Operations (Note 2)	Other Partnerships Total (Note 3)	Total Before Eliminations	Eliminations	Total
REVENUE, SUPPORT, GAINS AND LOSSES													
Rents	$ 271,521	$ 55,500	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 5,474,509	$ 0	$ 5,801,530	$ 0	$ 5,801,530
Grants	418,951	0	0	0	0	0	0	0	0	0	418,951	0	418,951
Interest	460,145	0	0	0	0	0	0	55,385	28,951	0	544,481	(89,139)	455,342
Consulting	270,665	0	0	0	0	0	0	0	0	0	270,665	0	270,665
Program services	43,333	0	95,900	0	0	0	0	14,328	0	0	153,561	(16,391)	137,170
Contributions	1,679,767	0	26,473	0	0	0	0	0	469	0	1,706,709	1,653,061	3,359,770
Miscellaneous	2,723	0	0	0	0	0	0	0	36,094	0	38,817	0	38,817
Partnership income (loss)	(298,538)	0	0	0	0	0	0	(79)	0	(178)	(298,795)	296,301	(2,494)
Gain (loss) on dispositions	(148,436)	0	0	0	0	0	0	0	41,062	0	(107,374)	0	(107,374)
Reversal of allowance for credit losses	2,030,343	0	0	0	0	0	0	0	0	0	2,030,343	0	2,030,343
Total	4,730,474	55,500	122,373	0	0	0	0	69,634	5,581,085	(178)	10,558,888	1,843,832	12,402,720
EXPENSES													
Accounting	44,355	600	0	0	0	0	0	0	67,667	0	112,622	0	112,622
Carrying costs on properties held for sale	199	0	0	0	0	0	0	0	0	0	199	0	199
Community activities	13,632	0	25,016	0	0	0	0	0	21,222	0	59,870	0	59,870
Conferences and meetings	9,414	0	0	0	0	0	0	0	5,052	0	14,466	0	14,466
Consulting	100,747	0	0	0	0	0	0	0	0	0	100,747	0	100,747
Contracted services	12,178	0	24,044	0	0	0	0	0	519,571	0	555,793	0	555,793
Contributions	2,600	43,500	0	0	0	0	0	0	0	0	46,100	(43,500)	2,600
Depreciation	127,356	5,575	0	0	0	0	0	0	1,513,627	0	1,646,558	(224,885)	1,421,673
Direct assistance	34,280	0	0	0	0	0	0	0	0	0	34,280	0	34,280
Dues and subscriptions	4,485	0	0	0	0	0	0	0	0	0	4,485	0	4,485
Employee benefits	123,664	0	0	0	0	0	0	0	133,020	0	256,684	0	256,684
Equipment rental	1,565	0	0	0	0	0	0	0	0	0	1,565	0	1,565
Insurance	101,672	13,902	20,994	0	0	0	0	0	722,427	0	858,995	0	858,995
Interest	31,707	0	0	0	0	0	0	55,385	1,112,886	0	1,199,978	(89,139)	1,110,839
IT support	54,960	0	0	0	0	0	0	0	63,693	0	118,653	0	118,653
Legal	41,952	0	0	0	0	0	0	0	11,804	0	53,756	0	53,756
Management fees	15,977	0	0	0	0	0	0	0	247,220	0	263,197	0	263,197
Marketing and sponsorships	19,527	0	0	0	0	0	0	0	7,893	0	27,420	0	27,420
Meals and entertainment	5,970	0	190	0	0	0	0	0	0	0	6,160	0	6,160
Miscellaneous	0	40	0	0	0	0	0	0	36,602	0	36,642	0	36,642
Office	34,425	0	146	0	0	0	0	0	17,722	0	52,293	0	52,293
Payroll taxes	82,072	0	0	0	0	0	0	0	46,043	0	128,115	0	128,115
Postage and shipping	546	0	0	0	0	0	0	0	3,682	0	4,228	0	4,228
Printing and publications	471	0	0	0	0	0	0	0	12,034	0	12,505	0	12,505
Property taxes	0	0	0	0	0	0	0	0	232,167	0	232,167	0	232,167
Provision for credit losses	424,678	0	0	0	0	0	0	0	38,850	0	463,528	52,316	411,212
Rent and office occupancy	36,060	0	0	0	0	0	0	0	10,014	0	46,074	0	46,074
Repairs	90,236	0	21,166	0	0	0	0	0	46,817	0	158,219	0	158,219
Salaries	1,152,014	0	2,092	0	0	0	0	0	754,292	0	1,908,398	0	1,908,398
Supplies	0	0	0	0	0	0	0	0	106,956	0	106,956	0	106,956
Telephone	20,770	0	9,126	0	0	0	0	0	18,653	0	48,549	0	48,549
Travel	13,047	0	0	0	0	0	0	0	0	0	13,047	0	13,047
Utilities	15,666	0	52,485	0	0	0	0	0	588,477	0	656,628	0	656,628
Total	2,616,225	63,617	155,259	0	0	0	0	55,385	6,338,391	0	9,228,877	(409,840)	8,819,037
Change in net assets	$ 2,114,249	$ (8,117)	$ (32,886)	$ 0	$ 0	$ 0	$ 0	$ 14,249	$ (757,306)	$ (178)	$ 1,330,011	$ (2,253,672)	$ 3,583,683

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	Providence Community Housing	Lafitte Redevelop-ment, LLC	Providence Enterprise Orleans, LLC	Our Lady of Lourdes, LLC	Providence Builders of Hope, LLC	Onzaga Development Partners, LLC	Lafitte Block 6 Homeowner-ship, LLC	Sacred Heart Consolidated (Note 1)	General Partners Total (Note 2)	Total Before Eliminations	Eliminations	Total 2023
REVENUE, SUPPORT, GAINS AND LOSSES												
Rents	$ 243,470	$ 55,500	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 298,970	$ 0	$ 298,970
Grants	673,289	0	0	0	0	0	0	0	0	673,289	0	673,289
Interest	497,141	0	0	0	0	0	0	53,173	0	550,314	(36,850)	513,464
Consulting	158,036	0	0	0	0	0	0	0	0	158,036	0	158,036
Program services	42,071	0	95,900	0	0	0	0	13,912	0	151,883	(43,500)	108,383
Contributions	13,714	0	48,609	0	0	0	0	0	0	62,323	0	62,323
Miscellaneous	3,023	12	0	0	0	0	0	0	0	3,035	0	3,035
Partnership income (loss)	(2,536,655)	0	0	0	0	0	0	7,009	148	(2,529,498)	2,529,589	91
Gain on sale of assets	3,079,937	0	0	0	0	0	0	0	(2,549,254)	530,683	170,698	701,381
Recoveries of credit losses	531,959	0	0	0	0	0	0	0	0	531,959	(531,535)	424
Total	2,705,985	55,512	144,509	0	0	0	0	74,094	(2,549,106)	430,994	2,088,402	2,519,396
EXPENSES												
Accounting	44,956	575	4,500	0	0	0	0	0	0	50,031	0	50,031
Carrying costs on properties held for sale	9,900	0	0	0	0	0	0	0	0	9,900	0	9,900
Community center activities	10,865	0	6,582	0	0	0	0	0	0	17,447	0	17,447
Conferences and meetings	2,988	0	0	0	0	0	0	0	0	2,988	0	2,988
Consulting	121,269	0	0	0	0	0	0	0	0	121,269	0	121,269
Contributions	7,890	43,500	0	0	0	0	0	0	0	51,390	(43,500)	7,890
Depreciation	131,530	5,575	0	0	0	0	0	0	0	137,105	0	137,105
Direct assistance	38,154	0	0	0	0	0	0	0	0	38,154	0	38,154
Dues and subscriptions	3,679	0	0	0	0	0	0	0	0	3,679	0	3,679
Employee benefits	84,040	0	0	0	0	0	0	0	0	84,040	0	84,040
Equipment rental	1,678	0	10,676	0	0	0	0	0	0	12,354	0	12,354
Insurance	101,830	11,399	12,462	0	0	0	0	0	0	125,691	0	125,691
Interest	35,927	0	0	0	0	0	0	53,173	0	89,100	(36,850)	52,250
IT support	25,975	0	0	0	0	0	0	0	0	25,975	0	25,975
Legal	20,259	0	0	0	0	0	0	0	0	20,259	0	20,259
Management fees	16,202	0	0	0	0	0	0	0	0	16,202	0	16,202
Marketing and sponsorships	5,425	0	0	0	0	0	0	0	0	5,425	0	5,425
Meals and entertainment	10,712	0	0	0	0	0	0	0	0	10,712	0	10,712
Miscellaneous, office, and supplies	53,529	10	26,709	0	0	0	0	0	0	80,248	0	80,248
Payroll taxes	69,358	0	0	0	0	0	0	0	0	69,358	0	69,358
Postage and shipping	378	0	0	0	0	0	0	0	0	378	0	378
Pre-development/Development	2,400	0	0	0	0	0	0	0	0	2,400	0	2,400
Printing and publications	618	0	0	0	0	0	0	0	0	618	0	618
Provision for credit losses	767,812	0	0	0	0	0	0	0	0	767,812	(360,837)	406,975
Rent and office occupancy	64,143	0	0	0	0	0	0	0	0	64,143	0	64,143
Repairs	115,043	0	8,605	0	0	0	0	0	0	123,648	0	123,648
Salaries	910,403	0	0	0	0	0	0	0	0	910,403	0	910,403
Telephone	7,749	0	9,420	0	0	0	0	0	0	17,169	0	17,169
Travel	9,256	0	0	0	0	0	0	0	0	9,256	0	9,256
Utilities	(206)	0	54,267	0	0	0	0	0	0	54,061	0	54,061
Total	2,673,762	61,059	133,221	0	0	0	0	53,173	0	2,921,215	(441,187)	2,480,028
Change in net assets	$ 32,223	$ (5,547)	$ 11,288	$ 0	$ 0	$ 0	$ 0	$ 20,921	$ (2,549,106)	$ (2,490,221)	$ 2,529,589	$ 39,368

1. Sacred Heart Consolidated

The Sacred Heart Consolidated column represents the balances and/or activities of the following:

1) PCH Sacred Heart at St. Bernard, LLC, and
2) Providence Columbia Sacred Heart, LLC.

All significant intercompany transactions have been eliminated.

2. Property Operations

The Property Operations column represents the balances and/or activities of the following:

1) Annunciation Inn Apartments, LLC;
2) Delille Inn Apartments, LLC;
3) Nazareth Inn I, LLC; and
4) Nazareth Inn Apartments II, LLC;

All significant intercompany transactions have been eliminated.

3. Other Partnerships

The Other Partnerships column represents the balances and/or activities of the following:

1) Providence Annunciation Inn Apartments, LLC;
2) Providence Delille Inn Apartments, LLC;
3) Providence Nazareth Inn I, LLC;
4) Providence Nazareth Inn Apartments II, LLC;
5) Providence St. John Berchman's Apartments, LLC;
6) Providence St. Bakhita Apartments, LLC and St. Bakhita Apartments, LLC;
7) Providence Building 12, LLC and Building 12, LLC;
8) Providence Lafitte Treme-Oak Place, LLC,;
9) St. Ann 2017 MM, LLC; and
10) Our Lady of Lourdes, LLC

All significant intercompany transactions have been eliminated.

4. Development Companies

The Development Companies column represents the balances and/or activities of the following:

1) Annunciation Inn 2024 Manager, LLC;
2) Annunciation Inn 2024, LLC;
3) Nazareth Inn 2024 Manager, LLC;
4) Nazareth Inn 2024, LLC.
5) Providence BW Cooper Family, LLC;
6) Providecne BW Cooper Senior, LLC;
7) BW Cooper Family, LLC;
8) BW Cooper Senior, LLC;
9) Lafitte 2017, LLC;
10) Lafitte Block 6 Homeownership, LLC;

All significant intercompany transactions have been eliminated.

1. Sacred Heart Consolidated

The Sacred Heart Consolidated column represents the balances and/or activities of the following:

1) PCH Sacred Heart at St. Bernard, LLC, and
2) Providence Columbia Sacred Heart, LLC.

All significant intercompany transactions have been eliminated.

2. General Partners Total

The General Partners Total column represents the balances and/or activities of the following:

1) Providence Annunciation Inn Apartments, LLC;
2) Providence Delille Inn Apartments, LLC;
3) Providence Nazareth Inn I, LLC;
4) Providence Nazareth Inn Apartments II, LLC;
5) Providence St. John Berchman's Apartments, LLC;
6) Providence St. Bakhita Apartments, LLC;
7) St. Bakhita Apartments, LLC;
8) Providence Building 12, LLC and Building 12, LLC;
9) Providence Lafitte Treme-Oak Place, LLC,;
10) St. Ann 2017 MM, LLC;
11) Annunciation Inn 2024 Manager, LLC;
12) Annunciation Inn 2024, LLC;
13) Nazareth Inn 2024 Manager, LLC; and
14) Nazareth Inn 2024, LLC.

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION - PROPERTY OPERATIONS

December 31, 2024

	Annunciation Inn Apartments, LLC	Delille Inn Apartments, LLC	Nazareth Inn I, LLC	Nazareth Inn II Apartments, LLC	Total Before Eliminations
CURRENT ASSETS					
Cash and cash equivalents	$ 809,528	$ 198,718	$ 395,069	$ 826,747	$ 2,230,062
Accounts receivable, net	5,162	1,559	13,208	30,728	50,657
Prepaid expenses	97,081	48,347	139,841	97,396	382,665
Total Current Assets	911,771	248,624	548,118	954,871	2,663,384
PROPERTY AND EQUIPMENT					
Land	262,975	0	514,825	204,493	982,293
Buildings	14,335,142	7,379,314	15,693,493	13,454,068	50,862,017
Furniture and equipment	185,635	191,226	144,381	150,196	671,438
	14,783,752	7,570,540	16,352,699	13,808,757	52,515,748
Less: Accumlated Depreciation	5,993,555	2,942,515	6,442,941	5,734,516	21,113,527
Total Property and Equipment	8,790,197	4,628,025	9,909,758	8,074,241	31,402,221
OTHER ASSETS					
Cash restricted	287,400	175,842	578,937	411,913	1,454,092
Deposits	31,400	0	32,922	13,000	77,322
Operating leases right-of-use assets	0	83,250	0	0	83,250
Total Other Assets	318,800	259,092	611,859	424,913	1,614,664
Total Assets	$ 10,020,768	$ 5,135,741	$ 11,069,735	$ 9,454,025	$ 35,680,269

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION - PROPERTY OPERATIONS

December 31, 2024

	Annunciation Inn Apartments, LLC	Delille Inn Apartments, LLC	Nazareth Inn I, LLC	Nazareth Inn II Apartments, LLC	Total Before Eliminations
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable and other accrued expenses	$ 27,199	$ 9,108	$ 28,173	$ 27,283	$ 91,763
Accrued interest	14,854	9,007	25,734	18,066	67,661
Deferred rents	1,289	91	5,333	1,515	8,228
Debt	68,191	28,327	80,350	80,072	256,940
Total Current Liabilities	111,533	46,533	139,590	126,936	424,592
OTHER LIABILITIES					
Accrued interest	683,824	413,589	1,487,594	315,767	2,900,774
Other liabilities	681,644	520,871	179,140	0	1,381,655
Deposits	31,100	17,260	43,062	29,643	121,065
Debt	5,189,387	2,323,251	7,106,303	5,659,298	20,278,239
Total Other Liabilities	6,585,955	3,274,971	8,816,099	6,004,708	24,681,733
Total Liabilities	6,697,488	3,321,504	8,955,689	6,131,644	25,106,325
NET ASSETS	3,323,280	1,814,237	2,114,046	3,322,381	10,573,944
Total Liabilities and Net Assets	$ 10,020,768	$ 5,135,741	$ 11,069,735	$ 9,454,025	$ 35,680,269

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES
CONSOLIDATING SCHEDULE OF ACTIVITIES - PROPERTY OPERATIONS
YEAR ENDED DECEMBER 31, 2024

	Annunciation Inn Apartments, LLC	Delille Inn Apartments, LLC	Nazareth Inn I, LLC	Nazarth Inn Apartments, II, LLC	Total Before Eliminations
REVENUE, SUPPORT, GAINS AND LOSSES					
Rents	$ 1,475,466	$ 658,200	$ 1,819,094	$ 1,521,749	$ 5,474,509
Interest	10,963	2,742	5,142	10,104	28,951
Contributions	469	0	0	0	469
Miscellaneous	6,217	2,943	17,127	9,807	36,094
Gain (loss)on dispositions	0	0	41,062	0	41,062
Total	1,493,115	663,885	1,882,425	1,541,660	5,581,085
EXPENSES					
Accounting	18,012	10,380	20,255	19,020	67,667
Community center activities	21,222	0	0	0	21,222
Conferences and meetings	1,063	791	1,129	2,069	5,052
Contracted services	113,441	54,601	178,874	172,655	519,571
Depreciation	408,186	215,569	515,672	374,200	1,513,627
Employee benefits	43,662	13,514	43,533	32,311	133,020
Insurance	187,301	95,542	258,565	181,019	722,427
Interest	280,763	154,029	404,678	273,416	1,112,886
IT support	14,852	14,118	21,074	13,649	63,693
Legal	874	5,537	4,317	1,076	11,804
Management fees	62,574	29,113	87,364	68,169	247,220
Marketing and sponsorships	2,129	189	3,082	2,493	7,893
Miscellaneous	9,287	5,526	12,967	8,822	36,602
Office	6,162	2,056	4,401	5,103	17,722
Payroll taxes	15,497	7,627	12,980	9,939	46,043
Postage and shipping	1,415	445	1,020	802	3,682
Printing and publications	5,448	1,171	2,332	3,083	12,034
Property taxes	55,081	27,972	82,297	66,817	232,167
Provision for credit losses	0	4,068	25,344	9,438	38,850
Rent and office occupancy	0	10,014	0	0	10,014
Repairs	16,061	6,699	9,903	14,154	46,817
Salaries	225,165	120,943	204,283	203,901	754,292
Supplies	32,233	14,723	34,131	25,869	106,956
Telephone	6,060	3,817	4,755	4,021	18,653
Utilities	163,038	41,656	203,844	179,939	588,477
Total	1,689,526	840,100	2,136,800	1,671,965	6,338,391
Change in net assets	$ (196,411)	$ (176,215)	$ (254,375)	$ (130,305)	$ (757,306)

PROVIDENCE COMMUNITY HOUSING
AND SUBSIDIARIES
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO THE CHIEF EXECUTIVE OFFICER
FROM PUBLIC FUNDS
YEARS ENDED DECEMBER 31, 2024 AND 2023

No compensation, reimbursements, and benefits were paid to the chief executive officer from public funds during the years ended December 31, 2024 and 2023.

PROVIDENCE COMMUNITY HOUSING
AND SUBSIDIARIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024

Federal Grantor and Program Title	Assistance Listing Number	Pass-through Entity and Identifying Number	Federal Expenditures
U.S. Department of Housing and Urban Development:			
CDBG - Entitlement Grants Cluster:			
Community Development Block Grant	14.218	State of Louisiana	$ 2,096,627
Total CDBG - Entitlement Cluster	14.218		2,096,627
Mortgage Insurance	14.134		82,907
Home Loan	14.239	Louisiana Housing Corporation	3,940,736
Section 8 Project-Based Cluster:			
Section 8	14.195		4,003,307
Total Section 8 Project-Based Cluster			4,003,307
Total U.S. Department of Housing and Urban Development			10,123,577
U.S. Department of Treasury:			
NeighborWorks America	21.000	NeighborWorks America	301,000
Total U.S. Department of Treasury			301,000
Total Expenditures of Federal Awards			$ 10,424,577

See accompanying notes to Schedule of Expenditures of Federal Awards.

A. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Providence Community Housing and Subsidiaries under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Providence Community Housing and Subsidiaries, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Providence Community Housing and Subsidiaries.

B. Indirect Costs

Providence Community Housing and Subsidiaries did not elect to use the 10% de minimis indirect cost rate.

C. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement.

D. Loans Outstanding

HOME Investment Partnerships Program (ALN 14.239)

Providence Community Housing and Subsidiaries had outstanding loan balances under the HOME Investment Partnerships Program totaling $3,940,736 at January 1, 2024. No new loans were made during the year. The balance of loans outstanding at December 31, 2024, was $3,940,736. These loans are subject to continuing compliance requirements and are therefore reported in the SEFA in accordance with 2 CFR §200.502(b).

Community Development Block Grant (CDBG) Program (ALN 14.218)

During the year ended December 31, 2024, the Organization received a new loan under the CDBG program totaling program totaling $2,096,627 at December 31, 2024. This amount is reported as federal expenditures in the SEFA for the year in accordance with 2 CFR §200.502(a), which requires reporting the full amount of new loans received during the audit period.

E. Section 8 (ALN 14.195)

Amounts received from HUD for special claims related to Section 8 programs totaled $32,418 and are included in the Section 8 federal expenditures presented in the Schedule.

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(1932-2003)
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(Retired)
RENE G. GAUTREAU, C.P.A.
(1958-2019)

INDEPENDENT AUDITOR'S 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*

Board of Directors
Providence Community Housing
and Subsidiaries
New Orleans, 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 Providence Community Housing and Subsidiaries (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, 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 23, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Providence Community Housing and Subsidiaries' 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 Providence Community Housing and Subsidiaries' internal control. Accordingly, we do not express an opinion on the effectiveness of Providence Community Housing and Subsidiaries' 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.

Board of Directors
Providence Community Housing
and Subsidiaries

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Providence Community Housing and Subsidiaries' 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 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.

Paciera, Gautreau & Priest

Paciera, Gautreau & Priest, LLC
Metairie, Louisiana
June 23, 2025

PACIERA, GAUTREAU & PRIEST, LLC

KIRTH M. PACIERA, C.P.A.
TIMOTHY L. PRIEST, C.P.A.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Board of Directors
Providence Community Housing
and Subsidiaries
New Orleans, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Providence Community Housing and Subsidiaries' compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Providence Community Housing and Subsidiaries' major federal programs for the year ended December 31, 2024. Providence Community Housing and Subsidiaries' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Providence Community Housing and Subsidiaries complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Providence Community Housing and Subsidiaries and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Providence Community Housing and Subsidiaries' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Providence Community Housing and Subsidiaries’ federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Providence Community Housing and Subsidiaries’ compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Providence Community Housing and Subsidiaries’ compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Providence Community Housing and Subsidiaries’ compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Providence Community Housing and Subsidiaries’ internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Providence Community Housing and Subsidiaries’ internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Paciera, Gautreau & Priest

Paciera, Gautreau & Priest, LLC
Metairie, Louisiana
June 23, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.203(a)?	No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster
14.218	Community Development Block Grants/Entitlement Grants
14.239	HOME Investment Partnerships Program
14.195	Project-Based Rental Assistance

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings — No matters are reportable.

Section III - Federal Award Findings and Questioned Costs — No matters are reportable.

PROVIDENCE COMMUNITY HOUSING
AND SUBSIDIARIES
SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2024

There were no reportable matters from prior audits.

PROVIDENCE COMMUNITY HOUSING AND SUBSIDIARIES

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To Providence Community Housing & Subsidiaries and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2024, through December 31, 2024. Providence Community Housing & Subsidiaries' ("Providence") management is responsible for those C/C areas identified in the SAUPs.

Providence has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2024, through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. 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 and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) *Written Policies and Procedures*

A. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

Results: No exceptions were noted as a result of applying these procedures.

ii. ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

Results: No exceptions were noted as a result of applying these procedures.

iii. ***Disbursements***, including processing, reviewing, and approving.

Results: No exceptions were noted as a result of applying these procedures.

iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Results: No exceptions were noted as a result of applying these procedures.

v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Results: No exceptions were noted as a result of applying these procedures.

vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Results: No exceptions were noted as a result of applying these procedures.

vii. ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Results: No exceptions were noted as a result of applying these procedures.

viii. ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Results: No exceptions were noted as a result of applying these procedures.

ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Results: Procedures were not performed. The Louisiana Code of Ethics in not applicable to Providence, a nonprofit entity. This is not an exception.

x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: Procedures were not performed. Providence, a nonprofit entity, does not have debt service. This is not an exception.

xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results: No exceptions were noted as a result of applying these procedures.

xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: No exceptions were noted as a result of applying these procedures.

2) Board or Finance Committee

A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Results: No exceptions were noted as a result of applying these procedures.

ii. For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

Results: This procedure does not apply to Providence. It is a nonprofit entity. This is not an exception.

iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results: This procedure does not apply to Providence. It is a nonprofit entity. This is not an exception.

iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: This procedure does not apply to Providence. There were no findings present. This is not an exception.

3) Bank Reconciliations

A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 5 additional accounts (or all accounts if less 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:

i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

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 (e.g., initialed and dated, electronically logged); and

iii. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: No exceptions were noted as a result of applying these procedures.

4) Collections (excluding electronic funds transfers)

A. Obtain a listing of <u>deposit sites</u> for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

B. For each deposit site selected, obtain a listing of <u>collection locations</u> and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

i. Employees that are responsible for cash collections do not share cash drawers/registers.

ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

   i. Observe that receipts are sequentially pre-numbered.

   ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

   iii. Trace the deposit slip total to the actual deposit per the bank statement.

   iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than $100 and the cash is stored securely in a locked safe or drawer).

   v. Trace the actual deposit per the bank statement to the general ledger.

Results: These procedures were not performed. This area was tested in the entity's Single Audit during the fiscal period. This is not an exception.

5) Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

B. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

   i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

   ii. At least two employees are involved in processing and approving payments to vendors.

iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

C. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

i. Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

ii. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy.

Results: These procedures were not performed. This area was tested in the entity's Single Audit during the fiscal period. This is not an exception.

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Results: No exceptions were noted as a result of applying these procedures.

B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

i. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

ii. Observe that finance charges and late fees were not assessed on the selected statements.

Results: No exceptions were noted as a result of applying these procedures.

C. Using the monthly statements or combined statements selected under #13 above, <u>excluding fuel cards</u>, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: No exceptions were noted as a result of applying these procedures.

7) ***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: No exceptions were noted as a result of applying these procedures.

8) Contracts

A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

i. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Results: These procedures were not performed because Providence Community Housing & Subsidiaries did not have any contracts subject to the Louisiana Public Bid Law. This is not an exception.

ii. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

Results: These procedures were not performed because Providence Community Housing & Subsidiaries did not have any contracts subject to the Louisiana Public Bid Law. This is not an exception.

iii. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment was approval documented).

Results: These procedures were not performed because Providence Community Housing & Subsidiaries did not have any contracts amended. This is not an exception.

iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were noted as a result of applying these procedures.

9) Payroll and Personnel

A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:

i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

ii. Observe that supervisors approved the attendance and leave of the selected employees or officials.

iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

iv. Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agree the hours to the employee or officials' cumulate leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: No exceptions were noted as a result of applying these procedures.

10) ***Ethics***

A. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

i. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

ii. Observe that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Results: These procedures were not performed because Providence is a nonprofit entity. These procedures do not apply. This is not an exception.

11) Debt Service

A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.

B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results: These procedures were not performed because Providence is a nonprofit entity. These procedures do not apply. This is not an exception.

12) Fraud Notice

A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results: No exceptions were noted as a result of applying these procedures.

13) Information Technology Disaster Recovery/Business Continuity

A. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

B. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

C. Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

D. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267 . The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

Results: We performed the procedures and discussed the results with management.

14) Prevention of Sexual Harassment

A. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344:

i. Number and percentage of public servants in the agency who have completed the training requirements;
ii. Number of sexual harassment complaints received by the agency;
iii. Number of complaints which resulted in a finding that sexual harassment occurred;
iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
v. Amount of time it took to resolve each complaint.

Results: These procedures were not performed because Providence is a nonprofit entity. These procedures do not apply. This is not an exception.

We were engaged by Providence 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 C/C areas identified in the 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 Providence 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 to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Paciera, Gautreau & Priest

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