

COLETTE'S CHILDREN'S HOME

Financial Statements

Year ended September 30, 2011  
(With Comparative Information for the  
Year ended September 30, 2010)

COLETTE'S CHILDREN'S HOME

Financial Statements

Year ended September 30, 2011

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements:	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6
Supplemental Schedules	16



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Board of Directors  
Colette's Children's Home  
Huntington Beach, California

### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statements of financial position of Colette's Children's Home (a nonprofit organization) as of September 30, 2011 and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the management of Colette's Children's Home. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year partial comparative information has been derived from the financial statements of Colette's Children's Home for the year ended September 30, 2010 and in our report dated March 11, 2011 we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Colette's Children's Home as of September 30, 2011 and the changes in its net assets, and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements as listed in the table of contents. The *supplemental schedules* are presented for purposes of additional analysis and are not a required part of the financial statements. The *supplemental schedules* have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

In accordance with Government Auditing Standards, we have also issued our report dated February 29, 2012 on our consideration of the Colette's Children's Home internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financing reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

*Mayer Hoffman McCann P.C.*

Irvine, California  
February 29, 2012

COLETTE'S CHILDREN'S HOME

Statement of Financial Position

September 30, 2011

(With Comparative Data for the Prior Year)

	<u>2011</u>	<u>2010</u>
<u>Assets</u>		
Cash and investments (note 2)	\$ 145,275	122,471
Claims receivable (note 1g)	194,767	184,985
Loans receivable	2,887	4,435
Other assets	8,396	7,064
Property and equipment, net (note 3)	<u>10,446,947</u>	<u>10,718,414</u>
Total assets	<u>\$ 10,798,272</u>	<u>11,037,369</u>
<u>Liabilities and Net Assets</u>		
Liabilities:		
Accounts payable	\$ 29,190	25,240
Accrued liabilities	99,829	38,229
Deposits payable	49,734	36,810
Forgivable notes payable (note 4)	4,685,209	4,700,959
Notes payable (note 4)	<u>3,558,941</u>	<u>3,944,521</u>
Total liabilities	<u>8,422,903</u>	<u>8,745,759</u>
Net Assets (note 7):		
Unrestricted net assets	2,375,369	2,291,610
Temporarily restricted net assets	-	-
Permanently restricted net assets	<u>-</u>	<u>-</u>
Total net assets	<u>2,375,369</u>	<u>2,291,610</u>
Total liabilities and net assets	<u>\$ 10,798,272</u>	<u>11,037,369</u>

See accompanying notes to financial statements.

COLETTE'S CHILDREN'S HOME

Statement of Activities

Year ended September 30, 2011

(With Comparative Data for the Prior Year)

	Unrestricted	Temporarily	Permanently	Total	
		Restricted	Restricted	2011	2010
Support, revenues and gains:					
Grants	\$ 1,236,639	-	-	1,236,639	1,600,524
Contributions	315,583	-	-	315,583	298,337
Donated goods	143,234	-	-	143,234	93,444
Other income	291,287	-	-	291,287	217,510
Net assets released from restrictions	-	-	-	-	-
Total support, revenues and gains	<u>1,986,743</u>	<u>-</u>	<u>-</u>	<u>1,986,743</u>	<u>2,209,815</u>
Expenses:					
Program services:					
Shelter	<u>1,699,734</u>	<u>-</u>	<u>-</u>	<u>1,699,734</u>	<u>1,599,807</u>
Total program services	<u>1,699,734</u>	<u>-</u>	<u>-</u>	<u>1,699,734</u>	<u>1,599,807</u>
Supporting services:					
General and administrative	181,513	-	-	181,513	129,067
Fundraising	<u>21,737</u>	<u>-</u>	<u>-</u>	<u>21,737</u>	<u>21,503</u>
Total supporting services	<u>203,250</u>	<u>-</u>	<u>-</u>	<u>203,250</u>	<u>150,570</u>
Total expenses	<u>1,902,984</u>	<u>-</u>	<u>-</u>	<u>1,902,984</u>	<u>1,750,377</u>
Increase (decrease) in net assets	83,759	-	-	83,759	459,438
Net assets at beginning of year	<u>2,291,610</u>	<u>-</u>	<u>-</u>	<u>2,291,610</u>	<u>1,832,172</u>
Net assets at end of year	<u>\$ 2,375,369</u>	<u>-</u>	<u>-</u>	<u>2,375,369</u>	<u>2,291,610</u>

See accompanying notes to financial statements.

COLETTE'S CHILDREN'S HOME

Statement of Functional Expenses

Year ended September 30, 2011

(With Comparative Data for the Prior Year)

	Program Services		Supporting Services			Total	
	Shelter	Total Program Services	General and Administrative	Fund-raising	Total Supporting Services	2011	2010
Accounting	\$ -	-	15,500	-	15,500	15,500	15,190
Advertising	1,736	1,736	1,003	700	1,703	3,439	2,949
Auto expense	8,648	8,648	6,041	46	6,087	14,735	15,461
Bank charges	70,862	70,862	39	-	39	70,901	76,715
Depreciation	103,368	103,368	-	-	-	103,368	108,722
Donated goods	143,234	143,234	-	-	-	143,234	93,444
Equipment	11,359	11,359	793	-	793	12,152	10,514
Guest services	211,543	211,543	1,500	-	1,500	213,043	228,302
Housing expense	43,284	43,284	-	-	-	43,284	62,189
Insurance	33,442	33,442	983	-	983	34,425	34,839
Licenses and permits	793	793	1,421	1,278	2,699	3,492	14,454
Loss on disposal of assets	-	-	34,943	-	34,943	34,943	-
Workshops	1,894	1,894	3,424	13,577	17,001	18,895	21,301
Miscellaneous	5,264	5,264	2,213	682	2,895	8,159	4,998
Payroll taxes	32,316	32,316	5,066	-	5,066	37,382	29,819
Payroll processing	1,624	1,624	-	-	-	1,624	1,470
Postage	751	751	1,916	371	2,287	3,038	1,974
Printing	1,588	1,588	3,782	4,652	8,434	10,022	8,625
Professional services	60,231	60,231	2,140	-	2,140	62,371	40,693
Property taxes	1,976	1,976	-	-	-	1,976	16,946
Relocation expense	13,888	13,888	-	-	-	13,888	-
Rent (note 6)	76,825	76,825	-	-	-	76,825	77,772
Repairs and maintenance	51,398	51,398	186	-	186	51,584	125,985
Salaries and wages	632,426	632,426	95,903	-	95,903	728,329	573,515
Supplies	107,423	107,423	2,028	426	2,454	109,877	104,317
Telephone	9,774	9,774	2,470	-	2,470	12,244	12,320
Travel	316	316	162	5	167	483	443
Utilities	73,771	73,771	-	-	-	73,771	67,420
<b>Total expenses</b>	<b>\$ 1,699,734</b>	<b>1,699,734</b>	<b>181,513</b>	<b>21,737</b>	<b>203,250</b>	<b>1,902,984</b>	<b>1,750,377</b>

See accompanying notes to financial statements.

COLETTE'S CHILDREN'S HOME

Statements of Cash Flows

Year ended September 30, 2011

(With Comparative Data for the Prior Year)

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 83,759	459,438
Adjustments to increase (decrease) net assets to net cash provided by (used for) operating activities:		
Depreciation expense	103,368	108,722
Forgiveness of notes	(15,750)	(15,750)
(Increase) decrease in loans receivables	1,548	27,209
(Increase) decrease in other assets	(1,332)	40,874
(Increase) decrease in claims receivables	(9,782)	(50,147)
Increase (decrease) in accounts payable	3,950	247
Increase (decrease) in accrued liabilities	61,600	(6,024)
Increase (decrease) in deposits payable	12,924	(1,426)
Increase (decrease) in deferred revenue	-	(6,616)
Total adjustments	<u>156,526</u>	<u>97,089</u>
Net cash provided by (used for) operating activities	<u>240,285</u>	<u>556,527</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment	(529,026)	(1,770,462)
Loss on disposal of assets	34,943	-
Net cash provided by (used for) investing activities	<u>(494,083)</u>	<u>(1,770,462)</u>
Cash flows from financing activities:		
Proceeds from notes payable	486,858	1,292,694
Payments on debt	(210,256)	(18,158)
Net cash provided by (used for) financing activities	<u>276,602</u>	<u>1,274,536</u>
Net increase (decrease) in cash and cash equivalents	22,804	60,601
Cash and cash equivalents at beginning of year	<u>122,471</u>	<u>61,870</u>
Cash and cash equivalents at end of year	<u>\$ 145,275</u>	<u>122,471</u>
Supplemental Information:		
Interest paid	<u>\$ 82,094</u>	<u>76,715</u>
Noncash investing and financing activities:		
Forgiveness of notes	<u>\$ 15,750</u>	<u>15,750</u>

See accompanying notes to financial statements.

# COLETTE'S CHILDREN'S HOME

## Notes to Financial Statements

Year ended September 30, 2011

### (1) Summary of Significant Accounting Policies

#### (a) Organization and Background

Colette's Children's Home, Inc. (the Organization) is a nonprofit organization incorporated in the State of California on November 6, 1998. The purpose of the organization is to serve homeless women and children and aid them in becoming independent and self-sufficient.

The Organization operates mainly from contributions and grants solicited by key members of the Organization.

#### (b) Basis of Accounting

Colette's Children's Home utilizes the accrual basis of accounting. Financial statements are presented in conformity with the standards in the AICPA Audit and Accounting Guide, *Not-for-Profit Organizations*.

#### (c) Restricted and Unrestricted Revenue and Support

The Organization follows Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made* as recommended by the Financial Accounting Standards Board. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

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

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the "Statement of Activities" as net assets released from restrictions.



COLETTE'S CHILDREN'S HOME

Notes to Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies, (Continued)

(d) Income Tax Status

The Organization has received determination letters from the Internal Revenue Service and the California Franchise Tax Board indicating that it qualifies for exemption from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and California franchise taxes under Section 23701(d) of the California Revenue and Taxation Code.

(e) Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with a maturity of three months or less at time of purchase to be cash equivalents.

(f) Financial Statement Presentation

Colette's Children's Home also follows the financial statement presentation recommended by the Financial Accounting Standards Board in its SFAS No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

(g) Claims Receivable

The Organization records claims receivable to reflect its entitlement to receive reimbursement for expenses incurred during the fiscal year. The Organization did not receive the reimbursements until subsequent to the date of the financial statements. As of September 30, 2011, the Organization had claims receivable of \$194,767.

(h) Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the "Statement of Activities" and in the "Statement of Functional Expenses". Accordingly, certain costs have been allocated among the program and supporting services benefited.

COLETTE'S CHILDREN'S HOME

Notes to Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies, (Continued)

(i) Property and Equipment

The Organization records donated equipment at the fair market value of the equipment on the date of the donation. Property and equipment, other than land, is depreciated over its estimated useful life using the straight-line method. The estimated useful lives of the Organization's assets are as follows:

Buildings	50 years
Furniture	7 years
Equipment	7 years
Vehicles	7 years

(j) Use of Estimates

The preparation of these financial statements requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amount of assets, liabilities, revenues, and expenses, as well as any contingent assets and liabilities. Actual results could differ from those estimates. Management also determines the accounting principles to be used in the preparation of financial statements.

(k) Donated Materials, Services, and Facilities

Donated facilities, materials and other non-cash contributions are reflected in the accompanying statements at their estimated market values at date of receipt. Contributions of services are recognized if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The organization received donations of clothing, toys and other household items valued at \$143,234 for the year ended September 30, 2011.

(l) Concentrations of Revenues

Colette's Children's Home received approximately 57% of its total support and revenue from federal, state and local government grants for the year ended September 30, 2011. The largest contributor of grant monies to Colette's was the U.S. Department of Housing and Urban Development. Of the total government grants received during 2011, 55% was received from this source.

# COLETTE'S CHILDREN'S HOME

## Notes to Financial Statements

(Continued)

### (1) Summary of Significant Accounting Policies, (Continued)

#### (m) Revenue Recognition - Grants

The Organization receives significant revenue in the form of governmental grants. Some of these amounts represent contracts with governmental agencies to assist those governmental agencies in the performance of essential community programs. For accounting purposes, these contracts are considered to be exchange transactions whereby the funding agencies benefit by entering into contracts with the Organization to perform program services on behalf of the funding agencies. Amounts received from grants are not reported as revenue until the resources are expended for the purpose specified.

#### (n) Fair Value of Financial Instruments

Financial and Non financial assets and liabilities are recorded at their fair market value in accordance with *ASC 820, Fair Value Measurements*. This standard defines fair value and establishes a hierarchy for reporting the reliability of input measurements used to assess fair value for all assets and liabilities. ASC 820 defines fair value as the selling price that would be received for an asset, or paid to transfer a liability, in the principal or most advantageous market on the measurement date. The hierarchy prioritizes fair value measurements based on the types of inputs used in the valuation technique. The inputs are categorized in the following levels:

Level 1 – Observable inputs such as quoted prices in active markets for identical assets or liabilities

Level 2 – Directly or indirectly observable input for quoted and other than quoted prices for identical or similar assets and liabilities in active or non-active markets

Level 3 – Unobservable inputs not corroborated by market data, therefore requiring the entity to use the best information available in the circumstances, including the entity's own data

Certain assets and liabilities are carried at cost on the statement of financial position and thus are not considered financial instruments. These instruments include cash and cash equivalents, grants and accounts receivable, prepaid expenses and deposits, property and equipment, account payable, accrued expenses, notes payable and forgivable loans payable.

COLETTE'S CHILDREN'S HOME

Notes to Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies, (Continued)

(o) Prior Year Data

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the prior year financial statements, from which the selected financial data was derived.

(2) Cash and Investments

Cash and investments at September 30, 2011 are composed of the following:

Demand deposits	<u>\$ 145,275</u>
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(3) Property and Equipment

Property and equipment consist of the following at September 30, 2011:

Land	\$ 5,454,819
Buildings	5,363,116
Vehicles	<u>22,140</u>
	10,840,075
Less: Accumulated depreciation	<u>(393,128)</u>
Total	<u>\$ 10,446,947</u>

Depreciation expense for property and equipment amounted to \$103,368 for the year ended September 30, 2011.

# COLETTE'S CHILDREN'S HOME

## Notes to Financial Statements

(Continued)

### (4) Long-Term Liabilities

Long term debt consisted of the following as of September 30, 2011:

#### Forgivable Notes

On October 21, 2004 Colette's received a 60 year non-interest bearing note payable to the City of Huntington Beach in the amount of \$400,000 for property located at 7702 Cypress Ave, Huntington Beach, CA 92647. An annual amount of \$6,667 is forgiven annually as long as the secured property is used for the purpose designated in the note. \$ 353,331

On April 4, 2006 Colette's received a 60 year non-interest bearing note payable to the City of Huntington Beach in the amount of \$545,000 for property located at 7881 Glencoe Ave., Huntington Beach, CA 92647. An annual amount of \$9,083 is forgiven annually as long as the secured property is used for the purpose designated in the note. 495,043

On February 8, 2006 Colette's received a note payable to the State of California, Department of Housing and Community Development, in the amount of \$851,600, bearing interest at a rate of 3% annually, the outstanding balance of which will be forgiven on February 8, 2016 as long as the secured property at 3421 West Ariel Way, Anaheim, CA is used for the purpose designated in the note. 851,600

On April 13, 2007 Colette's received a note payable to the State of California, Department of Housing and Community Development, in the amount of \$1,000,000, bearing interest at a rate of 3% annually, the outstanding balance of which will be forgiven on April 13, 2017 as long as the secured property at 1046-1052 Cypress St, Placentia, CA is used for the purpose designated in the note. 985,235

COLETTE'S CHILDREN'S HOME

Notes to Financial Statements

(Continued)

(4) Long-Term Liabilities (continued)

On June 3, 2008 Colette's received a note payable to the State of California, Department of Housing and Community Development, in the amount of \$1,000,000, bearing interest at a rate of 3% annually, the outstanding balance of which will be forgiven on June 11, 2018, as long as the secured property at 1062-1068 Cypress St, Placentia, CA is used for the purpose designated in the note.

1,000,000

On July 20, 2009 Colette's received a note payable to the State of California Department of Housing and Community Development, in the amount of \$1,000,000, bearing interest at a rate of 3% annually, the outstanding balance of which will be forgiven on June 11, 2018 as long as the secured property at 17442 Dairyview Cr, Huntington Beach, CA is used for the purpose designated in the note.

1,000,000

Subtotal forgivable notes payable 4,685,209

Notes Payable

On December 15, 2008 Colette's received a non-interest bearing note payable to the City of Huntington Beach in the amount of \$2,262,833 for property located at 17432-17442 Keelson Ln, Huntington Beach, CA.

2,134,159

On November 16, 2009 Colette's received a non-interest bearing note payable to the City of Anaheim in the amount of \$530,000 for property located at 3431 W. Olinda Ln, Anaheim, CA. The outstanding balance of the loan shall be due in full on November 16, 2064.

506,620

On February 2, 2008 Colette's received a note payable to the Clearinghouse CDFI, in the amount of \$581,208, bearing interest at a rate of 7.25% annually, with annual payments of \$23,493 until the note matures on August 1, 2018. The note was used to secure property at 17432-17442 Keelson Ln, Huntington Beach, CA.

545,822

COLETTE'S CHILDREN'S HOME

Notes to Financial Statements

(Continued)

(4) Long-Term Liabilities (continued)

On December 9, 2008 Colette's received a note payable to the Clearinghouse CDFI, in the amount of \$382,400, bearing interest at a rate of 7.5% annually, with annual payments of \$21,397 until the note matures on August 1, 2018. The note was used to secure property at 1038-1044 Cypress St, Placentia, CA.

372,340

Subtotal notes payable

3,558,941

Total long-term liabilities

\$ 8,244,150

During the year, Colette's received a Loan from Teamsters Local 986 Charity Fund, Inc. for \$200,000 to pay for development costs related to CCH's land at 7911 Slater Avenue, Huntington Beach, CA. CCH also entered into a Partnership Agreement (See note 8). The Partnership purchased the property at 7911 Slater from CCH and repaid the \$200,000 loan to Teamsters and two loans to the City of Huntington Beach as consideration for the property.

(5) Contingencies

Certain forgivable notes payable in footnote 4 include interest payments that would be required to be paid if the properties acquired were not used for the intended purpose. Since management believes that payment of interest on these notes is not probable because the properties will be used for the intended purpose until the notes have been forgiven, the contingent interest in the amount of \$336,289 has not been reflected in the accompanying financial statements.

(6) Commitments

The Organization pays rent in accordance with two lease agreements to occupy seven offices. One is a lease renewal for six units that expires on April 1, 2012 and the other is a lease agreement for one unit that expires on October 31, 2012. Rent expense for the year ended September 30, 2011 was \$76,825. The net obligations are as follows:

Year Ending:

September 30, 2012	\$ 25,320
September 30, 2013	<u>500</u>
Total	<u>\$ 25,820</u>

COLETTE'S CHILDREN'S HOME

Notes to Financial Statements

(Continued)

(7) Net Assets

Net assets consisted of the following at September 30, 2011:

Unrestricted net assets:

Invested in property and equipment, net of related debt	\$2,202,797
Undesignated, available for programs	<u>172,572</u>
Total unrestricted net assets	<u>2,375,369</u>
Total net assets	<u>\$ 2,375,369</u>

During the year ended September 30, 2011, there were no temporarily restricted net assets, and no permanently restricted net assets.

(8) Investment in Partnership

On July 13, 2010, CCH entered into a partnership agreement with CIC Pacific Sun Apartments, LLC for the purpose of acquiring, development, constructing, rehabilitating, owning, leasing, managing, and financing of a low-income rental housing project, to be known as Pacific Sun Apartments. CCH is the Managing General Partner, Pacific Sun Apartments is the Administrative General Partner, and Raymond James Tax Credit Fund 37 is the Limited Partner. Profits, Losses, and Distributions will be shared at .005% for CCH, .005% by Pacific Sun Apartments, and 99% by Raymond James Tax Credit Fund 37. The same percentages apply upon dissolution of the Partnership. CIC Pacific Sun Apartments is responsible for maintaining the accounting records of the Apartment Complex and is responsible for tax filings.

CCH records its investment in partnership under the equity method based on values provided by the partnership agreement and fair market value of the investment. These inputs are based on unobservable inputs not corroborated by market data and are considered Level 3 for the year ended September 30, 2011. As of September 30, 2011, CCH reported \$10 of ownership reported in Other Assets on the Statement of Financial Position.



## COLETTE'S CHILDREN'S HOME

### Notes to Financial Statements

(Continued)

#### (9) Subsequent Event

In January 2012 Colette's received a note payable to Security Business Bank of San Diego in the amount of \$180,000 for Pacific Sun Apartments property located at 7911 Slater Avenue, Huntington Beach, California (Affordable Housing Program Rental Project). The outstanding balance of which will be forgiven in January 2067 as long as the secured property is used for the purpose designated in the note.

CCH then loaned the funds to the Administrative General Partner at an interest rate of 3% with a maturity on January 2067. The Apartment Complex is being used as collateral for the note.

SUPPLEMENTAL SCHEDULES

**COLETTE'S CHILDREN'S HOME**  
**Combined - Balance Sheet**

As of  
September 30, 2011

Account	Title	COLETTE'S CHILDREN'S HOME COMBINED	COLETTE'S CHILDREN'S HOME, Inc.	AFFORDABLE HOUSING COMBINED
<b>Assets</b>				
	1000 Cash / Savings	\$145,274.67	\$121,001.51	\$24,273.16
	1100 Accounts Receivables	\$349,708.95	\$221,035.34	\$128,673.61
	1200 Pledges Receivables	\$0.00	\$0.00	\$0.00
	1300 Prepaids & Deposits	\$8,386.00	\$8,386.00	\$0.00
	<b>Current Assets sub-total</b>	<b>\$503,369.62</b>	<b>\$350,422.85</b>	<b>\$152,946.77</b>
	Equipment & Furniture	\$22,140.35	\$22,140.35	\$0.00
	Buildings	\$5,363,118.15	\$3,679,449.60	\$1,683,668.55
	Land	\$5,454,818.00	\$4,521,654.00	\$933,164.00
	(Accumulated Depreciation)	(\$393,129.20)	(\$316,537.20)	(\$76,592.00)
	1600 <b>Fixed Assets sub-total</b>	<b>\$10,446,947.30</b>	<b>\$7,906,706.75</b>	<b>\$2,540,240.55</b>
	1700 Other Assets	\$10.00	\$0.00	\$10.00
	<b>Total Assets</b>	<b>\$10,950,326.92</b>	<b>\$8,257,129.60</b>	<b>\$2,693,197.32</b>
<b>Liabilities</b>				
	2000 Accounts Payable	\$40,486.15	\$40,486.15	\$0.00
	2100 Payroll Liabilities	\$29,189.51	\$29,189.51	\$0.00
	2200 Accrued Liabilities	\$99,828.65	\$98,040.61	\$1,788.04
	2300 Advances & Deposits payable	\$9,249.00	\$2,400.00	\$6,849.00
	<b>Current Liabilities sub-total</b>	<b>\$178,753.31</b>	<b>\$170,116.27</b>	<b>\$8,637.04</b>
	Mortgage Loans - Private Banks	\$918,162.71	\$372,339.70	\$545,823.01
	Mortgage Loans - Government	\$7,478,042.00	\$5,215,209.00	\$2,262,833.00
	2600 <b>Long Term Liabilities sub-total</b>	<b>\$8,396,204.71</b>	<b>\$5,587,548.70</b>	<b>\$2,808,656.01</b>
	2900 Inter-fund Transactions	\$0.00	\$49,035.63	(\$49,035.63)
	<b>Total Liabilities</b>	<b>\$8,574,958.02</b>	<b>\$5,806,700.60</b>	<b>\$2,768,257.42</b>
<b>Equity</b>				
	3000 Net Assets / Equity	\$2,291,610.00	\$2,333,914.91	(\$42,304.91)
	3000 Net Assets / Equity close-out	\$0.00	\$0.00	\$0.00
	3100 Current Year Equity - Additions	\$83,758.90	\$116,514.09	(\$32,755.19)
	<b>Total Equity</b>	<b>\$2,375,368.90</b>	<b>\$2,450,429.00</b>	<b>(\$75,060.10)</b>
	<b>Total Liabilities &amp; Equity</b>	<b>\$10,950,326.92</b>	<b>\$8,257,129.60</b>	<b>\$2,693,197.32</b>

# COLETTE'S CHILDREN'S HOME

## Balance Sheet

As of

**September 30, 2011**

<b>Account</b>	<b>Title</b>	<b>COLETTE'S CHILDREN'S HOME</b>
<b><u>Assets</u></b>		
1000	Cash / Savings	\$121,001.51
1100	Accounts Receivables	\$221,035.34
1200	Pledges Receivables	\$0.00
1300	Prepays & Deposits	\$8,386.00
	<b>Current Assets sub-total</b>	<b>\$350,422.85</b>
	Equipment & Furniture	\$22,140.35
	Buildings	\$3,679,449.60
	Land	\$4,521,654.00
	(Accumulated Depreciation)	(\$316,537.20)
1600	<b>Fixed Assets sub-total</b>	<b>\$7,906,706.75</b>
	<b>Total Assets</b>	<b>\$8,257,129.60</b>
<b><u>Liabilities</u></b>		
2000	Accounts Payable	\$40,486.15
2100	Payroll Liabilities	\$29,189.51
2200	Accrued Liabilities	\$98,040.61
2300	Advances & Deposits payable	\$2,400.00
	<b>Current Liabilities sub-total</b>	<b>\$170,116.27</b>
	Mortgage Loans - Private Banks	\$372,339.70
	Mortgage Loans - Government	\$5,215,209.00
2600	<b>Long Term Liabilities sub-total</b>	<b>\$5,587,548.70</b>
	2900 Inter-fund Transactions	\$49,035.63
	<b>Total Liabilities</b>	<b>\$5,806,700.60</b>
<b><u>Equity</u></b>		
3000	Net Assets / Equity	\$2,333,914.91
3100	Current Year Equity - Additions	\$116,514.09
	<b>Total Equity</b>	<b>\$2,450,429.00</b>
	<b>Total Liabilities &amp; Equity</b>	<b>\$8,257,129.60</b>

## Affordable Housing Balance Sheet

As of  
September 30, 2011

Account Title	AFFORDABLE HOUSING COMBINED	#405 KEELSON HOUSING	#497 SLATER PROJECT	#498 PACIFIC SUN - PARTN.
<b>Assets</b>				
1000 Cash / Savings	\$24,273.16	\$24,273.16	\$0.00	\$0.00
1100 Accounts Receivables	\$128,673.61	\$128,673.61	\$0.00	\$0.00
1200 Pledges Receivables	\$0.00	\$0.00	\$0.00	\$0.00
1300 Prepaids & Deposits	\$0.00	\$0.00	\$0.00	\$0.00
<b>Current Assets sub-total</b>	<b>\$152,946.77</b>	<b>\$152,946.77</b>	<b>\$0.00</b>	<b>\$0.00</b>
Equipment & Furniture	\$0.00	\$0.00	\$0.00	\$0.00
Buildings	\$1,683,668.55	\$1,683,668.55	\$0.00	\$0.00
Land	\$933,164.00	\$933,164.00	\$0.00	\$0.00
(Accumulated Depreciation)	(\$76,592.00)	(\$76,592.00)	\$0.00	\$0.00
1600 <b>Fixed Assets sub-total</b>	<b>\$2,540,240.55</b>	<b>\$2,540,240.55</b>	<b>\$0.00</b>	<b>\$0.00</b>
1700 Other Assets	\$10.00	\$0.00	\$0.00	\$10.00
<b>Total Assets</b>	<b>\$2,693,197.32</b>	<b>\$2,693,187.32</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Liabilities</b>				
2000 Accounts Payable	\$0.00	\$0.00	\$0.00	\$0.00
2100 Payroll Liabilities	\$0.00	\$0.00	\$0.00	\$0.00
2200 Accrued Liabilities	\$1,788.04	\$1,788.04	\$0.00	\$0.00
2300 Advances & Deposits payable	\$6,849.00	\$6,849.00	\$0.00	\$0.00
<b>Current Liabilities sub-total</b>	<b>\$8,637.04</b>	<b>\$8,637.04</b>	<b>\$0.00</b>	<b>\$0.00</b>
Mortgage Loans - Private Banks	\$545,823.01	\$545,823.01	\$0.00	\$0.00
Mortgage Loans - Government	\$2,262,833.00	\$2,262,833.00	\$0.00	\$0.00
2600 <b>Long Term Liabilities sub-total</b>	<b>\$2,808,656.01</b>	<b>\$2,808,656.01</b>	<b>\$0.00</b>	<b>\$0.00</b>
2900 Inter-fund Transactions	(\$49,035.63)	(\$53,058.64)	\$4,023.01	\$0.00
<b>Total Liabilities</b>	<b>\$2,768,257.42</b>	<b>\$2,764,234.41</b>	<b>\$4,023.01</b>	<b>\$0.00</b>
<b>Equity</b>				
3000 Net Assets / Equity	(\$42,304.91)	(\$34,854.91)	(\$7,450.00)	\$0.00
3000 Net Assets / Equity(close-out)	\$0.00	\$0.00	\$0.00	\$0.00
3100 Current Year Equity - Additions	(\$32,755.19)	(\$36,192.18)	\$3,426.99	\$10.00
<b>Total Equity</b>	<b>(\$75,060.10)</b>	<b>(\$71,047.09)</b>	<b>(\$4,023.01)</b>	<b>\$10.00</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$2,693,197.32</b>	<b>\$2,693,187.32</b>	<b>\$0.00</b>	<b>\$10.00</b>

# COLETTE'S CHILDREN'S HOME

combined statements  
**STATEMENT OF ACTIVIES**  
 September 30, 2011

<b>Account</b>	<b>Title</b>	<b>Amount</b>	<b>Colette's Children's Home Amount</b>	<b>Affordable Housing Amount</b>
<b>Revenues</b>				
5100	Contributions	\$338,854.67	\$136,357.38	\$202,497.29
5200	Direct Public Support	\$104,969.91	\$104,969.91	\$0.00
5300	Indirect Public Support	\$71,757.72	\$71,757.72	\$0.00
5400	Government Contributions	\$1,236,638.97	\$1,236,638.97	\$0.00
5500	Rental Rev.	\$172,970.89	\$61,824.64	\$111,146.25
5600	Program Rev.	\$26,262.60	\$26,262.60	\$0.00
5700	Earned Rev.	\$48,574.83	\$39,496.31	\$9,078.52
<b>Total Revenues</b>		<b>\$2,000,029.59</b>	<b>\$1,677,307.53</b>	<b>\$322,722.06</b>
<b>Expenditures</b>				
7200	Salaries & Wages	\$767,334.20	\$763,830.52	\$3,503.68
7300	Contracts - Professional Services	\$277,870.85	\$19,452.50	\$258,418.35
7400	Travel - Milage	\$15,218.16	\$15,143.70	\$74.46
7500	Occupancy - Leases	\$209,108.29	\$188,256.88	\$20,851.41
7600	Client Support Services	\$245,094.92	\$245,094.92	\$0.00
7700	Supplies / Equipment / Furniture	\$109,877.70	\$109,317.48	\$560.22
7800	Communications	\$40,895.01	\$40,685.23	\$209.78
7900	Operations	\$144,805.79	\$93,724.78	\$51,081.01
<b>Total Expenditures</b>		<b>\$1,810,204.92</b>	<b>\$1,475,506.01</b>	<b>\$334,698.91</b>
<b>NET ORDINARY REVENUES</b>		<b>\$189,824.67</b>	<b>\$201,801.52</b>	<b>(\$11,976.85)</b>
<b>Other Revenues</b>				
6100	Non-Cash Revenues	\$43,469.24	\$24,964.00	\$18,505.24
6200	Non-Cash Donations	\$143,234.21	\$143,234.21	\$0.00
<b>Total Other Revenues</b>		<b>\$186,703.45</b>	<b>\$168,198.21</b>	<b>\$18,505.24</b>
<b>Other Expenditures</b>				
8100	Depreciation	\$103,368.00	\$75,307.00	\$28,061.00
8200	Non-Cash Expenses	\$189,411.22	\$178,178.64	\$11,232.58
9100	Capital Purchases	\$0.00	\$0.00	\$0.00
9200	Contra - Capital Purchases	\$0.00	\$0.00	\$0.00
<b>Total Other Expenditures</b>		<b>\$292,779.22</b>	<b>\$253,485.64</b>	<b>\$39,293.58</b>
<b>Net Operations</b>		<b>\$83,748.90</b>	<b>\$116,514.09</b>	<b>(\$32,765.19)</b>

**COLETTE'S CHILDREN'S HOME  
STATEMENT OF ACTIVIES**

for the period ending  
**September 30, 2011**

Account	Title	Amount
<u>Revenues</u>		
5100	Contributions	\$136,357.38
5200	Direct Public Support	\$104,969.91
5300	Indirect Public Support	\$71,757.72
5400	Government Contributions	\$1,236,638.97
5500	Rental Rev.	\$61,824.64
5600	Program Rev.	\$26,262.60
5700	Earned Rev.	\$39,496.31
<b>Total Revenues</b>		<b>\$1,677,307.53</b>
<u>Expenditures</u>		
7200	Salaries & Wages	\$763,830.52
7300	Contracts - Professional Services	\$19,452.50
7400	Travel - Milage	\$15,143.70
7500	Occupancy - Leases	\$188,256.88
7600	Client Support Services	\$245,094.92
7700	Supplies / Equipment / Furniture	\$109,317.48
7800	Communications	\$40,685.23
7900	Operations	\$93,724.78
<b>Total Expenditures</b>		<b>\$1,475,506.01</b>
<b>NET ORDINARY REVENUES</b>		<b>\$201,801.52</b>
<u>Other</u>		
6100	Non-Cash Revenues	\$24,964.00
6200	Non-Cash Donations	\$143,234.21
<b>Total Other Revenue</b>		<b>\$168,198.21</b>
8100	Depreciation	\$75,307.00
8200	Non-Cash Expenses	\$178,178.64
9100	Capital Purchases	\$0.00
9200	Contra - Capital Purchases	\$0.00
<b>Total Other Expenditures</b>		<b>\$253,485.64</b>
<b>Net Operations</b>		<b>\$116,514.09</b>

## AFFORDABLE HOUSING STATEMENT OF ACTIVIES

for the period ending  
**September 30, 2011**

Account	Title	AFFORDABLE HOUSING COMBINED	Class #405	Class #497	Class #498
			KEELSON HOUSING	SLATER PROJECT	PACIFIC SUN
<b>Revenues</b>					
5100	Contributions	\$202,497.29	\$0.00	\$202,497.29	\$0.00
5200	Direct Public Support	\$0.00	\$0.00	\$0.00	\$0.00
5300	Indirect Public Support	\$0.00	\$0.00	\$0.00	\$0.00
5400	Government Contributions	\$0.00	\$0.00	\$0.00	\$0.00
5500	Rental Rev.	\$111,146.25	\$111,146.25	\$0.00	\$0.00
5600	Program Rev.	\$0.00	\$0.00	\$0.00	\$0.00
5700	Earned Rev.	\$9,078.52	\$2.50	\$9,076.02	\$0.00
<b>Total Revenues</b>		<b>\$322,722.06</b>	<b>\$111,148.75</b>	<b>\$211,573.31</b>	<b>\$0.00</b>
<b>Expenditures</b>					
7200	Salaries & Wages	\$3,503.68	\$0.00	\$3,503.68	\$0.00
7300	Contracts - Professional Services	\$258,418.35	\$51,120.67	\$207,297.68	\$0.00
7400	Travel - Milage	\$74.46	\$0.00	\$74.46	\$0.00
7500	Occupancy - Leases	\$20,851.41	\$20,851.41	\$0.00	\$0.00
7600	Client Support Services	\$0.00	\$0.00	\$0.00	\$0.00
7700	Supplies / Equipment / Furniture	\$560.22	\$560.22	\$0.00	\$0.00
7800	Communications	\$209.78	\$174.74	\$35.04	\$0.00
7900	Operations	\$51,081.01	\$46,572.89	\$4,508.12	\$0.00
<b>Total Expenditures</b>		<b>\$334,698.91</b>	<b>\$119,279.93</b>	<b>\$215,418.98</b>	<b>\$0.00</b>
<b>NET ORDINARY REVENUES</b>		<b>(\$11,976.85)</b>	<b>(\$8,131.18)</b>	<b>(\$3,845.67)</b>	<b>\$0.00</b>
<b>Other</b>					
6100	Non-Cash Revenues	\$18,505.24	\$0.00	\$18,505.24	\$0.00
6200	Non-Cash Donations	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Other Revenues</b>		<b>\$18,505.24</b>	<b>\$0.00</b>	<b>\$18,505.24</b>	<b>\$0.00</b>
8100	Depreciation	\$28,061.00	\$28,061.00	\$0.00	\$0.00
8200	Non-Cash Expenses	\$11,232.58	\$0.00	\$11,232.58	\$0.00
9100	Capital Purchases	\$0.00	\$0.00	\$0.00	\$0.00
9200	Contra - Capital Purchases	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Other Expenditures</b>		<b>\$39,293.58</b>	<b>\$28,061.00</b>	<b>\$11,232.58</b>	<b>\$0.00</b>
<b>Net Operations</b>		<b>(\$32,765.19)</b>	<b>(\$36,192.18)</b>	<b>\$3,426.99</b>	<b>\$0.00</b>