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WILLIAM H. BREWER
Certified Public Accountant
858 Washington Street
P.O. Box 306
Bath, Maine 04530

(207) 443-9759
(207) 563-5495

INDEPENDENT AUDITORS' REPORT

Board of Directors
Tedford Housing
P.O. Box 958
Brunswick, Maine 04011

We have audited the accompanying financial statements of Tedford Housing (a nonprofit organization), which comprise the statements of financial position as of June 30, 2013 and 2012, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tedford Housing as of June 30, 2013 and 2012, 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.

August 23, 2013

TEDFORD HOUSING
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2013 AND 2012

ASSETS	2013	2012
CURRENT ASSETS:		
Cash (Note B)	\$ 288,092	\$ 312,986
Accounts Receivable	103,423	115,276
Investments (Note C)	277,932	249,818
Prepaid Expenses	20,632	7,185
Total Current Assets	\$ 690,079	\$ 685,265
PROPERTY, PLANT, AND EQUIPMENT (NOTE D):		
Land	\$ 117,428	\$ 117,428
Buildings	5,802,293	5,786,073
Furniture, Fixtures, and Equipment	24,968	21,976
Leasehold Improvements	56,165	56,165
Total Property, Plant, and Equipment	\$ 6,000,854	\$ 5,981,642
Less: Accumulated Depreciation	786,146	638,763
Net Property, Plant, and Equipment	\$ 5,214,708	\$ 5,342,879
Total Assets	\$ 5,904,787	\$ 6,028,144
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Notes Payable - Current Portion (Note I)	\$ 15,468	\$ 15,468
Accounts Payable	8,481	9,595
Accrued Payroll and Taxes	53,169	41,294
Security Deposits	24,097	39,183
Deferred Revenue	26,259	
Total Current Liabilities	\$ 127,474	\$ 105,540
LONG-TERM DEBT:		
Notes Payable - Net of Current Portion (Note I)	3,609,187	3,624,654
Total Liabilities	\$ 3,736,661	\$ 3,730,194
NET ASSETS:		
Unrestricted	\$ 2,165,626	\$ 2,295,450
Temporarily Restricted	2,500	2,500
Total Net Assets	\$ 2,168,126	\$ 2,297,950
Total Liabilities and Net Assets	\$ 5,904,787	\$ 6,028,144

The accompanying notes are an integral part of the financial statements

TEDFORD HOUSING
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

	UNRESTRICTED	TEMPORARILY RESTRICTED	2013 TOTAL	2012 TOTAL
PUBLIC SUPPORT AND REVENUE:				
Contributions	\$ 254,178	\$ -	\$ 254,178	\$ 275,028
State and Federal Grants	261,645		261,645	755,689
County and Municipal Support	72,691		72,691	62,821
United Way	94,865		94,865	85,470
Warm Thy Neighbor	54,639		54,639	55,823
Other Restricted Grants				27,673
ARC Contract	1,250		1,250	2,500
Interest and Dividends	2,736		2,736	2,448
Unrealized Appreciation	29,959		29,959	(924)
Master Lease Program (Note K)	259,274		259,274	240,217
Targeted Case Management	160,085		160,085	78,785
Supportive Housing	21,847		21,847	9,696
Total Public Support and Revenue	\$ 1,213,169	\$ -	\$ 1,213,169	\$ 1,595,226
EXPENSES:				
Program Services:				
Tedford Housing	\$ 398,546	\$ -	\$ 398,546	\$ 534,894
Homelessness Prevention	157,594		157,594	148,159
Total Program Services	\$ 556,140	\$ -	\$ 556,140	\$ 683,053
Support Services:				
Management and General	\$ 188,075	\$ -	\$ 188,075	\$ 165,744
Fund Raising	42,009		42,009	45,990
Supportive Housing	556,769		556,769	452,767
Total Support Services	\$ 786,853	\$ -	\$ 786,853	\$ 664,501
Total Expenses	\$ 1,342,993	\$ -	\$ 1,342,993	\$ 1,347,554
Excess Public Support and Revenue Over (Under) Expenses	\$ (129,824)	\$ -	\$ (129,824)	\$ 247,672
Change in Net Assets	\$ (129,824)	\$ -	\$ (129,824)	\$ 247,672
Net Assets, July 1	2,295,450	2,500	2,297,950	2,050,278
Net Assets, June 30	\$ 2,165,626	\$ 2,500	\$ 2,168,126	\$ 2,297,950

The accompanying notes are an integral part of the financial statements

TEDFORD HOUSING
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

	TEDFORD HOUSING	HOMELESSNESS PREVENTION	MANAGEMENT AND GENERAL	SUPPORTIVE HOUSING	FUND RAISING	2013 TOTALS	2012 TOTALS
Payroll and Related Taxes	\$ 243,662	\$ 90,067	\$ 126,198	\$ 107,324	\$ 22,567	\$ 589,818	\$ 630,199
Employee Health Benefits	30,772	13,098	8,074	16,132	2,070	70,146	72,410
Food	3,028	16	19	66		3,129	2,568
Client Services	9,383	8,934	250	613		19,180	4,997
Security Deposits		31,776				31,776	19,066
Rent	8,628	8,356	8,640			25,624	24,857
Utilities and Telephone	36,670	955	10,464	148,666	40	196,795	182,741
Supplies	4,289	219	4,319	1,780	700	11,307	14,667
Insurance	1,703		3,957	27,086		32,746	32,955
Miscellaneous	7,349	4,173	21,562	13,401	16,632	63,117	84,349
Maintenance and Repairs	32,391		903	109,767		143,061	80,264
Depreciation	20,671		3,689	123,024		147,384	126,521
Bad Debt Expense				8,910		8,910	71,960
Total Expenses	<u>\$ 398,546</u>	<u>\$ 157,594</u>	<u>\$ 188,075</u>	<u>\$ 556,769</u>	<u>\$ 42,009</u>	<u>\$ 1,342,993</u>	<u>\$ 1,347,554</u>

The accompanying notes are an integral part of the financial statements

TEDFORD HOUSING
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (Decrease) in Net Assets	\$ (129,824)	\$ 247,672
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash from Operating Activities:		
Depreciation	147,384	126,521
Unrealized (Appreciation) Depreciation	(29,959)	925
Decrease in Accounts Receivable	11,853	20,921
(Increase) in Prepaid Expenses	(13,447)	(7,185)
(Decrease) in Accounts Payable	(1,114)	(816)
Increase in Accrued Payroll and Taxes	11,875	41,294
(Decrease) Increase in Security Deposits	(15,086)	8,617
Increase in Deferred Revenue	26,259	
Net Cash Provided by Operating Activities	<u>\$ 7,941</u>	<u>\$ 437,949</u>
 CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant, and Equipment	\$ (19,212)	\$ (798,935)
Purchase of Investments	(8,155)	(1,948)
Proceeds from Investments	10,000	11,591
Net Cash Used in Investing Activities	<u>\$ (17,367)</u>	<u>\$ (789,292)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal Payment on Debt	\$ (15,468)	\$ (19,562)
 Decrease in Cash	<u>\$ (24,894)</u>	<u>\$ (370,905)</u>
Cash Balance, July 1	312,986	683,891
Cash Balance, June 30	<u>\$ 288,092</u>	<u>\$ 312,986</u>

The accompanying notes are an integral part of the financial statements

TEDFORD HOUSING
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization and Nature of Activities

Tedford Housing, a nonprofit organization, located in Brunswick, Maine, is a multi-service social agency whose mission is to meet the basic needs of homeless people and help them become self-sufficient.

Tedford Housing maintains two shelters in Brunswick. Up to twenty individuals can stay at 49 Cumberland Street, Brunswick and up to six families with children can stay in apartments located at 34 Federal Street in Brunswick.

Tedford Housing operates supportive housing at the following locations:

Evergreen Woods – Bath, Maine accommodates six families
Everett Street – Brunswick, Maine accommodates eight adults
Pleasant Street – Augusta, Maine accommodates two families
Gilbert Place – Bath, Maine accommodates five adults
Blake Street – Lewiston, Maine accommodates ten families
Pine Street – Auburn, Maine accommodates six adults

Tedford Housing is governed by a board of local volunteers.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenditures are recognized when incurred.

Basis of Presentation

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (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, temporarily restricted, and permanently restricted. A description of the three net asset categories follows:

Unrestricted Net Assets

Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted Net Assets

Net assets whose uses by the Organization are subject to donor-imposed restrictions that can be fulfilled by actions of the Organization pursuant to those restrictions or that expire by the passage of time.

Permanently Restricted Net Assets

Net assets subject to donor-imposed restrictions that may be maintained permanently by the Organization.

TEDFORD HOUSING
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Functional Allocation of Expenses

The costs of providing emergency shelter and other activities are summarized on the functional basis in the Statements of Functional Expenses. Accordingly, certain costs have been allocated between Tedford Housing and supporting services benefited.

Investments

Investments are stated at fair value. Quoted market prices are used to value investments.

Land, Buildings, and Improvements

Land, Buildings, and Improvements are stated at cost. Depreciation is provided over the estimated useful lives using the straight-line method.

Deferred Revenue

Deferred Revenue results from grant money that has not been spent as of the balance sheet date. Revenue is recognized only to the extent expenses were incurred.

Donated Services and Materials

Donated food is reflected in the accompanying statements as contributions with a like amount included in food expense at its estimated market value at date of receipt. The value of donated services is not included in the accompanying financial statements since there is no objective basis available by which to measure the value of such services. However, a substantial number of volunteers donate approximately 50 hours per week of direct services. Volunteers have also donated significant amounts of their time in board activities.

Tax Exemption

Tedford Housing is a not-for-profit organization and is exempt from income taxes under §501(c)(3) of the Internal Revenue Code.

TEDFORD HOUSING
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE B - CASH AND CASH EQUIVALENTS:

The Organization's cash is categorized to give an indication of the level of risk assumed by the Organization at year-end. These categories are defined as follows:

Category #1 - Insured or collateralized with securities held by the Organization or by its agent in the Organization's name.

Category #2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the Organization's name.

Category #3 - Uncollateralized (This includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Organization's name).

ACCOUNT TYPE	CARRYING AMOUNT	BANK BALANCE	CATEGORY		
			#1	#2	#3
Interest Bearing Accounts	\$ 288,092	\$ 301,715	\$ 301,715	\$	\$

NOTE C - INVESTMENTS:

Investments as of June 30, 2013 are summarized by type as follows:

	JUNE 30, 2013 COST	JUNE 30, 2013 FAIR VALUE
Mutual Funds	\$ 260,295	\$ 277,932

NOTE D - PROPERTY, PLANT, AND EQUIPMENT:

Activity in fixed asset accounts for the year ended June 30, 2013 is as follows:

	BALANCE JULY 1, 2012	ADDITIONS	DISPOSALS	BALANCE JUNE 30, 2013
Land	\$ 117,428	\$	\$	\$ 117,428
Buildings	5,786,073	16,220		5,802,293
Furniture, Fixtures, and Equipment	21,976	2,992		24,968
Leasehold Improvements	56,165			56,165
Total Fixed Assets	\$ 5,981,642	\$ 19,212	\$	\$ 6,000,854
Accumulated Depreciation	(638,763)	(147,383)		(786,146)
Fixed Assets Net of Accumulated Depreciation	\$ 5,342,879	\$ (128,171)	\$	\$ 5,214,708

TEDFORD HOUSING
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE E - DONATED MATERIALS:

The value of donated food, which is included as revenue and expense in the financial statements, is \$15,000 for the year ended June 30, 2013. The organization also received donations of supplies for the year ended June 30, 2013 totaling \$5,000.

NOTE F - GRANTS:

State and Federal Grants include:

Maine State Housing Authority	\$ 5,055
Maine State Housing Authority - Emergency Shelter Grant Program (ESG)	164,687
Maine Community Development Block Grant	5,944
State and Federal Grants - Total	<u>\$ 175,686</u>

The Organization records income from grants in the period when it has incurred expenditures in compliance with the restrictions of the grantor.

NOTE G - EMPLOYEE RETIREMENT BENEFITS:

Tedford Housing offers a Simple IRA with an employer-match to all employees after one year of continuous employment, provided that the Organization has sufficient resources. Employees may elect to have one, two, or three percent of wages matched by Tedford Housing towards the Simple IRA Retirement Savings Plan. The Plan is managed by American Funds. During the fiscal year ending June 30, 2013 employee contributions totaled \$15,895 and employer contributions totaled \$6,872.

Tedford Housing offers an Internal Revenue Code Section 457 Plan to employees approved by the Board of Directors. The Plan was effective July 1, 2005. Employees can elect to defer compensation to the Plan. Employer contributions are discretionary and can be awarded to individuals within the Plan. During the fiscal year ending June 30, 2013 there were no employer contributions to the Plan.

NOTE H - RENT:

The Organization leases the land and building located at 34 Federal Street under a ten year operating lease. The current lease term expired on June 30, 2013 and was extended on a year to year basis. Annual rent is subject to change provided notice is given thirty days prior to each lease anniversary date. The rental rate for the 2013/2014 fiscal year is \$8,628.

The Organization also rents office space in Brunswick at a rental rate of \$9,600 annually. The remaining rent paid of \$7,296 was for client assisted rents in supported housing units.

TEDFORD HOUSING
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE I - NOTES PAYABLE:

Notes payable as of June 30, 2013 consists of the following:

CREDITOR	INTEREST RATE	TYPE	SECURITY	TOTAL	SHORT- TERM	LONG- TERM
Maine State Housing Authority - Gilbert Place	0%	Mortgage	Land & Building	\$ 310,000	\$ 5,000	\$ 305,000
City of Bath - Evergreen Woods	0%	Mortgage	Land & Building	50,000		50,000
Maine State Housing Authority - Evergreen Woods	0%	Mortgage	Land & Building	672,736		672,736
Maine State Housing Authority - Everett Apartments	0%	Mortgage	Land & Building	560,751	5,055	555,696
Maine State Housing Authority - 114 Blake Street	0%	Mortgage	Land & Building	1,534,099		1,534,099
Maine State Housing Authority - 22 Pine Street	0%	Mortgage	Land & Building	372,564		372,564
Maine State Housing Authority - 19 Pleasant Street	0%	Mortgage	Land & Building	124,505	5,413	119,092
				<u>\$ 3,624,655</u>	<u>\$ 15,468</u>	<u>\$ 3,609,187</u>

Maine State Housing Authority - Gilbert Place, Bath, Maine

In February 2005 Tedford Housing obtained a deferred loan and a forgivable loan from Maine State Housing Authority for the purchase and renovations of 500 Middle Street, Bath, Maine. The deferred loan of \$150,000 is financed at 0% for 30 years and becomes payable in full upon sale or transfer of the property, or February 27, 2035.

The forgivable loan of \$250,000 is financed at 0% for 30 years. The loan will be forgiven as follows:

Twenty percent (20%) of the original principal balance was forgiven on the date that the mortgage was duly recorded in the Sagadahoc County Registry of Deeds. Forty percent (40%) of the original principal balance shall be forgiven 15 years from the date of the note. The remaining 40% of the original principal balance shall be forgiven 30 years from the date of the note.

City of Bath - Evergreen Woods, Bath, Maine:

The deferred loan of \$50,000 is financed at 0% for 30 years and becomes payable in full upon sale or transfer of the property, or February 17, 2035.

TEDFORD HOUSING
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE I - NOTES PAYABLE (CONT'D):

Maine State Housing Authority - Evergreen Woods, Bath, Maine:

The forgivable loan of \$346,073 is financed at 0% for 30 years. The loan will be forgiven as follows:

Fifty percent (50%) of the original principal balance is forgiven at the end of 15 years from the time of execution of the permanent mortgage documents, and the remaining fifty percent (50%) of the original principal balance shall be forgiven 30 years from the time of execution of the permanent mortgage documents.

In September 2006 Tedford Housing obtained a deferred loan from Maine State Housing Authority for the acquisition and construction of property located on Edgett Street, Bath, Maine. The deferred loan of \$100,000 is financed at 0% for 30 years and becomes payable in full upon sale or transfer of the property, or September 28, 2036.

The forgivable loan of \$180,000 is financed at 0% for 30 years. The loan will be forgiven as follows:

Twenty percent (20%) of the original principal balance was forgiven on the date of execution of the note. Forty percent (40%) of the original principal balance shall be forgiven 15 years following execution. The remaining forty percent (40%) of the original principal balance shall be forgiven 30 years following execution.

The forgivable loan of \$103,329 is financed at 0% for 30 years. The loan will be forgiven as follows:

Twenty percent (20%) of the original principal balance was forgiven on the date of execution of the note. Forty percent (40%) of the original principal balance shall be forgiven 15 years following execution. The remaining forty percent (40%) of the original principal balance shall be forgiven 30 years following execution.

Maine State Housing Authority - Everett Apartments, Brunswick, Maine:

The forgivable loan of \$619,900 is financed at 0% for 30 years. The loan will be forgiven as follows:

Twenty percent (20%) of the forgivable note of \$98,342 was forgiven at closing of the loan October 17, 2006. Forty percent (40%) of the \$98,342 is forgiven at 15 years from the original date of the note with the remaining forty percent (40%) forgiven 30 years from the date of the note.

The deferred portion of the note, \$151,657 will be due 30 years from the date of the loan closing.

The remaining \$369,901 of the forgivable note is forgiven in the following order: Fifty percent (50%) of the note is forgiven 15 years from the execution of the permanent mortgage and the remaining fifty percent (50%) will be forgiven 30 years from the time of execution of the permanent mortgage documents.

Maine State Housing Authority - 114 Blake Street, Lewiston, Maine:

The deferred loan of \$880,620 is financed at 0% for 30 years and becomes payable in full upon sale or transfer of the property, or December 23, 2039.

The deferred loan of \$260,000 is financed at 0% for 30 years and becomes payable in full upon sale or transfer of the property, or December 23, 2039.

The deferred loan of \$393,479 is financed at 0% for 30 years and becomes payable in full upon sale or transfer of the property, or December 23, 2039.

TEDFORD HOUSING
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE I - NOTES PAYABLE (CONT'D):

Maine State Housing Authority - 22 Pine Street, Auburn, Maine:

The deferred loan of \$372,564 is financed at 0% for 30 years and becomes payable in full upon sale or transfer of the property, or March 3, 2041.

Maine State Housing Authority - 19 Pleasant Street, Augusta, Maine:

The deferred loan of \$162,398 is financed at 0% for 30 years and becomes payable in full upon sale or transfer of the property, or November 28, 2037.

NOTE J - FRIENDS OF TEDFORD HOUSING:

The Friends of Tedford Housing raises money to assist in the purchase of equipment and supplies for operation of the shelter. The balance of their checking and savings accounts combined was \$2,466 at June 30, 2013.

NOTE K - RENTAL INCOME:

Tedford Housing has a rental program where they pay rent for shelter residents and the residents pay the shelter back. For fiscal year ended June 30, 2013 rental income was \$259,274 and the related rental expenses were \$9,104.

NOTE L - SUBSEQUENT EVENTS:

As of August 23, 2013, management has reviewed activity since year end and there were no subsequent events requiring disclosure in the notes to financial statements.

NOTE M - FLEXIBLE BENEFIT PLAN:

On April 12, 2005 Tedford Housing started a flexible Health Benefit Plan for employees. The Plan allows employees to contribute pre-tax income into a reimbursement account to cover out of pocket medical expenses. Contributions to the Plan by employees totaled \$839 for the year ended June 30, 2013.

NOTE N - CONTRACTS:

On October 29, 2008 Tedford Housing entered into a contract with the Midcoast Regional Redevelopment Authority to provide services for homeless families in the Brunswick Naval Air Station redevelopment area. As part of the contract \$686,605 in funds (conveyance proceeds) will be held in trust for Tedford Housing to utilize for homeless programs. During fiscal year 2013, \$80,545 in funds were withdrawn for use in providing services for homeless families in the Brunswick Naval Air Station redevelopment area.

On January 1, 2012 Tedford Housing entered into a contract with LaBrecque Property Management LLC to manage their properties. LaBrecque Property Management LLC manages all properties (Franklin Apartments in Auburn, Pleasant Street in Augusta, Blake Street in Lewiston, Pine Street in Auburn, Everett Street in Brunswick, Gilbert Place in Bath, and Evergreen Woods in Bath) at a cost of \$40-\$50 per unit per month. Contracts are for one year and are renewed annually.

TEDFORD HOUSING
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE O - HOUSING ASSISTANCE CONTRACT:

On April 25, 2008 Tedford Housing entered into a housing assistance payment contract with the Department of Housing & Urban Development. This contract covers the rental assistance for 2 units at the 19 Pleasant Street, Augusta property. This contract expires April 25, 2018.

TEDFORD HOUSING
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

A. SUMMARY OF AUDIT RESULTS

- 1) The Auditor's Report expresses an unqualified opinion on the general purpose financial statements of Tedford Housing.
- 2) No reportable conditions relating to the audit of the financial statements are reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
- 3) No instances of non-compliance material to the financial statements of Tedford Housing were disclosed during the audit.
- 4) No reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.
- 5) The Auditor's Report on Compliance for the Major Federal Award Programs for Tedford Housing expressed an unqualified opinion.
- 6) The audit disclosed no audit findings relative to the major federal award programs for Tedford Housing.
- 7) The programs tested as major programs were:
 - a. U.S. Department of Housing and Urban Development – Special Needs Assistance Program.
- 8) The threshold for distinguishing Types A and B programs was \$300,000.00.
- 9) Tedford Housing was not determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None