

## REPORT

MIRABEAU FAMILY LEARNING CENTER, INC.  
AND ITS CONSOLIDATED SUBSIDIARY

DECEMBER 31, 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3-7-07

MIRABEAU FAMILY LEARNING CENTER, INC.  
AND ITS CONSOLIDATED SUBSIDIARY

DECEMBER 31, 2005

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## ACCOUNTANT'S COMPILATION REPORT

February 2, 2007

Board of Directors  
Mirabeau Family Learning Center, Inc.  
433 Metairie Road, Suite 206  
Metairie, Louisiana 70005

We have compiled the accompanying statements of financial position of Mirabeau Family Learning Center, Inc. and its consolidated subsidiary as of December 31, 2005, and the related statements of activities, functional expenses and cash flows for the year then ended, and the accompanying supplementary information contained on pages 12 – 15, which are presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management of Mirabeau Family Learning Center, Inc. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

*Duplantier, Hrapmann, Hogan & Maher, LLP*

MIRABEAU FAMILY LEARNING CENTER, INC.  
AND ITS CONSOLIDATED SUBSIDIARY  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2005  
(Unaudited)

ASSETS

<b>CURRENT ASSETS:</b>	
Cash (Notes 1 and 3)	\$ 187,177
Certificates of deposit (Notes 1 and 3)	42,005
Accounts receivable:	
Insurance proceeds (Note 9)	375,000
MFLC Partners (Note 2)	216,072
Filmore Parc Apartments II (Note 2)	5,495
Smith Square Development (Note 2)	3,616
St. Joe Estates I and II (Note 2)	234,186
Consulting fees (Note 2)	83,304
Interest receivable - Filmore Parc Apartments II (Note 2)	39,253
<b>Total current assets</b>	<u><u>1,186,108</u></u>
<b>PROPERTY AND EQUIPMENT (Notes 1 and 9)</b>	-
<b>OTHER ASSETS:</b>	
Investment in Moss Oaks I and II (Notes 1 and 2)	100
Investment in Filmore Parc Apartments II (Notes 1 and 2)	167,974
Investment in MFLC Partners (Notes 1 and 2)	125,100
<b>Total other assets</b>	<u><u>293,174</u></u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,479,282</u></u>

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES:</b>	
Accounts payable	\$ 27,187
Accounts payable - Filmore Parc, L.L.C. (Note 2)	167,642
Notes payable (Note 7)	53,176
<b>Total current liabilities</b>	<u><u>248,005</u></u>
<b>OTHER LIABILITIES:</b>	
Investment in St. Joe Estates I and II	6
<b>Total other liabilities</b>	<u><u>6</u></u>
<b>Total liabilities</b>	<u><u>248,011</u></u>
<b>NET ASSETS:</b>	
Unrestricted	1,231,271
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 1,479,282</u></u>

See accompanying notes and accountant's compilation report.

MIRABEAU FAMILY LEARNING CENTER, INC.  
 AND ITS CONSOLIDATED SUBSIDIARY  
 STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2005  
 (Unaudited)

## UNRESTRICTED NET ASSETS:

## REVENUE: (Note 1)

Contractual income	\$ 372,916
Donations	6,425
Gain on disposal of assets	352,818
Grant revenue	506,995
Interest	1,107
Management fee income (Note 2)	25,205
Miscellaneous	5,398
Total revenue	<u>1,270,864</u>

## EXPENSES: (Note 1)

Program services (Page 4)	774,811
Administrative and general (Page 4)	44,832
Total expenses	<u>819,643</u>

## INCREASE IN UNRESTRICTED NET ASSETS

451,221

## Net assets at beginning of year

780,050

## NET ASSETS AT END OF YEAR

\$ 1,231,271

See accompanying notes and accountant's compilation report.

MIRABEAU FAMILY LEARNING CENTER, INC.  
 AND ITS CONSOLIDATED SUBSIDIARY  
 STATEMENT OF FUNCTIONAL EXPENSES  
 FOR THE YEAR ENDED DECEMBER 31, 2005  
 (Unaudited)

	<u>Program Services</u>	<u>Administrative and General</u>	<u>Total</u>
EXPENSES:			
Accounting	\$ -	\$ 28,043	\$ 28,043
Contract labor	1,250	-	1,250
Depreciation	4,038	98	4,136
Insurance	18,193	442	18,635
Interest	-	5,663	5,663
Loss from investments in partnerships (Note 2)	28	-	28
Miscellaneous	1,274	-	1,274
Office equipment/furniture	20,205	490	20,695
Payroll taxes	26,979	655	27,634
Postage/freight	104	3	107
Professional services	40,243	977	41,220
Rent (Note 8)	13,403	-	13,403
Rent subsidy expense	300,551	-	300,551
Repairs and maintenance	4,584	111	4,695
Salaries	308,737	7,495	316,232
Supplies	22,320	542	22,862
Telephone	2,750	67	2,817
Travel	4,037	98	4,135
Utilities	6,115	148	6,263
	<u>774,811</u>	<u>44,832</u>	<u>819,643</u>
TOTAL EXPENSES	\$ <u>774,811</u>	\$ <u>44,832</u>	\$ <u>819,643</u>

See accompanying notes and accountant's compilation report.

MIRABEAU FAMILY LEARNING CENTER, INC.  
AND ITS CONSOLIDATED SUBSIDIARY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2005  
(Unaudited)

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Increase in net assets	\$ 451,222
Adjustments to reconcile increase in net assets to net cash used by operating activities:	
Depreciation	4,136
Gain on disposal of assets	(352,818)
Loss on investments in partnerships	28
(Increase) decrease in operating assets:	
Accounts receivable - insurance proceeds	(375,000)
Accounts receivable - grants	35,645
Accounts receivable - MFLC Partners	(60,458)
Accounts receivable - Filmore Parc Apartments II	(1,020)
Accounts receivable - St. Joe Estates I and II	381,029
Accounts receivable - Smith Square Development	(1,808)
Deposits	3,280
Prepaid expense	1,200
Increase (decrease) in operating liabilities:	
Accounts payable	(30,281)
Accounts payable - Filmore Parc, L.L.C.	(360,355)
Salaries payable	(10,962)
Interest payable - Filmore Parc, L.L.C.	(3,576)
Net cash used by operating activities	<u>(319,738)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Proceeds from disposal of assets	<u>375,000</u>
Net cash provided by investing activities	<u>375,000</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>	
Proceeds from notes payable	73,452
Payments on notes payable	<u>(128,853)</u>
Net cash used by financing activities	<u>(55,401)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(139)</b>
Cash and cash equivalents - beginning of year	<u>229,321</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ <u>229,182</u></b>
<b>SUPPLEMENTARY CASH FLOW INFORMATION:</b>	
Cash was paid for the following:	
Interest	\$ <u>9,239</u>
Income taxes	\$ <u>-</u>

See accompanying notes and accountant's compilation report.

MIRABEAU FAMILY LEARNING CENTER, INC.  
AND ITS CONSOLIDATED SUBSIDIARY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2005  
(Unaudited)

NATURE OF OPERATIONS:

Mirabeau Family Learning Center, Inc. (the Center) is a neighborhood-based nonprofit organization committed to strengthening personal, family and neighborhood self-reliance by providing education, training, affordable housing and support services to residents of New Orleans, Louisiana. The primary sources of revenue are federal grant income and fees related to its affordable housing services.

MFLC Development, L.L.C. is a limited liability company formed to provide affordable housing development. Its primary source of revenue is development fee income.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of Mirabeau Family Learning Center, Inc. and its consolidated subsidiary conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to nonprofit organizations. The following is a summary of significant policies:

Principles of Consolidation:

The consolidated financial statements include the accounts of Mirabeau Family Learning Center, Inc. and its wholly-owned subsidiary, MFLC Development, L.L.C. All material interorganization transactions have been eliminated.

Basis of Presentation:

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Standards No. 117, *Financial Statements of Not-for-Profit Organizations*.

The statement of activities presents expenses functionally between program services, fundraising and administrative. Those expenses which cannot be functionally categorized are allocated between functions based upon management's estimate of usage applicable to conducting those functions.

Statements of Cash Flows:

For purposes of the statement of cash flows, cash and cash equivalents are defined as all items designated as "cash" and "certificates of deposit" on the statement of financial position.

MIRABEAU FAMILY LEARNING CENTER, INC.  
AND ITS CONSOLIDATED SUBSIDIARY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2005  
(Unaudited)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basis of Accounting:

The financial statements reflect the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized in the period in which they become due. Expenses are recognized in the period in which the related liability is incurred.

Accounts Receivable:

The Center uses the direct write-off method of accounting for uncollectible receivables. Use of this method is not materially different from the allowance method required by GAAP as all receivables are considered to be fully collectible.

Property and Equipment:

The use of unrestricted funds and grant revenue for plant acquisitions was accounted for as transfers to the plant fund. Property and equipment were stated at cost. The building was depreciated using the straight-line method over ten years, which is the term of the land lease. (See note 4.) The equipment was depreciated over the estimated useful life of five years using the straight-line method of depreciation. Depreciation expense of \$4,136 was charged to the plant fund for the year ended December 31, 2005.

Donated Services:

No amounts have been reflected in the statements for donated services, as no objective basis is available to measure the value of such services.

Investments in Partnerships:

The Center's investments in various partnerships are accounted for on the equity method of accounting (cost, adjusted for the income or loss of the partnership).

2. RELATED PARTY TRANSACTIONS:

The Center and its consolidated subsidiary engaged in transactions during 2005 with the following related parties:

MIRABEAU FAMILY LEARNING CENTER, INC.  
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(Unaudited)

2. RELATED PARTY TRANSACTIONS: (Continued)

MFLC Partners, ALPIC

The Center is the managing general partner with an ownership percentage of .01% in MFLC Partners, ALPIC. At December 31, 2005, the Center had an investment in MFLC Partners of \$125,100. In 2005, the Center incurred a loss of \$16 from MFLC Partners.

The Center was the developer for MFLC Partners' housing project. At December 31, 2005, \$66,901 was owed to the Center from MFLC Partners for development fees incurred in the year 2000.

The Center also performs management services for MFLC Partners. In 2005, the Center earned management fee income of \$23,397. At December 31, 2005, MFLC Partners owed the Center \$111,175 for management fees incurred in 2005 and prior years.

At December 31, 2005, \$37,996 was due to the Center from MFLC Partners for reimbursement of expenses paid by the Center.

Filmore Parc Apartments II

The Center is a general partner with an ownership percentage of .01% in Filmore Parc Apartments II. At December 31, 2005, the Center's investment in Filmore Parc Apartments II was \$167,974. In 2005, the Center incurred a loss of \$10 from Filmore Parc Apartments II.

At December 31, 2005, \$3,427 was owed to the Center from Filmore Parc Apartments II for development fee income earned in 2002.

At December 31, 2005, the Center was owed \$39,253 from Filmore Parc Apartments II for loan interest incurred in previous years.

At December 31, 2005, \$2,068 was due to the Center from Filmore Parc Apartments II for reimbursement of various expenses paid by the Center in previous years.

Smith Square Development, ALPIC

The Center is the managing general partner with a .001% ownership interest in Smith Square Development, ALPIC. At December 31, 2005, the Center's investment in Smith Square Development was \$0. The Center incurred no income or loss during 2005 from its investment in Smith Square Development.

MIRABEAU FAMILY LEARNING CENTER, INC.  
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(Unaudited)

2. RELATED PARTY TRANSACTIONS: (Continued)

Smith Square Development, ALPIC (Continued)

In 2005, the Center performed management services for Smith Square Development in the amount of \$1,808. At December 31, 2005, \$3,616 was due to the Center from Smith Square Development for management fees incurred in 2005 and prior years.

Moss Oaks Homes I and II

The Center is the managing general partner with a .0153% ownership interest in both Moss Oaks Homes I and II. At December 31, 2005, the Center's investment in Moss Oaks Homes I and II was \$100. The Center incurred no income or loss during 2005 from its investment in Moss Oaks Homes I and II.

In a previous year, the Center earned consulting fee income from an agreement with the developer for Moss Oaks Homes I and II. At December 31, 2005, \$83,304 was owed to the Center from the developer for the consulting fee income.

Filmore Parc, L.L.C.

The Executive Director of the Center is the sole member of Filmore Parc, L.L.C. At December 31, 2005, \$2,693 was due to Filmore Parc, L.L.C. from the Center for reimbursement of various expenses paid on the Center's behalf.

MFLC Development, L.L.C. (the wholly-owned subsidiary of the Center) is the developer for the St. Joe Estates I and II housing projects. MFLC Development, L.L.C. sub-contracted with Filmore Parc, L.L.C. to provide the development services for these projects. At December 31, 2005, \$144,949 was owed to Filmore Parc, L.L.C. for development services expense incurred in previous years.

At December 31, 2005, \$10,000 was owed to Filmore Parc, L.L.C. from MFLC Development, L.L.C. for professional services rendered in previous years.

At December 31, 2005, \$10,000 was owed to Filmore Parc, L.L.C. from MFLC Development, L.L.C. for an advance of funds.

St. Joe Estates I and II

MFLC Development, L.L.C. is a limited partner with a .001% ownership interest in both St. Joe Estates I and II. At December 31, 2005, MFLC Development, L.L.C.'s investment in St. Joe Estates I and II was \$(6). MFLC Development, L.L.C. incurred a loss of \$2 during 2005 from its investment in St. Joe Estates I and II.

MIRABEAU FAMILY LEARNING CENTER, INC.  
AND ITS CONSOLIDATED SUBSIDIARY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2005  
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2. RELATED PARTY TRANSACTIONS: (Continued)

St. Joe Estates I and II (Continued)

MFLC Development, L.L.C. was the developer for the St. Joe Estates I and II housing projects. At December 31, 2005, \$227,564 was owed to MFLC Development, L.L.C. for development fees earned in previous years.

At December 31, 2005, \$6,622 was due to the Center from St. Joe Estates I and II for reimbursement of various expenses.

3. UNINSURED CASH:

The Center maintains cash balances at financial institutions located in the New Orleans area. The accounts are insured by the Federal Deposit Insurance Corporation up to \$100,000. At December 31, 2005, the Center's uninsured bank balances totaled \$69,438. MFLC Development, L.L.C. had no uninsured balances at December 31, 2005.

4. LAND LEASE:

The Center has leased land for a term of five years expiring December 31, 2007. The lease contains a provision for automatic annual renewals for a period of one year unless either party gives 60 days written notice. The consideration given by the Center for the lease is rent of \$1 per year.

5. USE OF ESTIMATES:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

6. INCOME TAXES:

The Mirabeau Family Learning Center, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. MFLC Development, L.L.C. was formed as a Limited Liability Corporation. Since it is wholly owned by the Center and furthers the Center's exempt purpose, the net income of MFLC Development, L.L.C. is included in the Center's exempt income tax return and is also exempt from federal income tax.

MIRABEAU FAMILY LEARNING CENTER, INC.  
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(Unaudited)

7. NOTES PAYABLE:

At December 31, 2005, Mirabeau Family Learning Center, Inc. had a note payable to Whitney National Bank, representing a line of credit with a maximum borrowing limit of \$100,000. The note payable is due on December 19, 2006 and bears interest at a variable rate which was 7.75% at December 31, 2005. The note payable is secured by certificates of deposit and other deposit accounts. At December 31, 2005, the balance due on the note was \$53,176.

8. RENT EXPENSE:

The Center rented space in a building under the terms of a lease with monthly rent of \$1,200. Total rent expense under the lease for the year ending December 31, 2005 was \$9,600. The lease was cancelled in 2005 as a result of Hurricane Katrina.

9. HURRICANE KATRINA:

On August 29, 2005, Hurricane Katrina struck southeast Louisiana, causing complete destruction of the Center's building and improvements and furniture and equipment. Hurricane Katrina also displaced from the New Orleans area many of the individuals served by the Center's operations. As a result, the Center ceased operations as of August 29, 2005. The damages to the Center's facility are covered by insurance. At December 31, 2005, a receivable of \$375,000 has been recorded for insurance proceeds. Management of the Center plans to rebuild the Center and resume operations as soon as possible.

MIRABEAU FAMILY LEARNING CENTER, INC.  
AND ITS CONSOLIDATED SUBSIDIARY  
SUPPLEMENTARY INFORMATION  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2005  
(Unaudited)

	Mirabeau Family Learning Center, Inc.	MFLC Development, L.L.C.	Eliminations	Total
<b>CURRENT ASSETS:</b>				
Cash	\$ 187,010	\$ 167	\$ -	\$ 187,177
Certificates of deposit	36,090	5,915	-	42,005
Accounts receivable:				
Insurance proceeds	375,000	-	-	375,000
MFLC Partners	216,072	-	-	216,072
Filmore Parc Apartments II	5,495	-	-	5,495
Smith Square Development	3,616	-	-	3,616
St. Joe Estates I and II	6,622	227,564	-	234,186
Consulting fees	83,304	-	-	83,304
Interest receivable - Filmore Parc Apartments II	39,253	-	-	39,253
Due from Mirabeau Family Learning Center, Inc.	-	18,470	(18,470)	-
Total current assets	<u>952,462</u>	<u>252,116</u>	<u>(18,470)</u>	<u>1,186,108</u>
<b>PROPERTY AND EQUIPMENT:</b>				
	-	-	-	-
<b>OTHER ASSETS:</b>				
Investment in Moss Oaks I and II	100	-	-	100
Investment in Filmore Parc Apartments II	167,974	-	-	167,974
Investment in MFLC Partners	125,100	-	-	125,100
Total other assets	<u>293,174</u>	<u>-</u>	<u>-</u>	<u>293,174</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 1,245,636</u></b>	<b><u>\$ 252,116</u></b>	<b><u>\$ (18,470)</u></b>	<b><u>\$ 1,479,282</u></b>
<b>CURRENT LIABILITIES:</b>				
Accounts payable	\$ 27,187	\$ -	\$ -	\$ 27,187
Accounts payable - Filmore Parc, L.L.C.	2,693	164,949	-	167,642
Due to MFLC Development, L.L.C.	18,470	-	(18,470)	-
Notes payable	53,176	-	-	53,176
Total current liabilities	<u>101,526</u>	<u>164,949</u>	<u>(18,470)</u>	<u>248,005</u>
<b>OTHER LIABILITIES:</b>				
Investments:				
St. Joe Estates I and II	-	6	-	6
MFLC Development, L.L.C.	4,859	-	(4,859)	-
Total other liabilities	<u>4,859</u>	<u>6</u>	<u>(4,859)</u>	<u>6</u>
<b>TOTAL LIABILITIES</b>	<b><u>106,385</u></b>	<b><u>164,955</u></b>	<b><u>(23,329)</u></b>	<b><u>248,011</u></b>
<b>NET ASSETS:</b>				
Unrestricted	<u>1,139,251</u>	<u>87,161</u>	<u>4,859</u>	<u>1,231,271</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 1,245,636</u></b>	<b><u>\$ 252,116</u></b>	<b><u>\$ (18,470)</u></b>	<b><u>\$ 1,479,282</u></b>

See accountant's compilation report.

MIRABEAU FAMILY LEARNING CENTER, INC.  
AND ITS CONSOLIDATED SUBSIDIARY  
SUPPLEMENTARY INFORMATION  
CONSOLIDATING STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2005  
(Unaudited)

	Mirabeau Family Learning Center, Inc.	MFLC Development, L.L.C.	Eliminations	Total
<b>UNRESTRICTED NET ASSETS:</b>				
<b>REVENUE:</b>				
Contractual income	\$ 372,916	\$ -	\$ -	\$ 372,916
Donations	6,425	-	-	6,425
Gain on disposal of assets	352,818	-	-	352,818
Grant revenue	506,995	-	-	506,995
Interest income	983	124	-	1,107
Management fee income	25,205	-	-	25,205
Miscellaneous	4,144	1,254	-	5,398
Total revenue	<u>1,269,486</u>	<u>1,378</u>	<u>-</u>	<u>1,270,864</u>
<b>EXPENSES:</b>				
Accounting	27,503	540	-	28,043
Contract labor	1,250	-	-	1,250
Depreciation	4,136	-	-	4,136
Insurance	18,635	-	-	18,635
Interest	5,421	242	-	5,663
Loss from investments in partnerships	26	2	-	28
Miscellaneous	1,274	-	-	1,274
Office equipment / furniture	20,695	-	-	20,695
Payroll taxes	27,634	-	-	27,634
Postage/freight	107	-	-	107
Professional services	41,220	-	-	41,220
Rent	13,403	-	-	13,403
Rent subsidy expense	300,551	-	-	300,551
Repairs and maintenance	4,695	-	-	4,695
Salaries	316,232	-	-	316,232
Supplies	22,862	-	-	22,862
Telephone	2,817	-	-	2,817
Travel	4,135	-	-	4,135
Utilities	6,263	-	-	6,263
Total expenses	<u>818,859</u>	<u>784</u>	<u>-</u>	<u>819,643</u>
<b>INCREASE IN UNRESTRICTED NET ASSETS</b>				
	450,627	594	-	451,221
Net assets at beginning of year	<u>688,624</u>	<u>86,567</u>	<u>4,859</u>	<u>780,050</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 1,139,251</u>	<u>\$ 87,161</u>	<u>\$ 4,859</u>	<u>\$ 1,231,271</u>

See accountant's compilation report.

**MIRABEAU FAMILY LEARNING CENTER, INC.  
AND ITS CONSOLIDATED SUBSIDIARY  
SUPPLEMENTARY INFORMATION  
COMBINING STATEMENT OF FINANCIAL POSITION -  
MIRABEAU FAMILY LEARNING CENTER, INC.  
FOR THE YEAR ENDED DECEMBER 31, 2005  
(Unaudited)**

	<u>Unrestricted</u>	<u>21st Century</u>	<u>Youth Build</u>	<u>Special Projects</u>	<u>Temporary Assistance of Needy Families</u>	<u>German Protestant Orphan Asylum</u>	<u>Real Estate Fund</u>	<u>Plant Fund</u>	<u>Total</u>
<b>CURRENT ASSETS:</b>									
Cash	\$ 140,724	\$ -	\$ 9,477	\$ -	\$ -	\$ -	\$ 36,809	\$ -	\$ 187,010
Certificates of deposit	10,093	-	-	-	-	-	25,997	-	36,090
<b>Accounts receivable:</b>									
Insurance proceeds	375,000	-	-	-	-	-	-	-	375,000
MFLC Partners	24,228	-	-	-	-	-	191,844	-	216,072
Filmore Parc Apartments II	1,048	-	-	-	-	-	4,447	-	5,495
Smith Square Development	-	-	-	-	-	-	3,616	-	3,616
St. Joe Estates I and II	6,622	-	-	-	-	-	-	-	6,622
Consulting fees	-	-	-	-	-	-	83,304	-	83,304
<b>Interest receivable - Filmore Parc Apartments II</b>									
	-	-	-	-	-	-	39,253	-	39,253
Due from other funds	17,369	-	6,987	-	-	-	103,915	-	128,271
<b>Total current assets</b>	<u>575,084</u>	<u>-</u>	<u>16,464</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>489,185</u>	<u>-</u>	<u>1,080,733</u>
<b>PROPERTY AND EQUIPMENT</b>									
	-	-	-	-	-	-	-	-	-
<b>OTHER ASSETS:</b>									
Investment in Moss Oaks I and II	-	-	-	-	-	-	100	-	100
<b>Investment in Filmore Parc Apartments II</b>									
	-	-	-	-	-	-	167,974	-	167,974
Investment in MFLC Partners	-	-	-	-	-	-	125,100	-	125,100
<b>Total other assets</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>293,174</u>	<u>-</u>	<u>293,174</u>
<b>TOTAL ASSETS</b>	<u>\$ 575,084</u>	<u>\$ -</u>	<u>\$ 16,464</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 782,359</u>	<u>\$ -</u>	<u>\$ 1,373,907</u>
<b>CURRENT LIABILITIES:</b>									
Accounts payable	\$ 11,805	-	\$ 10,490	\$ 35	\$ -	\$ -	\$ 4,857	\$ -	\$ 27,187
Accounts payable - Filmore Parc, L.L.C.	-	-	2,693	-	-	-	-	-	2,693
Due to MFLC Development, L.L.C.	9,828	-	-	-	-	-	8,642	-	18,470
Notes payable	51,976	-	-	1,200	-	-	-	-	53,176
Due to other funds	110,725	-	-	17,369	-	-	177	-	128,271
<b>Total current liabilities</b>	<u>184,334</u>	<u>-</u>	<u>13,183</u>	<u>18,604</u>	<u>-</u>	<u>-</u>	<u>13,676</u>	<u>-</u>	<u>229,797</u>
<b>OTHER LIABILITIES:</b>									
<b>Investments:</b>									
MFLC Development, L.L.C.	-	-	-	-	-	-	4,859	-	4,859
<b>Total other liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,859</u>	<u>-</u>	<u>4,859</u>
<b>TOTAL LIABILITIES</b>	<u>184,334</u>	<u>-</u>	<u>13,183</u>	<u>18,604</u>	<u>-</u>	<u>-</u>	<u>18,535</u>	<u>-</u>	<u>234,656</u>
<b>NET ASSETS:</b>									
Unrestricted	<u>390,750</u>	<u>-</u>	<u>3,281</u>	<u>(18,604)</u>	<u>-</u>	<u>-</u>	<u>763,824</u>	<u>-</u>	<u>1,139,251</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 575,084</u>	<u>\$ -</u>	<u>\$ 16,464</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 782,359</u>	<u>\$ -</u>	<u>\$ 1,373,907</u>

MIRABEAU FAMILY LEARNING CENTER, INC.  
AND ITS CONSOLIDATED SUBSIDIARY  
SUPPLEMENTARY INFORMATION  
COMBINING STATEMENT OF ACTIVITIES -  
MIRABEAU FAMILY LEARNING CENTER, INC.  
FOR THE YEAR ENDED DECEMBER 31, 2005  
(Unaudited)

	Unrestricted	21st Century	Youth Build	Special Projects	Temporary Assistance of Needy Families	German Protestant Orphan Asylum	Real Estate Fund	Plant Fund	Total
<b>UNRESTRICTED NET ASSETS:</b>									
<b>REVENUE:</b>									
Contractual income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 372,916	\$ -	\$ 372,916
Donations	5,750	-	-	-	675	-	-	-	6,425
Gain on disposal of assets	-	-	-	-	-	-	-	352,818	352,818
Grant revenue	50,000	118,533	188,499	62,267	87,696	-	-	-	506,995
Interest income	322	-	-	-	-	-	661	-	983
Management fee income	-	-	-	-	-	-	25,205	-	25,205
Miscellaneous	2,646	-	-	-	-	-	1,498	-	4,144
Total revenue	<u>58,718</u>	<u>118,533</u>	<u>188,499</u>	<u>62,267</u>	<u>88,371</u>	<u>-</u>	<u>400,280</u>	<u>352,818</u>	<u>1,269,486</u>
<b>EXPENSES:</b>									
Accounting	9,851	1,766	8,106	1,308	1,463	152	4,857	-	27,503
Contract labor	-	-	-	-	-	-	1,250	-	1,250
Depreciation	-	-	-	-	-	-	-	4,136	4,136
Insurance	-	3,669	8,174	4,261	2,296	235	-	-	18,635
Interest	5,421	-	-	-	-	-	-	-	5,421
Loss from investments in partnerships	-	-	-	-	-	-	26	-	26
Miscellaneous	217	80	16	719	25	-	217	-	1,274
Office equipment / furniture	500	9,608	-	10,587	-	-	-	-	20,695
Payroll taxes	-	6,763	9,155	4,542	6,420	754	-	-	27,634
Postage/freight	-	-	43	-	64	-	-	-	107
Professional services	1,018	26,452	2,822	1,705	6,890	-	2,333	-	41,220
Rent	-	-	10,835	2,568	-	-	-	-	13,403
Rent subsidy expense	-	-	-	-	-	-	300,551	-	300,551
Repairs and maintenance	-	-	1,476	1,119	2,100	-	-	-	4,695
Salaries	-	70,647	128,674	52,326	58,506	6,079	-	-	316,232
Supplies	1,370	1,039	10,870	1,898	7,685	-	-	-	22,862
Telephone	-	-	1,942	-	875	-	-	-	2,817
Travel	1,331	333	2,158	-	313	-	-	-	4,135
Utilities	-	-	4,228	557	1,351	-	127	-	6,263
Total expenses	<u>19,708</u>	<u>120,357</u>	<u>188,499</u>	<u>81,590</u>	<u>87,988</u>	<u>7,220</u>	<u>309,361</u>	<u>4,136</u>	<u>818,859</u>
<b>TRANSFERS:</b>									
Transfers in	378,194	1,824	-	719	9,043	-	-	-	389,780
Transfers out	(11,586)	-	-	-	-	(3,194)	-	(375,000)	(389,780)
	<u>366,608</u>	<u>1,824</u>	<u>-</u>	<u>719</u>	<u>9,043</u>	<u>(3,194)</u>	<u>-</u>	<u>(375,000)</u>	<u>-</u>
<b>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>									
	405,618	-	-	(18,604)	9,426	(10,414)	90,919	(26,318)	450,627
Net assets at beginning of year	(14,868)	-	3,281	-	(9,426)	10,414	672,905	26,318	688,624
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 390,750</u>	<u>\$ -</u>	<u>\$ 3,281</u>	<u>\$ (18,604)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 763,824</u>	<u>\$ -</u>	<u>\$ 1,139,251</u>

See accountant's compilation report.