HAWKINS | ASH CPAs

HOUSING AUTHORITY PUBLIC HOUSING BASICS

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OVERVIEW

- Understanding Accounting Basics
- Understanding Chart of Accounts
- Reading and Understanding Financial Statements
  - Balance Sheet/Net Position
  - Income Statement/Statement of Activities

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ACCOUNTING BASICS

- The Accounting Equation

Assets - Liabilities = Equity/Net Position

- ASSETS
  - Tangible and intangible items of value which a Housing Authority owns
    - Cash / Investments
    - Inventory
    - Accounts Receivable
    - Fixed Assets
    - Prepaid Expenses

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ACCOUNTING BASICS CONTINUED

- LIABILITIES
  - Items which are owed by the Housing Authority
    - Loans
    - Bills to be paid (Accounts Payable)
    - Accrued Expenses
- EQUITY/NET POSITION
  - Net Worth of the Housing Authority
    - Invested In Capital Assets – Net Fixed Assets less outstanding loans
    - Restricted – Amount restricted by outside source
    - Unrestricted - Working Capital

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ACCOUNTING BASICS CONTINUED

- REVENUE
  - Income generated from tenants and non tenant sources
- EXPENSE
  - Administrative
  - Tenant Services
  - Utilities
  - Maintenance
  - Protective Services
  - General
  - Extraordinary Maintenance

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CHART OF ACCOUNTS

Account Structure

- Fund*
- Statement ID
- Program ID
- Project/AMP Number
- HUD Account Number*
- Extension*

*Recommended

Example 01-1-000-000-4430.070 Electrical

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CHART OF ACCOUNTS CONTINUED

HUD Account Categories

- Assets
  - Generally 1000 accounts
- Liabilities and Equity
  - Generally 2000 accounts
- Revenues
  - Generally 3000 accounts
- Expenses
  - Generally 4000 accounts

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FINANCIAL STATEMENTS

- Balance Sheet/Net Position – a snapshot of assets, liabilities and equity at a particular point in time
- Income Statement/Statement of Activities (Profit and Loss Statement) – shows a measurement of a Housing Authority financial performance over a particular period (Month/Quarter/Annual)

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Sample Financials

- Let's go over what we learned in the sample financial statement.

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