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**HOUSING AUTHORITY OF THE  
CITY OF CAPE MAY  
CAPE MAY, NEW JERSEY**

**SUMMARY FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
SEPTEMBER 30, 2015**

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INDEPENDENT AUDITOR'S REPORT ON  
SUMMARY FINANCIAL STATEMENTS

June 20, 2016

Board of Commissioners  
Housing Authority of the City of Cape May  
Cape May, New Jersey

Report on the Summary Financial Statements

The accompanying summary financial statements of the Housing Authority of the City of Cape May, Cape May, New Jersey, as of and for the year ended September 30, 2015 are derived from the audited basic financial statements of the Housing Authority of the City of Cape May, Cape May, New Jersey, as of and for the year ended September 30, 2015. We expressed an unmodified audit opinion on those audited financial statements in our report dated June 20, 2016.

The summary financial statements do not contain all the information required for a complete presentation under accounting principles generally accepted in the United States of America. Reading the summary financial statements, therefore, is not a substitute for reading the basic financial statements of the Housing Authority of the City of Cape May, Cape May, New Jersey.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation and fair presentation of the summary financial statements in accordance with accounting principles generally accepted in the United States of America.

Auditor's Responsibility

Our responsibility is to express an opinion about whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with auditing standards generally accepted in the United States of America. The procedures consisted principally of comparing the summary financial statements with the related information in the audited financial statements from which the summary financial statements have been derived, and evaluating whether the summary financial statements are prepared in accordance with the basis described in the second paragraph of this report.

Opinion

In our opinion, the summary financial statements of the Housing Authority of the City of Cape May, Cape May, New Jersey as of and for the year ended September 30, 2015 referred to above are consistent, in all material respects, with the basic financial statements from which they have been derived, in accordance with accounting principles generally accepted in the United States of America.

*Barbacane, Thornton & Company LLP*  
BARBACANE, THORNTON & COMPANY LLP

SYNOPSIS OF THE HOUSING AUTHORITY OF THE CITY OF CAPE MAY AUDIT REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015, as required by N.J.S. 40A:5A-16. The Housing Authority of the City of Cape May owns 85 housing elderly and family units of low-income housing.

**HOUSING AUTHORITY OF THE CITY OF CAPE MAY  
CAPE MAY, NEW JERSEY  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2015**

**ASSETS AND DEFERRED OUTFLOW OF RESOURCES**

Cash and cash equivalents	\$ 371,401
Accounts receivable, net	1,253
Other assets	5,848
Capital assets - net	1,073,582
Total Assets	<u>1,452,084</u>

Deferred Outflow of Resources:  
Deferred pension expense

280,046

**TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES**

\$ 1,732,130

**LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION**

Liabilities:

Accounts payable and accrued expenses  
Tenant security deposits  
Accrued compensated absences  
Net pension liability

\$ 68,091  
26,968  
11,471  
561,871

Total Liabilities

668,401

Deferred Inflow of Resources:  
Deferred pension expense

9,034

Net Position:

Net investment in capital assets  
Unrestricted (Deficit)

1,073,582  
(18,887)

Total Net Position

1,054,695

**TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION**

\$ 1,732,130

**HOUSING AUTHORITY OF THE CITY OF CAPE MAY  
CAPE MAY, NEW JERSEY  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

OPERATING INCOME	
Tenant revenue	\$ 309,073
Government operating grants	412,041
Other income	4,784
<b>TOTAL OPERATING INCOME</b>	<u>725,898</u>
OPERATING EXPENSES	
Administration	242,196
Utilities	260,631
Tenant services	1,375
Ordinary maintenance and operation	254,409
Insurance expense	22,959
General expense	10,885
Depreciation expense	132,283
<b>TOTAL OPERATING EXPENSES</b>	<u>924,738</u>
<b>NET OPERATING LOSS</b>	<u>(198,840)</u>
NONOPERATING INCOME	
Interest on investments	614
<b>TOTAL NONOPERATING INCOME</b>	<u>614</u>
<b>CHANGE IN NET POSITION</b>	(198,226)
<b>NET POSITION, OCTOBER 1, RESTATED</b>	<u>1,252,921</u>
<b>NET POSITION, SEPTEMBER 30</b>	<u>\$ 1,054,695</u>

The above synopsis was prepared from the audit report of the Housing Authority of the City of Cape May for the year ended September 30, 2015.

The audit report, submitted by Barbacane, Thornton & Company LLP, Certified Public Accountants, is on file at the Authority's office at 639 Lafayette Street, Cape May, New Jersey 08204 and is available for review by the public during regular office hours, Thomas Hynes, Chairman of the Board.