

ENTERPRISE CORPORATION OF THE DELTA

**Consolidated Financial Statements
with Supplementary Information**
Years Ended December 31, 2004 and 2003

Enterprise Corporation of the Delta

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Enterprise Corporation of the Delta
Jackson, Mississippi

We have audited the accompanying consolidated statement of financial position of the Enterprise Corporation of the Delta ("ECD") as of December 31, 2004, and the related consolidated statements of activities and changes in net assets and of cash flows for the year then ended. These financial statements and the schedules referred to below are the responsibility of ECD's management. Our responsibility is to express an opinion on the financial statements based on our audit. The consolidated financial statements of ECD for the year ended December 31, 2003, were audited by other auditors, whose report dated February 11, 2004, expressed an unqualified opinion on those statements.

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 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 2004 consolidated financial statements referred to above present fairly, in all material respects, the financial position of ECD as of December 31, 2004, and the changes in its consolidated net assets and its consolidated cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the consolidated financial statements for the year ended December 31, 2004 taken as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Caru, Riggs & Ingram, L.L.C.

Ridgeland, Mississippi
April 13, 2005

Enterprise Corporation of the Delta

Consolidated Statements of Financial Position

<i>December 31,</i>	2004	2003
Assets		
Cash and cash equivalents	\$ 6,952,318	\$ 4,239,638
Grants receivable	3,954,506	6,293,200
Other receivables	543,455	411,302
Loans (net of allowance for losses of \$2,215,000 in 2004 and \$2,860,000 in 2003)	19,998,317	15,893,076
Prepaid expenses	303,375	132,765
Debt securities	7,094,456	14,448,594
Investment in privately-held companies:		
Preferred stock and convertible notes	2,233,300	2,200,000
Common stock	1,450,572	1,312,295
Secondary capital of Hope Community Credit Union	5,233,312	129,429
Property and equipment, net	407,259	454,023
Foreclosed property	3,134,593	3,046,360
Total assets	\$ 51,305,463	\$ 48,560,682
Liabilities and net assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 282,060	\$ 318,613
Notes payable	15,430,123	10,148,750
Total liabilities	15,712,183	10,467,363
Commitments and contingencies (Notes 3 and 9)		
Net assets:		
Unrestricted	2,539,635	4,797,698
Minority interest in ECDI	4,517,481	5,020,933
Minority interest in ECDA	1,001,509	-
Total unrestricted	8,058,625	9,818,631
Temporarily restricted	7,869,375	8,374,517
Permanently restricted	19,665,280	19,900,171
Total net assets	35,593,280	38,093,319
Total liabilities and net assets	\$ 51,305,463	\$ 48,560,682

See notes to financial statements.

Enterprise Corporation of the Delta

Consolidated Statement of Activities and Changes in Net Assets

*Year ended December 31, 2004 with summarized
financial information for the year ended December 31, 2003*

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	2003 Total
Revenues and gains					
Grants and contributions	\$ 400	\$ 1,959,804	\$ 629,257	\$ 2,589,461	\$ 1,322,835
In-kind contributions	-	-	-	-	100,538
Interest and dividends:					
Loans and other investments	975,331	-	310,077	1,285,408	1,041,834
Debt securities and cash equivalents	265,063	-	32,822	297,885	417,106
Net realized and unrealized loss					
on debt securities	(80,945)	-	(2,443)	(83,388)	(94,940)
Loan fees and other revenue	781,905	-	27,824	809,729	414,321
Loss on investment in Hope Community Credit Union	-	-	-	-	(33,686)
	1,941,754	1,959,804	997,537	4,899,095	3,168,008
Net assets released from restrictions:					
Satisfaction of program restriction	3,397,374	(2,164,946)	(1,232,428)	-	-
Expiration of time restrictions	300,000	(300,000)	-	-	-
Total revenues and gains	5,639,128	(505,142)	(234,891)	4,899,095	3,168,008
Expenses					
Program expenses:					
Development finance	3,728,865	-	-	3,728,865	5,436,968
Technical assistance	33,985	-	-	33,985	154,712
Housing initiative	1,232,615	-	-	1,232,615	324,296
Hope Community Credit Union	1,779,185	-	-	1,779,185	862,535
Other programs	2,116,766	-	-	2,116,766	1,732,226
	8,891,416	-	-	8,891,416	8,510,737
General administration:					
General and administration expense	380,517	-	-	380,517	401,816
Fund-raising and communication	127,196	-	-	127,196	164,680
Total expenses	9,399,129	-	-	9,399,129	9,077,233
Change in net assets before minority interest	(3,760,001)	(505,142)	(234,891)	(4,500,034)	(5,909,225)
Minority interest in subsidiaries' losses	1,501,938	-	-	1,501,938	1,350,306
Change in net assets attributable to controlling interest					
	(2,258,063)	(505,142)	(234,891)	(2,998,096)	(4,558,919)
Net assets attributable to controlling interest:					
At beginning of year	4,797,698	8,374,517	19,900,171	33,072,386	37,631,305
At end of year	2,539,635	7,869,375	19,665,280	30,074,290	33,072,386
Net assets of minority interests (Note 6)	5,518,990			5,518,990	5,020,933
Total net assets at end of year	\$ 8,058,625	\$ 7,869,375	\$19,665,280	\$35,593,280	\$38,093,319

See notes to financial statements.

Enterprise Corporation of the Delta

Consolidated Statements of Cash Flows

<i>Years ended December 31,</i>	2004	2003
Operating activities		
Change in net assets attributable to controlling interest	\$ (2,998,096)	\$ (4,558,919)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Minority interest	(1,501,938)	(1,350,306)
Depreciation	59,044	57,962
Provision for bad debts	1,204,733	2,039,435
Impairment loss on investments and foreclosed property	550,150	920,338
Realized and unrealized losses on investments	83,386	131,835
Proceeds from sales of mortgage loans held for sale	7,259,148	
Originations of mortgage loans held for sale	(9,618,454)	
Changes in operating assets and liabilities:		
Grants receivable, other receivables and prepaid expenses	2,035,931	4,284,250
Accounts payable and accrued expenses	(36,553)	57,464
Net cash provided by (used in) operating activities	(2,962,649)	1,582,059
Investing activities		
Net increase in loans	(3,058,516)	(3,352,016)
Purchases of debt securities	(12,899,117)	(34,267,599)
Proceeds from maturities and sales of debt securities	20,169,869	37,377,707
Investments in Hope Community Credit Union	(5,103,883)	-
Investments in privately held companies	(868,362)	(1,384,117)
Proceeds from sales of foreclosed property	166,250	93,500
Purchase of equipment	(12,280)	(9,624)
Net cash used in investing activities	(1,606,039)	(1,542,149)
Financing activities		
Capital contribution by minority interest	1,999,995	-
Long-term borrowings	6,705,000	35,000
Payments on long-term borrowings	(1,423,627)	(930,000)
Net cash provided by (used in) financing activities	7,281,368	(895,000)
Increase (decrease) in cash and cash equivalents	2,712,680	(855,090)
Cash and cash equivalents, beginning of year	4,239,638	5,094,728
Cash and cash equivalents, end of year	\$ 6,952,318	\$ 4,239,638
Supplemental disclosure of noncash investing activities		
Property received upon foreclosure on loans	\$ 107,848	\$ 1,599,104
Foreclosed property placed in service	\$ -	\$ 324,868

See notes to financial statements.

Enterprise Corporation of the Delta

Notes to Consolidated Financial Statements

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Company

Enterprise Corporation of the Delta (the “Company”) is a wholly-owned subsidiary of Enterprise Corporation of the Mid South. The Company was incorporated in 1994 as a not-for-profit development financial corporation serving the delta region of Arkansas, Louisiana and Mississippi. The goal of the Company is to improve the regional economy through investment, jobs and growth. The services of the Company include financing, management assistance and market development and are designed to support business creation and expansion, homeownership and community development.

ECD Investments, LLC (“ECDI”), a for-profit subsidiary of Enterprise Corporation of the Delta, was formed in 1997 as a limited liability company. ECD Investments BIDCO, Inc. (“BIDCO”) is a wholly-owned subsidiary of ECDI. The purpose of ECDI and BIDCO are the same as that of the Company. The consolidated financial statements of the Company also include the accounts of ECD Associates, LLC (ECDA) and ECD New Markets, LLC (ECDNM). ECDA and ECDNM began operations in 2004, with the Company serving as the Managing Member of both entities. Debt and equity funding into ECDA and ECDNM are used for secondary capital loans and contributions to Hope Community Credit Union (Hope), who in turn will use the funds to make loans to qualifying small businesses. The Company is the primary sponsor of Hope and a large percentage of Hope members are also members of the Company. Further, the two companies also share common management.

Basis of Financial Statement Presentation

The consolidated financial statements have been prepared on the accrual basis and include the accounts of the Company, ECDI, BIDCO, ECDA and ECDNM. Significant intercompany transactions and balances have been eliminated in consolidation. 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The net assets of the Company are reported as unrestricted net assets, temporarily restricted net assets or permanently restricted net assets. Restricted net assets are created by donor-imposed restrictions on their use. All other net assets are legally unrestricted and are reported as part of the unrestricted class. Temporarily restricted net assets are grants restricted to and intended for support of future operations and programs. Permanently restricted net assets are grants donated as permanent revolving loan funds. Provisions of certain grant agreements allow loan losses to be charged against permanently restricted net assets as incurred. In addition, during 2004, a donor released \$1,000,000 of permanently restricted revolving loan funds to be used as a grant to ECD for specified purposes.

Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Enterprise Corporation of the Delta

Notes to Consolidated Financial Statements

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grants Receivable

Unconditional grants are recognized as revenue in the period the commitment is received. Unconditional grants to be received over a period of time in excess of one year are recorded at fair value at the date of the grant based upon the present value of payments to be received.

Loans

Loans consist of commercial and consumer mortgage loans, stated at the amount of unpaid principal, reduced by the allowance for loan losses. The commercial loans are typically collateralized by property, equipment, inventories, and/or receivables with loan-to-value ratios from 50 percent to 100 percent and are typically guaranteed by the principals of the borrower. The consumer mortgage loans are collateralized by the related residence of the borrower. All of the Company's consumer mortgage loans are held for sale at December 31, 2004 and 2003 and are valued at the lower of cost or market using the aggregate method. Interest income is computed on the loan balance outstanding and is accrued as earned. The Company discontinues the accrual of interest and recognizes income only as received when, in management's judgment, the collection of interest is doubtful.

The allowance for loan losses is maintained at a level considered adequate by management to provide for probable loan losses related to specifically identified loans and for losses inherent in the loan portfolio that has been estimated as of the balance sheet date. Management's determination of the adequacy of the allowance is based on an evaluation of the portfolio, growth and composition of the loan portfolio, economic conditions and other relevant factors. The allowance is increased by provisions for loan losses charged to expense.

Debt Securities

Debt securities are carried at fair value based on quoted market prices. Unrealized gains and losses are therefore included in the change in net assets. The primary components that determine a security's fair value are its coupon rate, maturity and credit characteristics.

Investments in Privately-Held Companies

Investments in privately-held companies are carried at the lower of cost or net realizable value. The Company regularly evaluates whether, in management's opinion, events or circumstances have occurred which may indicate that the carrying amount of the Company's investments in privately-held companies may not be recoverable based upon estimated future discounted cash flows from the investment. If some or all of the investment is determined to be unrecoverable, the asset is written down to the estimated net realizable value. The Company recognized an impairment loss on privately-held company investments of \$697,000 and \$780,000 in 2004 and 2003, respectively.

Property and Equipment

Property and equipment are stated at cost, if purchased, and estimated fair value at the date received, if donated to the Company. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets by the straight-line method.

Enterprise Corporation of the Delta

Notes to Consolidated Financial Statements

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreclosed Property

Foreclosed property consists of properties repossessed by the Company on foreclosed loans. These assets are stated at the lower of the outstanding loan amount (including accrued interest, if any) or fair value at the date acquired less estimated costs to sell. Losses arising from the acquisition of such property are charged against the allowance for loan losses. Declines in value resulting from disposition of such property are expensed as impairment loss on foreclosed property or loss on disposition of foreclosed property, as applicable. Changes in value resulting from subsequent revaluation of the property or gains and losses resulting from disposition of such property are charged to operations.

Contributed Facilities

In 2003, the Company occupied certain premises located in a building owned by a company with which a member of the Company's board of directors is affiliated. The fair rental value of the premises in excess of the rent charged to the Company in the amount of \$100,000 was reported as in-kind contributions and expenses in the accompanying 2003 financial statements.

Income Taxes

The Company has received a ruling from the Internal Revenue Service for exemption from income taxes as a public charity under Internal Revenue Code Sections 501(c)(3) and 509(a)(2). Since ECDI is a limited liability company, no income taxes are provided. The results of operations are reportable by the members of ECDI on their individual income tax returns. BIDCO is subject to income taxes at the corporate level. As such, deferred income taxes relate to temporary differences between assets and liabilities of BIDCO that are recognized differently for financial reporting purposes and income tax purposes. Deferred tax assets and liabilities pertain to net operating loss carryforwards, the allowance for loan losses and unrealized gains on securities. A valuation allowance was recorded at December 31, 2004 and 2003 to offset the net deferred tax assets. At December 31, 2004, BIDCO has net operating loss carryforwards of approximately \$1,184,000 that will begin to expire in 2021.

Reclassifications and Summarized Financial Information

Certain reclassifications have been made in the 2003 financial statements to conform to the method of presentation used in 2004. The consolidated statement of activities and changes in net assets includes certain prior-year comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2003 from which the summarized information was derived.

Recently Issued Accounting Standards

In March 2004, the Emerging Issues Task Force ("EITF") reached a consensus on Issue No. 03-1, The Meaning of Other-Than-Temporary and Its Application to Certain Investments. For the Company, the issue applies to certain equity securities that are not subject to the scope of SFAS No. 124 since fair value is not readily determinable and not accounted for under the equity method of accounting (i.e., cost method investments). Issue 03-1 outlines a three-step model for

Enterprise Corporation of the Delta

Notes to Consolidated Financial Statements

assessing other-than-temporary impairment. The model involves determining

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

whether an investment is impaired, then evaluating whether the impairment is other-than-temporary, and if it is, recognizing an impairment loss equal to the difference between the investment's cost and its fair value. In September 2004 the FASB issued Statement of Position ("FSP") EITF Issue 03-1-4 which delayed the effective date for the measurement and recognition guidance contained in Issue 03-1. The guidance for analyzing securities for impairment will be effective with the final issuance of FSP EITF Issue 03-1-a. The disclosure guidance of Issue 03-1 remains effective and requires certain disclosures for investments within its scope as of December 31, 2004. Comparative information for the periods prior to the period of initial application is not required.

NOTE 2 - GRANTS RECEIVABLE

The Company's management anticipates grants receivable at December 31, 2004 will be received and available for support of the Company's programs as follows:

2005	\$ 1,520,978
2006	2,603,875
	4,124,853
Less adjustment to reflect grants receivable at fair value at the date of grant (discounted cash flows based on 4 percent discount rate)	(170,347)
	<u>\$ 3,954,506</u>

NOTE 3 – LOANS AND COMMITMENTS

Loans consisted of the following:

<i>December 31,</i>	2004	2003
Commercial loans	\$ 16,751,562	\$ 17,017,086
Consumer mortgage loans held for sale	3,556,224	1,196,918
Other consumer mortgage loans	1,905,531	539,072
	22,213,317	18,753,076
Allowance for loan losses	(2,215,000)	(2,860,000)
	\$ 19,998,317	\$ 15,893,076

Loan commitments are made to accommodate the financial needs of the Company's customers. These arrangements have credit risk essentially the same as that involved in extending loans to customers of commercial banks and are subject to the Company's normal credit practices. The Company's maximum exposure to credit loss for loan commitments (including unused lines of credit) was \$16,194,000 and \$10,805,000 at December 31, 2004 and 2003, respectively. The

Enterprise Corporation of the Delta

Notes to Consolidated Financial Statements

commitments are callable by the Company at any time and have scheduled maturities through 2007.

NOTE 3 – LOANS AND COMMITMENTS (Continued)

Transactions in the allowance for loan losses are summarized as follows:

<i>December 31,</i>	2004	2003
Balance at beginning of year	\$ 2,860,000	\$ 3,370,000
Provision charged to program expenses	1,204,734	2,039,435
Loans charged off and foreclosed	(1,849,734)	(2,549,435)
Balance at end of year	\$ 2,215,000	\$ 2,860,000

Approximately \$338,000 of the allowance for loan losses relate to non-accrual loans at December 31, 2004. The Company had non-accrual loans with nine customers totaling \$704,000 at December 31, 2004 and non-accrual loans with 23 customers totaling \$5,477,000 at December 31, 2003. The amount of interest income recognized on impaired loans was not material. The Company determines delinquency status based on recent payment history.

The Company makes loans to individuals and small businesses located in rural, economically disadvantaged areas of Mississippi, Louisiana and Arkansas. Such loans, the proceeds of which normally provide consumer financing to individuals and working capital and equipment financing to undercapitalized businesses that may be unable to obtain credit from conventional financing sources, carry a higher than typical degree of risk.

NOTE 4 – DEBT SECURITIES

Investments are presented in the financial statements at fair market value and are summarized as follows:

<i>December 31, 2004</i>	Cost	Fair Market Value
U.S. Government and federal agencies	\$ 3,139,832	\$ 3,129,924
Corporate debt securities	1,159,540	1,166,710
Mortgage-backed securities	2,499,286	2,484,797
Municipal bonds	316,585	313,025
	\$ 7,115,243	\$ 7,094,456

In 2003, debt securities consisted of U.S. Treasury and U.S. Government agencies securities, corporate debt securities and mortgage-backed securities.

Enterprise Corporation of the Delta

Notes to Consolidated Financial Statements

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

<i>December 31,</i>	2004	2003
Computer equipment	\$ 270,932	\$ 289,734
Office equipment and other	101,862	128,710
Land, building and improvements	324,868	324,868
	697,662	743,312
Accumulated depreciation	(290,404)	(289,289)
	\$ 407,258	\$ 454,023

NOTE 6 – NOTES PAYABLE

Notes payable consisted of the following:

<i>December 31,</i>	2004	2003
Note payable bearing interest of 3% through 2006 and 6% thereafter; annual principal installments of \$500,000 from December, 2005 through December, 2010	\$ 3,000,000	\$ 3,000,000
1% notes payable:		
interest due quarterly and maturing from 2004 through 2006	1,500,000	2,000,000
interest due quarterly and maturing from 2008 through 2010	1,500,000	1,500,000
interest due annually and maturing in 2010	1,500,000	1,500,000
interest due quarterly and maturing from 2012 through 2014	1,500,000	-
interest due quarterly and maturing in 2015	1,500,000	-
ECDA notes payable to banks bearing interest at 5.69-5.75%, with interest due quarterly, maturing in 2011-2014	2,000,000	-
6.25% note payable to a bank, payable in monthly installments of \$23,325 through August, 2010	1,286,373	-
2% note payable, matured in 2004	-	250,000
3% notes payable:		
interest due quarterly and maturing from 2004 through 2006	670,000	1,000,000
interest due annually and maturing in 2005	250,000	250,000
interest due quarterly and maturing in 2008	400,000	400,000
Other notes payable, with interest at 1% to 3%	323,750	248,750
Total notes payable	\$ 15,430,123	\$ 10,148,750

Notes payable maturities at December 31, 2004 are as follows:

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Notes to Consolidated Financial Statements

2005	\$ 1,817,000
2006	2,120,000
2007	809,000
2008	1,399,000
2009	1,390,000
Thereafter	7,895,123
	<u>\$ 15,430,123</u>

NOTE 6 – NOTES PAYABLE (Continued)

The \$1,500,000 note payable maturing in 2010 is a loan obtained from a company with which a member of the Company's board of directors is affiliated.

Interest paid approximated \$220,000 in 2004 and \$268,000 in 2003.

NOTE 7 – MINORITY INTEREST

ECDI has issued four Class A units at \$25,000 per unit. The owners of the Class A units may elect three of the seven members of the management committee of ECDI. The other four members are appointed by the Company, the sole Class B unitholder. As discussed in Note 1, ECDA and ECDNM began operations in 2004. In connection therewith, \$1,999,995 of investor capital was issued in 2004 by ECDA. ECD is the lone managing member of ECDA and elects three of the five board of directors of ECDNM. ECDA is the lone investing member of ECDNM.

The changes in minority interest for the years ended December 31, 2004 and 2003 follow:

	ECDI	ECDA	Total
Balance at January 1, 2003	\$ 6,371,239		\$ 6,371,239
Net loss	(1,335,960)		(1,335,960)
Net unrealized loss on debt securities	(14,346)		(14,346)
Balance at December 31, 2003	5,020,933		5,020,933
Investor member capital contributions	-	\$ 1,999,995	1,999,995
Net loss	(479,847)	(998,486)	(1,478,333)
Net unrealized loss on debt securities	(23,605)	-	(23,605)
Balance at December 31, 2004	\$ 4,517,481	\$ 1,001,509	\$ 5,518,990

Dividends in arrears totaled \$114,775 at December 31, 2004 relative to the ECDI Class A units.

NOTE 8 – EMPLOYEE BENEFIT PLAN

The Company sponsors a defined contribution 401(k) plan (the "Plan") for all employees. The Company contributes to the Plan up to a maximum amount of 12% of each employee's salary. Expenses of the Plan approximated \$224,000 and \$236,000 in 2004 and 2003, respectively.

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Notes to Consolidated Financial Statements

NOTE 9 – CONTINGENCIES

The Company is involved in litigation incidental to business activities. Management is of the opinion that the outcome of these matters, upon the advice of legal counsel, will not have a material adverse effect on the Company's consolidated financial position or results of operations.

SUPPLEMENTARY INFORMATION

Enterprise Corporation of the Delta

Schedule of Consolidated Expenses by Natural Classification

<i>December 31,</i>	2004	2003
Expenses		
Salaries, employee taxes and benefits	\$ 3,014,349	\$ 3,326,261
Bank and payroll fees	139,017	101,242
Conferences and employee training	19,736	62,075
Contractual services	2,247,776	1,054,273
Equipment, furniture and fixtures	39,962	34,310
Grants to Hope Community Credit Union	1,220,314	341,454
Insurance	101,201	100,045
Miscellaneous	29,763	44,154
Office supplies	181,607	163,642
Rent and employee parking	100,801	106,026
Rent-in-kind		100,000
Repairs and maintenance	25,692	47,892
Service fees	22,628	30,609
Staff recruitment and relocation	3,800	27,399
Telephone and utilities	88,495	146,474
Travel	103,263	149,828
Interest	246,797	223,814
Provision for loan losses	1,204,734	2,039,435
Impairment (recovery of previous impairment) loss on foreclosed assets	(146,635)	139,966
Impairment loss on privately-held company investments	696,785	780,372
Depreciation	59,044	57,962
	\$ 9,399,129	\$ 9,077,233