

**MILLVILLE HOUSING AUTHORITY  
MILLVILLE, NEW JERSEY**

**REPORT ON AUDIT OF  
FINANCIAL STATEMENTS AND  
SUPPLEMENTAL INFORMATION**

**SEPTEMBER 30, 2007 AND 2006**

MILLVILLE HOUSING AUTHORITY

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INDEPENDENT AUDITORS' REPORT

June 30, 2008

Board of Commissioners  
Millville Housing Authority  
Millville, New Jersey

We have audited the basic financial statements of Millville Housing Authority, herein referred to as the Authority, as of and for the years ended September 30, 2007 and 2006 as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as discussed in the following paragraph, we conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 audits provide a reasonable basis for our opinion.

As described in Note 14, we were unable to verify the costs of the inventories at September 30, 2007, and were unable to satisfy ourselves about the costs of the inventories, stated at the net realizable value of \$83,152, by means of other auditing procedures.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the accounting records been adequate for us to satisfy ourselves about the inventories recorded in the financial statements, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Authority at September 30, 2007 and 2006 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2008 on our consideration of Millville Housing Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

Board of Commissioners  
Millville Housing Authority

The management's discussion and analysis on pages 3 through 7 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information presented on pages 25 to 31, including the financial data schedule, is presented for purposes of additional analysis and is not a required part of the basic financial statements of Millville Housing Authority. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

*Barbacane, Thornton & Company*

BARBACANE, THORNTON & COMPANY