



Consolidating Financial Statements

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
CONSOLIDATING STATEMENT OF FINANCIAL POSITION AS OF SEPTEMBER 30, 1997

(Dollars in Millions)

	Federal Housing Administration	Government National Mortgage Association	Section 8 Rental Assistance	Community Development Block Grant	HOME	Public and Indian Housing Grants and Loans	Operating Subsidies	Section 202 Housing for Elderly and Handicapped	All Other	Eliminations	Consolidated
ASSETS											
Entity Assets:											
Intragovernmental Assets:											
Fund Balance with U. S. Treasury, (Note 2)											
Non-interest bearing	\$ 3,423	\$ 156	\$29,220	\$9,576	\$3,722	\$11,867	\$1,716	\$ 7,300	\$8,307		\$ 75,287
Interest bearing	759										759
Total Fund Balance with U.S. Treasury	4,182	156	29,220	9,576	3,722	11,867	1,716	7,300	8,307	\$0	76,046
Investments (Note 4)	13,220	5,382							168		18,770
Other Intragovernmental Assets	193	36	0						47	0	276
Governmental Assets:											
Foreclosed Property Held for Sale, Net (Note 5)	1,471	3						1	1		1,476
Mortgage Notes and Loans Receivable, Net (Note 6)	1,172	4				35		8,207	425		9,843
Other Governmental Assets	525	102	494	19	0	5	0	81	230		1,456
Total Entity Assets	\$20,763	\$5,683	\$29,714	\$9,595	\$3,722	\$11,907	\$1,716	\$15,589	\$9,178	\$0	\$107,867
Non-Entity Assets:											
Intragovernmental Assets:											
Fund Balance with U. S. Treasury, (Note 2)			\$64						\$17		\$81
Governmental Assets:											
Other Non-Entity Assets	\$ 72		438								510
Total Non-Entity Assets	\$ 72	\$ 0	\$ 502	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 17	\$0	\$ 591
TOTAL ASSETS	\$20,835	\$5,683	\$30,216	\$9,595	\$3,722	\$11,907	\$1,716	\$15,589	\$9,195	\$0	\$108,458
LIABILITIES AND NET POSITION											
Liabilities Covered by Budgetary Resources:											
Intragovernmental Liabilities:											
Accounts Payable and Accrued Expenses	\$ 3		\$ 572			\$ 207		\$ 90	\$ 4		\$ 876
Borrowings (Note 8)	0								36		36
Other Intragovernmental Liabilities	11	\$ 21	0			0		0	163	\$0	195
Governmental Liabilities:											
Accounts Payable and Accrued Expenses	366		179	\$ 19	\$ 6	70	\$ 62	8	92		802
Distributive Shares and Premium Refunds Payable	180										180
Claims Payable	388										388
Loss Reserves (Note 7)	13,149	508									13,657
Unearned Premiums	7,221										7,221
Debentures Issued to Claimants	68										68
Other Governmental Liabilities		19	3			8		9	63	0	102
Total Liabilities Covered by Budgetary Resources:	\$21,386	\$ 548	\$ 754	\$ 19	\$ 6	\$ 285	\$ 62	\$ 107	\$ 358	\$0	\$ 23,525
Liabilities Not Covered by Budgetary Resources											
Intragovernmental Liabilities:											
Borrowings (Note 8)	\$ 3,639					\$ 1,561		\$ 6,174			\$ 11,374
Governmental Liabilities:											
Accounts Payable and Accrued Expenses									\$139		139
Borrowings (Note 8)						3,586					3,586
Total Liabilities Not Covered by Budgetary Resources	\$ 3,639	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,147	\$ 0	\$ 6,174	\$ 139	\$0	\$ 15,099
TOTAL LIABILITIES	\$25,025	\$ 548	\$ 754	\$ 19	\$ 6	\$ 5,432	\$ 62	\$ 6,281	\$ 497	\$0	\$ 38,624
Commitments and Contingencies (Notes 3, 10 and 11)											
NET POSITION (Note 9):											
Mutual Insurance Funds Equity	\$ 2,662										\$2,662
Invested Capital									\$15		15
Unexpended Appropriations Held for Commitments			\$29,462	\$9,576	\$3,716	\$11,579	\$1,654	\$6,265	8,013		70,265
Cumulative Results of Operations	(21,197)	\$5,135				43		304	418		(15,297)
Future Funding Commitments						(5,147)		(807)	(138)		(6,092)
Appropriated Capital	14,345							3,546	390		18,281
Total Net Position	\$ (4,190)	\$5,135	\$29,462	\$9,576	\$3,716	\$ 6,475	\$1,654	\$ 9,308	\$8,698	\$0	\$ 69,834
TOTAL LIABILITIES AND NET POSITION	\$20,835	\$5,683	\$30,216	\$9,595	\$3,722	\$11,907	\$1,716	\$15,589	\$9,195	\$0	\$108,458

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
CONSOLIDATING STATEMENT OF FINANCIAL POSITION AS OF SEPTEMBER 30, 1996

(Dollars in Millions)

	Federal Housing Administration	Government National Mortgage Association	Section 8 Rental Assistance	Community Development Block Grant	HOME	Public and Indian Housing Grants and Loans	Operating Subsidies	Section 202 Housing for Elderly and Handicapped	All Other	Eliminations	Consolidated
ASSETS											
Entity Assets:											
Intragovernmental Assets:											
Fund Balance with U. S. Treasury, (Note 2)											
Non-interest bearing	\$ 5,608	\$131	\$43,371	\$9,243	\$3,533	\$13,082	\$1,634	\$ 7,102	\$7,920		\$ 91,624
Interest bearing	1,542										1,542
Total Fund Balance with U.S. Treasury	7,150	131	43,371	9,243	3,533	13,082	1,634	7,102	7,920	0	93,166
Investments (Note 4)	7,661	4,785							158		12,604
Other Intragovernmental Assets	109	35	20			5		37	49	\$(43)	212
Governmental Assets:											
Foreclosed Property Held for Sale, Net (Note 5)	1,162	6						1			1,169
Mortgage Notes and Loans Receivable, Net (Note 6)	3,971	1				35		8,286	488		12,781
Other Governmental Assets	401	84	130			1		85	93		794
Total Entity Assets	\$20,454	\$5,042	\$43,521	\$9,243	\$3,533	\$13,123	\$1,634	\$15,511	\$8,708	\$(43)	\$120,726
Non-Entity Assets:											
Intragovernmental Assets:											
Fund Balance with U. S. Treasury, (Note 2)			\$ 21						\$ 20		\$ 41
Governmental Assets:											
Other Non-Entity Assets	\$ 67		476								543
Total Non-Entity Assets	\$ 67	\$ 0	\$ 497	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20	\$ 0	\$ 584
TOTAL ASSETS	\$20,521	\$5,042	\$44,018	\$9,243	\$3,533	\$13,123	\$1,634	\$15,511	\$8,728	\$(43)	\$121,310
LIABILITIES AND NET POSITION											
Liabilities Covered by Budgetary Resources:											
Intragovernmental Liabilities:											
Accounts Payable and Accrued Expenses	\$ 5		\$ 499			\$ 216		\$ 295	\$ 7		\$ 1,022
Borrowings (Note 8)									39		39
Other Intragovernmental Liabilities	11	\$ 16	43						15	\$(43)	42
Governmental Liabilities:											
Accounts Payable and Accrued Expenses	419		36	\$ 26	\$ 6	93	\$ 64	13	76		733
Distributive Shares and Premium Refunds Payable	154										154
Claims Payable	653										653
Loss Reserves (Note 7)	12,986	472									13,458
Unearned Premiums	6,931										6,931
Debentures Issued to Claimants	82										82
Other Governmental Liabilities		21	23			7			63		114
Total Liabilities Covered by Budgetary Resources:	\$21,241	\$ 509	\$ 601	\$ 26	\$ 6	\$ 316	\$ 64	\$ 308	\$ 200	\$(43)	\$ 23,228
Liabilities Not Covered by Budgetary Resources											
Intragovernmental Liabilities:											
Borrowings (Note 8)	\$ 3,123					\$ 1,627		\$ 6,909			\$ 11,659
Governmental Liabilities:											
Accounts Payable and Accrued Expenses									\$ 134		134
Borrowings (Note 8)						3,861					3,861
Total Liabilities Not Covered by Budgetary Resources	\$ 3,123	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,488	\$ 0	\$ 6,909	\$ 134	\$ 0	\$ 15,654
TOTAL LIABILITIES	\$24,364	\$ 509	\$ 601	\$ 26	\$ 6	\$ 5,804	\$ 64	\$ 7,217	\$ 334	\$(43)	\$ 38,882
Commitments and Contingencies (Notes 3, 10 and 11)											
NET POSITION (Note 9):											
Mutual Insurance Funds Equity	\$ 2,526										\$ 2,526
Invested Capital									\$ 10		\$10
Unexpended Appropriations Held for Commitments			\$43,417	\$9,217	\$3,527	\$12,758	\$1,570	\$ 6,245	7,647		84,381
Cumulative Results of Operations	(21,043)	\$4,533				49		45	417		(15,999)
Future Funding Commitments						(5,488)		(807)	(134)		(6,429)
Appropriated Capital	14,674							2,811	454		17,939
Total Net Position	\$(3,843)	\$4,533	\$43,417	\$9,217	\$3,527	\$ 7,319	\$1,570	\$ 8,294	\$8,394	\$ 0	\$ 82,428
TOTAL LIABILITIES AND NET POSITION	\$20,521	\$5,042	\$44,018	\$9,243	\$3,533	\$13,123	\$1,634	\$15,511	\$8,728	\$(43)	\$121,310

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
CONSOLIDATING STATEMENT OF OPERATIONS FOR THE YEAR ENDED SEPTEMBER 30, 1997

(Dollars in Millions)

	Federal Housing Administration	Government National Mortgage Association	Section 8 Rental Assistance	Community Development Block Grant	HOME	Public and Indian Housing Grants and Loans	Operating Subsidies	Section 202 Housing for Elderly and Handicapped	All Other	Eliminations	Consolidated
REVENUES AND FINANCING SOURCES:											
Operating Revenues:											
FHA Premiums	\$2,486										\$ 2,486
GNMA Mortgage Backed-Securities Program Income		\$354									354
Interest and Penalties, Non Federal	253					\$ 2		\$ 698	\$ 18		971
Interest, Federal	805	318							10		1,133
Other	115	15						1	56		187
Financing Sources:											
Appropriated Capital Used			\$15,149	\$4,518	\$1,219	4,297	\$2,823	845	2,737		31,588
Imputed Financing Sources									11		11
Total Revenues and Financing Sources	\$3,659	\$687	\$15,149	\$4,518	\$1,219	\$4,299	\$2,823	\$1,544	\$2,832	\$0	\$36,730
EXPENSES:											
Section 8 Subsidies			\$15,115			\$ 22			\$ 120		\$15,257
Community Development Block Grants				\$4,491							4,491
Operating Subsidies							\$2,812				2,812
Low Rent Public Housing Grants						3,918					3,918
HOME					\$1,211						1,211
Other Subsidies, Grants and Loans								\$ 819	2,304		3,123
Mortgage-Backed Securities Program Expenses		\$ 30									30
Increase in Loss Reserves	\$ 163										163
Provision for Losses on Foreclosed Properties	2,232							0			2,232
Provision for Losses on Mortgage Notes and Loans	308					79		0	74		461
(Gain) on Sale of Mortgage Notes	(92)										(92)
Interest											
Non Federal	5					0					5
Federal	250					235		436	3		924
Salaries and Administration	723	9	34	27	8	36	11	26	355		1,229
Other	87	47						4	0		138
Total Expenses	\$3,676	\$ 86	\$15,149	\$4,518	\$1,219	\$4,290	\$2,823	\$1,285	\$2,856	\$0	\$35,902
EXCESS (DEFICIENCY) OF REVENUES AND FINANCING SOURCES OVER EXPENSES	\$ (17)	\$601	\$ 0	\$ 0	\$ 0	\$ 9	\$ 0	\$ 259	\$ (24)	\$0	\$ 828

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
CONSOLIDATING STATEMENT OF OPERATIONS FOR THE YEAR ENDED SEPTEMBER 30, 1996

(Dollars in Millions)

	Federal Housing Administration	Government National Mortgage Association	Section 8 Rental Assistance	Community Development Block Grant	HOME	Public and Indian Housing Grants and Loans	Operating Subsidies	Section 202 Housing for Elderly and Handicapped	All Other	Eliminations	Consolidated
REVENUES AND FINANCING SOURCES:											
Operating Revenues:											
FHA Premiums	\$2,142										\$ 2,142
GNMA Mortgage Backed-Securities Program Income		\$335									335
Interest and Penalties, Non Federal	273					\$ 3		\$ 763	\$ 21		1,060
Interest, Federal	705	274							58		1,037
Other	70	12							9		91
Financing Sources:											
Appropriated Capital Used			\$16,384	\$4,547	\$1,207	4,251	\$2,811	745	2,446		32,391
Total Revenues and Financing Sources	\$3,190	\$621	\$16,384	\$4,547	\$1,207	\$4,254	\$2,811	\$1,508	\$2,534	\$0	\$37,056
EXPENSES:											
Section 8 Subsidies			\$16,350			\$ 28			\$ 102		\$16,480
Community Development Block Grants				\$4,526							4,526
Operating Subsidies							\$2,777				2,777
Low Rent Public Housing Grants						3,879					3,879
HOME					\$1,201						1,201
Other Subsidies, Grants and Loans								\$ 726	2,078		2,804
Mortgage-Backed Securities Program Expenses		\$ 27									27
Increase in Loss Reserves	\$1,921										1,921
Provision for Losses on Foreclosed Properties	1,975										1,975
Provision for Losses on Mortgage Notes and Loans	(819)					39		2	64		(714)
(Gain) on Sale of Mortgage Notes	(187)										(187)
Interest											
Non Federal	18					83					101
Federal	198					217		572	1		988
Salaries and Administration	683	9	35	22	6	25	35	20	305		1,140
Other	19	69						1	(2)		87
Total Expenses	\$3,808	\$105	\$16,385	\$4,548	\$1,207	\$4,271	\$2,812	\$1,321	\$2,548	\$0	\$37,005
EXCESS (DEFICIENCY) OF REVENUES AND\$ FINANCING SOURCES OVER EXPENSES	\$ (618)	\$516	\$ (1)	\$ (1)	\$ 0	\$ (17)	\$ (1)	\$ 187	\$ (14)	\$0	\$ 51

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
CONSOLIDATING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED SEPTEMBER 30, 1997

(Dollars in Millions)

	Federal Housing Administration	Government National Mortgage Association	Section 8 Rental Assistance	Community Development Block Grant	HOME	Public and Indian Housing Grants and Loans	Operating Subsidies	Section 202 Housing for Elderly and Disabled	All Other	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES:											
Excess (Deficiency) of Revenues and Financing Sources over Expenses	\$ (17)	\$ 601	\$ 0	\$ 0	\$ 0	\$ 9	\$ 0	\$ 259	\$ (24)	\$ 0	\$ 828
Adjustments to Reconcile Excess (Deficiency) to Net Cash Provided (Used) by Operating Activities:											
Appropriated Capital Used			(15,150)	(4,518)	(1,219)	(4,297)	(2,823)	(845)	(2,737)		(31,589)
Increase (Decrease) in Loss Reserves	163	(14)									149
Provision for Losses on Foreclosed Properties	2,232										2,232
Provision for Losses on Mortgage Notes and Loans	308					79		0	74		461
Loss (Gain) on Mortgage Notes Held for Sale	(92)										(92)
Premiums Earned	(1,205)										(1,205)
Premiums Collected	1,789										1,789
Premiums Refunded	(294)										(294)
Claims Settlement Payments	(6,131)										(6,131)
Collection of Principal on Notes Acquired in Claims Settlement	187										187
Proceeds from Disposition of Assets Acquired in Claims Settlement	5,986										5,986
Increase (Decrease) in Payables and Other Liabilities	(294)	4	224	(7)	0	24	(2)	(201)	42		(210)
(Increase) Decrease in Receivables and Other Assets	(213)	(16)	(428)	(19)	0	0	0	3	(12)		(685)
Other, Net	(144)	47	0	0	0	0	0	0	24		(73)
Net Cash Provided (Used) by Operating Activities	\$ 2,275	\$ 622	\$ (15,354)	\$ (4,544)	\$ (1,219)	\$ (4,185)	\$ (2,825)	\$ (784)	\$ (2,633)	\$ 0	\$ (28,647)
CASH FLOWS FROM INVESTING ACTIVITIES:											
Purchase of Investments Securities	\$(18,596)	\$(597)							\$ (10)		\$(19,203)
Proceeds from Sale of Investment Securities	13,181										13,181
Proceeds from Disposal of Mortgages									4		4
Principal Collections on Mortgages and Loans						\$ 3		\$ 83	60		146
Acquisition of Assets						(81)		(6)	(83)		(170)
Other, Net								2	2		4
Net Cash Provided (Used) by Investing Activities	\$ (5,415)	\$(597)	\$ 0	\$ 0	\$ 0	\$ (78)	\$ 0	\$ 79	\$ (27)	\$ 0	\$ (6,038)
CASH FLOW FROM FINANCING ACTIVITIES:											
Appropriations Received	\$ 302		\$ 1,974	\$ 4,877	\$ 1,408	\$ 2,821	\$ 2,911	\$ 1,600	\$ 2,998		\$ 18,891
Cash Returned to Treasury	(631)	\$ 0		(4)		(15)	(7)		(66)		(723)
Borrowings from U.S. Treasury	592								(3)		589
Issuance of Debentures to Claimants	47										47
Payment of Borrowings	(76)					(341)		(735)			(1,152)
Payment of Debentures	(61)										(61)
Distributive Shares Paid	(1)										(1)
Transfers to(-) or from(+) other HUD Programs			(728)	4		583		38	103		0
Transfers from other Agencies				0					7		7
Other, Net			0				3		5		8
Net Cash Provided by Financing Activities	\$ 172	\$ 0	\$ 1,246	\$ 4,877	\$ 1,408	\$ 3,048	\$ 2,907	\$ 903	\$ 3,044	\$ 0	\$ 17,605
Net Increase (Decrease) in Cash	\$ (2,968)	\$ 25	\$(14,108)	\$ 333	\$ 189	\$(1,215)	\$ 82	\$ 198	\$ 384	\$ 0	\$(17,080)
Funds With U.S.Treasury, Non-interest bearing, Beginning of Year	7,150	131	43,392	9,243	3,533	13,082	1,634	7,102	7,940	0	93,207
Funds With U.S.Treasury, Non-interest bearing, End of Year	\$ 4,182	\$ 156	\$ 29,284	\$ 9,576	\$ 3,722	\$ 11,867	\$ 1,716	\$ 7,300	\$ 8,324	\$ 0	\$ 76,127

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
CONSOLIDATING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED SEPTEMBER 30, 1996

(Dollars in Millions)

	Federal Housing Administration	Government National Mortgage Association	Section 8 Rental Assistance	Community Development Block Grant	HOME	Public and Indian Housing Grants and Loans	Operating Subsidies	Section 202 Housing for Elderly and Disabled	All Other	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES:											
Excess of Revenues and Financing Sources over Expenses	\$ (618)	\$ 516	\$ (1)	\$ (1)	\$ 0	\$ (17)	\$ (1)	\$ 187	\$ (14)		\$ 51
Adjustments to Reconcile Excess (Deficiency) to Net Cash Provided (Used) by Operating Activities:											
Appropriated Capital Used			(16,384)	(4,547)	(1,207)	(4,251)	(2,811)	(745)	(2,446)	\$0	(32,391)
Increase (Decrease) in Loss Reserves	1,921	(46)									1,875
Provision for Losses on Foreclosed Properties	1,975										1,975
Provision for Losses on Mortgage Notes and Loans	(819)					39		2	66		(712)
(Gain) on sale of Mortgage Notes	(187)										(187)
Premiums Earned	(1,058)										(1,058)
Premiums Collected	1,722										1,722
Premiums Refunded	(418)										(418)
Claims Settlement Payments	(5,542)										(5,542)
Collection of Principal on Notes Acquired in Claims Settlement	232										232
Proceeds from Disposition of Assets Acquired in Claims Settlement	6,534										6,534
Increase (Decrease) in Payables and Other Liabilities	93	(2)	63	(39)	(11)	(31)	42	(57)	38		96
(Increase) Decrease in Receivables and Other Assets	(33)	53	1,070	21	7	28	48	34	(24)		1,204
Other, Net	(57)	69	1	1		(105)	1	2	(3)		(91)
Net Cash Provided (Used) by Operating Activities	\$ 3,745	\$ 590	\$(15,251)	\$(4,565)	\$(1,211)	\$(4,337)	\$(2,721)	\$(577)	\$(2,383)	\$0	\$(26,710)
CASH FLOWS FROM INVESTING ACTIVITIES:											
Purchase of Investments Securities	\$(7,655)	\$(537)							\$ 51		\$(8,141)
Proceeds from Sale of Investment Securities	6,657										6,657
Proceeds from Disposal of Mortgages									4		4
Principal Collections on Mortgages and Loans						\$ 20		\$ 23	103		146
Acquisition of Assets						(40)		(2)	(100)		(142)
Other, Net											0
Net Cash Provided (Used) by Investing Activities	\$ (998)	\$(537)	\$ 0	\$ 0	\$ 0	\$(20)	\$ 0	\$ 21	\$ 58	\$0	\$(1,476)
CASH FLOW FROM FINANCING ACTIVITIES:											
Appropriations Received	\$ 887		\$ 5,880	\$ 4,671	\$ 1,406	\$ 3,311	\$ 2,834	\$ 1,912	\$ 3,058		\$ 23,959
Cash Returned to Treasury	(826)	\$ (15)	0	(4)			(12)		(81)		(938)
Borrowings from U.S. Treasury	1,616								(49)		1,567
Issuance of Debentures to Claimants	65										65
Payment of Borrowings	(140)					(332)		(805)			(1,277)
Payment of Debentures	(70)										(70)
Distributive Shares Paid	(2)										(2)
Transfers to(-) or from(+) other HUD Programs			966			38		(1,001)	(3)		0
Transfers from other Agencies									7		7
Other, Net	1		460						10		471
Net Cash Provided by Financing Activities	\$ 1,531	\$(15)	\$ 7,306	\$ 4,667	\$ 1,406	\$ 3,017	\$ 2,822	\$ 106	\$ 2,942	\$0	\$ 23,782
Net Increase (Decrease) in Cash	\$ 4,278	\$ 38	\$(7,945)	\$ 102	\$ 195	\$(1,340)	\$ 101	\$(450)	\$ 617	\$0	\$(4,404)
Funds With U.S.Treasury, Non-interest bearing, Beginning of Year	2,872	93	51,337	9,141	3,338	14,422	1,533	7,552	7,323	0	97,611
Funds With U.S.Treasury, Non-interest bearing, End of Year	\$ 7,150	\$ 131	\$ 43,392	\$ 9,243	\$ 3,533	\$ 13,082	\$ 1,634	\$ 7,102	\$ 7,940	\$0	\$ 93,207

