



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

RQ-2

Martin Depoy, Treasurer  
National Association of Real Estate  
Investment Trusts, Inc. Political  
Action Committee  
1875 Eye Street, NW  
Washington, DC 20006

OCT 3 1 2000

Identification Number: C00303339

Reference: July Quarterly Report (4/01/00-6/30/00)

Dear Mr. Depoy:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

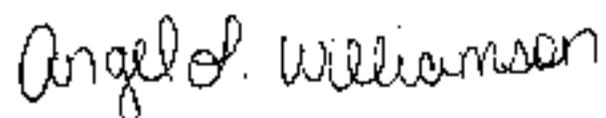
-The beginning cash balance of this report should equal the ending balance of your April Quarterly Report. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-The totals listed on Lines 7 and 23, Column B of the Summary and Detailed Summary Pages appear to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Column B totals. Please amend your report and any subsequent reports that may be affected by this correction.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our

toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,

A handwritten signature in cursive script that reads "Angel L. Williamson".

Angel L. Williamson  
Reports Analyst  
Reports Analysis Division

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry, no matter how small, should be recorded to ensure the integrity of the financial statements. This includes not only sales and purchases but also expenses, income, and any other financial activity. The document also highlights the need for regular reconciliation of accounts to identify any discrepancies early on.

In addition, the document provides a detailed overview of the accounting cycle, which consists of eight steps: identifying the accounting cycle, journalizing, posting, determining debits and credits, preparing a trial balance, adjusting entries, preparing financial statements, and closing the books. Each step is explained in detail, with examples provided to illustrate the process. The document also discusses the importance of maintaining proper documentation for all transactions, including receipts, invoices, and bank statements.

The second part of the document focuses on the preparation of financial statements. It explains how to calculate net income, determine the cost of goods sold, and prepare the income statement, balance sheet, and statement of cash flows. The document also discusses the importance of providing a clear and concise explanation of the financial results, including a management discussion and analysis. This section provides a step-by-step guide to preparing each of these statements, with examples and formulas provided for each calculation.

Finally, the document discusses the importance of maintaining accurate records of all transactions and the need for regular reconciliation of accounts. It emphasizes that every entry, no matter how small, should be recorded to ensure the integrity of the financial statements. This includes not only sales and purchases but also expenses, income, and any other financial activity. The document also highlights the need for regular reconciliation of accounts to identify any discrepancies early on.