

Accountant's Report

R Frank Miller

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September 11, 2014

Board of Directors
Kentwood Home Guardians

I have compiled the accompanying balance sheet of Kentwood Home Guardians, a California non-profit corporation as of May 31, 2014 and May 31, 2013 and the related statements of revenue and expenses and cash flows for the year then ended. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the corporation's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to Kentwood Home Guardians.


R. Frank Miller

Kentwood Home Guardians, Inc*Balance Sheet*

	5/31/2014		5/31/2013
	Operating Fund	Total	Total
ASSETS			
Cash - checking	\$ 9,183	\$ 9,183	\$ 14,112
Cash - savings and CD's	94,783	94,783	112,129
Prepaid expenses	585	585	1,012
Total current assets	\$ 104,550	\$ 104,550	\$ 127,253
Delinquent accounts receivable	\$ 4,080	\$ 4,080	\$ 7,497
Office furniture and equipment	\$ 6,807	\$ 6,807	\$ 6,807
Accumulated depreciation	(5,779)	(5,779)	(5,465)
Net furniture & equipment	\$ 1,028	\$ 1,028	\$ 1,342
Rent deposit	496	496	496
Total assets	\$ 110,154	\$ 110,154	\$ 136,588
LIABILITIES			
Accounts payable	\$ 275	\$ 275	\$ 897
Accrued expenses and payroll taxes	3,625	3,625	15,510
Total current liabilities	\$ 3,900	\$ 3,900	\$ 16,407
Fund Balances			
Beginning Fund Balance	\$ 120,180	\$ 120,180	\$ 138,534
Excess revenues over expenses	(13,926)	(13,926)	(18,353)
Ending Fund Balance	\$ 106,254	\$ 106,254	\$ 120,180
Total liabilities & equity	\$ 110,154	\$ 110,154	\$ 136,588

See CPA's Compilation Report

Kentwood Home Guardians, Inc

Statement of Revenue and Expenses

Year ended May 31

	2014		2013
	Operating Fund	Total	Total
REVENUES:			
Assessments	\$ 35,624	\$ 35,624	\$ 35,629
Interest from members	627	627	154
Crime Prevention	5,105	5,105	5,370
Interest from banks	173	173	391
Transfer and document fees	5,475	5,475	2,775
Other revenues	25	25	675
 Total revenues	 \$ 47,029	 \$ 47,029	 \$ 44,994
EXPENSES:			
Program Services			
Payroll	\$ 25,697	\$ 25,697	\$ 19,625
Payroll taxes	889	889	161
Annual meeting	9,241	9,241	15,306
Crime Prevention	1,990	1,990	1,230
Depreciation	314	314	189
Insurance	2,117	2,117	2,322
Miscellaneous program services expense	0	0	2,124
Office expense	4,819	4,819	3,866
Rent	5,280	5,280	5,280
Repairs	0	0	0
Strip lot - maintenance	0	0	1,500
Property taxes	27	27	157
Write offs - foreclosures and unenforceable penalties	38	38	12
Total program services	50,413	50,413	51,770
Supporting Services			
Accounting	2,750	2,750	3,150
Assessment expenses	5,834	5,834	3,163
Collections	(25)	(25)	0
Legal	1,955	1,955	4,969
Miscellaneous program service expense	30	30	295
Total supporting services	10,543	10,543	11,577
 Total expenses	 \$ 60,956	 \$ 60,956	 \$ 63,347
 Net revenue over expenses	 \$ (13,926)	 \$ (13,926)	 \$ (18,353)

Kentwood Home Guardians, Inc*Statement of Cash Flow*

Year Ended May 31

	2014		2013
	Operating Fund	Total	Total
OPERATING ACTIVITIES:			
Excess of revenue over expenses excluding interest earned from Certificates of Deposit	\$ (14,241)	\$ (14,241)	\$ (18,744)
Adjustments to reconcile excess of revenue over expenses to net cash and cash equivalents:			
Depreciation	314	314	189
Changes in operating assets & liabilities:			
Prepaid expenses	427	427	(402)
Accounts receivable	3,417	3,417	(203)
Accounts payable	(623)	(623)	(1,027)
Accrued expenses and payroll taxes	(11,885)	(11,885)	11,807
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ (22,590)	\$ (22,590)	\$ (8,381)
INVESTING ACTIVITIES:			
Interest from certificates of deposit	\$ 315	\$ 315	\$ 391
NET CASH PROVIDED BY INVESTING ACTIVITIES	\$ 315	\$ 315	\$ 391
OTHER ACTIVITIES:			
Rounding	\$ -	\$ -	\$ 1
INCREASE IN CASH	\$ (22,275)	\$ (22,275)	\$ (7,989)
Cash at the beginning of year	126,241	126,241	134,230
CASH AT END OF YEAR	\$ 103,966	\$ 103,966	\$ 126,241