

SHERWOOD FOREST ASSOCIATION

FINANCIAL STATEMENT

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED MAY 31, 2011

SHERWOOD FOREST ASSOCIATION
FINANCIAL STATEMENT
MAY 31, 2011

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**GREGORY
TERRELL
& COMPANY**

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Sherwood Forest Association

We have audited the accompanying statement of cash receipts and disbursements of Sherwood Forest Association (a nonprofit organization) for the year ended May 31, 2011. This financial statement is the responsibility of the Organization's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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 statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, this financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of Sherwood Forest Association for the year ended May 31, 2011, on the basis of accounting described in Note 2.

GREGORY TERRELL & COMPANY
Certified Public Accountants

October 24, 2011

SHERWOOD FOREST ASSOCIATION
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED MAY 31, 2011

	<u>Comerica</u> <u>Checking</u>	<u>Comerica</u> <u>Savings</u>	<u>First Place</u> <u>Checking</u>	<u>Total</u>
Cash Receipts:				
Association Dues	\$ 50	\$ -	\$ 6,982	\$ 7,032
Patrol Dues	380	-	40,275	40,655
Interest Income	-	9	77	86
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Total	\$ 430	\$ 9	\$ 47,334	\$ 47,773
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Cash Disbursements:				
Membership Refund	\$ 20	\$ -	\$ -	\$ 20
Events and Meetings	-	-	1,387	1,387
Snow Removal	-	-	7,996	7,996
Parks Maintenance			6,029	6,029
Pay Pal Fees	-	-	308	308
Annual Meeting	500	-	-	500
Office Supplies	29	-	13	42
Printing Costs - Annual Billings	-	-	915	915
Printing Costs - Dues Reminder			267	267
Website	258	-	-	258
Patrol -Mailbox Fee	43	-	-	43
Patrol - Security Service	-	-	51,722	51,722
Contributions and Fees	120	-	-	120
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Total	\$ 970	\$ -	\$ 68,637	\$ 69,607
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Cash Receipts Over (Under)				
Cash Disbursements	\$ (540)	\$ 9	\$ (21,303)	\$ (21,834)
Beginning Balance - June 1, 2010	808	18,414	30,668	49,890
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Ending Balance - May 31, 2011	\$ 268	\$ 18,423	\$ 9,365	\$ 28,056
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The accompanying notes are an integral part of this statement.

SHERWOOD FOREST ASSOCIATION
NOTES TO FINANCIAL STATEMENT
MAY 31, 2011

(1) **ORGANIZATION**

Sherwood Forest Association (the "Association") was formed in 1929 and incorporated in 1976 to maintain, protect and improve the areas of the City of Detroit known as the Sherwood Forest and Sherwood Forest Manor Subdivisions. Through the collection of dues, the Association provides security patrol services, maintenance of small parks, street snow removal, monitors enforcement of property restrictions, city zoning ordinances, and historic district requirements, holds membership meetings and activities, and communicates with the residents through a newsletter called the *Tattler*.

(2) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting

The accompanying financial statement of Sherwood Forest Association has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Concentrations of Credit Risk

Financial instruments which are potentially subject to concentrations of credit risk consist principally of cash. The Association places its cash with two high credit qualified financial institutions. Each financial institution insures cash balances up to \$250,000 with the Federal Deposit Insurance Corporation (FDIC). At May 31, 2011 the amounts on deposit at both financial institutions are fully covered by FDIC.

SHERWOOD FOREST ASSOCIATION
NOTES TO FINANCIAL STATEMENT

MAY 31, 2011

(Continued)

(3) SUBSEQUENT EVENTS

In August 2011, the Association received payment from the University Commons for a grant the Association received from Community Legal Resources covering the period May 25, 2010 through May 24, 2011. The Association applied for and received the grant for the maintenance of vacant homes in the Sherwood Forest neighborhood. The grant has specific stipulations that were required to be met or the grantor agency could request that the grant award be returned. University Commons acted as fiduciary for the grant. The Association's Board President is the Program Manager for University Commons.

Subsequent events have been evaluated through October 24, 2011, which is the date the financial statement was available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statement would be required.