

Gateway to Fredrick Metropolitan District No.2
Financial Statements

August 31, 2019

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Gateway to Fredrick Metropolitan District No.2

Management is responsible for the accompanying financial statements of each major fund of Gateway to Fredrick Metropolitan District No.2 as of and for the period ended August 31, 2019, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the eight months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Gateway to Fredrick Metropolitan District No.2 because we performed certain accounting services that impaired our independence.

Simmons & Wheeler, P.C.

September 23, 2019
Englewood, Colorado

Gateway to Fredrick Metropolitan District #2
 Balance Sheet - Governmental Funds and Account Groups
 August 31, 2019

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets			
Current assets			
Cash in Colotrust	\$ 13,022	\$ -	\$ 13,022
Accounts Receivable - Taxes	<u>4,096</u>	<u>-</u>	<u>4,096</u>
	<u>17,118</u>	<u>-</u>	<u>17,118</u>
Total assets	<u><u>\$ 17,118</u></u>	<u><u>-</u></u>	<u><u>\$ 17,118</u></u>
Liabilities and Equity			
Current liabilities			
Accounts payable to District #1	<u>16,390</u>	<u>-</u>	<u>16,390</u>
	<u>16,390</u>	<u>-</u>	<u>16,390</u>
Total liabilities	<u>16,390</u>	<u>-</u>	<u>16,390</u>
Fund Equity			
Fund balance (deficit)	<u>728</u>	<u>-</u>	<u>728</u>
	<u>728</u>	<u>-</u>	<u>728</u>
	<u><u>\$ 17,118</u></u>	<u><u>-</u></u>	<u><u>\$ 17,118</u></u>

Gateway to Fredrick Metropolitan District #2
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Budget and Actual
For the Eight Months Ended August 31, 2019
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 12,857	\$ 12,857	\$ -
Specific ownership taxes	964	555	(409)
Interest Income	-	285	285
Developer advance	-	-	-
	<u>13,821</u>	<u>13,697</u>	<u>(124)</u>
Expenditures			
Accounting/Audit	750	-	750
Director's fees	-	-	-
Engineering	-	-	-
Insurance/SDA Dues	1,500	-	1,500
Legal	2,500	-	2,500
Treasurer's Fees	182	195	(13)
Transfer to District #1	8,741	13,502	(4,761)
Emergency reserve	148	-	148
	<u>13,821</u>	<u>13,697</u>	<u>124</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>728</u>	<u>728</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 728</u>	<u>\$ 728</u>