

Cynthia A. Cox, CPA

Certified Public Accountant

SERVICES

Accounting Services

- Monthly financial statements
- Payroll preparation and reporting
- Control of record keeping

Audits, Reviews, and Compilations

Management Services

- Financial Assistance
- Review of internal controls
- Evaluation of personnel

Tax Return Preparation

- Individual tax returns
- Corporate returns
- Personal returns

November 26, 2008

Webster Presbyterian Church
201 West NASA Parkway
Webster, TX 77598-5207

To Whom It May Concern:

I have reviewed the information that Robert Cravens has provided. With this in mind, I would like to discuss 2 different types of engagements that you can consider.

First, there is the **traditional audit**. This engagement involves examining on a test basis, evidence supporting the balances on your balance sheet as well as testing of the receipts and expenses primarily through analytical review. In the process of testing your balances and transactions during the year being audited, your accounting procedures will be analyzed. You will receive a written report (a management letter) that will articulate my current findings and recommendations for the future.

Taking these factors into consideration, I estimate that your audit will run between 85 and 110 hours at average hourly rate of \$105 per hour for a total of between \$8,925 and \$11,500. Since you have not had an audit previously, this will add 8 to 10 hours to the cost for the first year for a grand total of between 9,765. and 12,550. I do charge for out of pocket expenses such as mileage on all engagements. These charges are usually minimal.

Let me mention one more type of engagement—a **Review** of financial statements. A Review is much different from either a traditional audit or an audit of a specified element. It will consist primarily of inquiries of Church personnel and analytical procedures applied to the financial data. A review does not include obtaining an understanding of the Church's accounting procedures or run tests of account balances as performed during an audit. A review is often helpful when the Church needs financing because it gives the bank assurance that a third party has looked at the financial statements. It does not, however, give the Church assurances that the account balances have been verified with third party information. *It does not include a review of the Church's accounting procedures with the written recommendations.*

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I estimate that a Review will run between 25 and 35 hours at an average hourly rate of \$105 for a total of \$2,625 and \$3,675. Since you have not had a review or audit for the previous year, this will add approximately \$525 to the review for a grand total of **between \$3,150 and \$4,200.**

My most recent peer review was completed February 2007. A copy of the review is included. I have also included professional references and my firm resume. Feel free to contact my references. If you need additional references, I will be glad to provide them.

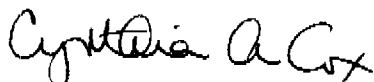
As you will notice in the firm resume, my firm has been involved in performing audits and reviews of Churches for 12 years. I have built my practice around working with non profits of all kinds, but in particular with local churches. My firm is independent in respect to your Church. The lead contact would be myself, Cynthia Cox. I have other staff that would be working with me as well.

Beginning with fiscal year ending December 31, 2007, the audit requirements have changed. We are required to audit an entity based on the areas of "risk" within that entity. For many churches it is cash received and cash disbursed. These are areas that generally have less internal controls in a smaller church in particular. I will perform 2 procedures geared to churches—first, a proof of cash that will tie down all monies in and all monies out. Second, I will review your cash disbursements per the general ledger and compare these disbursements to the supporting documentation and the cancelled check to verify that the expense is a church related expense. The other items that I will emphasize will be determined as I work with your staff and plan the specifics of the audit.

The timing of the audit is dependent on when the Church has closed the 2008 books and gotten the audit schedules ready. My firm does not do many tax returns, so we are not working around tax season. We can discuss the specifics in more detail when you know your time table.

Thank you again for the opportunity to bid on your work. I have given you a range for your estimated fee. I am open to discussing this with you. I will do whatever I can to help you minimize your fee. Since my work is for non profits, I am not in a position to do the work gratis. I will pray for God's guidance as you make your decision. I look forward to hearing from you.

Sincerely,



Cynthia A. Cox

Cynthia A. Cox, CPA
CERTIFIED PUBLIC ACCOUNTANT

Cynthia A. Cox, CPA is a full service accounting firm. Our services range from monthly bookkeeping services; consulting on tax and budget issues; reviewing and developing the Organization's internal control procedures and accounting services; education of finance and/or audit committees; to compilation, review, and audit services. The firm has received an unqualified opinion on all of its peer reviews.

Our firm began in 1996, but **Cynthia Cox** has been practicing public accounting since 1980 and has been certified since 1983. She is a member of the American Institute of Certified Public Accountants, the Texas Society of Certified Public Accountants, the American Woman's Society of Certified Public Accountants of Houston, Inc., and the National Association of Church Business Administrators, Houston Chapter. Cynthia is currently serving as the Vice President of the American Woman's Society of Certified Public Accountants of Houston, Inc. Cynthia has served on several boards of non-profit organizations in the past and continues to serve on one board today. She considers education of the Company's personnel and board members to be a priority and has taught several seminars. Prior to starting her own practice, Cynthia's auditing experience included school districts, city governments, and other for profit entities.

The firm uses other professional associates. One such associate is **Brenda Porter**. Brenda, a CPA since 1985, has 18 years of experience in the commercial real estate industry and 4 years experience as a Church Business Administrator. Most of her commercial real estate experience was gained while working at Hines, formerly Gerald D. Hines Interests. During her years at Hines, Brenda worked as an accountant in all phases of the real estate industry; these include project cost accounting, operational accounting, budgeting, and preparing project acquisition proformas. Her experience as a full time Church Business Administrator as well as her skill in using Shelby Software and QuickBooks in a non profit environment is an invaluable asset to the firm. Brenda is a member of the National Association of Church Business Administrators, Houston Chapter, and the Texas Society of Certified Public Accountants.

CYNTHIA A. COX, CPA
REFERENCES

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HALLS, JOHNSON, McLEMORE, REDFIELD & RODRIGUES, LLP

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Michael Halls, CPA
Gary Johnson, CPA
Terre McLemore, CPA
J.D. Redfield, CPA
Kenneth Rodrigues, CPA, P.C.

February 2, 2007

To Cynthia A. Cox

We have reviewed the system of quality control for the accounting and auditing practice of Cynthia A. Cox (the firm) in effect for the year ended December 31, 2005. A system of quality control encompasses the firm's organizational structure, the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of CPAs (AICPA). The firm is responsible for designing a system of quality control and complying with it to provide the firm reasonable assurance of conforming with professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance with its system of quality control based on our review.

Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. During our review, we read required representations from the firm, interviewed firm personnel and obtained an understanding of the nature of the firm's accounting and auditing practice, and the design of the firm's system of quality control sufficient to assess the risks implicit in its practice. Based on our assessments, we selected engagements and administrative files to test for conformity with professional standards and compliance with the firm's system of quality control. The engagements selected represented a reasonable cross-section of the firm's accounting and auditing practice with emphasis on higher-risk engagements. Prior to concluding the review, we reassessed the adequacy of the scope of the peer review procedures and met with firm management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion.

In performing our review, we obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, we tested compliance with the firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. Our review was based on selected tests therefore it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it. There are inherent limitations in the effectiveness of any system of quality control and therefore noncompliance with the system of quality control may occur and not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice of Cynthia A. Cox in effect for the year ended December 31, 2005, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.

As is customary in a system review, we have issued a letter under this date that sets forth comments that were not considered to be of sufficient significance to affect the opinion expressed in this report.

Halls, Johnson, McLemore, Redfield & Rodrigues, LLP

HALLS, JOHNSON, McLEMORE, REDFIELD & RODRIGUES, LLP

Cynthia A. Cox
Certified Public Accountant

Fax Transmission

Date: 12/1/08

To: Robert Cravens

Fax #: 713-309-2197

From: Cynthia A. Cox, CPA.

Re: Webster Presbyterian Church proposal

Number of pages (including cover sheet): 6

Message: Please feel free to call and ask for clarification on any of the issues in the letter.