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MEMBER AICPA

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Febraury 29, 2012

Westwood Village Homeowners Association, Inc.
P. O. Box 773
Sandpoint, ID 83864

I have compiled the accompanying balance sheets for Westwood Village Homeowners Association, Inc. as of December 31, 2011 and 2010 and the related statements of revenues and expenditures, cash flows and supplemental schedules 1 and 2, which are presented for supplementary analysis only, for the month and the months then ended in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any form of assurance on them.

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 company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The American Institute of Certified Public Accountants has determined that supplementary information about future repairs and replacements of common property is required to supplement, but not required to be a part of, the basic financial statements. These financial statements do not present this supplementary information.

I am not independent with respect to Westwood Homeowners Association, Inc.

Brian C. Jensen
Certified Public Accountant

WESTWOOD HOMEOWNERS ASSOCIATION
BALANCE SHEET
DECEMBER 31, 2011 AND 2010

	THIS YEAR	PRIOR YEAR
ASSETS		
CURRENT ASSETS		
CASH IN BANK - CHECKING	31,048.10	8,377.24
CASH IN BANK - CAPITAL RESERVE	12,990.85	50,970.91
CASH IN BANK - SP. ASSESS. RES	80,383.59	71,237.34
CASH IN BANK - INSURANCE RESER	25,042.88	27,790.68
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TOTAL CASH	149,465.42	158,376.17
ACCOUNTS RECEIVABLE	1,732.00	645.00
PREPAID INSURANCE		1,943.08
PREPAID CABLE	13,002.41	14,017.49
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TOTAL CURRENT ASSETS	164,199.83	174,981.74
FIXED ASSETS		
LAND	54,578.40	54,578.40
CAPITOL IMPROVEMENTS	43,605.24	43,605.24
EQUIPMENT	82,432.52	82,432.52
LESS: ACCUMULATED DEPRECIATION	(122,848.39)	(122,386.39)
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NET FIXED ASSETS	57,767.77	58,229.77
OTHER ASSETS		
TOTAL OTHER ASSETS	.00	.00
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TOTAL ASSETS	221,967.60	233,211.51
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LIABILITIES AND FUND BALANCE		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	9,186.29	6,152.22
PREPAID ASSESSMENTS	8,239.34	4,829.14
PROPERTY TAX PAYABLE	785.58	421.08
INCOME TAX PAYABLE	846.03	186.00
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TOTAL CURRENT LIABILITIES	19,057.24	11,588.44
LONG-TERM LIABILITIES		
TOTAL LONG-TERM LIABILITIES	.00	.00
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TOTAL LIABILITIES	19,057.24	11,588.44
FUND BALANCE		
FUND BALANCE - BEGIN YEAR	221,623.07	133,570.82
NET REVENUE OVER (UNDER)		
EXPENDITURES CURRENT YEAR	(18,712.71)	88,052.25
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TOTAL FUND BALANCE	202,910.36	221,623.07
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TOTAL LIABILITIES AND FUND BALANCE	221,967.60	233,211.51
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SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE MONTHS AND THE TWELVE MONTHS
ENDED DECEMBER 31, 2011 AND 2010

	CURRENT MONTH		YEAR TO DATE	
	THIS YEAR	PRIOR YEAR	THIS YEAR	PRIOR YEAR
REVENUE				
REGULAR ASSESSMENTS	20,340.00	18,972.00	244,080.00	227,664.00
BOAT MOORAGE		390.00	18,800.00	18,990.00
REPAIR ASSESSMENT	6,132.00	5,487.00	79,004.00	76,844.00
NEW MEMBER FEE				400.00
TOTAL REVENUE	26,472.00	24,849.00	341,884.00	323,898.00
EXPENDITURES				
SALARIES CARETAKER	3,524.46	3,421.80	42,293.52	41,061.60
SALARY OTHER	2,733.66	2,654.04	49,422.24	46,289.43
PAYROLL TAXES CARETAKER	281.10	273.24	4,287.47	4,293.58
PAYROLL TAX OTHER	275.65	279.46	4,951.21	4,986.44
ACCOUNTING	150.00	550.00	6,354.00	6,600.00
GAS ALLOTMENT		242.92	1,000.00	1,317.36
BANK SERVICE CHARGES		13.10		33.10
CONTRIBUTIONS				50.00
DUES			500.00	500.00
DEPRECIATION	38.50	38.50	462.00	462.00
EQUIPMENT RENT			154.76	
FREIGHT AND POSTAGE	(.50)	47.16	694.43	899.94
GAS AND OIL	(234.14)	29.76	1,220.38	762.04
INSURANCE - EMP. HEALTH & WC		(952.16)	2,796.24	4,480.04
LEGAL	126.00	306.00	4,155.00	792.00
MISCELLANEOUS			65.38	96.40
OFFICE SUPPLIES	23.00	2.00	272.11	947.02
BONUS	150.00	150.00	1,800.00	1,800.00
MAINTENANCE AND REPAIR	(10,847.52)	4,382.49	59,458.82	42,379.10
SUPPLIES	45.47	39.92	2,592.96	7,258.16
TAXES	119.26	1,178.26	1,431.12	2,490.12
TELEPHONE	91.50		614.25	942.33
TELEPHONE LONG DISTANCE	25.48		170.45	89.04
UTILITIES	7,839.12	6,318.01	84,627.32	80,093.08
TOTAL EXPENDITURES	4,341.04	18,974.50	269,323.66	248,622.78
TOTAL REVENUE OVER (UNDER) EXPENDITURES	22,130.96	5,874.50	72,560.34	75,275.22
OTHER REVENUE (EXPENDITURES)				
INSURANCE ASSESSMENTS	2,212.00	2,212.00	26,544.00	26,544.00
INTEREST INCOME	6.78	5.27	70.42	598.74
EASEMENT				2,556.00
EXTRA INCOME	(216.40)		1,816.99	150.00
INSURANCE EXPENSE	(3,260.92)	(1,282.16)	(18,073.08)	(15,385.92)
SPECIAL PROJECTS	92,687.35		100,785.35	1,499.79
TOTAL OTHER REVENUE (EXPENDITURE)	(93,945.89)	935.11	(90,427.02)	12,963.03
REVENUE OVER (UNDER) EXPENDITURE BEFORE INCOME TAXES	(71,814.93)	6,809.61	(17,866.68)	88,238.25
INCOME TAX EXPENSE PROVISION FOR INCOME TAX	846.03	(191.78)	846.03	186.00
NET REVENUE OVER (UNDER) EXPENDITURES	(72,660.96)	7,001.39	(18,712.71)	88,052.25

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE MONTHS AND THE TWELVE MONTHS
ENDED DECEMBER 31, 2011 AND 2010

	CURRENT MONTH		YEAR TO DATE	
	THIS YEAR	PRIOR YEAR	THIS YEAR	PRIOR YEAR
CASH FLOWS FROM OPERATING ACTIVITIES				
NET REVENUE OVER(UNDER) EXPEND	(72,660.96)	7,001.39	(18,712.71)	88,052.25
Adjustments to reconcile net revenue over (under) expenditure to net cash provided (used) by operating activities:				
DEPRECIATION	38.50	38.50	462.00	462.00
(INC) DEC IN RECEIVABLES	(804.00)	(220.00)	(1,087.00)	(42.75)
(INC) DEC IN PREPAID EXPENSE	(7,642.83)	(11,504.72)	2,958.16	(14,077.47)
(INC) DEC IN PREPAID TAXES		1,059.00		6,534.00
INC (DEC) IN ACCOUNTS PAYABLE	232.34	(3,293.35)	3,034.07	6,152.22
INC (DEC) IN TAXES PAYABLE	965.29	(72.52)	1,024.53	533.70
INC (DEC) IN PREPAID ASSESS	266.90	2,089.00	3,410.20	(7,264.41)
NET CASH PROVIDED (USED) FROM OPERATING ACTIVITIES	(79,604.76)	(4,902.70)	(8,910.75)	80,349.54
CASH FLOWS FROM INVESTING ACTIVITIES				
NET CASH PROVIDED (USED) FROM INVESTING ACTIVITIES	.00	.00	.00	.00
CASH FLOWS FROM FINANCING ACTIVITIES				
NET CASH PROVIDED (USED) FROM FINANCING ACTIVITIES	.00	.00	.00	.00
NET INCREASE (DECREASE) IN CASH	(79,604.76)	(4,902.70)	(8,910.75)	80,349.54
CASH AT BEGINNING OF PERIOD	229,070.18	163,278.87	158,376.17	78,026.63
CASH AT END OF PERIOD	149,465.42	158,376.17	149,465.42	158,376.17

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
SUPPLEMENTAL SCHEDULE 1
REVENUE AND EXPENDITURE BUDGET ANALYSIS
FOR THE MONTHS AND THE TWELVE MONTHS
ENDED DECEMBER 31, 2011

	CURRENT MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
REVENUE						
REGULAR ASSESSMENTS	20,340.00	20,340.00		244,080.00	244,080.00	
BOAT MOORAGE				18,800.00	18,000.00	800.00
INSURANCE ASSESSMENTS	2,212.00	2,212.00		26,544.00	26,544.00	
INTEREST INCOME	6.78	58.34	(51.56)	70.42	700.00	(629.58)
EASEMENT					2,500.00	(2,500.00)
EXTRA INCOME	(216.40)	83.34	(299.74)	1,816.99	1,000.00	816.99
TOTAL REVENUE	22,342.38	22,693.68	(351.30)	291,311.41	292,824.00	(1,512.59)
PERSONNEL COSTS						
SALARIES CARETAKER	3,524.46	3,524.42	(.04)	42,293.52	42,292.96	(.56)
PAYROLL TAXES CARETAKER	281.10	192.25	(88.85)	4,287.47	2,307.00	(1,980.47)
BONUS	150.00	158.34	8.34	1,800.00	1,900.00	100.00
GAS ALLOTMENT		83.34	83.34	1,000.00	1,000.00	
SALARY OTHER	2,733.66	3,994.26	1,260.60	49,422.24	47,931.04	(1,491.20)
PAYROLL TAX OTHER	275.65	517.00	241.35	4,951.21	6,193.00	1,241.79
INSURANCE - EMP. HEALTH & WC		400.00	400.00	2,796.24	4,800.00	2,003.76
MAINTENANCE, REPAIR AND SUPPLY						
EQUIPMENT RENT				154.76	1,000.00	845.24
EQUIPMENT - FUEL & OIL	(234.14)	125.00	359.14	1,220.38	1,500.00	279.62
M&R - POOL & RECREATION AREAS	(1,300.00)	391.67	1,691.67	4,429.69	4,700.00	270.31
M&R - DOCKS	(8,036.50)		8,036.50	6,704.02	15,000.00	8,295.98
M&R - YARD & GROUNDS	(13,834.25)	1,250.00	15,084.25	14,211.21	15,000.00	788.79
M&R - EXTERIOR & BUILDINGS	200.00	375.00	175.00	12,548.25	4,500.00	(8,048.25)
M&R - RESTROOM & CLEANING	323.23		(323.23)	323.23		(323.23)
M&R - IRRIGATION PUMP	7,620.00	166.67	(7,453.33)	7,639.08	2,000.00	(5,639.08)
M&R - MACHINES & EQUIPMENT		291.67	291.67	4,699.49	3,500.00	(1,199.49)
M&R - ELECTRICAL & PLUMBING		83.34	83.34	806.47	1,000.00	193.53
M&R - MISCELLANEOUS REPAIRS		250.00	250.00	12.38	3,000.00	2,987.62
M&R - ROADS					1,000.00	1,000.00
SNOWPLOWING	4,180.00	2,000.00	(2,180.00)	8,085.00	11,000.00	2,915.00
SUPPLIES - POOL & RECREATION				1,009.12		(1,009.12)
SUPPLIES - YARD AND GROUNDS				401.16		(401.16)
SUPPLIES - BUILDINGS & EXTER.	45.47		(45.47)	204.24		(204.24)
SUPPLIES - MISCELLANEOUS				978.44		(978.44)
UTILITIES						
POOL -FUEL	8.50	4.00	(4.50)	3,249.30	5,000.00	1,750.70
ELECTRIC	1,208.77	787.09	(421.68)	8,570.02	9,445.00	874.98
WATER	1,556.78	2,083.34	526.56	23,633.69	25,000.00	1,366.31
SEWER	2,748.58	2,666.67	(81.91)	32,492.08	32,000.00	(492.08)
GARBAGE AND RECYCLE	217.83	264.59	46.76	2,664.74	3,175.00	510.26
CABLE	2,098.66	1,041.67	(1,056.99)	14,017.49	12,500.00	(1,517.49)
MISC SERVICES AND COSTS						
ACCOUNTING	150.00	625.00	475.00	6,354.00	7,500.00	1,146.00
BANK SERVICE CHARGES		8.34	8.34		100.00	100.00
DUES		50.00	50.00	500.00	600.00	100.00
FREIGHT AND POSTAGE	(.50)	58.34	58.84	694.43	700.00	5.57
INSURANCE EXPENSE	3,260.92	1,750.00	(1,510.92)	18,073.08	21,000.00	2,926.92
LEGAL	126.00	166.67	40.67	4,155.00	2,000.00	(2,155.00)
MISCELLANEOUS		41.67	41.67	65.38	500.00	434.62
OFFICE SUPPLIES	23.00	62.50	39.50	272.11	750.00	477.89
TAXES	119.26	750.00	630.74	1,431.12	1,500.00	68.88
TELEPHONE	91.50	100.00	8.50	614.25	1,200.00	585.75
TELEPHONE LONG DISTANCE	25.48	8.34	(17.14)	170.45	100.00	(70.45)
PROVISION FOR INCOME TAX	846.03		(846.03)	846.03		(846.03)
TOTAL EXPENDITURES	8,409.49	24,271.18	15,861.69	287,780.77	292,694.00	4,913.23
TOTAL REVENUE OVER (UNDER) EXPENDITURES	13,932.89	(1,577.50)	15,510.39	3,530.64	130.00	3,400.64

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
 SUPPLEMENTAL SCHEDULE I
 REVENUE AND EXPENDITURE BUDGET ANALYSIS
 FOR THE MONTHS AND THE TWELVE MONTHS
 ENDED DECEMBER 31, 2011

	CURRENT MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
OTHER REVENUE/EXPENDITURES						
REPAIR ASSESSMENT	6,132.00	6,636.00	(504.00)	79,004.00	79,632.00	(628.00)
SPECIAL PROJECT - TENNIS COURT	(48,900.00)		(48,900.00)	(48,900.00)		(48,900.00)
SPECIAL PROJECT - WALLS	(10,726.25)		(10,726.25)	(10,726.25)		(10,726.25)
ROOF	(28,520.10)		(28,520.10)	(28,520.10)	(9,762.00)	(18,758.10)
RESERVES	(4,541.00)	(5,833.34)	1,292.34	(4,541.00)	(70,000.00)	65,459.00
SPECIAL PROJECT -DRIVEWAYS				(8,098.00)		(8,098.00)
TOTAL OTHER REVENUE/EXP	<u>(86,555.35)</u>	<u>802.66</u>	<u>(87,358.01)</u>	<u>(21,781.35)</u>	<u>(130.00)</u>	<u>(21,651.35)</u>
NET CASH REVENUE OVER (UNDER) EXPENDITURES	(72,622.46)	(774.84)	(71,847.62)	(18,250.71)	.00	(18,250.71)
NON CASH EXPENSE						
DEPRECIATION	38.50		(38.50)	462.00		(462.00)
TOTAL NON CASH EXPENSE	<u>38.50</u>	<u>.00</u>	<u>(38.50)</u>	<u>462.00</u>	<u>.00</u>	<u>(462.00)</u>
NET REVENUE OVER (UNDER) EXPENDITURES	<u><u>(72,660.96)</u></u>	<u><u>(774.84)</u></u>	<u><u>(71,886.12)</u></u>	<u><u>(18,712.71)</u></u>	<u><u>.00</u></u>	<u><u>(18,712.71)</u></u>

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
 SUPPLEMENTAL SCHEDULE 2
 BREAKDOWN OF VARIOUS COSTS
 FOR THE MONTHS AND THE TWELVE MONTHS
 ENDED DECEMBER 31, 2011 AND 2010

	CURRENT MONTH		YEAR TO DATE	
	THIS YEAR	PRIOR YEAR	THIS YEAR	PRIOR YEAR
MAINTENANCE AND REPAIR				
M&R - POOL & RECREATION AREAS	(1,300.00)		4,429.69	3,826.83
M&R - DOCKS	(8,036.50)	143.10	6,704.02	10,029.32
M&R - YARD & GROUNDS	(13,834.25)	663.60	14,211.21	11,116.08
M&R - EXTERIOR & BUILDINGS	200.00	402.84	12,548.25	6,526.88
M&R - RESTROOM & CLEANING	323.23		323.23	
M&R - IRRIGATION PUMP	7,620.00		7,639.08	330.64
M&R - MACHINES & EQUIPMENT		50.12	4,699.49	3,106.54
M&R - ELECTRICAL & PLUMBING			806.47	437.15
M&R - MISCELLANEOUS REPAIRS			12.38	
M&R - ROADS				1,855.61
SNOWPLOWING	4,180.00	3,122.83	8,085.00	5,150.05
TOTAL MAINTENANCE AND REPAIR	<u>(10,847.52)</u>	<u>4,382.49</u>	<u>59,458.82</u>	<u>42,379.10</u>
SUPPLIES				
SUPPLIES - POOL & RECREATION			1,009.12	4,146.83
SUPPLIES - YARD AND GROUNDS			401.16	159.21
SUPPLIES - BUILDINGS & EXTER.	45.47		204.24	299.75
SUPPLIES - RESTROOM & CLEANING				53.74
SUPPLIES - MACHINES & EQUIP.				35.27
SUPPLIES - ELECTRICAL & PLUMB.				29.10
SUPPLIES - MISCELLANEOUS		39.92	978.44	2,534.26
TOTAL SUPPLIES	<u>45.47</u>	<u>39.92</u>	<u>2,592.96</u>	<u>7,258.16</u>
GAS AND OIL				
EQUIPMENT - FUEL & OIL	(234.14)	29.76	1,220.38	762.04
TOTAL GAS AND OIL	<u>(234.14)</u>	<u>29.76</u>	<u>1,220.38</u>	<u>762.04</u>
UTILITIES				
POOL -FUEL	8.50	8.00	3,249.30	2,834.58
ELECTRIC	1,208.77	960.60	8,570.02	8,699.17
WATER	1,556.78	1,592.29	23,633.69	22,965.67
SEWER	2,748.58	2,477.13	32,492.08	29,801.88
GARBAGE AND RECYCLE	217.83	196.46	2,664.74	2,789.35
CABLE	2,098.66	1,083.53	14,017.49	13,002.43
TOTAL UTILITIES	<u>7,839.12</u>	<u>6,318.01</u>	<u>84,627.32</u>	<u>80,093.08</u>
SPECIAL PROJECTS				
SPECIAL PROJECT - TENNIS COURT	48,900.00		48,900.00	
SPECIAL PROJECT - WALLS	10,726.25		10,726.25	
ROOF	28,520.10		28,520.10	1,499.79
RESERVES	4,541.00		4,541.00	
SPECIAL PROJECT -DRIVEWAYS			8,098.00	
TOTAL SPECIAL PROJECTS	<u>92,687.35</u>	<u>.00</u>	<u>100,785.35</u>	<u>1,499.79</u>

SEE ACCOMPANYING ACCOUNTANTS LETTER