

# JAMES HUTCHENS, P.A.

*CERTIFIED PUBLIC ACCOUNTANT*

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To the Board of Directors

Westwood Village Homeowners Association, Inc.  
Sandpoint, ID 83864

I have compiled the accompanying statement of assets, liabilities, and equity – modified accrual basis of Westwood Village Homeowners Association, Inc. (a corporation) as of October 31, 2012 and 2011, the related statement of revenues and expenditures for the one month and ten months then ended, and the statement of cash flows for the one month and ten months ended October 31, 2012. 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 the modified accrual basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified accrual basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.


My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. 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 statements.

The supplementary information contained in Schedule I is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. I have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

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.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified accrual basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues, and expenditures. Accordingly, these financial statements are not designed for those who are not informed about such matters.

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

A handwritten signature in black ink, appearing to read "James A. PA". The signature is stylized with a large, looped "J" and a distinct "PA" at the end.

December 6, 2012

**Westwood Village Homeowners Association, Inc.**  
**Statement of Assets, Liabilities, and Equity**  
**October 31, 2012 and 2011**

**Assets**

	<u>Oct 31, 2012</u>	<u>Oct 31, 2011</u>
<b>Current Assets</b>		
Cash in Bank - Checking	27,165.84	30,777.24
Cash in Bank - Capital Reserve	19,676.26	49,217.82
Cash in Bank - Insurance	21,953.50	20,338.88
Cash in Bank - Special Assessment	73,604.79	127,235.84
<b>Total Cash</b>	<u>142,400.39</u>	<u>227,569.78</u>
Accounts Receivable	717.00	806.50
Prepaid Cable	2,167.11	3,182.19
Prepaid Insurance	842.20	4,607.48
<b>Total Current Assets</b>	<u>146,126.70</u>	<u>236,165.95</u>
<b>Property and Equipment</b>		
Land	54,578.40	54,578.40
Capital Improvements	43,605.24	43,605.24
Equipment	82,432.52	82,432.52
Accumulated Depreciation	-123,233.39	-122,771.39
<b>Total Property and Equipment</b>	<u>57,382.77</u>	<u>57,844.77</u>
Payroll Advances	78.00	0.00
<b>Total Assets</b>	<u><u>203,587.47</u></u>	<u><u>294,010.72</u></u>

**Liabilities and Equity**

<b>Current Liabilities</b>		
Accounts Payable	15,221.49	10,961.67
Prepaid Assessments	5,339.84	6,207.39
Property Tax Payable	785.58	1,613.68
<b>Total Current Liabilities</b>	<u>21,346.91</u>	<u>18,782.74</u>
<b>Total Liabilities</b>	<u>21,346.91</u>	<u>18,782.74</u>
<b>Equity</b>		
Retained Earnings	202,214.76	221,623.07
Net Revenue Over (Under) Expenditures Current Year	39,603.65	53,604.91
Tennis Courts	-23,560.79	0.00
Patio/Retaining Wall	-15,395.16	0.00
Roof	-3,168.90	0.00
Bylaw & CCR Rewrite	-17,453.00	0.00
<b>Total Equity</b>	<u>182,240.56</u>	<u>275,227.98</u>
<b>Total Liabilities and Equity</b>	<u><u>203,587.47</u></u>	<u><u>294,010.72</u></u>

**Westwood Village Homeowners Association, Inc.**  
**Statement of Revenues and Expenditures**  
**One Month and Ten Months Ended October 31, 2012 and 2011**

	<u>This Year</u> <u>Oct 2012</u>	<u>Prior Year</u> <u>Oct 2011</u>	<u>This Year</u> <u>Jan-Oct 2012</u>	<u>Prior Year</u> <u>Jan-Oct 2011</u>
<b>Revenue</b>				
Regular Assessments	20,972.00	20,340.00	209,720.00	210,952.00
New Member Fee	200.00	0.00	600.00	0.00
Boat Moorage	-390.00	0.00	18,660.00	18,800.00
<b>Total Revenue</b>	<u>20,782.00</u>	<u>20,340.00</u>	<u>228,980.00</u>	<u>229,752.00</u>
<b>Expenditures</b>				
<b>Personnel Costs</b>				
Caretakers Salary	6,445.84	8,205.62	80,851.72	79,199.52
Payroll Taxes	597.19	770.52	7,310.79	8,121.73
Bonus	150.00	150.00	1,500.00	1,500.00
Gas Allotment	0.00	0.00	750.00	750.00
Insurance - Health & WC	252.62	0.00	2,648.83	4,142.80
<b>Maintenance &amp; Repair</b>				
Equipment Rent	0.00	0.00	0.00	154.76
Equipment - Fuel & Oil	60.89	355.04	1,160.17	1,420.82
Pool & Recreation Areas	60.74	0.00	8,952.72	0.00
Docks	0.00	0.00	10,880.19	0.00
Yards & Grounds	89.00	0.00	16,355.73	0.00
Irrigation Pump	0.00	0.00	5,245.80	0.00
Machines & Equipment	354.00	0.00	2,088.32	0.00
Electrical & Plumbing	0.00	0.00	1,732.06	0.00
Exterior & Buildings	1,293.98	0.00	4,405.96	0.00
Supplies	129.91	0.00	2,281.62	1,895.37
Snowplowing	0.00	0.00	5,500.00	0.00
Miscellaneous Repairs	0.00	3,479.41	249.12	57,479.84
<b>Utilities</b>				
Electric	518.07	0.00	7,191.62	0.00
Water	2,146.97	0.00	21,389.34	0.00
Pool - Fuel	4.25	0.00	2,140.62	0.00
Sewer	2,967.36	0.00	29,308.86	0.00
Garbage & Recycle	217.83	0.00	2,287.55	0.00
Cable	1,083.53	0.00	10,835.30	0.00
Telephone	51.45	0.00	480.01	477.19
Long Distance	14.23	0.00	158.56	132.23
Utilities	0.00	6,745.02	0.00	70,829.76
<b>Other costs</b>				
Accounting	550.00	550.00	5,796.00	5,654.00
Bank Service Charges	-5.00	0.00	0.00	0.00
Depreciation Expense	38.50	38.50	385.00	385.00
Dues	0.00	0.00	570.11	500.00
Contributions	0.00	0.00	101.70	0.00
Legal	0.00	0.00	90.00	4,029.00
Office Supplies	0.00	31.17	746.06	222.61
Freight & Postage	3.60	44.88	716.66	650.05
Taxes	0.00	119.26	0.00	1,192.60
Miscellaneous	0.00	0.00	0.00	65.38
<b>Total Expenditures</b>	<u>17,024.96</u>	<u>20,489.42</u>	<u>234,110.42</u>	<u>238,802.66</u>
<b>Total Revenue Over (Under) Expenditures</b>	<b>3,757.04</b>	<b>-149.42</b>	<b>-5,130.42</b>	<b>-9,050.66</b>

**Westwood Village Homeowners Association, Inc.**  
**Statement of Revenues and Expenditures**  
**One Month and Ten Months Ended October 31, 2012 and 2011**

	<u>This Year Oct 2012</u>	<u>Prior Year Oct 2011</u>	<u>This Year Jan-Oct 2012</u>	<u>Prior Year Jan-Oct 2011</u>
<b>Other Revenue</b>				
Bank Interest	0.92	0.00	49.37	0.00
Easement	0.00	0.00	5,137.50	0.00
Fines	0.00	0.00	250.00	0.00
Interest Income	0.00	4.57	2.00	59.71
Investment Income	0.00	150.00	0.00	1,504.90
Late Fee	25.00	0.00	275.00	0.00
Repair Assessments	3,150.00	6,132.00	33,500.00	59,188.00
Insurance Assessment	414.37	2,212.00	5,520.20	22,120.00
<b>Total Other Revenue</b>	<u>3,590.29</u>	<u>8,498.57</u>	<u>44,734.07</u>	<u>82,872.61</u>
<b>Other Expenditures</b>				
Income Tax Expense	0.00	0.00	0.00	0.00
Insurance Expense	0.00	1,346.56	0.00	12,119.04
Bylaw & CCR Rewrite	4,705.00	0.00	17,453.00	0.00
Patio/Retaining Wall	0.00	0.00	15,395.16	0.00
Tennis Courts	0.00	0.00	23,560.79	0.00
Roof	0.00	0.00	3,168.90	0.00
Special Projects - Other	0.00	0.00	0.00	8,098.00
<b>Total Other Expenditures</b>	<u>4,705.00</u>	<u>1,346.56</u>	<u>59,577.85</u>	<u>20,217.04</u>
<b>Net Revenue Over (Under) Expenditures</b>	<u>2,642.33</u>	<u>7,002.59</u>	<u>-19,974.20</u>	<u>53,604.91</u>

**Westwood Village Homeowners Association, Inc.**  
**Supplemental Schedule I**  
**Budget to Actual**  
**Ten Months Ended October 31, 2012**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Revenue</b>			
Regular Assessments	209,720.00	209,720.00	0.00
New Member Fee	600.00	0.00	600.00
Boat Moorage	18,660.00	15,833.34	2,826.66
<b>Total Revenue</b>	<u>228,980.00</u>	<u>225,553.34</u>	<u>3,426.66</u>
<b>Expenditures</b>			
<b>Personnel Costs</b>			
Caretakers Salary	80,851.72	77,442.50	3,409.22
Payroll Taxes	7,310.79	7,295.84	14.95
Bonus	1,500.00	1,500.00	0.00
Gas Allotment	750.00	833.34	-83.34
Insurance - Health & WC	2,648.83	4,120.00	-1,471.17
<b>Maintenance &amp; Repair</b>			
Equipment Rent	0.00	416.66	-416.66
Equipment - Fuel & Oil	1,160.17	1,250.00	-89.83
Pool & Recreation Areas	8,952.72	4,565.00	4,387.72
Docks	10,880.19	12,500.00	-1,619.81
Yards & Grounds	16,355.73	12,083.34	4,272.39
Irrigation Pump	5,245.80	7,500.00	-2,254.20
Machines & Equipment	2,088.32	2,916.66	-828.34
Electrical & Plumbing	1,732.06	833.34	898.72
Exterior & Buildings	4,405.96	4,166.66	239.30
Supplies	2,281.62	83.34	2,198.28
Snowplowing	5,500.00	8,333.34	-2,833.34
Miscellaneous Repairs	249.12	2,500.00	-2,250.88
Roads	0.00	833.34	-833.34
<b>Utilities</b>			
Electric	7,191.62	8,333.34	-1,141.72
Water	21,389.34	20,833.34	556.00
Pool - Fuel	2,140.62	3,333.34	-1,192.72
Sewer	29,308.86	26,666.66	2,642.20
Garbage & Recycle	2,287.55	2,666.66	-379.11
Cable	10,835.30	11,666.66	-831.36
Telephone	480.01	1,000.00	-519.99
Long Distance	158.56	83.34	75.22
<b>Other costs</b>			
Accounting	5,796.00	5,833.34	-37.34
Bank Service Charges	0.00	83.34	-83.34
Depreciation Expense	385.00	0.00	385.00
Dues	570.11	500.00	70.11
Contributions	101.70	83.34	18.36
Legal	90.00	1,666.66	-1,576.66
Office Supplies	746.06	833.34	-87.28
Freight & Postage	716.66	833.34	-116.68
Taxes	0.00	1,250.00	-1,250.00
Miscellaneous	0.00	416.66	-416.66
<b>Total Expenditures</b>	<u>234,110.42</u>	<u>235,256.72</u>	<u>-1,146.30</u>
<b>Total Revenue Over (Under) Expenditures</b>	-5,130.42	-9,703.38	4,572.96

**Westwood Village Homeowners Association, Inc.**  
**Supplemental Schedule I**  
**Budget to Actual**  
**Ten Months Ended October 31, 2012**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Other Revenue</b>			
Bank Interest	49.37	0.00	49.37
Easement	5,137.50	2,083.34	3,054.16
Fines	250.00	0.00	250.00
Interest Income	2.00	0.00	2.00
Investment Income	0.00	833.34	-833.34
Late Fee	275.00	0.00	275.00
Other Income	0.00	833.34	-833.34
Repair Assessments	33,500.00	33,180.00	320.00
Insurance Assessment	5,520.20	22,120.00	-16,599.80
<b>Total Other Revenue</b>	<u>44,734.07</u>	<u>59,050.02</u>	<u>-14,315.95</u>
<b>Other Expenditures</b>			
Insurance Expense	0.00	15,833.34	-15,833.34
Income Tax Expense	0.00	333.34	-333.34
Bylaw & CCR Rewrite	17,453.00	0.00	17,453.00
Patio/Retaining Wall	15,395.16	0.00	15,395.16
Tennis Courts	23,560.79	0.00	23,560.79
Roof	3,168.90	0.00	3,168.90
Other Special Projects	0.00	33,180.00	-33,180.00
<b>Total Other Expenditures</b>	<u>59,577.85</u>	<u>49,346.68</u>	<u>10,231.17</u>
<b>Net Revenue Over (Under) Expenditures</b>	<u>-19,974.20</u>	<u>-0.04</u>	<u>-19,974.16</u>

**Westwood Village Homeowners Association, Inc.**  
**Statement of Cash Flows**  
For the One Month and Ten Months Ended October 31, 2012

	<u>Current Month</u> <u>Oct 2012</u>	<u>Year to Date</u> <u>Jan - Oct 2012</u>
<b>Cash Flows from Operating Activities</b>		
<b>Net Income</b>		
Net Income (Loss)	7,347.33	39,603.65
Tennis Courts	0.00	-23,560.79
Patio/Retaining Walls	0.00	-15,395.16
Bylaw & CCR Rewrite	-4,705.00	-17,453.00
Roof	0.00	-3,168.90
<b>Total Net Income</b>	<u>2,642.33</u>	<u>-19,974.20</u>
<b>Adjustments to Reconcile Net Income</b>		
<b>(Increase) Decrease in:</b>		
Accounts Receivable	733.90	1,015.00
Prepaid Cable	1,083.53	10,835.30
Prepaid Insurance	421.13	-842.20
<b>Increase (Decrease) in:</b>		
Accounts Payable	5,113.39	6,035.20
Income Tax Payable	0.00	-30.00
Payroll Liabilities	0.00	-1,511.63
Prepaid Assessments	-124.50	-2,899.50
<b>Total Adjustments</b>	<u>7,227.45</u>	<u>12,602.17</u>
<b>Net Cash Provided by Operating Activities</b>	9,869.78	-7,372.03
<b>Cash Flows from Investing Activities</b>		
Accumulated Depreciation	38.50	385.00
Payroll Advances	0.00	-78.00
<b>Net Cash Provided by Investing Activities</b>	<u>38.50</u>	<u>307.00</u>
<b>Cash Flows from Financing Activities</b>		
<b>Net Cash Provided by Financing Activities</b>	<u>0.00</u>	<u>0.00</u>
<b>Net Cash Increase for Period</b>	9,908.28	-7,065.03
<b>Cash at Beginning of Period</b>	132,492.11	149,465.42
<b>Cash at End of Period</b>	<u><u>142,400.39</u></u>	<u><u>142,400.39</u></u>