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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 November 30, 2012 and 2011, the related statement of revenues and expenditures for the one month and eleven months then ended, and the statement of cash flows for the one month and eleven months ended November 30, 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 H. DPA". The signature is stylized with a large, looped initial "J" and a distinct "DPA" at the end.

December 20, 2012

Westwood Village Homeowners Association, Inc.
Statement of Assets, Liabilities, and Equity
November 30, 2012 and 2011

Assets

	<u>Nov 30, 2012</u>	<u>Nov 30 2011</u>
Current Assets		
Cash in Bank - Checking	14,251.35	23,727.04
Cash in Bank - Capital Reserve	19,677.24	49,219.42
Cash in Bank - Insurance	26,377.50	22,550.88
Cash in Bank - Special Assessment	79,904.79	133,572.84
Total Cash	<u>140,210.88</u>	<u>229,070.18</u>
Accounts Receivable	2,082.00	-4,646.15
Prepaid Cable	1,083.58	2,098.66
Prepaid Insurance	421.07	3,260.92
Undeposited Funds	0.00	5,574.15
Total Current Assets	<u>143,797.53</u>	<u>235,357.76</u>
Property and Equipment		
Land	54,578.40	54,578.40
Capital Improvements	43,605.24	43,605.24
Equipment	82,432.52	82,432.52
Accumulated Depreciation	-123,271.89	-122,809.89
Total Property and Equipment	<u>57,344.27</u>	<u>57,806.27</u>
Total Assets	<u><u>201,141.80</u></u>	<u><u>293,164.03</u></u>

Liabilities and Equity

Current Liabilities		
Accounts Payable	4,982.72	8,953.95
Prepaid Assessments	2,794.84	7,972.44
Property Tax Payable	785.58	666.32
Total Current Liabilities	<u>8,563.14</u>	<u>17,592.71</u>
Total Liabilities	<u>8,563.14</u>	<u>17,592.71</u>
Equity		
Retained Earnings	202,214.76	221,623.07
Net Revenue Over (Under) Expenditures Current Year	50,463.75	53,948.25
Tennis Courts	-23,560.79	0.00
Patio/Retaining Wall	-15,395.16	0.00
Roof	-3,168.90	0.00
Bylaw & CCR Rewrite	-17,975.00	0.00
Total Equity	<u>192,578.66</u>	<u>275,571.32</u>
Total Liabilities and Equity	<u><u>201,141.80</u></u>	<u><u>293,164.03</u></u>

Westwood Village Homeowners Association, Inc.
Statement of Revenues and Expenditures
One Month and Eleven Months Ended November 30, 2012 and 2011

	<u>This Year</u> <u>Nov 2012</u>	<u>Prior Year</u> <u>Nov 2011</u>	<u>This Year</u> <u>Jan-Nov 2012</u>	<u>Prior Year</u> <u>Jan-Nov 2011</u>
Revenue				
Regular Assessments	20,963.00	20,340.00	230,683.00	231,292.00
New Member Fee	200.00	0.00	800.00	0.00
Boat Moorage	390.00	0.00	19,050.00	18,800.00
Total Revenue	<u>21,553.00</u>	<u>20,340.00</u>	<u>250,533.00</u>	<u>250,092.00</u>
Expenditures				
Personnel Costs				
Caretakers Salary	6,445.84	6,258.12	87,297.56	85,457.64
Payroll Taxes	594.70	560.20	7,905.49	8,681.93
Bonus	150.00	150.00	1,650.00	1,650.00
Gas Allotment	0.00	250.00	750.00	1,000.00
Insurance - Health & WC	237.46	0.00	2,886.29	4,142.80
Maintenance & Repair				
Equipment Rent	0.00	0.00	0.00	154.76
Equipment - Fuel & Oil	0.00	33.70	1,160.17	1,454.52
Pool & Recreation Areas	0.00	0.00	8,952.72	0.00
Docks	0.00	0.00	10,880.19	0.00
Yards & Grounds	100.00	0.00	16,455.73	0.00
Irrigation Pump	0.00	0.00	5,245.80	0.00
Machines & Equipment	854.26	0.00	2,942.58	0.00
Electrical & Plumbing	0.00	0.00	1,732.06	0.00
Exterior & Buildings	0.00	0.00	4,405.96	0.00
Supplies	5.19	652.12	2,286.81	2,547.49
Snowplowing	0.00	0.00	5,500.00	0.00
Miscellaneous Repairs	0.00	12,826.50	249.12	70,306.34
Utilities				
Electric	508.03	0.00	7,699.65	0.00
Water	1,732.70	0.00	23,122.04	0.00
Pool - Fuel	4.25	0.00	2,144.87	0.00
Sewer	2,969.02	0.00	32,277.88	0.00
Garbage & Recycle	217.83	0.00	2,505.38	0.00
Cable	1,083.53	0.00	11,918.83	0.00
Telephone	51.64	45.56	531.65	522.75
Long Distance	14.08	12.74	172.64	144.97
Utilities	0.00	5,958.44	0.00	76,788.20
Other costs				
Accounting	550.00	550.00	6,346.00	6,204.00
Bank Service Charges	5.00	0.00	5.00	0.00
Depreciation Expense	38.50	38.50	423.50	423.50
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	33.52	26.50	779.58	249.11
Freight & Postage	39.20	44.88	755.86	694.93
Taxes	0.00	119.26	0.00	1,311.86
Miscellaneous	0.00	0.00	0.00	65.38
Total Expenditures	<u>15,634.75</u>	<u>27,526.52</u>	<u>249,745.17</u>	<u>266,329.18</u>
Total Revenue Over (Under) Expenditures	5,918.25	-7,186.52	787.83	-16,237.18

Westwood Village Homeowners Association, Inc.
Statement of Revenues and Expenditures
One Month and Eleven Months Ended November 30, 2012 and 2011

	<u>This Year Nov 2012</u>	<u>Prior Year Nov 2011</u>	<u>This Year Jan-Nov 2012</u>	<u>Prior Year Jan-Nov 2011</u>
Other Revenue				
Bank Interest	0.98	0.00	50.35	0.00
Easement	0.00	0.00	5,137.50	0.00
Fines	-25.00	0.00	225.00	0.00
Interest Income	0.00	3.93	2.00	63.64
Investment Income	0.00	528.49	0.00	2,033.39
Late Fee	25.00	0.00	300.00	0.00
Repair Assessments	3,150.00	6,132.00	36,650.00	65,320.00
Insurance Assessment	1,790.87	2,212.00	7,311.07	24,332.00
Total Other Revenue	<u>4,941.85</u>	<u>8,876.42</u>	<u>49,675.92</u>	<u>91,749.03</u>
Other Expenditures				
Income Tax Expense	0.00	0.00	0.00	0.00
Insurance Expense	0.00	1,346.56	0.00	13,465.60
Bylaw & CCR Rewrite	522.00	0.00	17,975.00	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
Total Other Expenditures	<u>522.00</u>	<u>1,346.56</u>	<u>60,099.85</u>	<u>21,563.60</u>
Net Revenue Over (Under) Expenditures	<u>10,338.10</u>	<u>343.34</u>	<u>-9,636.10</u>	<u>53,948.25</u>

Westwood Village Homeowners Association, Inc.
Supplemental Schedule I
Budget to Actual
Eleven Months Ended November 30, 2012

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Revenue			
Regular Assessments	230,683.00	230,692.00	-9.00
New Member Fee	800.00	0.00	800.00
Boat Moorage	19,050.00	17,416.67	1,633.33
Total Revenue	<u>250,533.00</u>	<u>248,108.67</u>	<u>2,424.33</u>
Expenditures			
Personnel Costs			
Caretakers Salary	87,297.56	85,186.75	2,110.81
Payroll Taxes	7,905.49	8,025.42	-119.93
Bonus	1,650.00	1,650.00	0.00
Gas Allotment	750.00	916.67	-166.67
Insurance - Health & WC	2,886.29	4,532.00	-1,645.71
Maintenance & Repair			
Equipment Rent	0.00	458.33	-458.33
Equipment - Fuel & Oil	1,160.17	1,375.00	-214.83
Pool & Recreation Areas	8,952.72	5,021.50	3,931.22
Docks	10,880.19	13,750.00	-2,869.81
Yards & Grounds	16,455.73	13,291.67	3,164.06
Irrigation Pump	5,245.80	8,250.00	-3,004.20
Machines & Equipment	2,942.58	3,208.33	-265.75
Electrical & Plumbing	1,732.06	916.67	815.39
Exterior & Buildings	4,405.96	4,583.33	-177.37
Supplies	2,286.81	91.67	2,195.14
Snowplowing	5,500.00	9,166.67	-3,666.67
Miscellaneous Repairs	249.12	2,750.00	-2,500.88
Roads	0.00	916.67	-916.67
Utilities			
Electric	7,699.65	9,166.67	-1,467.02
Water	23,122.04	22,916.67	205.37
Pool - Fuel	2,144.87	3,666.67	-1,521.80
Sewer	32,277.88	29,333.33	2,944.55
Garbage & Recycle	2,505.38	2,933.33	-427.95
Cable	11,918.83	12,833.33	-914.50
Telephone	531.65	1,100.00	-568.35
Long Distance	172.64	91.67	80.97
Other costs			
Accounting	6,346.00	6,416.67	-70.67
Bank Service Charges	5.00	91.67	-86.67
Depreciation Expense	423.50	0.00	423.50
Dues	570.11	550.00	20.11
Contributions	101.70	91.67	10.03
Legal	90.00	1,833.33	-1,743.33
Office Supplies	779.58	916.67	-137.09
Freight & Postage	755.86	916.67	-160.81
Taxes	0.00	1,375.00	-1,375.00
Miscellaneous	0.00	458.33	-458.33
Total Expenditures	<u>249,745.17</u>	<u>258,782.36</u>	<u>-9,037.19</u>
Total Revenue Over (Under) Expenditures	787.83	-10,673.69	11,461.52

Westwood Village Homeowners Association, Inc.

Supplemental Schedule I

Budget to Actual

Eleven Months Ended November 30, 2012

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Other Revenue			
Bank Interest	50.35	0.00	50.35
Easement	5,137.50	2,291.67	2,845.83
Fines	225.00	0.00	225.00
Interest Income	2.00	0.00	2.00
Investment Income	0.00	916.67	-916.67
Late Fee	300.00	0.00	300.00
Other Income	0.00	916.67	-916.67
Repair Assessments	36,650.00	36,498.00	152.00
Insurance Assessment	7,311.07	24,332.00	-17,020.93
Total Other Revenue	<u>49,675.92</u>	<u>64,955.01</u>	<u>-15,279.09</u>
Other Expenditures			
Insurance Expense	0.00	17,416.67	-17,416.67
Income Tax Expense	0.00	366.67	-366.67
Bylaw & CCR Rewrite	17,975.00	0.00	17,975.00
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	36,498.00	-36,498.00
Total Other Expenditures	<u>60,099.85</u>	<u>54,281.34</u>	<u>5,818.51</u>
Net Revenue Over (Under) Expenditures	<u><u>-9,636.10</u></u>	<u><u>-0.02</u></u>	<u><u>-9,636.08</u></u>

Westwood Village Homeowners Association, Inc.
Statement of Cash Flows
For the One Month and Eleven Months Ended November 30, 2012

	<u>Current Month</u> <u>Nov 2012</u>	<u>Year to Date</u> <u>Jan - Nov 2012</u>
Cash Flows from Operating Activities		
Net Income		
Net Income (Loss)	15,043.10	50,463.75
Tennis Courts	0.00	-23,560.79
Patio/Retaining Walls	0.00	-15,395.16
Bylaw & CCR Rewrite	-4,705.00	-17,975.00
Roof	0.00	-3,168.90
Total Net Income	<u>10,338.10</u>	<u>-9,636.10</u>
Adjustments to Reconcile Net Income		
(Increase) Decrease in:		
Accounts Receivable	-1,365.00	-350.00
Prepaid Cable	1,083.53	11,918.83
Prepaid Insurance	421.13	-421.07
Increase (Decrease) in:		
Accounts Payable	-10,238.77	-4,203.57
Income Tax Payable	0.00	-30.00
Payroll Liabilities	0.00	-1,511.63
Prepaid Assessments	-2,545.00	-5,444.50
Total Adjustments	<u>-12,644.11</u>	<u>-41.94</u>
Net Cash Provided by Operating Activities	-2,306.01	-9,678.04
Cash Flows from Investing Activities		
Accumulated Depreciation	38.50	423.50
Payroll Advances	78.00	0.00
Net Cash Provided by Investing Activities	<u>116.50</u>	<u>423.50</u>
Cash Flows from Financing Activities		
Net Cash Provided by Financing Activities	<u>0.00</u>	<u>0.00</u>
Net Cash Increase for Period	-2,189.51	-9,254.54
Cash at Beginning of Period	142,400.39	149,465.42
Cash at End of Period	<u><u>140,210.88</u></u>	<u><u>140,210.88</u></u>