

(INDEPENDENT) ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Westwood Village Homeowners Association, Inc.

Management is responsible for the accompanying statement of assets, liabilities, and equity – modified accrual basis of Westwood Village Homeowners Association, Inc. (an Idaho corporation) as of December 31, 2016 and 2015, the statement of revenues and expenses - modified accrual basis in accordance with accounting principles generally accepted in the United States of America. I have performed compilation engagements in accordance with Statement on Standards for Accounting and Review Services promulgated by the Accounting and Review Service Committee of the AICPA. I have not audited or reviewed the accompanying financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion or provide any assurance on these financial statements.

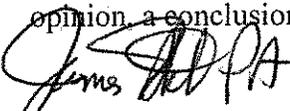
The financial statements are prepared in accordance with the modified accrual basis of accounting which is a basis of accounting other than accounting principles in generally accepted in the United States of America.

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.

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

Other Matter

The supplementary information contained in Schedule I and is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however I have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.


James Hutchens, PA
Sandpoint, Idaho
February 6, 2017

Westwood Village Homeowners Association, Inc.
Statement of Assets, Liabilities, and Equity- Modified Accrual
DECEMBER 31, 2016 and 2015

Assets

| | Dec 31,2016 | Dec 31,2015 |
|-------------------------------------|--------------------|--------------------|
| Current Assets | | |
| Cash in Bank - Checking | \$ 39,701 | \$ 66,363 |
| Cash in Bank - Capital Reserve | 85,000 | 65,000 |
| Cash in Bank - Insurance | 20,000 | 20,000 |
| Cash in Bank - Special Assessment | 79,654 | 79,654 |
| Total Cash | 224,355 | 231,017 |
| Accounts Receivable | 662 | 1,037 |
| Prepaid Cable | 16,853 | 13,417 |
| Prepaid Expense | 678 | - |
| Total Current Assets | 242,548 | 245,470 |
| Property and Equipment | | |
| Land | 54,578 | 54,578 |
| Land Improvements | 45,448 | 45,448 |
| Capital Improvements | 69,073 | 54,991 |
| Equipment | 106,897 | 106,897 |
| Accumulated Depreciation | (146,010) | (135,597) |
| Total Property and Equipment | 129,987 | 126,317 |
| Total Assets | \$ 372,535 | \$ 371,788 |

Liabilities and Equity

| | | |
|-------------------------------------|-------------------|-------------------|
| Current Liabilities | | |
| Accounts Payable | 10,539 | 19,045 |
| Credit Cards Payable | 99 | 364 |
| Prepaid Assessments | 5,746 | - |
| Payroll Taxes Payable | 899 | 3,761 |
| Total Current Liabilities | 17,283 | 23,170 |
| Long Term Debt | | |
| John Deere Loan | | 2,800 |
| Total Liabilities | 17,283 | 25,970 |
| Equity | | |
| Retained Earnings | 355,252 | 345,817 |
| Total Equity | 355,252 | 345,817 |
| Total Liabilities and Equity | \$ 372,535 | \$ 371,788 |

Westwood Village Homeowners Association, Inc.
Statement of Revenues and Expenditures-Modified Accrual
One Quarter and Three Quarters Ending December 31, 2016 and 2016

| | Quarter Ending Dec 2016 | Quarter Ending Dec 2015 | 12 Months Ending Dec 2016 | 12 Months Ending Dec 2015 |
|--|-------------------------------|-------------------------------|---------------------------------|---------------------------------|
| Revenue | | | | |
| Regular Assessments | \$ 71,211 | \$ 69,048 | \$ 284,844 | \$ 276,192 |
| New Member Fee | - | 200 | 1,000 | 1,000 |
| Boat Moorage | (390) | (390) | (390) | 16,710 |
| Boat Slip | - | - | 16,180 | - |
| Total Revenue | <u>70,821</u> | <u>68,858</u> | <u>301,634</u> | <u>293,902</u> |
| Expenditures | | | | |
| Personnel Costs | | | | |
| Caretakers Salary | 22,958 | 22,271 | 97,906 | 91,828 |
| Payroll Taxes | 2,807 | 1,982 | 13,464 | 9,421 |
| Bonus | 450 | 450 | 1,800 | 1,800 |
| Gas Allotment | 500 | - | 1,250 | 750 |
| Insurance - Health & WC | - | 777 | 2,561 | 3,916 |
| Maintenance & Repair | | | | |
| Equipment Rent | - | 3,335 | 576 | 3,466 |
| Equipment - Fuel & Oil | 35 | 23 | 869 | 622 |
| Pool & Recreation Areas | - | - | 8,613 | 9,241 |
| Docks | - | (2,609) | 14,292 | 2,255 |
| Yards & Grounds | 112 | 3,502 | 17,939 | 14,764 |
| Irrigation Pump | - | 53 | 2,281 | 6,608 |
| Machines & Equipment | 132 | 563 | 576 | 2,610 |
| Roads | 76 | - | 76 | 1,750 |
| Exterior & Buildings | 766 | 1,207 | 3,109 | 1,998 |
| Supplies | 275 | 482 | 1,851 | 2,086 |
| Snowplowing | 2,695 | - | 2,695 | 2,751 |
| Miscellaneous Repairs | - | - | 331 | - |
| Utilities | | | | |
| Electric | 1,895 | 940 | 6,866 | 7,995 |
| Water | 9,075 | 6,907 | 31,802 | 26,690 |
| Pool - Fuel | 16 | 13 | 2,366 | 2,206 |
| Sewer | 15,104 | 10,331 | 43,112 | 42,422 |
| Garbage & Recycle | 1,435 | 709 | 4,380 | 2,785 |
| Cable | 3,249 | 3,389 | 13,417 | 13,557 |
| Telephone | 260 | 254 | 911 | 997 |
| Other costs | | | | |
| Accounting | 2,481 | 2,090 | 13,135 | 9,103 |
| Bank Service Charges | 126 | 376 | 443 | 803 |
| Depreciation Expense | 2,603 | 9,182 | 10,412 | 9,528 |
| Contributions | - | - | - | 50 |
| Legal | - | - | 210 | - |
| Office Supplies | 63 | - | 220 | 192 |
| Freight & Postage | - | 107 | 187 | 500 |
| Licenses and Permits | - | 321 | - | 321 |
| Taxes | - | 20 | - | 20 |
| Miscellaneous | - | - | 656 | 620 |
| Total Expenditures | <u>67,113</u> | <u>66,674</u> | <u>298,308</u> | <u>273,654</u> |
| Total Revenue Over (Under) Expenditures | 3,708 | 2,184 | 3,326 | 20,248 |

Westwood Village Homeowners Association, Inc.
Statement of Revenues and Expenditures-Modified Accrual
One Quarter and Three Quarters Ending December 31, 2016 and 2016

| | Quarter Ending Dec 2016 | Quarter Ending Dec 2015 | 12 Months Ending Dec 2016 | 12 Months Ending Dec 2015 |
|--|-------------------------------|-------------------------------|---------------------------------|---------------------------------|
| Other Revenue | | | | |
| WC Dividend | - | 74 | - | 74 |
| Easement | - | - | 2,000 | 4,000 |
| Fines | (25) | 200 | 225 | 550 |
| Late Fee | 50 | 100 | 175 | 300 |
| Capital Assessments | - | 19,908 | - | 79,632 |
| Insurance Assessment | 6,636 | 6,636 | 26,544 | 26,544 |
| Total Other Revenue | <u>6,661</u> | <u>26,918</u> | <u>28,944</u> | <u>111,100</u> |
| Other Expenditures | | | | |
| Income Tax Expense | - | 30 | 32 | 30 |
| Insurance Expense | 1,822 | 1,642 | 22,803 | 20,645 |
| Total Other Expenditures | <u>1,822</u> | <u>1,672</u> | <u>22,835</u> | <u>20,675</u> |
| Net Revenue Over (Under) Expenditures | <u>\$ 8,547</u> | <u>\$ 27,430</u> | <u>\$ 9,435</u> | <u>\$ 110,673</u> |

Westwood Village Homeowners Association, Inc.

Supplemental Schedule I

Budget to Actual

Year Ending December 31, 2016

| | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> |
|--|----------------|----------------|-----------------|
| Revenue | | | |
| Boat Slip | \$ 16,180 | \$ 18,000 | \$ (1,821) |
| Regular Assessments | 284,844 | 284,844 | - |
| New Member Fee | 1,000 | - | 1,000 |
| Boat Moorage | (390) | - | (390) |
| Total Revenue | <u>301,634</u> | <u>302,844</u> | <u>(1,211)</u> |
| Expenditures | | | |
| Personnel Costs | | | |
| Caretakers Salary | 97,906 | 109,312 | (11,406) |
| Payroll Taxes | 13,464 | 10,376 | 3,088 |
| Bonus | 1,800 | 1,800 | - |
| Gas Allotment | 1,250 | 1,000 | 250 |
| Insurance - Health & WC | 2,561 | 5,000 | (2,439) |
| Maintenance & Repair | | | |
| Equipment Rent | 576 | 500 | 76 |
| Equipment - Fuel & Oil | 869 | 1,500 | (631) |
| Pool & Recreation Areas | 8,613 | 9,000 | (387) |
| Docks | 14,292 | 10,000 | 4,292 |
| Yards & Grounds | 17,939 | 20,000 | (2,061) |
| Irrigation Pump | 2,281 | 10,000 | (7,719) |
| Machines & Equipment | 576 | 5,102 | (4,526) |
| Roads | 76 | 1,500 | (1,424) |
| Exterior & Buildings | 3,109 | 5,000 | (1,891) |
| Supplies | 1,851 | 500 | 1,351 |
| Snowplowing | 2,695 | 10,000 | (7,305) |
| Miscellaneous Repairs | 331 | - | 331 |
| Electrical and Plumbing | - | 1,000 | (1,000) |
| Utilities | | | |
| Electric | 6,866 | 10,000 | (3,134) |
| Water | 31,802 | 28,000 | 3,802 |
| Pool - Fuel | 2,366 | 4,000 | (1,634) |
| Sewer | 43,112 | 44,000 | (888) |
| Garbage & Recycle | 4,380 | 3,000 | 1,380 |
| Cable | 13,417 | 14,000 | (583) |
| Telephone | 911 | 1,000 | (89) |
| Other costs | | | |
| Accounting | 13,135 | 9,000 | 4,135 |
| Bank Service Charges | 443 | 200 | 243 |
| Depreciation Expense | 10,412 | - | 10,412 |
| Licenses and Permits | - | 300 | (300) |
| Contributions | - | 100 | (100) |
| Legal | 210 | 1,000 | (790) |
| Office Supplies | 220 | 1,200 | (980) |
| Freight & Postage | 187 | 1,000 | (813) |
| Miscellaneous | 656 | - | 656 |
| Total Expenditures | <u>298,309</u> | <u>318,390</u> | <u>(20,081)</u> |
| Total Revenue Over (Under) Expenditures | 3,324 | (15,546) | 18,870 |

Westwood Village Homeowners Association, Inc.
Supplemental Schedule I
Budget to Actual
Year Ending December 31, 2016

| | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> |
|--|-----------------|--------------------|------------------|
| Other Revenue | | | |
| Easement | 2,000 | - | 2,000 |
| Fines | 225 | - | 225 |
| Late Fee | 175 | - | 175 |
| Other Income | - | 1,500 | (1,500) |
| Insurance Assessment | 26,544 | 26,544 | - |
| Total Other Revenue | <u>28,944</u> | <u>28,044</u> | <u>900</u> |
| Other Expenditures | | | |
| Insurance Expense | 22,803 | 21,000 | 1,803 |
| Income Tax Expense | 32 | 30 | 2 |
| Roof | - | 40,000 | (40,000) |
| Total Other Expenditures | <u>22,835</u> | <u>61,030</u> | <u>(38,195)</u> |
| Net Revenue Over (Under) Expenditures | <u>\$ 9,433</u> | <u>\$ (48,532)</u> | <u>\$ 57,965</u> |

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

| | <u>Quarter Ending Dec 2016</u> | <u>Year to Date Jan - Dec 2016</u> |
|--|------------------------------------|--|
| Cash Flows from Operating Activities | | |
| Net Income | | |
| Net Income (Loss) | 8,547.04 | 9,434.43 |
| Total Net Income | <u>8,547.04</u> | <u>9,434.43</u> |
| Adjustments to Reconcile Net Income | | |
| (Increase) Decrease in: | | |
| Accounts Receivable | -231.00 | 0.00 |
| Prepaid Cable | -13,603.82 | -3,436.16 |
| Prepaid Expense | 0.00 | -677.62 |
| Accounts Payable | 0.00 | -8,505.82 |
| Capital One Business Card | -4,541.88 | -265.01 |
| Customer Refundable Deposit | -500.00 | 0.00 |
| Payroll Liabilities | 0.00 | -2,861.36 |
| Prepaid Assessments | -570.00 | 0.00 |
| Increase (Decrease) in: | | |
| Accounts Receivable | 0.00 | 374.78 |
| Prepaid Expense | 508.14 | 0.00 |
| Accounts Payable | 10,406.18 | 0.00 |
| Prepaid Assessments | 0.00 | 5,746.00 |
| Total Adjustments | <u>-8,532.38</u> | <u>-9,625.19</u> |
| Net Cash Provided by Operating Activities | 14.66 | -190.76 |
| Cash Flows from Investing Activities | | |
| Capital Improvements | 0.00 | -14,081.85 |
| Accumulated Depreciation | 2,603.06 | 10,412.24 |
| Net Cash Provided by Investing Activities | <u>2,603.06</u> | <u>-3,669.61</u> |
| Cash Flows from Financing Activities | | -2,800.49 |
| Net Cash Provided by Financing Activities | <u>0.00</u> | <u>-2,800.49</u> |
| Net Cash Increase for Period | 2,617.72 | -6,660.86 |
| Cash at Beginning of Period | 221,737.62 | 231,016.20 |
| Cash at End of Period | <u><u>224,355.34</u></u> | <u><u>224,355.34</u></u> |