

**BRIAN C. JENSEN, CPA PA**  
CERTIFIED PUBLIC ACCOUNTANT

P.O. BOX 773  
SANDPOINT, IDAHO 83864

MEMBER AICPA

520 CEDAR STREET  
(208) 263-5154

October 21, 2011

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 September 30, 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  
SEPTEMBER 30, 2011 AND 2010

	THIS YEAR	PRIOR YEAR
<b>ASSETS</b>		
CURRENT ASSETS		
CASH IN BANK - CHECKING	24,390.49	884.66
CASH IN BANK - CAPITAL RESERVE	49,216.11	50,964.00
CASH IN BANK - SP. ASSESS. RES	121,708.84	69,835.85
CASH IN BANK - INSURANCE RESER	19,725.44	22,637.01
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TOTAL CASH	215,040.88	144,321.52
ACCOUNTS RECEIVABLE	2,019.00	1,478.27
PREPAID INSURANCE	4,607.48	3,635.23
PREPAID CABLE	4,265.72	4,265.67
PREPAID INCOME TAX		1,059.00
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TOTAL CURRENT ASSETS	225,933.08	154,759.69
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	(122,732.89)	(122,270.89)
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NET FIXED ASSETS	57,883.27	58,345.27
OTHER ASSETS		
PAYROLL ADVANCES	(55.00)	
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TOTAL OTHER ASSETS	(55.00)	.00
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TOTAL ASSETS	283,761.35	213,104.96
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<b>LIABILITIES AND FUND BALANCE</b>		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	8,056.80	6,319.74
PREPAID ASSESSMENTS	5,984.74	4,415.14
PROPERTY TAX PAYABLE	1,494.42	1,146.72
INCOME TAX PAYABLE		361.60
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TOTAL CURRENT LIABILITIES	15,535.96	12,243.20
LONG-TERM LIABILITIES		
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TOTAL LONG-TERM LIABILITIES	.00	.00
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TOTAL LIABILITIES	15,535.96	12,243.20
FUND BALANCE		
FUND BALANCE - BEGIN YEAR	221,623.07	133,570.82
NET REVENUE OVER (UNDER)		
EXPENDITURES CURRENT YEAR	46,602.32	67,290.94
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TOTAL FUND BALANCE	268,225.39	200,861.76
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TOTAL LIABILITIES AND FUND BALANCE	283,761.35	213,104.96
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SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION  
STATEMENT OF REVENUES AND EXPENDITURES  
FOR THE MONTHS AND THE NINE MONTHS  
ENDED SEPTEMBER 30, 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	183,060.00	170,748.00
BOAT MOORAGE	550.00		18,800.00	18,600.00
REPAIR ASSESSMENT	6,132.00	5,487.00	60,608.00	60,383.00
NEW MEMBER FEE				400.00
TOTAL REVENUE	27,022.00	24,459.00	262,468.00	250,131.00
EXPENDITURES				
SALARIES CARETAKER	3,524.46	3,421.80	31,720.14	30,796.20
SALARY OTHER	4,953.66	4,626.04	39,273.76	38,327.31
PAYROLL TAXES CARETAKER	375.16	376.06	3,403.02	3,440.64
PAYROLL TAX OTHER	505.76	487.14	3,948.19	4,148.05
ACCOUNTING	550.00	1,100.00	5,104.00	4,950.00
GAS ALLOTMENT	250.00	242.92	750.00	1,074.44
BANK SERVICE CHARGES				20.00
CONTRIBUTIONS		50.00		50.00
DUES			500.00	500.00
DEPRECIATION	38.50	38.50	346.50	346.50
EQUIPMENT RENT			154.76	
FREIGHT AND POSTAGE	161.40	40.49	605.17	671.61
GAS AND OIL		239.50	1,065.78	259.34
INSURANCE - EMP. HEALTH & WC		437.00	2,796.24	3,587.00
LEGAL		414.00	4,029.00	450.00
MISCELLANEOUS			65.38	96.40
OFFICE SUPPLIES	13.00	66.17	191.44	931.02
BONUS	150.00	150.00	1,350.00	1,350.00
MAINTENANCE AND REPAIR	19,705.40	7,085.13	54,000.43	36,524.88
SUPPLIES	146.89	1,251.19	1,895.37	7,161.00
TAXES	119.26	119.26	1,073.34	1,073.34
TELEPHONE	45.79	84.11	477.19	769.64
TELEPHONE LONG DISTANCE	12.61	8.30	132.23	68.06
UTILITIES	9,982.16	8,330.53	64,084.74	55,743.85
SPECIAL PROJECTS	8,098.00	172.94	8,098.00	1,499.79
TOTAL EXPENDITURES	48,632.05	28,741.08	225,064.68	193,839.07
TOTAL REVENUE OVER (UNDER) EXPENDITURES	(21,610.05)	(4,282.08)	37,403.32	56,291.93
OTHER REVENUE (EXPENDITURES)				
INSURANCE ASSESSMENTS	2,212.00	2,212.00	19,908.00	19,908.00
INTEREST INCOME	4.63	78.27	55.14	286.05
EASEMENT				2,556.00
EXTRA INCOME			1,354.90	150.00
INSURANCE EXPENSE	(1,346.56)	(1,282.16)	(12,119.04)	(11,539.44)
TOTAL OTHER REVENUE (EXPENDITURE)	870.07	1,008.11	9,199.00	11,360.61
REVENUE OVER (UNDER) EXPENDITURE BEFORE INCOME TAXES	(20,739.98)	(3,273.97)	46,602.32	67,652.54
INCOME TAX EXPENSE PROVISION FOR INCOME TAX	30.00	174.84		361.60
NET REVENUE OVER (UNDER) EXPENDITURES	(20,769.98)	(3,448.81)	46,602.32	67,290.94

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION  
STATEMENT OF CASH FLOWS  
FOR THE MONTHS AND THE NINE MONTHS  
ENDED SEPTEMBER 30, 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	(20,769.98)	(3,448.81)	46,602.32	67,290.94
Adjustments to reconcile net revenue over (under) expenditure to net cash provided (used) by operating activities:				
DEPRECIATION	38.50	38.50	346.50	346.50
(INC) DEC IN RECEIVABLES	(787.00)	(1,080.00)	(1,374.00)	(876.02)
(INC) DEC IN PREPAID EXPENSE	1,083.53	1,079.36	7,087.37	(6,017.80)
(INC) DEC IN PREPAID TAXES				5,475.00
INC (DEC) IN ACCOUNTS PAYABLE	(8,510.79)	(2,153.84)	1,904.58	6,319.74
INC (DEC) IN TAXES PAYABLE	119.26	294.10	887.34	1,434.94
INC (DEC) IN PREPAID ASSESS	(1,181.00)	(829.66)	1,155.60	(7,678.41)
NET CASH PROVIDED (USED) FROM OPERATING ACTIVITIES	(30,007.48)	(6,100.35)	56,609.71	66,294.89
CASH FLOWS FROM INVESTING ACTIVITIES				
(INC) DEC IN DEPOSITS			55.00	
NET CASH PROVIDED (USED) FROM INVESTING ACTIVITIES	.00	.00	55.00	.00
CASH FLOWS FROM FINANCING ACTIVITIES				
NET CASH PROVIDED (USED) FROM FINANCING ACTIVITIES	.00	.00	.00	.00
NET INCREASE (DECREASE) IN CASH	(30,007.48)	(6,100.35)	56,664.71	66,294.89
CASH AT BEGINNING OF PERIOD	245,048.36	150,421.87	158,376.17	78,026.63
CASH AT END OF PERIOD	215,040.88	144,321.52	215,040.88	144,321.52

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION  
SUPPLEMENTAL SCHEDULE 1  
REVENUE AND EXPENDITURE BUDGET ANALYSIS  
FOR THE MONTHS AND THE NINE MONTHS  
ENDED SEPTEMBER 30, 2011

	CURRENT MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
REVENUE						
REGULAR ASSESSMENTS	20,340.00	20,340.00		183,060.00	183,060.00	
BOAT MOORAGE	550.00		550.00	18,800.00	18,000.00	800.00
INSURANCE ASSESSMENTS	2,212.00	2,212.00		19,908.00	19,908.00	
INTEREST INCOME	4.63	58.34	(53.71)	55.14	525.00	(469.86)
EASEMENT					2,500.00	(2,500.00)
EXTRA INCOME		83.34	(83.34)	1,354.90	750.00	604.90
TOTAL REVENUE	23,106.63	22,693.68	412.95	223,178.04	224,743.00	(1,564.96)
PERSONNEL COSTS						
SALARIES CARETAKER	3,524.46	3,524.42	(.04)	31,720.14	31,719.72	(.42)
PAYROLL TAXES CARETAKER	375.16	192.25	(182.91)	3,403.02	1,730.25	(1,672.77)
BONUS	150.00	158.34	8.34	1,350.00	1,425.00	75.00
GAS ALLOTMENT	250.00	83.34	(166.66)	750.00	750.00	
SALARY OTHER	4,953.66	3,994.26	(959.40)	39,273.76	35,948.28	(3,325.48)
PAYROLL TAX OTHER	505.76	516.00	10.24	3,948.19	4,644.00	695.81
INSURANCE - EMP. HEALTH & WC		400.00	400.00	2,796.24	3,600.00	803.76
MAINTENANCE, REPAIR AND SUPPLY						
EQUIPMENT RENT				154.76	1,000.00	845.24
EQUIPMENT - FUEL & OIL		125.00	125.00	1,065.78	1,125.00	59.22
M&R - POOL & RECREATION AREAS	(75.00)	391.67	466.67	4,301.33	3,525.00	(776.33)
M&R - DOCKS	7,124.00		(7,124.00)	14,740.52	15,000.00	259.48
M&R - YARD & GROUNDS	3,876.00	1,250.00	(2,626.00)	14,587.45	11,250.00	(3,337.45)
M&R - EXTERIOR & BUILDINGS	8,675.30	375.00	(8,300.30)	11,691.71	3,375.00	(8,316.71)
M&R - IRRIGATION PUMP		166.67	166.67	19.08	1,500.00	1,480.92
M&R - MACHINES & EQUIPMENT	(16.64)	291.67	308.31	3,936.49	2,625.00	(1,311.49)
M&R - ELECTRICAL & PLUMBING	121.74	83.34	(38.40)	806.47	750.00	(56.47)
M&R - MISCELLANEOUS REPAIRS		250.00	250.00	12.38	2,250.00	2,237.62
M&R - ROADS					1,000.00	1,000.00
SNOWPLOWING				3,905.00	8,000.00	4,095.00
SUPPLIES - POOL & RECREATION				1,009.12		(1,009.12)
SUPPLIES - YARD AND GROUNDS	146.89		(146.89)	146.89		(146.89)
SUPPLIES - BUILDINGS & EXTER.				16.18		(16.18)
SUPPLIES - MISCELLANEOUS				723.18		(723.18)
UTILITIES						
POOL -FUEL	718.11	774.00	55.89	3,236.68	4,988.00	1,751.32
ELECTRIC	1,232.52	787.09	(445.43)	6,783.99	7,083.75	299.76
WATER	3,298.75	2,083.34	(1,215.41)	18,289.02	18,750.00	460.98
SEWER	3,403.84	2,666.66	(737.18)	24,000.13	24,000.00	(.13)
GARBAGE AND RECYCLE	245.41	264.59	19.18	2,023.15	2,381.25	358.10
CABLE	1,083.53	1,041.66	(41.87)	9,751.77	9,374.99	(376.78)
MISC SERVICES AND COSTS						
ACCOUNTING	550.00	625.00	75.00	5,104.00	5,625.00	521.00
BANK SERVICE CHARGES		8.34	8.34		75.00	75.00
DUES		50.00	50.00	500.00	450.00	(50.00)
FREIGHT AND POSTAGE	161.40	58.34	(103.06)	605.17	525.00	(80.17)
INSURANCE EXPENSE	1,346.56	1,750.00	403.44	12,119.04	15,750.00	3,630.96
LEGAL		166.67	166.67	4,029.00	1,500.00	(2,529.00)
MISCELLANEOUS		41.67	41.67	65.38	375.00	309.62
OFFICE SUPPLIES	13.00	62.50	49.50	191.44	562.50	371.06
TAXES	119.26		(119.26)	1,073.34	750.00	(323.34)
TELEPHONE	45.79	100.00	54.21	477.19	900.00	422.81
TELEPHONE LONG DISTANCE	12.61	8.34	(4.27)	132.23	75.00	(57.23)
PROVISION FOR INCOME TAX	30.00		(30.00)			
TOTAL EXPENDITURES	41,872.11	22,290.16	(19,581.95)	228,739.22	224,382.74	(4,356.48)
TOTAL REVENUE OVER (UNDER) EXPENDITURES	(18,765.48)	403.52	(19,169.00)	(5,561.18)	360.26	(5,921.44)

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION  
SUPPLEMENTAL SCHEDULE 1  
REVENUE AND EXPENDITURE BUDGET ANALYSIS  
FOR THE MONTHS AND THE NINE MONTHS  
ENDED SEPTEMBER 30, 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)	60,608.00	59,724.00	884.00
ROOF					(9,762.00)	9,762.00
RESERVES		(5,833.34)	5,833.34		(52,500.00)	52,500.00
SPECIAL PROJECT -DRIVEWAYS	(8,098.00)		(8,098.00)	(8,098.00)		(8,098.00)
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TOTAL OTHER REVENUE/EXP	(1,966.00)	802.66	(2,768.66)	52,510.00	(2,538.00)	55,048.00
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NET CASH REVENUE OVER (UNDER) EXPENDITURES	(20,731.48)	1,206.18	(21,937.66)	46,948.82	(2,177.74)	49,126.56
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NON CASH EXPENSE						
DEPRECIATION	38.50		(38.50)	346.50		(346.50)
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TOTAL NON CASH EXPENSE	38.50	.00	(38.50)	346.50	.00	(346.50)
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NET REVENUE OVER (UNDER) EXPENDITURES	(20,769.98)	1,206.18	(21,976.16)	46,602.32	(2,177.74)	48,780.06
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SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION  
SUPPLEMENTAL SCHEDULE 2  
BREAKDOWN OF VARIOUS COSTS  
FOR THE MONTHS AND THE NINE MONTHS  
ENDED SEPTEMBER 30, 2011 AND 2010

	CURRENT MONTH		YEAR TO DATE	
	THIS YEAR	PRIOR YEAR	THIS YEAR	PRIOR YEAR
MAINTENANCE AND REPAIR				
M&R - POOL & RECREATION AREAS	(75.00)	2,447.01	4,301.33	3,826.83
M&R - DOCKS	7,124.00	67.80	14,740.52	9,496.22
M&R - YARD & GROUNDS	3,876.00	3,713.27	14,587.45	10,081.48
M&R - EXTERIOR & BUILDINGS	8,675.30	710.00	11,691.71	5,749.85
M&R - IRRIGATION PUMP			19.08	330.64
M&R - MACHINES & EQUIPMENT	(16.64)	52.07	3,936.49	2,719.88
M&R - ELECTRICAL & PLUMBING	121.74	94.98	806.47	437.15
M&R - MISCELLANEOUS REPAIRS			12.38	
M&R - ROADS				1,855.61
SNOWPLOWING			3,905.00	2,027.22
TOTAL MAINTENANCE AND REPAIR	19,705.40	7,085.13	54,000.43	36,524.88
SUPPLIES				
SUPPLIES - POOL & RECREATION			1,009.12	4,146.83
SUPPLIES - YARD AND GROUNDS	146.89		146.89	159.21
SUPPLIES - BUILDINGS & EXTER.			16.18	299.75
SUPPLIES - RESTROOM & CLEANING				53.74
SUPPLIES - MACHINES & EQUIP.				35.27
SUPPLIES - ELECTRICAL & PLUMB.				29.10
SUPPLIES - MISCELLANEOUS		1,251.19	723.18	2,437.10
TOTAL SUPPLIES	146.89	1,251.19	1,895.37	7,161.00
GAS AND OIL				
EQUIPMENT - FUEL & OIL		239.50	1,065.78	259.34
TOTAL GAS AND OIL	.00	239.50	1,065.78	259.34
UTILITIES				
POOL -FUEL	718.11		3,236.68	2,161.14
ELECTRIC	1,232.52	1,019.80	6,783.99	5,760.37
WATER	3,298.75	3,351.87	18,289.02	15,750.45
SEWER	3,403.84	2,640.12	24,000.13	20,398.71
GARBAGE AND RECYCLE	245.41	235.21	2,023.15	1,921.34
CABLE	1,083.53	1,083.53	9,751.77	9,751.84
TOTAL UTILITIES	9,982.16	8,330.53	64,084.74	55,743.85
SPECIAL PROJECTS				
ROOF		172.94		1,499.79
SPECIAL PROJECT -DRIVEWAYS	8,098.00		8,098.00	
TOTAL SPECIAL PROJECTS	8,098.00	172.94	8,098.00	1,499.79

SEE ACCOMPANYING ACCOUNTANTS LETTER