

# 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 February 28, 2013 and 2012, the related statement of revenues and expenditures for the one month and two months then ended, and the statement of cash flows for the one month and two months ended February 28, 2013. 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 and somewhat cursive, with the letters "PA" being particularly prominent at the end.

March 28, 2013

**Westwood Village Homeowners Association, Inc.**  
**Statement of Assets, Liabilities, and Equity**  
**February 28, 2013 and 2012**

**Assets**

	<u>Feb 28 2013</u>	<u>Feb 29 2012</u>
<b>Current Assets</b>		
Cash in Bank - Checking	46,859.03	48,512.64
Cash in Bank - Capital Reserve	19,679.39	12,992.85
Cash in Bank - Insurance	20,000.00	27,572.88
Cash in Bank - Special Assessment	65,293.79	97,819.59
<b>Total Cash</b>	<u>151,832.21</u>	<u>186,897.96</u>
Accounts Receivable	1,189.00	3,129.00
Prepaid Cable	11,291.56	10,835.35
Prepaid Insurance	6,025.80	4,663.74
<b>Total Current Assets</b>	<u>170,338.57</u>	<u>205,526.05</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	-123,387.39	-122,925.39
<b>Total Property and Equipment</b>	<u>57,228.77</u>	<u>57,690.77</u>
<b>Total Assets</b>	<u><u>227,567.34</u></u>	<u><u>263,216.82</u></u>

**Liabilities and Equity**

<b>Current Liabilities</b>		
Accounts Payable	6,303.26	18,326.72
Income Tax Payable	30.00	30.00
Payroll Liabilities	0.00	836.49
Prepaid Assessments	9,552.84	11,361.34
Property Tax Payable	785.58	785.58
<b>Total Current Liabilities</b>	<u>16,671.68</u>	<u>31,340.13</u>
<b>Total Liabilities</b>	<u>16,671.68</u>	<u>31,340.13</u>
<b>Equity</b>		
Retained Earnings	191,880.39	202,214.76
Net Revenue Over Expenditures Current Year	18,357.47	29,661.93
Bylaw & CCR Rewrite	657.80	0.00
<b>Total Equity</b>	<u>210,895.66</u>	<u>231,876.69</u>
<b>Total Liabilities and Equity</b>	<u><u>227,567.34</u></u>	<u><u>263,216.82</u></u>

**Westwood Village Homeowners Association, Inc.**  
**Statement of Revenues and Expenditures**  
**One Month and Two Months Ended February 28, 2013 and 2012**

	<u>This Year</u> Feb 2013	<u>Prior Year</u> Feb 2012	<u>This Year</u> Jan-Feb 2013	<u>Prior Year</u> Jan-Feb 2012
<b>Revenue</b>				
Regular Assessments	21,599.00	20,972.00	43,198.00	41,944.00
New Member Fee	0.00	0.00	200.00	0.00
Boat Moorage	5,250.00	8,050.00	5,600.00	8,050.00
<b>Total Revenue</b>	<u>26,849.00</u>	<u>29,022.00</u>	<u>48,998.00</u>	<u>49,994.00</u>
<b>Expenditures</b>				
<b>Personnel Costs</b>				
Caretakers Salary	6,639.24	6,445.84	13,278.48	12,891.68
Payroll Taxes	733.39	734.14	1,471.44	1,489.36
Bonus	150.00	150.00	300.00	300.00
Insurance - Health & WC	232.20	0.00	464.40	-193.00
<b>Maintenance &amp; Repair</b>				
Equipment - Fuel & Oil	0.00	0.00	0.00	66.00
Yards & Grounds	0.00	-323.23	0.00	-318.57
Machines & Equipment	0.00	0.00	259.44	0.00
Electrical & Plumbing	0.00	802.50	0.00	802.50
Exterior & Buildings	0.00	628.23	0.00	628.23
Supplies	18.00	84.37	43.94	84.37
Snowplowing	1,320.00	3,960.00	2,640.00	3,960.00
Miscellaneous Repairs	0.00	0.00		
<b>Utilities</b>				
Electric	626.41	669.19	1,293.98	1,321.71
Water	1,572.20	1,697.41	3,121.24	3,433.09
Pool - Fuel	4.25	4.25	8.50	8.50
Sewer	2,958.32	2,896.03	5,931.25	5,802.19
Garbage & Recycle	217.83	217.83	435.66	441.92
Cable	1,129.16	1,083.53	2,258.32	2,167.06
Telephone	51.30	45.01	102.60	91.93
Long Distance	63.99	12.90	77.94	25.80
<b>Other costs</b>				
Accounting	578.00	550.00	1,128.00	1,100.00
Depreciation Expense	38.50	38.50	77.00	77.00
Office Supplies	35.50	27.00	35.50	50.70
Freight & Postage	50.44	45.24	92.48	93.20
<b>Total Expenditures</b>	<u>16,418.73</u>	<u>19,768.74</u>	<u>33,020.17</u>	<u>34,323.67</u>
<b>Total Revenue Over Expenditures</b>	10,430.27	9,253.26	15,977.83	15,670.33
<b>Other Revenue</b>				
Bank Interest	0.00	6.99	1.08	12.86
Easement	0.00	0.00	0.00	2,580.00
Fines	25.00	75.00	25.00	75.00
Late Fee	125.00	0.00	150.00	0.00
Repair Assessments	0.00	4,524.00	0.00	8,300.00
Insurance Assessment	1,759.58	2,212.00	3,971.58	4,424.00
<b>Total Other Revenue</b>	<u>1,909.58</u>	<u>6,817.99</u>	<u>4,147.66</u>	<u>15,391.86</u>
<b>Other Expenditures</b>				
Insurance Expense	0.00	421.13	452.42	842.26
Bylaw & CCR Rewrite	98.80	180.00	657.80	558.00
<b>Total Other Expenditures</b>	<u>98.80</u>	<u>601.13</u>	<u>1,110.22</u>	<u>1,400.26</u>
<b>Net Revenue Over Expenditures</b>	<u>12,241.05</u>	<u>15,470.12</u>	<u>19,015.27</u>	<u>29,661.93</u>

# Westwood Village Homeowners Association, Inc.

## Supplemental Schedule I

### Budget to Actual

For the Two Months Ended February 28, 2013

	Actual	Budget	Variance
<b>Revenue</b>			
Regular Assessments	43,198.00	43,198.00	0.00
New Member Fee	200.00	0.00	200.00
Boat Moorage	5,600.00	3,166.66	2,433.34
<b>Total Revenue</b>	48,998.00	46,364.66	2,633.34
<b>Expenditures</b>			
<b>Personnel Costs</b>			
Caretakers Salary	13,278.48	16,535.00	-3,256.52
Payroll Taxes	1,471.44	1,633.68	-162.24
Bonus	300.00	300.00	0.00
Gas Allotment	0.00	166.66	-166.66
Insurance - Health & WC	464.40	833.33	-368.93
<b>Maintenance &amp; Repair</b>			
Equipment Rent	0.00	25.84	-25.84
Equipment - Fuel & Oil	0.00	250.00	-250.00
Pool & Recreation Areas	0.00	916.66	-916.66
Docks	0.00	2,500.00	-2,500.00
Yards & Grounds	0.00	2,416.66	-2,416.66
Irrigation Pump	0.00	1,000.00	-1,000.00
Machines & Equipment	259.44	794.18	-534.74
Electrical & Plumbing	0.00	166.66	-166.66
Exterior & Buildings	0.00	833.33	-833.33
Supplies	43.94	100.00	-56.06
Snowplowing	2,640.00	1,666.66	973.34
Miscellaneous Repairs	0.00	1,291.68	-1,291.68
Roads	0.00	83.33	-83.33
<b>Utilities</b>			
Electric	1,293.98	1,666.68	-372.70
Water	3,121.24	4,166.66	-1,045.42
Pool - Fuel	8.50	666.66	-658.16
Sewer	5,931.25	5,333.34	597.91
Garbage & Recycle	435.66	533.33	-97.67
Cable	2,258.32	2,375.00	-116.68
Telephone	102.60	200.00	-97.40
Long Distance	77.94	33.33	44.61
<b>Other costs</b>			
Accounting	1,128.00	1,166.68	-38.68
Bank Service Charges	0.00	16.66	-16.66
Depreciation Expense	77.00	0.00	77.00
Dues	0.00	100.00	-100.00
Contributions	0.00	16.66	-16.66
Office Supplies	35.50	166.66	-131.16
Freight & Postage	92.48	166.66	-74.18
Taxes	0.00	250.00	-250.00
<b>Total Expenditures</b>	33,020.17	48,371.99	-15,351.82
<b>Total Revenue Over Expenditures</b>	15,977.83	-2,007.33	17,985.16
<b>Other Revenue</b>			
Bank Interest	1.08	0.00	1.08

**Westwood Village Homeowners Association, Inc.**  
**Supplemental Schedule I**  
**Budget to Actual**

**For the Two Months Ended February 28, 2013**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Easement	0.00	416.68	-416.68
Fines	25.00	0.00	25.00
Investment Income	0.00	166.66	-166.66
Late Fee	150.00	0.00	150.00
Other Income	0.00	166.67	-166.67
Insurance Assessment	3,971.58	4,424.00	-452.42
<b>Total Other Revenue</b>	<u>4,147.66</u>	<u>5,174.01</u>	<u>-1,026.35</u>
<b>Other Expenditures</b>			
Insurance Expense	452.42	3,166.68	-2,714.26
Bylaw & CCR Rewrite	657.80	0.00	657.80
<b>Total Other Expenditures</b>	<u>1,110.22</u>	<u>3,166.68</u>	<u>-2,056.46</u>
<b>Net Revenue Over Expenditures</b>	<u><u>19,015.27</u></u>	<u><u>-0.00</u></u>	<u><u>19,015.27</u></u>

**Westwood Village Homeowners Association, Inc.**  
**Statement of Cash Flows**  
For the One Month and Two Months Ended February 28, 2013

	<u>Current Month</u> <u>Feb 2013</u>	<u>Year to Date</u> <u>Jan - Feb 2013</u>
<b>Cash Flows from Operating Activities</b>		
Net Income		
Net Income (Loss)	12,142.25	18,357.47
Bylaw & CCR Rewrite	<u>98.80</u>	<u>657.80</u>
<b>Total Net Income</b>	<u>12,241.05</u>	<u>19,015.27</u>
<b>Adjustments to Reconcile Net Income</b>		
<b>(Increase) Decrease in:</b>		
Accounts Receivable	306.00	-851.00
Prepaid Cable	1,129.16	-11,291.56
Prepaid Insurance	-1,049.22	-6,025.80
<b>Increase (Decrease) in:</b>		
Accounts Payable	-32.00	-9,725.92
Prepaid Assessments	<u>-2,028.00</u>	<u>3,184.00</u>
<b>Total Adjustments</b>	<u>-1,674.06</u>	<u>-24,710.28</u>
<b>Net Cash Provided by Operating Activities</b>	10,566.99	-5,695.01
<b>Cash Flows from Investing Activities</b>		
Accumulated Depreciation	<u>38.50</u>	<u>77.00</u>
<b>Net Cash Provided by Investing Activities</b>	38.50	77.00
<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>	10,605.49	-5,618.01
<b>Cash at Beginning of Period</b>	141,226.72	157,450.22
<b>Cash at End of Period</b>	<u><u>151,832.21</u></u>	<u><u>151,832.21</u></u>