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July 22, 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 June 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
JUNE 30, 2011 AND 2010

	THIS YEAR	PRIOR YEAR
ASSETS		
CURRENT ASSETS		
CASH IN BANK - CHECKING	30,104.89	28,584.92
CASH IN BANK - CAPITAL RESERVE	50,987.13	50,957.52
CASH IN BANK - SP. ASSESS. RES	114,383.34	53,863.85
CASH IN BANK - INSURANCE RESER	30,514.92	20,000.00
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TOTAL CASH	225,990.28	153,406.29
ACCOUNTS RECEIVABLE	1,195.00	401.68
PREPAID INSURANCE	4,607.48	3,622.72
PREPAID CABLE	7,516.31	7,516.26
PREPAID INCOME TAX		1,059.00
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TOTAL CURRENT ASSETS	239,309.07	166,005.95
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	(122,617.39)	(122,155.39)
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NET FIXED ASSETS	57,998.77	58,460.77
OTHER ASSETS		
PAYROLL ADVANCES	(55.00)	
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TOTAL OTHER ASSETS	(55.00)	.00
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TOTAL ASSETS	297,252.84	224,466.72
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LIABILITIES AND FUND BALANCE		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	10,477.18	13,226.16
PREPAID ASSESSMENTS	7,024.14	6,087.53
PROPERTY TAX PAYABLE	1,136.64	788.94
INCOME TAX PAYABLE	377.78	694.25
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TOTAL CURRENT LIABILITIES	19,015.74	20,796.88
LONG-TERM LIABILITIES		
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TOTAL LONG-TERM LIABILITIES	.00	.00
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TOTAL LIABILITIES	19,015.74	20,796.88
FUND BALANCE		
FUND BALANCE - BEGIN YEAR	221,431.29	133,570.82
NET REVENUE OVER (UNDER)		
EXPENDITURES CURRENT YEAR	56,805.81	70,099.02
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TOTAL FUND BALANCE	278,237.10	203,669.84
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TOTAL LIABILITIES AND FUND BALANCE	297,252.84	224,466.72
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SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE MONTHS AND THE SIX MONTHS
ENDED JUNE 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	122,040.00	113,832.00
BOAT MOORAGE	1,400.00	1,450.00	17,700.00	17,750.00
REPAIR ASSESSMENT	6,132.00	5,487.00	42,212.00	43,922.00
NEW MEMBER FEE		200.00		400.00
TOTAL REVENUE	27,872.00	26,109.00	181,952.00	175,904.00
EXPENDITURES				
SALARIES CARETAKER	5,286.69	3,421.80	21,146.76	20,530.80
SALARY OTHER	7,820.49	4,640.54	22,941.96	23,198.74
PAYROLL TAXES CARETAKER	562.74	376.06	2,306.96	2,312.46
PAYROLL TAX OTHER	828.22	502.36	2,336.80	2,554.94
ACCOUNTING	690.00	550.00	3,454.00	3,300.00
GAS ALLOTMENT	250.00	242.91	500.00	831.52
BANK SERVICE CHARGES				20.00
DUES	500.00	500.00	500.00	500.00
DEPRECIATION	38.50	38.50	231.00	231.00
EQUIPMENT RENT			154.76	
FREIGHT AND POSTAGE	122.96	345.59	318.25	567.69
GAS AND OIL			146.04	19.84
INSURANCE - EMP. HEALTH & WC	719.00	440.00	2,419.00	2,205.00
LEGAL		126.00	3,345.00	126.00
MISCELLANEOUS				96.40
OFFICE SUPPLIES	106.85	43.07	148.44	792.85
BONUS	225.00	150.00	900.00	900.00
MAINTENANCE AND REPAIR	4,840.20	3,834.51	26,435.72	16,865.63
SUPPLIES	269.38	3,790.73	363.40	4,767.15
TAXES	119.26	119.26	715.56	715.56
TELEPHONE	45.24	85.63	274.97	500.48
TELEPHONE LONG DISTANCE	12.71	8.45	76.60	42.48
UTILITIES	7,399.42	5,894.12	41,937.83	32,490.20
TOTAL EXPENDITURES	29,836.66	25,109.53	130,653.05	113,568.74
TOTAL REVENUE OVER (UNDER) EXPENDITURES	(1,964.66)	999.47	51,298.95	62,335.26
OTHER REVENUE (EXPENDITURES)				
INSURANCE ASSESSMENTS	2,212.00	2,212.00	13,272.00	13,272.00
INTEREST INCOME	6.24	59.29	36.22	172.97
EASEMENT		2,556.00		2,556.00
EXTRA INCOME	175.00		278.00	150.00
INSURANCE EXPENSE	(1,346.56)	(1,282.16)	(8,079.36)	(7,692.96)
TOTAL OTHER REVENUE (EXPENDITURE)	1,046.68	3,545.13	5,506.86	8,458.01
REVENUE OVER (UNDER) EXPENDITURE BEFORE INCOME TAXES	(917.98)	4,544.60	56,805.81	70,793.27
INCOME TAX EXPENSE PROVISION FOR INCOME TAX		(1,209.83)		694.25
NET REVENUE OVER (UNDER) EXPENDITURES	(917.98)	5,754.43	56,805.81	70,099.02

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE MONTHS AND THE SIX MONTHS
ENDED JUNE 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	(917.98)	5,754.43	56,805.81	70,099.02
Adjustments to reconcile net revenue over (under) expenditure to net cash provided (used) by operating activities:				
DEPRECIATION	38.50	38.50	231.00	231.00
(INC) DEC IN RECEIVABLES	(476.50)	368.38	(550.00)	200.57
(INC) DEC IN PREPAID EXPENSE	1,083.53	1,079.36	3,836.78	(9,255.88)
(INC) DEC IN PREPAID TAXES		1,282.00		5,475.00
INC (DEC) IN ACCOUNTS PAYABLE	(3,291.76)	12,317.16	4,324.96	13,226.16
INC (DEC) IN TAXES PAYABLE	119.26	(1,090.57)	715.56	1,409.81
INC (DEC) IN PREPAID ASSESS	(497.00)	(1,331.00)	2,195.00	(6,006.02)
NET CASH PROVIDED (USED) FROM OPERATING ACTIVITIES	(3,941.95)	18,418.26	67,559.11	75,379.66
CASH FLOWS FROM INVESTING ACTIVITIES				
(INC) DEC IN DEPOSITS	55.00		55.00	
NET CASH PROVIDED (USED) FROM INVESTING ACTIVITIES	55.00	.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	(3,886.95)	18,418.26	67,614.11	75,379.66
CASH AT BEGINNING OF PERIOD	229,877.23	134,988.03	158,376.17	78,026.63
CASH AT END OF PERIOD	225,990.28	153,406.29	225,990.28	153,406.29

SEE ACCOMPANYING ACCOUNTANTS LETTER

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

	CURRENT MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
REVENUE						
REGULAR ASSESSMENTS	20,340.00	20,340.00		122,040.00	122,040.00	
BOAT MOORAGE	1,400.00		1,400.00	17,700.00	18,000.00	(300.00)
INSURANCE ASSESSMENTS	2,212.00	2,212.00		13,272.00	13,272.00	
INTEREST INCOME	6.24	58.34	(52.10)	36.22	350.00	(313.78)
EASEMENT					2,500.00	(2,500.00)
EXTRA INCOME	175.00	83.34	91.66	278.00	500.00	(222.00)
TOTAL REVENUE	24,133.24	22,693.68	1,439.56	153,326.22	156,662.00	(3,335.78)
PERSONNEL COSTS						
SALARIES CARETAKER	5,286.69	3,524.42	(1,762.27)	21,146.76	21,146.48	(.28)
PAYROLL TAXES CARETAKER	562.74	192.25	(370.49)	2,306.96	1,153.50	(1,153.46)
BONUS	225.00	158.34	(66.66)	900.00	950.00	50.00
GAS ALLOTMENT	250.00	83.34	(166.66)	500.00	500.00	
SALARY OTHER	7,820.49	3,994.26	(3,826.23)	22,941.96	23,965.52	1,023.56
PAYROLL TAX OTHER	828.22	516.00	(312.22)	2,336.80	3,096.00	759.20
INSURANCE - EMP. HEALTH & WC	719.00	400.00	(319.00)	2,419.00	2,400.00	(19.00)
MAINTENANCE, REPAIR AND SUPPLY						
EQUIPMENT RENT		300.00	300.00	154.76	300.00	145.24
EQUIPMENT - FUEL & OIL		125.00	125.00	146.04	750.00	603.96
M&R - POOL & RECREATION AREAS	260.77	391.67	130.90	3,500.15	2,350.00	(1,150.15)
M&R - DOCKS	570.00	5,500.00	4,930.00	8,046.90	12,600.00	4,553.10
M&R - YARD & GROUNDS	3,974.50	1,250.00	(2,724.50)	6,370.94	7,500.00	1,129.06
M&R - EXTERIOR & BUILDINGS		375.00	375.00	2,408.62	2,250.00	(158.62)
M&R - IRRIGATION PUMP	(19.08)	166.67	185.75	19.08	1,000.00	980.92
M&R - MACHINES & EQUIPMENT	54.01	291.67	237.66	1,843.65	1,750.00	(93.65)
M&R - ELECTRICAL & PLUMBING		83.34	83.34	329.00	500.00	171.00
M&R - MISCELLANEOUS REPAIRS		250.00	250.00	12.38	1,500.00	1,487.62
M&R - ROADS		250.00	250.00		500.00	500.00
SNOWPLOWING				3,905.00	8,000.00	4,095.00
SUPPLIES - BUILDINGS & EXTER.				16.18		(16.18)
SUPPLIES - MISCELLANEOUS	269.38		(269.38)	347.22		(347.22)
UTILITIES						
POOL -FUEL	863.68	850.00	(13.68)	883.68	2,514.00	1,630.32
ELECTRIC	875.47	787.09	(88.38)	4,590.97	4,722.50	131.53
WATER	1,764.88	2,083.34	318.46	11,288.27	12,500.00	1,211.73
SEWER	2,599.98	2,666.67	66.69	17,389.82	16,000.00	(1,389.82)
GARBAGE AND RECYCLE	211.88	264.59	52.71	1,283.91	1,587.50	303.59
CABLE	1,083.53	1,041.67	(41.86)	6,501.18	6,250.00	(251.18)
MISC SERVICES AND COSTS						
ACCOUNTING	690.00	625.00	(65.00)	3,454.00	3,750.00	296.00
BANK SERVICE CHARGES		8.34	8.34		50.00	50.00
DUES	500.00	50.00	(450.00)	500.00	300.00	(200.00)
FREIGHT AND POSTAGE	122.96	58.34	(64.62)	318.25	350.00	31.75
INSURANCE EXPENSE	1,346.56	1,750.00	403.44	8,079.36	10,500.00	2,420.64
LEGAL		166.67	166.67	3,345.00	1,000.00	(2,345.00)
MISCELLANEOUS		41.67	41.67		250.00	250.00
OFFICE SUPPLIES	106.85	62.50	(44.35)	148.44	375.00	226.56
TAXES	119.26	750.00	630.74	715.56	750.00	34.44
TELEPHONE	45.24	100.00	54.76	274.97	600.00	325.03
TELEPHONE LONG DISTANCE	12.71	8.34	(4.37)	76.60	50.00	(26.60)
TOTAL EXPENDITURES	31,144.72	29,166.18	(1,978.54)	138,501.41	153,760.50	15,259.09
TOTAL REVENUE OVER (UNDER) EXPENDITURES	(7,011.48)	(6,472.50)	(538.98)	14,824.81	2,901.50	11,923.31

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
SUPPLEMENTAL SCHEDULE 1
REVENUE AND EXPENDITURE BUDGET ANALYSIS
FOR THE MONTHS AND THE SIX MONTHS
ENDED JUNE 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)	42,212.00	39,816.00	2,396.00
RESERVES		(5,833.34)	5,833.34		(35,000.00)	35,000.00
	<u>6,132.00</u>	<u>802.66</u>	<u>5,329.34</u>	<u>42,212.00</u>	<u>4,816.00</u>	<u>37,396.00</u>
TOTAL OTHER REVENUE/EXP						
	<u>6,132.00</u>	<u>802.66</u>	<u>5,329.34</u>	<u>42,212.00</u>	<u>4,816.00</u>	<u>37,396.00</u>
NET CASH REVENUE OVER (UNDER) EXPENDITURES	(879.48)	(5,669.84)	4,790.36	57,036.81	7,717.50	49,319.31
NON CASH EXPENSE						
DEPRECIATION	38.50		(38.50)	231.00		(231.00)
	<u>38.50</u>	<u>.00</u>	<u>(38.50)</u>	<u>231.00</u>	<u>.00</u>	<u>(231.00)</u>
TOTAL NON CASH EXPENSE						
	<u>38.50</u>	<u>.00</u>	<u>(38.50)</u>	<u>231.00</u>	<u>.00</u>	<u>(231.00)</u>
NET REVENUE OVER (UNDER) EXPENDITURES	(917.98)	(5,669.84)	4,751.86	56,805.81	7,717.50	49,088.31
	<u><u>(917.98)</u></u>	<u><u>(5,669.84)</u></u>	<u><u>4,751.86</u></u>	<u><u>56,805.81</u></u>	<u><u>7,717.50</u></u>	<u><u>49,088.31</u></u>

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
SUPPLEMENTAL SCHEDULE 2
BREAKDOWN OF VARIOUS COSTS
FOR THE MONTHS AND THE SIX MONTHS
ENDED JUNE 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	260.77	789.12	3,500.15	1,220.82
M&R - DOCKS	570.00	642.80	8,046.90	828.42
M&R - YARD & GROUNDS	3,974.50	485.85	6,370.94	5,226.95
M&R - EXTERIOR & BUILDINGS		1,599.02	2,408.62	5,176.85
M&R - IRRIGATION PUMP	(19.08)		19.08	
M&R - MACHINES & EQUIPMENT	54.01	127.39	1,843.65	364.09
M&R - ELECTRICAL & PLUMBING		114.72	329.00	165.67
M&R - MISCELLANEOUS REPAIRS			12.38	
M&R - ROADS		75.61		1,855.61
SNOWPLOWING			3,905.00	2,027.22
TOTAL MAINTENANCE AND REPAIR	4,840.20	3,834.51	26,435.72	16,865.63
SUPPLIES				
SUPPLIES - POOL & RECREATION		3,736.99		3,736.99
SUPPLIES - BUILDINGS & EXTER.			16.18	
SUPPLIES - RESTROOM & CLEANING		53.74		53.74
SUPPLIES - MISCELLANEOUS	269.38		347.22	976.42
TOTAL SUPPLIES	269.38	3,790.73	363.40	4,767.15
GAS AND OIL				
EQUIPMENT - FUEL & OIL			146.04	19.84
TOTAL GAS AND OIL	.00	.00	146.04	19.84
UTILITIES				
POOL -FUEL	863.68	885.99	883.68	905.99
ELECTRIC	875.47	224.00	4,590.97	2,981.54
WATER	1,764.88	1,387.22	11,288.27	8,073.45
SEWER	2,599.98	2,103.57	17,389.82	12,793.33
GARBAGE AND RECYCLE	211.88	209.81	1,283.91	1,234.64
CABLE	1,083.53	1,083.53	6,501.18	6,501.25
TOTAL UTILITIES	7,399.42	5,894.12	41,937.83	32,490.20
SPECIAL PROJECTS				
TOTAL SPECIAL PROJECTS	.00	.00	.00	.00

SEE ACCOMPANYING ACCOUNTANTS LETTER