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MEMBER AICPA

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August 24, 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 July 31, 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
JULY 31, 2011 AND 2010

	THIS YEAR	PRIOR YEAR
ASSETS		
CURRENT ASSETS		
CASH IN BANK - CHECKING	31,810.80	7,446.15
CASH IN BANK - CAPITAL RESERVE	50,990.96	50,957.52
CASH IN BANK - SP. ASSESS. RES	119,916.34	53,863.85
CASH IN BANK - INSURANCE RESER	31,296.36	26,063.71
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TOTAL CASH	234,014.46	138,331.23
ACCOUNTS RECEIVABLE	888.00	470.00
PREPAID INSURANCE	4,607.48	3,626.89
PREPAID CABLE	6,432.78	6,432.73
PREPAID INCOME TAX		1,059.00
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TOTAL CURRENT ASSETS	245,942.72	149,919.85
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	(122,655.89)	(122,193.89)
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NET FIXED ASSETS	57,960.27	58,422.27
OTHER ASSETS		
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TOTAL OTHER ASSETS	.00	.00
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TOTAL ASSETS	303,902.99	208,342.12
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LIABILITIES AND FUND BALANCE		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	14,550.25	888.91
PREPAID ASSESSMENTS	8,213.74	6,503.53
PROPERTY TAX PAYABLE	1,255.90	908.20
INCOME TAX PAYABLE	377.78	171.14
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TOTAL CURRENT LIABILITIES	24,397.67	8,471.78
LONG-TERM LIABILITIES		
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TOTAL LONG-TERM LIABILITIES	.00	.00
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TOTAL LIABILITIES	24,397.67	8,471.78
FUND BALANCE		
FUND BALANCE - BEGIN YEAR	221,431.29	133,570.82
NET REVENUE OVER (UNDER)		
EXPENDITURES CURRENT YEAR	58,074.03	66,299.52
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TOTAL FUND BALANCE	279,505.32	199,870.34
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TOTAL LIABILITIES AND FUND BALANCE	303,902.99	208,342.12
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SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE MONTHS AND THE SEVEN MONTHS
ENDED JULY 31, 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	142,380.00	132,804.00
BOAT MOORAGE	550.00	350.00	18,250.00	18,100.00
REPAIR ASSESSMENT	6,132.00	5,487.00	48,344.00	49,409.00
NEW MEMBER FEE				400.00
TOTAL REVENUE	27,022.00	24,809.00	208,974.00	200,713.00
EXPENDITURES				
SALARIES CARETAKER	3,524.46	3,421.80	24,671.22	23,952.60
SALARY OTHER	5,253.66	5,148.04	28,195.62	28,346.78
PAYROLL TAXES CARETAKER	345.74	376.06	2,652.70	2,688.52
PAYROLL TAX OTHER	480.33	542.11	2,817.13	3,097.05
ACCOUNTING	550.00	550.00	4,004.00	3,850.00
GAS ALLOTMENT			500.00	831.52
BANK SERVICE CHARGES				20.00
DUES			500.00	500.00
DEPRECIATION	38.50	38.50	269.50	269.50
EQUIPMENT RENT			154.76	
FREIGHT AND POSTAGE	10.60		328.85	567.69
GAS AND OIL			146.04	19.84
INSURANCE - EMP. HEALTH & WC	377.24	465.00	2,796.24	2,670.00
LEGAL	684.00	(90.00)	4,029.00	36.00
MISCELLANEOUS	65.38		65.38	96.40
OFFICE SUPPLIES	27.00	13.00	175.44	805.85
BONUS	150.00	150.00	1,050.00	1,050.00
MAINTENANCE AND REPAIR	8,002.58	9,094.35	34,438.30	25,959.98
SUPPLIES	237.04	480.16	600.44	5,247.31
TAXES	119.26	119.26	834.82	834.82
TELEPHONE	64.29	90.32	339.26	590.80
TELEPHONE LONG DISTANCE	17.78	8.96	94.38	51.44
UTILITIES	7,706.39	8,333.08	49,644.22	40,823.28
SPECIAL PROJECTS		1,326.85		1,326.85
TOTAL EXPENDITURES	27,654.25	30,067.49	158,307.30	143,636.23
TOTAL REVENUE OVER (UNDER) EXPENDITURES	(632.25)	(5,258.49)	50,666.70	57,076.77
OTHER REVENUE (EXPENDITURES)				
INSURANCE ASSESSMENTS	2,212.00	2,212.00	15,484.00	15,484.00
INTEREST INCOME	7.71	6.04	44.35	179.01
EASEMENT				2,556.00
EXTRA INCOME	1,026.90		1,304.90	150.00
INSURANCE EXPENSE	(1,346.56)	(1,282.16)	(9,425.92)	(8,975.12)
TOTAL OTHER REVENUE (EXPENDITURE)	1,900.05	935.88	7,407.33	9,393.89
REVENUE OVER (UNDER) EXPENDITURE BEFORE INCOME TAXES	1,267.80	(4,322.61)	58,074.03	66,470.66
INCOME TAX EXPENSE PROVISION FOR INCOME TAX		(523.11)		171.14
NET REVENUE OVER (UNDER) EXPENDITURES	1,267.80	(3,799.50)	58,074.03	66,299.52

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE MONTHS AND THE SEVEN MONTHS
ENDED JULY 31, 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	1,267.80	(3,799.50)	58,074.03	66,299.52
Adjustments to reconcile net revenue over (under) expenditure to net cash provided (used) by operating activities:				
DEPRECIATION	38.50	38.50	269.50	269.50
(INC) DEC IN RECEIVABLES	307.00	(68.32)	(243.00)	132.25
(INC) DEC IN PREPAID EXPENSE	1,083.53	1,079.36	4,920.31	(8,176.52)
(INC) DEC IN PREPAID TAXES				5,475.00
INC (DEC) IN ACCOUNTS PAYABLE	4,073.07	(12,337.25)	8,398.03	888.91
INC (DEC) IN TAXES PAYABLE	119.26	(403.85)	834.82	1,005.96
INC (DEC) IN PREPAID ASSESS	1,189.60	416.00	3,384.60	(5,590.02)
NET CASH PROVIDED (USED) FROM OPERATING ACTIVITIES	8,078.76	(15,075.06)	75,638.29	60,304.60
CASH FLOWS FROM INVESTING ACTIVITIES				
(INC) DEC IN DEPOSITS	(55.00)			
NET CASH PROVIDED (USED) FROM INVESTING ACTIVITIES	(55.00)	.00	.00	.00
CASH FLOWS FROM FINANCING ACTIVITIES				
NET CASH PROVIDED (USED) FROM FINANCING ACTIVITIES	.00	.00	.00	.00
NET INCREASE (DECREASE) IN CASH	8,023.76	(15,075.06)	75,638.29	60,304.60
CASH AT BEGINNING OF PERIOD	225,990.70	153,406.29	158,376.17	78,026.63
CASH AT END OF PERIOD	234,014.46	138,331.23	234,014.46	138,331.23

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
SUPPLEMENTAL SCHEDULE 1
REVENUE AND EXPENDITURE BUDGET ANALYSIS
FOR THE MONTHS AND THE SEVEN MONTHS
ENDED JULY 31, 2011

	CURRENT MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
REVENUE						
REGULAR ASSESSMENTS	20,340.00	20,340.00		142,380.00	142,380.00	
BOAT MOORAGE	550.00		550.00	18,250.00	18,000.00	250.00
INSURANCE ASSESSMENTS	2,212.00	2,212.00		15,484.00	15,484.00	
INTEREST INCOME	7.71	58.33	(50.62)	44.35	408.33	(363.98)
EASEMENT					2,500.00	(2,500.00)
EXTRA INCOME	1,026.90	83.33	943.57	1,304.90	583.33	721.57
TOTAL REVENUE	24,136.61	22,693.66	1,442.95	177,463.25	179,355.66	(1,892.41)
PERSONNEL COSTS						
SALARIES CARETAKER	3,524.46	3,524.41	(.05)	24,671.22	24,670.89	(.33)
PAYROLL TAXES CARETAKER	345.74	192.25	(153.49)	2,652.70	1,345.75	(1,306.95)
BONUS	150.00	158.33	8.33	1,050.00	1,108.33	58.33
GAS ALLOTMENT		83.33	83.33	500.00	583.33	83.33
SALARY OTHER	5,253.66	3,994.25	(1,259.41)	28,195.62	27,959.77	(235.85)
PAYROLL TAX OTHER	480.33	516.00	35.67	2,817.13	3,612.00	794.87
INSURANCE - EMP. HEALTH & WC	377.24	400.00	22.76	2,796.24	2,800.00	3.76
MAINTENANCE, REPAIR AND SUPPLY						
EQUIPMENT RENT		400.00	400.00	154.76	700.00	545.24
EQUIPMENT - FUEL & OIL		125.00	125.00	146.04	875.00	728.96
M&R - POOL & RECREATION AREAS	859.54	391.66	(467.88)	4,359.69	2,741.66	(1,618.03)
M&R - DOCKS		2,400.00	2,400.00	8,046.90	15,000.00	6,953.10
M&R - YARD & GROUNDS	3,878.64	1,250.00	(2,628.64)	10,249.58	8,750.00	(1,499.58)
M&R - EXTERIOR & BUILDINGS	887.42	375.00	(512.42)	3,296.04	2,625.00	(671.04)
M&R - IRRIGATION PUMP		166.66	166.66	19.08	1,166.66	1,147.58
M&R - MACHINES & EQUIPMENT	2,109.48	291.66	(1,817.82)	3,953.13	2,041.66	(1,911.47)
M&R - ELECTRICAL & PLUMBING	267.50	83.33	(184.17)	596.50	583.33	(13.17)
M&R - MISCELLANEOUS REPAIRS		250.00	250.00	12.38	1,750.00	1,737.62
M&R - ROADS		250.00	250.00		750.00	750.00
SNOWPLOWING				3,905.00	8,000.00	4,095.00
SUPPLIES - BUILDINGS & EXTER.				16.18		(16.18)
SUPPLIES - MISCELLANEOUS	237.04		(237.04)	584.26		(584.26)
UTILITIES						
POOL -FUEL	902.13	850.00	(52.13)	1,785.81	3,364.00	1,578.19
ELECTRIC	479.51	787.08	307.57	5,070.48	5,509.58	439.10
WATER	2,243.16	2,083.33	(159.83)	13,531.43	14,583.33	1,051.90
SEWER	2,741.76	2,666.67	(75.09)	20,131.58	18,666.67	(1,464.91)
GARBAGE AND RECYCLE	256.30	264.58	8.28	1,540.21	1,852.08	311.87
CABLE	1,083.53	1,041.66	(41.87)	7,584.71	7,291.66	(293.05)
MISC SERVICES AND COSTS						
ACCOUNTING	550.00	625.00	75.00	4,004.00	4,375.00	371.00
BANK SERVICE CHARGES		8.33	8.33		58.33	58.33
DUES		50.00	50.00	500.00	350.00	(150.00)
FREIGHT AND POSTAGE	10.60	58.33	47.73	328.85	408.33	79.48
INSURANCE EXPENSE	1,346.56	1,750.00	403.44	9,425.92	12,250.00	2,824.08
LEGAL	684.00	166.66	(517.34)	4,029.00	1,166.66	(2,862.34)
MISCELLANEOUS	65.38	41.66	(23.72)	65.38	291.66	226.28
OFFICE SUPPLIES	27.00	62.50	35.50	175.44	437.50	262.06
TAXES	119.26		(119.26)	834.82	750.00	(84.82)
TELEPHONE	64.29	100.00	35.71	339.26	700.00	360.74
TELEPHONE LONG DISTANCE	17.78	8.33	(9.45)	94.38	58.33	(36.05)
TOTAL EXPENDITURES	28,962.31	25,416.01	(3,546.30)	167,463.72	179,176.51	11,712.79
TOTAL REVENUE OVER (UNDER) EXPENDITURES	(4,825.70)	(2,722.35)	(2,103.35)	9,999.53	179.15	9,820.38

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
SUPPLEMENTAL SCHEDULE 1
REVENUE AND EXPENDITURE BUDGET ANALYSIS
FOR THE MONTHS AND THE SEVEN MONTHS
ENDED JULY 31, 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)	48,344.00	46,452.00	1,892.00
RESERVES		(5,833.33)	5,833.33		(40,833.33)	40,833.33
	<u>6,132.00</u>	<u>802.67</u>	<u>5,329.33</u>	<u>48,344.00</u>	<u>5,618.67</u>	<u>42,725.33</u>
TOTAL OTHER REVENUE/EXP						
	<u>6,132.00</u>	<u>802.67</u>	<u>5,329.33</u>	<u>48,344.00</u>	<u>5,618.67</u>	<u>42,725.33</u>
NET CASH REVENUE OVER (UNDER) EXPENDITURES	1,306.30	(1,919.68)	3,225.98	58,343.53	5,797.82	52,545.71
NON CASH EXPENSE						
DEPRECIATION	38.50		(38.50)	269.50		(269.50)
	<u>38.50</u>	<u>.00</u>	<u>(38.50)</u>	<u>269.50</u>	<u>.00</u>	<u>(269.50)</u>
TOTAL NON CASH EXPENSE						
	<u>38.50</u>	<u>.00</u>	<u>(38.50)</u>	<u>269.50</u>	<u>.00</u>	<u>(269.50)</u>
NET REVENUE OVER (UNDER) EXPENDITURES	1,267.80	(1,919.68)	3,187.48	58,074.03	5,797.82	52,276.21
	<u><u>1,267.80</u></u>	<u><u>(1,919.68)</u></u>	<u><u>3,187.48</u></u>	<u><u>58,074.03</u></u>	<u><u>5,797.82</u></u>	<u><u>52,276.21</u></u>

SEE ACCOMPANYING ACCOUNTANTS LETTER

WESTWOOD HOMEOWNERS ASSOCIATION
SUPPLEMENTAL SCHEDULE 2
BREAKDOWN OF VARIOUS COSTS
FOR THE MONTHS AND THE SEVEN MONTHS
ENDED JULY 31, 2011 AND 2010

	CURRENT MONTH		YEAR TO DATE	
	THIS YEAR	PRIOR YEAR	THIS YEAR	PRIOR YEAR
MAINTENANCE AND REPAIR				
M&R - POOL & RECREATION AREAS	859.54	(1.00)	4,359.69	1,219.82
M&R - DOCKS		8,600.00	8,046.90	9,428.42
M&R - YARD & GROUNDS	3,878.64	211.68	10,249.58	5,438.63
M&R - EXTERIOR & BUILDINGS	887.42	(137.00)	3,296.04	5,039.85
M&R - IRRIGATION PUMP		330.64	19.08	330.64
M&R - MACHINES & EQUIPMENT	2,109.48	8.03	3,953.13	372.12
M&R - ELECTRICAL & PLUMBING	267.50	82.00	596.50	247.67
M&R - MISCELLANEOUS REPAIRS			12.38	
M&R - ROADS				1,855.61
SNOWPLOWING			3,905.00	2,027.22
TOTAL MAINTENANCE AND REPAIR	8,002.58	9,094.35	34,438.30	25,959.98
SUPPLIES				
SUPPLIES - POOL & RECREATION				3,736.99
SUPPLIES - YARD AND GROUNDS		159.21		159.21
SUPPLIES - BUILDINGS & EXTER.		219.38	16.18	219.38
SUPPLIES - RESTROOM & CLEANING				53.74
SUPPLIES - MACHINES & EQUIP.		35.27		35.27
SUPPLIES - ELECTRICAL & PLUMB.		29.10		29.10
SUPPLIES - MISCELLANEOUS	237.04	37.20	584.26	1,013.62
TOTAL SUPPLIES	237.04	480.16	600.44	5,247.31
GAS AND OIL				
EQUIPMENT - FUEL & OIL			146.04	19.84
TOTAL GAS AND OIL	.00	.00	146.04	19.84
UTILITIES				
POOL -FUEL	902.13	834.06	1,785.81	1,740.05
ELECTRIC	479.51	1,535.03	5,070.48	4,516.57
WATER	2,243.16	1,997.27	13,531.43	10,070.72
SEWER	2,741.76	2,431.70	20,131.58	15,225.03
GARBAGE AND RECYCLE	256.30	451.49	1,540.21	1,686.13
CABLE	1,083.53	1,083.53	7,584.71	7,584.78
TOTAL UTILITIES	7,706.39	8,333.08	49,644.22	40,823.28
SPECIAL PROJECTS				
ROOF		1,326.85		1,326.85
TOTAL SPECIAL PROJECTS	.00	1,326.85	.00	1,326.85

SEE ACCOMPANYING ACCOUNTANTS LETTER