

JAMES HUTCHENS, P.A.

CERTIFIED PUBLIC ACCOUNTANT

1211 MICHIGAN STREET, SUITE B ♦ SANDPOINT, ID 83864

(208) 265-2500 ♦ (800) 338-9835 ♦ (208) 265-5600 (FAX)

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 January 31, 2013 and 2012, the related statement of revenues and expenditures for the one month ended January 31, 2013, and the statement of cash flows for the one month ended January 31, 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.

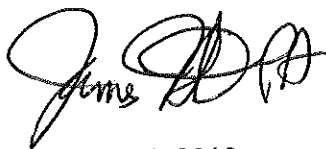
My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial 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 D. D." with a stylized, overlapping flourish at the end.

March 14, 2013

Westwood Village Homeowners Association, Inc.
Statement of Assets, Liabilities, and Equity
January 31, 2013 and 2012

Assets

	<u>Jan 31 2013</u>	<u>Jan 31 2012</u>
Current Assets		
Cash in Bank - Checking	37,177.54	44,887.79
Cash in Bank - Capital Reserve	19,679.39	12,991.89
Cash in Bank - Insurance	19,076.00	22,957.38
Cash in Bank - Special Assessment	65,293.79	86,751.59
Total Cash	<u>141,226.72</u>	<u>167,588.65</u>
Accounts Receivable	1,495.00	2,897.00
Prepaid Cable	12,420.72	11,918.88
Prepaid Insurance	4,976.58	3,708.37
Total Current Assets	<u>160,119.02</u>	<u>186,112.90</u>
Property and Equipment		
Land	54,578.40	54,578.40
Capital Improvements	43,605.24	43,605.24
Equipment	82,432.52	82,432.52
Accumulated Depreciation	-123,348.89	-122,886.89
Total Property and Equipment	<u>57,267.27</u>	<u>57,729.27</u>
Total Assets	<u><u>217,386.29</u></u>	<u><u>243,842.17</u></u>

Liabilities and Equity

Current Liabilities		
Accounts Payable	6,335.26	9,812.04
Income Tax Payable	30.00	30.00
Payroll Liabilities	0.00	1,159.64
Prepaid Assessments	11,580.84	15,648.34
Property Tax Payable	785.58	785.58
Total Current Liabilities	<u>18,731.68</u>	<u>27,435.60</u>
Total Liabilities	<u>18,731.68</u>	<u>27,435.60</u>
Equity		
Retained Earnings	191,880.39	202,214.76
Net Revenue Over (Under) Expenditures Current Year	6,215.22	14,191.81
Bylaw & CCR Rewrite	559.00	0.00
Total Equity	<u>198,654.61</u>	<u>216,406.57</u>
Total Liabilities and Equity	<u><u>217,386.29</u></u>	<u><u>243,842.17</u></u>

Westwood Village Homeowners Association, Inc.
Statement of Revenues and Expenditures
One Month Ended January 31, 2013 and 2012

	<u>This Year</u> <u>Jan 2013</u>	<u>Prior Year</u> <u>Jan 2012</u>
Revenue		
Regular Assessments	21,599.00	20,972.00
New Member Fee	200.00	0.00
Boat Moorage	350.00	0.00
Total Revenue	<u>22,149.00</u>	<u>20,972.00</u>
Expenditures		
Personnel Costs		
Caretakers Salary	6,639.24	6,445.84
Payroll Taxes	738.05	755.22
Bonus	150.00	150.00
Insurance - Health & WC	232.20	-193.00
Maintenance & Repair		
Equipment - Fuel & Oil	0.00	66.00
Yards & Grounds	0.00	4.66
Machines & Equipment	259.44	0.00
Supplies	25.94	0.00
Snowplowing	1,320.00	0.00
Utilities		
Electric	667.57	652.52
Water	1,549.04	1,735.68
Pool - Fuel	4.25	4.25
Sewer	2,972.93	2,906.16
Garbage & Recycle	217.83	224.09
Cable	1,129.16	1,083.53
Telephone	51.30	46.92
Long Distance	13.95	12.90
Other costs		
Accounting	550.00	550.00
Depreciation Expense	38.50	38.50
Office Supplies	0.00	23.70
Freight & Postage	42.04	47.96
Total Expenditures	<u>16,601.44</u>	<u>14,554.93</u>
Total Revenue Over (Under) Expenditures	5,547.56	6,417.07
Other Revenue		
Bank Interest	1.08	5.87
Easement	0.00	2,580.00
Late Fee	25.00	0.00
Repair Assessments	0.00	3,776.00
Insurance Assessment	2,212.00	2,212.00
Total Other Revenue	<u>2,238.08</u>	<u>8,573.87</u>
Other Expenditures		
Insurance Expense	452.42	421.13
Bylaw & CCR Rewrite	559.00	378.00
Total Other Expenditures	<u>1,011.42</u>	<u>799.13</u>
Net Revenue Over (Under) Expenditures	<u><u>6,774.22</u></u>	<u><u>14,191.81</u></u>

Westwood Village Homeowners Association, Inc.
Statement of Cash Flows
For the One Month Ended January 31, 2013

	<u>Current Month</u> <u>Jan 2013</u>
Cash Flows from Operating Activities	
Net Income	
Net Income (Loss)	6,774.22
Total Net Income	6,774.22
Adjustments to Reconcile Net Income	
(Increase) Decrease in:	
Accounts Receivable	-1,157.00
Prepaid Cable	-12,420.72
Prepaid Insurance	-4,976.58
Increase (Decrease) in:	
Accounts Payable	-9,693.92
Prepaid Assessments	5,212.00
Total Adjustments	<u>-23,036.22</u>
Net Cash Provided by Operating Activities	-16,262.00
Cash Flows from Investing Activities	
Accumulated Depreciation	38.50
Net Cash Provided by Investing Activities	38.50
Net Cash Increase for Period	-16,223.50
Cash at Beginning of Period	157,450.22
Cash at End of Period	<u><u>141,226.72</u></u>

Westwood Village Homeowners Association, Inc.

Supplemental Schedule I

Budget to Actual

For the One Month Ended January 31, 2013

	Actual	Budget	Variance
Revenue			
Regular Assessments	21,599.00	21,599.00	0.00
New Member Fee	200.00	0.00	200.00
Boat Moorage	350.00	1,583.32	-1,233.32
Total Revenue	<u>22,149.00</u>	<u>23,182.32</u>	<u>-1,033.32</u>
Expenditures			
Personnel Costs			
Caretakers Salary	6,639.24	8,267.50	-1,628.26
Payroll Taxes	738.05	816.84	-78.79
Bonus	150.00	150.00	0.00
Gas Allotment	0.00	83.34	-83.34
Insurance - Health & WC	232.20	416.66	-184.46
Maintenance & Repair			
Equipment Rent	0.00	12.92	-12.92
Equipment - Fuel & Oil	0.00	125.00	-125.00
Pool & Recreation Areas	0.00	458.34	-458.34
Docks	0.00	1,250.00	-1,250.00
Yards & Grounds	0.00	1,208.32	-1,208.32
Irrigation Pump	0.00	500.00	-500.00
Machines & Equipment	259.44	397.09	-137.65
Electrical & Plumbing	0.00	83.34	-83.34
Exterior & Buildings	0.00	416.66	-416.66
Supplies	25.94	50.00	-24.06
Snowplowing	1,320.00	833.32	486.68
Miscellaneous Repairs	0.00	20.84	-20.84
Roads	0.00	41.67	-41.67
Utilities			
Electric	667.57	833.34	-165.77
Water	1,549.04	2,083.34	-534.30
Pool - Fuel	4.25	333.32	-329.07
Sewer	2,972.93	2,666.67	306.26
Garbage & Recycle	217.83	266.67	-48.84
Cable	1,129.16	1,187.50	-58.34
Telephone	51.30	100.00	-48.70
Long Distance	13.95	16.66	-2.71
Other costs			
Accounting	550.00	583.34	-33.34
Bank Service Charges	0.00	8.34	-8.34
Depreciation Expense	38.50	0.00	38.50
Dues	0.00	50.00	-50.00
Contributions	0.00	8.32	-8.32
Legal	0.00	0.00	0.00
Office Supplies	0.00	83.34	-83.34
Freight & Postage	42.04	83.32	-41.28
Taxes	0.00	125.00	-125.00
Miscellaneous	0.00	625.00	-625.00
Total Expenditures	<u>16,601.44</u>	<u>24,186.00</u>	<u>-7,584.56</u>
Total Revenue Over (Under) Expenditures	5,547.56	-1,003.68	6,551.24

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

For the One Month Ended January 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Other Revenue			
Bank Interest	1.08	0.00	1.08
Easement	0.00	208.34	-208.34
Investment Income	0.00	83.34	-83.34
Late Fee	25.00	0.00	25.00
Other Income	0.00	83.32	-83.32
Repair Assessments	2,212.00	2,212.00	0.00
Insurance Assessment			0.00
Total Other Revenue	<u>2,238.08</u>	<u>2,587.00</u>	<u>-348.92</u>
Other Expenditures			
Insurance Expense	452.42	1,583.34	-1,130.92
Income Tax Expense	0.00	0.00	0.00
Bylaw & CCR Rewrite	559.00	0.00	559.00
Patio/Retaining Wall	0.00	0.00	0.00
Tennis Courts	0.00	0.00	0.00
Roof	0.00	0.00	0.00
Other Special Projects	0.00	0.00	0.00
Total Other Expenditures	<u>1,011.42</u>	<u>1,583.34</u>	<u>-571.92</u>
Net Revenue Over (Under) Expenditures	<u><u>6,774.22</u></u>	<u><u>-0.02</u></u>	<u><u>6,774.24</u></u>