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**LAKELAND VILLAGE COMMUNITY CLUB**

**FINANCIAL STATEMENTS**

**March 31, 2014 and 2013**

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**LAKELAND VILLAGE COMMUNITY CLUB**  
**BALANCE SHEET**  
**March 31, 2014 and 2013**

	<b>March 31 2014</b>	<b>March 31 2013</b>
<b><u>ASSETS</u></b>		
<b>Current Assets</b>		
Cash	\$ 71,026	\$ 69,911
Assessments receivable	9,993	9,727
Prepaid insurance	5,736	5,536
<b>Total current assets</b>	<b>86,756</b>	<b>85,174</b>
 <b>Property and Equipment, at cost</b>		
Equipment	50,308	49,520
Community improvements	105,148	95,329
Automobile	14,414	14,414
Accumulated Depreciation	(103,374)	(90,451)
	<b>66,497</b>	<b>68,812</b>
	<b>\$ 153,252</b>	<b>\$ 153,986</b>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>		
<b>Current Liabilities</b>		
Accounts/Payroll taxes payable	\$ 2,195	\$ 1,215
Prepaid dues and assessments	1,233	151
Association taxes payable	293	2
<b>Total current liabilities</b>	<b>3,721</b>	<b>1,368</b>
 <b>Fund Balance</b>	<b>149,531</b>	<b>152,618</b>
	<b>\$ 153,252</b>	<b>\$ 153,986</b>

See accompanying notes and independent accountants' compilation report

**LAKELAND VILLAGE COMMUNITY CLUB**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
Years ended March 31, 2014 and 2013

	March 31 <u>2014</u>	March 31 <u>2013</u>
<b>Revenues</b>		
Assessments	\$ 143,209	\$ 141,598
Interest income	57	105
	<u>143,266</u>	<u>141,703</u>
<b>Expenses</b>		
<u>Utilities</u>		
Communications	3,142	2,823
Electricity	11,895	11,617
Garbage	1,224	911
Sewer	1,177	1,153
Water	282	287
	<u>17,720</u>	<u>16,791</u>
<u>Administration</u>		
Bad debts	1,945	1,197
Depreciation expense	2,345	2,100
Insurance	6,844	5,648
Office expense	719	1,620
Payroll expense	21,895	20,102
Postage and delivery	2,072	1,882
Printing	867	479
Professional fees	3,395	7,069
Contract Services	3,365	-
Rent	1,440	1,440
Special events	2,038	2,949
Travel	728	1,169
Taxes - provision for income taxes	-	2
	<u>47,654</u>	<u>45,657</u>
<u>Maintenance and operations</u>		
Depreciation expense	10,578	12,606
Equipment maintenance	1,936	1,591
Fish	3,000	3,000
Insurance	12,823	11,989
Lake maintenance	8,759	8,884
Maintenance	1,346	5,654
Payroll expense	31,905	32,883
Signs	3,000	1,357
Vehicle/security expense	7,634	6,116
	<u>80,980</u>	<u>84,080</u>
Total expenses	<u>146,354</u>	<u>146,528</u>
<b>Excess Revenues (Expenses)</b>	<b>(3,087)</b>	<b>(4,825)</b>
<b>Fund Balance - Beginning of year</b>	<b>152,618</b>	<b>157,443</b>
<b>Fund Balance - End of year</b>	<b>\$ <u>149,531</u></b>	<b>\$ <u>152,618</u></b>

**LAKELAND VILLAGE COMMUNITY CLUB**  
**STATEMENT OF CASH FLOWS**  
Years ended March 31, 2014 and 2013

	<b>March 31</b> <b><u>2014</u></b>	<b>March 31</b> <b><u>2013</u></b>
<b>Cash Flows From Operating Activities</b>		
Excess revenues (expenses)	\$ (3,087)	\$ (4,825)
<b>Adjustments to reconcile excess revenues to net cash provided by operating activities:</b>		
Depreciation	12,922	14,706
<b>(Increase) decrease in current assets</b>		
Assessments receivable	(266)	(2,434)
Prepaid insurance	<u>(200)</u>	<u>(1,344)</u>
<b>Increase (decrease) in current liabilities</b>		
Accounts/Payroll taxes payable	980	(191)
Prepaid dues and assessments	1,082	151
Association taxes payable	<u>291</u>	<u>(63)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>11,722</b>	<b>6,000</b>
<b>Cash Flows Used by Investing Activities</b>		
Purchase of equipment and improvements	<u>(10,607)</u>	<u>(16,783)</u>
<b>Net Cash Used by Investing Activities</b>	<b>(10,607)</b>	<b>(16,783)</b>
<b>Net Increase (Decrease) in Cash</b>	<b>1,115</b>	<b>(10,783)</b>
Cash - beginning of year	69,911	80,694
<b>Cash - end of year</b>	<b><u>\$ 71,026</u></b>	<b><u>\$ 69,911</u></b>
<b>Supplemental Disclosures</b>		
Cash paid during the year for income taxes	<u>\$ -</u>	<u>\$ 65</u>

See accompanying notes and independent accountants' compilation report

**LAKELAND VILLAGE COMMUNITY CLUB**  
**NOTES TO FINANCIAL STATEMENTS**  
**Years Ended March 31, 2014 and 2013**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES**

This summary of significant accounting policies of Lakeland Village Community Club (The Association) is presented to assist in understanding the Association's financial statements. The financial statements and notes are representations of the Association's management who is responsible for their integrity and objectivity. The Association uses the accrual method of accounting in accordance with generally accepted accounting principles.

Nature of Organization and Operations

Lakeland Village Community Club was incorporated February 24, 1972 as a non-profit Washington Corporation. The Association was formed for the purpose of representing the property owners and to manage the common areas of the Lakeland Village community of property owners.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Association considers all short-term securities purchased with maturity of twelve months or less to be cash equivalents.

Property and Equipment

Property and equipment is carried at cost if purchased. Donated property and equipment is carried at the fair market value on the date contributed.

Depreciation is computed for financial statement purposes using the straight-line method over the estimated useful lives of the related assets, normally 5 to 20 years.



**LAKELAND VILLAGE COMMUNITY CLUB**  
**NOTES TO FINANCIAL STATEMENTS**  
**Years Ended March 31, 2014 and 2013 (continued)**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

Property and Equipment (continued)

Expenditures for major renewals and betterments that extend the useful lives of the property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Income Taxes

Income taxes are paid on income from sources which are not related to the nonprofit, membership purposes of the Association. Non-membership income on which the Association is subject to federal taxes includes interest earned on accumulated cash balances.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fair Values of Financial Instruments

The carrying amounts reported in the financial statements approximate their fair values.

**NOTE B – ASSESSMENTS RECEIVABLE**

Association members are subject to annual assessments to provide funds for the Association's operating expenses. Assessments receivable as of the balance sheet date represent fees due from lot owners. Assessments are enforceable by placing a lien against title to the individual residence of a delinquent property owner, and, ultimately through the process of foreclosure.

**LAKELAND VILLAGE COMMUNITY CLUB**  
**NOTES TO FINANCIAL STATEMENTS**  
**Years Ended March 31, 2014 and 2013 (continued)**

**NOTE B – ASSESSMENTS RECEIVABLE –(continued)**

The Board of Directors believes that such procedures will result in collection of the assessments receivable.

Accordingly, no allowance for uncollectible accounts has been provided.

Bad debt expense for the current year includes the removal of fines previously assessed that were not in accordance with the existing fine schedule.

**NOTE C – OPERATING LEASES**

The association leases office space on a month to month basis. The monthly rent expense is \$120 during the years ended March 31, 2014 and 2013.

**NOTE D – MAJOR EXPENSES**

During the year ending March 31, 2014, the following major expenses were incurred:

Replace Fishing Dock      \$ 9,819