

**Lakeland Village Community Club
(A Washington Homeowners' Association)**

**COMPILED FINANCIAL STATEMENTS
March 31, 2017**

**Olympic Tax & Business Consulting, LLC
Certified Public Accountants**

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To the Board of Directors
Lakeland Village Community Club
PO Box 184
Allyn, WA 98524

Management is responsible for the accompanying balance sheet of Lakeland Village Community Club, a Washington Homeowners' Association, as of March 31, 2017 and 2016, and the related statements of revenues and expenses and statement of cash flows for the years then ended. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the accompanying financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Olympic Tax & Business Consulting, LLC

Belfair, Washington
July 14, 2017

Olympic Tax & Business Consulting, LLC
Certified Public Accountants

Lakeland Village Community Club
A Washington Homeowners Association
Balance Sheet
March 31, 2017 and 2016

	Mar 31, 2017	Mar 31, 2016
ASSETS		
Current Assets		
Cash	\$ 145,230	\$ 50,127
Assessments Receivable	9,351	16,374
Prepaid Insurance	4,413	4,538
Total Current Assets	158,994	71,039
 Land, Property & Equipment, at Cost		
Navy Easement Land	3,980	3,980
Automobile	10,500	10,500
Equipment	46,037	35,523
Community Improvements	130,415	127,445
Accumulated Depreciation	(129,720)	(102,602)
	61,212	74,846
	\$ 220,206	\$ 145,885
 LIABILITIES & FUND BALANCE		
Current Liabilities		
Accounts & Payroll Taxes Payable	\$ 831	\$ 7,639
Prepaid Dues & Assessments	83,127	1,158
Total Current Liabilities	83,958	8,797
 Fund Balance	 136,248	 137,088
	\$ 220,206	\$ 145,885

Lakeland Village Community Club
A Washington Homeowners Association
STATEMENT OF REVENUES AND EXPENSES
For the years ended March 31, 2017 and 2016

	Mar 31, 2017	Mar 31, 2016
Revenues		
Assessments	\$ 170,156	\$ 158,983
Gain on Sale of Asset		-
Interest Income	10	11
	170,166	158,994
Expenses		
Utilities		
Communications	1,820	3,279
Electricity	11,208	12,398
Garbage	973	955
Sewer	1,227	1,215
Water	295	327
	15,523	18,174
Administration		
Bad Debts	6,484	-
Depreciation Expense	1,876	1,467
Insurance	4,812	5,691
Office Expense	1,549	1,456
Payroll Expense	25,860	23,339
Postage and Delivery	1,840	1,932
Printing	913	545
Professional Fees	17,030	18,163
Contract Services	2,371	3,530
Rent	1,814	1,440
Special Events	2,937	3,845
Taxes - Federal	-	764
Travel	947	986
	68,433	63,158
Maintenance & Operations		
Depreciation Expense	13,036	12,716
Equipment Maintenance	1,174	2,333
Fish	3,000	3,000
Insurance	12,992	14,072
Lake Maintenance	9,239	8,372
Maintenance	2,276	2,220
Payroll Expense	33,681	35,829
Signs	5,643	3,019
Vehicle & Security Expense	6,009	5,408
	87,050	86,969
Total Expenses	171,006	168,301
Excess Revenues (Expenses)	(840)	(9,307)
Fund Balance - Beginning of Year	137,088	146,395
Fund Balance - End of Year	\$ 136,248	\$ 137,088

LAKELAND VILLAGE COMMUNITY CLUB
A Washington Homeowners Association
STATEMENT OF CASH FLOWS
For the years ended March 31, 2017 and 2016

	March 31	March 31
	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities		
Excess revenues (expenses)	\$ (840)	\$ (9,307)
Adjustments to reconcile excess revenues to net cash provided by operating activities:		
Depreciation	14,912	14,183
(Increase) decrease in current assets		
Assessments receivable	7,023	(3,405)
Prepaid insurance	125	1,611
Increase (decrease) in current liabilities		
Accounts/Payroll taxes payable	(6,808)	6,605
Prepaid dues and assessments	81,969	(674)
Association taxes payable	-	(219)
Net Cash Provided (Used) by Operating Activities	96,381	8,794
Cash Flows Used by Investing Activities		
Purchase of equipment and improvements	1,278	-
Net Cash Used by Investing Activities	1,278	-
Net Increase (Decrease) in Cash	95,103	8,794
Cash - beginning of year	50,127	41,333
Cash - end of year	\$ 145,230	\$ 50,127
Supplemental Disclosures		
Cash paid during the year for income taxes	\$ -	\$ 764

**LAKELAND VILLAGE COMMUNITY CLUB
NOTES TO FINANCIAL STATEMENTS
For the Years Ended March 31, 2017 and 2016**

**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 maturities 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
For the Years Ended March 31, 2017 and 2016 (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. For the year ended March 31, 2017 depreciation expense is \$14,912 and accumulated depreciation is \$129,720. For the year ended March 31, 2016 depreciation expenses was \$14,183 and accumulated depreciation was \$102,602.

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.

LAKELAND VILLAGE COMMUNITY CLUB
NOTES TO FINANCIAL STATEMENTS
For the Years Ended March 31, 2017 and 2016 (continued)

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.

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 \$151.16 during the year ended March 31, 2017 and \$120 during the year ended March 31, 2016.

NOTE D – MAJOR EXPENSES

During the year ending March 31, 2017, expenses were incurred for improvements on the property and administrative equipment in the amount of \$1,278 and was capitalized. During the year ending March 31, 2016 no major amounts were expended.

LAKELAND VILLAGE COMMUNITY CLUB
NOTES TO FINANCIAL STATEMENTS
For the Years Ended March 31, 2017 and 2016 (continued)

NOTE E – RELATED PARTY TRANSACTIONS

The Association had no related party transactions for the year ended March 31, 2017.

NOTE F – SUBSEQUENT EVENTS

The Association has reviewed subsequent events as of the date of these financial statements. The Association has no subsequent events as of July 14, 2017.