

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

**COMPILED FINANCIAL STATEMENTS
March 31, 2018**

**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 financial statements of Lakeland Village Community Club, a Washington Homeowners' Association, which comprise the balance sheet as of March 31, 2018, and the related statements of income and fund balance and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. 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 AICPA. We did not audit or review the 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.

We are not independent with respect to Lakeland Village Community Club.

Olympic Tax & Business Consulting, LLC

Belfair, Washington
November 9, 2018

Olympic Tax & Business Consulting, LLC
Certified Public Accountants

**Lakeland Village Community Club
A Washington Homeowners Association
BALANCE SHEET
March 31, 2018**

	Mar 31, 2018
ASSETS	
Current Assets	
Cash	\$ 191,389
Assessments Receivable	7,852
Prepaid Insurance	4,372
Total Current Assets	203,613
 Land, Property & Equipment, at Cost	
Navy Easement Land	3,980
Automobile	10,500
Equipment	46,818
Community Improvements	140,161
Accumulated Depreciation	(143,101)
	58,358
	\$ 261,971
 LIABILITIES & FUND BALANCE	
Current Liabilities	
Accounts & Payroll Taxes Payable	\$ 4,370
Prepaid Dues & Assessments	69,633
Total Current Liabilities	74,003
Fund Balance	187,968
	\$ 261,971

**Lakeland Village Community Club
A Washington Homeowners Association
STATEMENT OF INCOME AND FUND BALANCE
For the year ended March 31, 2018**

	Mar 31, 2018
Revenues	
Assessments	\$ 209,359
Interest Income	15
	<u>209,374</u>
Expenses	
Utilities	
Communications	1,670
Electricity	12,369
Garbage	924
Sewer	1,259
Water	280
	<u>16,502</u>
Administration	
Bank Charges	42
Depreciation Expense	1,472
Equipment Rent	2,074
Insurance	7,099
Office Expense	3,376
Payroll Expense	31,654
Postage and Delivery	2,017
Printing	1,036
Professional Fees	4,674
Contract Services	1,658
Rent	1,440
Special Events	5,424
Taxes - Federal	-
Travel	1,307
	<u>63,273</u>
Maintenance & Operations	
Depreciation Expense	11,909
Equipment Maintenance	229
Fish	3,000
Insurance	10,215
Lake Maintenance	9,230
Maintenance	4,306
Payroll Expense	33,224
Vehicle & Security Expense	5,766
	<u>77,879</u>
Total Expenses	157,654
Excess Revenues (Expenses)	51,720
Fund Balance - Beginning of Year	136,248
Fund Balance - End of Year	<u>\$ 187,968</u>

LAKELAND VILLAGE COMMUNITY CLUB
A Washington Homeowners Association
STATEMENT OF CASH FLOWS
For the year ended March 31, 2018

	March 31 <u>2018</u>
Cash Flows From Operating Activities	
Excess revenues (expenses)	\$ 52,635
Adjustments to reconcile excess revenues to net cash provided by operating activities:	
Depreciation	13,381
(Increase) decrease in current assets	
Assessments receivable	1,499
Prepaid insurance	(41)
Increase (decrease) in current liabilities	<hr/>
Accounts/Payroll taxes payable	2,706
Prepaid dues and assessments	(13,494)
Association taxes payable	-
Net Cash Provided (Used) by Operating Activities	<hr/> 56,686
Cash Flows Used by Investing Activities	
Purchase of equipment and improvements	10,527
Net Cash Used by Investing Activities	<hr/> 10,527
Net Increase (Decrease) in Cash	46,159
Cash - beginning of year	145,230
Cash - end of year	<hr/> \$ 191,389 <hr/>
Supplemental Disclosures	
Cash paid during the year for income taxes	<hr/> \$ - <hr/>

LAKELAND VILLAGE COMMUNITY CLUB
NOTES TO FINANCIAL STATEMENTS
For the Year Ended March 31, 2018

**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 are carried at cost if purchased. Donated property and equipment are 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, 2018 (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, 2018 depreciation expense is \$13,381 and accumulated depreciation is \$143,101.

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, 2018 (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 \$120 during the year ended March 31, 2018.

NOTE D – MAJOR EXPENSES

During the year ending March 31, 2018, expenses were incurred for improvements on the property and administrative equipment in the amount of \$10,527 and was capitalized.

**LAKELAND VILLAGE COMMUNITY CLUB
NOTES TO FINANCIAL STATEMENTS
For the Years Ended March 31, 2018 (continued)**

NOTE E – RELATED PARTY TRANSACTIONS

The Association had no related party transactions for the year ended March 31, 2018.

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 November 9, 2018.