

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

**COMPILED FINANCIAL STATEMENTS  
March 31, 2015**

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

**Lakeland Village Community Club**  
**Balance Sheet**  
**March 31, 2015 and 2014**

	<b>Mar 31, 2015</b>	<b>Mar 31, 2014</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 41,333	\$ 71,026
Assessments Receivable	-	9,993
Prepaid Insurance	6,149	5,736
<b>Total Current Assets</b>	<b>47,482</b>	<b>86,756</b>
<b>Property &amp; Equipment, at Cost</b>		
Automobile	10,500	14,414
Equipment	46,140	50,308
Community Improvements	141,462	105,148
Accumulated Depreciation	(96,326)	(103,374)
	101,776	66,497
	<b>\$ 149,258</b>	<b>\$ 153,252</b>
<b>LIABILITIES &amp; FUND BALANCE</b>		
<b>Current Liabilities</b>		
Accounts & Payroll Taxes Payable	\$ 2,347	\$ 2,195
Prepaid Dues & Assessments	1,832	1,233
Association Taxes Payable	219	293
<b>Total Current Liabilities</b>	<b>4,398</b>	<b>3,721</b>
<b>Fund Balance</b>	144,860	149,531
	<b>\$ 149,258</b>	<b>\$ 153,252</b>

**Lakeland Village Community Club**  
**STATEMENT OF REVENUES, EXPENSES & CHANGES IN FUND BALANCE**  
**Years ended March 31, 2015 and 2014**

	Mar 31, 2015	Mar 31, 2014
<b>Revenues</b>		
Assessments	\$ 144,318	\$ 143,209
Gain on Sale of Asset	2,600	-
Interest Income	45	57
	<u>146,963</u>	<u>143,266</u>
<b>Expenses</b>		
Utilities		
Communications	3,037	3,142
Electricity	13,390	11,895
Garbage	1,139	1,224
Sewer	1,197	1,177
Water	292	282
	<u>19,055</u>	<u>17,720</u>
<b>Administration</b>		
Bad Debts	1,500	1,945
Depreciation Expense	465	2,345
Insurance	7,235	6,844
Office Expense	1,433	719
Payroll Expense	20,353	21,895
Postage and Delivery	1,011	2,072
Printing	919	867
Professional Fees	4,041	3,395
Contract Services	3,577	3,365
Rent	1,440	1,440
Special Events	2,778	2,038
Travel	869	728
	<u>45,621</u>	<u>47,654</u>
<b>Maintenance &amp; Operations</b>		
Depreciation Expense	12,079	10,578
Equipment Maintenance	3,287	1,936
Fish	3,000	3,000
Insurance	13,435	12,823
Lake Maintenance	9,350	8,759
Maintenance	2,047	1,346
Payroll Expense	31,835	31,905
Signs	3,934	3,000
Vehicle & Security Expense	7,991	7,634
	<u>86,958</u>	<u>80,980</u>
Total Expenses	151,634	146,354
Excess Revenues (Expenses)	(4,671)	(3,087)
Fund Balance - Beginning of Year	<u>149,531</u>	<u>152,618</u>
Fund Balance - End of Year	<u>\$ 144,860</u>	<u>\$ 149,531</u>

**LAKELAND VILLAGE COMMUNITY CLUB**  
**STATEMENT OF CASH FLOWS**  
Years ended March 31, 2015 and 2014

	<u>March 31</u> <u>2015</u>	<u>March 31</u> <u>2014</u>
<b>Cash Flows From Operating Activities</b>		
Excess revenues (expenses)	\$ (4,671)	\$ (3,087)
<b>Adjustments to reconcile excess revenues to net cash provided by operating activities:</b>		
Depreciation	12,544	12,922
<b>(Increase) decrease in current assets</b>		
Assessments receivable	9,993	(266)
Prepaid insurance	(413)	(200)
<b>Increase (decrease) in current liabilities</b>		
Accounts/Payroll taxes payable	152	980
Prepaid dues and assessments	599	1,082
Association taxes payable	(74)	291
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>18,130</b>	<b>11,722</b>
<b>Cash Flows Used by Investing Activities</b>		
Purchase of equipment and improvements	(47,823)	(10,607)
<b>Net Cash Used by Investing Activities</b>	<b>(47,823)</b>	<b>(10,607)</b>
<b>Net Increase (Decrease) in Cash</b>		
Cash - beginning of year	71,026	69,911
<b>Cash - end of year</b>	<b>\$ 41,333</b>	<b>\$ 71,026</b>
<b>Supplemental Disclosures</b>		
Cash paid during the year for income taxes	\$ -	\$ -

**LAKELAND VILLAGE COMMUNITY CLUB**  
**NOTES TO FINANCIAL STATEMENTS**  
**Years Ended March 31, 2015 and 2014**

**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**  
**Years Ended March 31, 2015 and 2014 (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.

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See Independent Accountants' Compilation Report

**LAKELAND VILLAGE COMMUNITY CLUB**  
**NOTES TO FINANCIAL STATEMENTS**  
**Years Ended March 31, 2015 and 2014 (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, 2015 and 2014.

**NOTE D – MAJOR EXPENSES**

During the year ending March 31, 2015, the following major expenses were incurred:

Dell Computer	\$ 1,009.03
Dam Inlet Valve Inspection	3,415.40
Roof Replace (Bathroom & Shed)	2,782.05
Storage Shed Improvements	3,968.30
Rebuild & Install Dam Valves	10,150.18
Additional Dam Valve Work	2,924.08
2009 Ford Ranger	<u>10,500.00</u>
	\$34,749.04