

CASAS ADOBES TERRACE HOMEOWNERS ASSOCIATION

C/O LEWIS MANAGEMENT RESOURCES

FINANCIAL STATEMENTS

DECEMBER 31, 2012

LARRY RECKER  
CERTIFIED PUBLIC ACCOUNTANT  
TUCSON, ARIZONA

**LARRY RECKER, C.P.A.**  
10990 N. Joy Faith Drive  
Oro Valley, AZ 85737  
Ph: (520) 406-3296 Fax: (520) 623-7709

**Accountant's Compilation Report**

Casas Adobes Terrace Homeowners Association  
C/O Lewis Management Resources  
180 W. Magee Road #134  
Tucson, AZ 85704

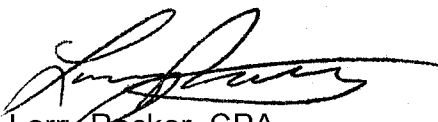
To the Board of Directors and Members,

I have compiled the accompanying statement of assets, liabilities and fund balances arising from accrual basis transactions of Casas Adobes Terrace Homeowners Association (a nonprofit corporation) as of December 31, 2012, and the related statement of revenues, expenses and changes in fund balances for the year then ended. We 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 accrual basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accrual basis of accounting and for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statement 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 Board has elected to omit the statement of cash flows and substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the accrual basis of accounting, and required supplemental information on future repairs and replacements. If the omitted disclosures and supplemental information were included in the financial statements, they might influence the user's conclusions about the Association's assets, liabilities, fund balance, revenues and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.



Larry Recker, CPA

February 21, 2013

Casas Adobes Terrace Homeowners Association  
Statement of Assets, Liabilities and Fund Balances  
December 31, 2012

|   | <u>OPERATING<br/>FUND</u>  | <u>RESERVE<br/>FUND</u>   | <u>TOTAL</u>               |
|---|----------------------------|---------------------------|----------------------------|
| <b>ASSETS</b>                               |                            |                           |                            |
| CAB - Operating                             | \$ 18,820.14               | \$ -                      | \$ 18,820.14               |
| Alliance - Operating CD                     | 24,318.01                  | -                         | 24,318.01                  |
| CAB - Reserve                               | -                          | 8,824.92                  | 8,824.92                   |
| Accounts Receivable                         | 4,515.48                   | -                         | 4,515.48                   |
| Prepaid Insurance                           | 123.26                     | -                         | 123.26                     |
| Prepaid Expenses                            | 49.95                      | -                         | 49.95                      |
| <b>TOTAL ASSETS</b>                         | <u><u>\$ 47,826.84</u></u> | <u><u>\$ 8,824.92</u></u> | <u><u>\$ 56,651.76</u></u> |
| <br><b>LIABILITIES &amp; FUND BALANCE</b>   |                            |                           |                            |
| <b>CURRENT LIABILITIES</b>                  |                            |                           |                            |
| Accounts Payable                            | \$ 955.80                  | \$ -                      | \$ 955.80                  |
| Accrued Expenses                            | 32.00                      | -                         | 32.00                      |
| Prepaid Owners Assessments                  | 17,478.04                  | -                         | 17,478.04                  |
| <b>TOTAL LIABILITIES</b>                    | 18,465.84                  | -                         | 18,465.84                  |
| <br><b>FUND BALANCE</b>                     |                            |                           |                            |
| Fund Balance                                | 29,361.00                  | 8,824.92                  | 38,185.92                  |
| <b>TOTAL LIABILITIES &amp; FUND BALANCE</b> | <u><u>\$ 47,826.84</u></u> | <u><u>\$ 8,824.92</u></u> | <u><u>\$ 56,651.76</u></u> |

See Accountants' Compilation Report

Casas Adobes Terrace Homeowners Association  
Statement of Revenues, Expenses and Changes in Fund Balance  
For the Year Ended December 31, 2012

|   | OPERATING<br>FUND   | RESERVE<br>FUND    | TOTAL               |
|---|---------------------|--------------------|---------------------|
| <b>REVENUES</b>                             |                     |                    |                     |
| Owner Assessments                           | \$ 69,829.76        | \$ -               | \$ 69,829.76        |
| Maintenance Assessments                     | 205.00              | -                  | 205.00              |
| Late Fees & Interest                        | 840.68              | -                  | 840.68              |
| Transfer Fees                               | 550.00              | -                  | 550.00              |
| NSF Fees                                    | (10.00)             | -                  | (10.00)             |
| Compliance Fines                            | 4,904.49            | -                  | 4,904.49            |
| Y Cross Admin Fee                           | 191.84              | -                  | 191.84              |
| Interest Earned                             | 242.35              | 15.43              | 257.78              |
| <b>Total Revenues</b>                       | <b>76,754.12</b>    | <b>15.43</b>       | <b>76,769.55</b>    |
| <b>EXPENSES</b>                             |                     |                    |                     |
| Accounting & Tax Preparation                | 345.00              | -                  | 345.00              |
| Annual Meeting                              | 116.84              | -                  | 116.84              |
| Bad Debt                                    | 378.20              | -                  | 378.20              |
| General Maintenance & Repair                | 1,422.40            | -                  | 1,422.40            |
| Insurance                                   | 1,356.74            | -                  | 1,356.74            |
| Landscape Contract                          | 6,462.50            | -                  | 6,462.50            |
| Landscape Corrective Action                 | 130.00              | -                  | 130.00              |
| Landscape Repair & Maintenance              | 2,614.10            | -                  | 2,614.10            |
| Legal Fees                                  | 392.00              | -                  | 392.00              |
| Management Fee                              | 7,577.35            | -                  | 7,577.35            |
| Meeting Facility                            | 300.00              | -                  | 300.00              |
| Miscellaneous                               | 18.00               | -                  | 18.00               |
| Office Supplies                             | 291.84              | -                  | 291.84              |
| Permits and Fees                            | 10.00               | -                  | 10.00               |
| Postage                                     | 1,636.95            | -                  | 1,636.95            |
| Reserve Expenditures                        | -                   | 1,931.52           | 1,931.52            |
| Security Service                            | 792.00              | -                  | 792.00              |
| Statements                                  | 1,616.12            | -                  | 1,616.12            |
| Taxes - Income Tax                          | 45.00               | -                  | 45.00               |
| Taxes - Property Tax                        | 14.08               | -                  | 14.08               |
| Utilities - Electric                        | 647.04              | -                  | 647.04              |
| Utilities - Refuse                          | 38,803.15           | -                  | 38,803.15           |
| Utilities - Water & Sewer                   | 8,351.08            | -                  | 8,351.08            |
| Web Hosting                                 | 599.40              | -                  | 599.40              |
| <b>Total Expenses</b>                       | <b>73,919.79</b>    | <b>1,931.52</b>    | <b>75,851.31</b>    |
| Excess of Revenues Over Expenses            | 2,834.33            | (1,916.09)         | 918.24              |
| Fund Balance as of January 1, 2012          | 26,794.44           | 10,741.01          | 37,535.45           |
| Prior Year Adjustment                       | (267.77)            | -                  | (267.77)            |
| Transfers Between Funds                     | -                   | -                  | -                   |
| <b>Fund Balance as of December 31, 2012</b> | <b>\$ 29,361.00</b> | <b>\$ 8,824.92</b> | <b>\$ 38,185.92</b> |

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