

Sonterra West Homeowners Association, Inc.

Financial Statements

December 31, 2011

Berrier & Company, P.C.

Certified Public Accountants
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Independent Accountants' Compilation Report

Board of Directors
Sonterra West Homeowners Association, Inc.

We have compiled the accompanying balance sheet of the Sonterra West Homeowners Association, Inc. (the Association) as of December 31, 2011 and the related statement of income 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 accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements 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.

Management has elected to omit substantially all of the disclosures and statements of equity and cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statements were included in the financial statements, they might influence the user's conclusions about the Association's financial position, results of operations and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Accounting principles generally accepted in the United States of America require that supplementary information about future major repairs and replacements of common property is required to supplement, but not required to be a part of, the basic financial statements. Sonterra West Homeowners Association, Inc. has not presented this supplementary information.



Certified Public Accountants

August 15, 2012

Sonterra West Homeowners Association, Inc
Balance Sheet
As of December 31, 2011

	<u>Dec 31, 11</u>
ASSETS	
Current Assets	
Checking/Savings	
First Nat'l Bank of Ft Stockton	12,249.90
Schwertner State Bank	<u>1,527.27</u>
Total Checking/Savings	13,777.17
Accounts Receivable	
Accounts Receivable	<u>36,215.96</u>
Total Accounts Receivable	36,215.96
Other Current Assets	
Note Receivable - Current	7,880.32
Undeposited Funds	<u>5,803.55</u>
Total Other Current Assets	<u>13,683.87</u>
Total Current Assets	63,677.00
Other Assets	
Note Receivable - Sonterra MUD	<u>338,787.18</u>
Total Other Assets	<u>338,787.18</u>
TOTAL ASSETS	<u>402,464.18</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Note Payable - Current	<u>7,880.32</u>
Total Other Current Liabilities	<u>7,880.32</u>
Total Current Liabilities	7,880.32
Long Term Liabilities	
FNBFS Construction Loan	<u>338,787.18</u>
Total Long Term Liabilities	<u>338,787.18</u>
Total Liabilities	346,667.50
Equity	
Member's Equity	35,639.29
Net Income	<u>20,157.39</u>
Total Equity	<u>55,796.68</u>
TOTAL LIABILITIES & EQUITY	<u>402,464.18</u>

Sonterra West Homeowners Association, Inc
Statement of Income
For the Year Ended December 31, 2011

	Jan - Dec 11
Ordinary Income/Expense	
Income	
Lease Income	17,428.98
Homeowner Revenue	
HOA Dues	92,245.64
Resale Fees	2,800.00
Transfer Fees	5,200.00
Penalty	5,886.82
Other Fees	20,721.78
Total Homeowner Revenue	126,854.24
Total Income	144,283.22
Gross Profit	144,283.22
Expense	
Supplies, Pool	721.92
Bank Charges	39.47
Business Licenses and Permits	113.00
Insurance Expense	7,217.01
Interest Expense	13,786.01
Office Expense	
Access Fee - Credit Card	222.00
Copies Postage Fax	2,886.51
Employee Reimbursement	195.00
RFID System - Phillip Fisher	3,750.00
Office Expense - Other	1,322.65
Total Office Expense	8,376.16
Professional Fees	
Accounting Fees	5,797.50
Legal Fees	10,582.50
Property Management Fees	35,049.32
Utility Billing - HOA	7,083.25
Professional Fees - Other	450.00
Total Professional Fees	58,962.57
Repairs and Maintenance	
Landscaping & Groundskeeping	15,681.58
Pool Cleaning	4,471.00
Repairs and Maintenance - Other	1,552.43
Total Repairs and Maintenance	21,705.01
Small Tools and Equipment	187.63
Utilities	
Bartlett Electric	2,562.53
Sonterra MUD	1,403.69
Verizon	861.82
Total Utilities	4,828.04
Total Expense	115,936.82
Net Ordinary Income	28,346.40
Other Income/Expense	
Other Income	
Other Income	1,211.96
Interest Income	13,786.01
Insurance Proceeds	4,538.85
Total Other Income	19,536.82

Sonterra West Homeowners Association, Inc
Statement of Income
For the Year Ended December 31, 2011

	<u>Jan - Dec 11</u>
Other Expense	
Loss on Sale of Assets	27,725.83
Ask My Accountant	0.00
Total Other Expense	<u>27,725.83</u>
Net Other Income	<u>-8,189.01</u>
Net Income	<u><u>20,157.39</u></u>