

Sonterra West Homeowners Association, Inc.

Financial Statements

December 31, 2012

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, 2012 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

May 13, 2013

Sonterra West Homeowners Association, Inc

Balance Sheet

As of December 31, 2012

	<u>Dec 31, 12</u>
ASSETS	
Current Assets	
Checking/Savings	
First Nat'l Bank of Ft Stock...	14,075.56
Schwertner State Bank	6,725.39
Total Checking/Savings	<u>20,800.95</u>
Accounts Receivable	
Accounts Receivable	46,163.44
Total Accounts Receivable	<u>46,163.44</u>
Other Current Assets	
Notes Receivable - Current	8,449.99
Total Other Current Assets	<u>8,449.99</u>
Total Current Assets	75,414.38
Other Assets	
Notes Receivable - Sonterra ...	329849.07
Total Other Assets	<u>329849.07</u>
TOTAL ASSETS	<u>405,263.45</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Notes Payable - Current	8,449.99
Total Other Current Liabiliti...	<u>8,449.99</u>
Total Current Liabilities	8,449.99
Long Term Liabilities	
FNBFS Construction Loan	329849.07
Total Long Term Liabilities	<u>329849.07</u>
Total Liabilities	338299.06
Equity	
Member's Equity	55,796.68
Net Income	11,167.71
Total Equity	<u>66,964.39</u>
TOTAL LIABILITIES & EQUITY	<u>405,263.45</u>

Sonterra West Homeowners Association, Inc
Statement of Income
For the Year Ended December 31, 2012

	Jan - Dec 12
Ordinary Income/Expense	
Income	
Homeowner Revenue	
HOA Dues	78,720.79
Resale Fees	10,800.00
Transfer Fees	33,200.00
Penalty	12,690.00
Other Fees	4,931.41
Total Homeowner Revenue	140,342.20
Total Income	140,342.20
Cost of Goods Sold	
Write-offs	37.00
MUD HOA fees	45,864.00
Total COGS	45,901.00
Gross Profit	94,441.20
Expense	
Reconciliation Discrepancies	-95.00
Supplies, Pool	1,762.48
Advertising and Promotion	135.31
Automobile Expense	113.58
Bank Charges	69.00
Charitable Contributions	200.00
Insurance Expense	3,185.25
Interest Expense	24,194.16
Miscellaneous	918.85
Office Expense	
Copies Postage Fax	106.60
Office Expense - Other	342.40
Total Office Expense	449.00
Professional Fees	
Accounting Fees	1,222.00
Legal Fees	7,172.50
Property Management Fees	45,442.49
Professional Fees - Other	1,800.00
Total Professional Fees	55,636.99
Repairs and Maintenance	
Landscaping & Groundskeepi...	17,274.02
Pool Cleaning	60.00
Repairs and Maintenance - Ot...	1,012.73
Total Repairs and Maintenance	18,346.75
Small Tools and Equipment	508.16
Taxes - Property	376.98
Utilities	
Verizon	1,666.14
Total Utilities	1,666.14
Total Expense	107,467.65

Sonterra West Homeowners Association, Inc
Statement of Income
For the Year Ended December 31, 2012

	<u>Jan - Dec 12</u>
Net Ordinary Income	-13,026.45
Other Income/Expense	
Other Income	
Interest Income	<u>24,194.16</u>
Total Other Income	<u>24,194.16</u>
Net Other Income	<u>24,194.16</u>
Net Income	<u><u>11,167.71</u></u>