

Absolute Accounting Incorporated
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Canon City, CO 81212
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High Meadows Home Owners Association.
Board of Directors
100 High Meadows Drive
Florence, CO 81226

August 10, 2017

Dear Board Members

I have reviewed the balance sheet of High Meadows Home Owners Association as of December 31, 2016 and the related statements of income for the representation of the management of High Meadows Home Owners Association.

A review consists principally of inquiries of the association's personnel and analytical procedures applied to financial data. We have not audited these statements. Based on our review, we are not aware of any material modifications that should be made to the accompanying statements in order for them to be in conformity with generally accepted accounting principles.

Nancy Fenyves
Absolute Accounting
August 10, 2017

High Meadows Home Owners Association
Balance Sheet
December 31, 2016

Assets

Current Assets

Operating Checking Account	\$	14,714.48
Certificates of Deposit		16,520.22
Accounts Receivable		<u>52,075.00</u>

Total Current Assets 83309.70

Property & Equipment

Building	8106.56
Land Improvements	10,316.61

Total Property & Equipment 18,423.17

Total Assets \$ 101,732.87

Liabilities and Capital

Total Liabilities 0.00

Capital

Retained Earnings	\$	98,889.53
Net Income		2843.34

Total Capital 101,732.87

Total Liabilities & Capital \$ 101,732.87

High Meadows Home Owners Association
Income Statement
For the Twelve Months Ending December 31, 2016

Revenues		
Dues Income	\$	20,804.20
Other Income		<u>700.00</u>
Total Revenue		<u>21,504.20</u>
Expenses		
Advertising Expense		20.10
Bank Charges		60.00
Dues & Subscriptions Expense		84.00
Insurance Expense		2,324.00
Legal & Professional Expense		2,048.61
Maintenance Expense		11,820.00
Office Expense		840.88
Postage		141.00
Supplies Expense		203.25
Utilities Expense		<u>1,108.02</u>
Total Expenses		<u>18660.86</u>
Net Income	\$	<u>2843.34</u>

High Meadows Home Owners Association
Notes to the Financial Statements for the year ended December 31, 2016

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Business Activity

High Meadows Home Owners Association is a non profit organization engaged in the management of the property within the Association boundaries..

2. Basis of Accounting

The books and records of the Company are prepared on the accrual basis of accounting for both financial and income tax purpose.

3. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

4. Accounts Receivable

Dues of \$30.00 per quarter are assessed on a quarterly basis. No uncollectible accounts were written off in 2016.

5. Inventories

The association has no inventory.

6. Property Assets

The property assets on the Balance Sheet are estimates with assets being purchased in preceding years. No assets were purchased during the 2017 calendar year

Expenditures for maintenance, repairs and improvements are listed on the Income statements.

B. CASH AND CASH EQUIVALENTS

Unrestricted currency, demand deposits, certificates of deposit and money market accounts are considered cash. Unrestricted investments with an original maturity of three months or less are considered cash equivalents. The company maintains their cash accounts at Rocky Mountain Bank & Trust. The balances do not exceed federally insured limits.

C. INCOME TAXES

High Meadows Home Owners Association is a non profit entity exempt from Income tax.

D. NOTES PAYABLE

There are no Notes Receivable for the Association.

E. RELATED PARTY DISCLOSURES

1. Cindy Sturch is reimbursed for expenses she incurs while representing the Association.

H. SUBSEQUENT EVENT

At the year end there were no subsequent events to disclose related to these financial statements.