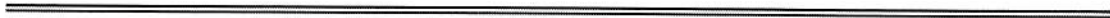


LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2013



Guy Strum, P.A.
Certified Public Accountant



LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
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December 31, 2013

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Guy Strum, P.A.
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members of Lauderdale West Community Association No. 1, Inc.
Plantation, FL

Report on the Financial Statements

I have audited the accompanying financial statements of Lauderdale West Community Association No. 1, Inc. which comprise the balance sheet as of December 31, 2013, and the related statements of revenues, expenses, and changes in fund balances and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

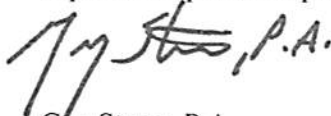
In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lauderdale West Community Association No. 1, Inc. as of December 31, 2013, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information on future major repairs and replacements be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.



Guy Strum, P.A.
Plantation, FL
February 26, 2014

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
BALANCE SHEET
DECEMBER 31, 2013

	OPERATING FUND	REPLACEMENT FUND	TOTAL
ASSETS			
Cash and cash equivalents	\$ 1,362,224	\$ 510,628	\$ 1,872,852
Certificates of deposit	601,564	4,197,892	4,799,456
Investment - U.S. Government Fund	-	113,860	113,860
Accrued interest receivable	1,714	4,424	6,138
Maintenance assessments receivable, net of allowance for doubtful accounts of \$215,847	67,559	-	67,559
Prepaid expenses	214,386	-	214,386
Inventory and supplies	17,737	-	17,737
Property and equipment, net of accumulated depreciation of \$3,078,378	1,806,123	-	1,806,123
Utility deposits	2,835	-	2,835
Interfund advances	(51,669)	51,669	-
	<u>\$ 4,022,473</u>	<u>\$ 4,878,473</u>	<u>\$ 8,900,946</u>

LIABILITIES AND FUND BALANCES

Accounts payable and accrued expenses	\$ 91,814	\$ -	\$ 91,814
Prepaid assessments	138,517	-	138,517
Deferred income	160,360	-	160,360
Due to owners	33,234	-	33,234
Escrow deposits	8,585	-	8,585
	<u>432,510</u>	<u>-</u>	<u>432,510</u>
Fund balances	<u>3,589,963</u>	<u>4,878,473</u>	<u>8,468,436</u>
	<u>\$ 4,022,473</u>	<u>\$ 4,878,473</u>	<u>\$ 8,900,946</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013

	OPERATING FUND	REPLACEMENT FUND	TOTAL
REVENUES:			
Maintenance assessments	\$ 3,148,119	\$ 935,628	\$ 4,083,747
Interest income	6,296	27,200	33,496
Rental income	102,390	-	102,390
Other income	104,251	-	104,251
	<u>3,361,056</u>	<u>962,828</u>	<u>4,323,884</u>
EXPENSES:			
Common Expenses:			
Gas and oil	16,178	-	16,178
Water and sewer	12,383	-	12,383
Election expenses	1,046	-	1,046
Dumping	13,789	-	13,789
Electricity	85,543	-	85,543
Cable television	570,318	-	570,318
Elevator	3,645	-	3,645
Janitorial	116,600	-	116,600
Sand	3,225	-	3,225
Sprinklers	20,026	-	20,026
Lawn maintenance	183,600	-	183,600
Landscaping	91,361	-	91,361
Pest control	51,690	-	51,690
Fertilizer and insecticide	11,995	-	11,995
Lake and canal maintenance	8,440	-	8,440
Fire alarm	11,049	-	11,049
Building supplies and repair	43,367	-	43,367
Bulletin expense	27,392	-	27,392
Small tools and handyman	2,827	-	2,827
Vehicle and bus repairs	12,432	-	12,432
Plumbing	11,618	-	11,618
Depreciation	22,081	-	22,081
Electrical	6,143	-	6,143
Poles and pole lights	6,092	-	6,092
Pool	26,161	-	26,161
A/C repairs and maintenance	25,681	-	25,681
Movie and show expenses	42,876	-	42,876
Activities and athletics	10,287	-	10,287
Audio and lights	660	-	660
Bookkeeping	69,309	-	69,309
Professional fees	16,535	-	16,535
Computer	19,249	-	19,249
Office	39,366	-	39,366
Telephone	15,574	-	15,574
Insurance	116,361	-	116,361
Licenses, permits and taxes	4,677	-	4,677
Payroll and related costs	643,619	-	643,619
Social	13,055	-	13,055
Capital items	80,493	-	80,493
	<u>2,456,743</u>	<u>-</u>	<u>2,456,743</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013
(CONTINUED)

	OPERATING FUND	REPLACEMENT FUND	TOTAL
Direct Expenses:			
Repairs and maintenance	37,862	-	37,862
Roof repairs	67,130	-	67,130
Professional fees	38,733	-	38,733
Insurance	526,814	-	526,814
Filing fees	2,389	-	2,389
Bad debt	33,230	-	33,230
Credit reports	7,322	-	7,322
Replacement fund	-	610,541	610,541
	713,480	610,541	1,324,021
 EXCESS OF REVENUES OVER EXPENSES	 190,833	 352,287	 543,120
 FUND BALANCES - JANUARY 1, 2013	 3,399,130	 4,526,186	 7,925,316
 FUND BALANCES - DECEMBER 31, 2013	 \$ 3,589,963	 \$ 4,878,473	 \$ 8,468,436

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

	OPERATING FUND	REPLACEMENT FUND	TOTAL
Cash Flows from Operating Activities:			
Maintenance assessments collected	\$ 3,104,070	\$ 935,628	\$ 4,039,698
Interest income received	5,331	29,358	34,689
Other receipts	140,266	-	140,266
Cash paid for operating expenses	(2,410,394)	-	(2,410,394)
Cash paid for payroll and related expenses	(643,619)	-	(643,619)
Cash paid for replacement fund expenses	-	(670,391)	(670,391)
	-	-	-
Net Cash Provided by Operating Activities	195,654	294,595	490,249
Cash Flows from Investing Activities:			
Net redemption (purchase) of certificates of deposit	(200,238)	(758,076)	(958,314)
Net Cash (Used) by Investing Activities	(200,238)	(758,076)	(958,314)
Cash Flows from Financing Activities:			
Escrow deposits	171	-	171
Interfund advances	21,494	(21,494)	-
Net Cash Provided (Used) by Financing Activities	21,665	(21,494)	171
Net Increase (Decrease) in Cash and Cash Equivalents	17,081	(484,975)	(467,894)
Cash and Cash Equivalents - January 1, 2013	1,345,143	995,603	2,340,746
Cash and Cash Equivalents - December 31, 2013	\$ 1,362,224	\$ 510,628	\$ 1,872,852

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

	OPERATING FUND	REPLACEMENT FUND	TOTAL
RECONCILIATION OF EXCESS OF REVENUES OVER EXPENSES TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Excess of Revenues Over Expenses	\$ 190,833	\$ 352,287	\$ 543,120
Adjustments to Reconcile Excess of Revenues Over Expenses to Net Cash Provided by Operating Activities:			
Depreciation	22,081	-	22,081
Bad Debt	33,230	-	33,230
(Increase) Decrease in Assets:			
Accrued interest receivable	(965)	2,158	1,193
Maintenance assessments receivable	(41,786)	-	(41,786)
Prepaid expenses	(4,207)	-	(4,207)
Inventory and supplies	(5,268)	-	(5,268)
Utility deposits	(250)	-	(250)
Increase (Decrease) in Liabilities:			
Accounts payable and accrued expenses	37,390	(59,850)	(22,460)
Prepaid assessments	(2,263)	-	(2,263)
Deferred income	(66,375)	-	(66,375)
Due to owners	33,234	-	33,234
Total Adjustments	4,821	(57,692)	(52,871)
Net Cash Provided by Operating Activities	\$ 195,654	\$ 294,595	\$ 490,249

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE A - NATURE OF ORGANIZATION

Lauderdale West Community Association No. 1, Inc. is a statutory not for profit association incorporated in the State of Florida on October 30, 1972. The Association both a homeowners association consisting of 815 single family homes and a condominium association consisting of 544 condominium units in multiple condominiums. The Association is responsible for the operation and maintenance of the common property and recreation facilities of the Lauderdale West Community located in Plantation, Florida.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Multi Condominium Statutory Reporting

Rule 61B-22.006(4) of the Florida Administrative Code requires multi condominium associations to present revenues, expenses and changes in fund balance for each condominium as well as the association. The Association presents this information for the single family homes and combines all of the condominiums into one reporting entity.

Fund Accounting

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

- | | |
|--------------------|---|
| Operating Fund - | This fund is used to account for financial resources available for the general operations of the Association. |
| Replacement Fund - | This fund is used to accumulate financial resources designated for future major repairs and replacements. |

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Member Assessments

Association members are subject to monthly assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. Assessments receivable at the balance sheet date represent fees due from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of unit owners whose assessments are delinquent. Any excess assessments at year-end are retained by the Association for use in the succeeding year.

At December 31, 2013, the Association had delinquent assessments of \$283,406. It is the opinion of the Board of Directors that the Association will not ultimately prevail against some of these unit owners with delinquent assessments and, accordingly, an allowance for uncollectible accounts of \$215,847 is deemed necessary.

Allocation of Expenses

The Association allocates common maintenance, administrative and recreation expenses to the condominiums and the single family homes based on specific percentages. The condominiums are allocated 40% of these expenses and the single family homes are allocated 60%. Direct expenses are allocated to the entity that incurs the charge.

Income Taxes

The Association qualifies as a tax-exempt homeowners' association under Internal Revenue Code Section 528 for the year ended December 31, 2013. Under that Section, the Association is not taxed on income and expenses related to its exempt purpose, which is the acquisition, construction, management, maintenance, and care of Association property. Net nonexempt function income, which includes earned interest and revenues received from nonmembers, is taxed at 30% by the federal government.

Under federal and state income tax laws, an entity's income tax returns are subject to examination by the applicable taxing authorities. The time period during which a return may be selected by a taxing authority for examination generally ends at the later of three years after the initial due date of the return or three years after the return is filed. At December 31, 2013, the Association's tax years that remain subject to examination are 2010 through 2012.

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Real property and common areas acquired from the developer and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association. The Association capitalizes personal property at cost and depreciates it using the straight-line method.

Interest Earned

The Board's policy is to allocate to the applicable fund interest earned on cash accounts.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires 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.

Cash and Cash Equivalents

For purposes of these financial statements, the Association considers demand deposit accounts, savings accounts and certificate of deposits in highly liquid accounts to be cash equivalents.

Comprehensive Income

ASC 220 (formerly SFAS No. 130) requires "a full set of general-purpose financial statements to be expanded to include the reporting of comprehensive income." Comprehensive income is comprised of two components, net income and other comprehensive income. For the year ended December 31, 2013, there were no items that qualify as comprehensive income.

Fair Value of Financial Instruments

The carrying amounts of the Association's financial instruments, which include cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and long-term debt, approximate their fair values due to their short-term maturities.

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting for Uncertainty in Income Taxes

A loss contingency is recognized when it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The amount recognized is subject to estimate and management judgment with respect to the likely outcome of each uncertain tax position. The amount that is ultimately sustained for an individual uncertain tax position or for all uncertain tax positions in the aggregate could differ from the amount recognized.

NOTE C – FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents and Florida Statutes require that funds be accumulated for future major repairs and replacements of the common elements for the condominiums. Accumulated funds are to be held in separate accounts and are generally not available for expenditures for normal operations.

An independent study to determine the adequacy of the current funding program for the replacement of Association common elements has not been conducted. The Association is funding for future major repairs and replacements over the estimated remaining useful lives of the components of the replacement fund based on the Board of Directors' estimates of current replacement costs after considering amounts previously accumulated in the replacement fund.

Funds are being accumulated in the replacement fund based on estimates of future needs for repairs and replacements of common property components. Actual expenditures may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may or may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, approve special assessments, or delay major repairs and replacements until funds are available.

NOTE D – CONCENTRATIONS OF RISK

The Association maintains cash balances at several financial institutions. Cash accounts at these institutions are secured by the Federal Deposit Insurance Corporation up to \$250,000. Securities accounts are secured by the Securities Investor Protection Corporation up to \$500,000.

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE E – INSURANCE DEDUCTIBLE

The property insurance policy covering the Association is subject to a deductible of 3% of the insured value for claims arising from wind and hailstorms. The Association is responsible for losses up to this amount. Single family homes are responsible for their own insurance.

NOTE F – PROPERTY, FURNITURE AND FIXTURES

Property, furniture and fixtures consist of the following at December 31, 2013:

		Estimated Useful Life (In years)
Land	\$1,782,662	N/A
Buildings	2,268,914	20-30
Furniture and equipment	543,642	5-10
Motor vehicles	<u>311,364</u>	5-10
	4,906,582	
Less: Accumulated depreciation	<u>(3,100,459)</u>	
	<u>\$1,806,123</u>	

NOTE G – INVESTMENT IN LAUDERDALE WEST COMMUNITY REALTY HOLDINGS, LLC

The Association created a subsidiary, limited liability company known as Lauderdale West Community Realty Holdings, LLC, filed August 19, 2010 under State of Florida Document Number L10000087350. The purpose of this wholly owned subsidiary is to take legal ownership of real estate as a result of Association foreclosures on non-payment of maintenance assessments by unit owners. This structure will allow the Association to control the ownership and title upon the foreclosure sale. This was done in order to minimize any risks associated with the Association directly owning the real estate in the Association’s name, subject to any respective mortgages.

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE G – INVESTMENT IN LAUDERDALE WEST COMMUNITY REALTY HOLDINGS, LLC (continued)

The Association is not obligated to any third party loans as the Association has not agreed to be bound by such loans either by re-executing any note or any mortgage assumption agreement.

There is no value presented on the accompanying balance sheet. At this point the value of the unit itself is in question due to unknown circumstances involving the eventual sale of the unit and the ability to collect any back maintenance fees owed.

NOTE H – CABLE CONTRACT

The Association has entered a contract with a vendor granting them exclusive rights to install and operate equipment to provide bulk cable television services. The contract commences on the later of April 20, 2013 or the date 100% of the unit owners have had a chance to establish service and runs for seven years. Thereafter, the agreement shall extend for successive one year periods unless either party provides written notice of their intent not to renew at least 60 days prior to the end of the term. The cost of the contract will be \$33.95 per unit plus taxes and fees. After the first year, the fee may be increased “by an amount equal to no more than 4% annually, provided that fee may not exceed the retail price for services functionally equivalent to the bulk services”.

The Association also entered into a contract with a vendor to assist in marketing these services to new homeowners. As compensation for signing this contract, the Association received a per unit compensation of \$225 for a total of \$305,775. The right to receive this compensation terminates upon termination of the agreement and a refund will be due to the vendor based on the remaining term. Income will be recognized over the term of the contract beginning in 2013. The unearned portion of this income is reflected as deferred income on the accompanying balance sheet. The Association also paid a fee to another vendor for negotiating this contract. The fee was \$81,540. If the Association defaults on the agreement, a termination fee shall be due and calculated as follows: bulk monthly fee times 1,359 units times number of remaining months times 25%.

NOTE I - DATE OF MANAGEMENT’S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through the date of this report. That date is the date the financial statements were available to be issued.

**SUPPLEMENTAL SCHEDULES AND
SUPPLEMENTARY INFORMATION
ON FUTURE MAJOR REPAIRS
AND REPLACEMENTS**

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN OPERATING FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Total	Common	Condominiums	Single Family Homes
REVENUES:				
Maintenance assessments	\$ 3,148,119	\$ -	\$ 1,546,157	\$ 1,601,962
Interest income	6,296	6,025	271	-
Rental income	102,390	1,000	44,547	56,843
Other income	104,251	77,929	10,998	15,324
Allocation of common revenue	-	(84,954)	33,982	50,972
	<u>3,361,056</u>	<u>-</u>	<u>1,635,955</u>	<u>1,725,101</u>
EXPENSES:				
Common Expenses:				
Gas and oil	16,178	16,178	-	-
Water and sewer	12,383	12,383	-	-
Election expenses	1,046	1,046	-	-
Dumping	13,789	13,789	-	-
Electricity	85,543	85,543	-	-
Cable television	570,318	570,318	-	-
Elevator	3,645	3,645	-	-
Janitorial	116,600	116,600	-	-
Sand	3,225	3,225	-	-
Sprinklers	20,026	20,026	-	-
Lawn maintenance	183,600	183,600	-	-
Landscaping	91,361	91,361	-	-
Pest control	51,690	51,690	-	-
Fertilizer and insecticide	11,995	11,995	-	-
Lake and canal maintenance	8,440	8,440	-	-
Fire alarm	11,049	11,049	-	-
Supplies and repairs	43,367	43,367	-	-
Bulletin expense	27,392	27,392	-	-
Small tools and handyman	2,827	2,827	-	-
Vehicle and bus repairs	12,432	12,432	-	-
Plumbing	11,618	11,618	-	-
Depreciation	22,081	22,081	-	-
Electrical	6,143	6,143	-	-
Poles and pole lights	6,092	6,092	-	-
Pool	26,161	26,161	-	-
A/C repairs and maintenance	25,681	25,681	-	-
Movie and show expenses	42,876	42,876	-	-
Activities and athletics	10,287	10,287	-	-
Audio and lights	660	660	-	-
Bookkeeping	69,309	69,309	-	-
Professional fees	16,535	16,535	-	-
Computer	19,249	19,249	-	-
Office	39,366	39,366	-	-
Telephone	15,574	15,574	-	-
Insurance	116,361	116,361	-	-
Licenses, permits and taxes	4,677	4,677	-	-
Payroll and related costs	643,619	643,619	-	-
Social	13,055	13,055	-	-
Capital items	80,493	80,493	-	-
Allocation of Association Expenses	-	(2,456,743)	982,697	1,474,046
	<u>2,456,743</u>	<u>-</u>	<u>982,697</u>	<u>1,474,046</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN OPERATING FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013
(CONTINUED)

	<u>Total</u>	<u>Common</u>	<u>Condominiums</u>	<u>Single Family Homes</u>
Direct Expenses:				
Repairs and maintenance	37,862	-	8,364	29,498
Roof repairs	67,130	-	8,885	58,245
Professional fees	38,733	-	10,764	27,969
Insurance	526,814	-	526,814	-
Filing fees	2,389	-	2,389	-
Bad debt	33,230	-	24,441	8,789
Credit reports	7,322	-	2,893	4,429
	<u>713,480</u>	<u>-</u>	<u>584,550</u>	<u>128,930</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	190,833	-	68,708	122,125
FUND BALANCES - JANUARY 1, 2013	<u>3,399,130</u>	<u>-</u>	<u>1,369,310</u>	<u>2,029,820</u>
FUND BALANCES - DECEMBER 31, 2013	<u>\$ 3,589,963</u>	<u>\$ -</u>	<u>\$ 1,438,018</u>	<u>\$ 2,151,945</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO.1, INC.
SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN REPLACEMENT FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Balance December 31, 2012	Revenue	Other	Interest	Expenses	Balance December 31, 2013
Condominiums						
<u>Common</u>						
Bus	\$ 33,583	\$ 1,284	\$ -	\$ -	\$ -	\$ 34,867
Recreation area roofs	11,558	4,262	800	-	-	16,620
Recreation area A/C	-	7,329	-	-	-	7,329
Recreation center decorating	9,869	1,126	-	-	(10,995)	-
Road resurface	21,970	5,337	-	-	-	27,307
Sea wall	4,445	88	-	-	-	4,533
Sprinkler pumps	21,408	459	-	-	-	21,867
Resurface pools	24,682	2,706	-	-	-	27,388
Hurricane	40,000	-	-	-	-	40,000
Back hoe	1,158	105	-	-	-	1,263
Pool - satellite	-	1,334	-	-	-	1,334
Main pool	22,300	2,667	-	-	-	24,967
Roof - satellite	1,200	568	-	-	-	1,768
Fire sprinkler	11,283	2,530	-	-	-	13,813
	<u>203,456</u>	<u>29,795</u>	<u>800</u>	<u>-</u>	<u>(10,995)</u>	<u>223,056</u>
<u>Direct</u>						
Roof	1,191,902	103,850	(800)	-	(168,000)	1,126,952
Paint	9,742	58,700	-	-	(57,950)	10,492
Termite control	20,339	-	-	-	(1,495)	18,844
Pipe replacement	40,083	13,056	-	-	(24,659)	28,480
Resealing parking	1,047	-	-	-	-	1,047
Quadplex inspections	26,000	-	-	-	(1,750)	24,250
Interest	19,228	-	-	11,121	-	30,349
	<u>1,308,341</u>	<u>175,606</u>	<u>(800)</u>	<u>11,121</u>	<u>(253,854)</u>	<u>1,240,414</u>
Condominium totals	\$ 1,511,797	\$ 205,401	\$ -	\$ 11,121	\$ (264,849)	\$ 1,463,470
Single Family Homes						
<u>Common</u>						
Bus	\$ 49,357	\$ 2,661	\$ -	\$ -	\$ -	\$ 52,018
Recreation area roofs	7,080	11,472	6,800	-	-	25,352
Recreation area A/C	3,812	7,485	-	-	-	11,297
Recreation center decorating	14,814	1,758	-	-	(16,572)	-
Road resurface	39,149	1,737	-	-	-	40,886
Sea wall	6,671	147	-	-	-	6,818
Sprinkler pumps	31,634	765	-	-	-	32,399
Resurface pools	39,601	1,200	-	-	-	40,801
Hurricane	60,000	-	-	-	-	60,000
Backhoe	1,895	-	-	-	-	1,895
Pool - satellite	-	2,000	-	-	-	2,000
Main pool	33,450	4,000	-	-	-	37,450
Roof - satellite	1,800	868	-	-	-	2,668
Fire sprinkler	16,920	3,850	-	-	-	20,770
	<u>306,183</u>	<u>37,943</u>	<u>6,800</u>	<u>-</u>	<u>(16,572)</u>	<u>334,354</u>
<u>Direct</u>						
Roofs	2,609,089	502,584	(6,800)	-	(153,070)	2,951,803
Paint	28,471	174,700	-	-	(161,050)	42,121
Termite control	-	15,000	-	-	(15,000)	-
Interest	70,646	-	-	16,079	-	86,725
	<u>2,708,206</u>	<u>692,284</u>	<u>(6,800)</u>	<u>16,079</u>	<u>(329,120)</u>	<u>3,080,649</u>
Single family homes totals	\$ 3,014,389	\$ 730,227	\$ -	\$ 16,079	\$ (345,692)	\$ 3,415,003
Grand Totals	\$ 4,526,186	\$ 935,628	\$ -	\$ 27,200	\$ (610,541)	\$ 4,878,473

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
 SUPPLEMENTARY INFORMATION ON FUTURE MAJOR
 REPAIRS AND REPLACEMENTS
 UNAUDITED
 DECEMBER 31, 2013

The Board of Directors and management have estimated the remaining useful lives and the replacement costs of the components of common property. The following table is based on these estimates and presents significant information about the components of common property.

	Estimated Remaining Useful Life (in years)	Estimated Replacement Cost	Components of Fund Balance at 12/31/13	2014 Funding per Budget	2014 Full Funding
<u>Condominiums</u>					
<u>Common - 40%</u>					
Bus	3	\$ 40,000	\$ 34,867	\$ 1,761	1,711
Recreation area roofs	33	60,000	16,620	1,609	1,315
Recreation area A/C	10	56,000	7,329	4,867	4,867
Recreation center decorating	8	20,000	-	2,500	2,500
Road resurface	2	30,000	27,307	1,347	1,347
Sea wall	3	4,800	4,533	83	89
Sprinkler pumps	9	26,000	21,867	479	459
Resurface pools	9	8,000	27,388	889	-
Hurricane	N/A	-	40,000	-	-
Backhoe	N/A	-	1,263	-	-
Pool - satellite	14	20,000	1,334	1,333	1,333
Main pool	14	40,000	24,967	2,857	1,074
Roof - satellite	18	12,000	1,768	568	568
Fire sprinkler	23	72,000	13,813	2,530	2,530
		<u>388,800</u>	<u>223,056</u>	<u>20,823</u>	<u>17,793</u>
<u>Direct - 100%</u>					
Roof	Various	2,431,000	1,126,952	103,850	103,850
Paint	7	311,850	10,492	37,200	43,051
Termite control	Various	Various	18,844	-	-
Pipe replacement	Various	10,000	28,480	20,000	20,000
Resealing parking	Various	40,000	1,047	-	-
Quadplex inspection	2	26,000	24,250	-	875
Interest	N/A	N/A	30,349	-	-
		<u>2,818,850</u>	<u>1,240,414</u>	<u>161,050</u>	<u>167,776</u>
<u>Condominium totals</u>		<u>\$ 3,207,650</u>	<u>\$ 1,463,470</u>	<u>\$ 181,873</u>	<u>\$ 185,569</u>

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
 SUPPLEMENTARY INFORMATION ON FUTURE MAJOR
 REPAIRS AND REPLACEMENTS
 UNAUDITED
 DECEMBER 31, 2013
 (CONTINUED)

	Estimated Remaining Useful Life (in years)	Estimated Replacement Cost	Components of Fund Balance at 12/31/13	2014 Funding per Budget	2014 Full Funding
<u>Single Family Homes</u>					
<u>Common - 60%</u>					
Bus	3	\$ 60,000	\$ 52,018	\$ 2,660	2,660
Recreation area roofs	33	90,000	25,352	2,374	1,959
Recreation area A/C	10	84,000	11,297	7,270	7,270
Recreation center decorating	8	30,000	-	3,750	3,750
Road resurface	2	45,000	40,886	2,057	2,057
Sea wall	3	7,200	6,818	127	127
Sprinkler pumps	9	39,000	32,399	733	733
Resurface pools	9	12,000	40,801	1,333	-
Hurricane	N/A	-	60,000	-	-
Backhoe	N/A	-	1,895	-	-
Pool - satellite	14	30,000	2,000	2,000	2,000
Main pool	14	60,000	37,450	4,286	1,611
Roof - satellite	18	18,000	2,668	852	852
Fire sprinkler	23	108,000	20,770	3,793	3,793
		<u>583,200</u>	<u>334,354</u>	<u>31,235</u>	<u>26,812</u>
<u>Direct - 100%</u>					
Roofs	Various	16,137,000	2,951,803	512,584	512,584
Paint	Various	1,141,000	42,121	183,750	183,750
Termite control	Various	Various	-	15,000	15,000
Interest	N/A	N/A	86,725	-	-
		<u>17,278,000</u>	<u>3,080,649</u>	<u>711,334</u>	<u>711,334</u>
<u>Single family homes totals</u>		<u>17,861,200</u>	<u>3,415,003</u>	<u>742,569</u>	<u>738,146</u>
Grand totals		<u>\$ 21,068,850</u>	<u>\$ 4,878,473</u>	<u>\$ 924,442</u>	<u>\$ 923,715</u>