

**BOYETTE SPRINGS HOMEOWNERS'
ASSOCIATION, INC.**

**Financial Statements and
Supplementary Information**

December 31, 2014

(With Independent Auditors' Report Thereon)

BOYETTE SPRINGS HOMEOWNERS' ASSOCIATION, INC.

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Main Office:
13007 W. Linebaugh Avenue
Tampa, FL 33626

Telephone: 727-799-9533
Fax: 727-799-3826

600 Mulberry Avenue
Suite 3211
Celebration, FL 34747

Telephone: 407-276-5335

11 Avenue de la Mer
Suite 1507
Palm Coast, FL 32137

Telephone: 386-264-6951

Fontana CPAs, P.A.

Independent Auditors' Report

The Board of Directors
Boyette Springs Homeowners' Association, Inc.:

We have audited the accompanying financial statements of Boyette Springs Homeowners' Association, Inc. (the Association), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of December 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

FONTANA CPAs

Tampa, Florida
January 10, 2018

BOYETTE SPRINGS HOMEOWNERS' ASSOCIATION, INC.

Statement of Financial Position

December 31, 2014

Assets

Current assets:		
Cash	\$	24,835
Prepaid assets		<u>439</u>
Total current assets	\$	<u>25,274</u>
Total assets	\$	<u><u>25,274</u></u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable	\$	<u>1,609</u>
Total current liabilities		1,609
Net assets:		
Unrestricted		23,665
Temporarily restricted		<u>—</u>
Total net assets		<u>23,665</u>
	\$	<u><u>25,274</u></u>

See accompanying notes to financial statements.

BOYETTE SPRINGS HOMEOWNERS' ASSOCIATION, INC.

Statement of Activities

For the year ending December 31, 2014

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Total expenses</u>
Revenue and other support:			
Assessments	\$ 26,086	—	26,086
Late and estoppel fees	18,086	—	18,086
Interest	10	—	10
Total revenue and other support	<u>44,182</u>	<u>—</u>	<u>44,182</u>
Expenses:			
Professional fees	8,676	—	8,676
Printings and mailings	5,297	—	5,297
Board meetings	3,984	—	3,984
Insurance	2,196	—	2,196
Website	626	—	626
Office supplies	622	—	622
License and filing fees	356	—	356
Mailbox rental	230	—	230
Advertising	200	—	200
Bank charges	42	—	42
Other	91	—	91
Total expenses	<u>22,320</u>	<u>—</u>	<u>22,320</u>
Increase in net assets	21,862	—	21,862
Net assets at beginning of year	<u>1,803</u>	<u>—</u>	<u>1,803</u>
Net assets at end of year	<u>\$ 23,665</u>	<u>—</u>	<u>23,665</u>

See accompanying notes to financial statements.

BOYETTE SPRINGS HOMEOWNERS' ASSOCIATION, INC.

Statement of Cash Flows

For the year ending December 31, 2014

Cash flows from operating activities:	
Change in net assets	\$ 21,862
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Increase in prepaid assets	(439)
Increase in accounts payable	<u>1,609</u>
Net cash provided by operating activities	<u>23,032</u>
Net change in cash	23,032
Cash at beginning of year	<u>1,803</u>
Cash at end of year	<u><u>\$ 24,835</u></u>

See accompanying notes to financial statements.

BOYETTE SPRINGS HOMEOWNERS' ASSOCIATION, INC.

Notes to Financial Statements

December 31, 2014

(1) Nature of the Association

The Boyette Springs Homeowners' Association, Inc. (the Association) is a cooperative homeowners' association incorporated in the State of Florida in 1989. The Association is located in Riverview, Florida. The Association maintains, manages, and operates the Boyette Springs subdivision.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

These financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole and to present net assets and revenue, expenses, gains and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Unrestricted net assets – Net assets not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets that are subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time.

Revenue is reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenue of the unrestricted net asset class.

(b) Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(3) Income Taxes

Homeowners' Associations may be taxed as homeowners' corporations or as regular corporations. For the year ended December 31, 2014, the Corporation was taxed as a regular corporation and filed Form 1120, *US Corporation Income Tax Return*.

As a regular corporation, association fees are exempt from taxation if certain elections are made, and the Association is taxed only on its non-association fee income, such as rental and interest income and is taxed at regular federal and state corporate tax rates.

BOYETTE SPRINGS HOMEOWNERS' ASSOCIATION, INC.

Notes to Financial Statements

December 31, 2014

(4) In-Kind Services

Volunteers have donated substantial time to the Organization in various capacities. However, these services are not reflected in the financial statements since the services do not require specialized skills. The value of other contributed services meeting the requirements for recognition in the financial statements was not material and has not been reflected in the financial statements.

(5) Subsequent Events

Management has evaluated subsequent events through January 10, 2018, the date which the financial statements were available for issue. There are no subsequent events requiring disclosure.