

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

Financial Statements

December 31, 2017

**(With Independent Accountants' Review
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 Accountants' Review Report

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

We have reviewed the accompanying financial statements of Boyette Springs Homeowners' Association, Inc. which comprise the statement of financial position as of December 31, 2017 and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Prior Year Comparative Information

The prior year summarized comparative information has been derived from Boyette Springs Homeowners' Association Inc.'s 2016 audited financial statements, and in our report dated January 10, 2018 we issued an unmodified audit report. No audit procedures have been performed since the date of our audit report.

FONTANA CPAs

Tampa, Florida
April 24, 2018

BOYETTE SPRINGS HOMEOWNERS' ASSOCIATION, INC.

Statement of Financial Position

December 31, 2017

With comparative totals for 2016

Assets	2017	2016
Current assets:		
Cash	\$ 57,148	55,525
Prepaid assets	179	439
Total current assets	\$ 57,327	55,964
Total assets	\$ 57,327	55,964
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 430	—
Prepaid assessments	1,620	—
Total current liabilities	2,050	—
Net assets:		
Unrestricted	55,277	55,964
Temporarily restricted	—	—
Total net assets	55,277	55,964
	\$ 57,327	55,964

See accompanying notes to financial statements.

BOYETTE SPRINGS HOMEOWNERS' ASSOCIATION, INC.

Statement of Activities

For the year ending December 31, 2017

With comparative totals for 2016

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Total</u>	
			<u>2017</u>	<u>2016</u>
Revenue and other support:				
Assessments	\$ 48,342	—	48,342	28,394
Late and estoppel fees	—	—	—	10,709
Scholarships	—	—	—	—
Interest	19	—	19	24
	<u>48,361</u>	<u>—</u>	<u>48,361</u>	<u>39,127</u>
Total revenue and other support				
Expenses:				
Professional fees	25,667	—	25,667	2,189
Events	8,356	—	8,356	8,994
Printings and mailings	4,532	—	4,532	3,680
License and filing fees	1,882	—	1,882	61
Insurance	2,443	—	2,443	2,721
Office supplies	1,106	—	1,106	392
Scholarships	1,000	—	1,000	—
Rent expense	845	—	845	—
Telephone expense	770	—	770	—
Board meetings	700	—	700	1,588
Website	464	—	464	192
Refunds	358	—	358	—
Bank charges	829	—	829	129
Computer and internet expenses	96	—	96	—
Mailbox rental	—	—	—	236
Advertising	—	—	—	302
Other	—	—	—	853
	<u>49,048</u>	<u>—</u>	<u>49,048</u>	<u>21,337</u>
Total expenses				
Increase (decrease) in net assets	(687)	—	(687)	17,790
Net assets at beginning of year	<u>55,964</u>	<u>—</u>	<u>55,964</u>	<u>38,174</u>
Net assets at end of year	\$ <u><u>55,277</u></u>	<u><u>—</u></u>	<u><u>55,277</u></u>	<u><u>55,964</u></u>

See accompanying notes to financial statements.

BOYETTE SPRINGS HOMEOWNERS' ASSOCIATION, INC.

Statement of Cash Flows

For the year ending December 31, 2017
With comparative totals for 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ (687)	17,790
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Increase in accounts payable	430	—
Decrease in prepaid assets	260	—
Increase in prepaid assessments	1,620	—
Net cash provided by operating activities	<u>1,623</u>	<u>17,790</u>
Net change in cash	1,623	17,790
Cash at beginning of year	<u>55,525</u>	<u>37,735</u>
Cash at end of year	<u><u>\$ 57,148</u></u>	<u><u>55,525</u></u>

See accompanying notes to financial statements.

BOYETTE SPRINGS HOMEOWNERS' ASSOCIATION, INC.

Notes to Financial Statements

December 31, 2017

(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.

(c) Summarized Financial Information for 2016

The financial information for the year ended December 31, 2016, presented for comparative purposes, is not intended to be a complete presentation. Certain 2016 amounts have been reclassified to conform with the 2017 presentation.

BOYETTE SPRINGS HOMEOWNERS' ASSOCIATION, INC.

Notes to Financial Statements

December 31, 2017

(3) Income Taxes

Homeowners' Associations may be taxed as homeowners' corporations or as regular corporations. For the year ended December 31, 2017, 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.

(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 April 24, 2018, the date which the financial statements were available for issue. There are no subsequent events requiring disclosure.