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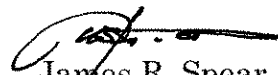
To The Board of Directors
Oak Creek Estados Condominium Management Corp
Sedona, Arizona 86351

Management is responsible for the accompanying financial statements of Oak Creek Estados Condominium Management Corp, which are comprised of the Statement of Financial Position as of August 31, 2019 and the related Statement of Income and Expenses for the period then ended, accordance with accounting principles generally accepted in the United States of America.

I have performed my compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America, including the Statement of Cash Flows. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

I do not express an opinion, a conclusion, nor provide any assurance on these financial statements.



James R. Spear CPA CGMA FABFA

Sedona, Arizona
September 17, 2019

Member

American Institute of Certified Public Accountants
Arizona Society of Certified Public Accountants
Fellow, American Board of Forensic Accounting

Oak Creek Estados Condominium Management Corp
Statement of Financial Position

Accrual Basis

August 31, 2019

	Aug 31, 19
ASSETS	
Current Assets	
Checking/Savings	
Chase Checking-1915	4,386.30
Chase Reserve Savings-9554	155,601.75
Petty Cash	217.35
Total Checking/Savings	160,205.40
Accounts Receivable	
Accounts Receivable	4,370.35
Total Accounts Receivable	4,370.35
Other Current Assets	
Insurance Reserve - Restricted	15,323.50
Total Other Current Assets	15,323.50
Total Current Assets	179,899.25
Fixed Assets	
Improvements - Common Area	
Cap Improvements - Common Areas	415,428.30
Cap Improvements - Deprec	(165,772.39)
Total Improvements - Common Area	249,655.91
Property & Equipment	
Beams	
Beams - Bldg - Depreciation	(5,355.00)
Beams - Bldg - Original Cost	32,436.75
Total Beams	27,081.75
Boiler	
Boiler E & F/G - Depreciation	(9,327.40)
Boiler E & F/G - Original Cost	49,248.21
Total Boiler	39,920.81
Catwalks	
Catwalks - Bldg B 2019	25,638.00
Catwalks - Bldg F 2019	54,011.00
Catwalks A, B, F - Depreciation	(15,472.96)
Catwalks A, B, F -Original Cost	21,945.33
Catwalks Bldg H - 2019	42,620.00
Catwalks C&G Bldg 2018 - Cost	11,511.92
Catwalks C&G Bldg 2018 - Dep	(784.00)
Catwalks D & E 2015 Cost	14,889.00
Catwalks D & E Depreciation	(9,797.96)
Catwalks G, H, C - Cost	21,089.32
Catwalks G, H, C - Depreciation	(1,125.00)
Total Catwalks	164,524.65
Clubhouse Furnace	
Clubhouse - Furnace - Acc Dep	(1,569.96)
Clubhouse - Furnace - Cost	2,114.00
Total Clubhouse Furnace	544.04
Concrete	
Perimeter Road - 2018 Cost	67,384.02
Perimeter Road - 2018 Dep	(30,321.00)

Oak Creek Estados Condominium Management Corp
Statement of Financial Position

August 31, 2019

Accrual Basis

	Aug 31, 19
Total Concrete	37,063.02
Furniture and Equipment	
Equipment - Common Area	
BBQ 2018 - Cost	2,135.02
BBQ 2018 - Dep	(2,741.94)
Total Equipment - Common Area	(606.92)
Total Furniture and Equipment	(606.92)
Grounds	
2015 Gravel Cost	568.34
2015 Gravel Dep	(373.00)
Basin	
Basin - Cost	1,974.74
Basin - Depreciation	(1,299.00)
Total Basin	675.74
Landscaping	
2014 Landscaping Cost	11,274.04
2014 Landscaping Dep	(4,302.96)
2015 Landscaping Cost	2,504.05
2015 Landscaping Dep	(1,414.04)
Total Landscaping	8,061.09
Total Grounds	8,932.17
Lighting	
Bldg Fixtures - 2015	2,657.11
Bldg Fixtures - 2016	7,684.94
Bldg Fixtures - Phase I - Dep	(193.96)
Bldg Fixtures - Phase II - Dep	(968.00)
Total Lighting	9,180.09
Office Equipment - Computers	
New Computer -Lenovo	791.60
New Computer - Deprec	(791.60)
Total Office Equipment - Computers	0.00
Paint Bldgs , Structures, Walls	
Paint - 2015 Bldg A - Cost	21,000.00
Paint - 2015 Bldg A - Dep	(1,050.00)
Paint - 2015 Bldgs F & G - Cost	41,000.00
Paint - 2015 Bldgs F & G - Dep	(2,423.00)
Paint - 2016 Bldg D & E - Cost	34,728.00
Paint - 2016 Bldg D & E Dep	(265.00)
Paint - 2016 Bldg H Cost	16,873.00
Paint - 2016 Bldg H Dep	(128.00)
Paint - 2017 Bldg B Cost	14,354.00
Paint - 2017 Bldg B Dep	(739.96)
Paint - 2017 Bldg C Cost	15,500.00
Paint - 2017 Bldg C Dep	(892.04)
Paint - Perimeter Wall Cost	11,448.00
Paint - Perimeter Walls Dep	(316.04)
Paint - Wood Trim - Cost	44,019.90
Paint - Wood Trim - Dep	(3,202.00)
Painting 2016 Dep	(3,258.04)
Total Paint Bldgs , Structures, Walls	186,648.82
Parking Lot - Improvements	
Parking - Curb & Line Painting	5,992.53

Oak Creek Estados Condominium Management Corp
Statement of Financial Position

Accrual Basis

August 31, 2019

	Aug 31, 19
Parking Lot Imps - Dep	(2,303.04)
Total Parking Lot - Improvements	3,689.49
Pool	
Pool - 2014 Furniture - Cost	474.95
Pool - 2015 Furniture - Cost	3,943.40
Pool - Deck - Depreciation	(847.96)
Pool - Furniture - Depreciation	(3,358.00)
Total Pool	212.39
Roofs	
Roofs - 2015 Garage - Cost	24,821.52
Roofs - 2015 Garage - Dep	(3,273.00)
Roofs - 2016 Garages - Cost	34,268.36
Roofs - 2016 Garages - Dep	(2,855.96)
Roofs - 2017 Garages - Cost	20,179.91
Roofs - 2017 Garages - Dep	(2,020.00)
Roofs - 2017 Sprayfoam Cost	8,174.00
Roofs - 2017 Sprayfoam Dep	(24.00)
Tile Roofs - Clubhouse - Cost	6,664.16
Tile Roofs 2013 - Cost	13,033.94
Tile Roofs 2013 - Depreciation	(2,034.00)
Tile Roofs 2014 - Cost	10,121.18
Tile Roofs 2014 - Depreciation	(4,638.96)
Tile Roofs 2015 - Cost	8,610.94
Tile Roofs 2015 - Dep	(1,029.96)
Tile Roofs 2016 - Cost	7,130.65
Tile Roofs 2016 - Dep	(571.96)
Tile Roofs 2017 - Cost	10,586.96
Tile Roofs 2017 - Dep	(610.76)
Tile Roofs 2018 - Cost	13,885.40
Tile Roofs 2018 - Dep	(483.67)
Tile Roofs 2019 - Cost	17,550.00
Tile Roofs Stairwell 2017 Cost	5,612.48
Tile Roofs Stairwell 2017 Dep	(77.00)
Tile Roofs Stairwells 2013 Cost	3,709.02
Tile Roofs Stairwells 2013 Dep	(656.04)
Total Roofs	166,073.21
Signs	
Signs - Community - Cost	2,337.48
Signs - Community - Dep	(1,417.96)
Signs - Entrance - Cost	3,340.64
Signs - Entrance - Depreciation	(3,195.00)
Total Signs	1,065.16
Spa/Swim Spa	
Spa New - 2016 Cost	46,447.00
Spa New - 2016 Dep	(4,230.78)
Swim Spa - Heater - Cost	2,282.78
Swim Spa - Heater - Dep	(1,714.26)
Total Spa/Swim Spa	42,784.74
Vents	
Vents - 2016	3,833.00
Vents - Dryer Phase I - Cost	6,577.75
Vents - Dryer Phase I - Dep	(1,333.00)
Total Vents	9,077.75
Total Property & Equipment	696,191.17

Oak Creek Estados Condominium Management Corp
Statement of Financial Position

August 31, 2019

Accrual Basis

	Aug 31, 19
Total Fixed Assets	945,847.08
TOTAL ASSETS	<u>1,125,746.33</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	104.89
Total Accounts Payable	104.89
Other Current Liabilities	
Due to Chase Bank - Dep Err	674.19
Payroll Liabilities	
AZ I/T Withheld	102.98
Federal I/T Withheld	247.00
FICA/Medicare Payable	514.26
FUTA Payable	154.00
SUTA Payable	1.11
Total Payroll Liabilities	1,019.35
Prepaid Dues/Fees	31,142.14
Total Other Current Liabilities	<u>32,835.68</u>
Total Current Liabilities	<u>32,940.57</u>
Total Liabilities	32,940.57
Equity	
Fund Balance - Unrestricted	241,213.75
Restricted Acct. - Insurance	15,323.50
Retained Earnings	824,212.68
Net Income	12,055.83
Total Equity	<u>1,092,805.76</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,125,746.33</u></u>

Oak Creek Estados Condominium Management Corp

Statement of Revenues & Expenses

For the Period Ending ...

Accrual Basis

	Aug 19	Jan - Au...
Ordinary Income/Expense		
Income		
Amenity Fee-Rental	165.00	165.00
Income		
Administration Fee	0.00	25.00
Amenity Keys	0.00	450.00
Disclosure Fee	360.00	3,320.00
HOA Dues	36084.51	295023.62
Late Fees	0.00	288.90
Long Term Rental Fees	25.00	275.00
Short/Vacation Term Rentals	1,500.00	10,857.00
Transfer Fee	40.00	970.00
Total Income	38,009.51	311209.52
Total Income	38,174.51	311374.52
Gross Profit	38,174.51	311374.52
Expense		
Administrative Fee	0.00	(50.00)
Advertising	0.00	15.00
Amenity Key Expense	0.00	218.70
Automobile Expense		
Gasoline	0.00	354.00
Total Automobile Expense	0.00	354.00
Bad Debt Expense	0.00	1,396.17
Bank Service Charge	7.20	100.80
Bank Service Charges	0.00	30.00
Cash Advance Repayment	0.00	55.00
Computer and Internet Expenses	0.00	133.74
Consultation Expense	0.00	500.00
Contract/Temp Staffing	1,396.00	14,887.43
Depreciation Expense	3,753.66	30,662.88
Dues and Subscriptions	0.00	4.25
Employee Cell Phones	33.20	300.41
Employee Lodging Expense	675.19	972.87
Income Tax	0.00	50.00
Insurance Expense		
Workers Comp Insurance	0.00	789.30
Insurance Expense - Other	0.00	19,002.69
Total Insurance Expense	0.00	19,791.99
Licenses, Permits & Inspections	0.00	720.00
Mileage reimbursement	0.00	853.03
Office Supplies	0.00	488.45
Payroll Expenses	7,209.00	49,265.34
Payroll Tax Expenses		
FUTA	0.00	232.75
Payroll FICA/Medicare ER	570.87	4,591.59
SUTA	0.00	8.71
Payroll Tax Expenses - Other	0.00	949.13
Total Payroll Tax Expenses	570.87	5,782.18
Postage/Mailing Expense	7.35	64.93
Printing and Copying Expense	0.00	220.32
Professional Fees		
Accounting Services	0.00	2,475.00
Legal Fees	152.50	2,412.67
QuickBooks Payroll Services	2.13	529.63

Oak Creek Estados Condominium Management Corp
Statement of Revenues & Expenses

Accrual Basis

For the Period Ending ...

	<u>Aug 19</u>	<u>Jan - Au...</u>
Total Professional Fees	154.63	5,417.30
Reimbursed Expenses - Owners	0.00	1,911.80
Repairs and Maintenance		
Boiler	0.00	197.70
Catwalks	0.00	34,176.36
Cooler	19.58	832.90
Drywall	19.12	669.12
Dump Fee Expense	0.00	45.00
Electrical Expense	0.00	1,489.25
Equipment Rental	0.00	740.46
Gasoline Equipment	0.00	30.00
General Maintenance	743.01	6,779.51
Insect Service	0.00	1,070.00
Inside Unit Repair	0.00	288.94
Landscaping and Groundskeeping	352.55	1,260.15
Landscaping Services	2,710.34	23,414.95
Office and Clubhouse	16.77	414.41
Outside Unit Repair	0.00	46.71
Plumbing	73.87	2,157.87
Pool and Spa Maintenance	1,798.31	5,361.61
Roofs	0.00	22.15
Safety Equipment	67.86	67.86
Small Tools-Shop	0.00	26.94
Speedbumps	0.00	205.86
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Total Repairs and Maintenance	5,801.41	79,297.75
Small Tools & Equipment	0.00	143.75
Storm Damage Expense	0.00	12,010.00
Telephone Expense	122.24	1,199.68
Utilities		
Electric	1,351.51	12,624.51
Gas	1,356.36	29,691.83
Sewer	265.36	796.08
Trash Removal Services	0.00	5,488.27
Water	4,091.72	24,033.44
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Total Utilities	7,064.95	72,634.13
void check	0.00	0.00
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Total Expense	26,795.70	299,431.90
Net Ordinary Income	11,378.81	11,942.62
Other Income/Expense		
Other Income		
Discounts	0.00	(1.50)
Interest Income	11.08	114.71
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Total Other Income	11.08	113.21
Net Other Income	11.08	113.21
Net Income	<u>11,389.89</u>	<u>12,055.83</u>