

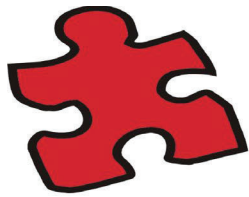
WILLOW HILLS HOMEOWNERS ASSOCIATION

FINANCIAL STATEMENTS – CASH BASIS

Year Ended December 31, 2020

## TABLE OF CONTENTS

	<u>Page No.</u>
INDEPENDENT ACCOUNTANTS' COMPILATION REPORT.....	2
FINANCIAL STATEMENTS	
Statement of Assets, Liabilities, and Fund Balances – Cash Basis .....	4
Statement of Revenues, Expenses and Changes in Fund Balances – Cash Basis.....	5



**Schutte &  
Hilgendorf <sub>PLLC</sub> - CPA'S**  
Solving Accounting, Audit & Tax Puzzles

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors of  
Willow Hills Homeowners Association

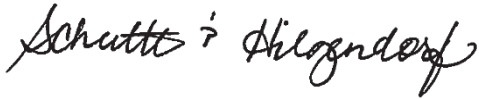
We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements. Management is responsible for the accompanying financial statements of Willow Hills Homeowners Association (a corporation), which comprise the statement of assets, liabilities, and fund balances—cash basis as of December 31, 2020, and the related statement of revenues, expenses, and changes in fund balances—cash basis for the year then ended in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework.

The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has omitted supplementary information about future major repairs and replacements of common property that the cash basis of accounting requires to be presented to supplement the basic financial statements. Such missing 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context.

The financial statements include certain prior-year summarized information in total but not by fund. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

A handwritten signature in black ink, appearing to read "Schutte & Hilgendorf". The script is cursive and fluid, with the ampersand clearly visible.

Prescott, Arizona  
April 2, 2021

WILLOW HILLS HOMEOWNERS ASSOCIATION  
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES - CASH BASIS  
DECEMBER 31, 2020

	Operating Fund	Replacement Fund	Total	2019
ASSETS				
Cash, including interest-bearing deposits	\$ 10,451	\$ 13,177	\$ 23,628	\$ 21,199
Construction deposits	-	-	-	2,515
TOTAL ASSETS	<u>\$ 10,451</u>	<u>\$ 13,177</u>	<u>\$ 23,628</u>	<u>\$ 23,714</u>
LIABILITIES AND FUND BALANCES				
Construction deposits payable	\$ -	\$ -	\$ -	\$ 2,515
TOTAL LIABILITIES	-	-	-	2,515
FUND BALANCES	<u>10,451</u>	<u>13,177</u>	<u>23,628</u>	<u>21,199</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,451</u>	<u>\$ 13,177</u>	<u>\$ 23,628</u>	<u>\$ 23,714</u>

WILLOW HILLS HOMEOWNERS ASSOCIATION  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES - CASH BASIS  
YEAR ENDED DECEMBER 31, 2020

	Operating Fund	Replacement Fund	Total	2019
REVENUES				
Homeowners assessments	\$ 23,213	\$ -	\$ 23,213	\$ 17,039
Document and transfer fee	-	-	-	574
Late fees/fines	356	-	356	550
Rental registration	220	-	220	100
Interest	5	30	35	51
	<u>23,794</u>	<u>30</u>	<u>23,824</u>	<u>18,314</u>
EXPENSES				
Common area maint/repair	1,629	-	1,629	2,442
Income taxes expense	50	-	50	50
Insurance	1,788	-	1,788	1,738
Landscape	5,870	-	5,870	3,960
Management fees	7,107	-	7,107	6,900
Meetings	180	-	180	180
Office/administration/property tax	348	-	348	868
Postage/printing	1,245	-	1,245	1,334
Professional fees	1,250	-	1,250	600
Rental registration fees	140	-	140	80
Refund of interest earned on construction deposits	5	-	5	-
Signage	-	92	92	-
Utilities	1,691	-	1,691	1,507
	<u>21,303</u>	<u>92</u>	<u>21,395</u>	<u>19,659</u>
EXCESS(DEFICIT) OF REVENUES OVER EXPENSES	2,491	(62)	2,429	(1,345)
BEGINNING FUND BALANCES	8,906	12,293	21,199	22,544
Interfund transfers	<u>(946)</u>	<u>946</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ 10,451</u>	<u>\$ 13,177</u>	<u>\$ 23,628</u>	<u>\$ 21,199</u>