

**THREE SPRINGS RESIDENTIAL ASSOCIATION**

**FINANCIAL STATEMENTS**

**November 30, 2017**

# CLARK, WHITE, & ASSOCIATES, INC.

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Karla K. Clark, CPA

Frankie White, CPA

## Accountants' Compilation Report

To Management  
Three Springs Residential Association  
Durango, Colorado

Management is responsible for the accompanying financial statements of Three Springs Residential Association (a corporation), which comprise the balance sheet as of November 30, 2017, and the related statement of income for the eleven months then ended in accordance with accounting principles generally accepted in the United States of America. 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. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position and results of operations, and cash flows. 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 accounting principles generally accepted in the United States of America require 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, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The supplementary information consisting of the Statement of Revenues and Expenses – Budget to Actual is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Three Springs Residential Association.

*Clark, White & Associates, Inc.*  
Clark, White & Associates, Inc.  
December 11, 2017  
Durango, Colorado

570 Turner Dr., Unit B/ P.O. Box 1619 / Durango, Colorado 81302  
(970) 247-3954 / FAX (970) 385-6736

THREE SPRINGS RESIDENTIAL ASSOCIATION

Balance Sheet

As of November 30, 2017

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	<u>Nov 30, 17</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Common Operating Account	86,358.46
Common Reserve Account	29,224.54
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Total Checking/Savings	115,583.00
Accounts Receivable	
Accounts Receivable	2,185.25
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Total Accounts Receivable	2,185.25
Total Current Assets	<hr/> 117,768.25 <hr/>
<b>TOTAL ASSETS</b>	<b><u><u>117,768.25</u></u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
Reserve assessment income	30,706.60
Retained Earnings	68,576.85
Net Income	18,484.80
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Total Equity	117,768.25
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>117,768.25</u></u></b>

# THREE SPRINGS RESIDENTIAL ASSOCIATION

## Statement of Income

For the Eleven Months Ended November 30, 2017

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	<u>Jan - Nov 17</u>
Ordinary Income/Expense	
Income	
Common Income	
Operating assessment income	36,252.47
Working Capital Assessment	14,182.00
Total Common Income	50,434.47
Policy Violation Fine	75.00
Total Income	50,509.47
Expense	
Common Expenses	
Accounting Fees	14,381.95
Administration & Management	1,041.16
Common Area Maint. Snow Removal	3,535.00
Common Area Maintenance	75.00
Professional Fees	13,143.50
Total Common Expenses	32,176.61
Total Expense	32,176.61
Net Ordinary Income	18,332.86
Other Income/Expense	
Other Income	
Interest Earned	49.94
Total Other Income	49.94
Other Expense	
Clearing Account	-102.00
Total Other Expense	-102.00
Net Other Income	151.94
Net Income	<u><u>18,484.80</u></u>

**SUPPLEMENTAL INFORMATION**

**THREE SPRINGS RESIDENTIAL ASSOCIATION**  
**Statement of Revenues and Expenses - Budget to Actual**  
For the Eleven Months Ended November 30, 2017

	Jan - Dec 17	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>Common Income</b>			
Operating assessment income	36,252.47	40,872.00	-4,619.53
Working Capital Assessment	14,182.00	5,460.00	8,722.00
<b>Total Common Income</b>	50,434.47	46,332.00	4,102.47
Policy Violation Fine	75.00	0.00	75.00
<b>Total Income</b>	50,509.47	46,332.00	4,177.47
<b>Expense</b>			
<b>Common Expenses</b>			
Accounting Fees	14,381.95	6,000.00	8,381.95
Administration & Management	1,041.16	30,000.00	-28,958.84
Annual Meeting	0.00	200.00	-200.00
Common Area Maint. Snow Removal	3,535.00	5,200.00	-1,665.00
Common Area Maint. Sweep/Clean	0.00	300.00	-300.00
Common Area Maintenance	75.00	500.00	-425.00
Postage & Delivery	0.00	50.00	-50.00
Professional Fees	13,143.50	3,500.00	9,643.50
<b>Total Common Expenses</b>	32,176.61	45,750.00	-13,573.39
<b>Total Expense</b>	32,176.61	45,750.00	-13,573.39
<b>Net Ordinary Income</b>	18,332.86	582.00	17,750.86
<b>Other Income/Expense</b>			
<b>Other Income</b>			
Interest Earned	49.94	0.00	49.94
<b>Total Other Income</b>	49.94	0.00	49.94
<b>Other Expense</b>			
Clearing Account	-102.00	0.00	-102.00
<b>Total Other Expense</b>	-102.00	0.00	-102.00
<b>Net Other Income</b>	151.94	0.00	151.94
<b>Net Income</b>	<b>18,484.80</b>	<b>582.00</b>	<b>17,902.80</b>

No assurance is provided on these financial statements.