Towne Park Homeowners Association, Inc.

Compiled Financial Statements

For the Year Ended

December 31, 2015

CATHERINE K. GUTIERREZ
CERTIFIED PUBLIC ACCOUNTANT
AND CONSULTANT

CATHERINE K. GUTIERREZ, CPA/PFS

MEMBER OF:
AMERICAN INSTITUTE OF CPA'S
NEW MEXICO SOCIETY OF CPA'S
FINANCIAL PLANNING ASSOCIATION

To the Board
Towne Park Homeowners Association, Inc.
Albuquerque, NM

We have compiled the accompanying statement of assets, liabilities and equity – income tax basis of Towne Park Homeowners Association as of December 31, 2015, and the related statement of revenues and expenses – income tax basis, for the year ended December 31, 2015. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the income tax basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the income tax basis of accounting and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in preparing financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements prepared in accordance with the income tax 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.

Catherine K. Gutierrez, Certified Public Accountant and Consultant

April 25, 2016

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TOWNE PARK HOMEOWNERS ASSOCIATION, INC

STATEMENT OF REVENUE AND EXPENSES
Income Tax Basis
For the Twelve Months Ended December 31, 2015

Revenue	$	1,240,176.84
Expenses		
Building Maintenance	$	69,658.60
Grounds Maintenance	$	201,549.66
Pool/Clubhouse Expense	$	9,755.40
Utilities	$	268,242.46
Management and Administrative Expense	$	638,031.48
Reserve for Replacement	$	120,000.00
Total Expenses	$	1,307,237.60
Other Income-Interest	$	999.42
Total Income	$	(66,061.34)

See Accountant's Compilation Report

TOWNE PARK HOMEOWNERS ASSOCIATION, INC

STATEMENT OF ASSETS, LIABILITIES AND EQUITY

Income Tax Basis

December 31, 2015

ASSETS		
Cash		
Union Bank-Checking-Lockbox	$	5,405.10
NM Bank & Trust-Checking Primary	$	35,521.54
Los Alamos National Bank	$	103,878.49
Edward Jones-Maintenance Reserve	$	468,553.80
NM Bank & Trust-MM Reserve	$	6,142.51
Edward Jones-Land Lease Reserve	$	74,902.38
NM Bank & Trust Escrow Account	$	1,600.00
Total Cash	$	696,003.82
Accounts Receivable		
Due from Assessments	$	65,922.03
Due for Legal Fees	$	9,244.91
Allowance for Doubtful Accounts	$	(28,061.69)
Not Just Payroll-Varience	$	(180.78)
Due from Operating to Reserve Accounts	$	20,000.00
Due from Operating to Ground Lease	$	300.00
Total Receivables	$	67,224.47
Property & Equipment		
Towne Park Master Land Lease	$	11,000,000.00
Homeowner Land Lease Buyout	$	(4,065,000.00)
Total Property & Equipment	$	6,935,000.00
TOTAL ASSETS	$	7,698,228.29

TOWNE PARK HOMEOWNERS ASSOCIATION, INC

STATEMENT OF ASSETS, LIABILITIES AND EQUITY

Income Tax Basis

December 31, 2014

LIABILITIES		
Accounts Payable	$	48,974.54
Current Year Funding From Operating Budget	$	1,178,765.33
Land Loan Interest Expense	$	(1,025,975.23)
Los Alamos National Bank	$	6,963,612.27
Prepaid Assessments	$	7,714.99
Security Escrow Deposits	$	1,100.00
Clubhouse Deposit	$	500.00
TOTAL LIABILITIES	$	7,174,691.90
RESTRICTED EQUITY-RESERVES		
Reserve Balance	$	556,467.79
OPERATING EQUITY		
Unrealized Gain/Loss	$	13,156.41
Transfer Restricted RSV Equity to Operations	$	42,386.61
Prior Year Surplus	$	54,836.31
Reserve Contribution to Closing Costs	$	75,000.00
Land Lease Closing Costs	$	(152,249.39)
Current Year Surplus	$	(66,061.34)
TOTAL OPERATING EQUITY	$	(32,931.40)
TOTAL LIABILITIES AND EQUITY	$	7,698,228.29