

SAMPLE CONDOMINIUM ASSOCIATION, INC.

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2007

SAMPLE CONDOMINIUM ASSOCIATION, INC.
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Sample Condominium Association, Inc.
Boca Raton, Florida

We have audited the accompanying balance sheet of Sample Condominium Association, Inc. as of December 31, 2007 and the related statement of revenues, expenses and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principals used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sample Condominium Association, Inc. as of December 31, 2007, and the results of its operations and its cash flows for the year ended in conformity with accounting principals generally accepted in the United States of America.

The supplementary information on future major repairs and replacements in note 4 is not a required part of the basic financial statements but is supplementary information required by the American Institute of Certified Public Accountants. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

LANZARO & HALPERIN, CPA's P.A.

Lanzaro & Halperin, CPA's P.A.

Boca Raton, Florida
March 3, 2008

SAMPLE CONDOMINIUM ASSOCIATION, INC.
BALANCE SHEET
DECEMBER 31, 2007

	Operating Fund	Replacement Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 187,812	56,064	243,876
Member Assessments Receivable	9,775	-	9,775
Prepaid Insurance	2,602	-	2,602
Total Assets	\$ 200,189	56,064	256,253
 LIABILITIES			
Accounts Payable	\$ 11,100	-	11,100
Prepaid Assessments	46,834	-	46,834
Total Liabilities	\$ 57,934	-	57,934
FUND BALANCE	142,255	56,064	198,319
TOTAL LIABILITIES AND FUND BALANCE	\$ 200,189	56,064	256,253

The accompanying notes are an integral part of the financial statements

SAMPLE CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
DECEMBER 31, 2007

	Operating Fund	Replacement Fund	Total
REVENUES			
Member Assessments	\$ 461,087	-	461,087
Interest Income	8,737	-	8,737
Late Fee Income	1,935	-	1,935
Other Income	4,889	-	4,889
Insurance Proceeds	85,000	-	85,000
Special Assessment - Hurricane	5,234	-	5,234
Total Revenues	\$ 566,882	-	566,882
 EXPENSES			
Utilities	16,498	-	16,498
General & Administrative	43,748	-	43,748
Contracted Services	256,962	-	256,962
Repairs & Maintenance	23,405	-	23,405
Grounds & Facilities	147,635	20,000	167,635
Total Expenses	\$ 488,248	20,000	508,248
Excess of Revenues over Expenses	78,634	(20,000)	58,634
Fund Balance - Beginning of Year	63,621	76,064	139,685
Fund Balance - End of Year	\$ 142,255	56,064	198,319

The accompanying notes are an integral part of the financial statements

SAMPLE CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2007

	Total
CASH FLOWS FROM OPERATING ACTIVITIES	
Excess of Revenues over Expenses	\$ 58,634
Adjustments to Reconcile Excess of Expenses Over Revenues to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
(Increase) Decrease in:	
Assessments Receivable	(3,653)
Prepaid Insurance	(926)
(Decrease) Increase in:	
Accounts Payable	(10,286)
Prepaid Assessments	16,495
Deferred Assessments	(90,234)
	(29,970)
Net Cash Used In Operating Activities	(29,970)
 Cash and Cash Equivalents:	
Beginning	273,846
Ending	\$ 243,876

The accompanying notes are an integral part of the financial statements

**INDEPENDENT AUDITOR'S REPORT ON
SUPPLEMENTARY INFORMATION**

To the Board of Directors
Sample Condominium Association, Inc.
Boca Raton, Florida

Our report on our audit of the basic financial statements of Sample Condominium Association, Inc. appears on page 1. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Statement of Operating Expenses—Budget and Actual on page 10 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

LANZARO & HALPERIN, CPA'S P.A.

Lanzaro & Halperin, CPA's P.A.

Boca Raton, Florida
March 3, 2008

SAMPLE CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF OPERATING EXPENSES - ACTUAL VS. BUDGET
DECEMBER 31, 2007

	Actual	Budget	Over (Under)
EXPENSES			
Utilities			
Electric	\$ 5,939	8,000	(2,061)
Electric - Street Lights	10,559	8,000	2,559
Total Utilities	\$ 16,498	16,000	498
General & Administrative Expenses			
Bad Debt	\$ 1	1,507	(1,506)
Social Affairs	7,128	7,000	128
License/Permit/Fees	61	1,000	(939)
Professional Fees - Accounting	6,250	4,000	2,250
Professional Fees - Legal	5,061	7,000	(1,939)
Insurance	15,676	16,000	(324)
Office	9,571	15,000	(5,429)
Total General & Admin. Expenses	\$ 43,748	51,507	(7,759)
Contracted Services			
Management/Accounting	\$ 42,335	43,700	(1,365)
Janitorial Maintenance	8,313	10,400	(2,087)
Lake Management	7,390	9,360	(1,970)
Landscaping/Management	96,432	101,254	(4,822)
Irrigation Contract	8,208	11,664	(3,456)
Irrigation Controls Co.	2,160	2,160	-
Cable Television	92,124	93,000	(876)
Total Contracted Services	\$ 256,962	271,538	(14,576)
Repairs & Maintenance			
Misc. Repairs & Maintenance	\$ 16,156	16,000	156
Street Light Repair & Maintenance	7,249	13,000	(5,751)
Total Repairs & Maintenance	\$ 23,405	29,000	(5,595)
Grounds & Facilities			
Irrigation - Repair/Maintenance	\$ 30,866	15,000	15,866
Landscaping Improvements & Repairs	26,412	10,000	16,412
Sidewalk Repairs	6,670	20,000	(13,330)
Mulch	5,350	5,655	(305)
Landscaping Tree Trimming	22,645	30,000	(7,355)
Hurricane Expenses	27,346	45,000	(17,654)
Mailbox Repairs/Replacements	6,371	6,000	371
Special Projects	27,154	60,000	(32,846)
Security - Police	14,821	14,000	821
Total Other Expenses	\$ 167,635	205,655	(38,020)
Total Expenses	\$ 508,248	573,700	(65,452)