

**PRESCOTT SUMMIT
PROPERTY OWNERS ASSOCIATION, INC.**

FINANCIAL STATEMENTS

Year Ended December 31, 2014

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors of
Prescott Summit Property Owners Association, Inc.

We have compiled the accompanying balance sheet of Prescott Summit Property Owners Association, Inc. (a corporation) as of December 31, 2014, and the related statement of revenues, expenses, and changes in fund balance and cash flows for the year then ended. 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 accounting principles generally accepted in the United States of America.

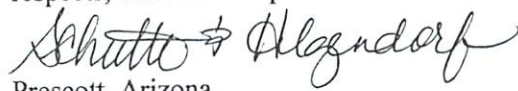
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation 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 presenting 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 required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Association's financial position, results of operations, and cash flows. Accordingly, these 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, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have previously compiled the 2013 financial statements that omitted substantially all of the disclosures required by accounting principles general accepted in the United States of America and issued a report dated March 7, 2014. In our opinion, the summarized comparable information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the compiled financial statements from which it has been derived.



Prescott, Arizona
April 2, 2015

PRESCOTT SUMMIT PROPERTY OWNERS ASSOCIATION, INC.
 BALANCE SHEET
 DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and cash equivalents	\$ 14,242	\$ 17,251
Assessments receivable	284	376
Firewise grant receivable	10,083	-
Prepaid expenses	<u>561</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$ 25,170</u></u>	<u><u>\$ 17,627</u></u>
LIABILITIES AND FUND BALANCE		
Accounts payable	\$ 339	\$ -
Architectural fees payable	<u>2,750</u>	<u>1,000</u>
	3,089	1,000
FUND BALANCE	<u>22,081</u>	<u>16,627</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 25,170</u></u>	<u><u>\$ 17,627</u></u>

See independent accountants'
 compilation report

PRESCOTT SUMMIT PROPERTY OWNERS ASSOCIATION, INC.
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
 YEAR ENDED DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
REVENUES		
Homeowners assessments	\$ 15,648	\$ 13,560
Firewise grant revenue	10,083	-
Other income	540	380
Interest	42	10
	<u>26,313</u>	<u>13,950</u>
EXPENSES		
Dues/license/fees	265	35
Income tax	50	45
Insurance	452	870
Landscape	15,900	4,212
Maintenance	177	-
Office/administrative	627	2,986
Professional fees	968	3,930
Property taxes	4	5
Utilities	2,416	852
	<u>20,859</u>	<u>12,935</u>
EXCESS OF REVENUES OVER EXPENSES	5,454	1,015
BEGINNING FUND BALANCE	<u>16,627</u>	<u>15,612</u>
ENDING FUND BALANCE	<u><u>\$ 22,081</u></u>	<u><u>\$ 16,627</u></u>

See independent accountants'
 compilation report

PRESCOTT SUMMIT PROPERTY OWNERS ASSOCIATION, INC.
 STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES	
Excess of revenues over expenses	\$ 5,454
Adjustments to reconcile excess of revenues over expenses to net cash (used) by operating activities:	
(Increase)Decrease in:	
Assessments receivable	92
Firewise grant receivable	(10,083)
Prepaid expenses	(561)
Increase(Decrease) in:	
Accounts payable	339
Architectural fees payable	<u>1,750</u>
NET (DECREASE) IN CASH	(3,009)
CASH AT BEGINNING OF YEAR	<u>17,251</u>
CASH AT END OF YEAR	<u><u>\$ 14,242</u></u>
SUPPLEMENTAL DISCLOSURE	
Income taxes paid - Federal	<u><u>\$ 50</u></u>