

PILGRIM DOWNS HOMEOWNERS ASSOCIATION, INC.

FINANCIAL STATEMENT

July 31, 2013

**Gary L. Atkinson
Certified Public Accountant
Avon, Colorado**

Gary L. Atkinson

CERTIFIED PUBLIC ACCOUNTANT

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ACCOUNTANTS COMPILATION REPORT

Board of Managers
Pilgrim Downs Homeowners Association, Inc.

I have compiled the accompanying statement of assets, liabilities and equity as of July 31, 2013 and statements of receipts and disbursements of Pilgrim Downs Homeowners Association, Inc. (a corporation) for the year then ended. I 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.

My 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 assurances that there are no material modifications that should be made to the financial statements.

The Statement of receipts and disbursements – compared to budget-cash basis is presented only for supplementary analysis purposes. I have compiled the Statement from information that is the representation of management, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on the information.

Management has elected to omit substantially all of the disclosures and the statement of cash flows and change in equity required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows and change in equity 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.

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ACCOUNTANTS COMPILATION REPORT - Continued

Accounting principles generally accepted in the United States of America mandate that supplementary information about future major repairs and replacements of common property is required to supplement, but not required to be a part of, the basic financial statements. The Association has not presented this supplementary information.

I am not independent with respect to the Pilgrim Downs Homeowners Association, Inc.



Gary L. Atkinson
Avon, Colorado
August 14, 2013

PILGRIM DOWNS HOMEOWNERS ASSOCIATION

STATEMENT OF ASSETS, LIABILITIES & EQUITY

July 31, 2013

ASSETS

CASH	
OPERATING SAVINGS	\$ 7,524
TOTAL OPERATING CASH	<u>45,870</u>
ENVIRONMENTAL PRESERVATION RESERVE	216,386
EMERGENCY FUND RESERVE	<u>145,929</u>
TOTAL CASH	<u>415,709</u>
ACCOUNTS RECEIVABLE	<u>2,866</u>
FIXED ASSETS	
CARETAKER HOME	508,112
LAND	43,467
STORAGE BARN	128,613
GARAGE	53,883
RANCH TRUCK	33,963
LANDSCAPE & HAY FIELD EQUIPMENT	34,277
TRACTOR	69,072
CAPITALIZED LOAN FEES	<u>5,317</u>
TOTAL FIXED ASSETS	<u>876,704</u>
LESS: ACCUMULATED DEPRECIATION & AMORTIZATION	<u>(404,720)</u>
NET FIXED ASSETS	<u>471,984</u>
TOTAL ASSETS	<u>\$ 890,559</u>

LIABILITIES & EQUITY

ACCOUNTS PAYABLE	\$ 6,056
CONSTRUCTION DEPOSIT	7,000
PAYROLL LIABILITIES	3,964
BARN & ROAD REPLACEMENT MORTGAGE	300,839
CARETAKER HOME MORTGAGE	<u>493,508</u>
TOTAL LIABILITIES	<u>811,367</u>
EQUITY	
WORKING CAPITAL RESERVE	14,400
RETAINED EARNINGS(DEFICIT)	<u>64,792</u>
TOTAL EQUITY	<u>79,192</u>
TOTAL LIABILITIES & EQUITY	<u>\$ 890,559</u>

See Accountants Report

PILGRIM DOWNS HOMEOWNERS ASSOCIATION

STATEMENT OF RECEIPTS AND DISBURSEMENTS
FISCAL YEAR ENDING JULY 31, 2013

RECEIPTS	
DUES INCOME	\$ 163,872
ENVIRONMENTAL RESTORATION FUND	105,600
EMERGENCY FUND	0
SNOW REMOVAL DUES	60,336
ROAD & BARN DUES	43,149
CARETAKER HOME DUES	46,944
HAY SALES	1,804
INTEREST INCOME AND LATE FEES	2,074
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TOTAL RECEIPTS	423,779
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DISBURSEMENTS	
RANCH MANAGER	113,000
PAYROLL TAXES	8,795
RETIREMENT PLAN	2,100
ACCOUNTING	8,350
INTEREST	34,932
INSURANCE	9,941
OFFICE EXPENSE	768
ELECTRICITY	2,582
EQUESTRIAN CENTER COSTS	12,485
SNOW REMOVAL - EQUIPMENT AND SUPPLIES	8,620
LEGAL	39,760
LICENSE AND FEES	619
TRUCK FUEL AND MAINTENANCE	4,735
LANDSCAPE	11,954
OTHER REPAIRS & MAINTENANCE	19,089
DITCH REPAIRS	1,472
TRASH REMOVAL	5,340
DEPRECIATION & AMORTIZATION	31,172
NATURAL GAS LINE INSTALLATION - NET OF SPECIAL ASSESSMENT	(7,281)
TREE REMOVAL COST	3,750
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TOTAL DISBURSEMENTS	312,183
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NET INCOME (LOSS)	\$ 111,596
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PILGRIM DOWNS HOMEOWNERS ASSOCIATION

STATEMENT OF RECEIPTS and DISBURSEMENTS- COMPARED TO BUDGET - CASH BASIS
FOR THE YEAR ENDED JULY 31, 2013

		2013 Actual		2013 Budget
Receipts:				
Dues Income	\$	164,643	\$	163,872
Emergency Reserve Dues		0		0
Snow Removal Dues		60,351		60,352
Caretaker Home Loan Dues		45,827		46,944
Road Paving & Barn Loan Dues		42,700		43,152
Equestrian Center		0		1,700
Hay Sales		1,804		2,000
Interest Income & Late fees		1,214		480
Total Receipts		316,539		318,500
Disbursements:				
Ranch Manager		113,003		98,000
Payroll Taxes		8,442		10,600
Retirement Plan		2,100		2,100
Accounting		8,350		8,600
Mortgage Payment		51,372		51,372
Road Paving & Barn Mortgage Payment		33,456		33,456
Insurance		9,940		7,000
Office Expense		849		660
Electricity		2,602		2,470
Snow Removal Equip Fuel & Maintenance		8,599		3,500
Legal		9,586		10,000
License & Fees		619		800
Truck Fuel & Oil & Maintenance		4,970		4,800
Landscape & Shrubs & Flowers		5,584		5,000
Miscellaneous		16,847		15,600
Trash		5,338		4,800
Natural Gas Line Installation		(6,982)		1,700
Transfer to(from) Environmental Account		52,972		0
Transfer to Emergency Reserve		1,137		300
Total Disbursements		328,784		260,758
Increase (Decrease) in Cash	\$	(12,245)	\$	57,742
Cash Beginning of Period	\$	65,639	\$	65,639
Cash End of Period	\$	53,394	\$	123,381
Emergency Reserve Balance	\$	145,929	\$	145,092

See Accountants Report

PILGRIM DOWNS HOMEOWNERS ASSOCIATION

STATEMENT OF RECEIPTS and DISBURSEMENTS- COMPARED TO BUDGET - CASH BASIS
FOR THE YEAR ENDED JULY 31, 2013

Environmental Preservation Fund

	2013 Actual	2013 Budget
Receipts:		
Environmental Preservation Assessment	\$ 103,766	\$ 105,600
Interest Income	608	240
Total Receipts	104,374	105,840
Dead Tree & Trail Maintenance	3,750	4,000
Environmental Legal Fees	29,828	14,304
Ditch Repair	1,473	3,000
Water Lease	6,699	0
Equestrian Center	12,486	1,700
Transfer to(from) Operations Account	(52,972)	0
Total Disbursements	1,264	23,004
Increase (Decrease) in Cash	\$ 103,110	\$ 82,836
Cash Beginning of Period	\$ 113,276	\$ 113,276
Cash End of Period	\$ 216,386	\$ 196,112

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