

FAIRMONT ESTATES CONDOMINIUM ASSOCIATION

COMPILED FINANCIAL STATEMENTS

AUGUST 31, 2021 AND 2020

GARY KASPER & COMPANY, INC.

324 Central Avenue
P.O. Box 308
Fairfield, MT 59436

Phone (406) 467-2410
Fax (406) 467-3798

Gary G. Kasper
Licensed Public Accountant
Enrolled to Practice before IRS

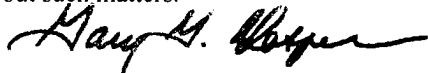
Kelly McInerney
Certified Public Accountant

Board of Directors
Fairmont Estates Condominium Association
Anaconda, Montana

Management is responsible for the accompanying financial statements of Fairmont Estates Condominium Association, which comprise the statements of assets, liabilities, and net assets-income tax basis as of August 31, 2021 and 2020 and the related statements of revenues, expenses, and changes in net assets-income tax basis for the years then ended in accordance with the income tax basis of accounting. 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.

The financial statements are prepared in accordance with the income tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on 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 Association's assets, liabilities, fund balances, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.



Gary Kasper & Company, Inc.
September 24, 2021

FAIRMONT ESTATES CONDOMINIUM ASSOCIATION
STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS-INCOME TAX BASIS
AUGUST 31, 2021 AND 2020

ASSETS

	2021	2020
CURRENT ASSETS		
Cash, Including Interest Bearing Deposits	\$ 710,747	\$ 577,036
Dues Assessments Receivable	20,790	25,745
Prepaid Expenses	62,540	62,112
Total Current Assets	794,077	664,893
PROPERTY AND EQUIPMENT		
Office Equipment	61,685	61,685
Land	45,000	45,000
	106,685	106,685
Less: Accumulated Depreciation	(59,009)	(56,515)
Total Property and Equipment	47,676	50,170
OTHER ASSETS		
Time Share Units Held For Sale	17,500	19,200
Total Assets	\$ 859,253	\$ 734,263

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts Payable	\$ 774	\$ 3,452
Property Taxes Payable	18,667	19,667
Accrued Liabilities	6,361	13,352
Deferred Revenue - Dues Assesments Collected in Advance	33,691	26,125
Deferred Revenue - Insurance Proceeds for Roof Repair	122,598	-
Total Current Liabilities	182,091	62,596
LONG TERM LIABILITIES		
Notes Payable	-	37,000
Total Long Term Liabilities	-	37,000
Total Liabilities	182,091	99,596
NET ASSETS		
Undesignated	677,162	634,667
Total Net Assets	677,162	634,667
Total Liabilities and Net Assets	\$ 859,253	\$ 734,263

FAIRMONT ESTATES CONDOMINIUM ASSOCIATION
STATEMENTS OF REVENUES, EXPENSES CHANGES IN NET ASSETS - INCOME TAX BASIS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2021

	OPERATIONS	CAPITAL IMPROVEMENTS	TOTAL
REVENUES			
Dues Assessments	\$ 679,248		\$ 679,248
Less: Refunds and Allowances	(6,487)		(6,487)
Bonus Time	35,535		35,535
Recovery of Bad Debts	5,693		5,693
Late Charges	6,046		6,046
Interest & Dividend Income	1,229		1,229
Miscellaneous Income	7,676		7,676
Total Revenues	728,940		728,940
FIXED EXPENSES			
Amenity Fees	73,642		73,642
Insurance	52,249		52,249
Property Taxes	26,901		26,901
Total Fixed Expenses	152,792		152,792
OPERATING EXPENSES			
Repairs & Maintenance	42,875		42,875
Telephone	2,940		2,940
Utilities	67,757		67,757
Wages-Housekeeping & Laundry	103,557		103,557
Wages-Maintenance	54,017		54,017
Water Charges	6,745		6,745
Cable Television	7,577		7,577
Laundry	1,064		1,064
Refuse Disposal	2,665		2,665
Total Operating Expenses	289,197		289,197
ADMINISTRATIVE EXPENSES			
Accounting	7,665		7,665
Advertising	169		169
Meeting Expense	2,052		2,052
Bank Charges	5,714		5,714
Depreciation Expense	2,494		2,494
Internet Costs	389		389
Management Fee	168,262		168,262
Newsletter	1,385		1,385
Office Expenses	14,472		14,472
Recording Fees	1,214		1,214
Wages-Office	28,092		28,092
Payroll Taxes & Insurance	19,735		19,735
Total Administrative Expenses	251,643		251,643
RESERVE EXPENDITURES			
Appliances & Furnishings		24,048	24,048
Floor Coverings		2,587	2,587
Remodel-Refurbish		728	728
Landscaping & Painting		200	200
Other		9,186	9,186
Total Reserve Expenses		36,749	36,749
Total Expenses	\$ 693,632	\$ 36,749	\$ 730,381

FAIRMONT ESTATES CONDOMINIUM ASSOCIATION
STATEMENTS OF REVENUES, EXPENSES CHANGES IN NET ASSETS - INCOME TAX BASIS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2021 (Continued)

	OPERATIONS	CAPITAL IMPROVEMENTS	TOTAL
OTHER INCOME AND EXPENSES			
Sale of Time Share Units	13,350		13,350
Cost of Time Share Unit Sales	(3,035)		(3,035)
Non-Taxable PPP Loan Forgiveness	37,000		37,000
Upgrade Fees	555		555
Income Taxes	(3,934)		(3,934)
Total Other Income (Expenses)	<u>43,936</u>		<u>43,936</u>
Excess (Deficiency) of Revenues Over Expenses	<u>\$ 79,244</u>	<u>\$ (36,749)</u>	<u>\$ 42,495</u>
Net Assets as of August 31, 2020			634,667
Net Assets as of August 31, 2021			<u>\$ 677,162</u>

FAIRMONT ESTATES CONDOMINIUM ASSOCIATION
STATEMENTS OF REVENUES, EXPENSES CHANGES IN NET ASSETS - INCOME TAX BASIS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2020

	OPERATIONS	CAPITAL IMPROVEMENTS	TOTAL
REVENUES			
Dues Assessments	\$ 656,352		\$ 656,352
Less: Refunds and Allowances	(2,567)		(2,567)
Bonus Time	20,645		20,645
Recovery of Bad Debts	-		-
Late Charges	4,408		4,408
Interest & Dividend Income	10,252		10,252
Miscellaneous Income	3,453		3,453
Total Revenues	692,543		692,543
FIXED EXPENSES			
Amenity Fees	72,622		72,622
Insurance	42,205		42,205
Property Taxes	30,934		30,934
Total Fixed Expenses	145,761		145,761
OPERATING EXPENSES			
Repairs & Maintenance	32,189		32,189
Telephone	2,881		2,881
Utilities	64,268		64,268
Wages-Housekeeping & Laundry	96,417		96,417
Wages-Maintenance	44,515		44,515
Water Charges	7,698		7,698
Cable Television	5,505		5,505
Laundry	3,626		3,626
Refuse Disposal	2,255		2,255
Total Operating Expenses	259,354		259,354
ADMINISTRATIVE EXPENSES			
Accounting	6,860		6,860
Advertising	150		150
Meeting Expense	990		990
Bank Charges	5,850		5,850
Depreciation Expense	3,152		3,152
Internet Costs	834		834
Management Fee	160,888		160,888
Newsletter	-		-
Office Expenses	11,358		11,358
Recording Fees	903		903
Wages-Office	28,604		28,604
Payroll Taxes & Insurance	18,765		18,765
Total Administrative Expenses	238,354		238,354
RESERVE EXPENDITURES			
Appliances & Furnishings		11,182	11,182
Floor Coverings		229	229
Remodel-Refurbish		495	495
Landscaping & Painting		507	507
Other		8,295	8,295
Total Reserve Expenses		20,708	20,708
Total Expenses	\$ 643,469	\$ 20,708	\$ 664,177

FAIRMONT ESTATES CONDOMINIUM ASSOCIATION
STATEMENTS OF REVENUES, EXPENSES CHANGES IN NET ASSETS - INCOME TAX BASIS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2020 - (Continued)

	OPERATIONS	CAPITAL IMPROVEMENTS	TOTAL
OTHER INCOME AND EXPENSES			
Sale of Time Share Units	7,920		7,920
Cost of Time Share Unit Sales	(792)		(792)
Non-Taxable PPP Loan Forgiveness	-		-
Upgrade Fees	575		575
Income Taxes	(3,297)		(3,297)
Total Other Income (Expenses)	4,406		4,406
 Excess (Deficiency) of Revenues Over Expenses	\$ 53,480	\$ (20,708)	\$ 32,772
 Net Assets as of August 31, 2019			601,895
 Net Assets as of August 31, 2020			\$ 634,667