

2020 Audit Review - Financial Statements Opinion

Crooked Pond Pool Association

I performed an audit review of the financial statements of the Crooked Pond Pool Association for the twelve-month fiscal year ended December 31, 2020. These statements include the Balance Sheet and the Statement of Revenues and Expenses.

In my opinion, after recording Depreciation Expense of \$8,394.39** on pool furniture purchased in April 2020, the financial reports referred to above present fairly, in all other material respects, the financial position and the changes in financial position for the Crooked Pond Pool Association as of December 31, 2020.

** Depreciation is expensed for the purchase price of \$8,394.39 utilizing a Section 179 election in fiscal year 2020.


Jim Jumpeter

May 30, 2023

CROOKED POND POOL ASSOCIATION

2020 Supplemental Information

- The Crooked Pond Pool Association (CPPA) is a non-profit homeowners association which owns and operates a swimming pool and two tennis / pickleball courts for the benefit of the residents of the Crooked Pond subdivision of the Hilton Head Plantation.
- In February 2020 the CPPA Board of Directors approved the closing of Coastal States Bank Savings Account and transfer of the balance to First Internet Bank Money Market Account that pays a higher interest rate.
- Directors and officers of the CPPA have searched for documentation for the costs of the physical plant without success and are therefore unable currently to determine original asset values and accumulated depreciation on the financial statements of the CPPA. An estimated \$200,000 was recorded to Property & Equipment with an offset to Equity.
- A statement of budgeted versus actual revenues and expenses for the twelve-month period ended December 31, 2020 is attached.
- A statement of changes in fund balances is attached showing the year-end monies available in both the Operating Fund and the Capital Replacement Fund.
- Agreements from HH Cleaning Services, Jerry's Landscaping LLC, and Jenny's Pools Plus were provided to support payments to these companies.
- Insurance Declarations from State Farm Insurance and South Carolina Wind and Hail Underwriting Association were provided as Proof of Insurance for General Liability, Umbrella, and Wind and Hail coverage.
- The federal income tax return for the fiscal year ended December 31, 2020, was not provided, and therefore not reviewed or reconciled to the audited financial statements.

CROOKED POND POOL ASSOCIATION

BALANCE SHEET

December 31, 2020

(With Comparative Totals as of December 31, 2019)

	12/31/2020	12/31/2019
ASSETS		
Current Assets		
Cash - Checking Account	\$ 2,881.02	\$ 5,230.26
Cash - Investment Account	28,189.56	25,409.00
Total Current Assets	31,070.58	30,639.26
 Noncurrent Assets		
Capital Assets **	200,000.00	-
Accumulated Depreciation	-	-
Furniture, Fixtures & Equipment	8,394.39	-
Accumulated Depreciation	(8,394.39)	-
Total noncurrent assets	200,000.00	-
Total Assets	\$ 231,070.58	\$ 30,639.26
 LIABILITIES AND FUND BALANCES		
Total Liabilities	-	-
 FUND BALANCES		
Net Investment in Capital Assets **	200,000.00	-
Capital Replacement Reserve	18,871.66	18,872.46
Unrestricted	12,198.92	3,803.73
Total liabilities and fund balances	\$ 231,070.58	\$ 30,639.26

** Information not available at this time.

CROOKED POND POOL ASSOCIATION
STATEMENT OF REVENUES AND EXPENSES

For the Fiscal Year Ended December 31, 2020

(With comparative totals for the fiscal year ended December 31, 2019)

	12/31/2020	12/31/2019
INCOME		
Assessment income	\$ 41,242.10	\$ 40,846.71
Allowance for Doubtful Accounts	0.00	0.00
Assessment Late Fees	365.20	0.00
Interest income	213.27	217.63
Miscellaneous income	480.11	691.54
TOTAL INCOME	\$ 42,300.68	\$ 41,755.88
 EXPENSES		
Depreciation Expense	\$ 8,394.39	\$ -
Cleaning	3,350.26	2,035.00
Pool Maintenance	9,417.54	9,312.00
Pool Reserve Repairs	-	-
Landscape Maintenance	1,860.00	2,400.00
Electricity	3,521.03	4,115.26
Water & Sewer	934.26	711.20
Telephone	1,844.15	2,027.77
Printing & Postage	258.76	499.54
Office Supplies & Software	321.00	560.97
Other Business Expenses	5.00	-
Insurance	6,895.00	6,807.00
Uncategorized Expense	634.27	-
Taxes & Licenses	1,138.51	1,178.93
Security	748.33	572.50
Legal & Professional Services	-	175.00
Reserve Fee	3,713.00	-
Unused	-	-
General Repair & Maintenance	2,110.96	3,594.83
TOTAL EXPENSES	\$ 45,146.46	\$ 33,990.00
 Revenues over (under) expenses	 \$ (2,845.78)	 \$ 7,765.88

CROOKED POND POOL ASSOCIATION
SUPPLEMENTAL INFORMATION
STATEMENT OF CHANGES IN FUND BALANCES
 For the 12 Month Fiscal Year Ended December 31, 2020

	<u>Operating Fund</u>	<u>Capital Replacement Fund</u>	<u>Total</u>
Balance - Beginning of Year	\$ 5,230.26	\$ 25,409.00	\$ 30,639.26
Excess of Revenues Over Expences	(2,845.78)		(2,845.78)
Interfund Transactions	8,496.54	(5,219.44)	3,277.10
Interfund Transfers	(8,000.00)	8,000.00	-
Net Change in Fund Balances	(2,349.24)	2,780.56	431.32
Balance - End of Year	<u>\$ 2,881.02</u>	<u>\$ 28,189.56</u>	<u>\$ 31,070.58</u>

CROOKED POND POOL ASSOCIATION
Calendar Year 2020 Budget vs. Actuals

	Budget	Actual	Variance
INCOME			
Assessment Income	40,800.00	41,242.10	442.10
Allowance for Doubtful Accounts	(340.00)	-	340.00
Assessment Late Fees	-	365.20	365.20
Interest Income	250.00	213.27	(36.73)
Uncategorized Income	-	480.11	480.11
TOTAL INCOME	<u>40,710.00</u>	<u>42,300.68</u>	<u>1,590.68</u>
EXPENSES			
Depreciation Expense	-	8,394.39	(8,394.39)
Cleaning	1,665.00	3,350.26	(1,685.26)
Routine Pool Maintenance	9,312.00	9,417.54	(105.54)
Pool Reserve Repairs	-	-	-
Landscape Maintenance	2,700.00	1,860.00	840.00
Electricity	4,200.00	3,521.03	678.97
Water & Sewer	775.00	934.26	(159.26)
Telephone	2,040.00	1,844.15	195.85
Printing & Postage	300.00	258.76	41.24
Office Supplies & Software	545.00	321.00	224.00
Other Business Expenses	-	5.00	(5.00)
Insurance	6,741.00	6,895.00	(154.00)
Uncategorized Expense	-	634.27	(634.27)
Taxes & Licenses	1,250.00	1,138.51	111.49
Security	800.00	748.33	51.67
Legal & Professional Services	-	-	-
Reserve Fee	3,713.00	3,713.00	-
Unused	-	-	-
General Repair & Maintenance	6,800.00	2,110.96	4,689.04
TOTAL EXPENSES	<u>40,841.00</u>	<u>45,146.46</u>	<u>(4,305.46)</u>
NET INCOME	<u>(131.00)</u>	<u>(2,845.78)</u>	<u>(2,714.78)</u>