

FAIRMONT ESTATES CONDOMINIUM ASSOCIATION

COMPILED FINANCIAL STATEMENTS

AUGUST 31, 2023 AND 2022

GARY KASPER & COMPANY, INC.

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Enrolled to Practice before IRS

Kelly McInerney
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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, 2023 and 2022 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 19, 2023

FAIRMONT ESTATES CONDOMINIUM ASSOCIATION
STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS-INCOME TAX BASIS
AUGUST 31, 2023 AND 2022

ASSETS

	2023	2022
CURRENT ASSETS		
Cash, Including Interest Bearing Deposits	\$ 500,398	\$ 566,876
Dues Assessments Receivable	21,671	23,146
Tax Refunds Receivable	-	3,742
Prepaid Expenses	91,397	78,176
Total Current Assets	<u>613,466</u>	<u>671,940</u>
PROPERTY AND EQUIPMENT		
Office Equipment	61,685	61,685
Land	45,000	45,000
	<u>106,685</u>	<u>106,685</u>
Less: Accumulated Depreciation	(59,672)	(59,392)
Total Property and Equipment	<u>47,013</u>	<u>47,293</u>
OTHER ASSETS		
Time Share Units Held For Sale	<u>15,800</u>	<u>15,800</u>
Total Assets	<u><u>\$ 676,279</u></u>	<u><u>\$ 735,033</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Property Taxes Payable	\$ 18,667	\$ 18,667
Accrued Liabilities	7,159	3,277
Deferred Revenue - Dues Assesments Collected in Advance	32,826	40,421
Total Current Liabilities	<u>58,652</u>	<u>62,365</u>
Total Liabilities	<u>58,652</u>	<u>62,365</u>
NET ASSETS		
Undesignated	617,627	672,668
Total Net Assets	<u>617,627</u>	<u>672,668</u>
Total Liabilities and Net Assets	<u><u>\$ 676,279</u></u>	<u><u>\$ 735,033</u></u>

FAIRMONT ESTATES CONDOMINIUM ASSOCIATION
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - INCOME TAX BASIS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2023

	OPERATIONS	CAPITAL IMPROVEMENTS	TOTAL
REVENUES			
Dues Assessments	\$ 715,607		\$ 715,607
Less: Refunds and Allowances	(9,240)		(9,240)
Bonus Time	34,145		34,145
Recovery of Bad Debts	6,158		6,158
Late Charges	5,457		5,457
Interest & Dividend Income	23,984		23,984
Miscellaneous Income	7,721		7,721
Total Revenues	<u>783,832</u>	<u></u>	<u>783,832</u>
FIXED EXPENSES			
Amenity Fees	82,607		82,607
Insurance	68,933		68,933
Property Taxes	23,001		23,001
Total Fixed Expenses	<u>174,541</u>	<u></u>	<u>174,541</u>
OPERATING EXPENSES			
Repairs & Maintenance	58,461		58,461
Telephone	3,249		3,249
Utilities	79,097		79,097
Wages-Housekeeping & Laundry	108,119		108,119
Wages-Maintenance	61,886		61,886
Water Charges	7,112		7,112
Cable Television	5,100		5,100
Laundry	1,519		1,519
Refuse Disposal	2,712		2,712
Total Operating Expenses	<u>327,255</u>	<u></u>	<u>327,255</u>
ADMINISTRATIVE EXPENSES			
Accounting	7,435		7,435
Advertising	150		150
Meeting Expense	2,777		2,777
Bank Charges	8,258		8,258
Depreciation Expense	280		280
Internet Costs	1,125		1,125
Management Fee	183,883		183,883
Newsletter/ Dues & Misc Expense	484		484
Office Expenses	16,963		16,963
Recording Fees	1,564		1,564
Wages-Office	59,484		59,484
Payroll Taxes & Insurance	23,007		23,007
Total Administrative Expenses	<u>305,410</u>	<u></u>	<u>305,410</u>
RESERVE EXPENDITURES			
Appliances & Furnishings		25,252	25,252
Floor Coverings		3,610	3,610
Remodel-Refurbish		-	-
Landscaping & Painting		263	263
Office Equipment		5,241	5,241
Total Reserve Expenses	<u></u>	<u>34,366</u>	<u>34,366</u>
Total Expenses	<u>\$ 807,206</u>	<u>\$ 34,366</u>	<u>\$ 841,572</u>

FAIRMONT ESTATES CONDOMINIUM ASSOCIATION
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - INCOME TAX BASIS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2023 (Continued)

	OPERATIONS	CAPITAL IMPROVEMENTS	TOTAL
OTHER INCOME AND EXPENSES			
Sale of Time Share Units	5,870		5,870
Cost of Time Share Unit Sales	-		0
Non-Taxable PPP Loan Forgiveness	-		0
Upgrade Fees	550		550
Other Non Operating Income	175		175
Penalties & Interest	(167)		(167)
Income Taxes	(3,729)		(3,729)
Total Other Income (Expenses)	<u>2,699</u>		<u>2,699</u>
Excess (Deficiency) of Revenues Over Expenses	<u>\$ (20,675)</u>	<u>\$ (34,366)</u>	<u>\$ (55,041)</u>
Net Assets as of August 31, 2022			672,668
Net Assets as of August 31, 2023			<u>\$ 617,627</u>

FAIRMONT ESTATES CONDOMINIUM ASSOCIATION
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - INCOME TAX BASIS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2022

	OPERATIONS	CAPITAL IMPROVEMENTS	TOTAL
REVENUES			
Dues Assessments	\$ 681,570		\$ 681,570
Less: Refunds and Allowances	(7,943)		(7,943)
Bonus Time	35,025		35,025
Recovery of Bad Debts	8,015		8,015
Late Charges	6,292		6,292
Interest & Dividend Income	1,547		1,547
Miscellaneous Income	4,961		4,961
Total Revenues	<u>729,467</u>		<u>729,467</u>
FIXED EXPENSES			
Amenity Fees	77,007		77,007
Insurance	57,246		57,246
Property Taxes	24,840		24,840
Total Fixed Expenses	<u>159,093</u>		<u>159,093</u>
OPERATING EXPENSES			
Repairs & Maintenance	40,631		40,631
Telephone	3,108		3,108
Utilities	69,317		69,317
Wages-Housekeeping & Laundry	103,582		103,582
Wages-Maintenance	59,973		59,973
Water Charges	6,517		6,517
Cable Television	5,384		5,384
Laundry	429		429
Refuse Disposal	2,638		2,638
Total Operating Expenses	<u>291,579</u>		<u>291,579</u>
ADMINISTRATIVE EXPENSES			
Accounting	6,330		6,330
Advertising	1,091		1,091
Meeting Expense	2,826		2,826
Bank Charges	6,403		6,403
Depreciation Expense	383		383
Internet Costs	1,214		1,214
Management Fee	169,292		169,292
Newsletter & Misc Expense	2,990		2,990
Office Expenses	10,126		10,126
Recording Fees	1,370		1,370
Wages-Office	46,013		46,013
Payroll Taxes & Insurance	23,306		23,306
Total Administrative Expenses	<u>271,344</u>		<u>271,344</u>
RESERVE EXPENDITURES			
Appliances & Furnishings		22,303	22,303
Exterior - Roofing		1,500	1,500
Floor Coverings		1,897	1,897
Landscaping & Painting		859	859
Other		110	110
Total Reserve Expenses		<u>26,669</u>	<u>26,669</u>
Total Expenses	\$ <u>722,016</u>	\$ <u>26,669</u>	\$ <u>748,685</u>

FAIRMONT ESTATES CONDOMINIUM ASSOCIATION
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - INCOME TAX BASIS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2022 - (Continued)

	OPERATIONS	CAPITAL IMPROVEMENTS	TOTAL
OTHER INCOME AND EXPENSES			
Sale of Time Share Units	19,350		19,350
Cost of Time Share Unit Sales	(4,265)		(4,265)
Non-Taxable PPP Loan Forgiveness	-		-
Upgrade Fees	400		400
Income Taxes	(761)		(761)
Total Other Income (Expenses)	<u>14,724</u>		<u>14,724</u>
Excess (Deficiency) of Revenues Over Expenses	<u>\$ 22,175</u>	<u>\$ (26,669)</u>	<u>\$ (4,494)</u>
Net Assets as of August 31, 2021			677,162
Net Assets as of August 31, 2022			<u>\$ 672,668</u>