

SUTTON  SIMMONS  
CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors  
Welling Association  
Island Park, Idaho

The accompanying comparative financial statements of Welling Association, Inc. as of and for the years ended June 30, 2023 and 2022, was not subjected to an audit, review, or compilation engagement by us and we do not express an opinion, a conclusion, nor provide any assurance on them.

Selected disclosures have been included in the financial statement.

*Sutton & Simmons PLLC*

June 30, 2023

WELLING ASSOCIATION  
 COMPARATIVE STATEMENT OF FINANCIAL POSITION  
 JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash in Bank	\$ 58,530	\$ 62,201
Accounts Receivable	<u>3,200</u>	<u>250</u>
TOTAL CURRENT ASSETS	<u>61,730</u>	<u>62,451</u>
TOTAL ASSETS	\$ <u>61,730</u>	\$ <u>62,451</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Checks in Process	\$ <u>1,212</u>	\$ <u>3,273</u>
TOTAL CURRENT LIABILITIES	<u>1,212</u>	<u>3,273</u>
NET ASSETS		
Unrestricted Fund Balance	<u>60,518</u>	<u>59,178</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>61,730</u>	\$ <u>62,451</u>

No assurance is provided on this financial statement.

WELLING ASSOCIATION  
 COMPARATIVE STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
 FOR THE PERIODS JULY 1, 2022 TO JUNE 30, 2023 AND JULY 1, 2021 TO JUNE 30, 2022

	<u>2023</u>	<u>2022</u>
REVENUES		
Annual Dues	\$ 4,350	\$ 4,350
Water & Sewer Fee	16,000	16,000
Rental & Hook Up Fees	4,900	0
Interest	<u>305</u>	<u>77</u>
<b>TOTAL REVENUES</b>	<u><b>25,555</b></u>	<u><b>20,427</b></u>
EXPENSES		
Administrative Expenses		
Bookkeeping Labor	5,400	5,400
Legal & Accounting	730	660
Taxes	67	51
Office & Postage	<u>0</u>	<u>113</u>
Total Administrative Expenses	<u>6,197</u>	<u>6,224</u>
Maintenance & Operations Expenses		
Maintenance Labor	6,000	6,000
Liability Insurance	3,147	3,198
Utilities	3,352	2,791
Repairs & Maintenance	2,952	50
Engineering Expense	2,292	0
Water Tests	275	25
Bank Charges	<u>0</u>	<u>84</u>
Total Maintenance & Operations Expenses	<u>18,018</u>	<u>12,148</u>
<b>TOTAL EXPENSES</b>	<u><b>24,215</b></u>	<u><b>18,372</b></u>
INCREASE (DECREASE) IN NET ASSETS	1,340	2,055
NET ASSETS AT BEGINNING OF YEAR	<u>59,178</u>	<u>57,123</u>
NET ASSETS AT END OF YEAR	<u><b>\$ 60,518</b></u>	<u><b>\$ 59,178</b></u>

No assurance is provided on this financial statement.

WELLING ASSOCIATION  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 FOR THE PERIODS JULY 1, 2022 TO JUNE 30, 2023 AND JULY 1, 2021 TO JUNE 30, 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets	\$ 1,340	\$ 2,055
Adjustment to Reconcile Increase (Decrease) in Net Assets to Cash Provided (Used) by Operations:		
(Increase) Decrease in:		
Accounts Receivables	(2,950)	(250)
Increase (Decrease) in:		
Checks in Process	<u>(2,061)</u>	<u>2,317</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(3,671)</u>	<u>4,122</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,671)	4,122
CASH AND CASH EQUIVALENTS – BEGINNING	<u>62,201</u>	<u>58,079</u>
CASH AND CASH EQUIVALENTS – ENDING	\$ <u>58,530</u>	\$ <u>62,201</u>

No assurance is provided on this financial statement.

WELLING ASSOICAITON  
SELECTED DISCLOSURES  
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The association's books are maintained on an accrual basis. The accrual basis of accounting is defined as that method of accounting wherein expenditures are recorded at the time the liability is incurred and revenue is recorded when earned or, in the case of dues (assessments), they are accrued to properly reflect the assessment levied for the year. The Company does not use the encumbrance system of recording liabilities.

The Company has one operating fund. The operation fund is utilized for the maintenance, operation, debt retirement of long-term debt, and capital additions of the association.

The association has a calendar year end, but because its annual director and shareholder meetings fall in the middle of the year, interim financial statements are provided.

CASH

The association maintains both a checking and savings account. All deposits in favor of the association are made to the interest-bearing savings account. When checks drawn on the checking account exceed the account balance, the bank automatically transfers funds to cover the deficit. Accordingly, it is not uncommon, from a financial reporting perspective, for the association checking account to be overdrawn (checks in process), but from the bank's perspective, both the checking and savings account would have to be depleted before the account would be considered overdrawn.

REVENUE SOURCES

The primary revenue resource for the association is from annual dues and annual water and sewer fees. Dues are \$50 per year. If there is a cabin on the lot, then a \$250 water and sewer fee is also charged.