



Betsy Tarkowski Tax Services

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Enrolled Agent, Accredited Business Accountant, Accredited Tax Preparer and Advisor

October 16, 2014

To the Board of Directors
Treehouse Village Resort Association, Inc.
3801 Eagle Waters Road
Eagle River, WI 54521

I have compiled the accompanying comparative balance sheet of *Treehouse Village Resort Association, Inc.*, (a C Corporation), as of September 30, 2014 and 2013; and the related statement of revenues & expenses for the three months and nine months ended, September 30, 2014; the comparative statement of revenues and expenses, for the nine months ended, September 30, 2014 and 2013; the statement of revenues and expenses versus the budget for the nine months ended September 30, 2014, the statement of cash flows for the nine months ended, September 30, 2014, and supplemental information, without disclosure, on the accrual basis, in accordance with the Statements on Standards for Accounting and Review Services.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements, and, accordingly, do not express an opinion or any other form of assurance on them.

A departure from the Statements on Standards for Accounting and Review Services exists since income tax has not been calculated or accrued.

Respectfully Submitted,



Betty Jane Tarkowski
Enrolled Agent
Accredited Business Accountant
Accredited Tax Advisor and Preparer

Treehouse Village Resort Association, Inc.
Comparative Balance Sheet
As of September 30, 2014 and 2013

	Sep 30, 14	Sep 30, 13	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
1000 · Unrestricted Funds			
1002 · Cash			
1005 · Petty Cash	100	100	
1010 · Money Market - Associated Bank	37,934	73,965	-36,031
1040 · Checking - Associated Bank	10,242	5,629	4,613
Total 1002 · Cash	48,276	79,695	-31,418
Total 1000 · Unrestricted Funds	48,276	79,695	-31,418
1100 · Restricted Funds			
1110 · Real Estate Tax Reserves			
1116 · Real Estate Reserve	10,707	10,016	691
1118 · Interest	14	7	7
Total 1110 · Real Estate Tax Reserves	10,721	10,024	698
1120 · Building & Grounds Reserve			
1121 · Reserve	12,302	1,562	10,739
1122 · Interest	14	2	12
Total 1120 · Building & Grounds Reserve	12,315	1,564	10,752
1125 · Furniture & Appliance Reserve			
1126 · Reserve	3,259	3,224	35
1127 · Interest	5	2	4
Total 1125 · Furniture & Appliance Reserve	3,264	3,226	38
Total 1100 · Restricted Funds	26,301	14,813	11,488
1180 · Certificates of Deposit			
1183 · CD #4252 (01/17/15;0.1%)	10,121	10,111	10
1185 · CD #5263 (04/02/15;0.1%)	10,159	10,144	15
Total 1180 · Certificates of Deposit	20,280	20,254	25
Total Checking/Savings	94,857	114,762	-19,906
Other Current Assets			
1220 · Accts. Receivable net Allowance			
1221 · Accounts Receivable			
1222 · Maintenance Fees	10,536	6,589	3,947
1223 · Real Estate Tax	521	288	232
1224 · Building & Grounds	93	295	-202
1225 · Furniture & Appliances		22	-22
1226 · Service Charges	1,590		1,590
1227 · Service Charges - Current Year		600	-600
1228 · Service Charges - Prior Year		150	-150
Total 1221 · Accounts Receivable	12,740	7,945	4,795
1230 · Allowance for Bad Debts	-3,890		-3,890
Total 1220 · Accts. Receivable net Allowance	8,850	7,945	905

Treehouse Village Resort Association, Inc.
Comparative Balance Sheet
As of September 30, 2014 and 2013

	<u>Sep 30, 14</u>	<u>Sep 30, 13</u>	<u>\$ Change</u>
1300 · Inventory			
1310 · Timeshare Units Reclaimed			
1312 · Fixed Weeks	1,000		1,000
1314 · Flex Weeks	1,000		1,000
Total 1310 · Timeshare Units Reclaimed	<u>2,000</u>		<u>2,000</u>
1340 · Lake Forrest Units			
1342 · Fixed Weeks	1,000		1,000
Total 1340 · Lake Forrest Units	<u>1,000</u>		<u>1,000</u>
Total 1300 · Inventory	<u>3,000</u>		<u>3,000</u>
1400 · Prepaid Expenses			
1405 · Advertising - Website Hosting	140		140
1410 · Club Amenities	312	312	
1420 · Insurance Expense			
1422 · Liability	1,340	1,242	99
1424 · Worker's Comp	1,280	1,241	39
Total 1420 · Insurance Expense	<u>2,621</u>	<u>2,483</u>	<u>137</u>
1460 · Maintenance Contract			
1462 · Hot Spot	57		57
1464 · L & C Heating	63		63
Total 1460 · Maintenance Contract	<u>120</u>		<u>120</u>
1499 · Other Expenses	92		92
Total 1400 · Prepaid Expenses	<u>3,285</u>	<u>2,796</u>	<u>489</u>
Total Other Current Assets	<u>15,135</u>	<u>10,741</u>	<u>4,394</u>
Total Current Assets	<u>109,992</u>	<u>125,503</u>	<u>-15,511</u>
Fixed Assets			
1500 · Fixed Assets net Depreciation			
1501 · Fixed Assets			
1530 · Computer Equipment	549		549
1550 · Resort Equipment	804	284	520
Total 1501 · Fixed Assets	<u>1,352</u>	<u>284</u>	<u>1,069</u>
1590 · Accumulated Depreciation	-243	-2	-241
Total 1500 · Fixed Assets net Depreciation	<u>1,109</u>	<u>281</u>	<u>828</u>
Total Fixed Assets	<u>1,109</u>	<u>281</u>	<u>828</u>
TOTAL ASSETS	<u><u>111,101</u></u>	<u><u>125,784</u></u>	<u><u>-14,683</u></u>

Treehouse Village Resort Association, Inc.
Comparative Balance Sheet
As of September 30, 2014 and 2013

	Sep 30, 14	Sep 30, 13	\$ Change
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2000 · Accounts Payable - Trade	3,716	3,524	191
Total Accounts Payable	3,716	3,524	191
Credit Cards			
2100 · Credit Cards Payable			
2130 · VISA		147	-147
2135 · VISA - #7145	726		726
Total 2100 · Credit Cards Payable	726	147	579
Total Credit Cards	726	147	579
Other Current Liabilities			
2140 · Rent Payable to Owner	400		400
2150 · Prepaid Maintenance Fees			
2156 · 2014 Assessments		625	-625
Total 2150 · Prepaid Maintenance Fees		625	-625
2160 · Reservation Deposits	3,086	5,423	-2,338
2200 · Payroll Related Liabilities			
2201 · Accrued Wages	2,312	991	1,321
2205 · FICA & Federal Withholding	1,567	857	709
2210 · State Withholding	208	110	98
2250 · Accrued SUTA	611	499	111
2260 · Accrued FUTA	64	69	-5
Total 2200 · Payroll Related Liabilities	4,761	2,527	2,234
2280 · Room Tax (Washington Township)	657	261	396
2300 · Sales & Use Tax Payable	798	309	488
2400 · Deferred Income			
2410 · Management Fees	49,623	50,676	-1,053
2420 · Real Estate Taxes	2,277	2,596	-319
2470 · Reserves			
2472 · Building & Ground		1,359	-1,359
Total 2470 · Reserves		1,359	-1,359
Total 2400 · Deferred Income	51,900	54,631	-2,731
2500 · Accrued Expenses			
2560 · Real Estate Tax	7,894	6,416	1,478
Total 2500 · Accrued Expenses	7,894	6,416	1,478
Total Other Current Liabilities	69,494	70,192	-698
Total Current Liabilities	73,935	73,864	72
Total Liabilities	73,935	73,864	72

Treehouse Village Resort Association, Inc.
Comparative Balance Sheet
As of September 30, 2014 and 2013

	<u>Sep 30, 14</u>	<u>Sep 30, 13</u>	<u>\$ Change</u>
Equity			
3100 · Retained Earnings, January 1			
3300 · Appropriated			
3310 · Building & Ground Reserve	-19,194	1,564	-20,758
3340 · Furniture & Appliance Reserves	73,428	3,226	70,202
3350 · Real Estate Taxes		10,024	-10,024
Total 3300 · Appropriated	<u>54,234</u>	<u>14,813</u>	<u>39,420</u>
3400 · Unappropriated	-7,046	25,861	-32,907
Total 3100 · Retained Earnings, January 1	<u>47,188</u>	<u>40,675</u>	<u>6,514</u>
Net Income	<u>-10,022</u>	<u>11,246</u>	<u>-21,269</u>
Total Equity	<u>37,166</u>	<u>51,921</u>	<u>-14,755</u>
TOTAL LIABILITIES & EQUITY	<u><u>111,101</u></u>	<u><u>125,784</u></u>	<u><u>-14,683</u></u>

Treehouse Village Resort Association, Inc.
Comparative Statement of Revenues & Expenses
For the Nine Months Ended, September 30, 2014 and 2013

	Jan - Sep 14	Jan - Sep 13	\$ Change
Ordinary Income/Expense			
Income			
4000 · Revenues			
4010 · Exempt Revenues			
4100 · Operating Revenues			
4108 · Maintenance Fees			
4110 · Income	198,493	202,705	-4,212
4112 · Less Deferred Income	-49,623	-50,676	1,053
Total 4108 · Maintenance Fees	148,870	152,029	-3,159
4118 · Real Estate Tax Assessments			
4120 · Income	9,107	10,383	-1,276
4122 · Less Deferred Income	-2,277	-2,596	319
Total 4118 · Real Estate Tax Assessments	6,830	7,787	-957
Total 4100 · Operating Revenues	155,700	159,816	-4,116
4400 · Service Charge Income	2,010	1,415	595
Total 4010 · Exempt Revenues	157,710	161,231	-3,521
4500 · Non-Exempt Income			
4502 · Rental Activities			
4520 · Bonus Time	180		180
4540 · Damage Reimbursement	663	7	656
4550 · Fees for Extra Cleaning	977	130	847
4552 · Fees for Extra People	225	110	115
4556 · Fees for Late Check Out		63	-63
4580 · Rental of Unit Weeks			
4582 · Association Owned	2,575		2,575
4586 · Owner's Units	12,745	6,325	6,420
4587 · Delinquent Owner's Units	3,850	1,080	2,770
4588 · Unclaimed Flex Unit	2,070	2,100	-30
4590 · Commission Income	2,549	1,265	1,284
Total 4580 · Rental of Unit Weeks	23,789	10,770	13,019
4596 · Sales Tax Discount	30	20	10
4598 · Sales & Room Tax Adjustment	-25	-23	-2
Total 4502 · Rental Activities	25,838	11,076	14,762
4600 · Interest Income			
4620 · Operating Accounts			
4622 · Money Market	129	160	-30
Total 4620 · Operating Accounts	129	160	-30
4630 · Reserve Accounts			
4632 · CD's	15	20	-5
4634 · Savings	22	10	11
Total 4630 · Reserve Accounts	37	31	6
Total 4600 · Interest Income	166	190	-24
Total 4500 · Non-Exempt Income	26,005	11,266	14,738
Total 4000 · Revenues	183,715	172,497	11,217
Total Income	183,715	172,497	11,217

Treehouse Village Resort Association, Inc.
Comparative Statement of Revenues & Expenses
For the Nine Months Ended, September 30, 2014 and 2013

	<u>Jan - Sep 14</u>	<u>Jan - Sep 13</u>	<u>\$ Change</u>
Cost of Goods Sold			
5100 · Cost of Rental Activities			
5120 · Commission Expense-OSO Mgmt.		613	-613
5150 · Rent Submitted to Owners	12,745	6,325	6,420
Total 5100 · Cost of Rental Activities	<u>12,745</u>	<u>6,938</u>	<u>5,807</u>
5400 · Timeshare Sales			
5420 · Titles and Closing Fees	528	255	273
Total 5400 · Timeshare Sales	<u>528</u>	<u>255</u>	<u>273</u>
Total COGS	<u>13,273</u>	<u>7,193</u>	<u>6,080</u>
Gross Profit	170,442	165,304	5,137

Treehouse Village Resort Association, Inc.
Comparative Statement of Revenues & Expenses
For the Nine Months Ended, September 30, 2014 and 2013

	Jan - Sep 14	Jan - Sep 13	\$ Change
Expense			
6000 · Budgeted Expenses			
6001 · Contracted Management Fees		2,502	-2,502
6100 · Guest Services & Supplies			
6120 · Coffee, Tea, Creamer, Sugar, Etc	191	14	176
6130 · Contract Recreation Membership	16,183	15,712	471
6150 · In-Room Soaps, Shampoos, etc.	55	69	-14
6180 · Lake Forest Amenities	938	938	
6185 · Recreation Equipment Rental		58	-58
Total 6100 · Guest Services & Supplies	17,366	16,791	575
6200 · Housekeeping			
6201 · Payroll & Related Expense			
6203 · Wages-Housekeeping	15,275	13,023	2,252
6205 · Tax - FICA	1,041	972	70
6206 · Tax - Unemployment	572	534	38
6208 · Insurance - Worker's Comp	729	377	352
Total 6201 · Payroll & Related Expense	17,618	14,906	2,712
6220 · Bedding, Linens, Towels	4,114	270	3,843
6222 · Cleaning Supplies	1,168	1,360	-192
6224 · Contracted Housekeeping Service	487	2,166	-1,679
6250 · Laundry Service	4,002	3,754	248
6255 · Mileage	153	144	9
6260 · Paper Supplies	1,052	1,069	-17
6280 · Small Appliances/Furn/Utensils	1,506	859	647
6290 · Waste Pickup	1,151	1,223	-71
Total 6200 · Housekeeping	31,250	25,750	5,500
6300 · Maintenance			
6301 · Payroll & Related Expense			
6303 · Wages-Maintenance	22,406	9,663	12,743
6305 · Tax - FICA	1,752	704	1,048
6306 · Tax - Unemployment	616	373	243
6308 · Insurance - Worker's Comp	298	1,542	-1,243
Total 6301 · Payroll & Related Expense	25,073	12,281	12,791
6310 · Appliance Repair & Maintenance	286		286
6320 · Boat Repairs & Licenses	131		131
6325 · Building Repair & Maintenance	4,497	3,464	1,033
6332 · Carpet & Furniture Cleaning	253	1,449	-1,195
6335 · Contracted Maintenance Service	510	4,242	-3,732
6338 · Depreciation Exp - Maint Equip	121	2	118
6345 · Equipment Repair & Maintenance	575	1,106	-531
6350 · Ground Maintenance	175	162	13
6355 · Mileage	1,336	385	951
6360 · Pest Control	1,706		1,706
6370 · Septic & Well Maintenance	500	2,573	-2,073
6374 · Small Tools & Yard Supplies	1,187	316	871
6375 · Snow Removal	880	960	-80
Total 6300 · Maintenance	37,229	26,940	10,289
6500 · Taxes			
6560 · Real Estate Taxes	7,894	6,416	1,478
6590 · Other Taxes		10	-10
Total 6500 · Taxes	7,894	6,426	1,468

Treehouse Village Resort Association, Inc.
Comparative Statement of Revenues & Expenses
For the Nine Months Ended, September 30, 2014 and 2013

	Jan - Sep 14	Jan - Sep 13	\$ Change
6600 · Utilities			
6620 · Electricity & Gas	15,367	12,231	3,136
6650 · Internet Service - Condos	994		994
6670 · Satellite TV	2,207	2,103	103
Total 6600 · Utilities	18,567	14,335	4,233
7000 · Administrative Expenses			
7100 · Payroll & Related Expense			
7105 · Wages-Manager	14,775	5,940	8,835
7110 · Wages-Administrative & Clerical	5,899	2,276	3,623
7150 · Tax - FICA	1,543	612	931
7160 · Tax - Unemployment	799	336	463
7168 · Insurance - Worker's Comp	454	150	304
7190 · Employee Benefits	25		25
Total 7100 · Payroll & Related Expense	23,495	9,314	14,181
7200 · Advertising Expense			
7208 · Website Design & Hosting	180	300	-120
Total 7200 · Advertising Expense	180	300	-120
7300 · Bad Debts	4,500	4,085	415
7350 · Bank Service Charges	135	205	-70
7360 · Board Expenses			
7362 · Lodging	139	167	-28
7364 · Meals	267	237	29
7366 · Mileage	1,296	1,124	172
7368 · Rental - Meeting Room	90		90
7369 · Other		60	-60
Total 7360 · Board Expenses	1,792	1,588	204
7400 · Contracted Office Services	2,421	15,269	-12,848
7450 · Depreciation Expense-Office Eq	73		73
7460 · Credit Card Processing Fees	1,750	459	1,291
7600 · Insurance			
7608 · Automobile	119	119	
7610 · Errors & Omissions	244	244	
7620 · Liability	4,199	3,822	376
7630 · Umbrella	563	563	
Total 7600 · Insurance	5,123	4,747	376
7650 · Internet Service - Office	555	551	4
7700 · Interest Expense			
7710 · Credit Cards	198		198
Total 7700 · Interest Expense	198		198
7850 · Licenses & Permits	220	225	-5
8100 · Meals & Entertainment		6	-6
8150 · Office Supplies & Expense	1,755	1,932	-177
8160 · Postage	348	277	72
8200 · Penalties	1		1
8250 · Professional Fees			
8252 · Review, Auditing & Tax Services	2,500	2,495	5
8253 · Acct'g, Computer & Tax Services	8,539	11,273	-2,734
8254 · Legal Fees	1,013		1,013
8256 · Payroll Processing Fees		240	-240
8258 · Other Professional Fees		22	-22
Total 8250 · Professional Fees	12,052	14,030	-1,978

Treehouse Village Resort Association, Inc.
Comparative Statement of Revenues & Expenses
For the Nine Months Ended, September 30, 2014 and 2013

	Jan - Sep 14	Jan - Sep 13	\$ Change
8300 · Rental Expense			
8310 · Office Rental	7,200	7,200	
Total 8300 · Rental Expense	7,200	7,200	
8450 · Telephone	550	1,155	-606
8500 · Travel Expense			
8540 · Lodging		120	-120
8560 · Mileage	754	334	420
Total 8500 · Travel Expense	754	454	300
Total 7000 · Administrative Expenses	63,102	61,798	1,304
Total 6000 · Budgeted Expenses	175,408	154,540	20,867
Total Expense	175,408	154,540	20,867
Net Ordinary Income	-4,966	10,764	-15,730
Other Income/Expense			
Other Income			
9000 · Other Income			
9300 · Reserve & Replacement Funds			
9202 · Bldg/Grounds-Net Income (Loss)			
9210 · Income			
9212 · Assessments		5,437	-5,437
9214 · Less Deferred Income		-1,359	1,359
Total 9210 · Income		4,078	-4,078
9220 · Expense	-3,840	-3,673	-167
Total 9202 · Bldg/Grounds-Net Income (Loss)	-3,840	405	-4,245
9302 · Furn/App - Net Income (Loss)			
9320 · Expense	-2,287		-2,287
Total 9302 · Furn/App - Net Income (Loss)	-2,287		-2,287
Total 9300 · Reserve & Replacement Funds	-6,126	405	-6,532
9600 · Bad Debt Recovery		30	-30
9640 · Gain (Loss) on Transferred Unit	1,000		1,000
9650 · Gain/(Loss) on Repossessed Unit	50		50
9700 · Miscellaneous Income	20	47	-27
Total 9000 · Other Income	-5,056	482	-5,539
Total Other Income	-5,056	482	-5,539
Net Other Income	-5,056	482	-5,539
Net Income	-10,022	11,246	-21,269

Treehouse Village Resort Association, Inc.

Statement of Revenues & Expenses

For the Three and Nine Months Ended, September 30, 2014

	<u>Jul - Sep 14</u>	<u>Jan - Sep 14</u>	<u>% of Income</u>
Ordinary Income/Expense			
Income			
4000 · Revenues			
4010 · Exempt Revenues			
4100 · Operating Revenues			
4108 · Maintenance Fees			
4110 · Income		198,493	
4112 · Less Deferred Income	48,768	-49,623	71%
Total 4108 · Maintenance Fees	48,768	148,870	71%
4118 · Real Estate Tax Assessments			
4120 · Income		9,107	
4122 · Less Deferred Income	2,237	-2,277	3%
Total 4118 · Real Estate Tax Assessments	2,237	6,830	3%
Total 4100 · Operating Revenues	51,005	155,700	75%
4400 · Service Charge Income	450	2,010	1%
Total 4010 · Exempt Revenues	51,455	157,710	75%
4500 · Non-Exempt Income			
4502 · Rental Activities			
4520 · Bonus Time		180	
4540 · Damage Reimbursement		663	
4550 · Fees for Extra Cleaning	191	977	0%
4552 · Fees for Extra People	130	225	0%
4580 · Rental of Unit Weeks			
4582 · Association Owned	1,515	2,575	2%
4586 · Owner's Units	10,555	12,745	15%
4587 · Delinquent Owner's Units	2,200	3,850	3%
4588 · Unclaimed Flex Unit		2,070	
4590 · Commission Income	2,111	2,549	3%
Total 4580 · Rental of Unit Weeks	16,381	23,789	24%
4596 · Sales Tax Discount	10	30	0%
4598 · Sales & Room Tax Adjustment		-25	
Total 4502 · Rental Activities	16,712	25,838	24%
4600 · Interest Income			
4620 · Operating Accounts			
4622 · Money Market	31	129	0%
Total 4620 · Operating Accounts	31	129	0%
4630 · Reserve Accounts			
4632 · CD's	13	15	0%
4634 · Savings	8	22	0%
Total 4630 · Reserve Accounts	20	37	0%
Total 4600 · Interest Income	51	166	0%
Total 4500 · Non-Exempt Income	16,763	26,005	25%
Total 4000 · Revenues	68,218	183,715	100%
Total Income	68,218	183,715	100%

Treehouse Village Resort Association, Inc.

Statement of Revenues & Expenses

For the Three and Nine Months Ended, September 30, 2014

	<u>Jul - Sep 14</u>	<u>Jan - Sep 14</u>	<u>% of Income</u>
Cost of Goods Sold			
5100 · Cost of Rental Activities			
5150 · Rent Submitted to Owners	<u>10,555</u>	<u>12,745</u>	<u>15%</u>
Total 5100 · Cost of Rental Activities	<u>10,555</u>	<u>12,745</u>	<u>15%</u>
5400 · Timeshare Sales			
5420 · Titles and Closing Fees	<u>352</u>	<u>528</u>	<u>1%</u>
Total 5400 · Timeshare Sales	<u>352</u>	<u>528</u>	<u>1%</u>
Total COGS	<u>10,907</u>	<u>13,273</u>	<u>16%</u>
Gross Profit	<u>57,312</u>	<u>170,442</u>	<u>84%</u>

Treehouse Village Resort Association, Inc.

Statement of Revenues & Expenses

For the Three and Nine Months Ended, September 30, 2014

Expense	Jul - Sep 14	Jan - Sep 14	% of Income
6000 · Budgeted Expenses			
6100 · Guest Services & Supplies			
6120 · Coffee, Tea, Creamer, Sugar, Etc		191	
6130 · Contract Recreation Membership	5,394	16,183	8%
6150 · In-Room Soaps, Shampoos, etc.	55	55	0%
6180 · Lake Forest Amenities	313	938	0%
Total 6100 · Guest Services & Supplies	5,762	17,366	8%
6200 · Housekeeping			
6201 · Payroll & Related Expense			
6203 · Wages-Housekeeping	8,055	15,275	12%
6205 · Tax - FICA	530	1,041	1%
6206 · Tax - Unemployment	291	572	0%
6208 · Insurance - Worker's Comp	336	729	0%
Total 6201 · Payroll & Related Expense	9,213	17,618	14%
6220 · Bedding, Linens, Towels	2,956	4,114	4%
6222 · Cleaning Supplies	487	1,168	1%
6224 · Contracted Housekeeping Service	343	487	1%
6250 · Laundry Service	1,838	4,002	3%
6255 · Mileage	153	153	0%
6260 · Paper Supplies	627	1,052	1%
6280 · Small Appliances/Furn/Utensils	687	1,506	1%
6290 · Waste Pickup	827	1,151	1%
Total 6200 · Housekeeping	17,132	31,250	25%
6300 · Maintenance			
6301 · Payroll & Related Expense			
6303 · Wages-Maintenance	7,453	22,406	11%
6305 · Tax - FICA	615	1,752	1%
6306 · Tax - Unemployment	32	616	0%
6308 · Insurance - Worker's Comp	271	298	0%
Total 6301 · Payroll & Related Expense	8,370	25,073	12%
6310 · Appliance Repair & Maintenance	263	286	0%
6320 · Boat Repairs & Licenses	87	131	0%
6325 · Building Repair & Maintenance	1,858	4,497	3%
6332 · Carpet & Furniture Cleaning		253	
6335 · Contracted Maintenance Service	170	510	0%
6338 · Depreciation Exp - Maint Equip	40	121	0%
6345 · Equipment Repair & Maintenance	229	575	0%
6350 · Ground Maintenance		175	
6355 · Mileage	380	1,336	1%
6360 · Pest Control	836	1,706	1%
6370 · Septic & Well Maintenance		500	
6374 · Small Tools & Yard Supplies	578	1,187	1%
6375 · Snow Removal		880	
Total 6300 · Maintenance	12,812	37,229	19%
6500 · Taxes			
6560 · Real Estate Taxes	2,631	7,894	4%
Total 6500 · Taxes	2,631	7,894	4%

Treehouse Village Resort Association, Inc.

Statement of Revenues & Expenses

For the Three and Nine Months Ended, September 30, 2014

	Jul - Sep 14	Jan - Sep 14	% of Income
6600 · Utilities			
6620 · Electricity & Gas	3,322	15,367	5%
6650 · Internet Service - Condos	331	994	0%
6670 · Satellite TV	623	2,207	1%
Total 6600 · Utilities	4,276	18,567	6%
7000 · Administrative Expenses			
7100 · Payroll & Related Expense			
7105 · Wages-Manager	5,940	14,775	9%
7110 · Wages-Administrative & Clerical	2,944	5,899	4%
7150 · Tax - FICA	718	1,543	1%
7160 · Tax - Unemployment	351	799	1%
7168 · Insurance - Worker's Comp	201	454	0%
7190 · Employee Benefits		25	
Total 7100 · Payroll & Related Expense	10,154	23,495	15%
7200 · Advertising Expense			
7208 · Website Design & Hosting	60	180	0%
Total 7200 · Advertising Expense	60	180	0%
7300 · Bad Debts	1,500	4,500	2%
7350 · Bank Service Charges	45	135	0%
7360 · Board Expenses			
7362 · Lodging	-90	139	-0%
7364 · Meals	14	267	0%
7366 · Mileage		1,296	
7368 · Rental - Meeting Room	90	90	0%
Total 7360 · Board Expenses	14	1,792	0%
7400 · Contracted Office Services		2,421	
7450 · Depreciation Expense-Office Eq	-136	73	-0%
7460 · Credit Card Processing Fees	336	1,750	0%
7600 · Insurance			
7608 · Automobile	40	119	0%
7610 · Errors & Omissions	81	244	0%
7620 · Liability	1,400	4,199	2%
7630 · Umbrella	188	563	0%
Total 7600 · Insurance	1,708	5,123	3%
7650 · Internet Service - Office	172	555	0%
7700 · Interest Expense			
7710 · Credit Cards		198	
Total 7700 · Interest Expense		198	
7850 · Licenses & Permits		220	
8150 · Office Supplies & Expense	887	1,755	1%
8160 · Postage	184	348	0%
8200 · Penalties		1	
8250 · Professional Fees			
8252 · Review, Auditing & Tax Services		2,500	
8253 · Acct'g. Computer & Tax Services	2,311	8,539	3%
8254 · Legal Fees		1,013	
8258 · Other Professional Fees	-267		-0%
Total 8250 · Professional Fees	2,044	12,052	3%

Treehouse Village Resort Association, Inc.

Statement of Revenues & Expenses

For the Three and Nine Months Ended, September 30, 2014

	Jul - Sep 14	Jan - Sep 14	% of Income
8300 · Rental Expense			
8310 · Office Rental	2,400	7,200	4%
Total 8300 · Rental Expense	2,400	7,200	4%
8450 · Telephone	176	550	0%
8500 · Travel Expense			
8560 · Mileage	396	754	1%
Total 8500 · Travel Expense	396	754	1%
Total 7000 · Administrative Expenses	19,940	63,102	29%
Total 6000 · Budgeted Expenses	62,553	175,408	92%
Total Expense	62,553	175,408	92%
Net Ordinary Income	-5,241	-4,966	-8%
Other Income/Expense			
Other Income			
9000 · Other Income			
9300 · Reserve & Replacement Funds			
9202 · Bldg/Grounds-Net Income (Loss)			
9220 · Expense	-3,840	-3,840	-6%
Total 9202 · Bldg/Grounds-Net Income (Loss)	-3,840	-3,840	-6%
9302 · Furn/App - Net Income (Loss)			
9320 · Expense		-2,287	
Total 9302 · Furn/App - Net Income (Loss)		-2,287	
Total 9300 · Reserve & Replacement Funds	-3,840	-6,126	-6%
9640 · Gain (Loss) on Transferred Unit	1,000	1,000	1%
9650 · Gain/(Loss) on Repossessed Unit	-170	50	-0%
9700 · Miscellaneous Income		20	
Total 9000 · Other Income	-3,010	-5,056	-4%
Total Other Income	-3,010	-5,056	-4%
Net Other Income	-3,010	-5,056	-4%
Net Income	-8,251	-10,022	-12%

Treehouse Village Resort Association, Inc.
Statement of Revenues & Expenses vs Budget
For the Nine Months Ended, September 30, 2014

	Jan - Sep 14	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4000 · Revenues			
4010 · Exempt Revenues			
4100 · Operating Revenues			
4108 · Maintenance Fees			
4110 · Income	198,493		
4112 · Less Deferred Income	-49,623		
4108 · Maintenance Fees - Other		148,870	-148,870
Total 4108 · Maintenance Fees	148,870	148,870	0
4118 · Real Estate Tax Assessments			
4120 · Income	9,107	6,830	2,277
4122 · Less Deferred Income	-2,277		
Total 4118 · Real Estate Tax Assessments	6,830	6,830	-0
Total 4100 · Operating Revenues	155,700	155,700	
4400 · Service Charge Income	2,010	1,500	510
Total 4010 · Exempt Revenues	157,710	157,200	510
4500 · Non-Exempt Income			
4502 · Rental Activities			
4520 · Bonus Time	180		
4540 · Damage Reimbursement	663		
4550 · Fees for Extra Cleaning	977		
4552 · Fees for Extra People	225		
4580 · Rental of Unit Weeks			
4582 · Association Owned	2,575		
4586 · Owner's Units	12,745	4,875	7,870
4587 · Delinquent Owner's Units	3,850		
4588 · Unclaimed Flex Unit	2,070	2,625	-555
4590 · Commission Income	2,549	975	1,574
Total 4580 · Rental of Unit Weeks	23,789	8,475	15,314
4596 · Sales Tax Discount	30		
4598 · Sales & Room Tax Adjustment	-25		
Total 4502 · Rental Activities	25,838	8,475	17,363
4600 · Interest Income			
4620 · Operating Accounts			
4622 · Money Market	129		
Total 4620 · Operating Accounts	129		
4630 · Reserve Accounts			
4632 · CD's	15		
4634 · Savings	22		
Total 4630 · Reserve Accounts	37		
Total 4600 · Interest Income	166		
Total 4500 · Non-Exempt Income	26,005	8,475	17,530
Total 4000 · Revenues	183,715	165,675	18,040
Total Income	183,715	165,675	18,040
Cost of Goods Sold			

Treehouse Village Resort Association, Inc.
Statement of Revenues & Expenses vs Budget
For the Nine Months Ended, September 30, 2014

	Jan - Sep 14	Budget	\$ Over Budget
5100 · Cost of Rental Activities			
5150 · Rent Submitted to Owners	12,745	4,875	7,870
Total 5100 · Cost of Rental Activities	12,745	4,875	7,870
5400 · Timeshare Sales			
5420 · Titles and Closing Fees	528	375	153
5430 · Cost of Legal Documents		1,875	-1,875
Total 5400 · Timeshare Sales	528	2,250	-1,722
Total COGS	13,273	7,125	6,148
Gross Profit	170,442	158,550	11,892
Expense			
6000 · Budgeted Expenses			
6100 · Guest Services & Supplies			
6120 · Coffee, Tea, Creamer, Sugar, Etc	191		
6130 · Contract Recreation Membership	16,183	16,183	0
6150 · In-Room Soaps, Shampoos, etc.	55	150	-95
6180 · Lake Forest Amenities	938	937	0
Total 6100 · Guest Services & Supplies	17,366	17,270	96
6200 · Housekeeping			
6201 · Payroll & Related Expense			
6203 · Wages-Housekeeping	15,275	16,200	-925
6205 · Tax - FICA	1,041	1,239	-198
6206 · Tax - Unemployment	572	681	-109
6208 · Insurance - Worker's Comp	729	496	232
Total 6201 · Payroll & Related Expense	17,618	18,616	-999
6220 · Bedding, Linens, Towels	4,114	1,500	2,614
6222 · Cleaning Supplies	1,168	1,350	-182
6224 · Contracted Housekeeping Service	487		
6250 · Laundry Service	4,002	4,125	-123
6255 · Mileage	153	113	40
6260 · Paper Supplies	1,052	1,050	2
6280 · Small Appliances/Furn/Utensils	1,506	900	606
6290 · Waste Pickup	1,151	1,350	-199
Total 6200 · Housekeeping	31,250	29,004	2,246
6300 · Maintenance			
6301 · Payroll & Related Expense			
6303 · Wages-Maintenance	22,406	17,550	4,856
6305 · Tax - FICA	1,752	1,342	410
6306 · Tax - Unemployment	616	410	206
6308 · Insurance - Worker's Comp	298	2,656	-2,358
Total 6301 · Payroll & Related Expense	25,073	21,958	3,114
6310 · Appliance Repair & Maintenance	286		
6320 · Boat Repairs & Licenses	131		
6325 · Building Repair & Maintenance	4,497	4,500	-3
6332 · Carpet & Furniture Cleaning	253	1,875	-1,622
6335 · Contracted Maintenance Service	510	450	60
6338 · Depreciation Exp - Maint Equip	121		
6345 · Equipment Repair & Maintenance	575	900	-325
6350 · Ground Maintenance	175	1,125	-950
6355 · Mileage	1,336	675	661
6360 · Pest Control	1,706		

Treehouse Village Resort Association, Inc.
Statement of Revenues & Expenses vs Budget
For the Nine Months Ended, September 30, 2014

	Jan - Sep 14	Budget	\$ Over Budget
6370 · Septic & Well Maintenance	500	975	-475
6374 · Small Tools & Yard Supplies	1,187	375	812
6375 · Snow Removal	880	825	55
Total 6300 · Maintenance	37,229	33,658	3,571
6500 · Taxes			
6560 · Real Estate Taxes	7,894	6,750	1,144
6590 · Other Taxes		8	-8
Total 6500 · Taxes	7,894	6,758	1,136
6600 · Utilities			
6620 · Electricity & Gas	15,367	12,750	2,617
6650 · Internet Service - Condos	994		
6670 · Satellite TV	2,207	2,250	-43
Total 6600 · Utilities	18,567	15,000	3,567
7000 · Administrative Expenses			
7100 · Payroll & Related Expense			
7105 · Wages-Manager	14,775		
7110 · Wages-Administrative & Clerical	5,899	6,000	-101
7150 · Tax - FICA	1,543	459	1,084
7160 · Tax - Unemployment	799	248	552
7168 · Insurance - Worker's Comp	454	109	345
7190 · Employee Benefits	25		
Total 7100 · Payroll & Related Expense	23,495	6,816	16,679
7200 · Advertising Expense			
7202 · Advertising		1,125	-1,125
7208 · Website Design & Hosting	180	212	-32
Total 7200 · Advertising Expense	180	1,337	-1,157
7300 · Bad Debts	4,500	4,500	
7350 · Bank Service Charges	135	188	-53
7360 · Board Expenses			
7362 · Lodging	139	737	-598
7364 · Meals	267	522	-255
7366 · Mileage	1,296	2,303	-1,008
7368 · Rental - Meeting Room	90		
7369 · Other		188	-188
Total 7360 · Board Expenses	1,792	3,750	-1,958
7400 · Contracted Office Services	2,421	15,356	-12,935
7450 · Depreciation Expense-Office Eq	73		
7460 · Credit Card Processing Fees	1,750	1,125	625
7600 · Insurance			
7608 · Automobile	119	113	6
7610 · Errors & Omissions	244	231	13
7620 · Liability	4,199	3,624	575
7630 · Umbrella	563	532	30
Total 7600 · Insurance	5,123	4,500	623
7650 · Internet Service - Office	555	1,500	-945
7700 · Interest Expense			
7710 · Credit Cards	198		
Total 7700 · Interest Expense	198		
7850 · Licenses & Permits	220	154	66
8150 · Office Supplies & Expense	1,755	2,062	-308

Treehouse Village Resort Association, Inc.
Statement of Revenues & Expenses vs Budget
For the Nine Months Ended, September 30, 2014

	<u>Jan - Sep 14</u>	<u>Budget</u>	<u>\$ Over Budget</u>
8160 · Postage	348	600	-252
8200 · Penalties	1		
8250 · Professional Fees			
8252 · Review, Auditing & Tax Services	2,500	1,500	1,000
8253 · Acct'g. Computer & Tax Services	8,539	11,080	-2,541
8254 · Legal Fees	1,013		
Total 8250 · Professional Fees	<u>12,052</u>	<u>12,580</u>	<u>-528</u>
8300 · Rental Expense			
8310 · Office Rental	7,200	7,200	
Total 8300 · Rental Expense	<u>7,200</u>	<u>7,200</u>	
8450 · Telephone	550	1,050	-500
8500 · Travel Expense			
8560 · Mileage	754	188	566
Total 8500 · Travel Expense	<u>754</u>	<u>188</u>	<u>566</u>
Total 7000 · Administrative Expenses	<u>63,102</u>	<u>62,905</u>	<u>197</u>
Total 6000 · Budgeted Expenses	<u>175,408</u>	<u>164,595</u>	<u>10,813</u>
Total Expense	<u>175,408</u>	<u>164,595</u>	<u>10,813</u>
Net Ordinary Income	-4,966	-6,045	1,079
Other Income/Expense			
Other Income			
9000 · Other Income			
9300 · Reserve & Replacement Funds			
9202 · Bldg/Grounds-Net Income (Loss)			
9220 · Expense	-3,840		
Total 9202 · Bldg/Grounds-Net Income (Loss)	<u>-3,840</u>		
9302 · Furn/App - Net Income (Loss)			
9320 · Expense	-2,287		
Total 9302 · Furn/App - Net Income (Loss)	<u>-2,287</u>		
Total 9300 · Reserve & Replacement Funds	<u>-6,126</u>		
9640 · Gain (Loss) on Transferred Unit	1,000		
9650 · Gain/(Loss) on Repossessed Unit	50		
9700 · Miscellaneous Income	20		
Total 9000 · Other Income	<u>-5,056</u>		
Total Other Income	<u>-5,056</u>		
Net Other Income	<u>-5,056</u>		
Net Income	<u><u>-10,022</u></u>	<u><u>-6,045</u></u>	<u><u>-3,978</u></u>

Treehouse Village Resort Association, Inc.
Statement of Cash Flows
For the Nine Months Ended, September 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (Loss) (10,022)

Adjustments to reconcile Net Income to net cash provided by operations:

Depreciaton Expense 194

Changes:

Increase in Accounts Receivable - Members (5,640)

Increase in Allowance for Bad Debts 3,890

Increase in Inventory (3,000)

Decrease in Prepaid Expenses 4,343

Decrease in Accounts Payable - Trade (2,462)

Increase in Credit Cards Payable 174

Increase in Rent Payable to Owner 400

Decrease in Prepaid Maintenance Fees (20,410)

Decrease in Reservation Deposits (5,500)

Decrease in Accrued Federal Income Tax (95)

Increase in Accrued Payroll & Tax Liabilities 1,468

Increase in Other Accrued Liabilities 9,186

Increase in Deferred Income 51,900

Total Adjustments 34,448

NET CASH PROVIDED BY OPERATING ACTIVITIES: 24,426

CASH FLOWS FROM INVESTING ACTIVITIES

Capital Expenditures (Computer Purchase) (549)

NET CASH USED FOR INVESTING ACTIVITIES (549)

CASH FLOWS FROM FINANCING ACTIVITIES

NET CASH PROVIDED FROM FINANCING ACTIVITIES -

NET INCREASE (DECREASE) IN CASH 23,877

CASH AT BEGINNING OF YEAR 70,980

CASH AT END OF PERIOD 94,858

Treehouse Village Resort Association, Inc.
Accounts Receivable Aging Report
As of September 30, 2014

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Cullen Family Vacations, LLC		20.00	20.00		1,320.00	1,360.00
Dells Vacation Holding, LLC		10.00	10.00		660.00	680.00
Fellner, James M.		10.00	10.00		660.00	680.00
Frederick, Mark J.		10.00	10.00		660.00	680.00
Garcia, Ricardo					725.00	725.00
Gemini Investment Partners, Inc.					715.00	715.00
Grover, Shanta		10.00	10.00		660.00	680.00
Jackson, Timothy					1,450.00	1,450.00
Jensen, Ann and Jensen, Barbara		10.00	10.00		660.00	680.00
K&D of Little Chute, LLC					685.00	685.00
Kehoe, Thomas F.		10.00	10.00		660.00	680.00
McGinnity, Timothy and Jolene		10.00	10.00		560.00	580.00
Millage, Erika		10.00	10.00		660.00	680.00
Netz, David		10.00	10.00		360.00	380.00
PremierAcquisition Management, LLC		10.00	10.00		660.00	680.00
Schneeberg, Eric B.					725.00	725.00
Tyler, Daryl		10.00	10.00		660.00	680.00
TOTAL	0.00	130.00	130.00	0.00	12,480.00	12,740.00

Treehouse Village Resort Association, Inc.
Accounts Payable Aging Report
As of September 30, 2014

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Betsy Tarkowski Tax Services	471.96					471.96
Casey, Sharon	222.72	36.96				259.68
Eagle Waste & Recycling, Inc.	413.73					413.73
Frontier		58.56				58.56
Holiday Wholesale	180.11	130.48				310.59
Hughes, Jeremiah	206.99					206.99
Koch, James	-400.00	400.00				
Lake Superior Laundry, Inc.	464.65					464.65
Nelson's Ace Hardware	211.61					211.61
Rick Favero		112.50				112.50
Town of Washington						
Verizon Wireless		52.83				52.83
WPS	1,033.74	118.95				1,152.69
TOTAL	<u>2,805.51</u>	<u>910.28</u>				<u>3,715.79</u>

**Treehouse Village Resort Association, Inc.
Replacement Fund Report
For the Three Months and Nine Months Ended, September 30, 2014**

Vendor	Description	Unit #	Building & Grounds			Furniture & Appliances		
			Jul - Sept 2014	Jan - Sept 2014	Budgeted	Jul - Sept 2014	Jan - Sept 2014	Budgeted
Income:			-	-	-	-	-	-
Expenses:								
Gene's Painting	Deck Repair & Painting	205, ?	3,839.56	3,839.56		-	-	
Jensen-Akins Hardware	Purchase of Dishwasher	?	-	-		-	546.15	-
Slumberland	Purchase of Eight Chairs	All Units	-	-	-	-	1,740.66	
Total Expense:			-	3,839.56	-	-	2,286.81	
Net Income (Loss):			-	3,839.56	-	-	2,286.81	-

See Report of Independent Accountant