

**Knightsbridge Village
Homeowners Association, Inc.**

**FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024**

(See Independent Accountant's Compilation Report)

A. John Bono
Certified Public Accountant

Knightsbridge Village Homeowners Association, Inc.
Financial Statements As Of December 31, 2024

INDEX

	<u>Page</u>
Independent Accountant's Compilation Report	1
Financial Statements:	
Statement of Assets, Liabilities, and Fund Balances	2
Statement of Assessments, Revenues, and Expenditures and Changes in Fund Balances	3
Statement of Cash Flows	4
Notes to Financial Statements	5 – 8
Supplementary Information on Operating Expenditures	9

A. John Bono, CPA, LLC
Certified Public Accountants

2929 E. Commercial Blvd., Suite 100
Fort Lauderdale, FL 33308

Independent Accountant's Compilation Report

To the Board of Directors of Knightsbridge Village Homeowners Association, Inc.:

Management is responsible for the accompanying Financial Statements of Knightsbridge Village Homeowners Association, Inc. which comprise the Statements of Assets, Liabilities and Fund Balances as of December 31, 2024, and the related Statements of Assessments, Revenues, Expenditures, and Changes in Fund Balances and Cash Flows for the year then ended, and the related Notes to the Financial Statements in accordance with accounting principles generally accepted in the United States of America (GAAP). I 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. I did not audit or review the Financial Statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these Financial Statements.

Supplementary Information

The accompanying Supplementary Information on Operating Expenditures (actual to budget) is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the responsibility of management. The information was subject to my Compilation engagement; however, I have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on it.

Omission of Required Information About Future Major Repairs and Replacements

Management has omitted Required Supplementary Information on Future Major Repairs and Replacements that accounting principles generally accepted in the United States of America require to be presented to supplement the basic Financial Statements. Such missing information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board (FASB), who considers it to be an essential part of financial reporting for placing the basic Financial Statements in appropriate operational, economic, or historical context. My opinion on the basic Financial Statements is not affected by the missing information.

A. J. Bono, CPA, LLC

A. John Bono, CPA, LLC
Certified Public Accountants
Fort Lauderdale, Florida

October 31, 2025

Knightsbridge Village Homeowners Association, Inc.
Statement of Assets, Liabilities and Fund Balances
December 31, 2024

	2024		
	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 81,627	\$ 79,501	\$ 161,128
Receivables From Homeowners Member Assessment and Other Less Allowance for Credit Losses of \$2,500	15,785	-	15,785
Utility Deposits	1,055	-	1,055
TOTAL ASSETS	<u>\$ 98,467</u>	<u>\$ 79,501</u>	<u>\$ 177,968</u>
<u>LIABILITIES</u>			
Accounts Payable and Accruals	\$ 8,600	\$ -	\$ 8,600
Prepaid Homeowner Assessments	17,826	-	17,826
Security Deposits	22,000	-	22,000
Contract Liabilities (Assessments Received in Advance - Replacement Fund)	-	79,501	79,501
TOTAL LIABILITIES	<u>48,426</u>	<u>79,501</u>	<u>127,927</u>
<u>FUND BALANCES</u>	<u>50,041</u>	<u>-</u>	<u>50,041</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 98,467</u>	<u>\$ 79,501</u>	<u>\$ 177,968</u>

The Accompanying Accountant's Compilation Report And Notes Are An Integral Part Of These Financial Statements.

Knightsbridge Village Homeowners Association, Inc.
Statement of Assessments, Revenues and Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2024

	2024		
	<u>Operating</u>	<u>Replacement</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>	
<u>ASSESSMENTS AND REVENUE</u>			
Member Assessments	\$ 251,982	\$ -	\$ 251,982
Other Revenues	3,149	-	3,149
Interest	-	-	-
TOTAL	<u>255,131</u>	<u>-</u>	<u>255,131</u>
<u>EXPENDITURES</u>			
Grounds Maintenance	124,797	-	124,797
Utilities	17,655	-	17,655
Pool	7,295	-	7,295
Maintenance - Other	22,395	-	22,395
Site Improvement	6,280	-	6,280
Management Fees	19,300	-	19,300
Insurance	15,069	-	15,069
General and Administrative	22,450	-	22,450
Provision for Credit Losses	2,500	-	2,500
Replacements and Major Repairs	-	-	-
TOTAL	<u>237,741</u>	<u>-</u>	<u>237,741</u>
EXCESS OF FUND			
ASSESSMENTS AND REVENUES			
OVER EXPENDITURES	17,390	-	17,390
PRIOR PERIOD ADJUSTMENTS	4,918	-	4,918
FUND BALANCES,			
BEGINNING OF YEAR	<u>27,733</u>	<u>-</u>	<u>27,733</u>
FUND BALANCES,			
END OF YEAR	<u>\$ 50,041</u>	<u>\$ -</u>	<u>\$ 50,041</u>

The Accompanying Accountant's Compilation Report And Notes Are An Integral Part Of These Financial Statements.

Knightsbridge Village Homeowners Association, Inc.
Statement of Cash Flows
For The Year Ended December 31, 2024

	2024		
	Operating Fund	Replacement Fund	Total
<u>CASH FLOWS FROM</u>			
<u>OPERATING ACTIVITIES</u>			
Member Assessments	\$ 253,516	\$ -	\$ 253,516
Other Revenue	3,149	-	3,149
Security Deposits	3,000	-	3,000
Contract Liabilities	-	(4,790)	(4,790)
Cash Paid For Operating and Other Expenditures	(228,641)	-	(228,641)
Replacement/Major Repairs Paid	-	-	-
Net Cash Provided (Used) By Operating Activities	31,024	(4,790)	26,234
PRIOR PERIOD ADJUSTMENTS	4,918	-	4,918
CASH AND EQUIVALENTS, BEGINNING OF YEAR	45,685	84,291	129,976
CASH AND EQUIVALENTS, END OF YEAR	<u>\$ 81,627</u>	<u>\$ 79,501</u>	<u>\$ 161,128</u>
<u>RECONCILIATION OF EXCESS OF FUND ASSESSMENTS</u>			
<u>AND REVENUES OVER EXPENDITURES TO NET CASH</u>			
<u>PROVIDED (USED) BY OPERATING ACTIVITIES</u>			
Excess of Fund			
Assessments And Revenues			
Over Expenditures	\$ 17,390	\$ -	\$ 17,390
(Increase) Decrease In:			
Receivables, Net of Allowance	(1,616)	-	(1,616)
Prepaid Insurance and Other	1,600	-	1,600
Increase (Decrease) In:			
Accounts Payable and Accruals	7,500	-	7,500
Prepaid Assessments	3,150	-	3,150
Security Deposits	3,000	-	3,000
Contract Liabilities	-	(4,790)	(4,790)
Net Cash Provided (Used) By Operating Activities	<u>\$ 31,024</u>	<u>\$ (4,790)</u>	<u>\$ 26,234</u>

The Accompanying Accountant's Compilation Report And Notes Are An Integral Part of These Financial Statements.

Knightsbridge Village Homeowners Association, Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(See Independent Accountant's Compilation Report)

NOTE 1 – ORGANIZATION

Knightsbridge Village Homeowners Association, Inc. (the Association) is a statutory association organized under the laws of the State of Florida as a not-for-profit corporation for the purpose of maintaining and preserving common property of 134 homeowners located in Coral Springs, Florida.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Association uses fund accounting, which requires that funds, such as operating funds and funds designated for future major repairs and replacements, be classified separately for accounting and reporting purposes. Expenditures from the operating fund are generally at the discretion of the Board of Directors and the management company. Expenditures from the replacement fund generally may be only for designated purposes. The Association does not have a Replacement Fund.

Ownership of commonly owned property and improvements is vested directly or indirectly with the unit owners and is not capitalized in the Association's financial statements. Replacements, major repairs, and the purchase of additional commonly owned property or improvements are included in fund expenditures in the year of addition.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reports amounts and disclosures. Accordingly, actual results could differ from those estimates.

For purposes of the statement of cash flows, the Association considers all highly liquid investments and investments with an initial maturity of three months or less to be cash equivalents.

Under FASB ASC 820, *Fair Value Measurements and Disclosures*, fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal market of the most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Association has determined that there were no material differences between the carrying value of its financial assets and liabilities at December 31, 2024, therefore, no adjustment for the effect of FASB ASC 820 was made to the Association's financial statements at December 31, 2024.

The By-Laws of the Corporation require that the Association maintain adequate liability and directors and officer's insurance.

Knightsbridge Village Homeowners Association, Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(See Independent Accountant's Compilation Report)

NOTE 3 – MEMBER ASSESSMENTS

Association members are subject to monthly assessments to provide funds for the Association's operating expenses and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligations related to its operating assessments are satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the replacement fund assessments are satisfied when these funds are expended for their designated purpose. Assessments receivable at Statement of Assets, Liabilities, and Fund Balance date are stated at the amounts expected to be collected from outstanding assessments from homeowners.

The Association's policy is to retain legal counsel and place liens on properties of homeowners whose assessments are delinquent. An allowance for credit losses of \$2,500 is deemed necessary. The Association treats uncollectible assessments as variable consideration. Methods, inputs, and assumptions used to validate whether an estimate of variable consideration is constrained to include consideration of past experience and susceptibility to factors outside the Association's control. The balance of assessments receivable as of the beginning and end of the year are \$15,769 and \$18,285, respectively.

NOTE 4 – CONTRACT LIABILITIES (Assessments Received in Advance–Replacement Fund)

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (assessments received in advance-replacement fund) is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments. The balance of contract liabilities as of the beginning and end of the year are \$84,291 and \$79,501, respectively.

NOTE 5 – FUTURE MAJOR REPAIRS AND REPLACEMENTS

Accumulated funds, which aggregate \$79,501 and are presented in the accompanying Statement of Assets, Liabilities, and Fund Balances as contract liabilities (Assessments Received in Advance – Replacement Fund) at December 31, 2024, are held in separate cash accounts and are generally not available for operating purposes.

The Board is funding for certain major repairs and replacements over the remaining useful lives of the components based on the estimate of current replacement costs and considering amounts previously accumulated in the replacement fund. Funding of \$37,301 has been included in the 2025 budget.

Funds are being accumulated in the replacement fund based on estimates for future needs for repairs and replacements of common property components. Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs or replacements until funds are available.

Knightsbridge Village Homeowners Association, Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(See Independent Accountant's Compilation Report)

NOTE 5 – FUTURE MAJOR REPAIRS AND REPLACEMENTS – CONTINUED

The balance in the replacement fund (contract liabilities) consists of the following:

Component	Balance 12/31/2023	Interest / Assessments	Expenditures	Transfer	Balance 12/31/2024
Betterments-General	\$ 77,768	\$ 38,201	\$ -	\$ (45,000)	\$ 70,969
Roofing	3,015	-	-	-	3,015
Paving	1,241	-	-	-	1,241
Interest-Unallocated	2,267	2,009	-	-	4,276
Total	<u>\$ 84,291</u>	<u>\$ 40,210</u>	<u>\$ -</u>	<u>\$ (45,000)</u>	<u>\$ 79,501</u>

NOTE 6 – INCOME TAXES

Condominium and residential real estate management associations may elect annually to be treated as a tax-exempt organization under Section 528 of the Internal Revenue Code. Tax-exempt status protects an association from taxation on its "Exempt Function Income", such as membership assessments. Non-exempt income, such as interest, is taxed at regular corporate rates. There are no taxes due for 2024. The Association has evaluated its tax position and has concluded that there are no material uncertain tax positions that were identified.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

The Association has various contract services to maintain common property, including management and other services. Contracts are subject to various expiration dates and renewal terms.

The Association is from time-to-time, subject to complaints and claims, including litigation, arising in the management of the Association. As of the date of this report, management believes that there are no claims or complaints of which it is currently aware that will materially affect its financial position, or future operating results.

NOTE 8 – CONCENTRATION OF CREDIT RISK

The Association invests its excess cash in both deposits and high-quality short-term liquid money market accounts with a major bank and carrying value approximates fair value. Cash balances do not exceed the FDIC deposit limit of \$250,000 as of December 31, 2024. The Association believes it is not exposed to any significant credit risk.

Knightsbridge Village Homeowners Association, Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(See Independent Accountant's Compilation Report)

NOTE 9 – PRIOR PERIOD ADJUSTMENTS

The prior period adjustments of \$4,918 in 2024 relates the proper matching of assessments and revenues with related expenditures between accounting periods.

NOTE 10 – SUBSEQUENT EVENTS

In preparing the financial statements, the Association has evaluated subsequent events and transactions for potential recognition or disclosure through the date of this Compilation Report, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

Knightsbridge Village Homeowners Association, Inc.
Supplementary Information On Operating Expenditures
For The Year Ended December 31, 2024

	Actual	Budgeted	Over (Under)
	(Unaudited)	(Unaudited)	Budget
			(Unaudited)
<u>GROUNDS MAINTENANCE</u>			
Irrigation	\$ 25,188	\$ 39,500	\$ (14,312)
Lawn Service	79,908	79,728	180
Tree Service	19,700	20,000	(300)
	<u>\$ 124,796</u>	<u>\$ 139,228</u>	<u>\$ (14,432)</u>
<u>UTILITIES</u>			
Electricity	\$ 15,740	\$ 17,000	\$ (1,260)
Water and Sewer	1,915	1,500	415
	<u>\$ 17,655</u>	<u>\$ 18,500</u>	<u>\$ (845)</u>
<u>POOL</u>	<u>\$ 7,295</u>	<u>\$ 7,800</u>	<u>\$ (505)</u>
<u>MAINTENANCE - OTHER</u>			
Janitorial	\$ 5,082	\$ 6,500	\$ (1,418)
Pressure Cleaning	3,100	2,500	600
Repairs and Maintenance	14,213	16,500	(2,287)
	<u>\$ 22,395</u>	<u>\$ 25,500</u>	<u>\$ (3,105)</u>
<u>SITE IMPROVEMENT</u>	<u>\$ 6,280</u>	<u>\$ 20,000</u>	<u>\$ (13,720)</u>
<u>MANAGEMENT FEES</u>	<u>\$ 19,300</u>	<u>\$ 19,200</u>	<u>\$ 100</u>
<u>INSURANCE</u>	<u>\$ 15,069</u>	<u>\$ 15,000</u>	<u>\$ 69</u>
<u>GENERAL AND ADMINISTRATIVE</u>			
Accounting	\$ 1,100	\$ 1,000	\$ 100
Licenses and Fees	551	600	(49)
Legal	17,447	2,000	15,447
Office	2,152	1,500	652
Website	1,200	1,200	-
	<u>\$ 22,450</u>	<u>\$ 6,300</u>	<u>\$ 16,150</u>
<u>PROVISION FOR CREDIT LOSSES</u>	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ 2,500</u>
<u>TOTAL EXPENDITURES</u>	<u><u>\$ 237,741</u></u>	<u><u>\$ 251,528</u></u>	<u><u>\$ (13,787)</u></u>

The Accompanying Accountant's Compilation Report And Notes Are An Integral Part Of These Financial Statements.