



DESTINATION MAUI INC.
Property Management

Wailea Fairway Villas Association

(A 118-Unit Hawaii Condominium Association)

Financial Statements and Supplementary Information

For the One Month and One Month Ended

January 31, 2021

(Subject to Audit Adjustments)

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I have prepared the accompanying Balance Sheet – Tax Basis as of January 31, 2021, and the Income Statement and Changes in Members' Equity – Tax Basis and Statement of Cash Flows – Tax Basis for the One Month and One Month then ended, along with the accompanying schedules described above, in my capacity as a stockholder and officer of Destination Maui, Inc. I have not prepared the statements in my capacity as a CPA in the practice of public accounting.

Management has elected to omit substantially all of the disclosures required by the generally accepted principles as issued by the U.S. Financial Accounting Standards Board. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Association's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Ronald A. Kawahara

**Wailea Fairway Villas Association
Balance Sheet - Tax Basis
January 31, 2021 and 2020**

Assets

	2021	2020
CURRENT ASSETS		
Ckg - MOO *****1241	\$ 85,292.99	\$ 83,624.90
Cash - MOB- Debit Card #****4202	2,916.35	2,930.97
MMkt - MOO Savings *****2119	26,599.88	26,542.81
MOO Savings CDAR	200,000.00	0.00
MMkt - HSB Savings *****1937	0.00	36,721.35
CD - HSB Savings - Exp 3/1/20	<u>0.00</u>	<u>203,455.84</u>
Subtotal - Cash	<u>314,809.22</u>	<u>353,275.87</u>
ACCOUNTS RECEIVABLES		
A/R - Owners Balances	6,389.18	5,918.28
A/R - Act 196 & Collection	29,255.08	29,160.44
Allowance for Bad Debts	(21,723.26)	(21,723.26)
A/R - Missing Credit Card Receipts	<u>85.92</u>	<u>0.00</u>
Subtotal - Accounts Receivable	<u>14,006.92</u>	<u>13,355.46</u>
OTHER CURRENT ASSETS		
Unexpired Insurance	16,386.85	18,671.06
NJF Clearing Account	<u>94,362.49</u>	<u>79,464.44</u>
Subtotal - Other Current Assets	<u>110,749.34</u>	<u>98,135.50</u>
TOTAL CURRENT ASSETS	<u>439,565.48</u>	<u>464,766.83</u>
CAPITAL RESERVE ACCOUNTS		
Mutual of Omaha	2,132,395.57	529,012.31
Wealth Management	<u>0.00</u>	<u>1,364,663.13</u>
Subtotal - Capital Reserves	<u>2,132,395.57</u>	<u>1,893,675.44</u>
FIXED ASSETS		
Equipment - PV System	74,400.00	74,400.00
Less: Accumulated Depreciation	<u>(21,080.00)</u>	<u>(17,360.00)</u>
Subtotal - Fixed Assets	<u>53,320.00</u>	<u>57,040.00</u>
TOTAL OTHER ASSETS	<u>2,185,715.57</u>	<u>1,950,715.44</u>
TOTAL ASSETS	<u>\$ 2,625,281.05</u>	<u>\$ 2,415,482.27</u>

**Wailea Fairway Villas Association
Balance Sheet - Tax Basis
January 31, 2021 and 2020**

Liabilities and Fund Balances

	2021	2020
CURRENT LIABILITIES		
A/P - Trade	\$ 36,635.41	\$ 36,477.80
A/P Insur. Water Damage Claims	8,865.27	8,861.27
Owner Prepayments	41,372.48	41,932.22
A/P - NJF Units	94,362.49	79,464.44
Accrued General Excise Tx	129.31	100.00
Accrued Federal Income Tax	0.00	4,249.00
Accrued State Income Tax	0.00	584.00
Accrued Salaries/Wages	0.00	100.00
Accrued Federal Tax W/H	0.00	41.20
Accrued FICA Tax W/H	0.00	124.00
Accrued Medicare W/H	0.00	29.00
Accrued State Tax W/H	0.00	165.06
	<u>181,364.96</u>	<u>172,127.99</u>
Subtotal - Current Liabilities		
	<u>181,364.96</u>	<u>172,127.99</u>
TOTAL CURRENT LIABILITIES		
	<u>181,364.96</u>	<u>172,127.99</u>
TOTAL LIABILITIES	<u>181,364.96</u>	<u>172,127.99</u>
 MEMBERS' EQUITY		
Unrestricted Members' Equity	311,520.52	349,678.84
Restricted Members' Equity	<u>2,132,395.57</u>	<u>1,893,675.44</u>
Subtotal Members' Equity	<u>2,443,916.09</u>	<u>2,243,354.28</u>
TOTAL MEMBERS' EQUITY	<u>2,443,916.09</u>	<u>2,243,354.28</u>
 TOTAL LIABILITIES AND MEMBERS' EQUITY		
	<u>\$ 2,625,281.05</u>	<u>\$ 2,415,482.27</u>

Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 1 Month Ended January 31, 2021

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Revenues										
Membership Income										
405 - Maintenance Fees	75,989.82	75.8	75,990	(0)	75,989.82	75.8	75,990	(0)	911,880	835,890
406 - Capital Reserve	21,000.18	21.0	21,000	0	21,000.18	21.0	21,000	0	252,002	231,002
415 - Delinquent Owners Late Fee	100.00	0.1	0	100	100.00	0.1	0	100	0	(100)
425 - House Rule Violations	200.00	0.2	0	200	200.00	0.2	0	200	0	(200)
Total Membership Income	<u>97,290.00</u>	<u>97.1</u>	<u>96,990</u>	<u>300</u>	<u>97,290.00</u>	<u>97.1</u>	<u>96,990</u>	<u>300</u>	<u>1,163,882</u>	<u>1,066,592</u>
Non-Membership Income										
430 - Interest Income	8.75	0.0	100	(91)	8.75	0.0	100	(91)	1,200	1,191
431 - Reserve Interest Income	38.90	0.0	800	(761)	38.90	0.0	800	(761)	9,600	9,561
440.80 - NJF Rental Income	2,450.00	2.4	2,500	(50)	2,450.00	2.4	2,500	(50)	30,000	27,550
441 - Kayak Rack Rental	435.00	0.4	108	327	435.00	0.4	108	327	1,300	865
Total Non-Membership Income	<u>2,932.65</u>	<u>2.9</u>	<u>3,508</u>	<u>(575)</u>	<u>2,932.65</u>	<u>2.9</u>	<u>3,508</u>	<u>(575)</u>	<u>42,100</u>	<u>39,167</u>
Total Revenues	<u>100,222.65</u>	<u>100.</u>	<u>100,498</u>	<u>(275)</u>	<u>100,222.65</u>	<u>100.</u>	<u>100,498</u>	<u>(275)</u>	<u>1,205,982</u>	<u>1,105,759</u>
Operating Expenses										
NJF Unit Expenses										
701.1 - NJF Unit Maint Fees	712.00	0.7	712	0	712.00	0.7	712	0	8,544	7,832
701.2 - NJF Unit - Rental Agent Fe	245.00	0.2	250	(5)	245.00	0.2	250	(5)	3,000	2,755
701.3 - NJF Repairs & Maint	0.00	0.0	133	(133)	0.00	0.0	133	(133)	1,600	1,600
701.4 - NJF GET Expense	98.00	0.1	89	9	98.00	0.1	89	9	1,062	964
Total NJF Unit Expenses	<u>1,055.00</u>	<u>1.1</u>	<u>1,184</u>	<u>(129)</u>	<u>1,055.00</u>	<u>1.1</u>	<u>1,184</u>	<u>(129)</u>	<u>14,206</u>	<u>13,151</u>
Administration Expenses										
625 - Bank Charges/Merchant	20.00	0.0	10	10	20.00	0.0	10	10	120	100
645 - Dues & Subscriptions	0.00	0.0	167	(167)	0.00	0.0	167	(167)	2,004	2,004
710 - Meetings	0.00	0.0	275	(275)	0.00	0.0	275	(275)	3,300	3,300
715 - Office & Administration	261.44	0.3	500	(239)	261.44	0.3	500	(239)	6,000	5,739
715.1 - Office/Admin - Site Office	106.48	0.1	200	(94)	106.48	0.1	200	(94)	2,400	2,294
720 - Operating Supplies	20.94	0.0	167	(146)	20.94	0.0	167	(146)	2,000	1,979
910 - Depreciation	310.00	0.3	310	0	310.00	0.3	310	0	3,720	3,410
Total Administration Exp	<u>718.86</u>	<u>0.7</u>	<u>1,629</u>	<u>(910)</u>	<u>718.86</u>	<u>0.7</u>	<u>1,629</u>	<u>(910)</u>	<u>19,544</u>	<u>18,825</u>
Employee Costs										
610 - Auto	0.00	0.0	83	(83)	0.00	0.0	83	(83)	1,000	1,000
648 - Education & Seminars	0.00	0.0	100	(100)	0.00	0.0	100	(100)	1,200	1,200
653 - Emp/Ben.-Medical	1,123.74	1.1	1,178	(54)	1,123.74	1.1	1,178	(54)	14,139	13,015
780 - Salaries & Wages	11,476.50	11.5	11,573	(97)	11,476.50	11.5	11,573	(97)	138,880	127,404
801 - P/R Ins. - TDI & WC	330.83	0.3	429	(98)	330.83	0.3	429	(98)	5,152	4,821
802 - Taxes - Payroll *	1,312.24	1.3	1,161	151	1,312.24	1.3	1,161	151	13,932	12,620
812 - Uniforms	0.00	0.0	17	(17)	0.00	0.0	17	(17)	200	200
Total Employee Costs	<u>14,243.31</u>	<u>14.2</u>	<u>14,541</u>	<u>(298)</u>	<u>14,243.31</u>	<u>14.2</u>	<u>14,541</u>	<u>(298)</u>	<u>174,503</u>	<u>160,260</u>

Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 1 Month Ended January 31, 2021

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Insurance Expense										
677 - Ins. - Bond	35.50	0.0	42	(7)	35.50	0.0	42	(7)	500	465
678 - Ins. Business Interruption	104.50	0.1	113	(9)	104.50	0.1	113	(9)	1,356	1,252
679 - Ins. - Dir./Officers	253.08	0.3	317	(64)	253.08	0.3	317	(64)	3,804	3,551
680 - Ins. - Package	4,538.25	4.5	4,902	(364)	4,538.25	4.5	4,902	(364)	58,824	54,286
683 - Ins. - CGL	358.00	0.4	363	(5)	358.00	0.4	363	(5)	4,356	3,998
684 - Ins. - Umbrella	<u>172.92</u>	<u>0.2</u>	<u>179</u>	<u>(6)</u>	<u>172.92</u>	<u>0.2</u>	<u>179</u>	<u>(6)</u>	<u>2,148</u>	<u>1,975</u>
Total Insurance Expenses	5,462.25	5.5	5,916	(454)	5,462.25	5.5	5,916	(454)	70,988	65,526
Professional Services										
705 - Management Fee	3,276.00	3.3	3,276	0	3,276.00	3.3	3,276	0	39,312	36,036
731 - Prof.Svc.- Audit	0.00	0.0	374	(374)	0.00	0.0	374	(374)	4,488	4,488
732 - Prof.Svc.- Legal	0.00	0.0	417	(417)	0.00	0.0	417	(417)	5,000	5,000
734 - Prof.Svc.- Y/E Acctng.	<u>0.00</u>	<u>0.0</u>	<u>82</u>	<u>(82)</u>	<u>0.00</u>	<u>0.0</u>	<u>82</u>	<u>(82)</u>	<u>988</u>	<u>988</u>
Total Professional Exp	3,276.00	3.3	4,149	(873)	3,276.00	3.3	4,149	(873)	49,788	46,512
Repairs & Maint Expenses										
746 - R/M - Buildings *	1,044.12	1.0	833	211	1,044.12	1.0	833	211	10,000	8,956
750 - R/M - Equipment	0.00	0.0	250	(250)	0.00	0.0	250	(250)	3,000	3,000
752 - R/M - Fire Equip.	0.00	0.0	200	(200)	0.00	0.0	200	(200)	2,400	2,400
753 - R/M - Landscape Upgrades	67.71	0.1	125	(57)	67.71	0.1	125	(57)	1,500	1,432
754 - R/M - Grounds	0.00	0.0	167	(167)	0.00	0.0	167	(167)	2,000	2,000
755 - R/M - Grounds Contractor	21,160.00	21.1	21,160	0	21,160.00	21.1	21,160	0	253,920	232,760
756 - R/M - Irrigation	0.00	0.0	800	(800)	0.00	0.0	800	(800)	9,600	9,600
760 - R/M - Pest Control	0.00	0.0	555	(555)	0.00	0.0	555	(555)	6,658	6,658
762 - R/M - Pool, Spa, BBQ	1,680.83	1.7	2,144	(463)	1,680.83	1.7	2,144	(463)	25,725	24,044
764 - R/M - Refuse Collection	1,397.60	1.4	1,551	(153)	1,397.60	1.4	1,551	(153)	18,610	17,212
764.1 - R/M - Recycling	733.84	0.7	808	(74)	733.84	0.7	808	(74)	9,694	8,960
767 - R/M - Security Contract	<u>892.71</u>	<u>0.9</u>	<u>1,000</u>	<u>(107)</u>	<u>892.71</u>	<u>0.9</u>	<u>1,000</u>	<u>(107)</u>	<u>12,000</u>	<u>11,107</u>
Total Repairs & Maint Exp	26,976.81	26.9	29,593	(2,616)	26,976.81	26.9	29,593	(2,616)	355,107	328,130
Tax Expenses										
796 - Taxes - Gen. Excise	31.31	0.0	40	(9)	31.31	0.0	40	(9)	480	449
940 - Federal Income Taxes	0.00	0.0	1,000	(1,000)	0.00	0.0	1,000	(1,000)	12,000	12,000
945 - State Income Taxes	<u>0.00</u>	<u>0.0</u>	<u>146</u>	<u>(146)</u>	<u>0.00</u>	<u>0.0</u>	<u>146</u>	<u>(146)</u>	<u>1,750</u>	<u>1,750</u>
Total Tax Expenses	31.31	0.0	1,186	(1,155)	31.31	0.0	1,186	(1,155)	14,230	14,199
Utility Expense										
826 - Util. - Cable TV *	4,362.49	4.4	4,054	308	4,362.49	4.4	4,054	308	48,652	44,290
828 - Util. - Electric *	2,550.82	2.5	1,583	968	2,550.82	2.5	1,583	968	19,000	16,449
830 - Util. - Gas	0.00	0.0	75	(75)	0.00	0.0	75	(75)	900	900
832 - Util. - Sewer *	6,135.72	6.1	4,945	1,191	6,135.72	6.1	4,945	1,191	59,340	53,204
834 - Util. - Telephone *	301.70	0.3	250	52	301.70	0.3	250	52	3,000	2,698
838 - Util. - Water	<u>10,509.20</u>	<u>10.5</u>	<u>11,200</u>	<u>(691)</u>	<u>10,509.20</u>	<u>10.5</u>	<u>11,200</u>	<u>(691)</u>	<u>134,400</u>	<u>123,891</u>
Total Utility Expenses	23,859.93	23.8	22,107	1,753	23,859.93	23.8	22,107	1,753	265,292	241,432

Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 1 Month Ended January 31, 2021

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Reserves & Other Exp										
915 - Capital Reserves	21,000.18	21.0	21,000	0	21,000.18	21.0	21,000	0	252,002	231,002
916 - Reserves Interest	<u>38.90</u>	<u>0.0</u>	<u>800</u>	<u>(761)</u>	<u>38.90</u>	<u>0.0</u>	<u>800</u>	<u>(761)</u>	<u>9,600</u>	<u>9,561</u>
Total Reserve & Other Exp	<u>21,039.08</u>	<u>21.0</u>	<u>21,800</u>	<u>(761)</u>	<u>21,039.08</u>	<u>21.0</u>	<u>21,800</u>	<u>(761)</u>	<u>261,602</u>	<u>240,563</u>
Total Operating Expenses and										
Reserve Allocation	<u>96,662.55</u>	<u>96.4</u>	<u>102,105</u>	<u>(5,442)</u>	<u>96,662.55</u>	<u>96.4</u>	<u>102,105</u>	<u>(5,442)</u>	<u>1,225,260</u>	<u>1,128,597</u>
Total Revenue Over Exp	<u>3,560.10</u>	<u>3.6</u>	<u>(1,607)</u>	<u>5,167</u>	<u>3,560.10</u>	<u>3.6</u>	<u>(1,607)</u>	<u>5,167</u>	<u>(19,278)</u>	<u>(22,838)</u>
Beginning Members' Equity					<u>307,960.42</u>					
Ending Members' Equity					<u>311,520.52</u>					

Wailea Fairway Villas Association
Statement of Cash Flows - Tax Basis
For the 1 Month and 1 Month Ended January 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (Loss)	\$	3,560.10	\$	3,560.10
Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities:				
Depreciation		310.00		310.00
Decrease (Increase) in Operating Assets:				
Accounts Receivable		(5,869.81)		(5,869.81)
Prepays		4,398.08		4,398.08
Increase (Decrease) in Operating Liabilities:				
Accounts Payable		2,986.33		2,986.33
Accrued Liabilities		<u>(11,397.52)</u>		<u>(11,397.52)</u>
Total Adjustments		<u>(9,572.92)</u>		<u>(9,572.92)</u>
Net Cash Provided By (Used in) Operating Activities		<u>(6,012.82)</u>		<u>(6,012.82)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Net Cash Provided By (Used In) Financing Activities		<u>0.00</u>		<u>0.00</u>
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NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

(6,012.82) (6,012.82)

CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD

320,822.04 320,822.04

CASH AND CASH EQUIVALENTS AT END OF PERIOD

\$ 314,809.22 \$ 314,809.22