



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 Four Months Ended

April 30, 2021

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I have prepared the accompanying Balance Sheet – Tax Basis as of April 30, 2021, and the Income Statement and Changes in Members' Equity – Tax Basis and Statement of Cash Flows – Tax Basis for the One Month and Four Months 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
April 30, 2021 and 2020**

Assets

	2021	2020
CURRENT ASSETS		
Ckg - CIT *****1241	\$ 88,008.57	\$ 143,456.22
Ckg - CIT Debit Card ****4202	2,438.73	2,922.24
MMkt - CIT Savings *****2119	26,609.61	26,564.27
CDAR - CIT Savings *****8249 3/17/22	<u>203,490.35</u>	<u>200,000.00</u>
Subtotal - Cash	<u>320,547.26</u>	<u>372,942.73</u>
ACCOUNTS RECEIVABLES		
A/R - Owners Balances	10,225.37	2,415.90
A/R - Act 196 & Collection	29,284.24	29,189.60
Allowance for Bad Debts	(21,723.26)	(21,723.26)
A/R - Missing Credit Card Receipts	<u>298.70</u>	<u>79.14</u>
Subtotal - Accounts Receivable	<u>18,085.05</u>	<u>9,961.38</u>
OTHER CURRENT ASSETS		
Unexpired Insurance	6,583.11	62,479.57
NJF Clearing Account	<u>95,502.50</u>	<u>83,853.44</u>
Subtotal - Other Current Assets	<u>102,085.61</u>	<u>146,333.01</u>
TOTAL CURRENT ASSETS	<u>440,717.92</u>	<u>529,237.12</u>
CAPITAL RESERVE ACCOUNTS		
CIT Bank	2,193,925.05	1,110,976.63
MOO - Wealth Management	<u>0.00</u>	<u>850,000.00</u>
Subtotal - Capital Reserves	<u>2,193,925.05</u>	<u>1,960,976.63</u>
FIXED ASSETS		
Equipment - PV System	74,400.00	74,400.00
Less: Accumulated Depreciation	<u>(22,010.00)</u>	<u>(18,290.00)</u>
Subtotal - Fixed Assets	<u>52,390.00</u>	<u>56,110.00</u>
TOTAL OTHER ASSETS	<u>2,246,315.05</u>	<u>2,017,086.63</u>
TOTAL ASSETS	<u>\$ 2,687,032.97</u>	<u>\$ 2,546,323.75</u>

**Wailea Fairway Villas Association
Balance Sheet - Tax Basis
April 30, 2021 and 2020**

Liabilities and Fund Balances

	2021	2020
CURRENT LIABILITIES		
A/P - Trade	\$ 20,688.80	\$ 44,977.51
A/P Insur. Water Damage Claims	8,865.27	8,861.27
Owner Prepayments	58,415.11	49,308.78
A/P - NJF Units	95,502.50	83,853.44
A/P - Insurance	1,388.00	39,654.00
Accrued General Excise Tx	134.74	138.10
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
Unearned Income	0.00	30.00
	<hr/>	<hr/>
Subtotal - Current Liabilities	184,994.42	232,115.36
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TOTAL CURRENT LIABILITIES	184,994.42	232,115.36
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TOTAL LIABILITIES	184,994.42	232,115.36
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MEMBERS' EQUITY		
Unrestricted Members' Equity	308,113.50	353,231.76
Restricted Members' Equity	2,193,925.05	1,960,976.63
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Subtotal Members' Equity	2,502,038.55	2,314,208.39
	<hr/>	<hr/>
TOTAL MEMBERS' EQUITY	2,502,038.55	2,314,208.39
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TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 2,687,032.97	\$ 2,546,323.75
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Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 4 Months Ended April 30, 2021

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Revenues										
Membership Income										
405 - Maintenance Fees	75,989.82	75.4	75,990	(0)	306,051.03	73.9	303,960	2,091	911,880	605,829
406 - Capital Reserve	21,000.18	20.8	21,000	0	84,000.72	20.3	84,001	(0)	252,002	168,001
415 - Delinquent Owners Late Fee	40.20	0.0	0	40	1,186.80	0.3	0	1,187	0	(1,187)
416 - Delinquent Owners Interest	20.85	0.0	0	21	222.69	0.1	0	223	0	(223)
420 - Tenant Information Form	150.00	0.1	0	150	150.00	0.0	0	150	0	(150)
425 - House Rule Violations	350.00	0.3	0	350	3,150.00	0.8	0	3,150	0	(3,150)
Total Membership Income	<u>97,551.05</u>	<u>96.8</u>	<u>96,990</u>	<u>561</u>	<u>394,761.24</u>	<u>95.3</u>	<u>387,961</u>	<u>6,800</u>	<u>1,163,882</u>	<u>769,121</u>
Non-Membership Income										
430 - Interest Income	13.26	0.0	100	(87)	3,523.45	0.9	400	3,123	1,200	(2,323)
431 - Reserve Interest Income	460.09	0.5	800	(340)	10,296.28	2.5	3,200	7,096	9,600	(696)
440.80 - NJF Rental Income	2,700.00	2.7	2,500	200	5,150.00	1.2	10,000	(4,850)	30,000	24,850
441 - Kayak Rack Rental	0.00	0.0	108	(108)	525.00	0.1	433	92	1,300	775
499 - Other Income	20.00	0.0	0	20	60.00	0.0	0	60	0	(60)
Total Non-Membership Income	<u>3,193.35</u>	<u>3.2</u>	<u>3,508</u>	<u>(315)</u>	<u>19,554.73</u>	<u>4.7</u>	<u>14,033</u>	<u>5,522</u>	<u>42,100</u>	<u>22,545</u>
Total Revenues	<u>100,744.40</u>	<u>100.</u>	<u>100,498</u>	<u>246</u>	<u>414,315.97</u>	<u>100.</u>	<u>401,994</u>	<u>12,322</u>	<u>1,205,982</u>	<u>791,666</u>
Operating Expenses										
NJF Unit Expenses										
701.1 - NJF Unit Maint Fees	712.00	0.7	712	0	2,848.00	0.7	2,848	0	8,544	5,696
701.2 - NJF Unit - Rental Agent Fe	270.00	0.3	250	20	724.18	0.2	1,000	(276)	3,000	2,276
701.3 - NJF Repairs & Maint	250.11	0.2	133	117	801.05	0.2	533	268	1,600	799
701.4 - NJF GET Expense	108.00	0.1	89	19	289.67	0.1	354	(64)	1,062	772
Total NJF Unit Expenses	<u>1,340.11</u>	<u>1.3</u>	<u>1,184</u>	<u>156</u>	<u>4,662.90</u>	<u>1.1</u>	<u>4,735</u>	<u>(72)</u>	<u>14,206</u>	<u>9,543</u>
Administration Expenses										
625 - Bank Charges/Merchant	30.00	0.0	10	20	70.00	0.0	40	30	120	50
645 - Dues & Subscriptions	0.00	0.0	167	(167)	0.00	0.0	668	(668)	2,004	2,004
710 - Meetings *	990.10	1.0	275	715	1,716.74	0.4	1,100	617	3,300	1,583
715 - Office & Administration	467.49	0.5	500	(33)	1,510.00	0.4	2,000	(490)	6,000	4,490
715.1 - Office/Admin - Site Office *	223.30	0.2	200	23	506.84	0.1	800	(293)	2,400	1,893
720 - Operating Supplies *	906.24	0.9	167	739	1,011.93	0.2	667	345	2,000	988
910 - Depreciation	310.00	0.3	310	0	1,240.00	0.3	1,240	0	3,720	2,480
Total Administration Exp	<u>2,927.13</u>	<u>2.9</u>	<u>1,629</u>	<u>1,298</u>	<u>6,055.51</u>	<u>1.5</u>	<u>6,515</u>	<u>(459)</u>	<u>19,544</u>	<u>13,488</u>
Employee Costs										
610 - Auto *	199.36	0.2	83	116	314.16	0.1	333	(19)	1,000	686
648 - Education & Seminars	0.00	0.0	100	(100)	0.00	0.0	400	(400)	1,200	1,200
653 - Emp/Ben.-Medical *	1,440.31	1.4	1,178	262	4,811.53	1.2	4,713	99	14,139	9,327
780 - Salaries & Wages	11,384.13	11.3	11,573	(189)	45,640.39	11.0	46,293	(653)	138,880	93,240
801 - P/R Ins. - TDI & WC *	473.11	0.5	429	44	1,382.60	0.3	1,717	(334)	5,152	3,769
802 - Taxes - Payroll *	1,316.43	1.3	1,161	155	5,120.74	1.2	4,644	477	13,932	8,811
812 - Uniforms	0.00	0.0	17	(17)	0.00	0.0	67	(67)	200	200
Total Employee Costs	<u>14,813.34</u>	<u>14.7</u>	<u>14,541</u>	<u>272</u>	<u>57,269.42</u>	<u>13.8</u>	<u>58,167</u>	<u>(898)</u>	<u>174,503</u>	<u>117,234</u>

Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 4 Months Ended April 30, 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)	142.00	0.0	167	(25)	500	358
678 - Ins. Business Interruption	104.50	0.1	113	(9)	418.00	0.1	452	(34)	1,356	938
679 - Ins. - Dir./Officers	253.08	0.3	317	(64)	1,012.32	0.2	1,268	(256)	3,804	2,792
680 - Ins. - Package	4,538.25	4.5	4,902	(364)	18,153.00	4.4	19,608	(1,455)	58,824	40,671
683 - Ins. - CGL	358.00	0.4	363	(5)	1,432.00	0.3	1,452	(20)	4,356	2,924
684 - Ins. - Umbrella	<u>172.92</u>	<u>0.2</u>	<u>179</u>	<u>(6)</u>	<u>691.68</u>	<u>0.2</u>	<u>716</u>	<u>(24)</u>	<u>2,148</u>	<u>1,456</u>
Total Insurance Expenses	5,462.25	5.4	5,916	(454)	21,849.00	5.3	23,663	(1,814)	70,988	49,139
Professional Services										
705 - Management Fee	3,276.00	3.3	3,276	0	13,104.00	3.2	13,104	0	39,312	26,208
731 - Prof.Svc.- Audit	0.00	0.0	374	(374)	53.10	0.0	1,496	(1,443)	4,488	4,435
732 - Prof.Svc.- Legal *	724.28	0.7	417	307	2,045.34	0.5	1,667	378	5,000	2,955
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>329</u>	<u>(329)</u>	<u>988</u>	<u>988</u>
Total Professional Exp	4,000.28	4.0	4,149	(149)	15,202.44	3.7	16,596	(1,394)	49,788	34,586
Repairs & Maint Expenses										
746 - R/M - Buildings	630.38	0.6	833	(203)	5,420.97	1.3	3,333	2,088	10,000	4,579
750 - R/M - Equipment	0.00	0.0	250	(250)	0.00	0.0	1,000	(1,000)	3,000	3,000
752 - R/M - Fire Equip.	0.00	0.0	200	(200)	0.00	0.0	800	(800)	2,400	2,400
753 - R/M - Landscape Upgrades	0.00	0.0	125	(125)	67.71	0.0	500	(432)	1,500	1,432
754 - R/M - Grounds	16.67	0.0	167	(150)	(283.33)	(0.1)	667	(950)	2,000	2,283
755 - R/M - Grounds Contractor	21,160.00	21.0	21,160	0	84,640.00	20.4	84,640	0	253,920	169,280
756 - R/M - Irrigation *	887.18	0.9	800	87	1,018.43	0.2	3,200	(2,182)	9,600	8,582
760 - R/M - Pest Control *	1,618.74	1.6	555	1,064	1,618.74	0.4	2,219	(600)	6,658	5,039
762 - R/M - Pool, Spa, BBQ *	2,189.65	2.2	2,144	46	6,227.17	1.5	8,575	(2,348)	25,725	19,498
764 - R/M - Refuse Collection	1,397.60	1.4	1,551	(153)	5,590.40	1.3	6,203	(613)	18,610	13,020
764.1 - R/M - Recycling	733.84	0.7	808	(74)	2,935.36	0.7	3,231	(296)	9,694	6,759
767 - R/M - Security Contract *	<u>1,041.67</u>	<u>1.0</u>	<u>1,000</u>	<u>42</u>	<u>4,166.68</u>	<u>1.0</u>	<u>4,000</u>	<u>167</u>	<u>12,000</u>	<u>7,833</u>
Total Repairs & Maint Exp	29,675.73	29.5	29,593	83	111,402.13	26.9	118,368	(6,966)	355,107	243,705
Tax Expenses										
796 - Taxes - Gen. Excise	42.18	0.0	40	2	749.15	0.2	160	589	480	(269)
940 - Federal Income Taxes	0.00	0.0	1,000	(1,000)	0.00	0.0	4,000	(4,000)	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>583</u>	<u>(583)</u>	<u>1,750</u>	<u>1,750</u>
Total Tax Expenses	42.18	0.0	1,186	(1,144)	749.15	0.2	4,743	(3,994)	14,230	13,481
Utility Expense										
826 - Util. - Cable TV *	4,362.20	4.3	4,054	308	17,449.38	4.2	16,217	1,232	48,652	31,203
828 - Util. - Electric	1,427.52	1.4	1,583	(155)	9,066.42	2.2	6,333	2,733	19,000	9,934
830 - Util. - Gas	0.00	0.0	75	(75)	0.00	0.0	300	(300)	900	900
832 - Util. - Sewer *	5,385.50	5.3	4,945	441	18,947.32	4.6	19,780	(833)	59,340	40,393
834 - Util. - Telephone *	279.27	0.3	250	29	1,042.22	0.3	1,000	42	3,000	1,958
838 - Util. - Water *	<u>12,007.15</u>	<u>11.9</u>	<u>11,200</u>	<u>807</u>	<u>33,518.89</u>	<u>8.1</u>	<u>44,800</u>	<u>(11,281)</u>	<u>134,400</u>	<u>100,881</u>
Total Utility Expenses	23,461.64	23.3	22,107	1,355	80,024.23	19.3	88,430	(8,406)	265,292	185,268

Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 4 Months Ended April 30, 2021

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Reserves & Other Exp										
915 - Capital Reserves	21,000.18	20.8	21,000	0	84,000.72	20.3	84,001	(0)	252,002	168,001
916 - Reserves Interest	<u>460.09</u>	<u>0.5</u>	<u>800</u>	<u>(340)</u>	<u>10,296.28</u>	<u>2.5</u>	<u>3,200</u>	<u>7,096</u>	<u>9,600</u>	<u>(696)</u>
Total Reserve & Other Exp	<u>21,460.27</u>	<u>21.3</u>	<u>21,800</u>	<u>(340)</u>	<u>94,297.00</u>	<u>22.8</u>	<u>87,201</u>	<u>7,096</u>	<u>261,602</u>	<u>167,305</u>
Total Operating Expenses and Reserve Allocation	<u>103,182.93</u>	<u>102.</u>	<u>102,105</u>	<u>1,078</u>	<u>391,511.78</u>	<u>94.5</u>	<u>408,418</u>	<u>(16,906)</u>	<u>1,225,260</u>	<u>833,748</u>
Total Revenue Over Exp	<u>(2,438.53)</u>	<u>(2.4)</u>	<u>(1,607)</u>	<u>(832)</u>	<u>22,804.19</u>	<u>5.5</u>	<u>(6,424)</u>	<u>29,228</u>	<u>(19,278)</u>	<u>(42,082)</u>
Beginning Members' Equity					<u>285,309.31</u>					
Ending Members' Equity					<u>308,113.50</u>					

Wailea Fairway Villas Association
Statement of Cash Flows - Tax Basis
For the 1 Month and 4 Months Ended April 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (Loss)	\$ (2,438.53)	\$ 22,804.19
Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities:		
Depreciation	310.00	1,240.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	3,396.54	(9,947.94)
Prepays	412.69	13,061.81
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(120.10)	(20,569.39)
Accrued Liabilities	<u>(20,228.67)</u>	<u>(6,863.45)</u>
Total Adjustments	<u>(16,229.54)</u>	<u>(23,078.97)</u>
Net Cash Provided By (Used in) Operating Activities	<u>(18,668.07)</u>	<u>(274.78)</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	(18,668.07)	(274.78)
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CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>339,215.33</u>	<u>320,822.04</u>
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CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 320,547.26</u>	<u>\$ 320,547.26</u>
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