



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 Eleven Months Ended

November 30, 2021

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I have prepared the accompanying Balance Sheet – Tax Basis as of November 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 Eleven 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
November 30, 2021 and 2020

Assets

	2021	2020
CURRENT ASSETS		
Ckg - CIT *****1241	\$ 46,690.43	\$ 87,545.90
Ckg - CIT Debit Card ****4202	2,919.27	996.01
MMkt - CIT Savings *****2119	26,633.01	26,593.10
CDAR - CIT Savings *****8249 3/17/22	<u>203,490.35</u>	<u>200,000.00</u>
Subtotal - Cash	<u>279,733.06</u>	<u>315,135.01</u>
ACCOUNTS RECEIVABLES		
A/R - Owners Balances	179.17	1,859.19
A/R - Prior & Collection	29,574.18	29,255.08
Allowance for Bad Debts	(21,723.26)	(21,723.26)
A/R - Missing Credit Card Receipts	<u>47.11</u>	<u>1,092.30</u>
Subtotal - Accounts Receivable	<u>8,077.20</u>	<u>10,483.31</u>
OTHER CURRENT ASSETS		
Prepaid Federal Income Tax	9,900.00	0.00
Prepaid State Income Tax	1,800.00	0.00
Unexpired Insurance	29,612.99	27,973.01
NJF Clearing Account	<u>102,681.23</u>	<u>91,552.49</u>
Subtotal - Other Current Assets	<u>143,994.22</u>	<u>119,525.50</u>
TOTAL CURRENT ASSETS	<u>431,804.48</u>	<u>445,143.82</u>
CAPITAL RESERVE ACCOUNTS		
CIT Bank	2,290,216.43	1,690,383.35
MOO - Wealth Management	<u>0.00</u>	<u>400,000.00</u>
Subtotal - Capital Reserves	<u>2,290,216.43</u>	<u>2,090,383.35</u>
FIXED ASSETS		
Equipment - PV System	74,400.00	74,400.00
Less: Accumulated Depreciation	<u>(24,180.00)</u>	<u>(20,460.00)</u>
Subtotal - Fixed Assets	<u>50,220.00</u>	<u>53,940.00</u>
TOTAL OTHER ASSETS	<u>2,340,436.43</u>	<u>2,144,323.35</u>
TOTAL ASSETS	<u>\$ 2,772,240.91</u>	<u>\$ 2,589,467.17</u>

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

Liabilities and Fund Balances

	2021	2020
CURRENT LIABILITIES		
A/P - Trade	\$ 29,670.28	\$ 19,728.10
A/P Insur. Water Damage Claims	8,865.27	8,865.27
A/P - Other	209.29	0.00
Owner Prepayments	36,701.14	36,903.04
A/P - NJF Units	102,681.23	91,552.49
A/P - Insurance	14,849.00	8,812.00
Accrued General Excise Tx	<u>171.92</u>	<u>347.56</u>
Subtotal - Current Liabilities	<u>193,148.13</u>	<u>166,208.46</u>
TOTAL CURRENT LIABILITIES	<u>193,148.13</u>	<u>166,208.46</u>
TOTAL LIABILITIES	<u>193,148.13</u>	<u>166,208.46</u>
 MEMBERS' EQUITY		
Unrestricted Members' Equity	288,876.35	332,875.36
Restricted Members' Equity	<u>2,290,216.43</u>	<u>2,090,383.35</u>
Subtotal Members' Equity	<u>2,579,092.78</u>	<u>2,423,258.71</u>
TOTAL MEMBERS' EQUITY	<u>2,579,092.78</u>	<u>2,423,258.71</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u><u>\$ 2,772,240.91</u></u>	<u><u>\$ 2,589,467.17</u></u>

Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 11 Months Ended November 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	76.4	75,990	(0)	835,888.02	74.7	835,890	(2)	911,880	75,992
406 - Capital Reserve	21,000.18	21.1	21,000	0	231,001.98	20.6	231,002	(0)	252,002	21,000
415 - Delinquent Owners Late Fee	39.40	0.0	0	39	2,383.60	0.2	0	2,384	0	(2,384)
416 - Delinquent Owners Interest	1.77	0.0	0	2	750.02	0.1	0	750	0	(750)
420 - Tenant Information Form	0.00	0.0	0	0	300.00	0.0	0	300	0	(300)
425 - House Rule Violations	<u>1,500.00</u>	<u>1.5</u>	<u>0</u>	<u>1,500</u>	<u>6,600.00</u>	<u>0.6</u>	<u>0</u>	<u>6,600</u>	<u>0</u>	<u>(6,600)</u>
Total Membership Income	98,531.17	99.1	96,990	1,541	1,076,923.62	96.3	1,066,892	10,032	1,163,882	86,958
Non-Membership Income										
430 - Interest Income	6.39	0.0	100	(94)	3,571.16	0.3	1,100	2,471	1,200	(2,371)
431 - Reserve Interest Income	868.10	0.9	800	68	15,479.80	1.4	8,800	6,680	9,600	(5,880)
440.80 - NJF Rental Income	0.00	0.0	2,500	(2,500)	21,461.75	1.9	27,500	(6,038)	30,000	8,538
441 - Kayak Rack Rental	0.00	0.0	108	(108)	1,005.00	0.1	1,192	(187)	1,300	295
499 - Other Income	<u>30.00</u>	<u>0.0</u>	<u>0</u>	<u>30</u>	<u>225.00</u>	<u>0.0</u>	<u>0</u>	<u>225</u>	<u>0</u>	<u>(225)</u>
Total Non-Membership Income	904.49	0.9	3,508	(2,604)	41,742.71	3.7	38,592	3,151	42,100	357
Total Revenues	<u>99,435.66</u>	<u>100.</u>	<u>100,498</u>	<u>(1,062)</u>	<u>1,118,666.33</u>	<u>100.</u>	<u>1,105,484</u>	<u>13,182</u>	<u>1,205,982</u>	<u>87,316</u>
Operating Expenses										
NJF Unit Expenses										
701.1 - NJF Unit Maint Fees	712.00	0.7	712	0	7,832.00	0.7	7,832	0	8,544	712
701.2 - NJF Unit - Rental Agent Fe	0.00	0.0	250	(250)	2,101.18	0.2	2,750	(649)	3,000	899
701.3 - NJF Repairs & Maint	0.00	0.0	133	(133)	957.78	0.1	1,467	(509)	1,600	642
701.4 - NJF GET Expense	<u>0.00</u>	<u>0.0</u>	<u>89</u>	<u>(89)</u>	<u>858.47</u>	<u>0.1</u>	<u>974</u>	<u>(116)</u>	<u>1,062</u>	<u>204</u>
Total NJF Unit Expenses	712.00	0.7	1,184	(472)	11,749.43	1.1	13,023	(1,274)	14,206	2,457
Adminstration Expenses										
625 - Bank Charges/Merchant	0.00	0.0	10	(10)	110.00	0.0	110	0	120	10
645 - Dues & Subscriptions	0.00	0.0	167	(167)	1,798.63	0.2	1,837	(38)	2,004	205
710 - Meetings	253.90	0.3	275	(21)	2,871.58	0.3	3,025	(153)	3,300	428
715 - Office & Administration *	739.70	0.7	500	240	4,798.71	0.4	5,500	(701)	6,000	1,201
715.1 - Office/Admin - Site Office *	202.07	0.2	200	2	1,529.06	0.1	2,200	(671)	2,400	871
720 - Operating Supplies	0.00	0.0	167	(167)	1,011.93	0.1	1,833	(821)	2,000	988
910 - Depreciation	<u>310.00</u>	<u>0.3</u>	<u>310</u>	<u>0</u>	<u>3,410.00</u>	<u>0.3</u>	<u>3,410</u>	<u>0</u>	<u>3,720</u>	<u>310</u>
Total Administration Exp	1,505.67	1.5	1,629	(123)	15,529.91	1.4	17,915	(2,385)	19,544	4,014
Employee Costs										
610 - Auto	0.00	0.0	83	(83)	930.72	0.1	917	14	1,000	69
648 - Education & Seminars	0.00	0.0	100	(100)	0.00	0.0	1,100	(1,100)	1,200	1,200
651 - Emp/Ben.-Bonuses	0.00	0.0	0	0	500.00	0.0	0	500	0	(500)
653 - Emp/Ben.-Medical	1,166.00	1.2	1,178	(12)	13,002.57	1.2	12,961	42	14,139	1,136
780 - Salaries & Wages	11,928.00	12.0	11,573	355	127,659.30	11.4	127,307	352	138,880	11,221
801 - P/R Ins. - TDI & WC	289.33	0.3	429	(140)	3,699.23	0.3	4,723	(1,024)	5,152	1,453
802 - Taxes - Payroll	1,063.49	1.1	1,161	(98)	13,061.70	1.2	12,771	291	13,932	870
812 - Uniforms	<u>0.00</u>	<u>0.0</u>	<u>17</u>	<u>(17)</u>	<u>27.06</u>	<u>0.0</u>	<u>183</u>	<u>(156)</u>	<u>200</u>	<u>173</u>
Total Employee Costs	14,446.82	14.5	14,541	(94)	158,880.58	14.2	159,962	(1,081)	174,503	15,622

Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 11 Months Ended November 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)	390.50	0.0	458	(68)	500	110
678 - Ins. Business Interruption	106.50	0.1	113	(7)	1,163.50	0.1	1,243	(80)	1,356	193
679 - Ins. - Dir./Officers	489.42	0.5	317	172	4,438.26	0.4	3,487	951	3,804	(634)
680 - Ins. - Package	4,627.83	4.7	4,902	(274)	50,547.81	4.5	53,922	(3,374)	58,824	8,276
683 - Ins. - CGL	358.00	0.4	363	(5)	3,938.00	0.4	3,993	(55)	4,356	418
684 - Ins. - Umbrella	<u>189.58</u>	<u>0.2</u>	<u>179</u>	<u>11</u>	<u>2,018.74</u>	<u>0.2</u>	<u>1,969</u>	<u>50</u>	<u>2,148</u>	<u>129</u>
Total Insurance Expenses	5,806.83	5.8	5,916	(109)	62,496.81	5.6	65,072	(2,575)	70,988	8,491
Professional Services										
705 - Management Fee	3,276.00	3.3	3,276	0	36,036.00	3.2	36,036	0	39,312	3,276
731 - Prof.Svc.- Audit	0.00	0.0	374	(374)	53.10	0.0	4,114	(4,061)	4,488	4,435
732 - Prof.Svc.- Legal	109.37	0.1	417	(308)	5,925.30	0.5	4,583	1,342	5,000	(925)
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>906</u>	<u>(906)</u>	<u>988</u>	<u>988</u>
Total Professional Exp	3,385.37	3.4	4,149	(764)	42,014.40	3.8	45,639	(3,625)	49,788	7,774
Repairs & Maint Expenses										
746 - R/M - Buildings *	1,234.56	1.2	833	402	16,179.24	1.4	9,167	7,012	10,000	(6,179)
750 - R/M - Equipment	0.00	0.0	250	(250)	2,025.75	0.2	2,750	(724)	3,000	974
752 - R/M - Fire Equip. *	359.37	0.4	200	159	2,326.49	0.2	2,200	126	2,400	74
753 - R/M - Landscape Upgrades	0.00	0.0	125	(125)	1,298.32	0.1	1,375	(77)	1,500	202
754 - R/M - Grounds *	301.89	0.3	167	135	822.58	0.1	1,833	(1,010)	2,000	1,177
755 - R/M - Grounds Contractor	21,160.00	21.3	21,160	0	232,760.00	20.8	232,760	0	253,920	21,160
756 - R/M - Irrigation	727.80	0.7	800	(72)	7,699.45	0.7	8,800	(1,101)	9,600	1,901
760 - R/M - Pest Control	0.00	0.0	555	(555)	4,814.56	0.4	6,103	(1,288)	6,658	1,843
762 - R/M - Pool, Spa, BBQ *	3,069.22	3.1	2,144	925	23,944.19	2.1	23,581	363	25,725	1,781
764 - R/M - Refuse Collection	1,467.47	1.5	1,551	(84)	15,730.95	1.4	17,059	(1,328)	18,610	2,879
764.1 - R/M - Recycling	770.53	0.8	808	(37)	8,255.69	0.7	8,886	(630)	9,694	1,438
767 - R/M - Security Contract *	<u>1,041.67</u>	<u>1.0</u>	<u>1,000</u>	<u>42</u>	<u>11,389.87</u>	<u>1.0</u>	<u>11,000</u>	<u>390</u>	<u>12,000</u>	<u>610</u>
Total Repairs & Maint Exp	30,132.51	30.3	29,593	540	327,247.09	29.3	325,514	1,733	355,107	27,860
Tax Expenses										
796 - Taxes - Gen. Excise	97.83	0.1	40	58	1,197.17	0.1	440	757	480	(717)
940 - Federal Income Taxes	0.00	0.0	1,000	(1,000)	0.00	0.0	11,000	(11,000)	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>1,604</u>	<u>(1,604)</u>	<u>1,750</u>	<u>1,750</u>
Total Tax Expenses	97.83	0.1	1,186	(1,088)	1,197.17	0.1	13,044	(11,847)	14,230	13,033
Utility Expense										
826 - Util. - Cable TV *	4,475.02	4.5	4,054	421	48,548.88	4.3	44,598	3,951	48,652	103
828 - Util. - Electric *	1,781.57	1.8	1,583	199	20,071.21	1.8	17,417	2,654	19,000	(1,071)
830 - Util. - Gas	46.87	0.0	75	(28)	398.65	0.0	825	(426)	900	501
832 - Util. - Sewer *	5,558.50	5.6	4,945	614	55,281.60	4.9	54,395	887	59,340	4,058
834 - Util. - Telephone	241.98	0.2	250	(8)	2,777.44	0.2	2,750	27	3,000	223
838 - Util. - Water *	<u>12,995.80</u>	<u>13.1</u>	<u>11,200</u>	<u>1,796</u>	<u>122,424.34</u>	<u>10.9</u>	<u>123,200</u>	<u>(776)</u>	<u>134,400</u>	<u>11,976</u>
Total Utility Expenses	25,099.74	25.2	22,107	2,993	249,502.12	22.3	243,185	6,317	265,292	15,790

Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 11 Months Ended November 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	21.1	21,000	0	231,001.98	20.6	231,002	(0)	252,002	21,000
916 - Reserves Interest	<u>868.10</u>	<u>0.9</u>	<u>800</u>	<u>68</u>	<u>15,479.80</u>	<u>1.4</u>	<u>8,800</u>	<u>6,680</u>	<u>9,600</u>	<u>(5,880)</u>
Total Reserve & Other Exp	<u>21,868.28</u>	<u>22.0</u>	<u>21,800</u>	<u>68</u>	<u>246,481.78</u>	<u>22.0</u>	<u>239,802</u>	<u>6,680</u>	<u>261,602</u>	<u>15,120</u>
Total Operating Expenses and										
Reserve Allocation	<u>103,055.05</u>	<u>103.</u>	<u>102,105</u>	<u>950</u>	<u>1,115,099.29</u>	<u>99.7</u>	<u>1,123,156</u>	<u>(8,057)</u>	<u>1,225,260</u>	<u>110,161</u>
Total Revenue Over Exp	<u>(3,619.39)</u>	<u>(3.6)</u>	<u>(1,607)</u>	<u>(2,012)</u>	<u>3,567.04</u>	<u>0.3</u>	<u>(17,672)</u>	<u>21,239</u>	<u>(19,278)</u>	<u>(22,845)</u>
Beginning Members' Equity					<u>285,309.31</u>					
Ending Members' Equity					<u>288,876.35</u>					

Wailea Fairway Villas Association
Statement of Cash Flows - Tax Basis
For the 1 Month and 11 Months Ended November 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (Loss)	\$ (3,619.39)	\$ 3,567.04
Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities:		
Depreciation	310.00	3,410.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	11,076.23	59.91
Prepays	6,143.96	(28,846.80)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	1,314.77	(11,587.91)
Accrued Liabilities	(3,141.97)	(7,691.22)
Total Adjustments	<u>15,702.99</u>	<u>(44,656.02)</u>
Net Cash Provided By (Used in) Operating Activities	<u>12,083.60</u>	<u>(41,088.98)</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

12,083.60 (41,088.98)

CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD

267,649.46 320,822.04

CASH AND CASH EQUIVALENTS AT END OF PERIOD

\$ 279,733.06 \$ 279,733.06