



**DESTINATION MAUI** INC.  
Property Management

# Wailea Fairway Villas Association

(A 118-Unit Hawaii Condominium Association)

## Financial Statements and Supplementary Information

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For the One Month and One Month Ended

January 31, 2022

(Subject to 2021 Audit Adjustments)

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I have prepared the accompanying Balance Sheet – Tax Basis as of January 31, 2022, 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, 2022 and 2021**

**Assets**

	<b>2022</b>	<b>2021</b>
<b>CURRENT ASSETS</b>		
Ckg - CIT *****1241	\$ 64,329.44	\$ 85,292.99
Ckg - CIT Debit Card ****4202	2,537.25	2,916.35
MMkt - CIT Savings *****2119	26,639.79	26,599.88
CDAR - CIT Savings *****8249 3/17/22	<u>203,490.35</u>	<u>200,000.00</u>
<b>Subtotal - Cash</b>	<u>296,996.83</u>	<u>314,809.22</u>
<b>ACCOUNTS RECEIVABLES</b>		
A/R - Owners Balances	1,124.83	6,416.68
A/R - Prior & Collection	29,565.48	29,255.08
Allowance for Bad Debts	(21,723.26)	(21,723.26)
A/R - Missing Credit Card Receipts	<u>466.21</u>	<u>85.92</u>
<b>Subtotal - Accounts Receivable</b>	<u>9,433.26</u>	<u>14,034.42</u>
<b>OTHER CURRENT ASSETS</b>		
Prepaid Federal Income Tax	13,200.00	0.00
Prepaid State Income Tax	2,400.00	0.00
Unexpired Insurance	17,420.67	16,386.85
NJF Clearing Account	<u>101,213.23</u>	<u>94,362.49</u>
<b>Subtotal - Other Current Assets</b>	<u>134,233.90</u>	<u>110,749.34</u>
<b>TOTAL CURRENT ASSETS</b>	<u>440,663.99</u>	<u>439,592.98</u>
<b>CAPITAL RESERVE ACCOUNTS</b>		
CIT Bank	<u>2,325,045.20</u>	<u>2,132,395.57</u>
<b>Subtotal - Capital Reserves</b>	<u>2,325,045.20</u>	<u>2,132,395.57</u>
<b>FIXED ASSETS</b>		
Equipment - PV System	74,400.00	74,400.00
Less: Accumulated Depreciation	<u>(24,800.00)</u>	<u>(21,080.00)</u>
<b>Subtotal - Fixed Assets</b>	<u>49,600.00</u>	<u>53,320.00</u>
<b>TOTAL OTHER ASSETS</b>	<u>2,374,645.20</u>	<u>2,185,715.57</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 2,815,309.19</u></u>	<u><u>\$ 2,625,308.55</u></u>

**Wailea Fairway Villas Association  
Balance Sheet - Tax Basis  
January 31, 2022 and 2021**

**Liabilities and Fund Balances**

	<b>2022</b>	<b>2021</b>
<b>CURRENT LIABILITIES</b>		
A/P - Trade	\$ 32,564.69	\$ 36,635.41
A/P Insur. Water Damage Claims	8,865.27	8,865.27
A/P - Other	209.29	0.00
Owner Prepayments	61,292.55	41,372.48
A/P - NJF Units	101,213.23	94,362.49
A/P - Insurance	5,875.00	0.00
Accrued General Excise Tx	254.73	129.31
Accrued Federal Income Tax	0.00	12,892.00
Accrued State Income Tax	<u>0.00</u>	<u>2,150.00</u>
<b>Subtotal - Current Liabilities</b>	<u>210,274.76</u>	<u>196,406.96</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>210,274.76</u>	<u>196,406.96</u>
<b>TOTAL LIABILITIES</b>	<u>210,274.76</u>	<u>196,406.96</u>
 <b>MEMBERS' EQUITY</b>		
Unrestricted Members' Equity	279,989.23	296,506.02
Restricted Members' Equity	<u>2,325,045.20</u>	<u>2,132,395.57</u>
<b>Subtotal Members' Equity</b>	<u>2,605,034.43</u>	<u>2,428,901.59</u>
<b>TOTAL MEMBERS' EQUITY</b>	<u>2,605,034.43</u>	<u>2,428,901.59</u>
 <b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	 <u><u>\$ 2,815,309.19</u></u>	 <u><u>\$ 2,625,308.55</u></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, 2022**

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
<b>Revenues</b>										
<b>Membership Income</b>										
405 - Maintenance Fees	81,987.82	76.5	81,988	(0)	81,987.82	76.5	81,988	(0)	983,854	901,866
406 - Capital Reserve	21,000.18	19.6	21,000	0	21,000.18	19.6	21,000	0	252,002	231,002
415 - Delinquent Owners Late Fee	208.60	0.2	200	9	208.60	0.2	200	9	2,400	2,191
416 - Delinquent Owners Interest	7.09	0.0	17	(10)	7.09	0.0	17	(10)	204	197
417 - Key Fine	25.00	0.0	0	25	25.00	0.0	0	25	0	(25)
420 - Tenant Information Form	300.00	0.3	0	300	300.00	0.3	0	300	0	(300)
425 - House Rule Violations	0.00	0.0	208	(208)	0.00	0.0	208	(208)	2,500	2,500
<b>Total Membership Income</b>	<b>103,528.69</b>	<b>96.6</b>	<b>103,413</b>	<b>116</b>	<b>103,528.69</b>	<b>96.6</b>	<b>103,413</b>	<b>116</b>	<b>1,240,960</b>	<b>1,137,431</b>
<b>Non-Membership Income</b>										
430 - Interest Income	7.45	0.0	100	(93)	7.45	0.0	100	(93)	1,200	1,193
431 - Reserve Interest Income	2,376.73	2.2	937	1,440	2,376.73	2.2	937	1,440	11,240	8,863
441 - Kayak Rack Rental	1,230.00	1.1	180	1,050	1,230.00	1.1	180	1,050	2,160	930
<b>Total Non-Membership Income</b>	<b>3,614.18</b>	<b>3.4</b>	<b>1,217</b>	<b>2,397</b>	<b>3,614.18</b>	<b>3.4</b>	<b>1,217</b>	<b>2,397</b>	<b>14,600</b>	<b>10,986</b>
<b>Total Revenues</b>	<b>107,142.87</b>	<b>100.</b>	<b>104,630</b>	<b>2,513</b>	<b>107,142.87</b>	<b>100.</b>	<b>104,630</b>	<b>2,513</b>	<b>1,255,560</b>	<b>1,148,417</b>
<b>Operating Expenses</b>										
<b>NJF Unit Expenses</b>										
701.1 - NJF Unit Maint Fees	756.00	0.7	0	756	756.00	0.7	0	756	0	(756)
<b>Total NJF Unit Expenses</b>	<b>756.00</b>	<b>0.7</b>	<b>0</b>	<b>756</b>	<b>756.00</b>	<b>0.7</b>	<b>0</b>	<b>756</b>	<b>0</b>	<b>(756)</b>
<b>Administration Expenses</b>										
625 - Bank Charges/Merchant	0.00	0.0	10	(10)	0.00	0.0	10	(10)	120	120
645 - Dues & Subscriptions	0.00	0.0	27	(27)	0.00	0.0	27	(27)	319	319
710 - Meetings	227.61	0.2	250	(22)	227.61	0.2	250	(22)	3,000	2,772
715 - Office & Administration *	901.64	0.8	500	402	901.64	0.8	500	402	6,000	5,098
715.1 - Office/Admin - Site Office	22.33	0.0	150	(128)	22.33	0.0	150	(128)	1,800	1,778
715.2 - Office & Admin - Misc	0.00	0.0	50	(50)	0.00	0.0	50	(50)	600	600
715.3 - Office/Rec Area WiFi *	209.81	0.2	120	90	209.81	0.2	120	90	1,440	1,230
720 - Operating Supplies	0.00	0.0	167	(167)	0.00	0.0	167	(167)	2,000	2,000
910 - Depreciation	310.00	0.3	310	0	310.00	0.3	310	0	3,720	3,410
<b>Total Administration Exp</b>	<b>1,671.39</b>	<b>1.6</b>	<b>1,584</b>	<b>87</b>	<b>1,671.39</b>	<b>1.6</b>	<b>1,584</b>	<b>87</b>	<b>18,999</b>	<b>17,328</b>
<b>Employee Costs</b>										
610 - Auto	59.67	0.1	100	(40)	59.67	0.1	100	(40)	1,200	1,140
648 - Education & Seminars	0.00	0.0	50	(50)	0.00	0.0	50	(50)	600	600
653 - Emp/Ben.-Medical	1,166.00	1.1	1,259	(93)	1,166.00	1.1	1,259	(93)	15,104	13,938
780 - Salaries & Wages	12,139.50	11.3	12,208	(69)	12,139.50	11.3	12,208	(69)	146,500	134,361
801 - P/R Ins. - TDI & WC	289.33	0.3	420	(131)	289.33	0.3	420	(131)	5,040	4,751
802 - Taxes - Payroll *	1,411.37	1.3	1,210	201	1,411.37	1.3	1,210	201	14,520	13,109
812 - Uniforms	0.00	0.0	17	(17)	0.00	0.0	17	(17)	200	200
<b>Total Employee Costs</b>	<b>15,065.87</b>	<b>14.1</b>	<b>15,264</b>	<b>(198)</b>	<b>15,065.87</b>	<b>14.1</b>	<b>15,264</b>	<b>(198)</b>	<b>183,164</b>	<b>168,098</b>
<b>Insurance Expense</b>										
677 - Ins. - Bond	35.50	0.0	37	(2)	35.50	0.0	37	(2)	442	407
678 - Ins. Business Interruption	106.50	0.1	111	(5)	106.50	0.1	111	(5)	1,326	1,220

**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, 2022**

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
679 - Ins. - Dir./Officers	489.42	0.5	653	(164)	489.42	0.5	653	(164)	7,831	7,342
680 - Ins. - Package	4,627.83	4.3	4,998	(370)	4,627.83	4.3	4,998	(370)	59,977	55,349
683 - Ins. - CGL	358.00	0.3	369	(11)	358.00	0.3	369	(11)	4,432	4,074
684 - Ins. - Umbrella	<u>189.58</u>	<u>0.2</u>	<u>209</u>	<u>(19)</u>	<u>189.58</u>	<u>0.2</u>	<u>209</u>	<u>(19)</u>	<u>2,503</u>	<u>2,313</u>
<b>Total Insurance Expenses</b>	<b>5,806.83</b>	<b>5.4</b>	<b>6,377</b>	<b>(570)</b>	<b>5,806.83</b>	<b>5.4</b>	<b>6,377</b>	<b>(570)</b>	<b>76,511</b>	<b>70,704</b>
<b>Professional Services</b>										
705 - Management Fee	3,328.00	3.1	3,328	0	3,328.00	3.1	3,328	0	39,936	36,608
731 - Prof.Svc.- Audit	0.00	0.0	386	(386)	0.00	0.0	386	(386)	4,631	4,631
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>
<b>Total Professional Exp</b>	<b>3,328.00</b>	<b>3.1</b>	<b>4,213</b>	<b>(885)</b>	<b>3,328.00</b>	<b>3.1</b>	<b>4,213</b>	<b>(885)</b>	<b>50,555</b>	<b>47,227</b>
<b>Repairs &amp; Maint Expenses</b>										
746 - R/M - Buildings	414.30	0.4	833	(419)	414.30	0.4	833	(419)	10,000	9,586
750 - R/M - Equipment	132.71	0.1	250	(117)	132.71	0.1	250	(117)	3,000	2,867
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	71.25	0.1	125	(54)	71.25	0.1	125	(54)	1,500	1,429
754 - R/M - Grounds *	117.91	0.1	83	35	117.91	0.1	83	35	1,000	882
755 - R/M - Grounds Contractor	21,840.00	20.4	21,840	0	21,840.00	20.4	21,840	0	262,080	240,240
756 - R/M - Irrigation *	2,020.74	1.9	800	1,221	2,020.74	1.9	800	1,221	9,600	7,579
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 *	2,732.37	2.6	2,215	517	2,732.37	2.6	2,215	517	26,577	23,845
764 - R/M - Refuse Collection	1,467.47	1.4	1,618	(151)	1,467.47	1.4	1,618	(151)	19,415	17,948
764.1 - R/M - Recycling	770.53	0.7	794	(23)	770.53	0.7	794	(23)	9,524	8,753
767 - R/M - Security Contract	<u>1,041.67</u>	<u>1.0</u>	<u>1,146</u>	<u>(104)</u>	<u>1,041.67</u>	<u>1.0</u>	<u>1,146</u>	<u>(104)</u>	<u>13,750</u>	<u>12,708</u>
<b>Total Repairs &amp; Maint Exp</b>	<b>30,608.95</b>	<b>28.6</b>	<b>30,459</b>	<b>150</b>	<b>30,608.95</b>	<b>28.6</b>	<b>30,459</b>	<b>150</b>	<b>365,504</b>	<b>334,895</b>
<b>Tax Expenses</b>										
796 - Taxes - Gen. Excise	254.73	0.2	66	189	254.73	0.2	66	189	788	533
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>
<b>Total Tax Expenses</b>	<b>254.73</b>	<b>0.2</b>	<b>1,212</b>	<b>(957)</b>	<b>254.73</b>	<b>0.2</b>	<b>1,212</b>	<b>(957)</b>	<b>14,538</b>	<b>14,283</b>
<b>Utility Expense</b>										
826 - Util. - Cable TV	4,743.49	4.4	4,744	(1)	4,743.49	4.4	4,744	(1)	56,922	52,179
828 - Util. - Electric *	2,234.06	2.1	1,906	328	2,234.06	2.1	1,906	328	22,876	20,642
830 - Util. - Gas	0.00	0.0	75	(75)	0.00	0.0	75	(75)	900	900
832 - Util. - Sewer *	5,756.50	5.4	5,170	587	5,756.50	5.4	5,170	587	62,034	56,278
834 - Util. - Telephone	190.94	0.2	250	(59)	190.94	0.2	250	(59)	3,000	2,809
838 - Util. - Water	<u>9,245.95</u>	<u>8.6</u>	<u>11,443</u>	<u>(2,197)</u>	<u>9,245.95</u>	<u>8.6</u>	<u>11,443</u>	<u>(2,197)</u>	<u>137,317</u>	<u>128,071</u>
<b>Total Utility Expenses</b>	<b>22,170.94</b>	<b>20.7</b>	<b>23,588</b>	<b>(1,417)</b>	<b>22,170.94</b>	<b>20.7</b>	<b>23,588</b>	<b>(1,417)</b>	<b>283,049</b>	<b>260,878</b>
<b>Reserves &amp; Other Exp</b>										
915 - Capital Reserves	21,000.18	19.6	21,000	0	21,000.18	19.6	21,000	0	252,002	231,002
916 - Reserves Interest	<u>2,376.73</u>	<u>2.2</u>	<u>937</u>	<u>1,440</u>	<u>2,376.73</u>	<u>2.2</u>	<u>937</u>	<u>1,440</u>	<u>11,240</u>	<u>8,863</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, 2022**

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Total Reserve & Other Exp	<u>23,376.91</u>	<u>21.8</u>	<u>21,937</u>	<u>1,440</u>	<u>23,376.91</u>	<u>21.8</u>	<u>21,937</u>	<u>1,440</u>	<u>263,242</u>	<u>239,865</u>
Total Operating Expenses and Reserve Allocation	<u>103,039.62</u>	<u>96.2</u>	<u>104,634</u>	<u>(1,594)</u>	<u>103,039.62</u>	<u>96.2</u>	<u>104,634</u>	<u>(1,594)</u>	<u>1,255,562</u>	<u>1,152,522</u>
Total Revenue Over Exp	<u>4,103.25</u>	<u>3.8</u>	<u>(4)</u>	<u>4,107</u>	<u>4,103.25</u>	<u>3.8</u>	<u>(4)</u>	<u>4,107</u>	<u>(2)</u>	<u>(4,105)</u>
Beginning Members' Equity					<u>275,885.98</u>					
Ending Members' Equity					<u>279,989.23</u>					

**Wailea Fairway Villas Association**  
**Statement of Cash Flows - Tax Basis**  
**For the 1 Month and 1 Month Ended January 31, 2022**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Income (Loss)	\$	4,103.25	\$	4,103.25
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		838.41		838.41
Prepays		6,852.16		6,852.16
Increase (Decrease) in Operating Liabilities:				
Accounts Payable		(8,594.70)		(8,594.70)
Accrued Liabilities		(5,973.27)		(5,973.27)
Total Adjustments		<u>(6,567.40)</u>		<u>(6,567.40)</u>
<b>Net Cash Provided By (Used in) Operating Activities</b>		<u>(2,464.15)</u>		<u>(2,464.15)</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**

(2,464.15) (2,464.15)

**CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD**

299,460.98 299,460.98

**CASH AND CASH EQUIVALENTS AT END OF PERIOD**

\$ 296,996.83 \$ 296,996.83