



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, 2022

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I have prepared the accompanying Balance Sheet – Tax Basis as of April 30, 2022, 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, 2022 and 2021

Assets

	2022	2021
CURRENT ASSETS		
Ckg - CIT *****1241	\$ 78,936.84	\$ 88,008.57
Ckg - CIT Debit Card ****4202	578.53	2,438.73
MMkt - CIT Savings *****2119	231,393.93	26,609.61
CDAR - CIT Savings *****8249 3/17/22	<u>0.00</u>	<u>203,490.35</u>
Subtotal - Cash	<u>310,909.30</u>	<u>320,547.26</u>
ACCOUNTS RECEIVABLES		
A/R - Owners Balances	2,444.07	10,225.37
A/R - Prior & Collection	29,734.22	29,284.24
Allowance for Bad Debts	(21,723.26)	(21,723.26)
A/R - Missing Credit Card Receipts	<u>915.38</u>	<u>212.04</u>
Subtotal - Accounts Receivable	<u>11,370.41</u>	<u>17,998.39</u>
OTHER CURRENT ASSETS		
Prepaid Federal Income Tax	6,076.00	0.00
Prepaid State Income Tax	1,341.00	0.00
Unexpired Insurance	74,953.19	6,583.11
NJF Clearing Account	<u>98,945.23</u>	<u>95,502.50</u>
Subtotal - Other Current Assets	<u>181,315.42</u>	<u>102,085.61</u>
TOTAL CURRENT ASSETS	<u>503,595.13</u>	<u>440,631.26</u>
CAPITAL RESERVE ACCOUNTS		
CIT Bank	<u>2,319,557.54</u>	<u>2,193,925.05</u>
Subtotal - Capital Reserves	<u>2,319,557.54</u>	<u>2,193,925.05</u>
FIXED ASSETS		
Equipment - PV System	74,400.00	74,400.00
Less: Accumulated Depreciation	<u>(25,730.00)</u>	<u>(22,010.00)</u>
Subtotal - Fixed Assets	<u>48,670.00</u>	<u>52,390.00</u>
TOTAL OTHER ASSETS	<u>2,368,227.54</u>	<u>2,246,315.05</u>
TOTAL ASSETS	<u><u>\$ 2,871,822.67</u></u>	<u><u>\$ 2,686,946.31</u></u>

**Wailea Fairway Villas Association
Balance Sheet - Tax Basis
April 30, 2022 and 2021**

Liabilities and Fund Balances

	2022	2021
CURRENT LIABILITIES		
A/P - Trade	\$ 39,121.55	\$ 20,688.80
A/P Insur. Water Damage Claims	8,865.27	8,865.27
A/P - Other	209.29	0.00
Owner Prepayments	62,623.82	58,415.11
A/P - NJF Units	98,945.23	95,502.50
A/P - Insurance	64,410.00	1,388.00
Accrued General Excise Tx	<u>217.39</u>	<u>134.74</u>
Subtotal - Current Liabilities	<u>274,392.55</u>	<u>184,994.42</u>
TOTAL CURRENT LIABILITIES	<u>274,392.55</u>	<u>184,994.42</u>
TOTAL LIABILITIES	<u>274,392.55</u>	<u>184,994.42</u>
 MEMBERS' EQUITY		
Unrestricted Members' Equity	277,872.58	308,026.84
Restricted Members' Equity	<u>2,319,557.54</u>	<u>2,193,925.05</u>
Subtotal Members' Equity	<u>2,597,430.12</u>	<u>2,501,951.89</u>
TOTAL MEMBERS' EQUITY	<u>2,597,430.12</u>	<u>2,501,951.89</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u><u>\$ 2,871,822.67</u></u>	<u><u>\$ 2,686,946.31</u></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, 2022

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Revenues										
Membership Income										
405 - Maintenance Fees	81,987.82	77.2	81,988	(0)	327,951.28	77.8	327,951	0	983,854	655,903
406 - Capital Reserve	21,000.18	19.8	21,000	0	84,000.72	19.9	84,001	(0)	252,002	168,001
415 - Delinquent Owners Late Fee	391.46	0.4	200	191	829.66	0.2	800	30	2,400	1,570
416 - Delinquent Owners Interest	8.29	0.0	17	(9)	49.21	0.0	68	(19)	204	155
417 - Key Fine	0.00	0.0	0	0	25.00	0.0	0	25	0	(25)
420 - Tenant Information Form	0.00	0.0	0	0	300.00	0.1	0	300	0	(300)
425 - House Rule Violations	<u>250.00</u>	<u>0.2</u>	<u>208</u>	<u>42</u>	<u>500.00</u>	<u>0.1</u>	<u>833</u>	<u>(333)</u>	<u>2,500</u>	<u>2,000</u>
Total Membership Income	103,637.75	97.6	103,413	225	413,655.87	98.1	413,653	3	1,240,960	827,304
Non-Membership Income										
430 - Interest Income	31.79	0.0	100	(68)	1,183.24	0.3	400	783	1,200	17
431 - Reserve Interest Income	2,499.61	2.4	937	1,563	5,197.22	1.2	3,747	1,450	11,240	6,043
441 - Kayak Rack Rental	0.00	0.0	180	(180)	1,185.00	0.3	720	465	2,160	975
450 - Rental Income	0.00	0.0	0	0	200.00	0.0	0	200	0	(200)
499 - Other Income	<u>40.00</u>	<u>0.0</u>	<u>0</u>	<u>40</u>	<u>60.00</u>	<u>0.0</u>	<u>0</u>	<u>60</u>	<u>0</u>	<u>(60)</u>
Total Non-Membership Income	2,571.40	2.4	1,217	1,354	7,825.46	1.9	4,867	2,958	14,600	6,775
Total Revenues	<u>106,209.15</u>	<u>100.</u>	<u>104,630</u>	<u>1,579</u>	<u>421,481.33</u>	<u>100.</u>	<u>418,520</u>	<u>2,961</u>	<u>1,255,560</u>	<u>834,079</u>
Operating Expenses										
NJF Unit Expenses										
701.1 - NJF Unit Maint Fees *	756.00	0.7	0	756	3,024.00	0.7	0	3,024	0	(3,024)
701.3 - NJF Repairs & Maint	<u>0.00</u>	<u>0.0</u>	<u>0</u>	<u>0</u>	<u>(20.83)</u>	<u>0.0</u>	<u>0</u>	<u>(21)</u>	<u>0</u>	<u>21</u>
Total NJF Unit Expenses	756.00	0.7	0	756	3,003.17	0.7	0	3,003	0	(3,003)
Administration Expenses										
625 - Bank Charges/Merchant	10.00	0.0	10	0	10.00	0.0	40	(30)	120	110
645 - Dues & Subscriptions	0.00	0.0	27	(27)	0.00	0.0	106	(106)	319	319
710 - Meetings	33.32	0.0	250	(217)	614.16	0.1	1,000	(386)	3,000	2,386
715 - Office & Administration *	866.58	0.8	500	367	1,912.58	0.5	2,000	(87)	6,000	4,087
715.1 - Office/Admin - Site Office *	507.86	0.5	150	358	530.19	0.1	600	(70)	1,800	1,270
715.2 - Office & Admin - Misc	0.00	0.0	50	(50)	0.00	0.0	200	(200)	600	600
715.3 - Office/Rec Area WiFi	110.81	0.1	120	(9)	542.24	0.1	480	62	1,440	898
720 - Operating Supplies	67.87	0.1	167	(99)	111.14	0.0	667	(556)	2,000	1,889
910 - Depreciation	<u>310.00</u>	<u>0.3</u>	<u>310</u>	<u>0</u>	<u>1,240.00</u>	<u>0.3</u>	<u>1,240</u>	<u>0</u>	<u>3,720</u>	<u>2,480</u>
Total Administration Exp	1,906.44	1.8	1,584	322	4,960.31	1.2	6,333	(1,373)	18,999	14,039
Employee Costs										
610 - Auto *	128.61	0.1	100	29	238.01	0.1	400	(162)	1,200	962
648 - Education & Seminars *	75.00	0.1	50	25	173.84	0.0	200	(26)	600	426
653 - Emp/Ben.-Medical *	1,307.30	1.2	1,259	48	4,771.33	1.1	5,035	(264)	15,104	10,333
780 - Salaries & Wages	12,135.00	11.4	12,208	(73)	48,124.50	11.4	48,833	(709)	146,500	98,376
801 - P/R Ins. - TDI & WC	335.33	0.3	420	(85)	2,313.86	0.5	1,680	634	5,040	2,726
802 - Taxes - Payroll *	1,342.14	1.3	1,210	132	5,406.60	1.3	4,840	567	14,520	9,113
812 - Uniforms	<u>0.00</u>	<u>0.0</u>	<u>17</u>	<u>(17)</u>	<u>0.00</u>	<u>0.0</u>	<u>67</u>	<u>(67)</u>	<u>200</u>	<u>200</u>
Total Employee Costs	15,323.38	14.4	15,264	59	61,028.14	14.5	61,055	(27)	183,164	122,136

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, 2022

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Insurance Expense										
677 - Ins. - Bond	35.50	0.0	37	(2)	164.78	0.0	147	18	442	277
678 - Ins. Business Interruption	106.50	0.1	111	(5)	426.00	0.1	442	(16)	1,326	900
679 - Ins. - Dir./Officers	489.42	0.5	653	(164)	1,957.68	0.5	2,610	(652)	7,831	5,873
680 - Ins. - Package	4,627.83	4.4	4,998	(370)	18,511.32	4.4	19,992	(1,481)	59,977	41,466
683 - Ins. - CGL	358.00	0.3	369	(11)	1,432.00	0.3	1,477	(45)	4,432	3,000
684 - Ins. - Umbrella	<u>189.58</u>	<u>0.2</u>	<u>209</u>	<u>(19)</u>	<u>758.32</u>	<u>0.2</u>	<u>834</u>	<u>(76)</u>	<u>2,503</u>	<u>1,745</u>
Total Insurance Expenses	5,806.83	5.5	6,377	(570)	23,250.10	5.5	25,502	(2,252)	76,511	53,261
Professional Services										
705 - Management Fee	3,328.00	3.1	3,328	0	13,312.00	3.2	13,312	0	39,936	26,624
731 - Prof.Svc.- Audit	0.00	0.0	386	(386)	43.25	0.0	1,544	(1,501)	4,631	4,588
732 - Prof.Svc.- Legal	0.00	0.0	417	(417)	0.00	0.0	1,667	(1,667)	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>329</u>	<u>(329)</u>	<u>988</u>	<u>988</u>
Total Professional Exp	3,328.00	3.1	4,213	(885)	13,355.25	3.2	16,852	(3,497)	50,555	37,200
Repairs & Maint Expenses										
746 - R/M - Buildings	592.33	0.6	833	(241)	2,919.16	0.7	3,333	(414)	10,000	7,081
750 - R/M - Equipment	6.77	0.0	250	(243)	237.66	0.1	1,000	(762)	3,000	2,762
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	51.46	0.0	125	(74)	133.12	0.0	500	(367)	1,500	1,367
754 - R/M - Grounds *	226.87	0.2	83	144	466.75	0.1	333	134	1,000	533
755 - R/M - Grounds Contractor	21,840.00	20.6	21,840	0	87,360.00	20.7	87,360	0	262,080	174,720
756 - R/M - Irrigation *	1,134.73	1.1	800	335	3,415.89	0.8	3,200	216	9,600	6,184
760 - R/M - Pest Control	0.00	0.0	555	(555)	1,597.91	0.4	2,219	(621)	6,658	5,060
762 - R/M - Pool, Spa, BBQ *	4,649.02	4.4	2,215	2,434	13,555.11	3.2	8,859	4,696	26,577	13,022
764 - R/M - Refuse Collection	1,467.47	1.4	1,618	(151)	5,869.88	1.4	6,472	(602)	19,415	13,545
764.1 - R/M - Recycling	770.53	0.7	794	(23)	3,082.12	0.7	3,175	(93)	9,524	6,442
767 - R/M - Security Contract	<u>1,041.67</u>	<u>1.0</u>	<u>1,146</u>	<u>(104)</u>	<u>4,166.68</u>	<u>1.0</u>	<u>4,583</u>	<u>(416)</u>	<u>13,750</u>	<u>9,583</u>
Total Repairs & Maint Exp	31,780.85	29.9	30,459	1,322	122,804.28	29.1	121,834	970	365,504	242,700
Tax Expenses										
796 - Taxes - Gen. Excise	128.85	0.1	66	63	469.71	0.1	263	207	788	318
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	128.85	0.1	1,212	(1,083)	469.71	0.1	4,846	(4,376)	14,538	14,068
Utility Expense										
826 - Util. - Cable TV *	4,745.80	4.5	4,744	2	18,976.81	4.5	18,974	3	56,922	37,945
828 - Util. - Electric *	2,000.00	1.9	1,906	94	8,250.95	2.0	7,625	626	22,876	14,625
830 - Util. - Gas	0.00	0.0	75	(75)	128.17	0.0	300	(172)	900	772
832 - Util. - Sewer *	5,783.50	5.4	5,170	614	20,013.41	4.7	20,678	(665)	62,034	42,021
834 - Util. - Telephone	248.42	0.2	250	(2)	990.55	0.2	1,000	(9)	3,000	2,009
838 - Util. - Water *	<u>13,101.10</u>	<u>12.3</u>	<u>11,443</u>	<u>1,658</u>	<u>38,063.65</u>	<u>9.0</u>	<u>45,772</u>	<u>(7,708)</u>	<u>137,317</u>	<u>99,253</u>
Total Utility Expenses	25,878.82	24.4	23,588	2,291	86,423.54	20.5	94,349	(7,925)	283,049	196,625
Reserves & Other Exp										
915 - Capital Reserves	21,000.18	19.8	21,000	0	84,000.72	19.9	84,001	(0)	252,002	168,001

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, 2022

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
916 - Reserves Interest	<u>2,499.61</u>	<u>2.4</u>	<u>937</u>	<u>1,563</u>	<u>5,197.22</u>	<u>1.2</u>	<u>3,747</u>	<u>1,450</u>	<u>11,240</u>	<u>6,043</u>
Total Reserve & Other Exp	<u>23,499.79</u>	<u>22.1</u>	<u>21,937</u>	<u>1,563</u>	<u>89,197.94</u>	<u>21.2</u>	<u>87,748</u>	<u>1,450</u>	<u>263,242</u>	<u>174,044</u>
Total Operating Expenses and Reserve Allocation	<u>108,408.96</u>	<u>102.</u>	<u>104,634</u>	<u>3,775</u>	<u>404,492.44</u>	<u>96.0</u>	<u>418,519</u>	<u>(14,027)</u>	<u>1,255,562</u>	<u>851,070</u>
Total Revenue Over Exp	<u>(2,199.81)</u>	<u>(2.1)</u>	<u>(4)</u>	<u>(2,196)</u>	<u>16,988.89</u>	<u>4.0</u>	<u>1</u>	<u>16,988</u>	<u>(2)</u>	<u>(16,991)</u>
Beginning Members' Equity					<u>260,883.69</u>					
Ending Members' Equity					<u>277,872.58</u>					

**Wailea Fairway Villas Association
Statement of Cash Flows - Tax Basis
For the 1 Month and 4 Months Ended April 30, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (Loss)	\$ (2,199.81)	\$ 16,988.89
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	(348.14)	(1,098.74)
Prepays	(65,036.84)	(48,412.36)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	14,241.65	(8,857.13)
Accrued Liabilities	70,754.53	51,587.66
Total Adjustments	<u>19,921.20</u>	<u>(5,540.57)</u>
Net Cash Provided By (Used in) Operating Activities	<u>17,721.39</u>	<u>11,448.32</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

17,721.39	11,448.32
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CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD

<u>293,187.91</u>	<u>299,460.98</u>
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CASH AND CASH EQUIVALENTS AT END OF PERIOD

<u>\$ 310,909.30</u>	<u>\$ 310,909.30</u>
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