



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, 2023

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I have prepared the accompanying Balance Sheet – Tax Basis as of April 30, 2023, 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, 2023 and 2022

Assets

	2023	2022
CURRENT ASSETS		
Ckg - CIT *****1241	\$ 213,613.72	\$ 78,936.84
Ckg - CIT Debit Card ****4202	2,386.87	578.53
MMkt - CIT Savings *****2119	<u>132,203.59</u>	<u>231,393.93</u>
Subtotal - Cash	<u>348,204.18</u>	<u>310,909.30</u>
ACCOUNTS RECEIVABLES		
A/R - Owners Balances	11,834.41	2,444.07
A/R - Prior & Collection	0.00	29,734.22
Allowance for Bad Debts	0.00	(21,723.26)
A/R - Missing Credit Card Receipts	<u>0.00</u>	<u>915.38</u>
Subtotal - Accounts Receivable	<u>11,834.41</u>	<u>11,370.41</u>
OTHER CURRENT ASSETS		
Prepaid Federal Income Tax	4,982.00	6,076.00
Prepaid State Income Tax	1,176.00	1,341.00
Unexpired Insurance	86,679.22	74,953.19
NJF Clearing Account	<u>0.00</u>	<u>98,945.23</u>
Subtotal - Other Current Assets	<u>92,837.22</u>	<u>181,315.42</u>
TOTAL CURRENT ASSETS	<u>452,875.81</u>	<u>503,595.13</u>
CAPITAL RESERVE ACCOUNTS		
CIT Bank	1,481,640.95	2,319,557.54
Edward Jones	<u>604,175.16</u>	<u>0.00</u>
Subtotal - Capital Reserves	<u>2,085,816.11</u>	<u>2,319,557.54</u>
FIXED ASSETS		
Equipment - PV System	74,400.00	74,400.00
Less: Accumulated Depreciation	<u>(29,450.00)</u>	<u>(25,730.00)</u>
Subtotal - Fixed Assets	<u>44,950.00</u>	<u>48,670.00</u>
TOTAL OTHER ASSETS	<u>2,130,766.11</u>	<u>2,368,227.54</u>
TOTAL ASSETS	<u>\$ 2,583,641.92</u>	<u>\$ 2,871,822.67</u>

Wailea Fairway Villas Association
Balance Sheet - Tax Basis
April 30, 2023 and 2022

Liabilities and Fund Balances

	2023	2022
CURRENT LIABILITIES		
A/P - Trade	\$ 99,517.84	\$ 39,121.55
A/P Insur. Water Damage Claims	8,865.27	8,865.27
A/P - Other	0.00	209.29
Owner Prepayments	40,329.17	62,623.82
A/P - NJF Units	0.00	98,945.23
A/P - Insurance	45,174.00	64,410.00
Accrued General Excise Tx	<u>121.43</u>	<u>217.39</u>
Subtotal - Current Liabilities	<u>194,007.71</u>	<u>274,392.55</u>
TOTAL CURRENT LIABILITIES	<u>194,007.71</u>	<u>274,392.55</u>
TOTAL LIABILITIES	<u>194,007.71</u>	<u>274,392.55</u>
 MEMBERS' EQUITY		
Unrestricted Members' Equity	303,818.10	277,872.58
Restricted Members' Equity	<u>2,085,816.11</u>	<u>2,319,557.54</u>
Subtotal Members' Equity	<u>2,389,634.21</u>	<u>2,597,430.12</u>
TOTAL MEMBERS' EQUITY	<u>2,389,634.21</u>	<u>2,597,430.12</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u><u>\$ 2,583,641.92</u></u>	<u><u>\$ 2,871,822.67</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, 2023

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Revenues										
Membership Income										
405 - Maintenance Fees	89,277.46	77.3	89,277	0	357,109.84	74.2	357,110	(0)	1,071,330	714,220
406 - Capital Reserve	23,100.54	20.0	23,101	(0)	92,402.16	19.2	92,402	0	277,206	184,804
415 - Delinquent Owners Late Fee	419.85	0.4	150	270	1,130.64	0.2	600	531	1,800	669
416 - Delinquent Owners Interest	109.43	0.1	17	92	463.51	0.1	68	396	204	(260)
418 - Insurance Evidence Fine	0.00	0.0	0	0	300.00	0.1	0	300	0	(300)
425 - House Rule Violations	150.00	0.1	167	(17)	10,450.00	2.2	667	9,783	2,000	(8,450)
Total Membership Income	113,057.28	97.9	112,712	345	461,856.15	96.0	450,847	11,009	1,352,540	890,684
Non-Membership Income										
430 - Interest Income	47.68	0.0	208	(160)	185.59	0.0	833	(647)	2,500	2,314
431 - Reserve Interest Income	2,346.89	2.0	1,208	1,139	5,808.75	1.2	4,833	976	14,500	8,691
441 - Kayak Rack Rental	0.00	0.0	167	(167)	1,125.00	0.2	667	458	2,000	875
499 - Other Income	0.00	0.0	8	(8)	90.00	0.0	33	57	100	10
499.1 - Spectrum	0.00	0.0	1,000	(1,000)	12,100.00	2.5	4,000	8,100	12,000	(100)
Total Non-Membership Income	2,394.57	2.1	2,591	(196)	19,309.34	4.0	10,366	8,943	31,100	11,791
Total Revenues	115,451.85	100.	115,303	149	481,165.49	100.	461,213	19,952	1,383,640	902,475
Operating Expenses										
Administration Expenses										
625 - Bank Charges/Merchant Fee	0.00	0.0	10	(10)	0.00	0.0	40	(40)	120	120
645 - Dues & Subscriptions	0.00	0.0	167	(167)	0.00	0.0	667	(667)	2,000	2,000
710 - Meetings *	594.53	0.5	292	303	1,676.93	0.3	1,167	510	3,500	1,823
715 - Office & Administration	457.28	0.4	500	(43)	1,552.29	0.3	2,000	(448)	6,000	4,448
715.1 - Office/Admin - Site Office *	172.50	0.1	150	23	403.84	0.1	600	(196)	1,800	1,396
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	116.02	0.1	120	(4)	453.66	0.1	480	(26)	1,440	986
720 - Operating Supplies	0.00	0.0	250	(250)	818.59	0.2	1,000	(181)	3,000	2,181
910 - Depreciation	310.00	0.3	310	0	1,240.00	0.3	1,240	0	3,720	2,480
Total Administration Exp	1,650.33	1.4	1,849	(199)	6,145.31	1.3	7,394	(1,249)	22,180	16,035
Employee Costs										
610 - Auto	71.39	0.1	100	(29)	375.58	0.1	400	(24)	1,200	824
648 - Education & Seminars	0.00	0.0	50	(50)	0.00	0.0	200	(200)	600	600
653 - Emp/Ben.-Medical	1,202.68	1.0	1,285	(82)	4,952.02	1.0	5,138	(186)	15,415	10,463
780 - Salaries & Wages	13,401.66	11.6	13,180	222	52,362.44	10.9	52,720	(358)	158,160	105,798
801 - P/R Ins. - TDI & WC *	437.58	0.4	401	37	1,873.16	0.4	1,603	270	4,808	2,935
802 - Taxes - Payroll *	1,562.64	1.4	1,328	235	6,189.50	1.3	5,313	877	15,938	9,749
812 - Uniforms	0.00	0.0	17	(17)	40.86	0.0	67	(26)	200	159
Total Employee Costs	16,675.95	14.4	16,361	315	65,793.56	13.7	65,441	353	196,321	130,527
Insurance Expense										
677 - Ins. - Bond	44.17	0.0	50	(6)	176.68	0.0	200	(23)	600	423
678 - Ins. Business Interruption	0.00	0.0	167	(167)	0.00	0.0	667	(667)	2,000	2,000
679 - Ins. - Dir./Officers	7,730.50	6.7	1,249	6,482	9,526.00	2.0	4,994	4,532	14,982	5,456
680 - Ins. - Package	4,812.92	4.2	5,542	(729)	19,251.68	4.0	22,167	(2,915)	66,500	47,248
683 - Ins. - CGL	339.00	0.3	342	(3)	1,356.00	0.3	1,367	(11)	4,100	2,744
684 - Ins. - Umbrella	200.00	0.2	225	(25)	800.00	0.2	900	(100)	2,700	1,900
Total Insurance Expenses	13,126.59	11.4	7,575	5,552	31,110.36	6.5	30,295	815	90,882	59,772

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, 2023

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Professional Services										
705 - Management Fee	3,458.00	3.0	3,458	0	13,832.00	2.9	13,832	0	41,496	27,664
731 - Prof.Svc.- Audit	0.00	0.0	386	(386)	4.41	0.0	1,544	(1,540)	4,631	4,627
732 - Prof.Svc.- Legal	182.29	0.2	417	(235)	234.37	0.0	1,667	(1,433)	5,000	4,766
733 - Prof.Svc.- Reserve	0.00	0.0	417	(417)	0.00	0.0	1,667	(1,667)	5,000	5,000
734 - Prof.Svc.- Y/E Acctng.	0.00	0.0	82	(82)	0.00	0.0	329	(329)	988	988
Total Professional Exp	<u>3,640.29</u>	<u>3.2</u>	<u>4,760</u>	<u>(1,120)</u>	<u>14,070.78</u>	<u>2.9</u>	<u>19,039</u>	<u>(4,968)</u>	<u>57,115</u>	<u>43,044</u>
Repairs & Maint Expenses										
746 - R/M - Buildings	252.05	0.2	1,250	(998)	2,012.06	0.4	5,000	(2,988)	15,000	12,988
750 - R/M - Equipment	0.00	0.0	250	(250)	552.73	0.1	1,000	(447)	3,000	2,447
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)	822.91	0.2	500	323	1,500	677
754 - R/M - Grounds	0.00	0.0	83	(83)	266.61	0.1	333	(66)	1,000	733
755 - R/M - Grounds Contractor	23,800.00	20.6	23,893	(93)	95,200.00	19.8	95,572	(372)	286,716	191,516
756 - R/M - Irrigation *	736.41	0.6	667	69	987.45	0.2	2,667	(1,680)	8,000	7,013
760 - R/M - Pest Control *	1,597.91	1.4	583	1,015	3,195.82	0.7	2,330	866	6,991	3,795
762 - R/M - Pool, Spa, BBQ *	3,793.07	3.3	2,467	1,326	10,379.14	2.2	9,867	512	29,600	19,221
764 - R/M - Refuse Collection	1,540.84	1.3	1,656	(115)	6,163.36	1.3	6,625	(462)	19,874	13,711
764.1 - R/M - Recycling	770.53	0.7	857	(86)	3,082.12	0.6	3,428	(346)	10,283	7,201
767 - R/M - Security Contract *	1,532.30	1.3	1,354	178	5,238.55	1.1	5,417	(178)	16,250	11,011
Total Repairs & Maint Exp	<u>34,023.11</u>	<u>29.5</u>	<u>33,385</u>	<u>638</u>	<u>127,900.75</u>	<u>26.6</u>	<u>133,539</u>	<u>(5,638)</u>	<u>400,614</u>	<u>272,713</u>
Tax Expenses										
796 - Taxes - Gen. Excise *	605.47	0.5	110	495	1,264.64	0.3	441	824	1,324	59
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	0.00	0.0	146	(146)	0.00	0.0	583	(583)	1,750	1,750
Total Tax Expenses	<u>605.47</u>	<u>0.5</u>	<u>1,256</u>	<u>(651)</u>	<u>1,264.64</u>	<u>0.3</u>	<u>5,024</u>	<u>(3,759)</u>	<u>15,074</u>	<u>13,809</u>
Utility Expense										
826 - Util. - Cable TV	6,035.70	5.2	6,311	(275)	18,456.09	3.8	25,244	(6,788)	75,732	57,276
828 - Util. - Electric	1,887.12	1.6	2,211	(324)	9,619.28	2.0	8,844	775	26,533	16,914
830 - Util. - Gas *	137.27	0.1	50	87	296.38	0.1	200	96	600	304
832 - Util. - Sewer *	6,001.50	5.2	5,482	520	20,763.00	4.3	21,929	(1,166)	65,787	45,024
834 - Util. - Telephone *	265.26	0.2	250	15	1,093.92	0.2	1,000	94	3,000	1,906
838 - Util. - Water	11,451.40	9.9	12,147	(696)	32,220.86	6.7	48,588	(16,367)	145,763	113,542
Total Utility Expenses	<u>25,778.25</u>	<u>22.3</u>	<u>26,451</u>	<u>(673)</u>	<u>82,449.53</u>	<u>17.1</u>	<u>105,805</u>	<u>(23,355)</u>	<u>317,415</u>	<u>234,965</u>
Reserves & Other Exp										
915 - Capital Reserves	23,100.54	20.0	23,101	(0)	92,402.16	19.2	92,402	0	277,206	184,804
916 - Reserves Interest	2,346.89	2.0	1,208	1,139	5,808.75	1.2	4,833	976	14,500	8,691
Total Reserve & Other Exp	<u>25,447.43</u>	<u>22.0</u>	<u>24,309</u>	<u>1,138</u>	<u>98,210.91</u>	<u>20.4</u>	<u>97,235</u>	<u>976</u>	<u>291,706</u>	<u>193,495</u>
Total Operating Expenses and Reserve Allocation										
Total Revenue Over Exp	<u>(5,495.57)</u>	<u>(4.8)</u>	<u>(643)</u>	<u>(4,853)</u>	<u>54,219.65</u>	<u>11.3</u>	<u>(2,559)</u>	<u>56,779</u>	<u>(7,667)</u>	<u>(61,887)</u>
Beginning Members' Equity					<u>249,598.45</u>					
Ending Members' Equity					<u><u>303,818.10</u></u>					

Wailea Fairway Villas Association
Statement of Cash Flows - Tax Basis
For the 1 Month and 4 Months Ended April 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (Loss)	\$ (5,495.57)	\$ 54,219.65
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	(1,101.48)	(4,257.79)
Prepays	(76,308.83)	(62,365.39)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	77,747.37	53,440.35
Accrued Liabilities	26,418.56	21,696.39
Total Adjustments	<u>27,065.62</u>	<u>9,753.56</u>
Net Cash Provided By (Used in) Operating Activities	<u>21,570.05</u>	<u>63,973.21</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

21,570.05 63,973.21

CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD

326,634.13 284,230.97

CASH AND CASH EQUIVALENTS AT END OF PERIOD

\$ 348,204.18 \$ 348,204.18