ARBOR GREENE OF NEW TAMPA HOMEOWNERS ASSOCIATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2024

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HOMEOWNERS ASSOCIATION, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Arbor Greene of New Tampa Homeowners Association, Inc.

Opinion

We have audited the accompanying financial statements of Arbor Greene of New Tampa Homeowners Association, Inc., which comprise the balance sheet as of December 31, 2024, and the related statements of revenues, expenses, and changes in fund balances and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Arbor Greene Of New Tampa Homeowners Association, Inc. as of December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Arbor Greene Of New Tampa Homeowners Association, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Arbor Greene of New Tampa Homeowners Association, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that area appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Arbor Greene of New Tampa Homeowners Association, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Arbor Greene of New Tampa Homeowners Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary schedule of revenues and expenses - budget and actual is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Omission of Required Supplementary Information about Future Repairs and Replacements

Management has omitted the information about the estimates of future costs of major repairs and replacements that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Marsocci, Appleby & Company P.A.

Marsocci, Appleby and Company, P. A.
Tampa, Florida
April 14, 2025

ARBOR GREENE OF NEW TAMPA HOMEOWNERS ASSOCIATION, INC.
BALANCE SHEET
DECEMBER 31, 2024

	Operating Fund	Replacement Fund	Total
ASSETS			
Cash and cash equivalents	$ 167,814	$ -	$ 167,814
Assessments receivable, net	10,513	-	10,513
Prepaid expenses and other assets	3,327	-	3,327
TOTAL ASSETS	$ 181,654	$ -	$ 181,654
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts payable and accrued expenses	$ -	$ -	$ -
Prepaid assessments	37,633	-	37,633
Contract liabilities (assessments received in advance - replacement fund)	-	-	-
TOTAL LIABILITIES	37,633	-	37,633
Fund balances	144,021	-	144,021
TOTAL LIABILITIES AND FUND BALANCES	$ 181,654	$ -	$ 181,654

See independent auditors' report and notes to the financial statements.

ARBOR GREENE OF NEW TAMPA HOMEOWNERS ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Operating Fund	Replacement Fund	Total
REVENUE:			
Members' assessments	$ 136,950	$ -	$ 136,950
Interest income	1,048	-	1,048
Other income	35,318	-	35,318
TOTAL REVENUES	173,316	-	173,316
EXPENSES:			
Administrative expenses	122,811	-	122,811
Operating expenses	4,601	-	4,601
TOTAL EXPENSES	127,412	-	127,412
EXCESS OF REVENUES OVER EXPENSES	45,904	-	45,904
FUND BALANCES, beginning of year	98,117	-	98,117
FUND BALANCES, end of year	$ 144,021	$ -	$ 144,021

See independent auditors' report and notes to the financial statements.

ARBOR GREENE OF NEW TAMPA HOMEOWNERS ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Operating Fund	Replacement Fund	Total
CASH FLOWS FROM OPERATIONS:			
Excess of revenues over expenses	$ 45,904	$ -	$ 45,904
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:			
Changes in operating assets and liabilities:			
Assessments receivable, net	(7,905)	-	(7,905)
Prepaid expenses and other assets	(146)	-	(146)
Accounts payable and accrued expenses	(624)	-	(624)
Prepaid assessments	(14,931)	-	(14,931)
Net cash provided by operating activities	22,298	-	22,298
NET INCREASE IN CASH AND CASH EQUIVALENTS	22,298	-	22,298
CASH AND CASH EQUIVALENTS, beginning of year	145,516	-	145,516
CASH AND CASH EQUIVALENTS, end of year	$ 167,814	$ -	$ 167,814

See independent auditors' report and notes to the financial statements.

NOTE A - NATURE OF ORGANIZATION:

Arbor Greene Of New Tampa Homeowners Association, Inc. (the 'Association') was incorporated in 2004 as a corporation, not-for-profit, under the terms and provisions of Florida Statutes. The Association, which operates under Florida Statute 720, is responsible for the operation and maintenance of the common property within the development. The development consists of 1,245 residential units located in Tampa, Florida.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting whereby all revenues are recorded when earned and all expenses recorded when incurred.

Fund Accounting

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

Operating Fund - This fund is used to account for financial resources available for the general operations of the Association.

Replacement Fund - This fund is used to accumulate financial resources designated for future major repair and replacements.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Association considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Income Taxes

Homeowners associations may be taxed either as homeowners associations or as regular corporations. For the year ended December 31, 2024, the Association elected to be taxed as a homeowners association. Under that election, the Association is taxed on its nonexempt function income, such as interest earnings. Exempt function income, which consists primarily of member assessments, is not taxable.

The Association has no uncertain tax positions that it has taken and believes that it can defend its tax return in any jurisdiction. With few exceptions, the Association is no longer subject to income tax examinations by the U.S. Federal, state or local tax authorities for years before 2021.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Fair Value of Financial Instruments

The Association estimates that the fair value of all financial instruments as of December 31, 2024, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet.

Interest Earned

The Association's policy is to allocate interest earned to the operating and replacement fund in proportion to the interest bearing deposits of each fund.

Assessments Receivable

The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are seriously delinquent. As of December 31, 2024, the Association had net assessments receivable of $10,513. It is the opinion of the Board that an allowance for doubtful accounts of $15,000 is needed at December 31, 2024 to cover anticipated losses from doubtful accounts.

NOTE C - CONCENTRATION OF CREDIT RISK:

The Association maintains deposits in a financial institution that at times may exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). The Association believes that there is no significant risk with respect to these deposits. The Association has not experienced any losses on its deposits with financial institutions.

NOTE D - MEMBERS' ASSESSMENTS:

Association members are subject to monthly assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. Member assessments are based upon their proportionate share of ownership. Any excess assessments at year end are retained by the Association for use in future years.

The Association's operating assessments are recognized as revenue over time on a daily pro rata basis. The replacement fund assessments are recognized as revenue when funds are expended for their designated purpose.

Annual assessments to owners was approximately $110 for 2024.

NOTE E - PROPERTY AND EQUIPMENT:

In conformity with industry practice, the Association's policy for recognizing common property as assets in its balance sheet is to recognize (a) common property and (b) real property to which it has title and that the Board can dispose of for cash while retaining the proceeds for the Association or that is used to generate significant cash flows from members on the basis of usage or from non-members.

Real and common property acquired by the original members from the developer is not recognized on the Association's financial statements because it is commonly owned by individual owners and its disposition is restricted by the Board.

NOTE F - CONTRACT LIABILITIES (ASSESSMENTS RECEIVED IN ADVANCE – REPLACEMENT FUND):

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (assessments received in advance-replacement fund) is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments. There were no contract liabilities (assessments received in advance-replacement fund) in the previous or current period

NOTE G - FUTURE MAJOR REPAIRS AND REPLACEMENTS:

The Association prepares an annual budget, which does not include reserve accounts for future major repairs, and replacements of Association common property. Such reserves must be fully funded unless properly waived or reduced. For the period ended December 31, 2024, the Association did not establish and fund for future major repairs and replacements.

THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE FOR RESERVE ACCOUNTS FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE THAT MAY RESULT IN SPECIAL ASSESSMENTS. OWNERS MAY ELECT TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(6), FLORIDA STATUTES, UPON OBTAINING THE APPROVAL OF A MAJORITY OF THE TOTAL VOTING INTERSTS OF THE ASSOCIATION BY VOTE OF THE MEMBERS AT A MEETING OR BY WRITTEN CONSENT.

NOTE H - SUBSEQUENT EVENTS:

Management has assessed subsequent events through April 14, 2025, the date on which the financial statements were available to be issued, for possible recognition or disclosure in the financial statements. There were no material subsequent events that require recognition or additional disclosure.

SUPPLEMENTARY INFORMATION

ARBOR GREENE OF NEW TAMPA HOMEOWNERS ASSOCIATION, INC.
SUPPLEMENTARY SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budget	Actual	(Under) Over Budget
REVENUE:			
Members' assessments	$ 136,951	$ 136,950	$ (1)
Interest income	-	1,048	1,048
Other income	-	35,318	35,318
TOTAL REVENUES	$ 136,951	$ 173,316	$ 36,365
ADMINISTRATIVE EXPENSES:			
Management fees	$ 52,570	$ 52,681	$ 111
Administrative expenses	30,315	31,382	1,067
Insurance	14,600	13,255	(1,345)
Legal	29,666	9,724	(19,942)
Accounting	2,000	1,950	(50)
Bad debt expense	-	13,819	13,819
TOTAL ADMINISTRATIVE EXPENSES	129,151	122,811	(6,340)
OPERATING EXPENSES:			
Repairs and maintenance	7,800	4,601	(3,199)
TOTAL OPERATING EXPENSES	7,800	4,601	(3,199)
TOTAL EXPENSES	$ 136,951	$ 127,412	$ (9,539)

See independent auditors' report.