

Tahitian Village Architectural Control Committee

Financial Statements

For the Year Ended December 31, 2024



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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors and Management
Tahitian Village Architectural Control Committee

We have reviewed the accompanying financial statements of Tahitian Village Architectural Control Committee (the "Organization"), which comprise the statement of assets, liabilities and retained earnings – modified cash basis as of December 31, 2024, and the related statement of revenues, expenses and retained earnings – modified cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Tahitian Village Architectural Control Committee and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

DK PARTNERS, PC

Austin, Texas
August 29, 2025

Financial Statements

TAHITIAN VILLAGE ARCHITECTURAL CONTROL COMMITTEE
STATEMENT OF ASSETS, LIABILITIES AND RETAINED EARNINGS - MODIFIED CASH BASIS
AS OF DECEMBER 31, 2024

ASSETS	2024
Current Assets	
Cash & Cash Equivalents	\$ 124,084
Investments	575,000
Prepaid Taxes	23,059
Total Current Assets	<u>722,143</u>
Property, Plant & Equipment	
Vehicles	10,627
Accumulated Depreciation	<u>(10,627)</u>
Total Property, Plant & Equipment	<u>-</u>
Total Assets	<u><u>\$ 722,143</u></u>
 LIABILITIES AND RETAINED EARNINGS	
Current Liabilities	
Security Deposits	\$ 76,300
Total Current Liabilities	<u>76,300</u>
Total Liabilities	<u>76,300</u>
Retained Earnings	<u>645,843</u>
Total Liabilities and Retained Earnings	<u><u>\$ 722,143</u></u>

See Accompanying Notes and Independent Accountants' Review Report

TAHITIAN VILLAGE ARCHITECTURAL CONTROL COMMITTEE
STATEMENT OF REVENUES, EXPENSES AND RETAINED EARNINGS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024
REVENUES	
Builder Permit Fees	\$ 112,650
Violation Fines	50,000
Interest Income	22,932
Forfeited Deposits	20,500
Other Income	180
Total Revenues	<u>\$ 206,262</u>
EXPENSES	
Personnel - Payroll & Payroll Taxes	\$ 51,707
Professional Fees	16,932
Donations	15,000
Scholarships	7,000
Insurance	4,743
Rent	3,600
Website	2,400
Supplies	2,247
Utilities	1,107
Postage & Delivery	725
Automobile Expense	419
Miscellaneous	3
Total Expenses	<u>\$ 105,883</u>
Net Income before Federal Income Tax	\$ 100,379
Provision for Federal Income Tax	<u>13,842</u>
Net Income	\$ 86,537
Retained Earnings - Beginning of Year	<u>559,306</u>
Retained Earnings - End of Year	<u><u>\$ 645,843</u></u>

See Accompanying Notes and Independent Accountants' Review Report

**Tahitian Village Architectural Control Committee
Notes to the Financial Statements
For the Year Ending December 31, 2024**

1. NATURE OF ORGANIZATION

The Tahitian Village Architectural Control Committee was created by the Property Owners Association on July 31, 1972. The purpose was to provide guidelines for contractors with respect to construction of new homes and/or additions or improvement to existing structures in order to maintain a uniform appearance of property in Tahitian Village. Tahitian Village has 2,390 property accounts in Bastrop County, Texas, of which 27 are considered commercial.

2. SUMMARY OF ACCOUNTING POLICIES:

Basis of Accounting

The policy of the Organization is to prepare its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America (GAAP). Relative to the Organization's financial statements, this basis of presentation differs from GAAP in that certain revenues are recognized when received rather than when earned and certain expenses and purchases of assets are recognized when cash is distributed rather than when the obligation is incurred.

Use of Estimates

The preparation of financial statements in conformity with modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the financial statements. Accordingly, actual results could differ from those estimates.

Property and Equipment

Property and equipment are recorded at cost or at estimated fair value at the date of gift. Costs of assets that have a life of more than one year are capitalized according to the policy of the Organization.

Depreciation is provided using the double declining balance method over the estimated useful lives of the assets generally as follows:

- Vehicles: 3 years

Cash and Cash Equivalents

The Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Investments

Investments are comprised of certificates of deposits with initial maturity dates of greater than 90 days.

Liquidity and Availability of Resources

As of December 31, 2024, the Organization's financial assets available within one year for general expenditure were \$722,143.

Risk Management

The Organization is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Organization maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Organization. There were no claims against this coverage in the current year.

Compensated Absences

Unused vacation leave (up to 40 hours) is carried over to the next year and is paid out upon termination.

**Tahitian Village Architectural Control Committee
Notes to the Financial Statements
For the Year Ending December 31, 2024**

Revenue and Revenue Recognition

Revenue from permit fee is recognized at a point in time when a builder submits an application to request permission to build in the Tahitian Village subdivision. Violation fine revenue and interest income is recognized at the time in which the fines and income are received.

Security Deposits

Security deposits are refundable deposits builders pay when they begin construction in the Tahitian Village subdivision. Contractors have 12 months to complete construction and complete other requirements outlined in a checklist provided to them by the Organization. If the contract does not complete the requirements to receive the deposit back within 3 months of completing construction the deposit is forfeited and becomes revenue. Security deposits liability at year-end is \$76,300, and there were \$20,500 of deposits forfeited during the year.

3. FEDERAL INCOME TAXES

The Organization was created as a result of a Tahitian Village Property Owner's Association deed restrictions. Under the provisions of the Internal Revenue Code, the Organization is a U.S. Corporation subject to federal tax laws. The Organization pays federal corporate income taxes on its taxable income. As of year-end, there were no interest and penalties related to unrecognized tax benefits.

4. FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Organization is not required to accumulate funds for future major repairs and no study has been made to estimate the remaining useful lives and costs of future repairs and replacements.

5. CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2024, the Organization's cash balances did not exceed FDIC Coverage.

6. PROPERTY AND EQUIPMENT

The following is a detailed activity of property and equipment:

	Balance as of 12/31/2023	Additions	Disposals	Balance as of 12/31/2024
Vehicles	\$ 10,627	\$ -	\$ -	\$ 10,627
Accumulated Depreciation	(10,627)	-	-	(10,627)
Property, Plant and Equipment, Net	\$ -	\$ -	\$ -	\$ -

7. EMPLOYEE BENEFITS

The Organization has no employees of its own, rather reimburses the Property Owners Association for a share of the cost of employees of the Association.

8. LEASE

The Organization has entered into a 12-month operating lease with Bastrop County Water Control and Improvement District No. 2, for its administrative offices for \$600 per month. Of that amount, the Tahitian Village Architectural Control Committee reimbursed the Association half of the rent cost each month. The lease is renewable annually for an additional 12 months. The same amount is expected for fiscal year 2025.

9. AGREEMENT-TAHITIAN VILLAGE PROPERTY OWNERS ASSOCIATION

The agreement between the Tahitian Village Property Owners Association and Architectural Control Committee requires the Architectural Control Committee to reimburse the Tahitian Village Property

**Tahitian Village Architectural Control Committee
Notes to the Financial Statements
For the Year Ending December 31, 2024**

Owners Association for a share of operational expenses. For the year ending December 31, 2024, that amounted to \$74,432. This cost was allocated primarily to personnel – payroll & payroll taxes, scholarships, insurance, rent, website, supplies, utilities, and other smaller expenses.

10. CONTINGENCY

There are no contingent liabilities or assets requiring disclosure as of August 29, 2025.

11. SUBSEQUENT EVENTS

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through August 29, 2025, the date the financial statements were available to be issued.

There are no subsequent events requiring disclosure as of August 29, 2025.