

# **Tahitian Village Property Owners Association**

## **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 Property Owners Association

We have reviewed the accompanying financial statements of Tahitian Village Property Owners Association (the "Association"), 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 Association 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 Property Owners Association 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 PROPERTY OWNERS ASSOCIATION**  
**STATEMENT OF ASSETS, LIABILITIES AND RETAINED EARNINGS - MODIFIED CASH BASIS**  
**AS OF DECEMBER 31, 2024**

<b>ASSETS</b>	<b>2024</b>
Current Assets	
Cash & Cash Equivalents	\$ 44,459
Investments	878,000
Total Current Assets	<u>922,459</u>
Property, Plant & Equipment	
Vehicles	8,627
Buildings & Improvements	6,426
Accumulated Depreciation	<u>(15,053)</u>
Total Property, Plant & Equipment	<u>-</u>
Total Assets	<u><u>\$ 922,459</u></u>
 <b>LIABILITIES AND RETAINED EARNINGS</b>	
Current Liabilities	
Payroll Liabilities	\$ 352
Total Current Liabilities	<u>352</u>
Total Liabilities	<u>352</u>
Retained Earnings	<u>922,107</u>
Total Liabilities and Retained Earnings	<u><u>\$ 922,459</u></u>

See Accompanying Notes and Independent Accountants' Review Report

**TAHITIAN VILLAGE PROPERTY OWNERS ASSOCIATION**  
**STATEMENT OF REVENUES, EXPENSES, AND RETAINED EARNINGS - MODIFIED CASH BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<b>2024</b>
<b>REVENUES</b>	
Transfer Fees	\$ 134,841
Interest Income	50,880
Special Events Income	2,176
Other Income	7,041
Total Revenues	<u>\$ 194,938</u>
<b>EXPENSES</b>	
Personnel - Payroll & Reimbursements	\$ 49,449
Donations	35,500
Special Events Fees	22,688
Professional Fees	13,392
Scholarships	7,000
Payroll Taxes	6,986
Insurance	4,744
Supplies	3,640
Rent	3,600
Website	2,400
Postage & Delivery	1,022
Utilities	972
Membership Fees	874
Repairs & Maintenance	391
Automobile Expense	223
Telephone	180
Miscellaneous	25
Total Expenses	<u>\$ 153,086</u>
Net Income	\$ 41,852
Retained Earnings - Beginning of Year	<u>880,255</u>
Retained Earnings - End of Year	<u><u>\$ 922,107</u></u>

See Accompanying Notes and Independent Accountants' Review Report

**Tahitian Village Property Owners Association  
Notes to the Financial Statements  
For the Year Ending December 31, 2024**

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**1. NATURE OF ORGANIZATION**

The Tahitian Village Property Owners Association was incorporated on July 31, 1972, under the state laws of Texas, as a non-profit organization. The purpose for which was the promotion and development for the common good and social welfare of the people of the community of Tahitian Village and ensuring property values are maintained by controlling property deed restrictions. 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 Association 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 Association'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

Building, improvements, 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 Association.

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 Association 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 Association's financial assets available within one year for general expenditure were \$922,459.

Risk Management

The Association 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 Association 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 Association. 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 Property Owners Association  
Notes to the Financial Statements  
For the Year Ending December 31, 2024**

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Revenue and Revenue Recognition

Revenue from contracts with customers is comprised of transfer fees. Transfer fee revenue is recognized at a point in time upon the sale of each property. The Association charges \$225 for each property sold. Payments are due at the closing of the sale. Interest income is recognized when interest is received.

**3. FEDERAL INCOME TAXES**

The Association has elected to be taxed under Internal Revenue Code Section 528 which allows the Association to exclude exempt function income from gross income. Exempt function income consists of fees the Association receives from members as owners of the Association's services. The Association's federal income tax liability for 2024 was \$0.

The Association files income tax returns in the U.S. federal jurisdiction. The Association is generally no longer subject to examination by the Internal Revenue Service for years before 2021.

**4. FUTURE MAJOR REPAIRS AND REPLACEMENTS**

The Association 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 Association 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 Association'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	\$ 8,627	\$ -	\$ -	\$ 8,627
Buildings & Improvements	6,426	-	-	6,426
Accumulated Depreciation	(15,053)	-	-	(15,053)
Property, Plant and Equipment, Net	\$ -	\$ -	\$ -	\$ -

**7. EMPLOYEE BENEFITS**

The Association offers benefits to its employees in the form of vacation and sick leave, health insurance, and a retirement savings plan. Unused vacation leave (up to 40 hours) is carried over to the next year and is paid out upon termination. The Association offers a 401(k) plan to its employees, under this plan the Association will match employee contributions up to 3% of employee income. Plan expenses incurred during the year were \$2,580, of this amount the Tahitian Village Architectural Control Committee reimbursed the Association \$2,557.

**8. LEASE**

The Association 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.



**Tahitian Village Property Owners Association  
Notes to the Financial Statements  
For the Year Ending December 31, 2024**

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**9. AGREEMENT-TAHITIAN VILLAGE ARCHITECTURAL CONTROL COMMITTEE**

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