

**WINDJAMMER CONDOMINIUM ASSOCIATION OF
LAUDERDALE-BY-THE-SEA, FLORIDA, INC.**

AUDITED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2009

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R O N A L D L. M A R T I N, C P A, P. A.

INDEPENDENT AUDITORS' REPORT

Board of Directors
Windjammer Condominium Association of
Lauderdale-By-The-Sea, Florida, Inc.
Lauderdale-By-The-Sea, Florida

I have audited the accompanying balance sheet of Windjammer Condominium Association of Lauderdale-By-The-Sea, Florida, Inc. a Florida not-for-profit corporation, as of December 31, 2009, and the related statements of revenues, expenses and changes in fund balances (deficit) and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Windjammer Condominium Association of Lauderdale-By-The-Sea, Florida, Inc. as of December 31, 2009, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The supplementary information on future major repairs and replacements on page 12 is not a required part of the basic financial statements of Windjammer Condominium Association of Lauderdale-By-The-Sea, Florida, Inc. but is supplementary information required by the American Institute of Certified Public Accountants. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplemental information. However, I did not audit the information and express no opinion on it.

Ronald L. Martin, CPA, P.A.
Certified Public Accountant
Pembroke Pines, Florida

June 30, 2010

WINDJAMMER CONDOMINIUM ASSOCIATION
OF LAUDERDALE-BY-THE-SEA, FLORIDA INC.

BALANCE SHEET

DECEMBER 31, 2009

	OPERATING FUND	REPLACEMENT FUND	TAX FUND	TOTAL
ASSETS				
Cash	\$ 340,987	\$ 139,735	\$ 569	\$ 481,291
Accounts receivable, less allowance for doubtful accounts of \$12,100	10,346	-	1,249	11,595
Prepaid insurance	20,132	-	-	20,132
Equipment and furniture, less accumulated depreciation	332	-	-	332
Investment in units	21,807	-	-	21,807
Security deposit	351	-	-	351
Interfund receivable (payable)	(65,786)	(4,374)	70,160	-
	\$ 328,169	\$ 135,361	\$ 71,978	\$ 535,508
 LIABILITIES AND FUND BALANCE (DEFICIT)				
LIABILITIES:				
Accounts payable and accrued liabilities	\$ 18,846	\$ -	\$ -	\$ 18,846
Assessments received in advance	311,133	-	29,000	340,133
	329,979	-	29,000	358,979
 FUND BALANCES (DEFICIT)	(1,810)	135,361	42,978	176,529
	\$ 328,169	\$ 135,361	\$ 71,978	\$ 535,508

The accompanying notes are an integral part of these financial statements.

WINDJAMMER CONDOMINIUM ASSOCIATION
OF LAUDERDALE-BY-THE-SEA, FLORIDA INC.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES (DEFICIT)

YEAR ENDED DECEMBER 31, 2009

	OPERATING FUND	REPLACEMENT FUND	TAX FUND	TOTAL
REVENUES:				
Assessments	\$ 836,910	\$ 149,790	\$ 94,845	\$ 1,081,545
Interest	4,828	1,890	-	6,718
Gain on sale of units, net	3,643	-	-	3,643
Rental income, net	34,515	-	-	34,515
Telephone income	3,205	-	-	3,205
Other income	5,349	-	-	5,349
	<u>888,450</u>	<u>151,680</u>	<u>94,845</u>	<u>1,134,975</u>
EXPENSES:				
Administrative and general (Schedule 1)	347,784	-	-	347,784
Insurance	52,021	-	-	52,021
Maintenance and repairs (Schedule 1)	299,433	55,866	-	355,299
Property taxes	-	-	67,966	67,966
Replacements	-	86,510	-	86,510
Special projects	12,556	-	-	12,556
Utilities (Schedule 1)	84,784	-	-	84,784
	<u>796,578</u>	<u>142,376</u>	<u>67,966</u>	<u>1,006,920</u>
EXCESS OF REVENUES OVER EXPENSES BEFORE ASSOCIATION OWNED WEEKS	91,872	9,304	26,879	128,055
LESS: ASSOCIATION OWNED UNITS				
Maintenance fees and taxes	93,170	-	7,071	100,241
	<u>93,170</u>	<u>-</u>	<u>7,071</u>	<u>100,241</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(1,298)	9,304	19,808	27,814
FUND BALANCES - December 31, 2008	9,488	116,057	23,170	148,715
Transfer between funds	(10,000)	10,000	-	-
FUND BALANCES (DEFICIT) - December 31, 2009	<u>\$ (1,810)</u>	<u>\$ 135,361</u>	<u>\$ 42,978</u>	<u>\$ 176,529</u>

The accompanying notes are an integral part of these financial statements.

WINDJAMMER CONDOMINIUM ASSOCIATION
OF LAUDERDALE-BY-THE-SEA, FLORIDA INC.

STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2009

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TAX FUND</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Received from unit owners	683,576	149,790	83,161	916,527
Received from sale of units, net	5,931	-	-	5,931
Rental income	34,515	-	-	34,515
Interest	4,828	1,890	-	6,718
Property taxes paid	-	-	(67,966)	(67,966)
Paid to suppliers and employees	<u>(765,002)</u>	<u>(142,376)</u>	<u>-</u>	<u>(907,378)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(36,152)</u>	<u>9,304</u>	<u>15,195</u>	<u>(11,653)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Transfer between funds	<u>861</u>	<u>14,369</u>	<u>(15,230)</u>	<u>-</u>
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>861</u>	<u>14,369</u>	<u>(15,230)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(35,291)	23,673	(35)	(11,653)
CASH - December 31, 2008	<u>376,278</u>	<u>116,062</u>	<u>604</u>	<u>492,944</u>
CASH - December 31, 2009	<u>\$ 340,987</u>	<u>\$ 139,735</u>	<u>\$ 569</u>	<u>\$ 481,291</u>

(Continued)

The accompanying notes are an integral part of these financial statements.

WINDJAMMER CONDOMINIUM ASSOCIATION
OF LAUDERDALE-BY-THE-SEA, FLORIDA INC.

STATEMENT OF CASH FLOWS (Continued)

YEAR ENDED DECEMBER 31, 2009

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TAX FUND</u>	<u>TOTAL</u>
RECONCILIATION OF EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (1,298)	\$ 9,304	\$ 19,808	\$ 27,814
ADJUSTMENTS TO RECONCILE EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Depreciation	3,273	-	-	3,273
Increase in accounts receivable	(4,416)	-	(247)	(4,663)
Decrease in mortgage receivable	994	-	-	994
Decrease in prepaid insurance	2,392	-	-	2,392
Decrease in investment in units	2,288	-	-	2,288
Decrease in accounts payable and accrued liabilities	(2,196)	-	-	(2,196)
Decrease in assessments paid in advance	<u>(37,189)</u>	<u>-</u>	<u>(4,366)</u>	<u>(41,555)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (36,152)</u>	<u>\$ 9,304</u>	<u>\$ 15,195</u>	<u>\$ (11,653)</u>

The accompanying notes are an integral part of these financial statements.

WINDJAMMER CONDOMINIUM ASSOCIATION OF
LAUDERDALE-BY-THE-SEA, FLORIDA, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

Windjammer Condominium Association of Lauderdale-By-The-Sea, Florida, Inc., (the Association) was organized, pursuant to the Condominium Act of the State of Florida, as a Florida corporation, not-for-profit, for the purpose of administering the preservation, maintenance and operation of an interval ownership complex known as The Windjammer located at 4240 and 4244 El Mar Drive, Lauderdale-By-The-Sea, Florida.

Phase I was completed in 1981 and consists of 18 units. Phase II was completed in 1983 and consists of 15 units. Each unit has 50 weeks available for ownership.

CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the Association considers demand deposit accounts, savings accounts and certificates of deposit, with maturities of less than three months, to be cash equivalents.

LAND, LAND IMPROVEMENTS AND BUILDINGS

The values of common areas are not reflected in these financial statements since title to these properties is vested with individual unit-week owners on a pro-rata basis and not with the association.

EQUIPMENT AND FURNITURE

The equipment and furniture has been capitalized and is being depreciated on a straight-line basis over the estimated useful lives of the related items.

FUND ACCOUNTING

The Association uses fund accounting, which requires that funds, such as operating funds and funds designated for capital replacements and deferred maintenance, be classified separately for accounting and reporting purposes. Disbursements from the operating fund are generally at the discretion of the Board of Directors. Disbursements from the replacement and tax funds may be made only for their designated purposes.

WINDJAMMER CONDOMINIUM ASSOCIATION OF
LAUDERDALE-BY-THE-SEA, FLORIDA, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

REVENUE RECOGNITION

Regular maintenance and special assessments from unit owners are recorded on the accrual basis. Accordingly, assessments uncollected at the year-end are treated as assessments receivable and any amounts paid by unit-week owners for the following year are treated as assessments received in advance.

INCOME TAXES

The Association is subject to Federal and state taxation and has essentially two methods to determine the amount of tax, if any, it must pay. Under one method, the excess of revenues from members over related expenditures is subject to taxation unless such excess is returned to the unit owners or applied to the following year's assessments. The other method enables the Association to elect to exclude from taxation "exempt function income" which generally consists of revenue from unit owner assessments. Under either method, the Association may be subject to tax on investment income and other non-exempt income, but at different tax rates. For the year ended December 31, 2009 the Association elected to file a Form 1120H, resulting in no tax liability.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

COMPREHENSIVE INCOME

ASC 220 (formerly SFAS No. 130) requires "a full set of general-purpose financial statements to be expanded to include the reporting of comprehensive income." Comprehensive income is comprised of two components, net income and other comprehensive income. For the year ended December 31, 2009, there were no items that qualify as other comprehensive income.

WINDJAMMER CONDOMINIUM ASSOCIATION OF
LAUDERDALE-BY-THE-SEA, FLORIDA, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of the Association's financial instruments, which include cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximate their fair values due to their short-term maturities.

SUBSEQUENT EVENTS

Management of the Association has evaluated subsequent events through June 30, 2010, the date the financial statements were available to be issued.

NOTE 2 - UNINSURED CASH BALANCES

The Association maintains its cash balances at one financial institution. These accounts are secured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of December 31, 2009, the Association had approximately \$226,000 in excess of the insured limits. The Association has not experienced any losses related to these uninsured balances.

NOTE 3 - MEMBER ASSESSMENTS

Based upon a budget established by the Board of Directors, assessments are levied against the unit-week owners for their proportionate share of common operating expenses and funds for capital replacements and deferred maintenance. Assessments are due on January 1, of each year for all unit-weeks. Special assessments may also be imposed from time to time as deemed appropriate by the Board of Directors. Assessments to unit-week owners in 2009 were \$598.00.

NOTE 4 - SALE OF UNITS

In 2009, the Association sold 12 unit-weeks that it acquired through foreclosure and other collection activity. The revenue of the unit-weeks sold exceeded costs by \$3,643. At December 31, 2009, the Association owned 184 unit-weeks. The Association anticipates additional sales in future years.

WINDJAMMER CONDOMINIUM ASSOCIATION OF
LAUDERDALE-BY-THE-SEA, FLORIDA, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2009

NOTE 5 - ASSESSMENTS RECEIVABLE

The Association's policy is to retain legal counsel and place liens on the residences of unit-week owners whose assessments are delinquent. As of December 31, 2009, the Association had assessments receivable in the amount of \$23,690 of which \$12,100 were considered potentially uncollectible by management.

NOTE 6 - EQUIPMENT AND FURNITURE

Equipment and furniture was recorded at cost with depreciation calculated on the straight-line method over the estimated useful lives of the related assets. Equipment and furniture consisted of the following classifications at December 31, 2009.

	<u>Cost</u>	<u>Life</u>
Office furniture	\$ 1,706	5 years
Computers	5,013	5 years
Telephone system	<u>15,880</u>	7 years
	22,599	
Less: accumulated depreciation	<u>(22,267)</u>	
	<u>\$ 332</u>	

NOTE 7 - INVESTMENT IN UNITS

The Association has capitalized the legal costs associated with the foreclosure of units-weeks that it owned. These costs are allocated to the sale of units in the year the sales occur. (See Note 4)

NOTE 8 - TAX FUND

The Association collects the individual unit week owners' property taxes and pays the total tax bill to the county on their behalf. The amount of \$29,000 recorded as assessments received in advance in the tax fund as of December 31, 2009, represents the 2010 taxes collected prior to the end of the year. These funds are in the Association's operating account and will be transferred to the proper escrow account in November when the taxes are paid. As of December 31, 2009 the Association has paid all ad valorem taxes in full to the tax collector from the tax escrow account.

WINDJAMMER CONDOMINIUM ASSOCIATION OF
LAUDERDALE-BY-THE-SEA, FLORIDA, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2009

NOTE 9 - MANAGEMENT AGREEMENT

The Association has a management contract with Gulf Eastern Property Management, Inc. through April 30, 2013. Fees for 2009 aggregated \$59,676.

NOTE 10 - FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's 2009 budget provided for reserve assessments for replacement and deferred maintenance aggregating \$149,790. Under Chapter 718.112 of the Florida Statutes, these reserves are for, but not limited to, roof replacement, building painting and pavement resurfacing. The Association funded the reserves in 2009 in accordance with its budget. Also in 2009 the Association transferred \$10,000 from the operating fund to the replacement fund and reallocated funds between components of the replacement fund. The Association's policy is to transfer interest earned on the reserve cash accounts to the furniture and fixtures reserve line item.

The following is an analysis of the components of the replacement fund for the year ended December 31, 2009:

	Balance 12/31/08	Additions	Fund Transfers	Expenses	Balance 12/31/09
Elevator	\$ 16,911	\$ 2,808	\$ -	\$ -	\$ 19,719
Elevettes	24,600	12,550		-	37,150
Deferred maintenance	14,603	8,310	-	19,315	3,598
Furniture/fixtures	8,933	75,817	8,337	86,510	6,577
Hurricane recovery	8,736	5,000	22	-	13,758
Impact resistant glass	22	-	(22)	-	-
Painting	10,599	13,260	-	15,438	8,421
Paving	3,161	2,667	-	3,570	2,258
Pool	(2,911)	7,920	1,663	6,693	(21)
Roof	16,556	9,120	-	-	25,676
Seawall/concrete restoration	14,847	5,895		10,850	9,892
Underground utilities	-	8,333	-	-	8,333
	<u>\$ 116,057</u>	<u>\$ 151,680</u>	<u>\$ 10,000</u>	<u>\$ 142,376</u>	<u>\$ 135,361</u>

WINDJAMMER CONDOMINIUM ASSOCIATION OF
LAUDERDALE-BY-THE-SEA, FLORIDA, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2009

NOTE 10 - FUTURE MAJOR REPAIRS AND REPLACEMENTS (Continued)

An independent study to determine the adequacy of the current funding program for the replacement and deferred maintenance of Association common areas has not been conducted. In 2009, the Board of Directors estimated the remaining useful lives and the replacement costs of common property. Funds are being accumulated in the replacement fund based on these estimates. Actual expenditures may vary from the estimated future expenditures, and the variation may be material. Accordingly, the current program may or may not be sufficient to meet all future costs. When funds are needed, the Association has the right to increase the assessments, pass special assessments, or delay replacement in certain cases until funds are available. The table included in unaudited supplementary information on future major repairs and replacements is based on these estimates.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

A number of unit-week owners have not paid their annual assessments to the Association. The Association has begun collection activity. The Board of Directors believes that upon resolution of the above action, the Association will be able to receive a majority of the outstanding receivables through its own foreclosure and rental fees.

SUPPLEMENTARY INFORMATION
(UNAUDITED)

WINDJAMMER CONDOMINIUM ASSOCIATION OF
LAUDERDALE-BY-THE-SEA, FLORIDA, INC.

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND
REPLACEMENTS

YEAR ENDED DECEMBER 31, 2009
(UNAUDITED)

An independent study to determine the adequacy of the current funding program for the replacement and deferred maintenance of Association common areas has not been conducted. In 2009, the Board of Directors estimated the remaining useful lives and the replacement costs of common property. Funds are being accumulated in the replacement fund based on these estimates. Actual expenditures may vary from the estimated future expenditures, and the variation may be material. Accordingly, the current program may or may not be sufficient to meet all future costs. When funds are needed, the Association has the right to increase the assessments, pass special assessments, or delay replacement in certain cases until funds are available.

The following table is based on estimates of the Board of Directors and presents significant information about the components of common property:

	Estimated Useful Lives (years)	Estimated Replacement Cost	Estimated Remaining Useful lives (years)	Balance 12/31/2009	2010 Full Funding	2010 Approved Budget
Elevator	30	\$ 50,000	12	\$ 19,719	\$ 2,523	\$ 2,523
Elevettes	25	65,000	3	37,150	9,283	9,283
Deferred maintenance	5	38,000	2	3,598	17,201	10,651
Furniture/fixtures	6	332,230	3	6,577	108,551	72,500
Hurricane recovery	NA	NA	NA	13,758	-	3,000
Painting	5	26,000	1	8,421	17,579	7,985
Paving	15	15,000	2	2,258	6,371	4,247
Pool	30	27,559	1	(21)	27,580	6,670
Roof	15	57,597	4	25,676	7,980	7,980
Seawall/concrete repair	40	62,607	7	9,892	7,531	6,897
Underground utilities	6	50,000	5	8,333	8,333	5,953
		<u>\$ 723,993</u>		<u>\$ 135,361</u>	<u>\$ 212,932</u>	<u>\$ 137,689</u>



R O N A L D L. M A R T I N, C P A, P. A.

INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

Board of Directors
Windjammer Condominium Association of
Lauderdale-By-The-Sea, Florida, Inc.
Lauderdale-By-The-Sea, Florida

My report on my audit of the basic financial statements of Windjammer Condominium Association of Lauderdale-By-The-Sea, Florida, Inc. for the year ended December 31, 2009, appears elsewhere. That audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of expenses and operating fund variances are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Certified Public Accountant
Pembroke Pines, Florida

June 30, 2010

WINDJAMMER CONDOMINIUM ASSOCIATION
OF LAUDERDALE-BY-THE-SEA, FLORIDA INC.

SCHEDULE OF EXPENSES

YEAR ENDED DECEMBER 31, 2009

	OPERATING FUND	REPLACEMENT FUND	TAX FUND	TOTAL
ADMINISTRATIVE AND GENERAL:				
Administrative services	\$ 11,001	\$ -	\$ -	\$ 11,001
Advertising	8,215	-	-	8,215
Bad debts	28,107	-	-	28,107
Credit card fees	12,527	-	-	12,527
Depreciation	3,273	-	-	3,273
Division fees	3,300	-	-	3,300
Fees and licenses	2,842	-	-	2,842
Health insurance	9,172	-	-	9,172
Management fees	59,676	-	-	59,676
Payroll	118,740	-	-	118,740
Payroll taxes	22,602	-	-	22,602
Postage, printing and office supplies	17,178	-	-	17,178
Professional fees	44,232	-	-	44,232
Workers compensation	6,919	-	-	6,919
	<u>\$ 347,784</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 347,784</u>
MAINTENANCE AND REPAIRS:				
Cleaning supplies	\$ 8,264	\$ -	\$ -	\$ 8,264
Elevator	6,315	-	-	6,315
Laundry and linen supplies	7,416	-	-	7,416
Landscaping	6,468	-	-	6,468
Maintenance - building/grounds	71,810	22,885	-	94,695
Payroll	184,114	-	-	184,114
Painting	-	15,438	-	15,438
Pool	7,054	6,693	-	13,747
Seawall/concrete restoration	-	10,850	-	10,850
Trash removal	7,992	-	-	7,992
	<u>\$ 299,433</u>	<u>\$ 55,866</u>	<u>\$ -</u>	<u>\$ 355,299</u>
UTILITIES:				
Electricity	\$ 36,688	\$ -	\$ -	\$ 36,688
Cable TV	10,220	-	-	10,220
Gas	5,449	-	-	5,449
Telephone	12,776	-	-	12,776
Water and sewer	19,651	-	-	19,651
	<u>\$ 84,784</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,784</u>

Schedule 1

The accompanying notes are an integral part of these financial statements.

WINDJAMMER CONDOMINIUM ASSOCIATION
OF LAUDERDALE-BY-THE-SEA, FLORIDA INC.

SCHEDULE OF OPERATING FUND VARIANCES

YEAR ENDED DECEMBER 31, 2009

	(Unaudited) <u>Budget</u>	<u>Actual</u>	Variance <u>Over/(Under)</u>
<u>REVENUES</u>			
Maintenance fees	\$ 836,910	\$ 836,910	\$ -
Interest	8,700	4,828	(3,872)
Sale of units, net	16,800	3,643	(13,157)
Rental income	29,900	34,515	4,615
Telephone income	4,400	3,205	(1,195)
Other income	3,900	5,349	1,449
	<u>900,610</u>	<u>888,450</u>	<u>(12,160)</u>
 <u>OPERATING EXPENSES</u>			
Administrative services	10,000	11,001	1,001
Advertising	9,000	8,215	(785)
Bad debts	18,000	28,107	10,107
Cleaning supplies	9,000	8,264	(736)
Credit card/bank fees	12,000	12,527	527
Depreciation	1,600	3,273	1,673
Division fees	3,600	3,300	(300)
Fees and licenses	8,500	2,842	(5,658)
Insurance - buildings	58,000	52,021	(5,979)
Insurance - health insurance	15,000	9,172	(5,828)
Insurance - workers compensation	12,000	6,919	(5,081)
Landscaping	4,500	6,468	1,968
Laundry and linen supplies	7,000	7,416	416
Maintenance - building/grounds	52,000	71,810	19,810
Maintenance - special projects	20,000	12,556	(7,444)
Maintenance - elevator	8,000	6,315	(1,685)
Maintenance - pools	5,000	7,054	2,054
Maintenance - trash removal	9,400	7,992	(1,408)
Management fees	59,680	59,676	(4)
Payroll - non-clerical	160,530	184,114	23,584
Payroll - clerical	133,000	118,740	(14,260)
Payroll taxes	21,800	22,602	802

Schedule 2

The accompanying notes are an integral part of these financial statements.

WINDJAMMER CONDOMINIUM ASSOCIATION
OF LAUDERDALE-BY-THE-SEA, FLORIDA INC.

SCHEDULE OF OPERATING FUND VARIANCES

YEAR ENDED DECEMBER 31, 2009

	(Unaudited) Budget	Actual	Variance Over/(Under)
Postage, printing, office supplies	15,000	17,178	2,178
Professional fees	32,500	44,232	11,732
Utilities - cable TV	12,000	10,220	(1,780)
Utilities - electric	40,000	36,688	(3,312)
Utilities - gas	-	5,449	5,449
Utilities - telephone	13,500	12,776	(724)
Utilities - water and sewer	15,000	19,651	4,651
	<u>765,610</u>	<u>796,578</u>	<u>30,968</u>
Revenues over expenses before Association owned weeks	135,000	91,872	(43,128)
Association owned weeks	<u>135,000</u>	<u>93,170</u>	<u>(41,830)</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ -</u>	<u>\$ (1,298)</u>	<u>\$ (1,298)</u>

Schedule 2

The accompanying notes are an integral part of these financial statements.