

**The Place Master Association, Inc.**

**Financial Statements and  
Supplementary Information**

**Year Ended  
December 31, 2020**

## Table of Contents

Independent Auditor's Report.....	1 - 3
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### **Financial Statements**

Balance Sheet.....	4
Statement of Revenues and Expenses.....	5
Statement of Changes in Fund Balances.....	6
Statement of Cash Flows.....	7 - 8
Notes to the Financial Statements.....	9 - 15

### **Supplementary Information (Unaudited)**

Statement of Revenues and Expenses - Operating Fund.....	16 - 19
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### **Independent Auditor's Report**

To The Place at Corkscrew, LLC  
Fort Myers, Florida

#### ***Opinion***

We have audited the accompanying financial statements of The Place Master Association, Inc. (the "Association"), which comprise the balance sheet as of December 31, 2020, and the related statements of revenues and expenses, 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 The Place Master Association, Inc. as of December 31, 2020, 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 The Place Master 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.

#### ***Emphasis of Matter***

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. We have not applied procedures to determine whether the funds designated for future major repairs and replacements as discussed in Note E are adequate to meet such future costs because that determination is outside the scope of our audit. Our opinion is not modified with respect to this matter.

#### ***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.

#### **Affiliations**

**American Institute of Certified Public Accountants ♦ Florida Institute of Certified Public Accountants**

**239-433-1002 ♦ [www.stroemercpa.com](http://www.stroemercpa.com)**

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**Fort Myers ♦ Jacksonville\* ♦ Miami ♦ Naples\* ♦ Orlando\* ♦ Sanibel ♦ Tampa\* ♦ West Palm Beach\***

**\*By Appointment Only**

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 The Place Master 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.

### ***Auditor's Responsibilities for the Audit of 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, including omissions, 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 are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Place Master 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 The Place Master 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.

### ***Omission of Required Supplementary Information about Future Major Repairs and Replacements***

Management has omitted supplementary information about future major repairs and replacements of common property 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, who 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 the missing information.

**Disclaimer of Opinion on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary statement of revenues and expenses - operating fund, which is the responsibility of the Association's management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.



Stroemer & Company, LLC  
Fort Myers, Florida  
June 30, 2021

**The Place Master Association, Inc.**  
**Balance Sheet**  
**December 31, 2020**

	<b>Operating Fund</b>	<b>Replacement Fund</b>	<b>Total</b>
<b>Assets</b>			
Cash, cash equivalents, and restricted cash	\$ 934,824	\$ -	\$ 934,824
Member receivables, net	89,589	-	89,589
Other receivables	1,551	-	1,551
Initial capital contributions receivable	12,500	-	12,500
Inventory	53,211	-	53,211
Prepaid insurance	19,503	-	19,503
Prepaid expenses	5,189	-	5,189
Property and equipment, net	12,249	-	12,249
Utility deposits	17,402	-	17,402
<b>Total assets</b>	<b>\$ 1,146,018</b>	<b>\$ -</b>	<b>\$ 1,146,018</b>
<b>Liabilities and fund balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 97,966	\$ -	\$ 97,966
Accrued payroll	70,868	-	70,868
Due to Declarant	567,873	-	567,873
Prepaid assessments	254,836	-	254,836
Refundable deposits	154,475	-	154,475
<b>Total liabilities</b>	<b>1,146,018</b>	<b>-</b>	<b>1,146,018</b>
<b>Fund balances</b>	-	-	-
<b>Total liabilities and fund balances</b>	<b>\$ 1,146,018</b>	<b>\$ -</b>	<b>\$ 1,146,018</b>

The accompanying notes are an integral part of this statement.

**The Place Master Association, Inc.**  
**Statement of Revenues and Expenses**  
**Year Ended December 31, 2020**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
<b>Revenues</b>			
Tennis income	\$ 4,871	\$ -	\$ 4,871
Restaurant income	786,088	-	786,088
Resale contributions	31,000	-	31,000
Other income	35,683	-	35,683
Interest income	2,715	-	2,715
Declarant subsidy	862,938	-	862,938
Café income	70,554	-	70,554
Assessments	2,625,296	-	2,625,296
Total revenues	4,419,145	-	4,419,145
<b>Expenses</b>			
Operating	1,183,347	-	1,183,347
Restaurant	1,166,380	-	1,166,380
Home site maintenance	928,480	-	928,480
Recreation area	608,044	-	608,044
Administrative	544,732	-	544,732
Café marketplace	128,031	-	128,031
Tennis	10,131	-	10,131
Total expenses	4,569,145	-	4,569,145
<b>Excess of revenues over (under) expenses</b>	<b>\$ (150,000)</b>	<b>\$ -</b>	<b>\$ (150,000)</b>

The accompanying notes are an integral part of this statement.

**The Place Master Association, Inc.**  
**Statement of Changes in Fund Balances**  
**Year Ended December 31, 2020**

	<b>Operating Fund</b>	<b>Replacement Fund</b>	<b>Total</b>
Balances, January 1, 2020	\$ -	\$ -	\$ -
Initial capital contributions	150,000	-	150,000
Excess of revenues over (under) expenses	(150,000)	-	(150,000)
<b>Balances, December 31, 2020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

The accompanying notes are an integral part of this statement.



**The Place Master Association, Inc.**  
**Statement of Cash Flows**  
**Year Ended December 31, 2020**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
<b>Cash flows from operating activities:</b>			
Cash collected from members	\$ 2,695,943	\$ -	\$ 2,695,943
Cash collected from Declarant	1,274,860	-	1,274,860
Resale contributions received	31,000	-	31,000
Cash paid for expenditures	(4,626,141)	-	(4,626,141)
Interest income received	2,715	-	2,715
Other income received	35,683	-	35,683
Cash received from café and restaurant	856,642	-	856,642
Cash received from tennis	4,871	-	4,871
<b>Net cash provided by operating activities</b>	<u>275,573</u>	<u>-</u>	<u>275,573</u>
<b>Cash flows from financing activities:</b>			
Initial capital contributions received from unit owners	140,000	-	140,000
<b>Net cash provided by financing activities</b>	<u>140,000</u>	<u>-</u>	<u>140,000</u>
Net increase in cash, cash equivalents, and restricted cash	415,573	-	415,573
Cash, cash equivalents, and restricted cash at beginning of year	519,251	-	519,251
<b>Cash, cash equivalents, and restricted cash at end of year</b>	<u><u>\$ 934,824</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 934,824</u></u>
<b>Cash, cash equivalents, and restricted cash consists of the following:</b>			
Cash and cash equivalents	\$ 780,349	\$ -	\$ 780,349
Restricted cash	154,475	-	154,475
	<u><u>\$ 934,824</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 934,824</u></u>

The accompanying notes are an integral part of this statement.

**The Place Master Association, Inc.**  
**Statement of Cash Flows (Continued)**  
**Year Ended December 31, 2020**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
<b>Reconciliation of excess of revenues over (under) expenses to net cash provided by operating activities</b>			
Excess of revenues over (under) expenses	\$ (150,000)	\$ -	\$ (150,000)
Adjustments to reconcile excess of revenues over (under) expenses to net cash provided by operating activities:			
Bad debt	13,344	-	13,344
Depreciation expense	4,097	-	4,097
(Increase) decrease in assets:			
Member receivables	(41,415)	-	(41,415)
Other receivables	4,674	-	4,674
Inventory	(11,682)	-	(11,682)
Prepaid insurance	(11,002)	-	(11,002)
Prepaid expenses	2,236	-	2,236
Increase (decrease) in liabilities:			
Accounts payable	(71,147)	-	(71,147)
Accrued payroll	12,484	-	12,484
Due to Declarant	411,922	-	411,922
Prepaid assessments	12,587	-	12,587
Refundable deposits	99,475	-	99,475
<b>Net cash provided by operating activities</b>	<b>\$ 275,573</b>	<b>\$ -</b>	<b>\$ 275,573</b>

The accompanying notes are an integral part of this statement.

**The Place Master Association, Inc.**  
**Notes to the Financial Statements**  
**Year Ended December 31, 2020**

**Note A - Summary of Significant Accounting Policies**

**1. Nature of organization**

The Place Master Association, Inc. (the "Association") was incorporated on September 21, 2015 under Chapter 617 of the Florida Statutes as a corporation not for profit to administer the operation and management of the common property of The Place. The Master Declaration of Covenants, Conditions, Easements and Restrictions (the "Declaration") was recorded in the official records of Lee County, Florida, on March 7, 2017 as a homeowners association pursuant to Chapter 720 of the Florida Statutes. The Association consists of 1,325 residential units of which 776 were closed as of December 31, 2020, located in Estero, Florida.

**2. Fund accounting**

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 repairs and replacements.

The Association prepares its financial statements on the accrual basis of accounting in accordance with Topic 972 of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"), "Real Estate - Common Interest Realty Associations".

**3. Management estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Association to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**4. Cash and cash equivalents**

For purposes of reporting cash flows, the Association considers all short-term highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

**5. Restricted cash**

Any cash that is legally restricted from use is recorded in restricted cash. Cash and deposits are considered restricted when they are subject to contingent rights of third parties.

**The Place Master Association, Inc.**  
**Notes to the Financial Statements**  
**Year Ended December 31, 2020**

**Note A - Summary of Significant Accounting Policies (continued)**

**Restricted cash (continued)**

Amounts included in restricted cash represent cash received as security deposits from unit owners for construction using heavy vehicles within the Association. The deposits are generally refundable once the related project is completed and any amounts are deducted for damages sustained to the Association's common areas.

As of December 31, 2020, the Association held \$154,475 of refundable deposits as restricted cash.

**6. Member receivables**

Member receivables are carried at the original charge amount less an estimate made for doubtful receivables, if any, based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Member receivables are written off when deemed uncollectible. Recoveries of member receivables previously written off are recorded as income when received.

A member receivable is considered to be past due if any portion of the receivable balance is outstanding for more than one month. A late fee is charged on member receivables that are outstanding for more than one month and is recognized as income as it is charged.

As of December 31, 2020, management considers all member receivables to be fully collectible therefore no allowance for doubtful accounts is considered necessary.

**7. Fair value of financial instruments**

The Association has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value due to the short maturity of these financial instruments.

**8. Concentration of credit risk**

The Association maintains accounts at a financial institution in bank deposits which, at times, may exceed federally-insured limits. The Association has not experienced any losses on such accounts and believes it is not exposed to any significant risk on cash.

Concentration of credit risk with respect to the receivables relate to billings to unit owners who pay quarterly assessments and live within the Association. The Association does not anticipate credit losses in the near future.

**9. Inventory**

Inventory, which consists of food and beverages, is stated at the lower of cost or net realizable value using the specific cost method.

The Association held \$53,211 of inventory as of December 31, 2020.

**The Place Master Association, Inc.**  
**Notes to the Financial Statements**  
**Year Ended December 31, 2020**

**Note A - Summary of Significant Accounting Policies (continued)**

**10. Property and equipment**

Common property of the Association is accounted for in accordance with ASC Subtopic 972-360, "Real Estate - Common Interest Realty Associations - Property, Plant, and Equipment". It is the Association's responsibility to preserve and maintain the common property.

Real property is not recognized as assets.

Common real property to which the Association has title, or other evidence of ownership, that is not recognized as assets in the Association's balance sheet consists of buildings, gatehouses, pools and spas, a clubhouse, tennis courts and roadways.

The Association recognizes common personal property that is used by the Association in operating, preserving, maintaining, repairing, and replacing common property and providing other services, as assets. These assets are recorded at cost and depreciated using the straight-line method over their estimated useful lives.

**11. Prepaid assessments**

Prepaid assessments represent amounts paid to the Association before the assessments were due.

**12. Initial capital contributions**

Pursuant to Section 4.12 of the Declaration, a \$500 initial capital contribution shall be due and payable to the Association by the transferee upon the initial conveyance of title to a Unit or Parcel by the Declarant or a Builder.

Initial capital contributions for the year ended December 31, 2020 totaled \$150,000. As of December 31, 2020 there were \$12,500 of initial capital contributions receivable.

**13. Resale contributions**

Pursuant to Section 4.13 of the Declaration, a \$1,000 resale contribution shall be due and payable to the Association by the transferee upon each conveyance of title to a unit or parcel by an owner subsequent to the initial conveyance of title to the Parcel from the Declarant or a Builder. The resale contribution will be collected at closing and, upon payment, may be used to pay any Association expenses.

Resale contributions for the year ended December 31, 2020 totaled \$31,000.

**14. Revenue recognition**

The following is a description of principal activities from which the Association generates its revenue and their respective treatment under ASC 606.

Operating assessments

The Association's annual budget is the basis for establishing the annual assessment required from each unit owner to cover the Association's operating expenses. The assessments are

**The Place Master Association, Inc.**  
**Notes to the Financial Statements**  
**Year Ended December 31, 2020**

**Note A - Summary of Significant Accounting Policies (continued)**

**Revenue recognition (continued)**

payable quarterly. The performance obligation for operating assessments is the maintenance and management of the common area property of the Association. The Association recognizes revenue from operating assessments on a daily pro-rata basis using the input method to the extent that collection of the assessments is probable.

Declarant subsidy

Prior to turnover of the Association, in lieu of paying assessments on units owned by the Declarant, the Declarant has elected to subsidize the Association's budget. The Declarant subsidy is calculated in accordance with the Association's governing documents and the Florida statutes. The performance obligation for the Declarant subsidy is determined to be the maintenance of the common area property, which is met on a periodic basis throughout the period prior to turnover (over a period of time).

Because the ultimate transaction price of the Declarant subsidy is highly susceptible to external factors outside of the Association's influence such as volatility in the market and the Declarant's ability to sell units in subsequent years, the total transaction price has a large number of possible outcomes that span a significant range. The uncertainty of the total transaction price is not expected to be resolved until turnover, however the contract with the Declarant is to perform a single performance obligation that is met over a period of time. As a practical expedient, the Association recognizes revenue from the Declarant subsidy using the expected value method by estimating a portion of the transaction price at each reporting date and recognizing that portion as revenue to the extent that it is probable that it will not result in a significant reversal of cumulative revenue recognized in future periods. If any portion of the Declarant subsidy is not deemed probable of future collection, that portion is constrained until such time as the uncertainty is removed.

Resale contributions

The Association's declaration requires the purchaser of a unit to pay a resale contribution to the Association upon the subsequent sale of each unit from an owner who is not the Declarant. The performance obligation is determined to be the sale of the unit. The Association recognizes revenue from resale contributions when the performance obligation is met (at a point in time).

Ancillary operations

Ancillary operations describe any Association activities other than the ordinary maintenance, security, governance, and administrative activities common to most associations. The Association's ancillary operations include:

- Restaurant income
- Café income
- Tennis income

**The Place Master Association, Inc.**  
**Notes to the Financial Statements**  
**Year Ended December 31, 2020**

**Note A - Summary of Significant Accounting Policies (continued)**

**Revenue recognition (continued)**

- Other income

The Association recognizes revenues from these ancillary operations as the Association's performance obligation for those operations is satisfied. Generally, this is at a point in time when the goods or services are provided.

**15. Income taxes**

The Association may be taxed as a regular corporation or may elect to be taxed as a homeowners association. For the year ended December 31, 2020, the Association filed its income tax return as a regular Corporation in accordance with Internal Revenue Code Section 277. Under that Section, the Association is taxed on all net income from nonmembership activities reduced only by losses from nonmembership activities for which a profit motive exists. Nonmembership income may not be offset by membership losses, and any net membership losses may only be carried forward to offset membership income of future tax periods. Due to the nature of the Associations operations, the Association believes it is remote that it will utilize either type of loss carryforward. As a result, it is the Association's policy not to disclose the deferred tax asset and related valuation allowance associated with these carryforwards. Any net membership income not applied to the subsequent tax year under Revenue Ruling 70-604 is subject to taxation. Net income is subject to federal tax at a rate of 21% and a state tax rate of 5.5%, after a \$50,000 income exclusion. There was no income tax expense for the year ended December 31, 2020.

During the year ended December 31, 2020 management has elected to apply excess membership income to future periods pursuant to Revenue Ruling 70-604.

The Association follows ASC Topic 740, "Income Taxes" in accounting for uncertain tax positions. The Association's tax filings are generally subject to examination by taxing authorities for three years after the returns are filed. The Association has evaluated its tax positions and any estimates utilized in its tax returns, and concluded that the Association has taken no uncertain tax positions that require adjustments to the financial statements to comply with the provisions of this guidance. Interest and penalties associated with uncertain tax positions will be recognized in income tax expense, if required.

**Note B - Member Receivables**

As of December 31, 2020 and 2019, the Association had member receivables of:

	2020	2019
Member receivables	\$ 102,933	\$ 61,518
Allowance for doubtful accounts	(13,344)	-
	\$ 89,589	\$ 61,518

**The Place Master Association, Inc.**  
**Notes to the Financial Statements**  
**Year Ended December 31, 2020**

**Note C - Property and Equipment**

Property and equipment consisted of the following at December 31, 2020:

Property and equipment	\$	20,484
Accumulated depreciation		(8,235)
		<b>\$ 12,249</b>

Depreciation expense for the year ended December 31, 2020 was \$4,097.

**Note D - Due to Declarant**

In accordance with the provisions of the Declaration, Section 4.6, in lieu of paying assessments on parcels and units which it owns and are subject to assessment or for which it is contractually obligated to fund a Builder's assessment obligation, the Declarant elected to pay any operating expenses incurred that exceed assessments receivable from the other owners and other income of the Association. Other income shall include, but is not limited to, initial capital contributions and resale contributions (the "Declarant subsidy").

	Operating Fund	Replacement Fund	Total
Common expenses (other than reserves)	\$ 4,569,145	\$ -	\$ 4,569,145
Initial capital contributions	(150,000)	-	(150,000)
Assessments from unit owners other than the Declarant and all other income	(3,556,207)	-	(3,556,207)
Declarant subsidy	862,938	-	862,938
Payments made by the Declarant	(1,274,860)	-	(1,274,860)
Due to Declarant at January 1, 2020	(155,951)	-	(155,951)
<b>Due to Declarant at December 31, 2020</b>	<b>\$ (567,873)</b>	<b>\$ -</b>	<b>\$ (567,873)</b>

**Note E - Future Major Repairs and Replacements**

Chapter 720 of the Florida Statutes does not require the budgeting of assessments for future major repairs and replacements. The Association has not conducted a study to determine the remaining useful lives and the replacement costs of the common property components, nor has the Association developed a plan to fund those needs. When funds are required to meet future needs for major repairs and replacements, the Association has the option to increase regular assessments, levy special assessments, borrow or delay repairs and replacements until funds are available. The effect on future assessments has not been determined.

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



**The Place Master Association, Inc.**  
**Notes to the Financial Statements**  
**Year Ended December 31, 2020**

**Note E - Future Major Repairs and Replacements (continued)**

INTERESTS OF THE ASSOCIATION BY VOTE OF THE MEMBERS AT A MEETING OR BY WRITTEN CONSENT.

**Note F - Related Party Transactions**

**Declarant**

During the year ended December 31, 2020 the Association's Board of Directors was controlled by Declarant (the "Declarant"). As such the Declarant controlled the Association's management, policy setting, and finances. For the year ended December 31, 2020, 19% of the Association's revenue was derived from the Declarant. As of December 31, 2020, the Association had a balance due to the Declarant of \$567,873.

**Note G - Commitments and Contingencies**

**Insurance coverage**

The Association maintains insurance coverage for damage sustained by the common property. The insurance policy contains a deductible clause which would require the Association to pay a certain amount of expenses prior to the insurance company covering the remaining costs. In addition, as certain other expenses may be incurred by the Association in the event of a hurricane, the ultimate extent of any such losses in excess of the deductible cannot be determined.

**Note H - Subsequent Events**

Management has assessed subsequent events through June 30, 2021, the date on which the financial statements were available to be issued.

***Supplementary Information***

**The Place Master Association, Inc.**  
**Statement of Revenues and Expenses - Operating Fund (Unaudited)**  
**Year Ended December 31, 2020**

**Revenues**

Assessments	\$ 2,625,296
Declarant subsidy	862,938
Resale contributions	31,000
Interest income	2,715
Other income	35,683
Restaurant income	786,088
Café income	70,554
Tennis income	4,871
<b>Total revenues</b>	<u>4,419,145</u>

**Expenses**

**Administrative**

Annual corporate report	61
Management fees	150,654
Computer support	17,902
Depreciation	4,097
Accounting (review and tax preparation)	7,400
Licenses/fees/taxes	1,259
Insurance	54,831
Office supplies	19,220
Community website	675
Professional fees/legal	9,046
Telephone	675
Management payroll expenses	235,326
Management payroll taxes and fees	29,640
Management pay related group insurance	13,946
<b>Total administrative</b>	<u>544,732</u>

**Operating**

Electric	67,665
Water and sewer	9,435
Residents IDs	9,971
Common area landscape maintenance	187,528
Common area landscape extras	37,373
Common area tree trimming	12,507

**The Place Master Association, Inc.**  
**Statement of Revenues and Expenses - Operating Fund (Unaudited) (Continued)**  
**Year Ended December 31, 2020**

Common area irrigation	20,560
Alarm monitoring	1,821
Fire safety equipment inspection and test	4,050
Access control -gatehouse	340,110
Gatehouse maintenance	13,945
Gatehouse phones	2,370
General repairs	7,233
Lake/preserve maintenance/monitoring	443,292
Aerators maintenance	3,987
Holiday lights	21,500
<b>Total operating</b>	<u>1,183,347</u>
<b>Recreation area</b>	
Trash removal	2,557
Telephone	5,034
Janitorial supplies	41,272
Pool/spa maintenance	89,791
Electric	106,946
Water and sewer	19,759
Maintenance	50,900
Landscape contract	137,234
Landscape extras	18,398
Staffing	108,728
Payroll taxes and fees	15,149
Pay related group insurance	5,317
Clubhouse activities	6,959
<b>Total recreation area</b>	<u>608,044</u>
<b>Home site maintenance</b>	
Landscape maintenance	827,510
Mulch/white fly	99,027
Irrigation maintenance	1,943
<b>Total home site maintenance</b>	<u>928,480</u>
<b>Café marketplace</b>	
COGS - food	19,004
COGS - non-food	2,132
COGS - soft beverage	5,809

**The Place Master Association, Inc.**  
**Statement of Revenues and Expenses - Operating Fund (Unaudited) (Continued)**  
**Year Ended December 31, 2020**

COGS - beer	1,291
COGS - liquor	611
COGS - wine	876
COGS - bar perishable	71
Bank charges/credit card fees	2,739
Employee discount	2,186
Ice machine	2,145
Janitorial supplies	428
Laundry & linen	4,199
Licenses/permits	750
Office supplies	48
Paper supplies	775
Payroll	68,304
Payroll taxes & fees	9,630
Related group insurance	2,594
Register supplies	3
Service agreements	(98)
Supplies	3,424
China/glass/silver supply	954
Uniforms	81
Telephone	75
<b>Total café marketplace</b>	<b>128,031</b>
<b>Tennis</b>	
COGS - merchandise	766
Building maintenance	235
Repairs/maintenance	4,153
Supplies non-office	3,121
License/education	1,644
Uniforms	212
<b>Total tennis</b>	<b>10,131</b>
<b>Restaurant</b>	
COGS - food	234,599
COGS - beer	21,045
COGS - liquor	40,918
COGS - wine	22,674

**The Place Master Association, Inc.**  
**Statement of Revenues and Expenses - Operating Fund (Unaudited) (Continued)**  
**Year Ended December 31, 2020**

COGS - soft beverage	5,771
COGS - bar perishable	5,799
Bank charge/credit card fee	21,826
Computer support	13,626
Discount employee meal	4,341
Entertainment	12,235
Equipment rental	5,243
Equipment repair and maintenance	8,812
Fire protection	379
Ice machine	5,569
Janitorial/supplies	46,148
LP gas	13,344
Laundry and linen	9,780
Licenses/permits	2,379
Office supplies	1,013
Paper supplies	33,168
Payroll	493,158
Payroll taxes and fees	84,836
Payroll related group insurance	16,339
Pest control	1,714
Printing/copier lease	(35)
Register supplies	595
Service agreements	9,293
Supplies	9,276
China/glass/silver supply	2,730
Telephone/cell reimbursement	2,423
Trash removal	4,836
Uniforms	1,445
Electric	26,430
Water/sewer	4,671
<b>Total restaurant</b>	<u>1,166,380</u>
<b>Total expenses</b>	<u>4,569,145</u>
<b>Excess of Revenues Over (Under) Expenses</b>	<u><u>\$ (150,000)</u></u>