



Certified Public Accountants & Consultants

April 25, 2014

To the Board of Directors of
Beau Chene Homeowners Association, Inc.
Mandeville, Louisiana

We have audited the financial statements of Beau Chene Homeowners Association, Inc. for the year ended December 31, 2013, and have issued our report thereon dated April 25, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 1, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Beau Chene Homeowners Association are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2013. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements was (were):

Management's estimate of the depreciation is based on estimated depreciable lives and the straight line method of depreciation. We evaluated the key factors and assumptions used to develop the useful lives and method of depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

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Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 25, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors of Beau Chene Homeowners Association Inc. and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Gwther Zuniga Abney, LLC

Mandeville, LA

BEAU CHENE HOMEOWNERS ASSOCIATION, INC.

**Financial Statements as of December 31, 2013 and 2012
and for the Years Then Ended
and Independent Auditors' Report
and Supplementary Information**

BEAU CHENE HOMEOWNERS ASSOCIATION, INC.

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Certified Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Members of
Beau Chehe Homeowners Association, Inc.

We have audited the accompanying financial statements of Beau Chehe Homeowners Association, Inc. (the Association), which are comprised of the balance sheets as of December 31, 2013 and 2012, and the related statements of revenues, expenses, and changes in members' equity and cash flows for the years then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Beau Chene Homeowners Association, Inc. as of December 31, 2013 and 2012, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The comparison of operations – actual to budget on page 13 and the detail of major operational expenses on page 14 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of 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.

Gustner Zuniga Abney, LLC

Mandeville, Louisiana

April 25, 2014

BEAU CHENE HOMEOWNERS ASSOCIATION, INC.
BALANCE SHEETS
AS OF DECEMBER 31, 2013 AND 2012

	2013	2012
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 890,723	\$ 1,149,187
Restricted cash	58,642	-
Dues, assessments, and other receivables, net of allowance of \$22,092 and \$15,760	28,958	32,349
Investments	637,593	200,000
Prepaid expenses and deposits	68,589	42,480
Total current assets	1,684,505	1,424,016
PROPERTY, PLANT, AND EQUIPMENT, net	2,268,435	2,369,866
TOTAL ASSETS	\$ 3,952,940	\$ 3,793,882
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	389,786	\$ 273,740
Due to affiliated entity	-	43,046
Unearned dues	59,462	35,737
Deposits	15,300	15,300
Total current liabilities	464,548	367,823
COMMITMENTS AND CONTINGENCIES (NOTES G AND I)	-	-
MEMBERS' EQUITY		
Board designated		
Property, plant, and equipment	625,406	625,406
Future major repairs and replacements	2,862,986	2,800,653
Total members' equity	3,488,392	3,426,059
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 3,952,940	\$ 3,793,882

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

BEAU CHENE HOMEOWNERS ASSOCIATION, INC.
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

	Operating Funds	Designated Funds	Total
REVENUES			
Member dues and assessments	\$ 3,041,268	\$ -	\$ 3,041,268
Interest income	6,234	-	6,234
Other	13,989	-	13,989
Total revenues	3,061,491	-	3,061,491
EXPENSES			
Waste water system	435,994	-	435,994
Water system	251,381	-	251,381
Garbage and trash collection	524,264	-	524,264
Grounds maintenance	85,806	-	85,806
Roads and drainage	435,357	-	435,357
Security	490,491	-	490,491
Depreciation	119,298	-	119,298
Other operational and general expenses	656,567	-	656,567
Total expenses	2,999,158	-	2,999,158
EXCESS REVENUES OVER EXPENSES	62,333	-	62,333
MEMBERS' EQUITY - Beginning of year	-	3,426,059	3,426,059
Allocation to designated balance for future major repairs and replacements	(62,333)	62,333	-
MEMBERS' EQUITY - End of year	\$ -	\$ 3,488,392	\$ 3,488,392

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

BEAU CHENE HOMEOWNERS ASSOCIATION, INC.
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2012

	Operating Funds	Designated Funds	Total
REVENUES			
Member dues and assessments	\$ 2,960,629	\$ -	\$ 2,960,629
Interest income	1,351	-	1,351
Other	28,080	-	28,080
Total revenues	2,990,060	-	2,990,060
EXPENSES			
Waste water system	463,460	-	463,460
Water system	233,085	-	233,085
Garbage and trash collection	470,711	-	470,711
Grounds maintenance	115,930	-	115,930
Roads and drainage	369,703	-	369,703
Security	433,597	-	433,597
Depreciation	113,468	-	113,468
Other operational and general expenses	559,136	-	559,136
Total expenses	2,759,090	-	2,759,090
EXCESS REVENUES OVER EXPENSES	230,970	-	230,970
MEMBERS' EQUITY - Beginning of year	-	3,195,089	3,195,089
Allocation to designated balance for future major repairs and replacements	(230,970)	230,970	-
MEMBERS' EQUITY - End of year	\$ -	\$ 3,426,059	\$ 3,426,059

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

BEAU CHENE HOMEOWNERS ASSOCIATION, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess revenues over expenses	\$ 62,333	\$ 230,970
Adjustments to reconcile excess revenues over expenses to net cash provided by operating activities:		
Depreciation	119,298	113,468
Changes in operating assets and liabilities:		
Restricted cash	(58,642)	-
Dues, assessments, and other receivables	3,391	(5,211)
Prepaid expenses and deposits	(26,109)	6,992
Accounts payable	116,046	(252,255)
Due to affiliated entity	(43,046)	(11,470)
Unearned dues	23,725	(22,669)
Deposits	-	(3,100)
Net cash provided by operating activities	196,996	56,725
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments with Merrill Lynch	(437,593)	-
Construction and purchases of property, plant, and equipment	(17,867)	(76,585)
Net cash used in investing activities	(455,460)	(76,585)
CHANGE IN CASH AND CASH EQUIVALENTS	(258,464)	(19,860)
CASH AND CASH EQUIVALENTS - Beginning of year	1,149,187	1,169,047
CASH AND CASH EQUIVALENTS - End of year	\$ 890,723	\$ 1,149,187
SUPPLEMENTAL CASH FLOW DISCLOSURE		
Cash paid for income taxes	-	9,050

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

BEAU CHENE HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization – Beau Chene Homeowners Association, Inc. (the Association) is a non-profit corporation organized to own, operate and maintain the streets, wastewater system, water system, and other community facilities located within the residential community known as “Beau Chene” in St. Tammany Parish, Louisiana. This community consists of 1,554 residential lots and condominium units, the owners of which constitute the membership of the Association.

Basis of Accounting – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Member Dues and Assessments – Association members are subject to monthly dues and other assessments to provide funds for the Association’s operating expenses, future capital acquisitions, and major repairs and replacements. Dues and assessments receivable at the balance sheet date represent amounts due from members. Unearned dues represent amounts paid by members in advance of their due date.

Allowance for Doubtful Accounts and Bad Debt Expense – Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements. As of December 31, 2013 and 2012, the Association had recorded an allowance for doubtful accounts of \$22,092 and \$15,760, respectively. Bad debt expense as of the year ended December 31, 2013 and 2012, is \$6,450 and \$7,320, respectively, and is included in other operational and general expenses on the statements of revenues, expenses and changes in members’ equity.

Investments – Investments are recorded at fair market value based on market quotations and consist of mutual funds, equity securities and bonds. ASC 820-10 adopts a hierarchy approach for ranking the quality and reliability of the information used to determine fair values in one of three categories to increase consistency and comparability in fair value measurements and disclosures. The highest priority (tier 1) is given to quoted prices in active markets for identical assets. Tier 2 assets are valued based on inputs other than quoted prices that are “observable.” For example, quoted prices for similar securities or quoted prices in inactive markets would both be observable. In tier 3, the inputs used for valuation are not observable or transparent and assumptions have to be made about how market participants would price the underlying assets. Investments are classified based on the lowest level of input that is significant to the fair value measurement.

Property, Plant, and Equipment – The Association owns the streets, wastewater system, water system, and other community facilities located within the residential community it serves. The initial cost of these assets was incurred by The Earnest Corporation, the developer of Beau Chene, which transferred them to the Association. In accordance with prevalent industry practice, the Association’s policy is to not record the value of these contributed assets. Expenditures for major repairs and replacements of the common elements of property, for which the Association is responsible, including road overlays, are

BEAU CHENE HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

charged to operations as they are incurred. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Depreciation is computed based on the straight-line method over the estimated useful lives of all assets of which the water wells and waste water systems were determined to be twenty-five years, and all other assets to be five years (i.e., equipment, diesel storage, gate cameras, etc.).

Cash Equivalents – For purposes of the statements of cash flows, the Association considers all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents. All cash equivalents, excluding operating balances, earn interest at market rates.

Restricted Cash— Restricted cash and cash equivalents is comprised of \$58,642 as of December 31, 2013 in a separate bank account to be used as an emergency fund by the Board. There was no balance as of December 31, 2012.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and 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.

NOTE B – FUTURE MAJOR REPAIRS AND REPLACEMENTS

The by-laws of the Association authorize the Board of Directors to establish, collect, and use member dues for the general operations of the Association and for anticipated major repairs and replacements. The Board of Directors has conducted a study to estimate the cost of an asphalt overlay of the streets of the community. The study consisted of obtaining estimates from licensed contractors who inspected the property. Management has refined these estimates based on past experience with overlay projects.

Management of the Association has not conducted a study of the estimated useful lives and replacement costs of the streets but believes, based on maintenance experience since 1974, that the streets have an indefinite life if proper maintenance, which includes periodic overlays, is performed. Costs attributed to periodic overlays are expensed as incurred. Management has also not conducted a study of the estimated useful lives and replacement costs of the waste water and water systems, since they attempt to maintain these systems in a “like new” condition through routine annual maintenance expenditures included in the annual budget. Costs attributed to maintenance of waste water and water systems are capitalized.

Actual expenditures for the street overlay may vary from the estimated future expenditures, and the variations may be material. The cost of asphalt, a primary component of the overlay projects, is based upon the price of crude oil, which is difficult to predict. Therefore, amounts appropriated for this purpose may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Board of Directors of the Association may increase dues up to 10% annually or delay major repairs and replacements until funds are available.

BEAU CHENE HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE C – CONCENTRATION OF CREDIT RISK

The Association has concentrated its credit risk for cash by maintaining deposits in financial institutions within the geographic region of Mandeville, Louisiana. The current balances covered by insurance provided by the Federal Deposit Insurance Corporation (FDIC) are \$250,000 for interest bearing accounts and unlimited amounts for non-interest bearing accounts. As of January 1, 2013, the coverage was to include both interest and non-interest bearing accounts. At various times during the fiscal year, the Association's cash in bank balances may exceed the federally insured limits. At December 31, 2013 the Association's cash balances exceeded the federally insured limits by \$344,820. The Association did not have any uninsured cash balances as of December 31, 2012. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

The Association maintains a brokerage account with a national brokerage firm. Account holders are insured by the Securities Investor Protection Program (SIPC) up to \$500,000, of which \$250,000 may be cash. As of December 31, 2013 the Association's balance with the brokerage firm totaled \$28,663 in cash and cash equivalents and \$637,593 in mutual funds and fixed income. As of December 31, 2013, the Association's investments exceeded SIPC insured limits by \$166,256. No uninsured balance existed as of December 31, 2012. Management has not experienced any losses historically and believes the uninsured balances are not at risk.

NOTE D – INVESTMENTS AND FAIR VALUE MEASUREMENT

Investments consisted of the following at December 31, 2013:

	Tier 1 (Quoted prices in active markets)	Tier 2 (Significant Observable inputs)	Tier 3 (Significant unobservable inputs)	Total
Fixed income	\$ 485,761	-	-	\$ 485,761
Mutual funds	151,832	-	-	151,832
Total investments at fair value by tier	<u>\$ 637,593</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 637,593</u>

As of December 31, 2012, investments consisted of certificates of deposit and were carried at face value.

BEAU CHENE HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE E – PROPERTY, PLANT, AND EQUIPMENT

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

	2013	2012
Water wells	\$ 1,539,818	\$ 1,539,818
Waste water plant addition	1,344,617	1,344,617
Equipment	30,811	12,943
Buildings	<u>16,478</u>	<u>16,478</u>
Net depreciable assets	2,931,724	2,913,856
Accumulated depreciation	<u>(663,289)</u>	<u>(543,990)</u>
Total property, plant, and equipment, net	<u>\$ 2,268,435</u>	<u>\$ 2,369,866</u>

NOTE F – INCOME TAXES

The Association is a membership organization, as defined in the Internal Revenue Code. As such, its membership income is exempt from taxation if certain elections are made, and it pays income tax only on its non-membership income such as interest earned and advertising fees. Related expenses are allocated in determining net taxable income. Management has determined that there are no uncertain tax provisions included in the accompanying financial statements.

NOTE G – RELATED PARTY TRANSACTIONS

The Association contracted with The Earnest Corporation (the Company), which was the developer of Beau Chene, on an annual basis until August 31, 2013 to provide administrative, management, accounting, maintenance, and other services. The Company charged the Association for contract labor services plus an overhead percentage for payroll taxes and other indirect costs of \$366,995 and \$505,608, respectively, for 2013 and 2012. The Association incurred no charges for equipment rental with the Company as of December 31, 2013, but had \$39,236 for the year ended December 31, 2012, for equipment rented from the Company. The Association paid the Company \$30,018 and \$68,516, respectively, for office rent, telephone usage, and other reimbursable expenses for the years ended December 31, 2013 and 2012. In addition, the Association paid the Company a monthly management fee of \$5,746 from January 1 through August 31, 2013 and \$5,579 per month for the year ended December 31, 2012 for management services provided by the Company. The Association paid the Company in full for the year ended December 31, 2013. The amount due to the Company at December 31, 2012 was \$43,046.

BEAU CHENE HOMEOWNERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE H – DESIGNATED MEMBERS' EQUITY

It is in the Association's bylaws to designate the excess of revenues over expenses in any year to fund future major repairs and replacements. As per the bylaws, the excess of revenues over expenses for the years ended December 31, 2013 and 2012 for the same purpose. The effects of the appropriation have been reported in the statements of revenues, expenses and changes in members' equity as allocation to designated balance for future major repairs and replacements.

NOTE I – CONTINGENCIES

A resident filed suit against the Association in 2013. The suit is for overpayment of homeowners dues to the former management company for services rendered. In the opinion of management, all such matters are without merit or are of such kind, or involve such amounts, as would not have a significant effect on the financial position or results of operations of the Association if disposed of unfavorably. Additionally, the Association maintains liability insurance, which would mitigate any exposure it might have in connection with these matters.

NOTE J – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, April 25, 2014, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

BEAU CHENE HOMEOWNERS ASSOCIATION, INC.
COMPARISON OF OPERATIONS – ACTUAL TO BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013
SCHEDULE I

	Actual	Budget	Over/ (Under) Budget
REVENUES			
Membership dues and assessments	\$ 3,041,268	\$ 3,036,465	\$ 4,803
Interest income	6,234	1,300	4,934
Other	13,989	17,000	(3,011)
Total revenues	3,061,491	3,054,765	6,726
EXPENSES			
Waste water system	435,994	545,520	(109,526)
Water system	251,381	269,890	(18,509)
Garbage and trash collection	524,264	480,864	43,400
Grounds maintenance	85,806	111,070	(25,264)
Roads and drainage	435,357	516,665	(81,308)
Security	490,491	463,459	27,032
Depreciation	119,298	37,464	81,834
Other operational and general expenses	656,567	618,029	38,538
Total expenses	2,999,158	3,042,961	(43,803)
EXCESS OF REVENUES OVER EXPENSES	\$ 62,333	\$ 11,804	\$ 50,529

See accompanying independent auditors' report.

**BEAU CHENE HOMEOWNERS ASSOCIATION, INC.
 DETAIL OF MAJOR OPERATIONAL EXPENSES
 FOR THE YEAR ENDED DECEMBER 31, 2013
 SCHEDULE II**

	Waste	Water	System	Water	System	Garbage and	Trash	Collection	Grounds	Maintenance	Roads and	Drainage	Security	Total
Contract services	\$ 155,040	\$ 62,644	\$ 219,562	\$ 11,985	\$ 7,853	\$ 476,106	\$ 933,190							
Maintenance and repairs	174,817	93,008	-	56,851	427,504	4,307	756,487							
Water treatment	-	68,508	-	-	-	-	68,508							
Permit/dump fees	4,114	4,714	304,702	-	-	-	313,530							
Signs and mailboxes	-	-	-	12,770	-	-	12,770							
Utilities	64,963	22,507	-	-	10,078	-	97,548							
Other	37,060	-	-	4,200	-	-	41,260							
Total	\$ 435,994	\$ 251,381	\$ 524,264	\$ 85,806	\$ 435,357	\$ 490,491	2,223,293							
Depreciation							119,298							
Other operational and general expenses							656,567							
TOTAL EXPENSES							\$ 2,999,158							

See accompanying independent auditors' report.
 14