

# 1 BALANCE SHEET

Property - America's Best HOA (ame411)

\*As of = 03/2011

<b>2 ASSETS</b>	
<b>3 OPERATING FUNDS</b>	
CHECKING ACCOUNT	2,843.38
TOTAL OPERATING FUNDS	2,843.38
<b>4 RESERVE FUNDS</b>	
Citizens Business 254-001002	9,334.40
American Bank 0557564542	10,200.56
Our Bank & Trust 2034564549	10,423.76
<b>5 TOTAL RESERVE FUNDS</b>	
<b>6 TOTAL ASSETS</b>	32,802.10
<b>7 MEMBERS EQUITY</b>	
RETAINED EARNINGS - PRIOR YEARS	30,676.10
RETAINED EARNINGS - CURRENT YEAR	2,126.00
<b>TOTAL MEMBERS EQUITY</b>	32,802.10

## Understanding Your Monthly Balance Sheet

### 1. Balance Sheet

The Balance Sheet displays a snapshot of the HOA's financial condition at the end of each month. It lists the association's total assets and members' equity. The Total Assets should equal the Total Members Equity.

### 2. Assets

Assets are all of the funds which an HOA owns, specifically the operating account and all reserve accounts. You should notify us immediately if there is any bank account that belongs to your HOA that is not listed on the Balance Sheet. Also, call our office to let us know when an account has been closed as well as the disposition of those funds. If there is a reserve account which exists but is not listed, please let us know so that we can include it in the financials.

### 3. Operating Funds

The majority, if not all, of the HOA's monthly income and expenses passes through the operating account. It is listed on the balance sheet as the CHECKING ACCOUNT.

### 4. Reserve Funds

The association is responsible for saving money each month to be transferred from the operating account to a reserve account. These reserve funds are not to be used for paying monthly operating expenses, but should be used for capital improvements, i.e. items that are identified in the association's Reserve Study. For several reasons, we strongly discourage the practice of paying vendors directly from the reserve account(s). One important legal reason that all payments must be made from the operating account is so that we can appropriately supply vendors with their annual 1099 forms as is required of the association by state law.

The accounts listed on the Balance Sheet indicate those which Beven & Brock has been made aware of. In order for the monthly financial to be accurate, the accounting department must timely receive a copy of each bank statement.

### **5. Total Reserve Funds**

Total Reserve Funds refers to the sum of all reserve accounts that are listed on the balance sheet.

### **6. Total Assets**

Total Assets is obtained by adding the Total Operating Funds and the Total Reserve Funds.

### **7. Members Equity**

Members Equity can be understood as monetary value that has been built up over time. This report shows the retained earnings from 2 viewpoints, specifically from prior years (not including the current fiscal year) and from the current year alone.

**1 Budget Comparison Cash Flow (Cash)**  
**America's Best HOA - (ame411)**  
**Months: March 2011**

Prepared For:  
 AMERICA'S BEST HOA  
 C/O BEVEN & BROCK  
 P.O. BOX 7029  
 PASADENA, CA 91109

Prepared By:  
 BEVEN & BROCK PROPERTY MANAGEMENT  
 P.O. BOX 7029  
 PASADENA, CA 91109-7029

	<b>4</b> MTD Actual	MTD Budget	\$ Var.	% Var.	YTD Actual	<b>5</b> YTD Budget	<b>6</b> \$ Var.	<b>7</b> % Var.	<b>8</b> Annual
<b>2 INCOME</b>									
LATE CHARGE	5.00	2.50	-2.50	-100.00	5.00	10.00	-5.00	-50.00	30.00
DUES	2,555.00	2,040.00	260.00	12.75	7,640.00	8,160.00	-520.00	-6.37	24,480.00
<b>TOTAL INCOME</b>	<b>2,560.00</b>	<b>2,042.50</b>	<b>257.50</b>	<b>12.61</b>	<b>7,645.00</b>	<b>8,170.00</b>	<b>-525.00</b>	<b>-6.43</b>	<b>24,510.00</b>
<b>3 DISBURSEMENTS</b>									
CONTRACT SERVICES									
INSURANCE, FIRE/LIABILITY	0.00	310.42	310.42	100.00	0.00	1,241.68	1,241.68	100.00	3,725.00
LANDSCAPING CONTRACT	220.00	110.00	-110.00	-100.00	440.00	440.00	0.00	0.00	1,320.00
MANAGEMENT CONTRACT	265.00	265.00	0.00	0.00	1,060.00	1,060.00	0.00	0.00	3,180.00
PEST CONTROL CONTRACT	40.00	40.00	0.00	0.00	160.00	160.00	0.00	0.00	480.00
RUBBISH CONTRACT	196.40	192.00	-4.40	-2.29	776.26	768.00	-8.26	-1.08	2,304.00
<b>TOTAL CONTRACT SERVICE</b>	<b>721.40</b>	<b>917.42</b>	<b>196.02</b>	<b>21.37</b>	<b>2,436.26</b>	<b>3,669.68</b>	<b>1,233.42</b>	<b>33.61</b>	<b>11,009.00</b>
ADMINISTRATIVE									
ACCOUNTING	0.00	16.67	16.67	100.00	200.00	66.68	-133.32	-199.94	200.00
BANK CHARGES	0.00	0.83	0.83	100.00	0.00	3.32	3.32	100.00	10.00
GENERAL ADMIN.	0.00	4.17	4.17	100.00	41.24	16.68	-24.56	-147.24	50.00
LEGAL	0.00	25.00	25.00	100.00	422.00	100.00	-322.00	-322.00	300.00
LICENSE/FEES	0.00	0.83	0.83	100.00	41.50	3.32	-38.18	-1,150.00	10.00
POSTAGE	0.00	2.08	2.08	100.00	0.00	8.32	8.32	100.00	25.00
RESERVE STUDY	0.00	54.17	54.17	100.00	0.00	216.68	216.68	100.00	650.00
TAXES, FEDERAL	0.00	0.00	0.00	0.00	30.00	0.00	-30.00	0.00	0.00
TAXES, STATE/LOCAL	0.00	0.00	0.00	0.00	19.00	0.00	-19.00	0.00	0.00
<b>TOTAL ADMINISTRATIVE</b>	<b>0.00</b>	<b>103.75</b>	<b>103.75</b>	<b>100.00</b>	<b>753.74</b>	<b>415.00</b>	<b>-338.74</b>	<b>-81.62</b>	<b>1,245.00</b>
UTILITIES									
ELECTRICITY	0.00	129.17	129.17	100.00	626.82	516.68	-110.14	-21.32	1,550.00
WATER & SEWER	54.60	237.50	182.90	77.01	1,051.24	950.00	-101.24	-10.66	2,850.00
<b>TOTAL UTILITIES</b>	<b>54.60</b>	<b>366.67</b>	<b>312.07</b>	<b>85.11</b>	<b>1,678.06</b>	<b>1,466.68</b>	<b>-211.38</b>	<b>-14.41</b>	<b>4,400.00</b>
VARIABLES									
COMMON AREA REPAIRS	0.00	25.00	25.00	100.00	103.50	100.00	-3.50	-3.50	300.00
COMMON AREA SUPPLIES	0.00	8.33	8.33	100.00	0.00	33.32	33.32	100.00	100.00
ELECTRICAL	0.00	8.33	8.33	100.00	0.00	33.32	33.32	100.00	100.00
FIRE PREV./SUPPLIES	24.00	2.50	-21.50	-860.00	24.00	10.00	-14.00	-140.00	30.00
GATES, AUTOMATIC	0.00	33.33	33.33	100.00	0.00	133.32	133.32	100.00	400.00
JANITORIAL	0.00	16.67	16.67	100.00	0.00	66.68	66.68	100.00	200.00
LANDSCAPING, SPECIAL	0.00	8.33	8.33	100.00	0.00	33.32	33.32	100.00	100.00
LANDSC. SUPPLIES/EQUIP.	0.00	8.33	8.33	100.00	0.00	33.32	33.32	100.00	100.00
LOCKSMITH	0.00	8.33	8.33	100.00	0.00	33.32	33.32	100.00	100.00
PLUMBING	0.00	0.00	0.00	0.00	450.00	0.00	-450.00	0.00	0.00
SPRINKLERS	40.00	25.00	-15.00	-60.00	80.00	100.00	20.00	20.00	300.00
TREE TRIMMING	0.00	62.50	62.50	100.00	0.00	250.00	250.00	100.00	750.00
<b>TOTAL VARIABLES</b>	<b>64.00</b>	<b>206.65</b>	<b>142.65</b>	<b>69.03</b>	<b>657.50</b>	<b>826.60</b>	<b>169.10</b>	<b>20.46</b>	<b>2,480.00</b>
<b>9 TOTAL OPERATING EXPENSES</b>	<b>840.00</b>	<b>1,594.49</b>	<b>754.49</b>	<b>47.32</b>	<b>5,525.56</b>	<b>6,377.96</b>	<b>852.40</b>	<b>13.36</b>	<b>19,134.00</b>

**Budget Comparison Cash Flow (Cash)**  
**America's Best HOA - (ame411)**  
**Months: March 2011**

	<u>MTD Actual</u>	<u>MTD Budget</u>	<u>\$ Var.</u>	<u>% Var.</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>\$ Var.</u>	<u>% Var.</u>	<u>Annual</u>
RESERVE CONTRIBUTIONS	448.00	448.00	0.00	0.00	2,677.66	1,792.00	-885.66	-49.42	5,376.00
<b>TOTAL DISBRUSEMENTS</b>	<u>1,288.00</u>	<u>2,042.49</u>	<u>754.49</u>	<u>36.94</u>	<u>8,203.22</u>	<u>8,169.96</u>	<u>-33.26</u>	<u>-0.41</u>	<u>24,510.00</u>
<b>10 NET BALANCE IN OPERATING</b>	<u>1,272.00</u>	<u>0.01</u>	<u>1,011.99</u>	<u>10,119,900</u>	<u>-558.22</u>	<u>0.04</u>	<u>-558.26</u>	<u>-1,395,650</u>	<u>0.00</u>
RESERVE ACTIVITY									
<b>11</b> RESERVE TRANSFERS	448.00	0.00	448.00	0.00	2,677.66	0.00	2,677.66	0.00	0.00
RESERVE INTEREST	1.83	0.00	1.83	0.00	6.56	0.00	6.56	0.00	0.00
<b>12</b> TOTAL RESERVE ACTIVITY	<u>449.83</u>	<u>0.00</u>	<u>449.83</u>	<u>0.00</u>	<u>2,684.22</u>	<u>0.00</u>	<u>2,684.22</u>	<u>0.00</u>	<u>0.00</u>
<b>13</b> CASH FLOW	<u>1,721.83</u>	<u>0.01</u>	<u>1,461.82</u>	<u>14,618,200</u>	<u>2,126.00</u>	<u>0.04</u>	<u>2,125.96</u>	<u>5,314,900</u>	<u>0.00</u>
<b>14</b> BEGINNING CASH	1,831.38								
<b>15</b> ENDING BALANCE	3,103.38								
	1,272.00								

## Understanding Your Monthly Budget Comparison

### 1. Budget Comparison Cash Flow (Cash)

This report shows the income and expenses for the indicated month. It also shows the Year-To-Date figures. It may appear complicated, but it is a great report that provides much valuable information once it is understood. Simply, it tells you whether your actual income and expense figures are on track with the annual budget. The Monthly and Year-To-Date figures are compared to the association's budget and state the differences both in dollars and percentages. The first four columns cover the actual income and expenses for the month, the budget for this period, the dollar variance and the percentage variance. The second set of four columns communicates the same type of information, except that it covers the Year-To-Date figures (from the beginning of the fiscal year through the month listed on the financial.)

### 2. Income

The income generated by the HOA mainly comes from Dues and Special Assessments. Other amounts of income are from Parking, Late Charges, Laundry, Insurance Claims and other miscellaneous sources. The Accounts Receivable department at Beven & Brock is responsible for the processing of the HOA's income.

### 3. Disbursements

This section refers to all of the operating expenses that have been paid out to vendors, on a current month as well as a year-to-date basis. Those expenses are grouped into four categories: Contract Services, Administrative, Utilities, and Variables.

The Accounts Payable department at Beven & Brock is responsible for processing all payments and mailing them to the Board for approval.

HOA's are also responsible to save money monthly by making a Reserve Contribution into a reserve account.

### 4. MTD Actual

The figures in this column refer to the amounts that have been received or spent for the month. A negative number in the Net Balance in Operating (at the bottom of this report) means that the HOA has overspent for the year. This amount is added to the Retained Earnings – Prior Years when the books are closed at the association's year-end (See Balance Sheet).

## 5. YTD Budget

The numbers in this column reflect what the association budgeted to receive and/or pay for this portion of the year for each item. If the YTD Actual amount is higher than the YTD Budget amount, then the association has spent more than what was budgeted.

## 6. \$ Var.

When considering the INCOME section of this report (Dues, Late Charges), the figures in this column are the result of subtracting the Budget amount from the Actual amount (Actual minus Budget.)

When you are reviewing the DISBURSEMENTS section, subtract the Actual amount from the Budget amount (Budget minus Actual) to obtain the figures in the \$Var. column.

A negative number in the INCOME section means that the HOA did not receive the budgeted funds. A negative number in the DISBURSEMENTS section means that the HOA has spent more than the budgeted amount.

## 7. % Var.

The easiest way to see whether the HOA's income and expenses are in line with the established budget is to note the % Variance figure which can be found in the second to last column on the Total Operating Expense line near the bottom of the report. Ideally, this number should be as close to zero as possible.

If it is a negative number, then the HOA has overspent by that percentage compared to the budgeted projections. If there is a negative percentage, you should attempt to understand why by reviewing the \$ Variance column in the Year-To-Date section. Look for large negative amounts which might be one of three possible reasons:

- 1) An unanticipated operating expense (not a reserve expense.)
- 2) A repair or replacement of reserve components. A transfer from a reserve account to the operating account is warranted in this case.
- 3) An anticipated expense that occurs once or twice per year. The budget allocates this expense evenly over 12 months, but this expense may have occurred early in the year.

These % Variance figures are calculated by dividing the \$ Var. by the YTD Budget and then multiplying that result by 100. ( $\$ \text{ Var.} / \text{YTD Budget} * 100$ )

## 8. Annual

This column shows the annual budget for each line item as well as the totals for each section. The association prepares and distributes an annual budget (represented by the figures in this column) which must be completed and approved no more than 60 days and no less than 30 days prior to the association's fiscal year end.

## 9. Total Operating Expenses

This line is a total of the disbursements for the month and year-to-date columns.

A TOTAL is displayed at the bottom of each category. Near the bottom of the report, the TOTAL OPERATING EXPENSES is obtained by adding all four category totals together.

Finally, the TOTAL DISBURSEMENTS value is arrived at by adding the RESERVE CONTRIBUTIONS (monthly checks issued to transfer money to a reserve account) to the TOTAL OPERATING EXPENSES.

### **10. Net Balance in Operating**

The Net Balance in Operating is the association's net cash flow in the operating account for the month or year to date after taking into account any reserve contributions. See Ending Balance below.

### **11. Reserve Transfers / Reserve Interest / Reserve Expenses**

Journal entries for Reserve Transfer checks and the Reserve Interest earned are entered in the system in order to reconcile the Reserve bank statements each month. Those journal entries show on these lines of the report.

Beven and Brock encourages all associations to make regular and recurring reserve transfers in compliance with the law and to keep on track with the recommendations of the association's reserve study.

If a check or a journal entry is coded to a specific Reserve Expense account, you will see that account listed in this section along with the amount(s).

### **12. Total Reserve Activity**

The Total Reserve Activity is the total of all deposits (such as Reserve Transfers and Reserve Interest) less any debits to the reserve account(s) (expenses paid by reserve checks as well as service charges.)

### **13. Cash Flow**

The Cash Flow figure in this report is not the amount of money that the HOA has in any of its bank accounts, but it does show whether the HOA had an overall positive or negative cash flow in the reporting period. It is the sum of the Net Balance in Operating (the amount of money that was remaining or overspent compared to the income received) and the Total Reserve Activity, and both will be figured into the HOA's overall assets.

### **14. Beginning Cash**

This figure is for your reference and matches the Total Operating Funds on the previous month's Balance Sheet.

### **15. Ending Balance**

This amount is the balance in the HOA's operating account at the end of the month. It matches the CHECKING ACCOUNT figure on the Balance Sheet.

It is obtained by taking the Beginning Cash balance and adding the Net Balance in Operating for the current month. This amount will be the Beginning Cash balance on next month's financial.

# 1 Receivable Summary by Tenant Charge

\*Property=ame411

\*mm/yy=03/2011 - 03/2011

Name	2 Balance Forward	3 Charge	4 Receipt	5 Ending Balance
1 - Wilson, Woodrow				
dues - Dues	0.00	255.00	255.00	0.00
Total 1 - Wilson, Woodrow	0.00	255.00	255.00	0.00
2 - Roosevelt, Franklin D.				
dues - Dues	0.00	255.00	255.00	0.00
Total 2 - Roosevelt, Franklin D.	0.00	255.00	255.00	0.00
3 - Adams, John				
dues - Dues	0.00	255.00	255.00	0.00
Total 3 - Adams, John	0.00	255.00	255.00	0.00
4 - Washington, George				
dues - Dues	0.00	255.00	260.00	-5.00
late - Late Fee	0.00	5.00	0.00	5.00
Total 4 - Washington, George	0.00	260.00	260.00	0.00
5 - Lincoln, Abraham				
-	-255.00	0.00	0.00	-255.00
dues - Dues	0.00	255.00	510.00	-255.00
Total 5 - Lincoln, Abraham	-255.00	255.00	510.00	-510.00
6 - Tyler, John				
dues - Dues	0.00	255.00	255.00	0.00
Total 6 - Tyler, John	0.00	255.00	255.00	0.00
7 - Grant, Ulysses S.				
dues - Dues	0.00	255.00	510.00	-255.00
late - Late Fee	0.00	5.00	5.00	0.00
Total 7 - Grant, Ulysses S.	0.00	260.00	515.00	-255.00
8 - Hoover, Herbert				
-	-2235.00	0.00	0.00	-2235.00
dues - Dues	0.00	255.00	255.00	0.00
Total 8 - Hoover, Herbert	-2,235.00	255.00	255.00	-2,235.00
	6 -2,490.00	2,050.00	2,560.00	-3,000.00

## Understanding Your Monthly Summary by Tenant Charge

### 1. Receivable Summary by Tenant/Charge

This report displays each owner by unit number with any balance forward from the previous month, the current charges, payments made (receipts), along with the ending balance. Any owner who has a positive amount in the Ending Balance column has not paid that charge by the last day of the reporting month (shown under the heading at the top of the report.)

### 2. Balance Forward

The Balance Forward on a homeowner's account is their Ending Balance from the previous month's financial, which shows as a zero-balance, a positive number (amount still due), or a negative number (amount paid in advance.)

### **3. Charge**

A Charge is any assessment applied to a homeowner's account such as Dues, Special Assessment, Late Fee, etc.

### **4. Receipt**

A Receipt is the payment that was received from a homeowner. All payments are allocated to outstanding Dues charges first. Any overage will be applied to other charges or may remain on the account as a prepayment if all charges are already paid.

### **5. Ending Balance**

The Ending Balance column shows whether the charges on each homeowner's account have been paid or not. A positive number shows a balance still outstanding while a negative number refers to an amount that has been paid in advance.

### **6. Totals**

At the bottom line of each homeowner's section, there are totals for each column (Balance Forward, Charge, Receipt, and Ending Balance) which shows each homeowner's balance at the end of the month. At the bottom of the report is an unmarked total for the entire association. A negative total in the Ending Balance column indicates that somehow the association has paid in advance as a collective group. There may be one person who still has a balance owed while another has a larger credit.



# 1 Receivable Summary By Account

\*Property=ame411

\*mm/yy=03/2011 - 03/2011

2 Account	3 Name	4 Balance Forward	5 Charge	6 Receipt	7 Ending Balance
4444-000	DUES	-2,490.00	2,040.00	2,555.00	-3,005.00
4101-000	KEY/REMOTE INCOM	0.00	0.00	0.00	0.00
4105-000	LATE CHARGE	0.00	10.00	5.00	5.00
4145-000	MISC. INCOME	0.00	0.00	0.00	0.00
4035-000	SPECIAL ASSESSME	0.00	0.00	0.00	0.00
		-2,490.00	2,050.00	2,560.00	-3,000.00

## Understanding Your Monthly Summary By Account

### 1. Receivable Summary by Account

The Receivable Summary by Account breaks down the totals at the bottom of the Receivable Summary by Tenant/Charge report. The totals at the bottom of both reports will match each other.

This report displays the totals of all charges and receipts that have been applied to the homeowners' accounts, organized by the account name, such as, Dues, Key Remote Income, Late Charge, Misc. Income, Special Assessment, Parking, and Fine, etc.

### 2. Account

The account number refers to specific income accounts in our accounting program.

### 3. Name

Each account has a specific name which shows where money has been allocated.

### 4. Balance Forward

The Balance Forward column on the current month's Receivable Summary by Account will match the Ending Balance from the previous month's report. These figures will show either as a zero-balance, a positive number (amount still due), or a negative number (amount paid in advance) by the association as a collective group.

### 5. Charge

The Charge column shows all of the current charges for the month. If the report is for the month of May, those charges are for the May Dues, Special Assessment, Late Charges, Parking, Locker, or Storage fees, and any fines for that month. Charge backs for plumbing or a common area maintenance fee (that was not the Association's responsibility) as well as fees for Keys and Remotes also show on this report.

### 6. Receipt

The Receipt column shows the total of all monies paid by the homeowners against all current and outstanding charges, again broken down by Dues, Late Charges, etc.

### 7. Ending Balance

The Ending Balance is calculated for each account by adding the amount in the Balance Forward column to the Charge column, then subtracting the Receipt column. (Balance Forward + Charge - Receipt)

The Ending Balance is the sum of unpaid charges plus the total of payments made in the current month, including those made in the current month as prepayment for next month.

Remember, the Balance Forward column only shows the total of past due charges while the Ending Balance is a combined total of past due balances, current payments and prepayments for the month. This can be confusing, but reviewing the Receivable Summary by Tenant/Charge report will help you see which homeowner may have a balance due and which one may have already paid in advance.

**1 Expense Register**

\*Property=ame411

\*mm/yy=03/2011 - 03/2011

\*All Checks=Yes

<b>2</b> Property Payable #	<b>3</b> Chk#	Bank Code	<b>4</b> Vendor	<b>5</b> Check Date	<b>6</b> Amount	<b>7</b> Account	<b>8</b> Invoice Notes
ame411							
P-219992	2063	ame411	BEVEN & BROCK	02/01/2011 (02/11)	265.00	51250000 - MANAGEMENT CONTRACT	Monthly fee
P-219771	<b>2064</b>	ame411	JACK GARDENER (JACGAR)	02/01/2011 (02/11)	<b>110.00</b>	51200000 - <b>LANDSCAPING CONTRACT</b>	February service
P-219771	<b>2064</b>	ame411	JACK GARDENER (JACGAR)	02/01/2011 (02/11)	<b>20.00</b>	59180000 - <b>SPRINKLERS</b>	February sprinkler
P-220940	2065	ame411	AMERICA'S HOA (as.411.)	02/01/2011 (02/11)	448.00	60000000 - RESERVE CONTRIBUTIONS	CITIZENS #254-690857
P-220561	2066	ame411	ATHENS SERVICES (rbs.02)	02/01/2011 (02/11)	196.40	51550000 - RUBBISH CONTRACT	#120213-000 February
P-220500	2067	ame411	CITY OF PASADENA (utl.30)	02/01/2011 (02/11)	54.60	55250000 - WATER & SEWER	#93587-6 02/03-02/28/11
P-221493	2068	ame411	PETE'S PEST (pst.76)	02/01/2011 (02/11)	40.00	51300000 - PEST CONTROL CONTRACT	#01327 general pest
P-221823	2069	ame411	A.L.FIRE EXT. CO (fir.01)	02/01/2011 (02/11)	24.00	57370000 - FIRE PREV./SUPPLIES	
P-222412	<b>2070</b>	ame411	JACK GARDENER (JACGAR)	02/01/2011 (02/11)	<b>110.00</b>	51200000 - <b>LANDSCAPING CONTRACT</b>	February service
P-222412	<b>2070</b>	ame411	JACK GARDENER (JACGAR)	02/01/2011 (02/11)	<b>20.00</b>	59180000 - <b>SPRINKLERS</b>	Feb. sprinkler system
Total ame411					1,288.00		

# Understanding Your Monthly Expense Register

## 1. Expense Register

The Expense Register is organized by check number and displays important information that has been printed on each check and check stub. The total spent for the month is listed at the bottom of the Amount column.

## 2. Property Payable #

This is an internal number in our system and can be ignored.

## 3. Check #

Each check issued to a vendor for payment has its own number. The Expense Register may seem to be confusing since at times there are two or more rows with the same check number. Sometimes a vendor may be charging for two or more items on an invoice which the property manager or the HOA board wishes to break up into separate expenses. In this case, the same check number will be displayed, showing the same vendor, a different expense account, and most likely a different amount paid.

## 4. Vendor

Each vendor's name is listed on this report. Any codes in parentheses can be ignored. It is extremely important to make sure that the HOA provides up-to-date tax information and insurance documentation on each vendor it employs.

## 5. Check Date

This report also shows the date each check was printed. Our accounting department processes all invoices received each week and provides a list of those invoices to the property manager who will authorize which ones to be paid (sometimes also coordinating with and/or receiving approval from the HOA board.) Please coordinate with your property manager so that invoices are not submitted at the last minute, but rather provided with plenty of time to be paid in the normal weekly check run.

## 6. Amount

The Expense Register shows the amount paid for each type of expense. For example, a gardener was paid for two invoices which are both included on one check. The check is cut for \$130.00 because he was paid for LANDSCAPING CONTRACT (\$110.00) and SPRINKLERS (\$20.00).

## 7. Account

When a vendor submits an invoice for payment, the invoice is coded with an expense account. The invoice is entered into the system and a check is issued. That expense shows on this report and is added into the total for that expense account on the Budget Comparison Cash Flow report.

## 8. Invoice Notes

This section contains pertinent account information that was originally printed on the check stub. Please remember to leave the check stubs attached to the checks so that when vendors receive their checks, the payments can be applied correctly to the association's accounts. Many times when the stubs are removed from checks, vendors will not know where to apply the checks, causing the payments to be delayed or returned to Beven and Brock.