



RubinBrown LLP
Certified Public Accountants
& Business Consultants

Independent Auditors' Report

1660 Lincoln Street
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To the Board of Directors
Woodstream Falls Condominium Association, Inc.
Aurora, Colorado

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We have audited the accompanying balance sheet of Woodstream Falls Condominium Association, Inc. (the Association) as of December 31, 2009, and the related statements of revenues, expenses and changes in fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing and opinion on the effectiveness of the Association's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Woodstream Falls Condominium Association, 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.

The supplementary information on future major repairs and replacements on page 13 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods or measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

RubinBrown LLP

March 18, 2011

March 18, 2011

RubinBrown LLP
1660 Lincoln Street
Suite 2000
Denver, CO 80264

We are providing this letter in connection with your audit of the balance sheet of Woodstream Falls Condominium Association Inc as of December 31, 2009, and the related statements of revenue, expenses, change in fund balance, and cash flows for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of Woodstream Falls Condominium Association Inc in conformity with U.S. generally accepted accounting principles. We confirm that we are responsible for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with generally accepted accounting principles. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control, and preventing and detecting fraud. We understand we are responsible for management decisions and functions, for designating a qualified employee to oversee any nonattest services you provide, for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

18


We confirm, to the best of our knowledge and belief, as of March ~~10~~, 2011, the following representations made to you during your audit.

1. The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles.
2. We have made available to you all—
 - a. Financial records and related data.
 - b. Minutes of the meetings of board of directors, and committees of directors, or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. We are responsible for the fair presentation of the supplemental information accompanying the financial statements about future major repairs and replacements

4. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
5. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
6. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
7. We have no knowledge of any fraud or suspected fraud affecting the Association including:
 - a. Credit card activity
 - b. Related party transactions
 - c. Accounts Receivables
 - d. Management, board of directors, and former board of directors,
 - e. Employees who have significant roles in internal control, or
 - f. Others where the fraud could have a material effect on the financial statements.
8. We have no knowledge of any allegations of fraud or suspected fraud affecting the Association received in communications from employees, former employees, regulators, or others.
9. The Association has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
10. The following have been properly recorded or disclosed in the financial statements:
 - a. Related party transactions and related accounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements, and guarantees.
 - b. Guarantees, whether written or oral, under which the Association is contingently liable.
11. There are no estimates that may be subject to a material change in the near term that have not been properly disclosed in the financial statements. We understand that near term means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the Association vulnerable to the risk of a near-term severe impact that have not been properly disclosed in the financial statements.
12. There are no:
 - a. Transfers or designations of fund balance or interfund borrowings that were not properly authorized and approved, or uncollectible interfund loans that have not been properly reflected in the financial statements or disclosed to you.

- b. Violations or possible violations of laws or regulations whose effect should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
 - c. Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed.
 - d. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed.
13. The Association has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral, except as made known to you.
14. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
15. No events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
16. The board of directors is collecting funds for future major repairs and replacements in conformity with the Association's policy to fund for those needs based on a study conducted November 19, 2009. Excess repair and replacement costs will be funded through special assessments or borrowings as needs arise.
17. We understand that you have provided certain bookkeeping assistance services regarding accounts receivables, and we have assigned a person to review and take responsibility of the assistance provided.
18. We understand that management is responsible for the Association's choice of filing Form 1120 or Form 1120-H and the consequences thereof.
19. The Association's allocation of expenses against membership and nonmembership income conforms with IRS rules, which require that the allocation be made "on a reasonable and consistently applied basis". We have adequately documented such allocation.
20. We are responsible for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions underlying the measurement and presentation of the RSI.
21. We are responsible for presenting the supplementary information accompanying the basic financial statements in accordance with U.S. generally accepted accounting principles. The supplementary information, including its form and content, is fairly presented in accordance with U.S. generally accepted accounting principles. The methods of

measurement and presentation used to prepare the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the supplementary information.



Juanita Rucker, President

03/18/2011



Pansy Moore, Managing Agent

3/18/2011

WOODSTREAM FALLS CONDOMINIUM ASSOCIATION, INC.

BALANCE SHEET

December 31, 2009

	Operating Fund	Replacement Fund	Total
Assets			
Cash	\$ 339,289	\$ 8,772	\$ 348,061
Certificate of deposit	—	690,171	690,171
Accounts receivable, net of allowance for doubtful accounts of \$80,000	123,305	—	123,305
Account receivable - related party	1,064	—	1,064
Prepaid insurance	15,779	—	15,779
Property and equipment, net accumulated depreciation of \$9,957	108,324	—	108,324
Total Assets	\$ 587,761	\$ 698,943	\$ 1,286,704
Liabilities			
Accounts payable	\$ 198,273	\$ 3,800	\$ 202,073
Deferred income	5,040	—	5,040
Current portion of long-term debt	—	109,825	109,825
Long-term debt	—	243,709	243,709
Total Liabilities	203,313	357,334	560,647
Fund Balances			
Unrestricted funds	384,448	—	384,448
Board-designated funds	—	341,609	341,609
Total Fund Balances	384,448	341,609	726,057
Total Liabilities And Fund Balances	\$ 587,761	\$ 698,943	\$ 1,286,704