Cambridge Village Association, Inc.
Financial Statements

Year Ended December 31, 2025

Cambridge Village Association, Inc.
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Braxton & Holway P.A
CPAs and Advisors

STUART G. HISTON, CPA
FLOYD J. HOLWAY, CPA

BENJAMIN D. BRAXTON, *Partner emeritus*

MEMBERS

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

FLORIDA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Cambridge Village Association, Inc.

Opinion

We have audited the accompanying financial statements of Cambridge Village Association, Inc., which comprise the balance sheet as of December 31, 2025, and the related statements of revenues, expenses, and 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 Cambridge Village Association, Inc. as of December 31, 2025, 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 Cambridge Village 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.

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.

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 Cambridge Village 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 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 Cambridge Village 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 Cambridge Village 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.

To the Board of Directors of
Cambridge Village Association, Inc.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require the supplementary information on future major repairs and replacements on page 11 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Braxton & Holway, P.A.
Bradenton, Florida
July 15, 2026

Cambridge Village Association, Inc.
Balance Sheet
December 31, 2025

	Operating Fund	Replacement Fund	Total
Assets			
Cash	$ 72,891	$ -	$ 72,891
Cash equivalents	52,973	225,470	278,443
Assessments receivable	2,575	-	2,575
Interfund receivable	20,000	-	20,000
Prepaid insurance	15,474	-	15,474
Total Assets	163,913	225,470	389,383
Accounts payable	4,702	1,113	5,815
Prepaid assessments	8,021	-	8,021
Deferred cable rebate	39,429	-	39,429
Interfund payable	-	20,000	20,000
Deferred revenue (assessments received in advance - replacement fund)	-	204,357	204,357
Total Liabilities	52,152	225,470	277,622
Fund Balances	111,761	-	111,761
Total Liabilities and Fund Balances	$ 163,913	$ 225,470	$ 389,383

See accompanying notes and independent auditors' report.

Cambridge Village Association, Inc.
Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended December 31, 2025

	Operating Fund	Replacement Fund	Total
Revenues			
Member assessments	$ 547,742	$ 39,646	$ 587,388
Interest income	4,015	6,988	11,003
Cable contract income	6,988	-	6,988
Other income	8,290	-	8,290
Total Revenues	567,035	46,634	613,669
Expenses			
Accounting	6,250	-	6,250
Accounting - review	6,250	-	6,250
Background checks	695	-	695
Bank charges	2,085	-	2,085
Building maintenance	1,488	-	1,488
Clubhouse & shuffleboard	1,471	-	1,471
Clubhouse janitorial services	2,850	-	2,850
Contingency	338	-	338
Driveways	168	-	168
Fees to division	981	-	981
Fertilizer/Weed control	23,418	-	23,418
Grounds maintenance - contract	212,064	-	212,064
Grounds maintenance - materials	13,507	-	13,507
Insurance	50,872	-	50,872
Lake maintenance	2,280	-	2,280
Legal/Professional fees	660	-	660
Lights/Garbage - recreation	2,979	-	2,979
Office expense	5,069	-	5,069
Pest control	15,594	-	15,594
Pool heat	9,214	-	9,214
Social events	346	-	346
Telephone	1,340	-	1,340
Utilities - cable	132,521	-	132,521
Utilities - electric	18,736	-	18,736
Utilities - water/sewer/waste	54,310	-	54,310
Reserve expenses	-	46,634	46,634
Total Expenses	565,486	46,634	612,120
Excess (deficit) of revenues over expenses	1,549	-	1,549
Fund balance - beginning of year	110,212	-	110,212
Fund balance - end of year	$ 111,761	$ -	$ 111,761

See accompanying notes and independent auditors' report.

Cambridge Village Association, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2025

	Operating Fund	Replacement Fund	Total
Cash Flows from Operating Activities			
Cash received from:			
Member assessments	$ 539,042	$ 73,258	$ 612,300
Interest income	4,015	6,988	11,003
Cable contract income	6,988	-	6,988
Other income	8,290	-	8,290
Total cash received	558,335	80,246	638,581
Cash paid for:			
Operating expenses	556,882	-	556,882
Replacement fund expenses	-	45,521	45,521
Total cash paid out	556,882	45,521	602,403
Net cash provided (used) by Operating Activities	1,453	34,725	36,178
Net increase (decrease) in cash	1,453	34,725	36,178
Cash - beginning of year	124,411	190,745	315,156
Cash - end of year	125,864	225,470	351,334
Reconciliation of Net Income To Net cash provided (used) by Operating Activities:			
Excess (deficit) of revenues over expenses	1,549	-	1,549
Adjustments to reconcile net income (loss) to Net cash provided (used) by Operating Activities:			
(Increase) decrease in assessments receivable	(1,400)	-	(1,400)
(Increase) decrease in prepaid insurance	12,398	-	12,398
Increase (decrease) in accounts payable	3,598	1,113	4,711
Increase (decrease) in prepaid assessments	(7,300)	-	(7,300)
Increase (decrease) in deferred cable rebate	(7,392)	-	(7,392)
Increase (decrease) in deferred revenue	-	33,612	33,612
Net cash provided (used) by Operating Activities	$ 1,453	$ 34,725	$ 36,178

See accompanying notes and independent auditors' report.

NOTE 1 – NATURE OF ORGANIZATION

Cambridge Village Association, Inc. is a statutory condominium association incorporated in the State of Florida on April 17, 1972. The Association is responsible for the operation and maintenance of the common property of Cambridge Village, a Condominium, which has a clubhouse pool, clubhouse roof, driveways, grounds, and a maintenance garage. The Association is located in Bradenton, Florida and consists of 230 residential units.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of the limitations and restrictions on the use of financial resources, 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 resources available for general operations of the Association.

Replacement Fund - This fund is used to accumulate financial resources designated for future major repairs and replacements and other designated reserves.

Member Assessments

Association members are subject to monthly assessments to provide funds for the Association's operating expenses and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligations related to its operating assessments are satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the replacement fund assessments, and special assessments (if applicable), are satisfied when these funds are expended for their designated purpose. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are (90) days or more delinquent. Any excess assessments at year end are retained by the Association for use in the succeeding year. At December 31, 2025, the Association had delinquent assessments of $2,575. It is the opinion of the Board of Directors that the Association will ultimately prevail against homeowners with delinquent assessments.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Association treats uncollectible assessments as variable consideration. Methods, inputs, and assumptions used to evaluate whether an estimate of variable consideration is constrained include consideration of past experience and susceptibility to factors outside the Association's control. The balances of member assessments receivable's as of the beginning, and end, of the year are $1,175 and $2,575, respectively.

Deferred Revenues (Assessments Received in Advance)

The Association recognizes revenue from members as the related performance obligations are satisfied. A deferred revenue (assessments received in advance) is (are) recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve or special assessments. The balance of deferred revenues (assessments received in advance) as of the beginning and end of the year are $170,745 and $204,357 for reserve assessments.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Association considers certificates of deposit to be cash equivalents as the terms of these instruments do not contain significant penalties for early withdrawal. The Association considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Property and Equipment

Real property and common areas acquired from the developer and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association. The Association's policy is to capitalize personal property at cost and depreciate it using the straight-line method.

Estimates

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

NOTE 3 - DATE OF MANAGEMENT REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through July 15, 2026, the date that the financial statements were available to be issued.

NOTE 4 – UNINSURED CASH BALANCES

The Association maintains its cash balances at various financial institutions. These accounts are secured by the Federal Deposit Insurance Corporation up to $250,000 at each financial institution. As of December 31, 2025, the Association had no uninsured cash balances.

NOTE 5 – FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents require funds to be accumulated for future major repairs and replacements. Accumulated funds, which aggregate $225,470 at December 31, 2025, are held in separate accounts and are generally not available for operating purposes. It is the Association's policy to allocate interest earned on such funds to the balances in the account on an annual basis.

The Association conducted a study during the budgetary process in 2025 to estimate the remaining useful lives and the replacement costs of the common property components. The Association is funding for such major repairs and replacements over the estimated useful lives of the components based on the study's estimates of current replacement costs, considering amounts previously accumulated in the replacement fund. Actual expenditures, however, may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, however, the Association has the right, subject to member approval, to increase regular assessments or levy special assessments, or it may delay major repairs and replacements until funds are available.

NOTE 6 – INCOME TAXES

The Association qualifies as a tax-exempt homeowners' association under Internal Revenue Code Section 528 for the year ended December 31, 2025. Under that section, the Association is not taxed on income and expenses related to its exempt purpose, which is the acquisition, construction, management, maintenance, and care of Association property. Net nonexempt function income, which includes earned interest and revenues received from nonmembers, is taxed at 30% by the federal government.

The Association has adopted Accounting Standards Codification (ASC) 740-10 as it relates to uncertain tax positions. When applicable, any interest and penalties recognized associated with a tax position are classified as current in the Association's financial statements.

The Association's tax filings are subject to audit by various taxing authorities. In evaluating the Association's tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances. As of December 31, 2025 the Association's tax years 2022, 2023 and 2024 remain open to possible examination.

NOTE 7 – MILESTONE INSPECTION EXEMPTION DISCLOSURE

Florida Statute 718.112(2)(g) requires condominium associations with buildings of three or more habitable stories to obtain a structural integrity reserve study. Florida Statute 553.899 requires milestone structural inspections for condominium buildings of three or more stories that have reached a specified age. The Association's buildings are under three stories and therefore these requirements are not applicable to the Association.

Supplementary Information

For the year ended December 31, 2025

Cambridge Village Association, Inc.
Supplementary Information on Future Major Repairs and Replacements (Unaudited)

A study was conducted during 2020 and updated in 2025, to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on the estimated costs to repair or replace the common property components at December 31, 2025.

The following information is based on studies performed by the Board of Directors in 2025 as described in the notes to the basic financial statements.

Components	Estimated Remaining Useful Lives In Years	Estimated Current Replacement Costs	2026 Required Funding	Deferred Revenues as of Dec. 31, 2025
Roofs - Clubhouse	16	$ 32,000	$ -	$ -
Roofs - Maintenance Shed	-0-	13,000	-	-
Painting - Unit Owners	4	230,000	-	-
Painting - Clubhouse	4	4,000	-	-
Parking Surface - Replacement & Sealing	12	20,000	-	-
Irrigation - Wells and Pumps	-0-	10,000	-	-
Pool - Tub Replacment	21	28,000	-	-
Pool - Deck Replacment	6	2,500	-	-
Pool - Fence & Gates	15	8,000	-	-
Pool - Heating System	3	7,000	-	-
Pool Facilities - Pumps System	2	7,000	-	-
Pool Facilities - Shuffleboard Courts	13	13,000	-	-
Clubhouse - Interior	1	40,000	-	-
Clubhouse - Kitchen	-0-	25,000	-	-
Clubhouse - Exterior	-0-	2,500	-	-
Pooled Reserves	NA	NA	73,258	204,357
Total Pooled Reserves		$ 442,000	$ 73,258	$ 204,357

The following information is presented in accordance with the State of Florida requirements to disclose activity in the specific reserve accounts.

Components	Deferred Revenues as of Jan. 1, 2025	Receipts	Interest	Expenses	Deferred Revenues as of Dec. 31, 2025
Pooled reserves	$ 170,745	$ 73,258	$ 6,988	$ 46,634	$ 204,357
Total	$ 170,745	$ 73,258	$ 6,988	$ 46,634	$ 204,357