

**WALDEN ON LAKE CONROE
COMMUNITY IMPROVEMENT ASSOCIATION**

FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

Canady & Canady P. C.
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Independent Auditor's Report (Continued)

To the board of Trustees of
Walden on Lake Conroe Community Improvement Association

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Walden on Lake Conroe Community Improvement Association as of December 31, 2013 and 2012, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Supplementary Information on Future Major Repairs and Replacements on page 12-17 be presented to supplement the basic financial statements. Such 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. 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.

Houston, Texas

July 15, 2014