

CAUSEWAY ON GULL ASSOCIATION, INC.
BALANCE SHEET
DECEMBER 31, 2009

ASSETS

Current assets

Cash - checking and savings	\$ 771,740
Cash - replacement reserve	96,925
Receivable - owner maintenance fees	1,574,864
Receivable - Causeway Development	460,608
Receivable - COG Partners	2,889
Inventory	3,239
Prepaid expense and other current assets	<u>30,484</u>
Total current assets	<u>2,940,748</u>

Property and Equipment

Land	305,000
Buildings and improvements	1,386,026
Furnishings and equipment	232,469
Vehicles	<u>71,168</u>
Total property and equipment	1,994,663
Less accumulated depreciation	<u>(737,902)</u>
Net property and equipment	<u>1,256,761</u>
	<u>\$ 4,197,509</u>

LIABILITIES AND ASSOCIATION EQUITY

Current liabilities

Notes payable - line of credit	\$ 0
Deferred revenues - owner fees	2,066,039
Other liabilities	<u>54,589</u>
Total current liabilities	<u>2,120,628</u>

Long-term debt:

Building loan	86,222
Outlot A	<u>622,021</u>
Total long-term debt	<u>708,244</u>

Association equity

	<u>1,368,638</u>
	<u>\$ 4,197,509</u>

CAUSEWAY ON GULL ASSOCIATION, INC.
STATEMENT OF OPERATIONS
DECEMBER 31, 2009

Revenue

Owner maintenance fees	\$ 1,926,368
Building rental	41,600
Other rental	23,437
Activity fees and store	16,110
Housekeeping	12,263
Other revenue	<u>56,808</u>
Total revenue	<u>2,076,586</u>

Operating expenses

Administration contract	185,797
Adminstration	49,794
Bad debts	4,524
Depreciation	40,366
General & Finance	37,442
Housekeeping contract and supplies	356,200
Insurance	62,602
Maintenance contract	222,445
Management fees	104,598
Pool and hot tub	59,922
Real estate taxes	151,236
Refuse and snow removal	10,720
Repairs and maintenance	65,320
Replacement expenses	28,795
Sewer connection fees	40,632
Supplies	11,586
Utilities	<u>245,945</u>

Total operating expenses 1,677,925

Operating income less expenses 398,661

Other income (expense)

Interest income	6,949
Interest expense	<u>(48,451)</u>
Total other income and expense	<u>(41,502)</u>

Net income (loss) 357,159

Equity, beginning of year 1,011,479

Equity, end of year \$ 1,368,638