

CAUSEWAY ON GULL ASSOCIATION, INC.
STATEMENT OF OPERATIONS
DECEMBER 31, 2010

Revenue

Maintenance Fees	\$ 2,121,499
Building rental	36,400
Other rental	23,569
Activity fees and store	14,275
Housekeeping	7,510
Other revenue	<u>67,830</u>
Total revenue	<u>2,271,083</u>

Operating expenses

Administration contract	194,466
Adminstration	52,195
Bad debts	9,527
Depreciation	39,663
General & Finance	19,809
Housekeeping contract and supplies	372,693
Insurance	60,485
Maintenance contract	230,782
Management fees	107,867
Pool and hot tub	50,420
Real estate taxes	156,219
Refuse and snow removal	9,946
Repairs and maintenance	54,769
Replacement expenses	95,064
Sewer connection fees	40,632
Supplies	9,808
Utilities	<u>283,594</u>
Total operating expenses	<u>1,787,938</u>

Operating income less expenses 483,145

Other income (expense)

Interest income	4,536
Interest expense	<u>(42,104)</u>
Total other income and expense	<u>(37,569)</u>

Net income (loss) 445,576

Equity, beginning of year 1,361,310

Equity, end of year \$ 1,806,886

CAUSEWAY ON GULL ASSOCIATION, INC.
BALANCE SHEET
DECEMBER 31, 2010

ASSETS

Current assets

Cash - checking and savings	\$ 524,778
Cash - replacement reserve	126,430
Receivable - owner maintenance fees	1,858,657
Receivable - Causeway Development	700,486
Receivable - COG Partners	17,222
Inventory	6,212
Prepaid expense and other current assets	<u>30,263</u>
Total current assets	<u>3,264,047</u>

Property and Equipment

Land	305,000
Buildings and improvements	1,422,706
Furnishings and equipment	232,469
Vehicles	<u>71,168</u>
Total property and equipment	2,031,343
Less accumulated depreciation	<u>(778,885)</u>
Net property and equipment	<u>1,252,458</u>
	\$ <u><u>4,516,506</u></u>

LIABILITIES AND ASSOCIATION EQUITY

Current liabilities

Notes payable - line of credit	\$ 0
Deferred revenues - owner fees	2,056,585
Other liabilities	<u>12,346</u>
Total current liabilities	<u>2,068,931</u>

Long-term debt:

Building loan	75,149
Outlot A	<u>565,540</u>
Total long-term debt	<u>640,689</u>

Association equity

	<u>1,806,886</u>
	\$ <u><u>4,516,506</u></u>