

CAUSEWAY ON GULL ASSOCIATION, INC.
BALANCE SHEET
DECEMBER 31, 2012

ASSETS

Current assets

Cash - checking and savings	\$ 634,816
Cash - replacement reserve	84,478
Receivable - owner maintenance fees	2,146,353
Receivable - Causeway Development	111,120
Receivable - COG Partners/Frandsen	39,809
Inventory	410,572
Prepaid expense and other current assets	<u>130,236</u>
Total current assets	<u>3,557,385</u>

Property and Equipment

Land	305,000
Buildings and improvements	1,480,124
Furnishings and equipment	244,463
Vehicles	<u>76,768</u>
Total property and equipment	2,106,355
Less accumulated depreciation	<u>(857,949)</u>
Net property and equipment	<u>1,248,405</u>
	<u>\$ 4,805,790</u>

LIABILITIES AND ASSOCIATION EQUITY

Current liabilities

Notes payable - line of credit	\$ 200,000
Deferred revenues - owner fees	1,854,608
Other liabilities	<u>8,201</u>
Total current liabilities	<u>2,062,808</u>

Long-term debt:

Building loan	47,586
Outlot A	<u>447,346</u>
Total long-term debt	<u>494,932</u>

Association equity

	<u>2,248,049</u>
	<u>\$ 4,805,790</u>

CAUSEWAY ON GULL ASSOCIATION, INC.
STATEMENT OF OPERATIONS
DECEMBER 31, 2012

Revenue

Maintenance Fees	\$ 1,866,506
Building rental	36,000
Other rental	71,223
Activity fees and store	23,318
Housekeeping	11,395
Other revenue	<u>45,976</u>
Total revenue	<u>2,054,418</u>

Operating expenses

Administration contract	199,884
Adminstration	109,807
Bad debts	19,035
Depreciation	39,316
General & Finance	13,076
Housekeeping contract and supplies	381,648
Insurance	62,419
Maintenance contract	238,810
Management fees	110,330
Pool and hot tub	40,146
Real estate taxes	162,688
Refuse and snow removal	13,957
Repairs and maintenance	46,994
Replacement expenses	19,919
Sewer connection fees	59,832
Supplies	14,049
Utilities	<u>232,734</u>

Total operating expenses 1,764,644

Operating income less expenses 289,774

Other income (expense)

Interest income	673
Interest expense	<u>(33,923)</u>
Total other income and expense	<u>(33,250)</u>

Net income (loss) 256,524

Equity, beginning of year 1,991,525

Equity, end of year \$ 2,248,049