

ANNUAL FINANCIAL REPORT

**VIRGINIA CITY HIGHLANDS PROPERTY OWNERS' ASSOCIATION
Statement of Assets, Liabilities and Members' Equity
For the Years Ended June 30, 2007 and June 30, 2006
Federal Income Tax Basis - Unaudited**

	Year Ended June 30,		
	2007	2006	Difference
CURRENT ASSETS:			
Cash in Checking Account	\$ 15,645	\$ 43,992	\$ (28,347)
Cash in Savings Account	91,950	15,969	75,981
Accounts Receivable	1,478	575	903
Total Current Assets	109,072	60,536	48,537
PLANT AND EQUIPMENT:			
Vehicles & Equipment	177,941	177,941	-
Fences & Other Structures	6,742	6,742	-
Salt Enclosure	1,082	1,082	-
New Mail Shed	9,794	9,794	-
Fire Station & House	119,580	119,580	-
Road Improvements	66,705	66,705	-
Other Equipment	1,326	1,326	-
Accumulated Depreciation	(301,755)	(268,869)	(32,886)
Total Plant & Equipment	81,416	114,302	(32,886)
OTHER ASSETS:			
Land - Fire Station	19,000	19,000	-
Deposits	-	-	-
TOTAL ASSETS	\$ 209,488	\$ 193,837	\$ 15,651
LIABILITIES:			
Deposits & Advances Collected	\$ 750	\$ 600	\$ 150
Total Liabilities	750	600	150
MEMBERS' EQUITY	208,738	193,237	15,501
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 209,488	\$ 193,837	\$ 15,651

VIRGINIA CITY HIGHLANDS PROPERTY OWNERS' ASSOCIATION
Statement Revenues and Expenses
For the Years Ended June 30, 2007 and June 30, 2006
Federal Income Tax Basis - Unaudited

	Year Ended June 30,		Difference
	2007	2006	
REVENUES:			
Association Dues (billed)	\$ 60,189	61,535	\$ (1,346)
Special Assessment (billed)	121,050	89,475	31,575
Architectural & Transfer Fees	13,109	17,684	(4,575)
Rent Income	11,663	7,900	3,763
Other Income	4,743	5,374	(631)
Total Revenue	210,754	181,968	28,786
EXPENSES:			
Administrative Expenses:			
Architectural Committee Costs	246	22	224
Board of Directors Fees	-	-	-
Bookkeeping	8,103	6,721	1,382
Ombudsman Fee	3,507	3,507	-
Picnic Expenses	614	420	194
Newsletter Costs	-	1,284	(1,284)
US Postage	2,269	2,065	204
Office Expenses	1,358	1,517	(159)
Bank Fees	271	378	(107)
Legal Fees	768	1,736	(968)
Total Administrative Expenses	17,135	17,649	(514)
Road Expenses:			
Vehicle Maintenance	15,238	5,860	9,378
Materials for Roads	31,510	6,822	24,688
Road Manager Salary	-	1,350	(1,350)
Contract Labor	20,107	29,955	(9,848)
Other Road Expenses	5,955	(1,701)	7,656
Other Equipment Costs	47,139	14,960	32,179
Total Road Expenses	119,948	57,246	62,702
Other Expenses:			
Insurance	16,949	19,412	(2,462)
Interest Expense	-	-	-
Rental Property Expenses	4,197	584	3,613
Real Property Taxes	1,217	829	388
Depreciation	32,886	23,208	9,678
Income Tax Expense	464	283	181
Telephone & Utility Expenses	2,012	1,856	156
Bad Debt Expense	-	1,289	(1,289)
Miscellaneous Expenses	446	210	236
Total Other Expenses	58,171	47,670	10,501
Total Expenses	195,254	122,564	72,689
Net Income/(Loss)	\$ 15,501	\$ 59,404	\$ (43,903)

VIRGINIA CITY HIGHLANDS PROPERTY OWNERS' ASSOCIATION
Cash Flow Statement
For the Years Ended June 30, 2007 and June 30, 2006
Federal Income Tax Basis - Unaudited

	Year Ended June 30,		
	2007	2006	Difference
CASH RECEIPTS:			
Collection of Dues & Special Assessments	\$ 182,517	\$ 153,638	\$ 28,879
Fees	11,509	17,684	(6,175)
Rent Income	11,663	7,900	3,763
Deposits & Advances Collected	(555)	-	(555)
Other Income	4,868	5,374	(506)
Total Cash Receipts	210,002	184,596	25,406
OPERATING CASH EXPENDITURES:			
Administrative Expenses	17,135	17,649	(514)
Road Expenses	119,948	57,246	62,702
Deposits & Advances Paid	-	225	(225)
Other Operating Expenses	25,285	23,173	2,112
Total Operating Expenses	162,368	98,293	64,075
CAPITAL IMPROVEMENTS CASH EXPENDITURES:			
Equipment Purchases	-	91,195	(91,195)
Capitalized Road Improvements	-	6,260	(6,260)
Total Capital Improvements Cash Expenditures	-	97,455	(97,455)
Total Cash Expenditures	162,368	195,747	(33,380)
CASH FLOW FOR YEAR	\$ 47,634	\$ (11,152)	\$ 58,786
SUMMARY OF CASH FLOWS:			
Cash In Bank At Beginning Of Year	\$ 59,961	\$ 71,112	\$ (11,152)
Cash Flow For Year	47,634	(11,152)	58,786
Cash In Bank At End Of Year	\$ 107,595	\$ 59,961	\$ 47,634