

ANNUAL FINANCIAL REPORT

**VIRGINIA CITY HIGHLANDS PROPERTY OWNERS' ASSOCIATION
Statement of Assets, Liabilities and Members' Equity
For the Years Ended June 30, 2010 and June 30, 2009
Federal Income Tax Basis - Unaudited**

	<u>Year Ended June 30,</u>		
	<u>2010</u>	<u>2009</u>	<u>Difference</u>
CURRENT ASSETS:			
Cash in Operating Accounts	\$ 81,382	\$ 63,581	\$ 17,801
Reserve Fund Savings Account	160,728	55,714	105,014
Accounts Receivable	<u>14,843</u>	<u>12,945</u>	<u>1,898</u>
Total Current Assets	256,953	132,240	124,713
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	276,971	276,971	-
Other Equipment	1,326	1,326	-
Accumulated Depreciation	<u>(447,193)</u>	<u>(421,259)</u>	<u>(25,934)</u>
Total Plant & Equipment	146,243	172,177	(25,934)
OTHER ASSETS:			
Land - Fire Station	<u>19,000</u>	<u>19,000</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 422,197</u>	<u>\$ 323,417</u>	<u>\$ 98,779</u>
LIABILITIES:			
Payroll Tax Liability	<u>\$ 733</u>	<u>\$ -</u>	<u>\$ 733</u>
Total Liabilities	733	-	733
MEMBERS' EQUITY:			
Total Members' Equity	<u>421,463</u>	<u>323,417</u>	<u>98,046</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 422,197</u>	<u>\$ 323,417</u>	<u>\$ 98,779</u>

VIRGINIA CITY HIGHLANDS PROPERTY OWNERS' ASSOCIATION
Statement Revenues and Expenses
For the Years Ended June 30, 2010 and June 30, 2009
Federal Income Tax Basis - Unaudited

	Year Ended June 30,		Difference
	2010	2009	
REVENUES:			
Association Dues & Late Fees (billed)	\$ 63,915	\$ 63,754	\$ 161
Special Assessments (billed)	115,800	115,800	-
Architectural & Transfer Fees	6,500	4,330	2,170
Rent Income	4,501	2,000	2,501
Other Income	1,357	1,484	(128)
Total Revenue	<u>192,073</u>	<u>187,368</u>	<u>4,705</u>
EXPENSES:			
Administrative Expenses:			
Architectural Committee Costs	-	86	(86)
Bookkeeping	5,740	8,835	(3,095)
Ombudsman Fee	3,507	3,507	-
Annual Meeting Breakfast Expenses	-	250	(250)
US Postage	721	3,954	(3,233)
Office Expenses	1,006	2,569	(1,563)
Bank Fees	438	932	(494)
Professional Fees	7,000	5,144	1,856
Total Administrative Expenses	<u>18,412</u>	<u>25,276</u>	<u>(6,864)</u>
Road Expenses:			
Vehicle Maintenance	2,494	16,689	(14,195)
Materials for Roads	757	231	526
Salaries, Payroll Taxes and Workers Compensation	23,553	16,518	7,035
Other Road Expenses	5,493	1,368	4,125
Other Equipment Costs	-	382	(382)
Total Road Expenses	<u>32,297</u>	<u>35,188</u>	<u>(2,892)</u>
Other Expenses:			
Insurance	12,239	13,890	(1,651)
Real Property Taxes	3,333	-	3,333
Depreciation	25,934	95,906	(69,972)
Income Tax Expense	56	415	(359)
Telephone & Utility Expenses	1,756	1,905	(149)
Miscellaneous Expenses	-	255	(255)
Total Other Expenses	<u>43,318</u>	<u>112,372</u>	<u>(69,054)</u>
Total Expenses	<u>94,027</u>	<u>172,836</u>	<u>(78,809)</u>
Net Income/(Loss)	<u>\$ 98,046</u>	<u>\$ 14,532</u>	<u>\$ 83,514</u>

VIRGINIA CITY HIGHLANDS PROPERTY OWNERS' ASSOCIATION
Cash Flow Statement
For the Years Ended June 30, 2010 and June 30, 2009
Federal Income Tax Basis - Unaudited

	<u>Year Ended June 30,</u>		
	<u>2010</u>	<u>2009</u>	<u>Difference</u>
CASH RECEIPTS FROM OPERATIONS:			
Collection of Dues & Special Assessments	\$ 178,617	\$ 178,174	\$ 443
Fees	6,500	4,330	2,170
Rent Income	4,501	2,000	2,501
Increase in Payroll Taxes Payable	733	-	733
Other Income	557	1,484	(928)
Total Cash Receipts From Operations	<u>190,908</u>	<u>185,988</u>	<u>4,919</u>
OPERATING CASH EXPENDITURES:			
Administrative Expenses	18,412	25,276	(6,864)
Road Expenses	32,297	35,188	(2,892)
Decrease in Payroll Taxes Payable	-	2,574	(2,574)
Other Operating Expenses	17,384	16,466	918
Total Operating Expenses	<u>68,093</u>	<u>79,504</u>	<u>(11,411)</u>
CAPITAL IMPROVEMENTS CASH EXPENDITURES:			
Equipment Purchases	-	-	-
Capitalized Road Improvements	-	151,844	(151,844)
Total Capital Improvements Cash Expenditures	<u>-</u>	<u>151,844</u>	<u>(151,844)</u>
Total Cash Expenditures	<u>68,093</u>	<u>231,348</u>	<u>(163,255)</u>
CASH FLOW FOR YEAR	<u>122,815</u>	<u>(45,360)</u>	<u>168,175</u>
SUMMARY OF CASH FLOWS:			
Cash In Bank At Beginning Of Year	119,295	164,655	(45,360)
Cash Flow For Year	122,815	(45,360)	168,175
Cash In Bank At End Of Year	<u>\$ 242,110</u>	<u>\$ 119,295</u>	<u>\$ 122,815</u>