

**VIRGINIA CITY HIGHLANDS PROPERTY OWNERS' ASSOCIATION**  
**Statement of Assets, Liabilities and Members' Equity**  
**December 31, 2003**  
**Federal Income Tax Basis - Unaudited**

	December 31,		
	2003	2002	Difference
<b>CURRENT ASSETS:</b>			
Cash in Checking Account	\$ 36,823	\$ 31,586	\$ 5,237
Cash in Savings Account (Reserve Fund)	24,273	24,129	144
Accounts Receivable	48,420	67,192	(18,772)
Total Current Assets	109,516	122,907	(13,392)
<b>PLANT AND EQUIPMENT:</b>			
Vehicles & Equipment	112,183	112,183	-
Fences & Other Structures	6,742	6,742	-
Salt Enclosure	1,082	837	245
New Mail Shed	9,794	8,666	1,128
Fire Station & House	119,580	119,580	-
Road Improvements	60,445	60,445	-
Other Equipment	1,326	1,326	-
Accumulated Depreciation	(256,899)	(248,132)	(8,767)
	54,254	61,648	(7,394)
<b>OTHER ASSETS:</b>			
Land - Fire Station	19,000	19,000	-
Deposits	-	251	(251)
<b>TOTAL ASSETS</b>	<b>\$ 182,770</b>	<b>\$ 203,806</b>	<b>\$ (21,036)</b>
<b>LIABILITIES:</b>			
Note Payable - 1998 GMC Truck	\$ -	\$ 2,896	\$ (2,896)
Deposits & Advances Collected	1,125	835	290
Total Liabilities	1,125	3,731	(2,606)
<b>MEMBERS' EQUITY</b>	<b>181,645</b>	<b>200,075</b>	<b>(18,430)</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$ 182,770</b>	<b>\$ 203,806</b>	<b>\$ (21,036)</b>

**VIRGINIA CITY HIGHLANDS PROPERTY OWNERS' ASSOCIATION**  
**Statement Revenues and Expenses**  
**Fiscal Year To Date December 31, 2003 \***  
**Federal Income Tax Basis - Unaudited**

	December 31,		
	2003	2002	Difference
<b>REVENUES:</b>			
Association Dues (billed)	\$ 58,272	\$ 57,466	\$ 806
Special Assessment - Reserve Fund ( Billed)	-	(50)	50
Special Assessment - NRS 116 (billed)	-	(3)	3
Fees	7,275	6,303	972
Rent Income	4,350	3,850	500
Other Income	2,653	3,435	(783)
<b>Total Revenue</b>	72,549	71,001	1,548
<b>EXPENSES:</b>			
<b>Administrative Expenses:</b>			
Architectural Committee Costs	241	480	(239)
Board of Directors Fees	-	360	(360)
Bookkeeping	1,828	1,900	(73)
Ombudsman Fee - NRS 116	-	-	-
Picnic Expenses	294	753	(460)
Newsletter Costs	1,342	135	1,207
US Postage	1,295	989	306
Office Expenses	728	396	332
Bank Fees	38	25	13
Legal Fees	1,379	417	962
Total Administrative Expenses	7,145	5,457	1,688
<b>Road Expenses:</b>			
Vehicle Maintenance	1,587	1,020	567
Materials for Roads	-	2,148	(2,148)
Road Manager Salary	2,700	2,250	450
Contract Labor	8,606	9,116	(510)
Other Road Expenses	194	523	(329)
Other Equipment Costs	2,203	2,292	(89)
Total Road Expenses	15,290	17,349	(2,059)
<b>Other Expenses:</b>			
Insurance	4,374	5,935	(1,560)
Interest Expense	11	141	(130)
Rental Property Expenses	599	50	549
Real Property Taxes	781	1,282	(501)
Depreciation	-	-	-
Income Tax Expense	-	1,079	(1,079)
Telephone & Utility Expenses	326	316	10
Bad Debt Expense	8,498	-	8,498
Miscellaneous Expenses	481	735	(254)
Total Other Expenses	15,070	9,537	5,533
<b>Total Expenses</b>	37,506	32,343	5,163
<b>Net Income/(Loss)</b>	\$ 35,043	\$ 38,658	\$ (3,615)

\* Fiscal Year Ended June 30, 2004

**VIRGINIA CITY HIGHLANDS PROPERTY OWNERS' ASSOCIATION**  
**Cash Flow Statement**  
**Fiscal Year To Date December 31, 2003 \***  
**Federal Income Tax Basis - Unaudited**

	December 31,		
	2003	2002	Difference
<b>CASH RECEIPTS:</b>			
Collection of Dues & Special Assessments	\$ 26,341	\$ 22,901	\$ 3,440
Fees	7,275	6,303	972
Rent Income	4,350	3,850	500
Deposits & Advances Collected	525	835	(310)
Other Income	2,653	3,435	(783)
<b>Total Cash Receipts</b>	41,144	37,324	3,820
 <b>OPERATING CASH EXPENDITURES:</b>			
Administrative Expenses	7,145	5,457	1,688
Road Expenses	15,290	17,349	(2,059)
Deposits & Advances Paid	2,900	600	2,300
Other Operating Expenses	6,322	9,537	(3,216)
<b>Total Operating Expenses</b>	31,657	32,943	(1,286)
 <b>FINANCING CASH EXPENDITURES:</b>			
Loan Repayment - 1998 GMC Truck	1,155	1,671	(516)
<b>Total Financing Cash Expenditures</b>	1,155	1,671	(516)
 <b>CAPITAL IMPROVEMENTS:</b>			
Cartwright Road Paving	-	34,638	(34,638)
New Mail Shed Improvements	-	1,158	(1,158)
Sander/Salt Spreader	-	-	-
Salt Enclosure	-	837	(837)
Office Equipment	-	288	(288)
<b>Total Capital Improvements</b>	-	36,921	(36,921)
<b>Total Cash Expenditures</b>	32,812	71,535	(38,723)
<b>CASH FLOW FOR YEAR</b>	\$ 8,332	\$ (34,210)	\$ 42,542
 <b>SUMMARY OF CASH FLOWS:</b>			
Cash In Bank At Beginning Of Period	\$ 52,764	\$ 89,926	\$ (37,162)
Cash Flow For Period	8,332	(34,210)	42,542
Cash In Bank At End Of Period	\$ 61,096	\$ 55,715	\$ 5,381

\* Fiscal Year Ended June 30, 2004