

PAULDING-SADDLEBROOK FARMS HOA, INC.

DALLAS, GEORGIA

COMPILATION OF FINANCIAL STATEMENTS

JANUARY 31, 2011

**BACH, JAMES, MANSOUR & COMPANY, P.C.
3885 CRESTWOOD PARKWAY, NW STE 590
DULUTH, GA 30096**

TO THE BOARD OF DIRECTORS
PAULDING-SADDLEBROOK FARMS HOA, INC.
DALLAS, GEORGIA

We have compiled the accompanying statement of assets and liabilities - cash basis of Paulding-Saddlebrook Farms HOA, Inc., (a homeowners association) as of January 31, 2011 and the related statements of revenues and expenses - cash basis and the statement of members' equity - cash basis for the periods then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the Company's assets, liabilities, equity, revenue and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent in respect to Paulding-Saddlebrook Farms HOA, Inc.

Bach, James, Mansour & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Duluth, Georgia
February 18, 2011

PAULDING-SADDLEBROOK FARMS HOA, INC.
STATEMENT OF ASSETS AND LIABILITIES - CASH BASIS
JANUARY 31, 2011

ASSETS

CURRENT ASSETS

CASH - SUNTRUST	\$ 4,669.74
PETTY CASH	500.00
PREPAID EXPENSE	825.00

TOTAL CURRENT ASSETS	<u>5,994.74</u>
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PROPERTY AND EQUIPMENT

IRRIGATION SYSTEM	700.00
POOL IMPROVEMENTS	5,000.00
ACCUMULATED DEPRECIATION	(3,321.46)

NET PROPERTY AND EQUIPMENT	<u>2,378.54</u>
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OTHER ASSETS

DEPOSITS	350.00
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TOTAL OTHER ASSETS	<u>350.00</u>
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TOTAL ASSETS	<u><u>\$ 8,723.28</u></u>
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LIABILITIES AND MEMBERS' EQUITY

MEMBERS' EQUITY

MEMBERS' EQUITY	8,723.28
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TOTAL MEMBERS' EQUITY	<u>8,723.28</u>
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TOTAL LIABILITIES AND MEMBERS' EQUITY	<u><u>\$ 8,723.28</u></u>
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PAULDING-SADDLEBROOK FARMS HOA, INC.
STATEMENT OF REVENUES & EXPENSES - CASH BASIS
For the One Month Ending January 31, 2011

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget	Annual Budget
REVENUES					
MEMBERSHIP DUES	\$ 11,731.85	\$ 17,410.00	\$ 11,731.85	\$ 17,410.00	\$ 128,640.00
PRIOR YEARS' DUES	770.00	0.00	770.00	0.00	0.00
LATE CHARGES	490.49	416.63	490.49	416.63	5,000.00
FINE INCOME	50.00	166.67	50.00	166.67	2,000.00
REIMBURSEMENTS - LEGAL FEES	185.04	333.33	185.04	333.33	4,000.00
LANDSCAPE ABATEMENT	25.00	0.00	25.00	0.00	0.00
TOTAL REVENUES	<u>13,252.38</u>	<u>18,326.63</u>	<u>13,252.38</u>	<u>18,326.63</u>	<u>139,640.00</u>
EXPENSES					
ADMINISTRATIVE					
ACCOUNTANT FEES	825.00	825.00	825.00	825.00	9,900.00
TAX PREPARATION FEES	0.00	0.00	0.00	0.00	300.00
LEGAL FEES	6,001.83	708.33	6,001.83	708.33	8,500.00
BANK CHARGES	14.70	12.50	14.70	12.50	50.00
POSTAGE & MAIL	0.00	166.67	0.00	166.67	2,000.00
PRINTING	0.00	150.00	0.00	150.00	1,800.00
OFFICE SUPPLIES	175.51	125.00	175.51	125.00	1,500.00
CELLULAR PHONES	0.00	120.00	0.00	120.00	1,440.00
MISCELLANEOUS G&A	0.00	38.33	0.00	38.33	460.00
TELEPHONE- POOL	128.71	105.00	128.71	105.00	1,260.00
DEPRECIATION EXPENSE	44.58	44.50	44.58	44.50	534.00
TOTAL ADMINISTRATIVE	<u>7,190.33</u>	<u>2,295.33</u>	<u>7,190.33</u>	<u>2,295.33</u>	<u>27,744.00</u>
SOCIAL					
SOCIAL COMMITTEE	0.00	208.33	0.00	208.33	2,500.00
WELCOME COMMITTEE	138.91	83.33	138.91	83.33	1,000.00
TOTAL SOCIAL	<u>138.91</u>	<u>291.66</u>	<u>138.91</u>	<u>291.66</u>	<u>3,500.00</u>
TAXES AND INSURANCE					
INSURANCE	0.00	1,000.00	0.00	1,000.00	4,000.00
PROPERTY TAXES	0.00	0.00	0.00	0.00	100.00
OTHER TAXES & FEES	0.00	0.00	0.00	0.00	60.00
TOTAL TAXES AND INSURANCE	<u>0.00</u>	<u>1,000.00</u>	<u>0.00</u>	<u>1,000.00</u>	<u>4,160.00</u>
UTILITIES					
SECURITY MONITORING	0.00	0.00	0.00	0.00	540.00
ELECTRICITY	0.00	606.67	0.00	606.67	7,280.00
WATER & SEWER	5.00	216.67	5.00	216.67	2,600.00
TOTAL UTILITIES	<u>5.00</u>	<u>823.34</u>	<u>5.00</u>	<u>823.34</u>	<u>10,420.00</u>

PAULDING-SADDLEBROOK FARMS HOA, INC.
STATEMENT OF REVENUES & EXPENSES - CASH BASIS
For the One Month Ending January 31, 2011

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget	Annual Budget
LANDSCAPING					
LANDSCAPE MAINT. CONTRACT	1,450.00	1,350.00	1,450.00	1,350.00	16,200.00
PINE STRAW & ANNUAL COLOR	0.00	5,450.00	0.00	5,450.00	7,988.00
LANDSCAPE MISC.	94.00	83.33	94.00	83.33	1,000.00
LAWNCARE ABATEMENT CHARGES	0.00	83.33	0.00	83.33	1,000.00
TOTAL LANDSCAPING	1,544.00	6,966.66	1,544.00	6,966.66	26,188.00
POOL					
POOL MAINT. CONTRACT	0.00	0.00	0.00	0.00	13,000.00
POOL LIFEGUARDS	0.00	0.00	0.00	0.00	8,600.00
POOL PERMIT	0.00	0.00	0.00	0.00	200.00
MISC POOL SUPPLIES	0.00	0.00	0.00	0.00	1,500.00
MISC. POOL REPAIRS	0.00	250.00	0.00	250.00	3,000.00
POOL FURNITURE	0.00	0.00	0.00	0.00	1,500.00
TOTAL POOL	0.00	250.00	0.00	250.00	27,800.00
MAINTENANCE					
GENERAL REPAIR FUND	1,225.00	208.33	1,225.00	208.33	2,500.00
PLUMBING REPAIR FUND	0.00	125.00	0.00	125.00	1,500.00
CLUBHOUSE MAINTENANCE	0.00	145.83	0.00	145.83	1,750.00
TOTAL MAINTENANCE	1,225.00	479.16	1,225.00	479.16	5,750.00
TOTAL OPERATING EXPENSES	(10,103.24)	(12,106.15)	(10,103.24)	(12,106.15)	(105,562.00)
OPERATING REV. OVER EXP.	3,149.14	6,220.48	3,149.14	6,220.48	34,078.00
CAPITAL IMPROVEMENTS & RESERVE CONT.					
COMMON AREA REPAIRS (MLCH/FNC)	0.00	1,040.00	0.00	1,040.00	10,000.00
RESERVE ACCOUNT CONTRIBUTION	0.00	2,000.00	0.00	2,000.00	24,078.00
TOTAL CAP. IMP. & RES. CONT.	0.00	3,040.00	0.00	3,040.00	34,078.00
NET REV. OVER EXPENSES	\$ 3,149.14	\$ 3,180.48	\$ 3,149.14	\$ 3,180.48	\$ 0.00

PAULDING-SADDLEBROOK FARMS HOA, INC.
STATEMENT OF MEMBERS' EQUITY - CASH BASIS
FOR THE ONE MONTH ENDING JANUARY 31, 2011

BEGINNING MEMBERS' EQUITY	5,574.14
NET REVENUE OVER EXPENSES	<u>3,149.14</u>
ENDING MEMBERS' EQUITY	<u>\$ 8,723.28</u>

SEE ACCOUNTANTS' COMPILATION REPORT