

PAULDING-SADDLEBROOK FARMS HOA, INC.

DALLAS, GEORGIA

COMPILATION OF FINANCIAL STATEMENTS

MARCH 31, 2010

**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 March 31, 2010 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
April 21, 2010

PAULDING-SADDLEBROOK FARMS HOA, INC.
STATEMENT OF ASSETS AND LIABILITIES - CASH BASIS
MARCH 31, 2010

ASSETS

CURRENT ASSETS

CASH - SUNTRUST	\$	15,025.40
PETTY CASH		500.00
CASH - CD		26,307.54

TOTAL CURRENT ASSETS		<u>41,832.94</u>
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PROPERTY AND EQUIPMENT

IRRIGATION SYSTEM	700.00
POOL IMPROVEMENTS	5,000.00
ACCUMULATED DEPRECIATION	(2,875.66)

NET PROPERTY AND EQUIPMENT		<u>2,824.34</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>45,007.28</u></u>
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LIABILITIES AND MEMBERS' EQUITY

MEMBERS' EQUITY

MEMBERS' EQUITY	45,007.28
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TOTAL MEMBERS' EQUITY		<u>45,007.28</u>
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TOTAL LIABILITIES AND MEMBERS' EQUITY	\$	<u><u>45,007.28</u></u>
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PAULDING-SADDLEBROOK FARMS HOA, INC.
STATEMENT OF REVENUES & EXPENSES - CASH BASIS
For the Three Months Ending March 31, 2010

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget	Annual Budget
REVENUES					
MEMBERSHIP DUES	\$ 5,960.25	\$ 6,557.00	\$ 17,777.31	\$ 23,618.00	\$ 91,120.00
PRIOR YEARS' DUES	3,372.99	0.00	5,749.87	0.00	0.00
LATE CHARGES	1,359.69	416.67	1,928.76	1,249.97	5,000.00
FINE INCOME	6,235.00	166.67	9,039.24	500.01	2,000.00
REIMBURSEMENTS - LEGAL FEES	139.22	333.33	258.34	999.99	4,000.00
MISCELLANEOUS INCOME	100.00	0.00	481.88	0.00	16,300.00
INTEREST INCOME	53.61	0.00	160.83	0.00	0.00
LANDSCAPE ABATEMENT	70.00	0.00	70.00	0.00	0.00
TOTAL REVENUES	17,290.76	7,473.67	35,466.23	26,367.97	118,420.00
EXPENSES					
ADMINISTRATIVE					
ACCOUNTANT FEES	825.00	825.00	2,475.00	2,475.00	9,900.00
TAX PREPARATION FEES	365.00	300.00	365.00	300.00	300.00
LEGAL FEES	671.69	708.33	3,465.79	2,124.99	8,500.00
BANK CHARGES	(13.00)	0.00	(3.55)	12.50	50.00
POSTAGE & MAIL	97.44	166.67	97.44	500.01	2,000.00
PRINTING	7.13	150.00	7.13	450.00	1,800.00
OFFICE SUPPLIES	65.04	125.00	168.34	375.00	1,500.00
CELLULAR PHONES	114.96	120.00	392.66	360.00	1,440.00
MISCELLANEOUS G&A	0.00	25.00	0.00	75.00	300.00
TELEPHONE- POOL	128.98	105.00	386.71	315.00	1,260.00
DEPRECIATION EXPENSE	44.58	44.50	133.74	133.50	534.00
TOTAL ADMINISTRATIVE	2,306.82	2,569.50	7,488.26	7,121.00	27,584.00
SOCIAL					
SOCIAL COMMITTEE	0.00	208.33	0.00	624.99	2,500.00
WELCOME COMMITTEE	0.00	83.33	0.00	249.99	1,000.00
TOTAL SOCIAL	0.00	291.66	0.00	874.98	3,500.00
TAXES AND INSURANCE					
INSURANCE	0.00	0.00	821.73	1,000.00	4,000.00
PROPERTY TAXES	0.00	0.00	0.00	0.00	100.00
OTHER TAXES & FEES	0.00	30.00	30.00	60.00	60.00
TOTAL TAXES AND INSURANCE	0.00	30.00	851.73	1,060.00	4,160.00
UTILITIES					
SECURITY MONITORING	0.00	0.00	130.34	135.00	540.00
ELECTRICITY	131.14	606.67	386.49	1,820.01	7,280.00
WATER & SEWER	59.97	216.67	132.42	650.01	2,600.00
TOTAL UTILITIES	191.11	823.34	649.25	2,605.02	10,420.00

PAULDING-SADDLEBROOK FARMS HOA, INC.
STATEMENT OF REVENUES & EXPENSES - CASH BASIS
For the Three Months Ending March 31, 2010

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget	Annual Budget
LANDSCAPING					
LANDSCAPE MAINT. CONTRACT	1,350.00	1,350.00	4,050.00	4,050.00	16,200.00
PINE STRAW & ANNUAL COLOR	0.00	0.00	5,450.00	5,450.00	7,988.00
LANDSCAPING IMPROVEMENTS	5,435.00	0.00	5,435.00	0.00	0.00
LANDSCAPE MISC.	94.00	83.33	194.00	249.99	1,000.00
LAWNCARE ABATEMENT CHARGES	0.00	83.33	200.00	249.99	1,000.00
TOTAL LANDSCAPING	<u>6,879.00</u>	<u>1,516.66</u>	<u>15,329.00</u>	<u>9,999.98</u>	<u>26,188.00</u>
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	750.00	3,000.00
POOL FURNITURE	0.00	0.00	0.00	0.00	1,500.00
TOTAL POOL	<u>0.00</u>	<u>250.00</u>	<u>0.00</u>	<u>750.00</u>	<u>27,800.00</u>
MAINTENANCE					
GENERAL REPAIR FUND	0.00	208.33	0.00	624.99	2,500.00
PLUMBING REPAIR FUND	0.00	125.00	1,102.13	375.00	1,500.00
CLUBHOUSE MAINTENANCE	0.00	145.83	0.00	437.49	1,750.00
TOTAL MAINTENANCE	<u>0.00</u>	<u>479.16</u>	<u>1,102.13</u>	<u>1,437.48</u>	<u>5,750.00</u>
TOTAL OPERATING EXPENSES	<u>(9,376.93)</u>	<u>(5,960.32)</u>	<u>(25,420.37)</u>	<u>(23,848.46)</u>	<u>(105,402.00)</u>
OPERATING REV. OVER EXP.	<u>7,913.83</u>	<u>1,513.35</u>	<u>10,045.86</u>	<u>2,519.51</u>	<u>13,018.00</u>
CAPITAL IMPROVEMENTS & RESERVE CONT.					
COMMON AREA REPAIRS (MLCH/FNC)	0.00	814.55	1,039.93	2,669.10	10,000.00
TOTAL CAP. IMP. & RES. CONT.	<u>0.00</u>	<u>814.55</u>	<u>1,039.93</u>	<u>2,669.10</u>	<u>10,000.00</u>
NET REV. OVER EXPENSES	<u>\$ 7,913.83</u>	<u>\$ 698.80</u>	<u>\$ 9,005.93</u>	<u>\$ (149.59)</u>	<u>\$ 3,018.00</u>

PAULDING-SADDLEBROOK FARMS HOA, INC.
STATEMENT OF MEMBERS' EQUITY - CASH BASIS
FOR THE THREE MONTHS ENDING MARCH 31, 2010

BEGINNING MEMBERS' EQUITY	36,001.35
NET REVENUE OVER EXPENSES	<u>9,005.93</u>
ENDING MEMBERS' EQUITY	<u>\$ 45,007.28</u>

SEE ACCOUNTANTS' COMPILATION REPORT