

HIGHLAND RANCHES PROPERTY OWNERS' ASSOCIATION  
Statement of Assets, Liabilities and Members' Equity  
As of December 31, 2004 - Audited

ASSETS:

Current Assets

Cash	189,701
Assessments Receivable, owners	4,945
Prepaid Insurance	<u>4,920</u>

Total Current Assets 199,566

Fixed Assets

Fire Station	41,667
Entrance Gate	4,100
Trucks-Snow maintenance	44,953
Road Paving-Cartwright Road	38,040
Road Grader	25,652
Pump Station	3,000
Land-Maintenance and equipment storage area	9,699
Generator	5,000
Radio System	4,367
Fence	3,616
Mail Box Enclosures	<u>7,821</u>
	<u>187,915</u>

Less: Accumulated Depreciation (161,547)

Total Fixed Assets 26,368

Total Assets 225,934

LIABILITIES AND MEMBERS' EQUITY:

Current Liabilities

Assessments received in advance	48,200
Income taxes payable	<u>579</u>
Total Current Liabilities	<u>48,779</u>

Members' Equity 177,155

Total Liabilities and Members' Equity 225,934

HIGHLAND RANCHES PROPERTY OWNERS' ASSOCIATION  
Statement of Operations and Members' Equity  
For the Year Ended December 31, 2004 - Audited

Income		
Members' assessments (506 lots x \$200)	101,200	
Interest	2,031	
Other Income	<u>14,965</u>	
Total Income		118,196
Expenses		
Accounting and legal	6,691	
Contributions	1,175	
Depreciation	9,084	
Income taxes	579	
Insurance	8,419	
Office and printing	3,858	
Outside bookkeeping services	3,000	
Road repairs and maintenance	<u>31,917</u>	
Total Expenses		<u>64,723</u>
Net Income (Loss)		53,473
Members' Equity - Beginning of Year		<u>123,682</u>
Members' Equity - End of Year		<u><u>177,155</u></u>