

HIGHLAND RANCHES PROPERTY OWNERS' ASSOCIATION
Statement of Assets, Liabilities and Members' Equity
As of September 30, 2006 - Unaudited

ASSETS:

Current Assets

| | | |
|---------------------------------|-----------------|-----------------|
| Cash | 217,013.89 | |
| Assessments Receivable - Owners | <u>8,585.00</u> | 225,598.89 |
| Other Current Assets | | |
| Prepaid Taxes | | <u>1,000.00</u> |
| Total Current Assets | | 226,598.89 |

Fixed Assets

| | | |
|---|---------------------|------------------|
| Fire Station | 41,667.00 | |
| Entrance Gate | 4,100.00 | |
| Trucks-Snow maintenance | 44,953.43 | |
| Hincker Plow Blade | 6,061.38 | |
| Road Paving-Cartwright Road | 38,040.00 | |
| Road Grader | 20,201.46 | |
| Pump Station | 3,000.00 | |
| Land-Maintenance and equipment storage area | 9,699.40 | |
| Generator | 5,000.00 | |
| Radio System | 4,367.33 | |
| Fence | 3,616.00 | |
| Street Signs | 716.54 | |
| Mail Box Enclosures | <u>7,821.00</u> | |
| | 189,243.54 | |
| Less: Accumulated Depreciation | <u>(142,807.00)</u> | |
| Total Fixed Assets | | <u>46,436.54</u> |

| | | |
|--------------|--|----------------------------|
| Total Assets | | <u><u>\$273,035.43</u></u> |
|--------------|--|----------------------------|

LIABILITIES AND MEMBERS' EQUITY:

Current Liabilities

| | |
|---------------------------------|-----------|
| Assessments received in advance | 200.00 |
| Accounts payable | 25,194.62 |

| | |
|-----------------|-------------------|
| Members' Equity | <u>247,640.81</u> |
|-----------------|-------------------|

| | |
|---------------------------------------|----------------------------|
| Total Liabilities and Members' Equity | <u><u>\$273,035.43</u></u> |
|---------------------------------------|----------------------------|

HIGHLAND RANCHES PROPERTY OWNERS' ASSOCIATION
Statement of Revenue and Expenses
For the Nine Months Ended September 30, 2005 - Unaudited

Revenue

| | | |
|--|-----------------|---------------|
| Association Dues - Billed (506 lots x \$200) | 101,200.00 | |
| Special Assessment (ROADS) - Billed (504 lots x \$300) | 151,200.00 | |
| Interest | 4,171.65 | |
| Other Income | <u>2,359.00</u> | |
| Total Revenue | | \$ 258,930.65 |

Expenses

| | | |
|---|---------------|-------------------|
| Bad Debt | | |
| Bank charges | 43.40 | |
| Bookkeeping | 1,200.00 | |
| Contributions | | |
| Insurance | 10,962.32 | |
| Interest expense-Federal taxes | | |
| Office Expense: | | |
| Licenses and fees | 254.00 | |
| Office supplies | 1,632.46 | |
| Postage and Delivery | 600.87 | |
| Printing and Reproduction | 645.86 | |
| Real Estate Taxes | 122.16 | |
| Utilities - Electric | 139.07 | |
| Utilities - Trash Pickup | 106.59 | |
| Professional Fees - Auditor | 3,429.00 | |
| Professional Fees - Ombudsman Fee - NRS 116 | 1,518.00 | |
| Professional Fees - Legal | 426.45 | |
| Reserve Fund Per NRS 116 | | |
| Road Repairs and Maintenance: | | |
| Contract Labor | 21,835.00 | |
| Equipment Rental | 11,895.62 | |
| Fuel | 4,646.49 | |
| Materials | 79,303.96 | |
| Parts | 2,836.86 | |
| Payroll tax expense | 1,093.01 | |
| Repeater Fees | <u>585.00</u> | |
| Total Expenses | | <u>143,276.12</u> |

Net Income (Loss) 115,654.53

Member's Equity - Beginning of Year 131,986.28

Member's Equity - End of Period \$247,640.81