

**FONZO & MCKINNEY, CPA'S**  
**12593 Spring Hill Dr.**  
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2005

## **COMPILATION REPORT**

We have compiled the accompanying Statement of Assets, Liabilities, and Equity, and the related Statement of Revenues & Expenses-Income Tax Basis as of the dates and periods noted on the attached statements, 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 accounting basis used by your company, for income tax purposes, 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. I 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 and related statement of retained earnings and cash flows ordinarily included in financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not intended for those who are not informed about such matters.

Pamela R. McKinney, CPA  
(Fonzo & McKinney, CPA's)

**WOODLAND WATERS, INC.**  
**STATEMENT OF ASSETS, LIABILITIES & CAPITAL**

**As of December 31, 2005**

**ASSETS**

**CURRENT ASSETS**

CASH IN SAVINGS	\$	5,000.00
BANK - CHECKING		31,635.16
SAVINGS MM		<u>17,677.03</u>

**Total Current Assets** 54,312.19

**FIXED ASSETS**

**TOTAL ASSETS** \$ 54,312.19

See Accountant's Compilation Report

**WOODLAND WATERS, INC.**  
**STATEMENT OF ASSETS, LIABILITIES & CAPITAL**  
**As of December 31, 2005**

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**CURRENT LIABILITIES**

**LONG-TERM LIABILITIES**

**OWNERS EQUITY**

RETAINED EARNINGS  
CURRENT INCOME (LOSS)

53,399.11  
913.08

**Total Owners Equity**

54,312.19

**TOTAL LIABILITIES AND  
OWNERS EQUITY**

\$ 54,312.19

See Accountant's Compilation Report

**WOODLAND WATERS, INC.**  
**STATEMENT OF REVENUE AND EXPENSES**  
For the Year Ended December 31, 2005

1 Period Ended  
December 31, 2005

<b>Sales</b>	
ASSOCIATION DUES	\$ 30,396.70
INSURANCE CLAIM	5,000.00
NON-CONSTRUCTION FEES	4,493.64
Less Returns & Allowances	<u>0.00</u>
<b>Total Sales</b>	<u>39,890.34</u>
<b>Gross Profit</b>	<u>39,890.34</u>
<b>Operating Expenses</b>	
ADVERTISING	(80.00)
BANK CHARGES	116.96
BUSINESS GIFTS	104.80
DUES & SUBSCRIPTIONS	141.80
MEALS & ENTERTAINMENT	143.58
INSURANCE	2,993.99
LICENSES & PERMITS	(14.00)
OFFICE	2,020.68
OTHER TAXES	759.33
POSTAGE	780.69
PROFESSIONAL FEES	200.00
RENT	427.20
REPAIRS & MAINTENANCE	23,670.93
MISC SUPPLIES	1,496.97
TELEPHONE	3,454.86
UTILITIES	<u>3,104.21</u>
<b>Total Operating Expenses</b>	<u>39,322.00</u>
<b>Operating Income (Loss)</b>	<u>568.34</u>
<b>Other Income</b>	
INTEREST INCOME	<u>344.74</u>
<b>Total Other Income (Loss)</b>	<u>344.74</u>
<b>Net Income (Loss)</b>	<u>\$ 913.08</u>

See Accountant's Compilation Report