

**PONDEROSA VALLEY HOMEOWNERS  
ASSOCIATION, INC.**

**FINANCIAL STATEMENTS**

**December 31, 2025**

**TOM D. DEARING**  
*Certified Public Accountant*  
P.O. Box 608  
PONDER, TEXAS 76259-0608

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**ACCOUNTANT'S COMPILATION REPORT**

TO THE BOARD OF DIRECTORS  
PONDEROSA VALLEY HOMEOWNERS' ASSOCIATION, INC.

MANAGEMENT IS RESPONSIBLE FOR THE ACCOMPANYING FINANCIAL STATEMENTS OF PONDEROSA VALLEY HOMEOWNERS' ASSOCIATION, INC., WHICH COMPRISE THE BALANCE SHEET AS OF DECEMBER 31, 2025, AND THE RELATED INCOME STATEMENT AND CASH FLOWS FOR THE THREE MONTHS AND YEAR THEN ENDED IN ACCORDANCE WITH ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA. I HAVE PERFORMED A COMPILATION ENGAGEMENT IN ACCORDANCE WITH STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW SERVICES PROMULGATED BY THE ACCOUNTING AND REVIEW SERVICES COMMITTEE OF THE AICPA. I DID NOT AUDIT OR REVIEW THE FINANCIAL STATEMENTS, NOR WAS I REQUIRED TO PERFORM ANY PROCEDURES TO VERIFY THE ACCURACY OR COMPLETENESS OF THE INFORMATION PROVIDED BY MANAGEMENT. I DO NOT EXPRESS AN OPINION, A CONCLUSION, OR PROVIDE ANY ASSURANCE ON THE FINANCIAL STATEMENTS.

THE SUPPLEMENTARY INFORMATION CONTAINED IN THE INCOME STATEMENT ANNUAL SUMMARY AND ACTUAL VERSE BUDGET STATEMENT OF INCOME ARE PRESENTED FOR PURPOSES OF ADDITIONAL ANALYSIS AND ARE NOT A REQUIRED PART OF THE BASIC FINANCIAL STATEMENTS. SUCH INFORMATION IS THE RESPONSIBILITY OF MANAGEMENT. THE SUPPLEMENTARY INFORMATION WAS SUBJECT TO MY COMPILATION ENGAGEMENT. I HAVE NOT AUDITED OR REVIEWED THE SUPPLEMENTARY INFORMATION AND DO NOT EXPRESS AN OPINION, A CONCLUSION, NOR PROVIDE ANY ASSURANCE ON SUCH INFORMATION.

MANAGEMENT HAS ELECTED TO OMIT SUBSTANTIALLY ALL OF THE DISCLOSURES REQUIRED BY ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA. IF THE OMITTED DISCLOSURES WERE INCLUDED IN THE FINANCIAL STATEMENTS, THEY MIGHT INFLUENCE THE USER'S CONCLUSIONS ABOUT THE COMPANY'S FINANCIAL POSITION, RESULTS OF OPERATIONS, AND CASH FLOWS. ACCORDINGLY, THESE FINANCIAL STATEMENTS ARE NOT DESIGNED FOR THOSE WHO ARE NOT INFORMED ABOUT SUCH MATTERS.

I AM NOT INDEPENDENT WITH RESPECT TO PONDEROSA VALLEY HOMEOWNERS' ASSOCIATION, INC.

*TOM D. DEARING, CPA*

PONDER, TEXAS  
JANUARY 19, 2026

Ponderosa Valley HOA, Inc.  
Balance Sheet  
As of December 31, 2025

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	<u>Dec 31, 25</u>
ASSETS	
Current Assets	
Checking/Savings	
Bank of the West Checking	4,773.04
Bank of the West Money Market	10,970.65
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Total Checking/Savings	15,743.69
Accounts Receivable	592.88
Other Current Assets	
Prepaid Insurance	837.50
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Total Other Current Assets	837.50
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Total Current Assets	17,174.07
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TOTAL ASSETS	<u>17,174.07</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	1,348.71
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Total Current Liabilities	1,348.71
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Total Liabilities	1,348.71
Equity	
Member's Equity w/o Restriction	16,840.73
Net Income	(1,015.37)
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Total Equity	15,825.36
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TOTAL LIABILITIES & EQUITY	<u>17,174.07</u>

See Accountant's Compilation Letter.

**Ponderosa Valley HOA, Inc.**  
**Income Statement**  
For the Three Months and Year ended December 31, 2025

	Oct - Dec 25	Jan - Dec 25
Ordinary Income/Expense		
Income		
Homeowners Dues Income	0.00	38,000.00
Transfer Fee Income	250.00	1,525.00
FedEX, Cert Mail Income	0.00	30.00
Late Fee / Admin Income	0.00	200.00
Finance Fee Income	0.00	68.96
Total Income	250.00	39,823.96
Expense		
Christmas Light Decor Expense	210.00	305.00
Insurance	1,074.50	4,298.00
Landscaping Maintenance	2,887.56	16,078.34
Office Supplies and Expense	16.90	30.10
Postage	121.26	139.26
Repairs	259.80	764.00
Utilities	4,679.62	13,021.78
Website Expense	258.45	258.45
Total Expense	9,508.09	34,894.93
Net Ordinary Income	(9,258.09)	4,929.03
Other Income/Expense		
Other Income		
Interest Income	2.33	9.35
Total Other Income	2.33	9.35
Other Expense		
Capital Expenditures	0.00	5,953.75
Total Other Expense	0.00	5,953.75
Net Other Income	2.33	(5,944.40)
Net Income	(9,255.76)	(1,015.37)

See Accountant's Compilation Report.

Ponderosa Valley HOA, Inc.  
Statement of Cash Flows  
For the Three Months ended December 31, 2025

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	<u>Oct - Dec 25</u>
OPERATING ACTIVITIES	
Net Income	(9,255.76)
Adjustments to reconcile Net Income to net cash provided by operations:	
Prepaid Insurance	1,074.50
Accounts Payable	169.65
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Net cash provided by Operating Activities	(8,011.61)
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Net cash increase for period	(8,011.61)
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Cash at beginning of period	23,755.30
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Cash at end of period	<u>15,743.69</u>

See Accountants Compilation Report

Ponderosa Valley HOA, Inc.  
Statement of Cash Flows  
For the Year ended December 31, 2025

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	<u>Jan - Dec 25</u>
OPERATING ACTIVITIES	
Net Income	(1,015.37)
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	(492.88)
Prepaid Insurance	2,288.00
Accounts Payable	451.48
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Net cash provided by Operating Activities	1,231.23
FINANCING ACTIVITIES	
Member's Equity w/o Restriction	(5,312.81)
Retained Earnings	5,312.81
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Net cash provided by Financing Activities	0.00
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Net cash increase for period	1,231.23
Cash at beginning of period	14,512.46
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Cash at end of period	<u><u>15,743.69</u></u>

See Accountants Compilation Report

Ponderosa Valley HOA, Inc.  
Income Statement  
Annual Summary - Supplemental Information

	Jan - Mar 25	Apr - Jun 25	Jul - Sep 25	Oct - Dec 25	TOTAL
Ordinary Income/Expense					
Income					
Homeowners Dues Income	38,000.00	0.00	0.00	0.00	38,000.00
Transfer Fee Income	0.00	500.00	775.00	250.00	1,525.00
FedEX, Cert Mail Income	30.00	0.00	0.00	0.00	30.00
Late Fee / Admin Income	200.00	0.00	0.00	0.00	200.00
Finance Fee Income	68.96	0.00	0.00	0.00	68.96
Total Income	38,298.96	500.00	775.00	250.00	39,823.96
Expense					
Christmas Light Decor Expense	95.00	0.00	0.00	210.00	305.00
Insurance	1,074.50	1,074.50	1,074.50	1,074.50	4,298.00
Landscaping Maintenance	2,887.56	7,415.66	2,887.56	2,887.56	16,078.34
Office Supplies and Expense	13.20	0.00	0.00	16.90	30.10
Postage	18.00	0.00	0.00	121.26	139.26
Repairs	47.50	456.70	0.00	259.80	764.00
Utilities	1,735.72	2,706.82	3,899.62	4,679.62	13,021.78
Website Expense	0.00	0.00	0.00	258.45	258.45
Total Expense	5,871.48	11,653.68	7,861.68	9,508.09	34,894.93
Net Ordinary Income	32,427.48	(11,153.68)	(7,086.68)	(9,258.09)	4,929.03
Other Income/Expense					
Other Income					
Interest Income	1.50	2.76	2.76	2.33	9.35
Total Other Income	1.50	2.76	2.76	2.33	9.35
Other Expense					
Capital Expenditures	0.00	5,953.75	0.00	0.00	5,953.75
Total Other Expense	0.00	5,953.75	0.00	0.00	5,953.75
Net Other Income	1.50	(5,950.99)	2.76	2.33	(5,944.40)
Net Income	32,428.98	(17,104.67)	(7,083.92)	(9,255.76)	(1,015.37)

Ponderosa Valley HOA, Inc.  
Supplemental Statement - Actual vs. Budget  
For the Three Months ended December 31, 2025

	Oct - Dec 25	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Transfer Fee Income	250.00	0.00	250.00	100.0%
Total Income	250.00	0.00	250.00	100.0%
Expense				
Christmas Light Decor Expense	210.00	854.00	(644.00)	24.6%
Insurance	1,074.50	1,081.50	(7.00)	99.4%
Landscaping Maintenance	2,887.56	5,360.40	(2,472.84)	53.9%
Office Supplies and Expense	16.90	12.00	4.90	140.8%
Postage	121.26	128.00	(6.74)	94.7%
Repairs	259.80	0.00	259.80	100.0%
Utilities	4,679.62	2,304.00	2,375.62	203.1%
Website Expense	258.45	250.00	8.45	103.4%
Total Expense	9,508.09	9,989.90	(481.81)	95.2%
Net Ordinary Income	(9,258.09)	(9,989.90)	731.81	92.7%
Other Income/Expense				
Other Income				
Interest Income	2.33	3.75	(1.42)	62.1%
Total Other Income	2.33	3.75	(1.42)	62.1%
Other Expense				
Reserve Replenishment	0.00	226.77	(226.77)	0.0%
Total Other Expense	0.00	226.77	(226.77)	0.0%
Net Other Income	2.33	(223.02)	225.35	(1.0)%
Net Income	(9,255.76)	(10,212.92)	957.16	90.6%

Ponderosa Valley HOA, Inc.  
Supplemental Statement - Actual vs. Budget  
For the Year ended December 31, 2025

	Jan - Dec 25	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Homeowners Dues Income	38,000.00	38,000.00	0.00	100.0%
Transfer Fee Income	1,525.00	0.00	1,525.00	100.0%
FedEX, Cert Mail Income	30.00	0.00	30.00	100.0%
Late Fee / Admin Income	200.00	0.00	200.00	100.0%
Finance Fee Income	68.96	0.00	68.96	100.0%
Total Income	39,823.96	38,000.00	1,823.96	104.8%
Expense				
Christmas Light Decor Expense	305.00	949.00	(644.00)	32.1%
Insurance	4,298.00	4,326.00	(28.00)	99.4%
Landscaping Maintenance	16,078.34	16,495.92	(417.58)	97.5%
Office Supplies and Expense	30.10	25.00	5.10	120.4%
Postage	139.26	146.00	(6.74)	95.4%
Repairs	764.00	200.00	564.00	382.0%
Utilities	13,021.78	9,216.00	3,805.78	141.3%
Website Expense	258.45	250.00	8.45	103.4%
Total Expense	34,894.93	31,607.92	3,287.01	110.4%
Net Ordinary Income	4,929.03	6,392.08	(1,463.05)	77.1%
Other Income/Expense				
Other Income				
Interest Income	9.35	15.00	(5.65)	62.3%
Total Other Income	9.35	15.00	(5.65)	62.3%
Other Expense				
Reserve Replenishment	0.00	907.08	(907.08)	0.0%
Capital Expenditures	5,953.75	5,500.00	453.75	108.3%
Total Other Expense	5,953.75	6,407.08	(453.33)	92.9%
Net Other Income	(5,944.40)	(6,392.08)	447.68	93.0%
Net Income	(1,015.37)	0.00	(1,015.37)	100.0%