

**PONDEROSA VALLEY HOMEOWNERS  
ASSOCIATION, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**TOM D. DEARING**  
*Certified Public Accountant*  
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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, 2023, 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 14, 2024

Ponderosa Valley HOA, Inc.

Balance Sheet

As of December 31, 2023

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|                                 | <u>Dec 31, 23</u>            |
|---------------------------------|------------------------------|
| ASSETS                          |                              |
| Current Assets                  |                              |
| Checking/Savings                |                              |
| Bank of the West Checking       | 3,228.31                     |
| Bank of the West Money Market   | 18,947.11                    |
|                                 | <hr/>                        |
| Total Checking/Savings          | 22,175.42                    |
| Accounts Receivable             | (200.00)                     |
| Other Current Assets            |                              |
| Prepaid Insurance               | 796.25                       |
|                                 | <hr/>                        |
| Total Other Current Assets      | 796.25                       |
| Total Current Assets            | <hr/> 22,771.67 <hr/>        |
| TOTAL ASSETS                    | <hr/> <u>22,771.67</u> <hr/> |
| LIABILITIES & EQUITY            |                              |
| Liabilities                     |                              |
| Current Liabilities             |                              |
| Accounts Payable                | 618.13                       |
|                                 | <hr/>                        |
| Total Current Liabilities       | 618.13                       |
| Total Liabilities               | <hr/> 618.13                 |
| Equity                          |                              |
| Member's Equity w/o Restriction | 14,749.40                    |
| Net Income                      | 7,404.14                     |
|                                 | <hr/>                        |
| Total Equity                    | 22,153.54                    |
| TOTAL LIABILITIES & EQUITY      | <hr/> <u>22,771.67</u> <hr/> |

See Accountant's Compilation Letter.

Ponderosa Valley HOA, Inc.  
Income Statement  
For the Three Months and Year ended December 31, 2023

|                               | Oct - Dec 23 | Jan - Dec 23 |
|-------------------------------|--------------|--------------|
| Ordinary Income/Expense       |              |              |
| Income                        |              |              |
| Homeowners Dues Income        | 0.00         | 36,000.00    |
| Transfer Fee Income           | 0.00         | 2,000.00     |
| Late Fee / Admin Income       | 0.00         | 275.00       |
| Fines and Penalty Assessments | 350.00       | 450.00       |
| Finance Fee Income            | 0.00         | 250.00       |
| Total Income                  | 350.00       | 38,975.00    |
| Expense                       |              |              |
| Bank Service Charges          | 60.00        | 270.00       |
| Filing Fees                   | 0.00         | 90.00        |
| Insurance                     | 1,049.75     | 4,199.00     |
| Landscaping Maintenance       | 2,887.56     | 15,501.37    |
| Office Supplies and Expense   | 32.29        | 32.29        |
| Postage                       | 128.65       | 135.53       |
| Repairs                       | 0.00         | 2,798.26     |
| Utilities                     | 2,709.14     | 8,359.17     |
| Website Expense               | 195.41       | 195.41       |
| Total Expense                 | 7,062.80     | 31,581.03    |
| Net Ordinary Income           | (6,712.80)   | 7,393.97     |
| Other Income/Expense          |              |              |
| Other Income                  |              |              |
| Interest Income               | 2.36         | 10.17        |
| Total Other Income            | 2.36         | 10.17        |
| Net Other Income              | 2.36         | 10.17        |
| Net Income                    | (6,710.44)   | 7,404.14     |

See Accountant's Compilation Report.

Ponderosa Valley HOA, Inc.  
Statement of Cash Flows  
For the Three Months ended December 31, 2023

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|  | <u>Oct - Dec 23</u>     |
|--|-------------------------|
| OPERATING ACTIVITIES   |                         |
| Net Income   | (6,710.44)              |
| Adjustments to reconcile Net Income<br>to net cash provided by operations: |                         |
| Accounts Receivable  | 2,200.00                |
| Prepaid Insurance  | 1,049.75                |
| Accounts Payable   | <u>(308.04)</u>         |
| Net cash provided by Operating Activities                                  | <u>(3,768.73)</u>       |
| Net cash increase for period   | (3,768.73)              |
| Cash at beginning of period  | <u>25,944.15</u>        |
| Cash at end of period  | <u><u>22,175.42</u></u> |

See Accountants Compilation Report

Ponderosa Valley HOA, Inc.  
Statement of Cash Flows  
For the Year ended December 31, 2023

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|  | <u>Jan - Dec 23</u>     |
|--|-------------------------|
| OPERATING ACTIVITIES   |                         |
| Net Income   | 7,404.14                |
| Adjustments to reconcile Net Income<br>to net cash provided by operations: |                         |
| Accounts Receivable  | 1,505.00                |
| Accounts Payable   | <u>257.89</u>           |
| Net cash provided by Operating Activities                                  | 9,167.03                |
| FINANCING ACTIVITIES   |                         |
| Member's Equity w/o Restriction  | 11,155.79               |
| Retained Earnings  | <u>(11,360.79)</u>      |
| Net cash provided by Financing Activities                                  | <u>(205.00)</u>         |
| Net cash increase for period   | 8,962.03                |
| Cash at beginning of period  | <u>13,213.39</u>        |
| Cash at end of period  | <u><u>22,175.42</u></u> |

See Accountants Compilation Report

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

|                               | Jan - Mar 23 | Apr - Jun 23 | Jul - Sep 23 | Oct - Dec 23 | TOTAL     |
|-------------------------------|--------------|--------------|--------------|--------------|-----------|
| Ordinary Income/Expense       |              |              |              |              |           |
| Income                        |              |              |              |              |           |
| Homeowners Dues Income        | 36,000.00    | 0.00         | 0.00         | 0.00         | 36,000.00 |
| Transfer Fee Income           | 250.00       | 250.00       | 1,500.00     | 0.00         | 2,000.00  |
| Late Fee / Admin Income       | 275.00       | 0.00         | 0.00         | 0.00         | 275.00    |
| Fines and Penalty Assessments | 0.00         | 0.00         | 100.00       | 350.00       | 450.00    |
| Finance Fee Income            | 250.00       | 0.00         | 0.00         | 0.00         | 250.00    |
| Total Income                  | 36,775.00    | 250.00       | 1,600.00     | 350.00       | 38,975.00 |
| Expense                       |              |              |              |              |           |
| Bank Service Charges          | 90.00        | 60.00        | 60.00        | 60.00        | 270.00    |
| Filing Fees                   | 0.00         | 90.00        | 0.00         | 0.00         | 90.00     |
| Insurance                     | 1,049.75     | 1,049.75     | 1,049.75     | 1,049.75     | 4,199.00  |
| Landscaping Maintenance       | 2,887.56     | 6,838.69     | 2,887.56     | 2,887.56     | 15,501.37 |
| Office Supplies and Expense   | 0.00         | 0.00         | 0.00         | 32.29        | 32.29     |
| Postage                       | 0.00         | 0.00         | 6.88         | 128.65       | 135.53    |
| Repairs                       | 200.26       | 0.00         | 2,598.00     | 0.00         | 2,798.26  |
| Utilities                     | 1,097.54     | 1,795.41     | 2,757.08     | 2,709.14     | 8,359.17  |
| Website Expense               | 0.00         | 0.00         | 0.00         | 195.41       | 195.41    |
| Total Expense                 | 5,325.11     | 9,833.85     | 9,359.27     | 7,062.80     | 31,581.03 |
| Net Ordinary Income           | 31,449.89    | (9,583.85)   | (7,759.27)   | (6,712.80)   | 7,393.97  |
| Other Income/Expense          |              |              |              |              |           |
| Other Income                  |              |              |              |              |           |
| Interest Income               | 1.26         | 3.48         | 3.07         | 2.36         | 10.17     |
| Total Other Income            | 1.26         | 3.48         | 3.07         | 2.36         | 10.17     |
| Net Other Income              | 1.26         | 3.48         | 3.07         | 2.36         | 10.17     |
| Net Income                    | 31,451.15    | (9,580.37)   | (7,756.20)   | (6,710.44)   | 7,404.14  |

**Ponderosa Valley HOA, Inc.**  
**Supplemental Statement - Actual vs. Budget**  
**For the Three Months ended December 31, 2023**

|                               | Oct - Dec 23 | Budget     | \$ Over Budget | % of Budget |
|-------------------------------|--------------|------------|----------------|-------------|
| Ordinary Income/Expense       |              |            |                |             |
| Income                        |              |            |                |             |
| Fines and Penalty Assessments | 350.00       | 0.00       | 350.00         | 100.0%      |
| Total Income                  | 350.00       | 0.00       | 350.00         | 100.0%      |
| Expense                       |              |            |                |             |
| Bank Service Charges          | 60.00        | 60.00      | 0.00           | 100.0%      |
| Insurance                     | 1,049.75     | 0.00       | 1,049.75       | 100.0%      |
| Landscaping Maintenance       | 2,887.56     | 2,889.00   | (1.44)         | 100.0%      |
| Office Supplies and Expense   | 32.29        | 10.00      | 22.29          | 322.9%      |
| Postage                       | 128.65       | 20.00      | 108.65         | 643.3%      |
| Utilities                     | 2,709.14     | 2,214.00   | 495.14         | 122.4%      |
| Website Expense               | 195.41       | 160.00     | 35.41          | 122.1%      |
| Total Expense                 | 7,062.80     | 5,353.00   | 1,709.80       | 131.9%      |
| Net Ordinary Income           | (6,712.80)   | (5,353.00) | (1,359.80)     | 125.4%      |
| Other Income/Expense          |              |            |                |             |
| Other Income                  |              |            |                |             |
| Interest Income               | 2.36         | 1.26       | 1.10           | 187.3%      |
| Total Other Income            | 2.36         | 1.26       | 1.10           | 187.3%      |
| Net Other Income              | 2.36         | 1.26       | 1.10           | 187.3%      |
| Net Income                    | (6,710.44)   | (5,351.74) | (1,358.70)     | 125.4%      |

See Accountants Compilation Report



Ponderosa Valley HOA, Inc.  
Supplemental Statement - Actual vs. Budget  
For the Year ended December 31, 2023

|                               | Jan - Dec 23 | Budget     | \$ Over Budget | % of Budget |
|-------------------------------|--------------|------------|----------------|-------------|
| Ordinary Income/Expense       |              |            |                |             |
| Income                        |              |            |                |             |
| Homeowners Dues Income        | 36,000.00    | 36,000.00  | 0.00           | 100.0%      |
| Transfer Fee Income           | 2,000.00     | 0.00       | 2,000.00       | 100.0%      |
| Late Fee / Admin Income       | 275.00       | 0.00       | 275.00         | 100.0%      |
| Fines and Penalty Assessments | 450.00       | 0.00       | 450.00         | 100.0%      |
| Finance Fee Income            | 250.00       |            |                |             |
| Total Income                  | 38,975.00    | 36,000.00  | 2,975.00       | 108.3%      |
| Expense                       |              |            |                |             |
| Bank Service Charges          | 270.00       | 240.00     | 30.00          | 112.5%      |
| Filing Fees                   | 90.00        | 41.00      | 49.00          | 219.5%      |
| Insurance                     | 4,199.00     | 4,199.00   | 0.00           | 100.0%      |
| Landscaping Maintenance       | 15,501.37    | 15,302.00  | 199.37         | 101.3%      |
| Office Supplies and Expense   | 32.29        | 10.00      | 22.29          | 322.9%      |
| Postage                       | 135.53       | 60.00      | 75.53          | 225.9%      |
| Repairs                       | 2,798.26     | 645.00     | 2,153.26       | 433.8%      |
| Utilities                     | 8,359.17     | 8,856.00   | (496.83)       | 94.4%       |
| Website Expense               | 195.41       | 160.00     | 35.41          | 122.1%      |
| Total Expense                 | 31,581.03    | 29,513.00  | 2,068.03       | 107.0%      |
| Net Ordinary Income           | 7,393.97     | 6,487.00   | 906.97         | 114.0%      |
| Other Income/Expense          |              |            |                |             |
| Other Income                  |              |            |                |             |
| Interest Income               | 10.17        | 5.00       | 5.17           | 203.4%      |
| Total Other Income            | 10.17        | 5.00       | 5.17           | 203.4%      |
| Other Expense                 |              |            |                |             |
| Capital Expenditures          | 0.00         | 5,550.00   | (5,550.00)     | 0.0%        |
| Total Other Expense           | 0.00         | 5,550.00   | (5,550.00)     | 0.0%        |
| Net Other Income              | 10.17        | (5,545.00) | 5,555.17       | (0.2)%      |
| Net Income                    | 7,404.14     | 942.00     | 6,462.14       | 786.0%      |

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