

MASSANUTTEN PROPERTY OWNERS ASSOCIATION, INC.

STATEMENTS OF INCOME Year Ending December 31, 2004 and Estimated Income and Expenses for 2005

	2004 Actual	2005 Budget
GROSS INCOME		
Assessments	\$ 936,677	\$ 943,475
Assessment Penalty	8,525	10,000
Rental commissions and fees	299,261	300,000
Amenity Income	6,188	5,675
Snack Bar Income, Net	13,349	27,000
Developer Contributions	65,353	66,800
Trash Collection	88,478	84,000
Mini-Golf	375,777	375,000
Other Income	4,903	13,000
Services and Fees	210,165	205,200
Review Fees & Disclosure Sales	21,300	23,500
Total Income	<u>2,029,976</u>	<u>2,053,650</u>
EXPENSES		
Police Department	464,898	471,700
Amenity Department	92,514	102,275
Miniature Golf	64,673	67,960
Maintenance Department	416,433	443,950
General and Administrative	381,499	384,000
Management/Land Use Study	8,000	20,000
Rental	227,580	199,000
Depreciation	275,348	240,000
MPOA Maintenance Services	170,115	112,600
Non-Ordinary Repairs		
Retirement Plan	32,309	32,500
Total Operating Expenses	<u>2,133,369</u>	<u>2,073,985</u>
Income (Loss) From Operations	<u>(103,393)</u>	<u>(20,335)</u>
FINANCIAL INCOME (EXPENSE)		
Gain(loss) on Disposal of Equipment	-	18,000
Interest/Ordinary Dividend Income	20,148	4,000
Dividends From Capital Gains	3,433	16,000
Tower Lease	8,800	9,600
Realized Gain (Loss) on Redemption	22,814	0
Total Financial Income	<u>55,195</u>	<u>47,600</u>
Income(loss) Before Taxes	<u>(48,198)</u>	<u>27,265</u>
FEDERAL AND STATE INCOME TAXES	-	(25,000)
DEFERRED INCOME TAXES (credits)	18,781	0
NET INCOME (LOSS)	<u>\$ (29,417)</u>	<u>\$ 2,265</u>

STATEMENT OF MEMBERS' EQUITY Year Ended December 31, 2004

	<u>Undesignated</u>	<u>Designated Future Major Repairs and Replacements</u>	<u>Accum. Other Comprehensive Income</u>	<u>Total</u>
BALANCE, January 1, 2004	\$ 1,415,456	\$ 464,551	\$ 46,345	\$ 1,926,352
Comprehensive Income:				
Net Income (loss)	(69,818)	40,401		(29,417)
Change in unrealized gain on investments, net of tax			6,191	6,191
BALANCE, December 31, 2004	<u>\$ 1,345,638</u>	<u>\$ 504,952</u>	<u>\$ 52,536</u>	<u>\$ 1,903,126</u>

MASSANUTTEN PROPERTY OWNERS ASSOCIATION, INC.

BALANCE SHEET

December 31, 2004

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents		\$ 264,367
Assessments Receivable:		
2004 Assessments	\$ 6,408	
Prior to 2004 Assessments	<u>6,717</u>	13,125
Other Receivables		39,472
Inventories		23,292
Prepaid Expenses		<u>25,412</u>

TOTAL CURRENT ASSETS 365,668

DEFERRED INCOME TAXES/TAX OVERPAID 25,371

INVESTMENTS, at fair value 575,951

PROPERTY AND EQUIPMENT, at cost

Land		38,258
Buildings and Facilities		1,442,815
Roads		1,625,469
Equipment		443,440
Automotive		<u>284,495</u>

3,834,477

Accumulated depreciation (2,378,578)

TOTAL PROPERTY AND EQUIPMENT 1,455,899

TOTAL ASSETS \$2,422,889

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES

Accounts Payable and Accrued Expenses	\$ 43,726
Rental Income Due to Owners	156,001
Current Maturities of Long-term Debt	-
Note payable, line of credit	245,294
Deposits	67,108
Assessments Collected in Advance	3,680
Accrued Profit-Sharing Contribution	3,954
Income taxes payable	0
Deferred income taxes current	<u>0</u>

TOTAL CURRENT LIABILITIES 519,763

LONG-TERM DEBT, less current maturities 0

DEFERRED INCOME TAXES 0

TOTAL LIABILITIES 519,763

MEMBERS' EQUITY

Undesignated: 1,345,638

Designated:

 Future major repairs and replacements 504,952

 Unrealized (losses) on Investments 52,536

TOTAL MEMBERS' EQUITY 1,903,126

TOTAL LIABILITIES AND MEMBERS' EQUITY \$2,422,889

SCHEDULE OF CAPITAL IMPROVEMENTS

	Actual 2003	Actual 2004	Budget 2005
Police	\$ 25,655	\$ 26,063	\$ 49,800
Amenity	2,863	35,765	38,000
Maintenance	33,280	36,800	66,000
General and Administrative	14,908	11,107	20,000
Rental	5,868	1,449	0
Roads	0	161,898	0
Total Capital Improvements	<u>\$ 82,574</u>	<u>\$ 273,082</u>	<u>\$ 173,800</u>