

**Silverwood Plantation Homeowners
Association, Inc.
Financial Statements
For the One Month and Two Months
Ended February 28, 2019**

Wilson & Kessler CPA LLC
Certified Public Accountants
Post Office Box 1000
Springfield, GA 31329

March 13, 2019

To Management
Silverwood Homeowners Association Inc.
Rincon, GA

Management is responsible for the accompanying financial statements of Silverwood Plantation Homeowners Association, Inc (a corporation), which comprise the statement of assets, liabilities, and equity - tax basis as of February 28, 2019, and the related statement of revenues, expenses and cash flows - tax basis actual and budget for the one month and two months ended February 28, 2019, and for determining that the tax basis of accounting is an acceptable financial reporting framework. We 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. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's assets, liabilities, equity, revenues, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Silverwood Plantation Homeowners Association Inc.

Wilson & Kessler

Wilson & Kessler CPA LLC

Silverwood Plantation Homeowners Association, Inc.
Statement of Assets, Liabilities and Equity
Tax Basis
February 28, 2019

Assets

Current Assets

Renasant Bank - Operating Account	\$ 100,861.78	
Monthly Fees Receivable	18,631.96	
Total Current Assets		\$ 119,493.74

Fixed Assets

Clubhouse	141,509.98	
Security Gates and Cameras	53,999.93	
Furniture, Fixtures & Equipment	24,949.47	
Accumulated Depreciation	<u>(220,459.38)</u>	
Net Fixed Assets		0.00

Board Designated Assets

Renasant Bank - Road Fund	113,975.87	
Renasant Bank - Drainage Fund	102,355.55	
Renasant Bank - Special Fund	<u>12,619.21</u>	
Total Board Designated Assets		<u>228,950.63</u>

Total Assets

\$ 348,444.37

Silverwood Plantation Homeowners Association, Inc.
Statement of Assets, Liabilities and Equity
Tax Basis
February 28, 2019

Liabilities and Equity

Current Liabilities

Prepaid Dues	<u>\$ 51,949.71</u>	
Total Current Liabilities		\$ 51,949.71

Equity

Retained Earnings	110,961.17	
Developer's Contributions	163,430.15	
Y-T-D Net Income	<u>22,103.34</u>	
Total Equity		<u>296,494.66</u>

**Total Liabilities and
Equity**

\$ 348,444.37

Silverwood Plantation Homeowners Association, Inc.
Statement of Revenues and Expenses - Actual and Budget
Tax Basis
For the One Month and Two Months Ended February 28, 2019

	One Month Actual	Two Months Actual	Annual Budget
Recurring Revenue			
Monthly Fee Revenue	\$ 19,578.00	\$ 50,388.00	\$ 246,168.00
Interest Income	175.52	350.59	0.00
Lamp posts, lens and panels	40.00	100.00	0.00
Late Fees Assessed	255.00	1,098.00	0.00
Gate Cards and Decals	150.00	470.00	0.00
Total Recurring Revenue	<u>20,198.52</u>	<u>52,406.59</u>	<u>246,168.00</u>
Common\Recurring Expenses			
Club House			
Gas	169.03	310.14	900.00
Water	19.00	38.00	800.00
Electricity	86.56	175.91	1,500.00
Cleaning	500.00	900.00	5,000.00
Pest Control	75.00	150.00	1,000.00
Maintenance and Supplies	483.04	483.04	4,500.00
Tennis Courts			
Electricity	175.75	357.16	2,900.00
Maintenance	0.00	0.00	500.00
Gate and Guard House			
Electricity	103.48	204.99	1,200.00
Gate Cards and Decals	0.00	543.62	2,000.00
Maintenance	25.60	269.79	2,000.00
Lakes			
Electricity	784.33	1,509.01	8,400.00
Treatment	740.27	1,480.54	8,000.00
Maintenance	0.00	0.00	1,000.00
Common Grounds			
Lawn Care	2,012.50	4,025.00	25,000.00
Pruning and Tree Removal	0.00	0.00	6,000.00
Planting and Supplies	0.00	0.00	2,200.00
Lamp Posts, Lens and Panels	0.00	0.00	500.00
Water Irrigation	19.00	109.51	800.00
Electricity	1,089.98	2,172.20	13,000.00
Maintenance	126.04	226.56	20,000.00

See Accountant's Compilation Report

Silverwood Plantation Homeowners Association, Inc.
Statement of Revenues and Expenses - Actual and Budget
Tax Basis
For the One Month and Two Months Ended February 28, 2019

	One Month Actual	Two Months Actual	Annual Budget
Administrative			
Accounting Fees	1,285.00	2,075.00	10,000.00
Legal Expenses	1,399.12	1,834.98	3,000.00
Lein Fees	0.00	0.00	100.00
Accounting Fees - Collections	90.00	160.00	900.00
Covenant Software	95.00	275.00	0.00
Office Supplies and Expenses	134.02	357.03	1,000.00
Bank Fees	0.00	10.00	15.00
Copying and Printing	171.71	329.77	2,500.00
Postage	7.90	57.90	1,200.00
Administrative Support	1,333.33	2,666.66	16,000.00
Grounds Support	1,350.00	2,130.00	0.00
Telephone	417.08	834.16	4,700.00
Website	0.00	0.00	250.00
Social Activities	0.00	0.00	700.00
General			
Insurance	2,043.00	2,043.00	12,000.00
Insurance - Deductible	0.00	951.00	0.00
Property Taxes	0.00	0.00	1,300.00
State Taxes	0.00	0.00	20.00
Federal Taxes	317.00	317.00	100.00
Registration Fee	0.00	0.00	30.00
Total Recurring Expenses	<u>15,052.74</u>	<u>26,996.97</u>	<u>161,015.00</u>
Recurring Income (Loss)	<u>5,145.78</u>	<u>25,409.62</u>	<u>85,153.00</u>

Silverwood Plantation Homeowners Association, Inc.
Statement of Revenues and Expenses - Actual and Budget
Tax Basis
For the One Month and Two Months Ended February 28, 2019

	One Month Actual	Two Months Actual	Annual Budget
Non-Recurring Revenue			
Covenant Fees Assessed	280.00	870.00	0.00
Return Check Fees	0.00	10.00	0.00
Legal Fees Assessed	<u>320.35</u>	<u>1,688.47</u>	<u>0.00</u>
Total Non-Recurring Revenue	<u>600.35</u>	<u>2,568.47</u>	<u>0.00</u>
Non-Recurring Expense			
Covenant Fines - Write offs	1,181.35	1,181.35	0.00
Late Fees - Write Offs	30.00	30.00	0.00
Capital Expenditure - Road Maintenance	0.00	0.00	20,000.00
Capital Expenditure - Drainage Maintenance	0.00	0.00	30,000.00
Capital Expenditure - Clubhouse	0.00	2,588.40	81,000.00
Capital Expenditure - Playground	0.00	0.00	4,500.00
Reserve Study	<u>2,075.00</u>	<u>2,075.00</u>	<u>5,000.00</u>
Total Non-Recurring Expense	<u>3,286.35</u>	<u>5,874.75</u>	<u>140,500.00</u>
Net Non-Recurring Revenue (Expense)	<u>(2,686.00)</u>	<u>(3,306.28)</u>	<u>(140,500.00)</u>
Net Income	<u>\$ 2,459.78</u>	<u>\$ 22,103.34</u>	<u>\$ (55,347.00)</u>

**Silverwood Plantation Homeowners
Statement of Cash Flows
Tax Basis
For the One Month and Two Months Ended February 28, 2019**

	For the Month Ended <u>February 28, 2019</u>	For the Year Ended <u>February 28, 2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	\$ 5,570.61	\$ 27,627.50
Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities:		
Decrease (Increase) in Operating Assets:		
Accounts Receivable	714.97	(7,602.28)
Increase (Decrease) in Operating Liabilities:		
Unearned Revenue	<u>(2,680.00)</u>	<u>16,341.60</u>
Total Adjustments	<u>(1,965.03)</u>	<u>8,739.32</u>
Net Cash Provided By (Used in) Operating Activities	3,605.58	36,366.82
 CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures	(3,286.35)	(5,874.75)
Interest and Dividends Earned	<u>175.52</u>	<u>350.59</u>
Net Cash Provided By (Used In) Investing Activities	<u>(3,110.83)</u>	<u>(5,524.16)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES		
Net Cash Provided By (Used In) Financing Activities	<u>0.00</u>	<u>0.00</u>
 NET INCREASE (DECREASE) IN CASH	494.75	30,842.66
 CASH AT BEGINNING OF PERIOD	<u>329,317.66</u>	<u>298,969.75</u>
 CASH AT END OF PERIOD	<u>\$ 329,812.41</u>	<u>\$ 329,812.41</u>

See Accountant's Compilation Report