

**Silverwood Plantation Homeowners
Association, Inc.
Financial Statements
For the One Month and Seven Months
Ended July 31, 2021**

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

August 17, 2021

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 July 31, 2021, and the related statement of revenues, expenses and cash flows - tax basis actual and budget for the one month and seven months ended July 31, 2021, 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 CPA LLC

Silverwood Plantation Homeowners Association, Inc.
Statement of Assets, Liabilities and Equity
Tax Basis
July 31, 2021

Assets

Current Assets

| | | | |
|-----------------------------------|----|-----------------|---------------|
| Renasant Bank - Operating Account | \$ | 100,503.11 | |
| Receivables | | <u>7,914.41</u> | |
| Total Current Assets | | | \$ 108,417.52 |

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 | | 185,014.09 | |
| Renasant Bank - Drainage Fund | | 87,776.41 | |
| Renasant Bank - Special Fund | | <u>28,910.87</u> | |
| Total Board Designated Assets | | | <u>301,701.37</u> |

| | | | |
|---------------------|--|--|-----------------------------|
| Total Assets | | | <u><u>\$ 410,118.89</u></u> |
|---------------------|--|--|-----------------------------|

Silverwood Plantation Homeowners Association, Inc.
Statement of Assets, Liabilities and Equity
Tax Basis
July 31, 2021

Liabilities and Equity

Current Liabilities

| | | |
|----------------------------------|---------------------|--------------|
| Prepaid Dues | <u>\$ 53,327.93</u> | \$ 53,327.93 |
| Total Current Liabilities | | |

Equity

| | | |
|---------------------------|------------------|-------------------|
| Retained Earnings | 137,292.99 | |
| Developer's Contributions | 163,430.15 | |
| Y-T-D Net Income | <u>56,067.82</u> | |
| Total Equity | | <u>356,790.96</u> |

**Total Liabilities and
Equity**

\$ 410,118.89

Silverwood Plantation Homeowners Association, Inc.
Statement of Revenues and Expenses - Actual and Budget
Tax Basis
For the One Month and Seven Months Ended July 31, 2021

| | One Month Actual | Seven Months Actual | Annual Budget |
|----------------------------------|---------------------|------------------------|-------------------|
| Recurring Revenue | | | |
| Monthly Fee Revenue | \$ 21,048.30 | \$ 155,691.90 | \$ 258,476.00 |
| Interest Income | 6.41 | 41.42 | 0.00 |
| Late Fees Assessed | 323.28 | 2,193.12 | 0.00 |
| Gate Cards and Decals | 0.00 | 2,088.00 | 0.00 |
| Other Income | 0.00 | 20.00 | 0.00 |
| Total Recurring Revenue | <u>21,377.99</u> | <u>160,034.44</u> | <u>258,476.00</u> |
| Common\Recurring Expenses | | | |
| Club House | | | |
| Gas | 47.55 | 441.99 | 900.00 |
| Water | 41.49 | 449.08 | 500.00 |
| Electricity | 132.66 | 540.74 | 1,200.00 |
| Cleaning | 400.00 | 3,000.00 | 5,200.00 |
| Pest Control | 85.00 | 595.00 | 1,000.00 |
| Maintenance and Supplies | 165.29 | 1,008.50 | 9,200.00 |
| Tennis Courts | | | |
| Electricity | 269.35 | 1,097.86 | 2,200.00 |
| Maintenance | 0.00 | 834.84 | 400.00 |
| Gate and Guard House | | | |
| Electricity | 121.28 | 708.98 | 1,200.00 |
| Gate Cards and Decals | 0.00 | 999.48 | 0.00 |
| Maintenance | 0.00 | 892.58 | 5,000.00 |
| Lakes | | | |
| Electricity | 698.27 | 5,839.55 | 10,000.00 |
| Treatment | 785.34 | 5,497.38 | 9,100.00 |
| Maintenance | 1,808.30 | 1,808.30 | 500.00 |
| Culvert Maintenance | 0.00 | 0.00 | 3,000.00 |
| Common Grounds | | | |
| Lawn Care | 1,666.66 | 8,166.64 | 21,000.00 |
| Pruning and Tree Removal | 0.00 | 2,400.00 | 3,000.00 |
| Planting and Supplies | 1,085.16 | 2,039.58 | 500.00 |
| Water Irrigation | 128.95 | 485.36 | 800.00 |
| Electricity | 1,122.04 | 7,807.99 | 13,000.00 |
| Maintenance | 600.11 | 1,449.39 | 5,000.00 |

Silverwood Plantation Homeowners Association, Inc.
Statement of Revenues and Expenses - Actual and Budget
Tax Basis
For the One Month and Seven Months Ended July 31, 2021

| | One Month Actual | Seven Months Actual | Annual Budget |
|---------------------------------|---------------------|------------------------|-------------------|
| Administrative | | | |
| Accounting Fees | 890.00 | 6,490.00 | 11,000.00 |
| Legal Expenses | 77.50 | 157.05 | 5,000.00 |
| Lein Fees | 25.88 | 77.64 | 350.00 |
| Accounting Fees - Collections | 75.00 | 525.00 | 900.00 |
| Covenant Software | 95.00 | 665.00 | 1,150.00 |
| Office Supplies and Expenses | 33.44 | 1,949.57 | 800.00 |
| Bank Fees | 0.00 | 70.00 | 60.00 |
| Copying and Printing | 160.91 | 1,419.13 | 2,000.00 |
| Postage | 35.00 | 177.15 | 800.00 |
| Administrative Support | 1,600.00 | 7,150.73 | 16,000.00 |
| Grounds Support | 1,152.00 | 9,524.00 | 20,800.00 |
| Telephone | 453.09 | 3,137.74 | 4,700.00 |
| Website | 0.00 | 228.98 | 250.00 |
| Social Activities | 0.00 | 309.89 | 700.00 |
| General | | | |
| Insurance | 0.00 | 11,489.00 | 12,500.00 |
| Property Taxes | 0.00 | 0.00 | 1,300.00 |
| State Taxes | 0.00 | 0.00 | 86.00 |
| Federal Taxes | 0.00 | 48.00 | 350.00 |
| Registration Fee | 0.00 | 30.00 | 30.00 |
| Total Recurring Expenses | <u>13,755.27</u> | <u>89,512.12</u> | <u>171,476.00</u> |
| Recurring Income (Loss) | <u>7,622.72</u> | <u>70,522.32</u> | <u>87,000.00</u> |

Silverwood Plantation Homeowners Association, Inc.
Statement of Revenues and Expenses - Actual and Budget
Tax Basis
For the One Month and Seven Months Ended July 31, 2021

| | One Month Actual | Seven Months Actual | Annual Budget |
|--|---------------------|------------------------|--------------------|
| Non-Recurring Revenue | | | |
| Gate Damage | 0.00 | 1,627.31 | 0.00 |
| Return Check Fees | 0.00 | 34.00 | 0.00 |
| Legal Fees Assessed | 51.76 | 51.76 | 0.00 |
| Total Non-Recurring Revenue | <u>51.76</u> | <u>1,713.07</u> | <u>0.00</u> |
| Non-Recurring Expense | | | |
| Late Fees - Write Offs | 0.00 | 45.00 | 0.00 |
| Gate Damage | 0.00 | 1,412.75 | 0.00 |
| Capital Expenditure - Road Maintenance | 0.00 | 0.00 | 25,000.00 |
| Capital Expenditure - Drainage Maintenance | 0.00 | 1,500.00 | 25,000.00 |
| Capital Expenditure - Pavilion | 0.00 | 510.32 | 0.00 |
| Capital Expenditure - Gate | 0.00 | 12,699.50 | 0.00 |
| Capital Expenditure - Gym | 0.00 | 0.00 | 7,000.00 |
| Road Fund | 0.00 | 0.00 | 30,000.00 |
| Total Non-Recurring Expense | <u>0.00</u> | <u>16,167.57</u> | <u>87,000.00</u> |
| Net Non-Recurring Revenue (Expense) | <u>51.76</u> | <u>(14,454.50)</u> | <u>(87,000.00)</u> |
| Net Income | <u>\$ 7,674.48</u> | <u>\$ 56,067.82</u> | <u>\$ 0.00</u> |

Silverwood Plantation Homeowners
Statement of Cash Flows
Tax Basis
For the One Month and Seven Months Ended July 31, 2021

| | For the Month Ended <u>July 31, 2021</u> | For the Year Ended <u>July 31, 2021</u> |
|--|---|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net Income (Loss) | \$ 7,668.07 | \$ 72,193.97 |
| Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities: | | |
| Decrease (Increase) in Operating Assets: | | |
| Accounts Receivable | (1,927.51) | (1,869.49) |
| Increase (Decrease) in Operating Liabilities: | | |
| Unearned Revenue | (1,210.91) | 7,708.63 |
| Total Adjustments | <u>(3,138.42)</u> | <u>5,839.14</u> |
| Net Cash Provided By (Used in) Operating Activities | 4,529.65 | 78,033.11 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Capital Expenditures | 0.00 | (16,167.57) |
| Interest and Dividends Earned | 6.41 | 41.42 |
| Net Cash Provided By (Used In) Investing Activities | <u>6.41</u> | <u>(16,126.15)</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 | 4,536.06 | 61,906.96 |
| CASH AT BEGINNING OF PERIOD | <u>397,668.42</u> | <u>340,297.52</u> |
| CASH AT END OF PERIOD | <u><u>\$ 402,204.48</u></u> | <u><u>\$ 402,204.48</u></u> |

See Accountant's Compilation Report