

SOUTH RIDING PROPRIETARY, INC.
BALANCE SHEETS
DECEMBER 31, 2009 AND 2008

	<u>Operating</u>	<u>General Operating Reserve</u>	<u>Capital Improvement Fund</u>	<u>Replacement Reserves</u>	<u>Total 2009</u>	<u>Total 2008</u>
<u>ASSETS</u>						
Cash and Cash Equivalents	\$ 440,989	\$ 122,529	\$ 404,154	\$ 457,455	\$ 1,425,127	\$ 1,300,153
Interest-Bearing Deposits		302,293	2,027,573	2,082,000	4,411,866	3,937,290
Investments			1,071,759	539,124	1,610,883	1,809,772
Due To/(From)	(3,645)	4,605	233,481	(234,439)	-	-
Assessments Receivable - Net	64,969				64,969	74,483
Accounts Receivable - Amberlea	56,579				56,579	49,395
Income Taxes Receivable	47,730				47,730	61,448
Accounts Receivable - Other	35,005				35,005	28,839
Accrued Interest	41,662				41,662	50,570
Prepaid Expenses	42,626				42,626	53,118
Property and Equipment - Net	45,554				45,554	64,620
Total Assets	\$ 771,469	\$ 429,425	\$ 3,736,967	\$ 2,844,140	\$ 7,782,001	\$ 7,429,688
<u>LIABILITIES AND MEMBERS' EQUITY</u>						
Accounts Payable	\$ 146,800	\$ -	\$ -	\$ -	\$ 146,800	\$ 161,733
Deferred Advertising Income	8,238				8,238	121,971
Prepaid Assessments	326,194				326,194	296,910
Total Liabilities	\$ 481,232	\$ -	\$ -	\$ -	\$ 481,232	\$ 580,614
Unappropriated Members' Equity	\$ 290,237	\$ 429,425	\$ 3,736,967	\$ 2,844,140	\$ 7,300,769	\$ 6,849,074
Total Liabilities and Members' Equity	\$ 771,469	\$ 429,425	\$ 3,736,967	\$ 2,844,140	\$ 7,782,001	\$ 7,429,688

See Accompanying Notes to Financial Statements

SOUTH RIDING PROPRIETARY, INC.
STATEMENTS OF INCOME AND MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	Operating	General Operating Reserve	Capital Improvement Fund	Replacement Reserves	Total 2009	Total 2008
INCOME:						
Assessments	\$ 4,216,544	\$ -	\$ -	\$ 557,005	\$ 4,773,549	\$ 4,737,941
Contributed Capital			67,517		67,517	69,782
Declarant/Builder Contribution			341,000		341,000	116,000
Interest	118,453		99,876		218,329	258,995
Community Activities	260,442				260,442	269,415
Late/Legal Fees	129,041				129,041	123,453
Advertising	166,564				166,564	164,636
Other	128,704				128,704	175,159
Total Income	<u>\$ 5,019,748</u>	<u>\$ -</u>	<u>\$ 508,393</u>	<u>\$ 557,005</u>	<u>\$ 6,085,146</u>	<u>\$ 5,915,381</u>
EXPENSES:						
Administrative (Common):						
Management Staff and Related	\$ 935,418	\$ -	\$ -	\$ -	\$ 935,418	\$ 550,874
Financial Management	151,867				151,867	137,433
Legal and Audit	157,327				157,327	140,924
Insurance	59,493				59,493	69,692
Consulting	23,389		14,062		37,451	42,167
Office	61,889		19,164	24,029	105,082	95,622
Postage and Printing	29,376				29,376	23,527
Newsletter	197,245				197,245	161,701
Community Events	356,341				356,341	392,081
Bad Debt	17,645				17,645	58,926
Depreciation	19,066				19,066	12,128
Income Taxes	70,201				70,201	75,729
Other	56,360			68,763	125,123	49,496
Total Administrative (Common)	<u>\$ 2,135,617</u>	<u>\$ -</u>	<u>\$ 33,226</u>	<u>\$ 92,792</u>	<u>\$ 2,261,635</u>	<u>\$ 1,810,300</u>
Operating (Common):						
Community Common Areas/Roadside	\$ 992,808	\$ -	\$ 31,285	\$ 20,772	\$ 1,044,865	\$ 547,080
Parks	548				548	1,565
Pathways					-	1,532
Tot Lot					-	2,877
Other	34,902			906	35,808	41,617
Total Operating (Common)	<u>\$ 1,028,258</u>	<u>\$ -</u>	<u>\$ 31,285</u>	<u>\$ 21,678</u>	<u>\$ 1,081,221</u>	<u>\$ 594,671</u>

See Accompanying Notes to Financial Statements

SOUTH RIDING PROPRIETARY, INC.
STATEMENTS OF INCOME AND MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(CONTINUED)

	Operating	General Operating Reserve	Capital Improvement Fund	Replacement Reserves	Total 2009	Total 2008
Recreation Facilities:						
Financial Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,661
Payroll and Related					-	106,171
Administrative	2,616				2,616	66,854
Grounds Maintenance					-	35,345
Pool	276,476			97,463	373,939	396,517
Town Hall	9,606		1,371	3,562	14,539	192,224
Tennis Courts	1,594		156,045	3,001	160,640	102,333
Community Center				3,650	3,650	-
Skatepark			130,450		130,450	-
Utilities	84,436				84,436	79,860
Depreciation					-	1,348
Income Taxes					-	8,414
Other	28,678				28,678	46,675
Total Recreation Facilities	\$ 403,406	\$ -	\$ 287,866	\$ 107,676	\$ 798,948	\$ 1,043,402
Operating (General):						
Single Family Homes	\$ 808,863	\$ -	\$ -	\$ -	\$ 808,863	\$ 1,083,193
Townhomes	575,048			19,262	594,310	1,032,798
Common Driveway	5,499				5,499	-
Total Operating (General)	\$ 1,389,410	\$ -	\$ -	\$ 19,262	\$ 1,408,672	\$ 2,115,991
Other:						
Amberlea Trash Removal	\$ 82,975	\$ -	\$ -	\$ -	\$ 82,975	\$ 86,034
Total Expenses	\$ 5,039,666	\$ -	\$ 352,377	\$ 241,408	\$ 5,633,451	\$ 5,650,398
Net Income (Loss)	\$ (19,918)	\$ -	\$ 156,016	\$ 315,597	\$ 451,695	\$ 264,983
MEMBERS' EQUITY:						
Beginning of the Year	310,155	429,425	3,580,951	2,528,543	6,849,074	6,584,091
End of the Year	\$ 290,237	\$ 429,425	\$ 3,736,967	\$ 2,844,140	\$ 7,300,769	\$ 6,849,074

See Accompanying Notes to Financial Statements

SOUTH RIDING PROPRIETARY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	Operating	General Operating Reserves	Capital Improvement Fund	Replacement Reserves	Total 2009	Total 2008
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>						
Net Income (Loss)	\$ (19,918)	\$ -	\$ 156,016	\$ 315,597	\$ 451,695	\$ 264,983
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:						
Depreciation	19,066				19,066	13,475
Decrease (Increase) in:						
Due To/(From)	3,645	(4,603)	7,350	(6,392)	-	-
Assessments Receivable - Net	9,514				9,514	10,343
Accounts Receivable - Amberlea	(7,184)				(7,184)	(3,191)
Income Taxes Receivable	13,718				13,718	(30,589)
Accounts Receivable - Other	(6,166)				(6,166)	(15,794)
Accrued Interest	8,908				8,908	(24,955)
Prepaid Expenses	10,492				10,492	(3,087)
Increase (Decrease) in:						
Accounts Payable	(14,933)				(14,933)	(181,937)
Deferred Advertising Income	(113,733)				(113,733)	(19,750)
Prepaid Assessments	29,284				29,284	16,215
Net Cash Flows From Operating Activities	<u>\$ (67,307)</u>	<u>\$ (4,603)</u>	<u>\$ 163,366</u>	<u>\$ 309,205</u>	<u>\$ 400,661</u>	<u>\$ 25,713</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>						
Disbursed for Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (44,220)
Received from Investments/Interest-Bearing Deposits			1,785,371	596,000	2,381,371	1,100,000
Disbursed for Investments/Interest-Bearing Deposits		(302,293)	(1,670,028)	(684,737)	(2,657,058)	(2,443,099)
Net Cash Flows From Investing Activities	<u>\$ -</u>	<u>\$ (302,293)</u>	<u>\$ 115,343</u>	<u>\$ (88,737)</u>	<u>\$ (275,687)</u>	<u>\$ (1,387,319)</u>
Net Change in Cash and Cash Equivalents	\$ (67,307)	\$ (306,896)	\$ 278,709	\$ 220,468	\$ 124,974	\$ (1,361,606)
Cash and Cash Equivalents at Beginning of Year	<u>508,296</u>	<u>429,425</u>	<u>125,445</u>	<u>236,987</u>	<u>1,300,153</u>	<u>2,661,759</u>
Cash and Cash Equivalents at End of Year	<u>\$ 440,989</u>	<u>\$ 122,529</u>	<u>\$ 404,154</u>	<u>\$ 457,455</u>	<u>\$ 1,425,127</u>	<u>\$ 1,300,153</u>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</u>						
Cash Paid for Income Taxes					<u>\$ 110,055</u>	<u>\$ 181,130</u>

See Accompanying Notes to Financial Statements