

SOUTH RIDING PROPRIETARY, INC.
BALANCE SHEETS
DECEMBER 31, 2010 AND 2009

	<u>Operating</u>	<u>General Operating Reserve</u>	<u>Capital Improvement Fund</u>	<u>Replacement Reserves</u>	<u>Total 2010</u>	<u>Total 2009</u>
<u>ASSETS</u>						
Cash and Cash Equivalents	\$ 131,755	\$ 696,899	\$ 578,576	\$ 70,174	\$ 1,477,404	\$ 1,425,127
Interest-Bearing Deposits		307,490	2,239,329	2,886,423	5,433,242	4,411,866
Investments			846,179	548,791	1,394,970	1,610,883
Due To/(From)	575,743	(435,819)	210,218	(300,142)	-	-
Assessments Receivable - Net	58,640				58,640	64,969
Accounts Receivable - Amberlea	63,038				63,038	56,579
Income Taxes Receivable	47,500				47,500	47,730
Accounts Receivable - Other	36,730				36,730	35,005
Accrued Interest	36,050				36,050	41,662
Prepaid Expenses	53,918				53,918	42,626
Property and Equipment - Net	75,818				75,818	45,554
Total Assets	\$ 1,079,192	\$ 518,570	\$ 3,874,302	\$ 3,205,246	\$ 8,677,310	\$ 7,782,001
<u>LIABILITIES AND MEMBERS' EQUITY</u>						
Accounts Payable	\$ 137,650				\$ 137,650	\$ 146,800
Deferred Advertising Income	14,088				14,088	8,238
Prepaid Assessments	373,344				373,344	326,194
Total Liabilities	\$ 525,082	\$ -	\$ -	\$ -	\$ 525,082	\$ 481,232
Members' Equity	\$ 554,110	\$ 518,570	\$ 3,874,302	\$ 3,205,246	\$ 8,152,228	\$ 7,300,769
Total Liabilities and Members' Equity	\$ 1,079,192	\$ 518,570	\$ 3,874,302	\$ 3,205,246	\$ 8,677,310	\$ 7,782,001

See Accompanying Notes to Financial Statements

SOUTH RIDING PROPRIETARY, INC.
STATEMENTS OF INCOME AND MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	Operating	General Operating Reserve	Capital Improvement Fund	Replacement Reserves	Total 2009	Total 2009
INCOME:						
Assessments	\$ 4,509,085			\$ 557,005	\$ 5,066,090	\$ 4,773,549
Contributed Capital			129,750		129,750	67,517
Declarant/Builder Contribution			211,246		211,246	341,000
Interest	119,954		92,537		212,491	218,329
Community Activities	290,716				290,716	260,442
Ammended Tax Refunds	158,472				158,472	-
Late/Legal Fees	129,381				129,381	129,041
Advertising	141,146				141,146	166,564
Other	165,501		982	14,500	180,983	128,704
Total Income	<u>\$ 5,514,255</u>	<u>\$ -</u>	<u>\$ 434,515</u>	<u>\$ 571,505</u>	<u>\$ 6,520,275</u>	<u>\$ 6,085,146</u>
EXPENSES:						
Administrative (Common):						
Management Staff and Related	\$ 940,286				\$ 940,286	\$ 935,418
Financial Management	160,533				160,533	151,867
Legal and Audit	130,855				130,855	157,327
Insurance	62,426				62,426	59,493
Consulting	28,625		19,646		48,271	23,389
Office	85,565			15,438	101,003	84,027
Postage and Printing	35,008				35,008	29,376
Newsletter	185,638				185,638	197,245
Community Events	399,328				399,328	356,341
Bad Debt	25,981				25,981	17,645
Depreciation	18,286				18,286	19,066
Income Taxes					-	70,201
Other	28,848			16,409	45,257	81,431
Total Administrative (Common)	<u>\$ 2,101,379</u>	<u>\$ -</u>	<u>\$ 19,646</u>	<u>\$ 31,847</u>	<u>\$ 2,152,872</u>	<u>\$ 2,182,826</u>
Operating (Common):						
Community Common Areas/Roadside	\$ 1,027,453	\$ -	\$ 137,895	\$ 51,766	\$ 1,217,114	\$ 1,054,060
General Maintenance Equipment	-		19,316	40,251	59,567	28,384
Streets				58,495	58,495	38,256
Parks					-	548
Tot Lot					-	25,214
Other	40,466			1,908	40,466	34,902
Total Operating (Common)	<u>\$ 1,067,919</u>	<u>\$ -</u>	<u>\$ 157,211</u>	<u>\$ 152,421</u>	<u>\$ 1,377,551</u>	<u>\$ 1,194,671</u>

See Accompanying Notes to Financial Statements

SOUTH RIDING PROPRIETARY, INC.
STATEMENTS OF INCOME AND MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009
(CONTINUED)

	<u>Operating</u>	<u>General Operating Reserve</u>	<u>Capital Improvement Fund</u>	<u>Replacement Reserves</u>	<u>Total 2010</u>	<u>Total 2009</u>
Recreation Facilities:						
Grounds Maintenance	\$ -	\$ -	\$ 49,960	\$ -	\$ 49,960	\$ -
Pool	321,068			8,365	329,433	376,868
Town Hall	16,860			6,685	23,545	28,570
Tennis Courts	1,149		70,363	280	71,792	9,058
Community Center				5,392	5,392	12,541
Utilities	92,264				92,264	84,436
Other	28,027				28,027	28,678
Total Recreation Facilities	<u>\$ 459,368</u>	<u>\$ -</u>	<u>\$ 120,323</u>	<u>\$ 20,722</u>	<u>\$ 600,413</u>	<u>\$ 540,151</u>
Operating (General):						
Single Family Homes	\$ 861,198	\$ -	\$ -	\$ -	\$ 861,198	\$ 808,863
Townhomes	616,739			5,409	622,148	755,268
Common Driveway	5,351				5,351	68,697
Total Operating (General)	<u>\$ 1,483,288</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,409</u>	<u>\$ 1,488,697</u>	<u>\$ 1,632,828</u>
Other:						
Amberlea Trash Removal	\$ 97,833	\$ -	\$ -	\$ -	\$ 97,833	\$ 82,975
Total Expenses	<u>\$ 5,209,787</u>	<u>\$ -</u>	<u>\$ 297,180</u>	<u>\$ 210,399</u>	<u>\$ 5,717,366</u>	<u>\$ 5,633,451</u>
Net Income	\$ 304,468	\$ -	137,335	\$ 361,106	\$ 802,909	\$ 451,695
<u>MEMBERS' EQUITY:</u>						
Beginning of the Year	290,237	429,425	3,736,967	2,844,140	7,300,769	6,849,074
Inter-Equity Transfer	(89,145)	89,145			-	-
Capitalization of Reserve Expenditures	48,550				48,550	-
End of the Year	<u>\$ 554,110</u>	<u>\$ 518,570</u>	<u>\$ 3,874,302</u>	<u>\$ 3,205,246</u>	<u>\$ 8,152,228</u>	<u>\$ 7,300,769</u>

See Accompanying Notes to Financial Statements

SOUTH RIDING PROPRIETARY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	Operating	General Operating Reserves	Capital Improvement Fund	Replacement Reserves	Total 2010	Total 2009
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>						
Net Income	\$ 304,468		\$ 137,335	\$ 361,106	\$ 802,909	\$ 451,695
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:						
Depreciation	18,286				18,286	19,066
Decrease (Increase) in:						
Due To/(From)	(647,911)	574,370	6,844	66,697	-	-
Assessments Receivable - Net	6,329				6,329	9,514
Accounts Receivable - Amberlea	(6,459)				(6,459)	(7,184)
Income Taxes Receivable	230				230	13,718
Accounts Receivable - Other	(1,725)				(1,725)	(6,166)
Accrued Interest	5,612				5,612	8,908
Prepaid Expenses	(11,292)				(11,292)	10,492
Increase (Decrease) in:						
Accounts Payable	(29,772)				(29,772)	(14,933)
Deferred Advertising Income	5,850				5,850	(113,733)
Prepaid Assessments	47,150				47,150	29,284
Net Cash Flows From Operating Activities	<u>\$ (309,234)</u>	<u>\$ 574,370</u>	<u>\$ 144,179</u>	<u>\$ 427,803</u>	<u>\$ 837,118</u>	<u>\$ 400,661</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>						
Received for Fixed Assets	\$ -	\$ -	\$ -	\$ 14,500	\$ 14,500	\$ -
Received from Investments/Interest-Bearing Deposits			1,517,789	658,839	2,176,628	2,381,371
Disbursed for Investments/Interest-Bearing Deposits			(1,487,546)	(1,488,423)	(2,975,969)	(2,657,058)
Net Cash Flows From Investing Activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,243</u>	<u>\$ (815,084)</u>	<u>\$ (784,841)</u>	<u>\$ (275,687)</u>
Net Change in Cash and Cash Equivalents	\$ (309,234)	\$ 574,370	\$ 174,422	\$ (387,281)	\$ 52,277	\$ 124,974
Cash and Cash Equivalents at Beginning of Year	440,989	122,529	404,154	457,455	1,425,127	1,300,153
Cash and Cash Equivalents at End of Year	<u>\$ 131,755</u>	<u>\$ 696,899</u>	<u>\$ 578,576</u>	<u>\$ 70,174</u>	<u>\$ 1,477,404</u>	<u>\$ 1,425,127</u>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</u>						
Cash Paid for Income Taxes					<u>\$ 47,500</u>	<u>\$ 110,055</u>

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