

**WILLIAM  
OWENS  
&  
COMPANY**

**CERTIFIED PUBLIC ACCOUNTANT  
A PROFESSIONAL CORPORATION**

5 JOHN STREET  
CARBONDALE, PA 18407  
570-281-9760

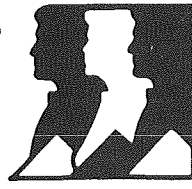
16 CHESTNUT STREET  
MONTROSE, PA 18801  
570-278-2260

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY  
OWNERS COUNCIL**  
Financial Statements  
And Supplementary Information

For the Fiscal Year Ended, April 30, 2011

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Masthope Mountain Community Property Owners Council

We have audited the accompanying balance sheet of Masthope Mountain Community Property Owners Council as of April 30, 2011 and the related statement of revenue and expenses, and changes in fund balances and cash flows for the fiscal year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As more fully described in note two to the financial statements it is the practice of the Association to reserve 100% of the outstanding dues receivable and report the income from assessments on a cash basis.

In our opinion, except for the matter described in the above paragraph regarding dues receivable, the financial statements referred to above present fairly, in all material respects, the financial position of Masthope Mountain Community Property Owners Council as of April 30, 2011, and the results of its operations and its cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Our Audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying information presented on pages 15 to 18 is presented for the purposes of additional analysis of the financial statements rather than to present the financial position, results of operations and cash flows of the individual entities. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements.

Masthope Rapids Property Owner's Council has not estimated remaining lives and replacement costs of the common property and, therefore, has not presented future major repairs and replacements of common property that the American Institute of Certified Public Accountants has determined is required to supplement, although not required to be a part of the basic financial statements.

*William Owens & Co, CPA*

William Owens & Company, CPA  
Carbondale, Pennsylvania  
July 6, 2011

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
BALANCE SHEETS  
APRIL 30, 2011**

	Operating Fund	Restricted Fund	Eliminations	Total
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash	\$ 1,768,746	\$ -	\$ -	\$ 1,768,746
Cash and Cash Equivalents - Restricted for Future Repairs and Replacement	-	341,286	-	341,286
Cash-Restricted for Ski Loan	-	529,726	-	529,726
Cash-Restricted for Lodge Loan Repayment	-	31,986	-	31,986
Cash-Restricted for Road Repair	-	431,505	-	431,505
Other Receivables	22,235	-	-	22,235
Due To/From Other Funds	-	355,906	-	355,906
Inventory	60,197	-	-	60,197
Inventory Lots	-	95,001	-	95,001
Prepaid Expenses	21,616	-	-	21,616
<b>Total Current Assets</b>	<b>1,872,794</b>	<b>1,785,411</b>	<b>-</b>	<b>3,658,205</b>
<b>Property and Equipment</b>				
Land	1,125,280	-	-	1,125,280
Roads	634,641	-	-	634,641
Buildings and Improvements	7,267,890	-	-	7,267,890
Furniture and Fixtures	241,117	-	-	241,117
Vehicles and Equipment	4,885,742	-	-	4,885,742
Horses	22,650	-	-	22,650
Less: Accumulated Depreciation	(4,682,660)	-	-	(4,682,660)
<b>Net Property and Equipment</b>	<b>9,494,659</b>	<b>-</b>	<b>-</b>	<b>9,494,659</b>
<b>Other Assets</b>				
Cash - Renters Deposits	46,928	-	-	46,928
Cash-Lottery Account	16,699	-	-	16,699
Certificates of Deposit	-	355,321	-	355,321
Cash - Escrow Deposits	1,600	-	-	1,600
Closing Costs	11,187	-	-	11,187
Liquor License	30,953	-	-	30,953
Less: Accumulated Amortization	(5,869)	-	-	(5,869)
<b>Total Other Assets</b>	<b>101,498</b>	<b>355,321</b>	<b>-</b>	<b>456,818</b>
<b>Total Assets</b>	<b>\$ 11,468,952</b>	<b>\$ 2,140,731</b>	<b>\$ -</b>	<b>\$ 13,609,683</b>

"See independent auditor's report and accompanying notes to financial statements"

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
BALANCE SHEETS  
APRIL 30, 2011**

	Operating Fund	Restricted Fund	Eliminations	Total
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Current Liabilities</b>				
Accounts Payable and Accrued Expenses	\$ 50,531	\$ -	\$ -	\$ 50,531
Members' Assessments Collected in Advance	1,530,923	-	-	1,530,923
Due To/From Other Funds	355,906	-	-	355,906
Miscellaneous Deferred Revenue	273	-	-	273
Escrow Deposits	40,800	-	-	40,800
Lot Deposits	-	11,300	-	11,300
Current Portion of Long Term Debt	-	264,409	-	264,409
<b>Total Current Liabilities</b>	<u>1,978,434</u>	<u>275,709</u>	<u>-</u>	<u>2,254,143</u>
<b>Long-Term Liabilities</b>				
Long Term Debt, net of Current Portion	-	4,077,227	-	4,077,227
<b>Total Long-Term Liabilities</b>	<u>-</u>	<u>4,077,227</u>	<u>-</u>	<u>4,077,227</u>
<b>Total Liabilities</b>	<u>1,978,434</u>	<u>4,352,936</u>	<u>-</u>	<u>6,331,370</u>
<b>Fund Balances</b>	<u>9,490,517</u>	<u>(2,212,205)</u>	<u>-</u>	<u>7,278,313</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 11,468,952</u>	<u>\$ 2,140,731</u>	<u>\$ -</u>	<u>\$ 13,609,683</u>

"See independent auditor's report and accompanying notes to financial statements"

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
STATEMENT OF REVENUE AND EXPENSES  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011**

	Operating Fund	Restricted Fund	Total
<b>Revenue</b>			
Membership Dues	\$ 1,849,344	\$ -	\$ 1,849,344
Capital Dues	-	88,677	88,677
Ski Assessment	-	306,627	306,627
Lodge Loan Assessment	-	176,317	176,317
Road Assessments	-	167,283	167,283
Westcolang Dam Assessments	-	72,619	72,619
Transfer Fees	-	121,762	121,762
Township Road Income	-	424,542	424,542
Late Charges	42,025	-	42,025
Lot Sale Income	-	67,655	67,655
Collection Fees	23,096	-	23,096
Advertising	33,267	-	33,267
Activity Income	21,740	-	21,740
Interest Income	2,715	8,172	10,887
Miscellaneous Income	112,708	5,044	117,752
Skiing Revenue	-	166,696	166,696
Stable Revenue	30,392	-	30,392
Lodge Revenue	1,076,765	-	1,076,765
Fitness Revenue	6,053	-	6,053
Marketplace Sales	386,591	-	386,591
Mill Pond Rentals	4,468	-	4,468
Permits	37,355	-	37,355
<b>Total Revenue</b>	<b>3,626,520</b>	<b>1,605,393</b>	<b>5,231,913</b>
<b>Expenses</b>			
Administrative Expenses	419,386	-	419,386
Maintenance	395,836	-	395,836
Recreation, Pool and Lake	185,212	-	185,212
Ski Slope	-	137,500	137,500
Stables	182,252	-	182,252
Lodge	1,208,193	-	1,208,193
Security	270,640	-	270,640
Mill Pond	8,784	-	8,784
Marketplace	409,748	-	409,748
Road Project	-	162,237	162,237
Water and Sewer	8,336	-	8,336
Insurance	253,980	-	253,980
Professional Fees	87,149	-	87,149
Repairs and Replacement	-	53,954	53,954
Interest	-	217,952	217,952
Amortization	3,386	-	3,386
Depreciation	562,473	-	562,473
<b>Total Expenses</b>	<b>3,995,375</b>	<b>571,644</b>	<b>4,567,018</b>
Excess / (Deficiency) of Revenue over Expenses Before Interfund Transfers	<u>(368,855)</u>	<u>1,033,749</u>	<u>664,894</u>
Transfer Between Funds	<u>651,463</u>	<u>(651,463)</u>	<u>-</u>
Excess / (Deficiency) of Revenue over Expenses	<u>\$ 282,608</u>	<u>\$ 382,286</u>	<u>\$ 664,894</u>

"See independent auditor's report and accompanying notes to financial statements"

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
**FOR THE FISCAL YEAR ENDED APRIL 30, 2011**

	Operating Fund	Restricted Fund	Total
Fund Balances at Beginning of Year	\$ 9,207,909	\$ (2,594,491)	\$ 6,613,418
Excess (Deficiency) of Revenues over Expenses	282,608	382,286	664,894
Fund Balances at End of Year	\$ 9,490,517	\$ (2,212,205)	\$ 7,278,312

"See independent auditor's report and accompanying notes to financial statements"

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEAR ENDED APRIL 30, 2011**

Cash Flows from Operating Activities	Operating Fund	Restricted Fund	Total
Surplus / (Deficiency) of Revenues Over Expenses	\$ 282,608	382,286	\$ 664,894
Adjustments to Reconcile Surplus / (Deficiency) of Revenues over Expenses to Net Cash provided by Operating Activities			
Depreciation and Amortization	565,860	-	565,860
Gain on Sale of Asset	(5,336)	-	(5,336)
Transfer of Fixed Assets Between Funds	(651,344)	651,344	-
Change in Other Receivables	(16,568)	-	(16,568)
Change in Inventory	2,498	-	2,498
Change in Inventory Lots	-	6,609	6,609
Change in Prepaid Expenses	(15,495)	-	(15,495)
Change in Accounts Payable and Accrued Expenses	3,588	-	3,588
Change in Members' Assessments Collected in Advance	(30,011)	-	(30,011)
Change in Miscellaneous Deferred Revenue	(2)	-	(2)
Change in Escrow Deposits	1,953	-	1,953
Change in Lot Deposits	-	11,300	11,300
Change in Due To/From	(17,064)	17,064	-
Net Cash provided by Operating Activities	<u>120,686</u>	<u>1,068,603</u>	<u>1,189,289</u>
 Cash Flows from Investing Activities			
Proceeds from Sale of Fixed Assets	31,139	-	31,139
Purchase of Fixed Assets	(2,597)	(651,344)	(653,941)
Net Cash Used in Investing Activities	<u>28,542</u>	<u>(651,344)</u>	<u>(622,802)</u>
 Cash Flows from Financing Activities			
Debt Reduction	-	(120,278)	(120,278)
Debt Proceeds	-	572,525	572,525
Net Cash provided (Used) by Financing Activities	<u>-</u>	<u>452,247</u>	<u>452,247</u>
 Net Increase (Decrease) in Cash	149,228	869,506	1,018,734
 Cash at beginning of Year	<u>1,684,743</u>	<u>820,318</u>	<u>2,505,061</u>
 Cash at end of Year	<u>\$ 1,833,971</u>	<u>\$ 1,689,824</u>	<u>\$ 3,523,795</u>
 Cash Consist of:			
Cash	\$ 1,768,746	\$ -	\$ 1,768,746
Cash-Lottery Account	16,699	-	16,699
Cash - Renters Deposits	46,928	-	46,928
Cash - Escrow Deposits	1,600	-	1,600
Cash and Cash Equivalents - Restricted for Future Repairs and Replacement	-	341,286	341,286
Cash-Restricted for Ski Loan	-	529,726	529,726
Cash-Restricted for Lodge Loan Repayment	-	31,986	31,986
Cash-Restricted for Road Repair	-	431,505	431,505
Certificates of Deposit	-	355,321	355,321
	<u>\$ 1,833,972</u>	<u>\$ 1,689,824</u>	<u>\$ 3,523,796</u>
 Supplemental Disclosure			
Cash Paid During the Year for:			
Interest	\$ -	\$ 217,952	\$ 217,952
Income Taxes	\$ -	\$ -	\$ -

"See independent auditor's report and accompanying notes to financial statements"

MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS COUNCIL  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NATURE OF OPERATIONS**

The Masthope Mountain Community Property Owners Council, located in Lackawaxen, Pennsylvania, was organized on December 19, 1977 as a non-profit corporation under the law of the Commonwealth of Pennsylvania. The purpose of the Council is to oversee the interests of the property owners in this development and, if necessary, to manage the operations of the development. The Council became responsible for daily operations on January 1, 1988. There are approximately 2,300 lots in the development located in Lackwaxen Township.

**FUND ACCOUNTING**

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

**Operating Fund**- This fund is used to account for financial resources available for the general operations of the Association.

**Restricted Fund**- This fund is used to accumulate financial resources designed for future major repairs and replacements. Also, this fund includes funds that are strictly to pay the lodge and ski loans. The funds collected for road repairs are also included in the restricted fund.

**BASIS OF ACCOUNTING**

The books and records are maintained on the accrual method of accounting however Dues Income for the current and prior years is recorded when received and not when billed.

**USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS COUNCIL  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011

**MEMBER DUES**

Association members are subject to annual assessments, payable on May 1<sup>st</sup> of each year, to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. The association retains any excess assessments at year-end for use in future years.

**INVENTORIES**

Inventories are stated at the lower of cost (first-in, first-out method) or market. The inventory as of April 30, 2011 consists of the following:

Lots	\$95,001
Marketplace Inventory	26,676
Summit Inventory	<u>31,521</u>
Total Inventory	<u>\$155,198</u>

**PROPERTY, PLANT AND EQUIPMENT**

The Association capitalizes all property, plant and equipment to which it has title or other evidence of ownership. Property, plant and equipment acquired by the Association are recorded at cost.

Property, plant and equipment are depreciated over their estimated useful lives using straight-line and accelerated methods of depreciation. Depreciation expense for the year ended April 30, 2011 was \$562,472.

**COMMON PROPERTY**

Common property recognized as assets in these financial statements includes the clubhouses, pools, tennis areas, other amenities, and the roads and common areas located within the development.

Although the Association is responsible for the repair and replacement of the common real property, it is unable to sell or otherwise dispose of this property.

**RESERVE FOR FUTURE REPAIRS AND REPLACEMENTS**

The Association's governing documents require funds to be accumulated for future major repairs and replacements. Accumulated funds, which aggregate \$696,607 at April 30, 2011, are held in separate accounts and are generally not available for operating purposes.

MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS COUNCIL  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**INTEREST INCOME**

Interest income is allocated to the operating and reserve funds in proportion to the interest-bearing deposits of each fund.

**INCOME TAXES**

The Association may elect annually to file its federal tax return as homeowners' association under Section 528 or as a regular corporation under Section 277. For the fiscal year ending April 30, 2011 the Association filed as a Homeowner's Association using the federal form 1120. The effect of that election is to tax the Association on non-membership business income and investment income such as interest income, at a flat rate of 30% after deducting related expenses.

**ADVERTISING**

Advertising costs are charged to operations when incurred and amounted to \$946.

**INTEREST EXPENSE**

As of April 30, 2011, the association incurred and charged to expense \$217,952 in interest expense.

**STATEMENT OF CASH FLOWS**

For purposes of the statement of cash flow, cash equivalents include investments in highly liquid debt instruments purchased with original maturities of three months or less.

**2. DUES RECEIVABLE**

The dues receivable are reserved 100% as detailed historical data necessary to project the collection rate has not been calculated by the Association. Although legal steps are being taken to collect these funds, the Association is unable to determine their collectability with a sufficient degree of accuracy.

MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS COUNCIL  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011

**3. PROPERTY, PLANT AND EQUIPMENT**

The Association capitalizes all property, plant and equipment to which it has title or other evidence of ownership at cost. Major additions and improvements are capitalized, while replacements, maintenance, and repairs, which do not extend the life of the respective assets, are expensed. Depreciation is provided utilizing accelerated methods over periods of time believed to approximate estimated service lives of five to thirty-nine and a half years. In order to comply with the American Institute of Certified Public Accountant's guide to common interest realty associations recommended capitalization policies, the Association changed its accounting treatment for greenbelt land.

**4. AMORTIZATION COSTS**

Amortization costs are amortized using a straight-line depreciation method.

**5. CONCENTRATIONS OF CREDIT RISK**

The Association's members are primarily from Northeastern Pennsylvania, New Jersey, and New York. The ability of these members to honor their obligations to the Association is dependent on the economy of the region.

The Association maintains its cash balances of \$3,392,926 as of April 30, 2011 at three financial institutions. Of the \$3,392,926, there is \$355,321 held at various banks through the CDARS program with Dime Bank. Accounts at each institution are secured by the Federal Deposit Insurance Corporation up to \$250,000. The CDARS program is fully insured. Uninsured balances amounted to \$2,370,100 at April 30, 2011.

**6. LONG-TERM DEBT**

Notes payable consist of the following as of April 30, 2011:

Dime Bank, Lodge 7% interest, payable in monthly installments of \$12,068; maturing March 2027. Interest only is due until the first installment payment is due on April 07.	1,161,098
Dime Bank, Ski Loan, 5.00% interest only payments for the first 12 months and will increase to 5.98%. Beginning October 2011, monthly installments of \$31,340, maturing October 2023	2,644,559
Kubota Credit Corporation, excavator installment loan, 7.75% interest, payable in monthly installments of \$1,498, maturing December 2012.	28,050

MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS COUNCIL  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011

Ford Credit, Ford Explorer installment loan, 0% interest, payable in monthly installments of \$1,071, maturing 2014	29,974
Kubota Credit Corporation, excavator installment loan, .065% interest, payable in monthly installments of \$1,387, maturing, October 2012.	24,957
Wayne Bank-Timeshare loan-5.125% Nondisclosable Draw Down Line of Credit Due December 2010, monthly interest payments. The entire remaining principle balance of the loan shall be due and payable 2 years from the closing date.	452,998
Total Debt	4,341,636
Less Current Portion	(264,409)
Total Long Term Portion	4,077,227

Maturities of long-term debt as of April 30, 2011 are as follows:

2012	264,409
2013	436,592
2014	427,274
2015	443,569
2016	462,228
Thereafter	2,307,564
	4,341,636

Accounts Receivable, member dues, contract rights, property owner assessments, equipment, furniture and fixtures, inventory, general intangibles, licenses, real property, and all other property utilized by the Masthope Rapids Property Owners Council's operation are collateral for all the above mentioned loans.

**7. LITIGATION, CLAIMS AND ASSESSMENTS**

In the normal course of business, the Association may periodically be named as a defendant in litigation. The Association's management, supported by legal counsel, believes that there are no material litigation matters that could result in a financial verdict against the Association at the current time.

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY  
OWNERS COUNCIL**

Supplementary Information

For the fiscal year ended April 30, 2011

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
SCHEDULE OF DEPARTMENTAL EXPENSES  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011**

Administrative	
Salaries	\$ 220,161
Payroll Taxes	16,234
Office Supplies and Expenses	36,164
Telephone & Fax	5,877
Printing & Newsletter Expense	13,911
Dues and Subscriptions	160
Computer Support and Training	4,315
Payroll Service	40,930
Membership	3,804
Advertising	946
Utilities	10,714
Collection Costs	14,948
Bank Charges	7,377
Meetings and Hospitality	3,860
Postage	10,040
Property Taxes	16,186
Website	3,617
Miscellaneous	10,143
Total Administrative Expense	<u>\$ 419,386</u>
Maintenance	
Salaries	\$ 164,341
Payroll Taxes	19,693
Supplies	11,990
Repair and Maintenance Buildings	220
Fuel	34,590
Snow Removal	32,322
Refuse Removal	80,289
Small Tools	3,876
Landscaping	2,511
Road and 911 Signs	3,305
Uniforms	1,042
Vehicle Repairs	35,506
Utilities	4,652
Radio Repair & Maintenance	1,499
Total Maintenance Expense	<u>\$ 395,836</u>

"See independent auditor's report on supplementary information"

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
SCHEDULE OF DEPARTMENTAL EXPENSES  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011**

Recreation, Pool and Lake	
Salaries	\$ 110,769
Payroll Taxes	7,341
Pool Chemicals	259
Supplies	5,338
Activities Expense	22,360
Repairs and Maintenance Lake & Pool	3,326
Permits and Inspections	4,555
Uniforms	16,046
Telephone	4,949
Trips/Events	1,550
Certifications	240
Utilities	7,148
Amenities Expense	1,060
Fitness Center Repair & Maintenance	271
Total Recreation, Pool and Lake Expense	<u>\$ 185,212</u>
Ski Slope	
Management Fee	\$ 137,500
Total Ski Big Bear Expense	<u>\$ 137,500</u>
Stables	
Salaries	\$ 91,807
Payroll Taxes	12,467
Boarding	33,825
Lease Care Maintenance	19,733
Utilities	5,768
Tack and Supplies	4,898
Repair and Maintenance	2,527
Land Management	5,882
Vehicle Maintenance	2,543
Horse Lease	2,625
Miscellaneous	178
Total Stables Expense	<u>\$ 182,252</u>

"See independent auditor's report on supplementary information"

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
SCHEDULE OF DEPARTMENTAL EXPENSES  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011**

Lodge	
Purchases	\$ 464,992
Salaries	371,891
Payroll Taxes	56,217
Banquet	2,535
Supplies	67,101
Entertainment	3,925
Repairs and Maintenance	48,905
Uniforms	7,166
Utilities	128,448
Miscellaneous	1,748
Linen	12,898
Credit Card Fees	12,575
Licenses & Fees	2,367
Advertising	4,143
Waste Disposal	5,753
Special Events	17,529
Total Lodge Expense	<u>\$ 1,208,193</u>
Security	
Salaries	\$ 208,634
Payroll Taxes	23,217
Supplies	4,119
Repairs and Maintenance	28,797
Telephone	3,030
Uniforms	2,287
Training	355
Miscellaneous	200
Total Security Expense	<u>\$ 270,640</u>

"See independent auditor's report on supplementary information"

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
SCHEDULE OF DEPARTMENTAL EXPENSES  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011**

Mill Pond	
Sewer and water	\$ 317
Electric	4,060
Repairs and Maintenance	485
Telephone	712
Property taxes	3,209
Total Mill Pond Expense	<u>\$ 8,784</u>
Market Place	
Purchases	\$ 277,531
Salaries	59,292
Payroll Taxes	8,362
Supplies	4,653
Computer Expense	2,077
Repairs and Maintenance	3,503
Utilities	16,968
Lottery	33,656
Uniforms	369
Credit Card Fees	3,340
Total Marketplace Expense	<u>\$ 409,748</u>
Major Repairs and Replacement Expenses	
Lot Sale Expense	\$ 19,754
Stables Improvements	800
Entrance Project	1,350
D.E.P. Drainage Project	1,458
Dumpster Upgrade	3,570
Sports field Improvements	169
Other	6,453
Beach Improvements	20,400
Total Major Repairs and Replacements	<u>\$ 53,954</u>

"See independent auditor's report on supplementary information"