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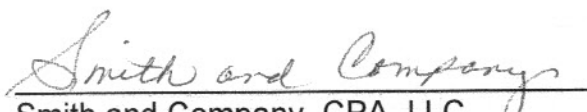
Board of Directors
Romerock Association, Inc.
Rome, OH 44085

We have compiled the accompanying statement of assets, liabilities, and fund balance-cash basis of Romerock Association, Inc. as of February 29, 2012 and the related statements of revenue, expense, and changes in fund balance-cash basis and statement of cash flows-cash basis for the one month and two months then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The *American Institute of Certified Public Accountants* has determined that supplementary information about future major repairs and replacements of common property is required to supplement, but not required to be a part of the basic financial statements. Romerock Association, Inc. has not presented this supplementary information.


Smith and Company, CPA, LLC
March 9, 2012

ROMEROCK ASSOCIATION, INC.
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE-CASH BASIS
AS OF FEBRUARY 29, 2012

	FEB. 29 2012
ASSETS	
Petty Cash	\$ 600
Andover Bank Regular Checking	46,357
Certificates of Deposit Andover	0
Money Market Account	<u>154,114</u>
 CASH	 201,071
 Prepaid Payroll Tax	 3,672
 Property and Equipment	
Building And Improvements	3,492,914
Equipment	59,170
Vehicles	<u>186,036</u>
	3,738,120
 Less: Accumulated Depreciation	 <u>(2,118,331)</u>
Total Fixed Assets	<u>1,619,789</u>
TOTAL ASSETS	<u><u>\$ 1,824,532</u></u>
 LIABILITIES AND FUND BALANCES	
Building Plan Deposits	\$0
Andover Bank Short Term	0
HSA Withholding	0
Employee FICA/MED W/H	(3)
AFLAC W/H	140
Employee IRA W/H	196
Loan Payable - Andover Bank	<u>703,047</u>
TOTAL LIABILITIES	<u>703,380</u>
 FUND BALANCE	 <u>1,121,152</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u><u>\$ 1,824,532</u></u>

See accompanying notes and accountant's compilation report.

ROMEROCK ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES & CHANGES IN FUND BALANCE-CASH BASIS
FOR THE PERIOD ENDED FEBRUARY 29, 2012

REVENUES	
Operating Income	\$ 305,534
EXPENSES	
Operating	<u>144,808</u>
Excess (Deficiency) of Revenues over Expenses	<u>160,726</u>
Beginning Fund Balance	<u>960,426</u>
Ending Fund Balance	<u><u>\$ 1,121,152</u></u>

See accompanying notes and accountant's compilation report.

ROMEROCK ASSOCIATION, INC.
STATEMENT OF CASH FLOWS-CASH BASIS
FOR THE PERIOD ENDED FEBRUARY 29, 2012

Cash flows from Operating Activities		
Excess (deficiency) of revenues over expenses	160,726	Note 1
Adjustments to reconcile excess revenues over expenses to net cash provided by operating activities:		
Depreciation	31,412	
Increase (decrease) in Assets/Liabilities:		
Prepaid Payroll Taxes	(3,672)	
N/P Andover Bank Loan	(13,826)	
Employee W/H	(347)	
	<u>(17,845)</u>	
Net Cash Provided (Used) by Operating Activities	174,293	
Cash Flows from Investing Activities		
Acquisition of Improvements/Equipment	<u>(2,797)</u>	Note 2
Net Increase (Decrease) in Cash	171,496	
Cash at Beginning of Year	<u>29,575</u>	
Cash at End of Period	<u><u>\$ 201,071</u></u>	

Note 1-Represents operating income less operating expenses

Note 2-Represents fixed assets purchased current year

See accompanying notes and accountant's compilation report.

ROMEROCK ASSOCIATION, INC.
 DETAIL SCHEDULE OF REVENUE, EXPENSE AND BUDGET
 FOR THE PERIOD ENDED FEBRUARY 29, 2012

REVENUE	FEB 29 2012 MTD	FEB 29 2012 YTD	TWELVE MONTH BUDGET
Dues	7,500	29,990	103,000
General Assessment	29,310	122,608	348,000
RSV Road Maintenance	5,000	5,000	20,000
Capital Improvement	9,535	39,773	115,000
Boat Decals	1,115	1,305	35,500
Interest Income	0	4	500
Miscellaneous	591	2,002	30,000
Clubhouse Rental	400	450	7,000
Concession Stand	0	0	7,000
Late Fees	0	0	10,000
Collections	8,062	12,914	50,000
New Member Impact Fee	500	2,500	30,000
Roads Assessment	21,416	88,988	267,000
Total Revenue	\$ 83,429	\$ 305,534	\$ 1,023,000

See accompanying notes and accountant's compilation report.

ROMEROCK ASSOCIATION, INC.
 DETAIL SCHEDULE OF REVENUE, EXPENSE AND BUDGET
 FOR THE PERIOD ENDED FEBRUARY 29, 2012

EXPENSES	FEB 29 2012 MTD	FEB 29 2012 YTD	TWELVE MONTH BUDGET
Wages & Salaries	21,074	41,580	391,000
Employer Taxes	1,871	9,025	42,000
Employer IRA Match	752	1,726	9,700
Employer Medical Insurance	4,009	8,017	42,000
License & Permits	570	570	4,000
Insurance General	0	0	15,000
Legal Fees-Schraff & King	6,227	7,859	10,200
Collection Fees	279	3,543	18,000
Accounting Fees	0	400	4,800
ADP P/R Fees	416	640	4,000
Travel Expense	0	0	2,000
Gas & Fuel Oil	1,706	2,098	13,000
Equipment and Maintenance	4,571	4,768	15,000
Utilities	3,602	7,176	45,000
Bank Charges/CC Fees	185	205	1,000
Office Miscellaneous	2,927	3,435	22,000
Concession Supplies	0	0	5,000
Cleaning Services	671	687	9,500
Real Estate Taxes	8,104	8,104	10,000
Grounds Trash Removal	252	503	3,000
Grounds Landscaping	59	59	2,000
Culvert Pipe	0	0	9,000
Buildings & Maintenance	814	2,350	7,000
RomeRock News	0	0	7,000
Pools	0	0	12,000
Social Activity/F.W.	175	290	5,000
Early Bird Contests	1,500	2,450	2,750
Andover Bank Interest	3,008	6,048	39,777
Road Maintenance	734	734	6,000

See accompanying notes and accountant's compilation report.

ROMEROCK ASSOCIATION, INC.
 DETAIL SCHEDULE OF REVENUE, EXPENSE AND BUDGET
 FOR THE PERIOD ENDED FEBRUARY 29, 2012

EXPENSES	FEB 29 2012 MTD	FEB 29 2012 YTD	TWELVE MONTH BUDGET
Lake Management	730	1,130	15,000
Lake Safety Comm. Requests	0	0	1,500
RSV Dam Maintenance	0	0	4,000
Depreciation Expense	<u>15,706</u>	<u>31,412</u>	<u>0</u>
 Total of Expenses	 79,943	 144,808	 777,227
 Excess Revenue over Expense	 <u><u>3,486</u></u>	 <u><u>160,726</u></u>	 <u><u>245,773</u></u>

See accompanying notes and accountant's compilation report.

RomeRock Association, Inc.
NOTES TO FINANCIAL STATEMENTS

BACKGROUND

RomeRock Association, Inc. (the Association) is a homeowners association incorporated on June 17, 1966 under the nonprofit laws of the State of Ohio. The Association was formed to operate, manage, maintain, and promote the common areas of Roaming Shores, a private lakefront community located in Ashtabula County, Ohio. The association consists of approximately 2,190 residential lots owned by homeowners and developers.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist the reader in understanding and evaluating the financial statements of RomeRock Association, Inc.

Basis of Accounting

The Association's financial statements are prepared on the cash basis. Under this basis, revenues are recognized when collected rather than earned, and expenses are generally recognized when paid rather than incurred. Consequently, accounts receivable due from homeowners, deferred revenues and accrued expenses are not included in the financial statements.

Cash

RomeRock Association, Inc. considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Equipment and Property Improvements

Equipment and property improvements are stated at cost and are being depreciated using the straight-line method over their estimated useful lives of the assets ranging from five to thirty years.

Income Taxes

The Association elects on an annual basis to file its tax return as either a regular corporation or as a homeowners association under Section 528 of the Internal Revenue Code. For 2011, the Association elected to file under Section 528 of the Internal Revenue Code as a homeowners association.

The Association's forms 1120-H, U.S. Income Tax Return for Homeowners Associations, for the years ending 2008, 2009, 2010, and 2011 are subject to examination by the IRS, generally for 3 years after they were filed.

See accountant's compilation report.

RomeRock Association, Inc.
NOTES TO FINANCIAL STATEMENTS (Continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Future Major Repairs and Maintenance

The Association's governing documents do not require the accumulation of funds to finance estimated future major repairs and replacements. The Association has not conducted a study to determine the remaining useful lives of the components of common property and estimates of the costs of major repairs and replacements that may be required in the future, nor has the board of directors developed a plan to fund those needs. When funds are required for major repairs and replacements, the Association plans to borrow, increased assessments, or delay repairs and replacements until funds are available. The effect on future assessments has not been determined.

CASH

Cash is comprised of the following:

	<u>February 29, 2012</u>
Petty cash	\$ 600
Cash in checking	46,357
Cash in money market	154,114
Total	<u>\$ 201,071</u>

Cash deposits in financial institutions at times, may exceed federal insured limits. RomeRock Association, Inc. has not experienced any losses on these accounts and believes it is not exposed to any significant credit risk on cash or cash equivalents.

See accountant's compilation report.

RomeRock Association, Inc.
NOTES TO FINANCIAL STATEMENTS (Continued)

FIXED ASSETS

Fixed assets are comprised of the following:

		February 29, 2012
Buildings and improvements	\$	3,492,914
Equipment		59,170
Vehicles		186,036
		3,738,120
Less accumulated depreciation		2,118,331
Net fixed assets	\$	1,619,789

LONG-TERM DEBT

The Association's obligation under long-term debt consisted of the following:

		February 29, 2012
Note payable to bank due in 180 monthly installments through February 2019. The rate is variable and may change every twelve months. Currently the monthly payment is \$9,937.01 at a rate of 5.0 percent per annum. All assets of the Association secure this loan.	\$	703,047
		703,047
Less current maturities		79,897
Net long-term debt	\$	623,150

See accountant's compilation report.

RomeRock Association, Inc.
NOTES TO FINANCIAL STATEMENTS (Continued)

Required principal payments on long-term debt for the next five years are as follows:

2012	\$	72,967
2013		92,041
2014		96,000
2015		100,000
2016		104,000
Thereafter		238,039
	\$	<u>703,047</u>

SUBSEQUENT EVENTS

Subsequent events were evaluated through March 9, 2012, which is the date the financial statements were available.

See accountant's compilation report.