

ROMEROCK ASSOCIATION, INC.
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE-CASH BASIS
AS OF MARCH 31, 2015

	MAR 31 2015
ASSETS	
Petty Cash	\$ 600
Andover Bank Regular Checking	86,093
Certificates of Deposit Andover	0
Money Market Account	<u>240,775</u>
 CASH	 327,468
 Prepaid Payroll Tax	
 Property and Equipment	
Building And Improvements	3,887,601
Equipment	352,789
Vehicles	<u>211,800</u>
	4,452,190
 Less: Accumulated Depreciation	 <u>2,712,253</u>
Total Fixed Assets	<u>1,739,937</u>
TOTAL ASSETS	<u><u>\$2,067,405</u></u>
 LIABILITIES AND FUND BALANCES	
Building Plan Deposits	\$0
HSA Withholding	225
Employee FICA/MED W/H	6
AFLAC W/H	19
Employee IRA W/H	713
Loan Payable - Joseph Manzo	23,328
Loan Payable - Andover Bank	<u>423,352</u>
TOTAL LIABILITIES	447,643
 FUND BALANCE	 <u>1,619,762</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u><u>\$2,067,405</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 MARCH 31, 2015

REVENUES	
Operating Income	\$ 383,939
EXPENSES	
Operating	<u>228,694</u>
Excess (Deficiency) of Revenues over Expenses	<u>155,245</u>
Beginning Fund Balance	<u>1,464,517</u>
Ending Fund Balance	<u><u>\$ 1,619,762</u></u>

See accompanying notes and accountant's compilation report.

ROMEROCK ASSOCIATION, INC.
STATEMENT OF CASH FLOWS-CASH BASIS
FOR THE PERIOD ENDED MARCH 31, 2015

Cash flows from Operating Activities		
Excess (deficiency) of revenues over expenses	155,245	Note 1
Adjustments to reconcile excess revenues over expenses to net cash provided by operating activities:		
Depreciation	51,300	
Increase (decrease) in Assets/Liabilities:		
Prepaid Payroll Taxes	0	
N/P Joseph Manzo	(7,651)	
N/P Andover Bank Loan	(24,373)	
Employee W/H	(790)	
	<u>(32,814)</u>	
Net Cash Provided (Used) by Operating Activities	173,731	
Cash Flows from Investing Activities		
Acquisition of Improvements/Equipment	<u>(1,039)</u>	Note 2
Net Increase (Decrease) in Cash	172,692	
Cash at Beginning of Year	<u>154,776</u>	
Cash at End of Period	<u><u>\$ 327,468</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 MARCH 31, 2015

REVENUE	MAR 31 2015 MTD	MAR 31 2015 YTD	TWELVE MONTH BUDGET
Dues	8,376	37,963	97,212
General Assessment	33,664	160,769	351,762
RSV Road Maintenance	0	0	25,000
Capital Improvement	10,562	50,702	121,899
Boat Decals	885	1,230	32,535
Interest Income	45	110	839
Miscellaneous	(127)	1,814	22,338
Clubhouse Rental	300	300	6,015
Concession Stand	0	0	6,599
Late Fees	0	0	6,353
Collections	1,752	10,856	63,427
New Member Impact Fee	2,000	8,000	49,167
Roads Assessment	23,654	112,195	311,994
Total Revenue	\$ 81,110	\$ 383,939	\$ 1,095,140

See accompanying notes and accountant's compilation report.

ROMEROCK ASSOCIATION, INC.
 DETAIL SCHEDULE OF REVENUE, EXPENSE AND BUDGET
 FOR THE PERIOD ENDED MARCH 31, 2015

EXPENSES	MAR 31 2015 MTD	MAR 31 2015 YTD	TWELVE MONTH BUDGET
Wages & Salaries	24,518	73,300	349,307
Employer Taxes	2,182	16,985	43,370
Employer IRA Match	736	2,539	7,324
Employer Medical Insurance	3,398	10,244	50,592
Rock Creek Income Tax	60	30	(299)
License & Permits	59	659	3,266
Insurance General	0	0	22,364
Legal Fees-Schraff & King	1,331	4,834	14,000
Schraff & King - Lawsuit	720	3,794	22,000
Collection Fees	658	658	4,890
Accounting Fees	800	2,000	13,800
ADP P/R Fees	249	1,012	3,437
Travel Expense	62	266	3,188
Moving Expense	1,093	3,278	0
Gas & Fuel Oil	3,240	3,701	23,844
Equipment and Maintenance	932	7,860	23,232
Utilities	6,193	12,858	51,687
Bank Charges/CC Fees	25	118	1,143
Office Miscellaneous	3,583	5,484	10,621
Concession Supplies	0	0	4,614
Cleaning Services	0	1,639	5,076
Real Estate Taxes	0	9,842	18,500
Grounds Trash Removal	486	1,404	4,734
Grounds Landscaping	0	300	1,691
Culvert Pipe	0	0	14,728
Buildings & Maintenance	204	2,661	8,000
RomeRock News	0	17	7,963
Pools	0	0	11,379
Social Activity/F.W.	50	1,355	4,855
Early Bird Contests	500	2,750	2,750
Andover Bank Interest	1,656	5,431	20,203
Manzo Loan Interest	70	231	546
Andover Bank Loan Fees	0	0	0
Road Maintenance	0	2,118	7,515

See accompanying notes and accountant's compilation report.

ROMEROCK ASSOCIATION, INC.
 DETAIL SCHEDULE OF REVENUE, EXPENSE AND BUDGET
 FOR THE PERIOD ENDED MARCH 31, 2015

EXPENSES	MAR 31 2015 MTD	MAR 31 2015 YTD	TWELVE MONTH BUDGET
Lake Management	28	28	13,488
Lake Safety Comm. Requests	0	0	1,000
RSV Dam Maintenance	0	0	7,225
Dredging Operating	0	0	5,000
Moving Expense	0	0	12,936
Depreciation Expense	17,100	51,300	0
Total of Expenses	69,932	228,694	799,970
Excess Revenue over Expense	11,179	155,245	295,170

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 2014, 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 2011, 2012, and 2013 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>March 31, 2015</u>
Petty cash	\$ 600
Cash in checking	86,093
Cash in money market	240,775
Total	<u>\$ 327,468</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:

		March 31, 2015
Buildings and improvements	\$	3,887,601
Equipment		352,789
Vehicles		211,800
		4,452,190
Less accumulated depreciation		2,712,253
Net fixed assets	\$	1,739,937

LONG-TERM DEBT

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

		March 31, 2015
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.	\$	423,352
Note payable to Joseph Manzo due in 36 monthly installments of \$2,627.24 at an interest rate of 3.25 percent per year, through December 15, 2015. Land secures the loan.	\$	23,328
		446,680
Less current maturities		121,152
Net long-term debt	\$	325,528

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:

2015	\$	95,870
2016		104,000
2017		108,000
2018		112,000
2019		26,810
Thereafter		0
	\$	<u>446,680</u>

SUBSEQUENT EVENTS

Subsequent events were evaluated through April 18, 2015, which is the date the financial statements were available.

See accountant's compilation report.