

ACCOUNTANT'S COMPILATION REPORT

BANNOCKBURN HOMEOWNER'S ASSOCIATION

I have compiled the accompanying balance sheet of the Bannockburn Homeowner's Association as of April 30, 2011 and the related statement of income for the month ending May 31, 2011, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the Board of Directors. I have not audited or reviewed the accompanying financial statements and accordingly, I do not express an opinion or any other form of assurance on them.

The Board of Directors has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Association's assets, liabilities, equity, revenues, and expenses.

It is the Association's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenues and related assets are recognized when received rather than earned, and certain expenses and purchases of assets are recognized when the cash is disbursed rather than when the obligations are incurred. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in conformity with generally accepted accounting principles. Accordingly, these financial statements are not designed for those not informed about such matters.

I am not independent with respect to the Bannockburn Homeowner's Association.

Karine L. Kuehn, CPA, CFE

June 8, 2011

Bannockburn Homeowner's Association, Inc.
Balance Sheet
As of May 31, 2011

| | <u>May 31, 11</u> |
|---------------------------------------|-------------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| Wells Fargo Bank, Checking | 218.55 |
| Wells Fargo Bank, Savings | <u>17,033.79</u> |
| Total Checking/Savings | <u>17,252.34</u> |
| Total Current Assets | <u>17,252.34</u> |
| TOTAL ASSETS | <u>17,252.34</u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Other Current Liabilities | |
| Prepaid Dues | <u>100.00</u> |
| Total Other Current Liabilities | <u>100.00</u> |
| Total Current Liabilities | <u>100.00</u> |
| Total Liabilities | 100.00 |
| Equity | |
| Retained Earnings | 16,017.02 |
| Net Income | <u>1,135.32</u> |
| Total Equity | <u>17,152.34</u> |
| TOTAL LIABILITIES & EQUITY | <u>17,252.34</u> |

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Cash Basis

Bannockburn Homeowner's Association, Inc.
Profit & Loss YTD Comparison
May 2011

| | <u>May 11</u> | <u>Jan - May 11</u> |
|---------------------------------------|----------------------|------------------------|
| Ordinary Income/Expense | | |
| Income | | |
| Homeowner's Dues | 1,600.00 | 2,925.00 |
| Uncategorized Income | 0.00 | 0.00 |
| Total Income | <u>1,600.00</u> | <u>2,925.00</u> |
| Expense | | |
| Annual Homeowner's Dues Mailing | | |
| Annual Dues Mailing, Postage | 0.00 | 73.92 |
| Annual Dues Mailing, Supplies | 0.00 | 30.20 |
| Total Annual Homeowner's Dues Mailing | <u>0.00</u> | <u>104.12</u> |
| Annual Meeting Expenses | | |
| Annual Meeting Exp, Refreshment | 0.00 | 6.00 |
| Total Annual Meeting Expenses | <u>0.00</u> | <u>6.00</u> |
| Easement Lease Payments | 0.00 | 50.00 |
| Insurance | | |
| Liability Insurance | 500.00 | 500.00 |
| Total Insurance | <u>500.00</u> | <u>500.00</u> |
| Miscellaneous | 0.00 | 470.51 |
| Newsletter Expenses | | |
| Newsletter Expense, Postage | 88.00 | 88.00 |
| Total Newsletter Expenses | <u>88.00</u> | <u>88.00</u> |
| Office Supplies | | |
| Printer | 240.22 | 240.22 |
| Office Supplies - Other | 51.64 | 51.64 |
| Total Office Supplies | <u>291.86</u> | <u>291.86</u> |
| Social | | |
| Easter Event Expenses | | |
| Easter Event, Treats | 0.00 | 118.12 |
| Total Easter Event Expenses | <u>0.00</u> | <u>118.12</u> |
| Total Social | <u>0.00</u> | <u>118.12</u> |
| Utilities | | |
| Gas and Electric | 8.85 | 68.67 |
| Total Utilities | <u>8.85</u> | <u>68.67</u> |
| Website Expense | 99.00 | 99.00 |
| Total Expense | <u>987.71</u> | <u>1,796.28</u> |
| Net Ordinary Income | 612.29 | 1,128.72 |
| Other Income/Expense | | |
| Other Income | | |
| Interest Income | 1.84 | 6.60 |
| Total Other Income | <u>1.84</u> | <u>6.60</u> |
| Net Other Income | <u>1.84</u> | <u>6.60</u> |
| Net Income | <u><u>614.13</u></u> | <u><u>1,135.32</u></u> |