Abby H. Champion, CPA, P.C.

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ACCOUNTANT'S COMPILATION REPORT

July 25, 2025

Chestnut Mountain Farms Homeowners Association
PO Box 1898
McGrady, NC 28649

To the Board of Directors of Chestnut Mountain Farms Homeowners Association,

Management is responsible for the accompanying financial statements of Chestnut Mountain Farms Homeowners Association, which comprise the statement of assets, liabilities, and member's equity—tax basis as of June 30, 2025, and the related statements of revenue and expenses—tax basis for the quarter then ended and for the period of January 1 through June 30, 2025, in accordance with the tax basis of accounting, and for determining that the tax basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the business's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Chestnut Mountain Farms Homeowners Association.

Sincerely,

Abby H. Champion, CPA PC.

ABBY H. CHAMPION, CPA, P.C.

Chestnut Mountain Farms Homeowners
Statement of Assets, Liabilities, and Owners Equity - Tax Basis
As of June 30, 2025

Distribution account	Total
Assets	
Current Assets	
Bank Accounts	
Truist - CD	100,000.00
Truist Checking 5738	144,030.93
Truist Savings 5770	49,718.69
Total for Bank Accounts	**$293,749.62**
Total for Current Assets	**$293,749.62**
Fixed Assets	
Lot 1	6,155.12
Lot 118	48,039.48
Lot 2	6,151.68
Lot 230	60,106.76
Lot 231	63,556.34
Lot 77	7,239.63
Total for Fixed Assets	**$191,249.01**
Total for Assets	**$484,998.63**
Liabilities and Equity	
Equity	
Member Equity	357,655.08
Net Income	127,343.55
Total for Equity	**$484,998.63**
Total for Liabilities and Equity	**$484,998.63**

See Accountant's Compilation Report

Chestnut Mountain Farms Homeowners Association
Statement of Revenues and Expenses - Tax Basis
For the Quarter Ended June 30, 2025 and for the Period of
January 1 through June 30, 2025

	Total	
	Apr 1 - Jun 30 2025	Jan 1 - Jun 30 2025 (YTD)
Income		
Annual dues	16,511.39	88,811.39
Rental Income	160.00	320.00
Total for Income	**$16,671.39**	**$89,131.39**
Gross Profit	**$16,671.39**	**$89,131.39**
Expenses		
Bank Service Charges	38.00	49.00
Maintenance	0.00	0.00
Dump Site	576.41	576.41
Front Entrance	1,047.13	1,047.13
Gazebo	507.13	1,167.13
Other	588.78	588.78
Roadside	5,540.00	15,075.00
Road Surfacing & Repair	4,859.36	4,859.36
Trails & Barn	3,013.97	6,857.72
Total for Maintenance	**$16,132.78**	**$30,171.53**
Merchant Account Fees	217.60	458.10
Office expenses	119.40	119.40
Professional Services	0.00	0.00
Accounting fees	5,155.25	12,079.78
Total for Professional Services	**$5,155.25**	**$12,079.78**
Security Services	2,280.00	4,560.00
Telephone	363.68	1,095.04
Utilities	621.99	1,824.19
Insurance	0.00	1,634.00
Liability Insurance		15,651.28
Total for Insurance	**0.00**	**$17,285.28**
Taxes		86.52
Website		480.00
Total for Expenses	**$24,928.70**	**$68,208.84**
Net Operating Income	**-$8,257.31**	**$20,922.55**
Other Income		
Interest Income	1.24	106,421.00
Total for Other Income	**$1.24**	**$106,421.00**
Net Other Income	**$1.24**	**$106,421.00**
Net Income	**-$8,256.07**	**$127,343.55**

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