Abby H. Champion, CPA, P.C.

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ACCOUNTANT'S COMPILATION REPORT

October 16, 2024

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 September 30, 2024, and the related statements of revenue and expenses—tax basis for the quarter then ended and for the period of January 1 through September 30, 2024 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 HOA
Statement of Assets, Liabilities, and Member's Equity - Tax Basis
As of September 30, 2024

	Sep 30, 24
ASSETS	
Current Assets	
Checking/Savings	
Truist Capital Account 5770	149,710.02
Truist Checking Account 5738	129,660.76
Total Checking/Savings	279,370.78
Total Current Assets	279,370.78
Fixed Assets	
Lot 118	48,039.48
Lot 1	6,155.12
Lot 2	6,151.68
Lot 77	7,239.63
Total Fixed Assets	67,585.91
TOTAL ASSETS	**346,956.69**
LIABILITIES & EQUITY	
Equity	
Member's Equity	302,421.10
Net Income	44,535.59
Total Equity	346,956.69
TOTAL LIABILITIES & EQUITY	**346,956.69**

Chestnut Mountain Farms HOA
Statement of Revenues and Expenses - Tax Basis
For the Quarter Ended September 30, 2024 and for the Period of January 1 through September 30, 2024

	Jul - Sep 24	Jan - Sep 24
Ordinary Income/Expense		
Income		
Annual Dues	15,500.00	107,729.95
Lot Sales	0.00	54,920.13
Reimbursed expenses	211.13	211.13
Total Income	15,711.13	162,861.21
Cost of Goods Sold		
Cost of Goods Sold	0.00	3,276.06
Total COGS	0.00	3,276.06
Gross Profit	15,711.13	159,585.15
Expense		
Bank Service Charges	0.00	39.90
Insurance		
Errors & Omissions	0.00	1,634.00
Liability Insurance	0.00	16,253.96
Total Insurance	0.00	17,887.96
Interest Expense		
Finance Charge	0.00	179.78
Total Interest Expense	0.00	179.78
Maintenance		
Dump Site	660.00	1,140.00
Front Entrance	1,035.55	3,161.95
Gazebo	280.00	630.00
Other	29,944.53	31,034.53
Road Surfacing & Repair	60,009.00	60,009.00
Roadside	5,524.57	12,006.73
Trails & Barn	8,370.00	10,025.00
Total Maintenance	105,823.65	118,007.21
Merchant Account Fees	118.40	860.72
Professional Fees		
Accounting/Admin	4,500.00	15,576.01
Legal Fees	0.00	3,449.40
Total Professional Fees	4,500.00	19,025.41
Security Services	1,450.00	5,800.00
Supplies	357.85	1,050.49
Taxes		
Property	953.59	953.59
Total Taxes	953.59	953.59
Telephone	548.52	1,649.56
Utilities		
Gas and Electric	249.71	848.07
Total Utilities	249.71	848.07

Chestnut Mountain Farms HOA
Statement of Revenues and Expenses - Tax Basis
For the Quarter Ended September 30, 2024 and for the Period of January 1 through September 30, 2024

	Jul - Sep 24	Jan - Sep 24
Website	0.00	3,509.00
Total Expense	114,001.72	169,811.69
Net Ordinary Income	-98,290.59	-10,226.54
Other Income/Expense		
Other Income		
Interest Income	37,282.61	54,762.13
Total Other Income	37,282.61	54,762.13
Net Other Income	37,282.61	54,762.13
Net Income	**-61,007.98**	**44,535.59**