

**Avalon Beach Estate Owners Association, Inc.**

**Financial Statements**

**August 31, 2025**

## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Avalon Beach Estates Owners  
Association, Inc  
P. O. Box 6296  
Miramar Beach, FL 32550

We have compiled the accompanying statement of assets, liabilities and fund balance of Avalon Beach Estates Owners Association, Inc. (a corporation) as of August 31, 2025, and the related statement of revenues and expenses for the one and eight months ended August 31, 2025, and the accompanying supplemental information contained in Schedule I, which is presented only for supplementary analysis. We have not audited or reviewed the accompanying financial statements and supplemental information and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation of financial statements in accordance with the with accounting principles generally accepted in the United States of America 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 the 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 financial statements.

The accompanying supplementary information contained in Schedule I is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. We have not audited or reviewed such information and we do not express an opinion, a conclusion, nor provide any assurance on it.

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

*Warren Averett, LLC*

Destin, Florida  
September 9, 2025

**Avalon Beach Estate Owners Association, Inc**  
**Statement of Assets, Liabilities and Fund Balance**  
**As of August 31, 2025**

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|  | <u>Aug 31, 25</u> |
|--|-------------------|
| <b>ASSETS</b>                          |                   |
| <b>Current Assets</b>                  |                   |
| Checking/Savings                       |                   |
| Regions Bank *1054                     | 139,113.33        |
| Regions Bank *2752 (Reserve)           | 315,339.50        |
| <b>Total Checking/Savings</b>          | 454,452.83        |
| Other Current Assets                   |                   |
| Due To/From Operating                  | 84,934.25         |
| <b>Total Other Current Assets</b>      | 84,934.25         |
| <b>Total Current Assets</b>            | 539,387.08        |
| <b>TOTAL ASSETS</b>                    | <b>539,387.08</b> |
| <b>LIABILITIES &amp; EQUITY</b>        |                   |
| <b>Liabilities</b>                     |                   |
| <b>Current Liabilities</b>             |                   |
| Accounts Payable                       |                   |
| Accounts Payable                       | 1,926.98          |
| <b>Total Accounts Payable</b>          | 1,926.98          |
| Other Current Liabilities              |                   |
| Construction Deposits                  | 7,500.00          |
| Due To Reserve Fund                    | 84,934.25         |
| Prepaid Assessments                    | 64,500.00         |
| <b>Total Other Current Liabilities</b> | 156,934.25        |
| <b>Total Current Liabilities</b>       | 158,861.23        |
| <b>Total Liabilities</b>               | 158,861.23        |
| <b>Equity</b>                          |                   |
| Fund Balance                           | 25,965.84         |
| Reserve Fund Balance                   | 315,319.00        |
| Net Income                             | 39,241.01         |
| <b>Total Equity</b>                    | 380,525.85        |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>  | <b>539,387.08</b> |

See Accountants' Compilation Report.

**Avalon Beach Estate Owners Association, Inc**  
**Statement of Revenues and Expenses**  
**For the One and Eight Month(s) Ended August 31, 2025**

|                                  | Aug 25          | Jan - Aug 25     |
|----------------------------------|-----------------|------------------|
| Ordinary Income/Expense          |                 |                  |
| Income                           |                 |                  |
| Beach Chair/Umbrella Income      | 0.00            | 8,872.32         |
| Interest Income                  | 2.51            | 246.47           |
| Late Fees                        | 0.00            | 125.00           |
| Owners Assessments               | 9,241.67        | 73,933.36        |
| Reserve Assessments              | 6,883.33        | 55,066.64        |
|                                  | <hr/>           | <hr/>            |
| Total Income                     | 16,127.51       | 138,243.79       |
|                                  | <hr/>           | <hr/>            |
| Gross Profit                     | 16,127.51       | 138,243.79       |
| Expense                          |                 |                  |
| Contractual                      |                 |                  |
| Common Area                      | 3,042.88        | 24,343.04        |
| Pool Maintenance                 | 750.00          | 6,000.00         |
|                                  | <hr/>           | <hr/>            |
| Total Contractual                | 3,792.88        | 30,343.04        |
| Computer and Internet Expenses   | 0.00            | 540.00           |
| General and Administrative       |                 |                  |
| Accounting                       | 400.00          | 4,250.00         |
| Legal                            | 0.00            | 771.25           |
| Meeting                          | 0.00            | 600.00           |
|                                  | <hr/>           | <hr/>            |
| Total General and Administrative | 400.00          | 5,621.25         |
| Insurance Expense                | 0.00            | 16,712.34        |
| Postage and Delivery             | 0.00            | 125.14           |
| Repairs and Maintenance          |                 |                  |
| General                          | 709.80          | 17,140.94        |
| Landscape/ Sprinklers            | 0.00            | 6,763.75         |
| Pool                             | 0.00            | 112.00           |
|                                  | <hr/>           | <hr/>            |
| Total Repairs and Maintenance    | 709.80          | 24,016.69        |
| Security                         | 1,123.50        | 6,741.00         |
| Tax and License                  | 0.00            | 1,529.54         |
| Utilities                        |                 |                  |
| Gas                              | 17.00           | 2,696.69         |
| Power                            | 1,043.78        | 8,219.08         |
| Water                            | 391.20          | 2,458.01         |
|                                  | <hr/>           | <hr/>            |
| Total Utilities                  | 1,451.98        | 13,373.78        |
|                                  | <hr/>           | <hr/>            |
| Total Expense                    | 7,478.16        | 99,002.78        |
|                                  | <hr/>           | <hr/>            |
| Net Ordinary Income              | 8,649.35        | 39,241.01        |
|                                  | <hr/>           | <hr/>            |
| Net Income                       | <b>8,649.35</b> | <b>39,241.01</b> |

See Accountants' Compilation Report.

## SUPPLEMENTAL INFORMATION

**Avalon Beach Estate Owners Association, Inc**  
**Schedule I - Budget vs. Actual**  
**For the Eight Months Ended August 31, 2025**

|   | Jan - Aug 25      | Budget            | \$ Over Budget     |
|---|-------------------|-------------------|--------------------|
| <b>Ordinary Income/Expense</b>          |                   |                   |                    |
| <b>Income</b>                           |                   |                   |                    |
| Beach Chair/Umbrella Income             | 8,872.32          | 11,150.00         | (2,277.68)         |
| Capital Contribution                    | 0.00              | 2,000.00          | (2,000.00)         |
| Interest Income                         | 246.47            | 192.00            | 54.47              |
| Late Fees                               | 125.00            | 125.00            | 0.00               |
| Wedding Income                          | 0.00              | 200.00            | (200.00)           |
| Owners Assessments                      | 73,933.36         | 73,933.48         | (0.12)             |
| Reserve Assessments                     | 55,066.64         | 55,066.68         | (0.04)             |
| <b>Total Income</b>                     | <b>138,243.79</b> | <b>142,667.16</b> | <b>(4,423.37)</b>  |
| <b>Gross Profit</b>                     | <b>138,243.79</b> | <b>142,667.16</b> | <b>(4,423.37)</b>  |
| <b>Expense</b>                          |                   |                   |                    |
| <b>Contractual</b>                      |                   |                   |                    |
| Common Area                             | 24,343.04         | 24,343.36         | (0.32)             |
| Pool Maintenance                        | 6,000.00          | 6,000.00          | 0.00               |
| <b>Total Contractual</b>                | <b>30,343.04</b>  | <b>30,343.36</b>  | <b>(0.32)</b>      |
| <b>Computer and Internet Expenses</b>   | <b>540.00</b>     | <b>530.00</b>     | <b>10.00</b>       |
| <b>General and Administrative</b>       |                   |                   |                    |
| Accounting                              | 4,250.00          | 4,000.00          | 250.00             |
| Legal                                   | 771.25            | 2,933.35          | (2,162.10)         |
| Meeting                                 | 600.00            | 600.00            | 0.00               |
| <b>Total General and Administrative</b> | <b>5,621.25</b>   | <b>7,533.35</b>   | <b>(1,912.10)</b>  |
| <b>Insurance Expense</b>                | <b>16,712.34</b>  | <b>15,000.00</b>  | <b>1,712.34</b>    |
| <b>Office Supplies</b>                  | <b>0.00</b>       | <b>800.00</b>     | <b>(800.00)</b>    |
| <b>Postage and Delivery</b>             | <b>125.14</b>     | <b>50.00</b>      | <b>75.14</b>       |
| <b>Repairs and Maintenance</b>          |                   |                   |                    |
| General                                 | 17,140.94         | 14,809.36         | 2,331.58           |
| Landscape/ Sprinklers                   | 6,763.75          | 600.00            | 6,163.75           |
| Pool                                    | 112.00            | 1,333.33          | (1,221.33)         |
| <b>Total Repairs and Maintenance</b>    | <b>24,016.69</b>  | <b>16,742.69</b>  | <b>7,274.00</b>    |
| <b>Security</b>                         | <b>6,741.00</b>   | <b>4,666.68</b>   | <b>2,074.32</b>    |
| <b>Tax and License</b>                  | <b>1,529.54</b>   | <b>866.68</b>     | <b>662.86</b>      |
| <b>Utilities</b>                        |                   |                   |                    |
| Gas                                     | 2,696.69          | 3,492.19          | (795.50)           |
| Power                                   | 8,219.08          | 8,666.68          | (447.60)           |
| Water                                   | 2,458.01          | 400.00            | 2,058.01           |
| <b>Total Utilities</b>                  | <b>13,373.78</b>  | <b>12,558.87</b>  | <b>814.91</b>      |
| <b>Total Expense</b>                    | <b>99,002.78</b>  | <b>89,091.63</b>  | <b>9,911.15</b>    |
| <b>Net Ordinary Income</b>              | <b>39,241.01</b>  | <b>53,575.53</b>  | <b>(14,334.52)</b> |
| <b>Net Income</b>                       | <b>39,241.01</b>  | <b>53,575.53</b>  | <b>(14,334.52)</b> |

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