

Avalon Beach Estate Owners Association, Inc.

Financial Statements

December 31, 2025

INDEPENDENT ACCOUNTANTS' COMPILED 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 December 31, 2025, and the related statement of revenues and expenses for the one and twelve months ended December 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
January 28, 2026

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

	<u>Dec 31, 25</u>
ASSETS	
Current Assets	
Checking/Savings	
ECAM Bank Account - Reserve	5,000.00
ECAM Bank Account - Operating	5,000.00
Regions Bank *1054	148,570.85
Regions Bank *2752 (Reserve)	<u>343,277.28</u>
Total Checking/Savings	<u>501,848.13</u>
Other Current Assets	
Due To/From Operating	436.57
Total Other Current Assets	<u>436.57</u>
Total Current Assets	<u>502,284.70</u>
TOTAL ASSETS	<u>502,284.70</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	2,328.95
Total Accounts Payable	<u>2,328.95</u>
Other Current Liabilities	
Income Tax Payable	588.00
Construction Deposits	7,500.00
Due To Reserve Fund	436.57
Prepaid Assessments	<u>123,000.00</u>
Total Other Current Liabilities	<u>131,524.57</u>
Total Current Liabilities	<u>133,853.52</u>
Total Liabilities	<u>133,853.52</u>
Equity	
Fund Balance	25,965.84
Reserve Fund Balance	315,319.00
Net Income	<u>27,146.34</u>
Total Equity	<u>368,431.18</u>
TOTAL LIABILITIES & EQUITY	<u>502,284.70</u>

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

	Dec 25	Jan - Dec 25
Ordinary Income/Expense		
Income		
Beach Chair/Umbrella Income	1,649.84	18,201.90
Capital Contribution	1,500.00	4,500.00
Interest Income	2.98	256.25
Late Fees	0.00	125.00
Owners Assessments	9,241.67	110,900.04
Reserve Assessments	6,883.33	82,599.96
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Total Income	19,277.82	216,583.15
Gross Profit	19,277.82	216,583.15
Expense		
Contractual		
Common Area	3,042.88	36,514.56
Pool Maintenance	750.00	9,000.00
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Total Contractual	3,792.88	45,514.56
Computer and Internet Expenses	0.00	560.00
General and Administrative		
Accounting	400.00	5,850.00
Legal	262.50	2,244.93
Meeting	0.00	1,006.45
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Total General and Administra...	662.50	9,101.38
Insurance Expense	0.00	16,712.34
Office Supplies	75.73	835.27
Postage and Delivery	312.00	947.44
Repairs and Maintenance		
General	0.00	18,386.60
Landscape/ Sprinklers	0.00	7,083.75
Pool	0.00	112.00
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Total Repairs and Maintenance	0.00	25,582.35
Reserve Expense	0.00	59,172.00
Security	0.00	6,741.00
Tax and License	588.00	2,117.54
Utilities		
Gas	1,423.71	6,221.52
Power	973.13	12,345.53
Water	259.00	3,585.88
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Total Utilities	2,655.84	22,152.93
Total Expense	8,086.95	189,436.81
Net Ordinary Income	11,190.87	27,146.34
Net Income	11,190.87	27,146.34

SUPPLEMENTAL INFORMATION

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

	Jan - Dec 25	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
Beach Chair/Umbrella Income	18,201.90	15,000.00	3,201.90
Capital Contribution	4,500.00	3,000.00	1,500.00
Interest Income	256.25	204.00	52.25
Late Fees	125.00	125.00	0.00
Wedding Income	0.00	900.00	(900.00)
Owners Assessments	110,900.04	110,900.00	0.04
Reserve Assessments	82,599.96	82,600.00	(0.04)
Total Income	216,583.15	212,729.00	3,854.15
Gross Profit	216,583.15	212,729.00	3,854.15
Expense			
Contractual			
Common Area	36,514.56	36,515.00	(0.44)
Pool Maintenance	9,000.00	9,000.00	0.00
Total Contractual	45,514.56	45,515.00	(0.44)
Computer and Internet Expenses	560.00	550.00	10.00
General and Administrative			
Accounting	5,850.00	6,000.00	(150.00)
Legal	2,244.93	4,400.00	(2,155.07)
Meeting	1,006.45	600.00	406.45
Total General and Administra...	9,101.38	11,000.00	(1,898.62)
Insurance Expense	16,712.34	15,000.00	1,712.34
Office Supplies	835.27	1,200.00	(364.73)
Postage and Delivery	947.44	850.00	97.44
Repairs and Maintenance			
General	18,386.60	22,214.00	(3,827.40)
Landscape/ Sprinklers	7,083.75	900.00	6,183.75
Pool	112.00	2,000.00	(1,888.00)
Total Repairs and Maintenance	25,582.35	25,114.00	468.35
Reserve Expense	59,172.00	0.00	59,172.00
Security	6,741.00	7,000.00	(259.00)
Tax and License	2,117.54	1,300.00	817.54
Utilities			
Gas	6,221.52	6,000.00	221.52
Power	12,345.53	13,000.00	(654.47)
Water	3,585.88	600.00	2,985.88
Total Utilities	22,152.93	19,600.00	2,552.93
Total Expense	189,436.81	127,129.00	62,307.81
Net Ordinary Income	27,146.34	85,600.00	(58,453.66)
Net Income	27,146.34	85,600.00	(58,453.66)