

**ADMIRAL POINTE**  
**HOMEOWNERS' ASSOCIATION, INC.**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**



To the Board of Directors and Members  
Admiral Pointe Homeowners' Association, Inc.

Management is responsible for the accompanying financial statements of Admiral Pointe Homeowners' Association, Inc. (the Association), which comprise the balance sheet as of December 31, 2024, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. 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 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.

#### **Required Supplementary Information**

The Association has omitted supplementary information about future major repairs and replacements of common property that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

A handwritten signature in cursive script that reads "Arrington &amp; Mapili, LLC".

Arrington & Mapili CPAs, LLC  
Certified Public Accountants  
Winter Park, FL  
January 20, 2025

**ADMIRAL POINTE HOMEOWNERS' ASSOCIATION, INC.**

**BALANCE SHEET**

**DECEMBER 31, 2024**

<b>ASSETS</b>	<b><u>Operating Fund</u></b>	<b><u>Replacement Fund</u></b>	<b><u>Total</u></b>
Cash, including interest-bearing deposits	\$ 48,348	\$ 120,758	\$ 169,106
Member assessments receivable	8,908	-	8,908
Prepaid expenses	<u>1,025</u>	<u>-</u>	<u>1,025</u>
	<u><u>\$ 58,281</u></u>	<u><u>\$ 120,758</u></u>	<u><u>\$ 179,039</u></u>
<b>LIABILITIES AND FUND BALANCE</b>			
Accounts payable and accrued expenses	\$ 1,189	\$ -	\$ 1,189
Deferred assessments	2,220	-	2,220
Prepaid member assessments	<u>41,685</u>	<u>-</u>	<u>41,685</u>
Total liabilities	45,094	-	45,094
Fund balance	<u>13,187</u>	<u>120,758</u>	<u>133,945</u>
	<u><u>\$ 58,281</u></u>	<u><u>\$ 120,758</u></u>	<u><u>\$ 179,039</u></u>

See accompanying notes and accountant's compilation report.

**ADMIRAL POINTE HOMEOWNERS' ASSOCIATION, INC.**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND BALANCE**

**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
Revenues:			
Member assessments	\$ 106,450	\$ 8,250	\$ 114,700
Late fees	1,065	-	1,065
Interest income	235	1,484	1,719
	<u>107,750</u>	<u>9,734</u>	<u>117,484</u>
Expenses:			
Grounds and general maintenance	54,106	-	54,106
Insurance	6,665	-	6,665
Major repairs and replacements	-	24,212	24,212
Management fees	10,455	-	10,455
Other general and administrative	13,393	-	13,393
Professional fees	4,706	-	4,706
Utilities	16,065	-	16,065
	<u>105,390</u>	<u>24,212</u>	<u>129,602</u>
Excess (deficiency) of revenues over	2,360	(14,478)	(12,118)
Fund balance, December 31, 2023	35,827	110,236	146,063
Equity transfer between funds	(25,000)	25,000	-
Fund balance, December 31, 2024	<u>\$ 13,187</u>	<u>\$ 120,758</u>	<u>\$ 133,945</u>

See accompanying notes and accountant's compilation report.

**ADMIRAL POINTE HOMEOWNERS' ASSOCIATION, INC.**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
Excess (deficiency) of revenues over expenses	\$ 2,360	\$ (14,478)	\$ (12,118)
<b>Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash provided by (used in) operating activities:</b>			
Change in interfund balances	(25,000)	25,000	-
Increase in net member assessments receivable	(2,195)	-	(2,195)
Increase in prepaid expenses	(4)	-	(4)
Decrease in accounts payable/accrued expenses	(3,382)	-	(3,382)
Increase in prepaid member assessments	1,689	-	1,689
Total adjustments	<u>(28,892)</u>	<u>25,000</u>	<u>(3,892)</u>
Net increase (decrease) in cash	(26,532)	10,522	(16,010)
Cash at beginning of year	<u>74,880</u>	<u>110,236</u>	<u>185,116</u>
Cash at end of year	<u><u>\$ 48,348</u></u>	<u><u>\$ 120,758</u></u>	<u><u>\$ 169,106</u></u>

See accompanying notes and accountant's compilation report.

**ADMIRAL POINTE HOMEOWNERS' ASSOCIATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**A. ORGANIZATION**

Admiral Pointe Homeowners' Association, Inc. is incorporated as a not-for-profit corporation in the State of Florida. The Association is responsible for the operation and maintenance of the common property within the development. The development is located in Orange County, Florida and consists of 155 residential units.

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1. Fund Accounting**

The Association's documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using the principles of fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

Operating Fund - The operating fund is used to account for the day-to-day activities of the Association, including the general management and upkeep of the common property.

Replacement Fund - The replacement fund is used to account for monies accumulated to fund capital expenditures and maintenance, repair and replacement of property.

**2. Member Assessments**

Association members are subject to assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. Member assessments receivable at the balance sheet date represents fees due from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are delinquent. Any excess assessments at year-end are retained by the Association for use in future years.

**3. Income Taxes**

The Association may be taxed either as a homeowners' association or as a regular corporation. For the year ended December 31, 2024, the Association filed IRS Form 1120H and elected to be taxed as a homeowners' association. Under this election, the Association is generally exempt from taxation on membership income and is taxed only on nonmembership income items, such as interest earnings. The State of Florida does not require an association that files IRS Form 1120H to file a state income tax return. The Association's federal income tax returns are subject to examination by the IRS generally for three years after they are filed. At December 31, 2024, the tax years that remain subject to examination begin with 2021.

**ADMIRAL POINTE HOMEOWNERS' ASSOCIATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**4. Real and Common Area Property**

Real and common area property acquired by the original homeowners from the developer is not capitalized on the Association's financial statements, since it is not used to generate significant cash flows or will not be disposed of in the ordinary course of business. As a result, improvements to the real property and common areas are expensed as incurred.

**5. Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**6. Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid instruments with original maturities of three months or less.

**7. Allocation of Revenues and Expenses to Owners**

Revenue and expenses are allocated equally among all of the owners within the Association.

**8. Subsequent Events - Date of Management's Review**

In preparing these financial statements, the Association has evaluated subsequent events and transactions for potential recognition and disclosure through the date of the Independent Accountant's Compilation Report, which is the date the financial statements were available to be issued.

**C. FUTURE MAJOR REPAIRS AND REPLACEMENTS**

The Association's governing documents require funds to be accumulated for future major repairs and replacements. The funds are segregated and held primarily in interest-bearing accounts. The Association's Board of Directors has estimated the remaining useful lives and replacement costs of common property components.

The Association is funding for major repairs and replacements over the remaining useful lives of the components based on current estimates of replacements costs considering amounts previously accumulated in the replacement fund. Actual expenditures, however, may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, however, the Association has the right to increase regular assessments or levy special assessments, or it may delay major repairs and replacements until funds are available.

**ADMIRAL POINTE HOMEOWNERS' ASSOCIATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**C. FUTURE MAJOR REPAIRS AND REPLACEMENTS (CONTINUED)**

Member's equity designated for future major repairs and replacements has been allocated by the Board of Directors to the components of common property as follows:

Components	Balance 1/1/24	Fund Additions and Transfers	Major Repairs/ Replacements	Balance 12/31/24
Fountain	\$ 3,550	\$ 1,059	\$ -	\$ 4,609
Lakefront	15,550	710	-	16,260
Tree trimming	15,781	632	6,125	10,288
Boat ramps	11,746	626	2,600	9,772
Park equipment	4,968	500	-	5,468
Contingency	45,668	30,930	4,397	72,201
Brick perimeter wall	12,973	277	11,090	2,160
	<u>\$ 110,236</u>	<u>\$ 34,734</u>	<u>\$ 24,212</u>	<u>120,758</u>