

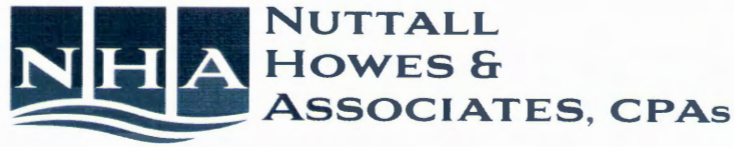
**VILLAGE "A" HOMEOWNERS
ASSOCIATION, INC.**

**Financial Statements and Supplementary Information
with
Independent Auditors' Report**

December 31, 2025

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Independent Auditors' Report

To the Board of Directors
Village "A" Homeowners Association, Inc.
Vero Beach, Florida

Opinion

We have audited the accompanying financial statements of Village "A" Homeowners Association, Inc., which comprise the balance sheet as of December 31, 2025, and the related statements of revenues and expenses, and changes in fund balances and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Village "A" Homeowners Association, Inc. as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Village "A" Homeowners Association, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Village "A" Homeowners Association, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Board of Directors
Village "A" Homeowners Association, Inc.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Village "A" Homeowners Association, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Village "A" Homeowners Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of operating fund revenues and expenses on pages 12-13, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information, except for the portion marked "unaudited", is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



To the Board of Directors
Village "A" Homeowners Association, Inc.

Omission of Required Supplementary Information about Future Major Repairs and Replacements

Management 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. Our opinion on the basic financial statements is not affected by the missing information.

Nuttall, Howes and Associates, CPAs

Nuttall, Howes & Associates, CPAs
Certified Public Accountants

May 11, 2026



Village "A" Homeowners Association, Inc.
 Balance Sheet
 December 31, 2025

	Operating Fund	Replacement Fund	Total
Assets			
Cash	\$ 62,734	\$ 233,350	\$ 296,084
Certificates of deposit	-	373,082	373,082
Assessments receivable	9,540	-	9,540
Prepaid insurance	4,913	-	4,913
Utility deposit	688	-	688
Interfund borrowings	62,420	(62,420)	-
	\$ 140,295	\$ 544,012	\$ 684,307
Liabilities and Fund Balance			
Prepaid assessments	\$ 8,934	\$ -	\$ 8,934
Income tax payable	1,486	-	1,486
	10,420	-	10,420
Fund Balance	129,875	544,012	673,887
	\$ 140,295	\$ 544,012	\$ 684,307

See accompanying notes to financial statements.

Village "A" Homeowners Association, Inc.
Statement of Revenues and Expenses and Changes in Fund Balances
Year ended December 31, 2025

	Operating Fund	Replacement Fund	Total
Revenues			
Regular assessments	\$ 192,100	\$ 211,820	\$ 403,920
Capital contributions	3,000	-	3,000
Interest and other income	382	7,705	8,087
	5 195,482	219,525	415,007
Expenses			
General and administrative	34,762	-	34,762
Building operations	20,190	-	20,190
Landscape and grounds	107,970	-	107,970
Recreational facilities	9,550	-	9,550
Utilities	15,218	-	15,218
Capital improvements	-	214,022	214,022
	187,690	214,022	401,712
Excess of revenues over expenses	7,792	5,503	13,295
Fund Balance, beginning of year	122,083	538,509	660,592
Fund Balance, end of year	\$ 129,875	\$ 544,012	\$ 673,887

See accompanying notes to financial statements.

Village "A" Homeowners Association, Inc.
Statement of Cash Flows
Year ended December 31, 2025

	Operating Fund	Replacement Fund	Total
Cash flows from operating activities:			
Assessments collected	\$ 184,217	\$ 211,820	\$ 396,037
Capital contributions collected	3,000	-	3,000
Interest and other income received	382	7,705	8,087
Cash paid for expenditures	(185,811)	(214,022)	(399,833)
Income taxes paid	(452)	-	(452)
Net cash provided by operating activities	1,336	5,503	6,839
Cash flows from investing activities:			
Purchase of certificate of deposit	-	(100,000)	(100,000)
Interest earned on certificates of deposit	-	(7,636)	(7,636)
Net cash used for investing activities	-	(107,636)	(107,636)
Cash flows from financing activities:			
Interfund borrowings	(37,329)	37,329	-
Net cash provided by (used for) financing activities	(37,329)	37,329	-
Net decrease in cash	(35,993)	(64,804)	(100,797)
Cash, beginning of year	98,727	298,154	396,881
Cash, end of year	\$ 62,734	\$ 233,350	\$ 296,084
Reconciliation of excess of revenues over expenses to net cash provided by operating activities:			
Excess of revenues over expenses	\$ 7,792	\$ 5,503	13,295
Adjustments:			
(Increase) decrease in:			
Assessments receivable	(4,667)	-	(4,667)
Increase (decrease) in:			
Accounts payable and accrued expenses	(59)	-	(59)
Prepaid assessments	(3,216)	-	(3,216)
Income tax payable	1,486	-	1,486
Net cash provided by operating activities	\$ 1,336	\$ 5,503	\$ 6,839

See accompanying notes to financial statements.

Village “A” Homeowners Association, Inc.
Notes to Financial Statements

Note 1 – Nature of Organization

Village “A” Homeowners Association, Inc. (the Association) is a property owners’ association organized in the State of Florida on September 11, 2001. The Association is organized as a not-for-profit corporation for the purpose of maintaining and preserving the common property of the Association consisting of 102 lots located in Vero Beach, Florida.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The Association prepares its financial statements on the accrual basis of accounting.

Fund Accounting

The Association presents separate funds based on its different funding policies for operations and capital replacements.

The operating fund reflects the operating assessments paid by unit owners to meet the regular, recurring costs of operations. Expenditures of this fund are limited to those connected with the day-to-day operations and the replacements, major repairs and the purchase of additional commonly owned assets for which no replacement fund component has been established. The income and expenses of the Association are allocated to lot owners based on the number of lots.

The replacement fund is composed of all capital assessments paid by unit owners to fund future replacements and major repairs of certain commonly owned assets. Expenditures from this fund are restricted to those items for which assessments were levied. Interest earned on the replacement fund cash accounts is retained in the fund.

All assessments receivable and prepaid assessments are deemed due to or from the operating fund. The Association’s policy is to fund fully within the replacement funds each month without regard to underpayments or overpayments by members to the operating fund.

Excess Operating Funds

The Association retains excess operating funds, if any, at the end of the operating year for use in future operating periods.

Common Property

Generally, ownership of commonly owned assets is vested directly or indirectly in the unit owners and these assets are not deemed to be severable. With the exception of those assets listed in Note 7, commonly owned assets are not capitalized in the Association’s financial statements.

Accounting 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.

Village “A” Homeowners Association, Inc.
Notes to Financial Statements (continued)

Note 2 – Summary of Significant Accounting Policies (continued)

Fair Value of Financial Instruments

The financial position of the Association at December 31, 2025, includes certain financial instruments that may have a fair value that is different from the value currently reflected in the financial statements. In reviewing the financial statements of the Association, certain assumptions and methods were used to determine the fair value of each category of financial instruments for which it is practicable to estimate that value.

The carrying amounts of the Association’s financial instruments generally approximate their fair values at December 31, 2025.

Subsequent Events

Management has evaluated subsequent events through May 11, 2026, the date the financial statements were available to be issued.

Note 3 – Cash Balances

Financial instruments which potentially subject the Association to a concentration of credit risk include cash held at financial institutions, which may exceed FDIC insurance limits or be subject to risks associated within the underlying securities. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk related to its cash balances.

Note 4 – Certificates of Deposit

The Association held \$373,082 at December 31, 2025, in two certificates of deposit with original maturity dates greater than three months. Since the maturity dates of the certificates are greater than three months, the Association considers these accounts as investments. Certificates of deposit are stated at fair value and earn interest at the rate of 3.6% to 3.77%.

Note 5 – Income Taxes

Associations may elect to be taxed under Internal Revenue Code (“IRC”) Section 277, which applies to certain membership organizations, or under IRC Section 528, which applies specifically to homeowner associations as that term is defined for tax purposes. For the year ended December 31, 2025, the Association was taxed under the provisions of IRC Section 277 (Federal Form 1120). Under IRC Section 277, the Association is required to separate membership income and expenses from non-membership income and expenses. Each component is taxed separately; however, net membership income is exempt from taxation if certain elections are made.

The Association’s federal income tax returns for 2023, 2024 and 2025 are subject to examination by the IRS, generally for three years after they were filed. In addition, the Association’s state tax returns for the same years are subject to examination by state tax authorities for similar time periods. In evaluating the Association’s tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances.

Village "A" Homeowners Association, Inc.
Notes to Financial Statements (continued)

Note 6 – Future Major Repairs and Replacements

The Association maintains a replacement fund for future replacements and major repairs of certain commonly owned assets. Accumulated funds are held in separate interest bearing accounts and generally are not available for expenditures for normal operations.

The Association has not conducted a study to determine the remaining useful lives of the components of common property and current estimated costs of major repairs and replacements that may be required in the future. However, the Board of Directors is funding reserves, and as such, \$211,820 has been included in the 2026 budget. Because actual expenditures may vary from estimated future expenditures and the variations may be material, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

During 2025, the Association had repair and replacement expenditures of \$214,022, which consisted of \$213,570 for painting and \$452 for income taxes.

THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(6), FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

Note 7– Capital Contributions

Each purchaser shall pay to the Association \$500 at the time of the purchase as a capital contribution upon closing of the purchase. During the year ended December 31, 2025, the Association collected \$3,000 in capital contributions.

SUPPLEMENTARY INFORMATION

Village "A" Homeowners Association, Inc.
Schedule of Operating Fund Revenues and Expenses
Year ended December 31, 2025

	Actual	Budget	Variance Favorable (Unfavorable)
		(Unaudited)	(Unaudited)
Revenues			
Regular assessments	\$ 192,100	\$ 192,100	\$ -
Capital contributions	3,000	-	3,000
Interest and other income	382	-	382
	195,482	192,100	3,382
Expenses			
General and Administrative:			
Professional fees	7,765	8,300	535
Bank charges	600	600	-
Insurance	20,458	20,440	(18)
Office expenses	3,997	3,300	(697)
Postage	169	180	11
Taxes and licenses	1,773	300	(1,473)
	34,762	33,120	(1,642)
Building Operations			
General repairs and maintenance	16,454	13,500	(2,954)
Cleaning service	3,736	4,500	764
Contingency	-	3,000	3,000
	20,190	21,000	810
Landscape and Grounds:			
Pest control	410	6,200	5,790
Landscape	-	11,580	11,580
Lawn service contract	89,040	85,000	(4,040)
Irrigation	14,060	9,000	(5,060)
Lake maintenance	4,460	4,500	40
	107,970	116,280	8,310

Village "A" Homeowners Association, Inc.
 Schedule of Operating Fund Revenues and Expenses (continued)
 Year ended December 31, 2025

	Actual	Budget	Variance Favorable (Unfavorable)
		(Unaudited)	(Unaudited)
Recreational Facilities:			
Pool service contract	9,550	7,200	(2,350)
	9,550	7,200	(2,350)
Utilities:			
Electricity	13,698	14,000	302
Water and sewage	1,520	500	(1,020)
	15,218	14,500	(718)
	187,690	192,100	4,410
Excess of revenues over expenses	\$ 7,792	\$ -	\$ 7,792