

Palm Worth, Inc.

FYE 12/31/25 Treasurer's Report

Please find attached the 12.31.25 Balance Sheet and Income Statement as prepared by Paradigm. These numbers may be subject to change from the final audit which should be completed by mid-year.

Income Statement:

Operating Revenue was \$672,544 and expenses were \$658,741 resulting in Net Income of \$13,803. This landed just about as expected overall with some areas a bit higher and some lower.

Utilities: overall we were slightly under budget but gas prices were over budget.

Payroll Expenses: we ran over by \$34,000 as expected and as discussed at the budget meeting. We have higher maintenance payroll and retained Andy through October.

Contracts Expenses: over by \$5,000 due to elevator repairs, fire alarm repairs and inspections and pest control measures (Iguana Control)

Repairs & Maintenance: this category is over by \$25,000. This includes \$15,000 that was absorbed by the operating budget for the east staircase project. Landscaping ran over by \$5,600 due to rehabilitation around the pool and walkways of \$4,000 done in the 4th quarter. Tree Trimming was also over by \$3,400 due to a large cutback of the Sea Grapes earlier in the year.

Administrative Expenses: overall under budget \$76,479. As previously discussed, this includes the significant savings of \$85,000 in insurance. Areas that were over budget in this category included Legal Fees from our Bylaw and Article updates, Office Supplies from computer repairs and a new printer and annual fees mostly from Intuit and billing timing.

Balance Sheet:

Operating Cash at year end was \$57,642. After adjusting for receivables and payables, prepaids and shareholder deposits, we had available operating cash of \$11,900 (interestingly that's almost exactly what this number was last year)!

Reserve accounts total \$177,971 reflecting an increase of \$37,000 over 2024. We added \$85,800 in reserve deposits, \$3,087 in laundry deposits and \$1,680 in interest. We used \$52,900 as follows:

- \$37,000 between Concrete/Stucco (\$13,000) and Waterproofing/Painting (\$24,000) for Waterfront work
- \$5,300 to replace one of the Clubhouse A/C units
- \$7,630 from Windows/Doors to replace the maintenance room door (\$5,890) and other window work
- \$1,932 from Roofing
- \$1,035 from Electrical

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Accrual Basis

Palm Worth Inc.
Balance Sheet
 As of December 31, 2025

	Dec 31, 25
ASSETS	
Current Assets	
Checking/Savings	
1000 · CASH OPERATING	
1002 · SouthState Operating #9135	1,747.00
1005 · Truist Operating 6018	55,891.60
1065 · Due To/From Reserves/Operating	4.32
Total 1000 · CASH OPERATING	57,642.92
1500 · CASH RESERVES	
1009 · Truist Reserve 1104	164,673.43
1012 · Wells Fargo RESERVE 8651	3,178.16
1013 · Wells Fargo RESERVE 6287	10,123.35
1066 · Due To/From Operating/Reserves	-4.32
Total 1500 · CASH RESERVES	177,970.62
Total Checking/Savings	235,613.54
Other Current Assets	
1430 · Prepaid Expense	3,374.03
1435 · Prepaid Insurance	89,787.74
Total Other Current Assets	93,161.77
Total Current Assets	328,775.31
Fixed Assets	
1800 · Balcony Restoration	2,962,339.50
1801 · Laundry Equipment	6,148.00
1802 · Pool Furniture	14,730.09
1900 · Building Improvements	1,445,186.12
1810 · Accumulated Depreciation	-2,604,883.90
Total Fixed Assets	1,823,519.81
TOTAL ASSETS	2,152,295.12
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	11,113.59
Total Accounts Payable	11,113.59
Other Current Liabilities	
2002 · Accrued Expenses	1,750.00
2005 · Insurance Payable	49,366.22
2030 · Prepaid Assessments	32,879.41
2040 · Payroll Taxes Payable	-38.18
2200 · Deferred Special Assessment	156,219.85
Total Other Current Liabilities	240,177.30
Total Current Liabilities	251,290.89
Total Liabilities	251,290.89
Equity	
3000 · RESERVE FUNDS	
3101R · Reserve-ROOFING	37,229.14
3102R · Reserve- CONCRETE & STUCCO REPA	14,406.52
3103R · Reswrve- FLOOR COATINGS	3,750.00
3104R · Reserve- FOUNDATION	1,725.00
3105R · Reserve- FIRE PROTECTION SYSTEM	2,023.00
3106R · Reserve-PLUMBING	11,088.20

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Accrual Basis

Palm Worth Inc.
Balance Sheet
As of December 31, 2025

	<u>Dec 31, 25</u>
3107R · Reserve- ELECTRICAL SYSTEMS	6,966.10
3108R · Reserve-WATERPROOF & EXT PAINT	39,955.66
3109R · Reserve-WINDOWS	5,615.52
3110R · Reserve-PAVING	16,835.00
3111R · Reserve-ELEVATOR	20,686.28
3112R · Reserve-POOL REMARCITING	2,532.73
3113R · Reserve- LAUNDRY	8,275.10
3114R · Reserve-CLUBHOUSE A/C	2,242.35
3120 · Reserve-INTEREST	4,665.02
3121 · Reserve-BANK FEES	-25.00
Total 3000 · RESERVE FUNDS	<u>177,970.62</u>
3004 · Retained Earnings	1,127,644.91
3050 · Transfers	581,585.74
Net Income	13,802.96
Total Equity	<u>1,901,004.23</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,152,295.12</u></u>

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Accrual Basis

Palm Worth Inc.
Profit & Loss Budget vs. Actual
 January through December 2025

Ordinary Income/Expense	Jan - Dec 25	Budget	\$ Over Budget
Income			
4050 · Maintenance Assessment Income	671,764.84	671,760.00	4.84
4215 · Application Fees Sales/Rentals	300.00		
4220 · Late Fee Income	0.00		
4223 · Other Misc Charges Income	479.54		
Total Income	672,544.38	671,760.00	784.38
Gross Profit	672,544.38	671,760.00	784.38
Expense			
5000 · UTILITIES EXPENSE			
5015 Water & Sewer	42,989.57	41,500.00	1,489.57
5025 Trash	746.38	360.00	386.38
5030 Gas	7,075.70	10,000.00	-2,924.30
5010 · Electricity	13,887.14	14,000.00	-112.86
Total 5000 · UTILITIES EXPENSE	64,698.79	65,860.00	-1,161.21
5200 · PAYROLL EXPENSES			
5210 · Property Manager	51,583.64	42,000.00	9,583.64
5240 · Payroll Tax Expense	9,308.20	8,100.00	1,208.20
5585 · P/T Wages Cleaning & Maint	67,529.90	44,000.00	23,529.90
Total 5200 · PAYROLL EXPENSES	128,421.74	94,100.00	34,321.74
5500 · CONTRACTS EXPENSES			
5515 · Elevator Contract	5,740.91	5,000.00	740.91
5520 · Pest Control-Common Area	3,400.30	2,100.00	1,300.30
5525 · Lawn/Grounds Pest Control	10,345.12	8,400.00	1,945.12
5536 · Comcast Office Phone	4,511.57	5,000.00	-488.43
5545 · Pool Service Maintenance	9,872.08	10,000.00	-127.92
5555 · Beach Cleaning	1,924.30	2,000.00	-75.70
5560 · Lawn Maintenance	21,600.00	21,600.00	0.00
5565 · Fire Alarm and Monitoring	2,803.50	1,000.00	1,803.50
Total 5500 · CONTRACTS EXPENSES	60,197.78	55,100.00	5,097.78
6000 · REPAIRS & MAINTENANCE			
6005 · Tree Trimming	11,900.00	8,500.00	3,400.00
6010 · Building Repairs	30,073.56	30,000.00	73.56
6012 · Contingency	35,168.29	20,000.00	15,168.29
6015 · Elevator Repairs	3,929.00		
6020 · Pool Supplies & Repairs	893.57	500.00	393.57
6035 · Landscaping	8,148.30	2,500.00	5,648.30
6040 · Fire Alarm Repairs	802.10	5,000.00	-4,197.90
6095 · Building Supplies	2,587.88	1,800.00	787.88
Total 6000 · REPAIRS & MAINTENANCE	93,502.70	68,300.00	25,202.70
7000 · ADMINISTRATIVE EXPENSES			
7010 · Audit & Tax Preparation	3,050.00	5,600.00	-2,550.00
7012 · Bookkeeping	4,100.59	4,400.00	-299.41
7015 · Legal Fees	8,413.90	5,000.00	3,413.90
7016 · Engineering Fees	1,650.00		
7020 · Social Committee Expenses	1,355.59	1,000.00	355.59
7025 · Annual Fees	4,927.67	3,200.00	1,727.67
7035 · Office Supplies Expense	5,008.61	3,000.00	2,008.61
7040 · Bank Charges	1,202.35	1,200.00	2.35
7045 · Miscellaneous	1,307.02		
7070 · Bad Debt Expense	492.07		
7510 · Insurance General Expense	280,412.61	365,000.00	-84,587.39
Total 7000 · ADMINISTRATIVE EXPENSES	311,920.41	388,400.00	-76,479.59

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Accrual Basis

Palm Worth Inc.
Profit & Loss Budget vs. Actual
January through December 2025

	<u>Jan - Dec 25</u>	<u>Budget</u>	<u>\$ Over Budget</u>
7900 · NON BUDGETED EXPENSES			
7901 · Front Lawn Project	0.00		
Total 7900 · NON BUDGETED EXPENSES	<u>0.00</u>		
Total Expense	<u>658,741.42</u>	<u>671,760.00</u>	<u>-13,018.58</u>
Net Ordinary Income	13,802.96	0.00	13,802.96
Other Income/Expense			
Other Expense			
9999 · Void Check	0.00		
Total Other Expense	<u>0.00</u>		
Net Other Income	<u>0.00</u>		
Net Income	<u><u>13,802.96</u></u>	<u><u>0.00</u></u>	<u><u>13,802.96</u></u>