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To the Board of Directors and Members
Meridian Lake Park Corporation

May 24, 2005

The accompanying balance sheets-income tax basis of Meridian Lake Park Corporation, as of March 31, 2005 and the related statements of revenue and expenses and changes in fund balance-income tax basis for the period ended March 31, 2005, have been compiled by us.

The compilation is in accordance with standards established by the American Institute of Certified Public Accountants (Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants). The financial statements have been prepared on the accounting basis used by the corporation for income tax purposes, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements, information that is the representation of the owners. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles, and a statement of cash flows. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who were not informed about such matters.

Douglas B. Gorman
Certified Public Accountant

MERIDIAN LAKE PARK COPORATION
BALANCE SHEET
AS OF MARCH 31, 2005

	OPERATING FUND	CAPITAL RESERVE	CAPITAL IMP. PROJECT	TOTALS 3/31/05	TOTALS 3/3104
ASSETS					
Cash in Bank	\$38,595.00	\$31,267.00	\$289,392.00	\$359,254.00	\$66,297.00
Accounts Receivable	452.00		10,800.00	11,252.00	(687.00)
CIP Financing A/R Prepayments			(2,493.00)	(2,493.00)	
CIP Financing A/R LT			220,302.00	220,302.00	
CIP Financing A/R ST			4,432.00	4,432.00	
TOTAL ASSETS	\$39,047.00	\$31,267.00	\$522,433.00	\$592,747.00	\$65,610.00
LIABILITIES & FUND BALANCE					
Deposits- Construct. Cleanup	\$11,750.00			\$11,750.00	\$9,500.00
Accounts Payable	1,699.00			1,699.00	3,359.00
Overpayment Due to Prev. Owner				0.00	30.00
Member Financing Loan			244,800.00	244,800.00	
TOTAL LIABILITIES	13,449.00	0.00	244,800.00	258,249.00	12,889.00
FUND BALANCES	25,598.00	31,267.00	277,633.00	334,498.00	52,721.00
TOTAL LIABILITIES AND FUND BALANCE	\$39,047.00	\$31,267.00	\$522,433.00	\$592,747.00	\$65,610.00

MERIDIAN LAKE PARK CORPORATION
SCHEDULE OF OPERATIONS
FOR THE PERIOD APRIL 1, 2004 TO MARCH 31, 2005

	PERIOD ENDED 3/31/05 ACTUAL	BUDGET	VARIANCE Favorable (Unfavorable)
REVENUES			
Association Dues-Homes	\$28,454.00	\$27,800.00	\$654.00
Association Dues-Vacant Lots	11,220.00	11,400.00	(180.00)
Building Application Fees	600.00	1000.00	(400.00)
Late Charges	43.00	0.00	43.00
Misc. Assessments	30.00	0.00	30.00
Interest Income	205.00	120.00	85.00
TOTAL REVENUES	<u>\$40,552.00</u>	<u>\$40,320.00</u>	<u>\$232.00</u>
EXPENSES			
Accounting Fees	\$564.00	\$500.00	\$64.00
Bank Charges	85.00	0.00	85.00
Contract Labor-Assoc. Mgr	9,225.00	9,225.00	0.00
Insurance	2,674.00	2,700.00	(26.00)
Legal Fees	4,253.00	4,600.00	(347.00)
Office Expense	1,474.00	1,200.00	274.00
Postage	484.00	900.00	(416.00)
Repairs & Maintenance	0.00	300.00	(300.00)
Miscellaneous Expense	374.00	500.00	(126.00)
Website	724.00	500.00	224.00
Telephone	493.00	500.00	(7.00)
Trash Removal	15,713.00	15,500.00	213.00
Utilities	50.00	130.00	(80.00)
Taxes & Licenses	10.00	0.00	10.00
Annual Meeting Expenses	477.00	600.00	(123.00)
Recreation	0.00	2,500.00	(2,500.00)
Capital Reserve Allocations	665.00	665.00	0.00
TOTAL EXPENSES	<u>\$37,265.00</u>	<u>\$40,320.00</u>	<u>(\$3,055.00)</u>
EXCESS OF REVENUES OVER EXPENSES	\$3,287.00	\$0.00	\$3,287.00

MERIDIAN LAKE PARK CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
FOR THE PERIOD APRIL 1, 2004 TO MARCH 31, 2005

	OPERATING FUND	CAPITAL RESERVE	CAPITAL IMP. FUND	TOTALS
REVENUES				
Association Dues-Homes	\$28,454.00			\$28,454.00
Association Dues-Vacant Lots	11,220.00			11,220.00
Late Charges	43.00			43.00
Interest Income	205.00	204.00	738.00	1,147.00
Building App. Fees	600.00			600.00
Misc. Assessments	30.00			30.00
Capital Reserve Assessments		665.00		665.00
Special Assessments			648,000.00	648,000.00
Atmos Rebates			5,415.00	5,415.00
CIP Finance Charges			5,518.00	5,518.00
TOTAL REVENUES	\$40,552.00	\$869.00	\$659,671.00	\$701,092.00
EXPENSES				
Capital Reserve Expenditures:				
Fencing		\$3,000.00		\$3,000.00
Sign Expense		2,621.00		2,621.00
Capital Imp. Fund Expenditures				
Accounting			621.00	621.00
Atmos Energy			188,501.00	188,501.00
Excavation & Piping			154,662.00	154,662.00
Legal			4,132.00	4,132.00
Loan Interest			15,419.00	15,419.00
Project Management			12,420.00	12,420.00
Postage/ Copies			674.00	674.00
Operating Fund Expenses-Total	37,265.00			37,265.00
TOTAL EXPENSES	\$37,265.00	\$5,621.00	\$376,429.00	\$419,315.00
EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUES)	\$3,287.00	(\$4,752.00)	\$283,242.00	\$281,777.00
BEGINNING FUND BALANCES	20,464.00	32,257.00		52,721.00
Transfers Between Funds	1847.00	3,762.00	(5,609.00)	0.00
ENDING FUND BALANCES	\$25,598.00	\$31,267.00	\$277,633.00	\$334,498.00