

Fox Valley Golf Club Annual Report

October 31, 2010

Rich Scott, Treasurer
Fox Valley Golf Club

**Be still sad heart and cease repining;
Behind the cloud the sun is shining,
Thy fate is the common fate to all,
Into each life a little rain must fall,
Some days must dark and dreary**

Henry Wadsworth Longfellow

Every cloud has a silver lining.

John Milton : Comus: A Mask Presented at Ludlow Castle 1634

Overall Revenues

Revenues for the year totaled \$975,696 for fiscal 2010. Our total revenue in fiscal 2009 was \$983,831. The breakdown of fiscal 2010 to 2009 was as follows:

	2010	2009
Dues	\$489,974	\$549,206
Bar	\$175,321	\$161,254
Dining	\$103,883	\$ 70,653
Cart Rental	\$101,248	\$109,667
Green Fees & Driving Range	\$ 72,831	\$ 65,648
Bag Storage	\$ 8,075	\$ 7,820
Locker Rental	\$ 4,700	\$ 4,630
Cart Storage	\$ 5,018	\$ 4,725
Miscellaneous Income	\$ 14,603(a)	\$ 11,258(a)
Interest Income	\$ 43	\$ 8
Initiation Fees & Stock	\$ -0- (b)	\$ (30)(b)

- (a) Miscellaneous Income is composed mostly of gratuities, cash short and over, fixed assets sales, rebates, the member party and other minor miscellaneous income.
- (b) Initiation and stock fees were negative in 2009 because we refunded stock fees to members who left in 2009. This number is reported on a net basis as we did receive the stock fees for incoming members but we had to refund some initial initiation.

Observations with regard to revenue for 2010:

We had a \$59,232 decrease in dues revenue in 2010 versus 2009. This was due to a decrease in regular membership and a shifting of some members to the business membership. It is important to note that the loss for the year was \$62,470, and our largest factor when looking at that loss was the dues decrease. However, the shut down in the club for 10 days because of the rain situation during the summer of 2010 and the flooding of the golf course also had a large economic impact on the club.

Bar and dining revenue increase for the club in 2010. We increased approximately \$14,000 in on our bar revenue and \$33,000 in our dining revenue in 2010. The club totally revamped this area of the club in 2009. This area was once a real issue for the club, but we have now posted a profit in the combined bar and dining area for the last two years of \$11,700 in 2010 and \$15,400 in 2009. We probably could have equal the 2009 profit and exceeded it if we were not shut down because of the flooding and rain issues in 2010. With a two year profit trend in this area, I believe we have the bar and dining operation in very good condition.

Green Fees were increased by \$6,000. This can be directly related to the business membership green fees that in the past would have been dues. The green fees generated from the business card members was about \$30,000 in 2010. Our cart revenue was down for the year by about \$8,000 of which some could be attributed to the loss of the Dawes outing, cart card deals which gave reduce fees to those who bought the cart cards and the course lost play during the rain and flooding.

The other revenue amounts either came close to budget or were explained above in the revenue detail area.

Course Operations:

We define course operations as items that directly relate to golf course play and would be needed to run the golf course operations. These would encompass the departments we call Course, Pro Shop, Club House, and Administration.

Course Operation Revenue:

The revenue breakdown of actual compared to 2009 for fiscal 2010 was as follows:

	2010	2009
Dues	\$489,974	\$549,206
Cart Rental	\$101,248	\$109,665
Green Fees & Driving Range	\$ 72,831	\$ 64,648
Bag Storage	\$ 8,075	\$ 7,820
Locker Rental	\$ 4,700	\$ 4,630
Cart Storage	\$ 5,018	\$ 4,725
Miscellaneous Income	\$ 1,313	\$ 11,258
Interest Income	\$ 43	\$ 8
Initiation Fees & Stock	\$ (0)	\$ (30)
Total Course Operation Revenue	<u>\$ 683,202</u>	<u>\$ 751,930</u>

The revenue in this area comes from dues, green fees, locker rental, bag storage, cart storage, cart rental income, initiation or entry fees, and some miscellaneous revenue. Total revenue for this area was down because of a decrease in membership.

Course Operation Expenses:

	2010	2009
Course Operations & Labor	\$378,979	\$358,965
Pro Shop	\$149,674	\$144,269
Club House	\$ 64,236	\$ 65,439
Administration	<u>\$170,728</u>	<u>\$204,854</u>
Total Course Operation Expenses	<u>\$763,617</u>	<u>\$773,527</u>

Detail of the course operations expenses is in the appendix called supplemental information.

Expenses related to course operations for fiscal 2010 were \$763,617. Therefore we had a net loss on the course operations of \$80,415 versus \$21,597 in 2009. The bulk of the loss was that budgeted dues were short by \$59,000. We did reduced expenses in the Course Operations area by approximately \$10,000. This is one area of the club where we need to make improvements going forward. We have already made changes with the golf operations area of the club in fiscal 2011 with some of the restructuring we have done.

Dues Revenue:

Dues revenue is generated by the members and the related categories of members. At the end of October 2010, we had the following membership numbers by category.

Membership as of October 31

Membership Type	2010	2009
(Stockholders)		
Family	88	89
Single	32	45
Family-special (age 30-39)	3	5
Single Special (age 30-39)	3	3
Senior	19	20
Senior - Restricted	4	2
Junior-family (under 30) (new)	2	2
Junior-single (under 30) (new)	<u>6</u>	<u>4</u>
Total stockholders	157	170
(Non-stockholders)		
Clergy	2	2
Non-resident	2	3
Junior associate	0	0
Student	<u>2</u>	<u>4</u>
Total non-stockholders	6	9

Not included is 30 Business Card Members.

The prior year we had 6 members under that program.

Cart Revenue and Expenses:

For members who may not know this, the electric carts are owned by the club. We have had questions in the past on the financial performance of the carts.

Cart Revenue	\$101,248
Depreciation Expense	\$ 13,355
Cart Rental Expense	\$ 4,398
Cart Storage Expense	\$ 1,000
Cart Maintenance Expense	\$ 1,681
Utilities Charge Carts	<u>\$ 1,954</u>

Net Profit **\$ 78,860**

In 2009, we had cart revenue of \$109,667 and net revenue of \$76,926. We purchased the carts back in the fiscal year ended October 31, 2005. In 2008 we spent \$19,318 on batteries for the carts we owned. We are estimating that the batteries will last at least three years and are depreciating them over that same period.

Bar and Dining:

The club operates a bar and restaurant for its members and also for outings. The operational results for 2010 for the bar and restaurant are as follows:

Bar:	2010	2009
Bar Revenue	\$177,278	\$161,285
Cost of Beverages	\$ 57,979	\$ 51,562
Labor Bar	\$ 48,293	\$ 40,232
Operating Expenses	<u>\$ 21,928</u>	<u>\$ 21,592</u>
Net Profit	<u>\$ 49,078</u>	<u>\$ 47,899</u>

The total bar revenue for fiscal 2010 increased about \$16,000. This was a 9.9% increase over the prior year. The cost of our beverages as it relates to sales for 2010 was approximately 33% compared to 32% in 2009. Labor in the bar area when comparing 2010 to 2009 was increase by \$8,061 or 20%. We did increase hours of operation in this area during 2010 for the members over 2009 when we were still working on the revamped bar and dining operation. Operating expenses where almost identical for the two year period.

Dining:	2010	2009
Dining Revenue	\$109,037	\$ 73,276
Cost of Food	\$ 60,587	\$ 36,937
Labor Dining	\$ 54,602	\$ 37,798
Operating Expenses	<u>\$ 31,229</u>	<u>\$ 31,008</u>
Net Loss	<u>\$ 37,381</u>	<u>\$ 32,467</u>

The total dining revenue for fiscal 2010 was up \$35,761. This is a 48.8% increase in dining revenue from 2009. The cost of our food as it relates to sales for 2010 was 55% compared to 50% in 2009. We targeted 50% as our goal for 2010, but early on to re-establish the dining area we went with lower margins on some food and for larger group outings to bring them to the club. Labor costs were significantly increased in 2010 as we added more hours to the dining area and also finalized the revamping of this area in 2010. The revamped operation has work out well from a financial standpoint in starting in 2009 and now through 2010. Since we are only open certain hours and shut down a lot during the winter season we still only lost an additional \$5,000 over 2009, but the days we were shut down during 2010 did have a direct effect on this area of operation. Operating expenses held similar to the prior year.

This area in the past was a severe drain on the club and is now a profit center when we combine the bar and dining together. We have profits the last two years of \$11,700 in 2010 and \$15,400 in 2009. This area of the club prior to the past two years would have lost \$80,000. We must continue to work on this area of the club in the future to at least keep bar and dining together a breakeven or if we can continue it to be a profit center for the club.

Summary:

In summary, Fox Valley Golf Club survived one of the worst economic climates the area has faced and unseasonable weather as well. We were still able to pay our debt obligations and hopefully move forward to a more positive outlook for 2011. Hopefully the economy has made the turn and with our changes in how we have run the club over the past few years and we can move forward to greater profitability. When we look at those operations in total we end up with a net loss for the year as follows:

	2010	2009
Net Loss from Course Operations	\$80,415	\$21,597
Net Loss from Dining	\$37,381	\$32,467
Net Income from Bar	\$49,078	\$47,899
Net Revenue Member Party& Miscellaneous	<u>\$ 6,248</u>	<u>\$ 7,717</u>
Net Income (Loss) for Fox Valley Golf Club	<u>(\$62,470)</u>	<u>\$1,552</u>

Debt of the Club

Our current bank is the Bank of Kaukauna and we have a line of credit with a maximum capacity of \$400,000. In addition, we had a mortgage note of \$850,000 starting in October of 2007. The mortgage note comes due December 15, 2010. The line of credit has to be renewed each year in December.

The current payment on our mortgage is approximately \$6,900 per month at a current interest rate of 5%. The interest rate is a floating rate based upon prime with a floor of 5%. Should the interest rates increase in the future, our payments will eventually increase as well. The current rate on our line of credit is 4.50% and also is a floating rate based upon prime. From a debt stand point, we are very lucky to have a very low interest rate environment. As of October 31, 2010 we had an outstanding balance on the line of credit of \$115,000 and our mortgage had a balance of \$727,342. As of October 31, 2009 we had a balance on the line of credit of \$130,167 and the mortgage balance was \$771,412. We paid off \$44,070 on the mortgage in 2010 and reduce the line of credit by \$15,100. Our member notes have decrease by \$16,700.

Based upon a review of Fox Valley's balance sheet we have reduce our total debt to the bank and members for the year by \$76,000 over last year's debt balance or a 7% decrease. This is a significant decrease in the debt of the club in these trying economic and weather related times we had to face in 2010.

SUPPLEMENTAL INFORMATION

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Accrual Basis

Fox Valley Golf Club, Inc.
Profit & Loss Prev Year Comparison
November 2009 through October 2010

	TOTAL			
	Nov '09 - Oct 10	Nov '08 - Oct 09	\$ Change	% Change
Ordinary Income/Expense				
Income				
301 · Revenue - Bar	175,320.70	161,254.51	14,066.19	8.7%
302 · Revenue - Dining	103,883.49	70,652.81	33,230.68	47.0%
303 · Dues	489,973.78	549,206.11	-59,232.33	-10.8%
304 · Green Fees	70,510.28	64,495.93	6,014.35	9.3%
305 · Locker Rental	4,700.00	4,630.00	70.00	1.5%
306 · Gratuities	5,747.74	3,659.62	2,088.12	57.1%
308 · Stock & Entry Fees	0.00	-30.00	30.00	100.0%
315 · Driving Range	2,320.96	152.38	2,168.58	1,423.1%
316 · Bag Storage	8,075.00	7,820.00	255.00	3.3%
317 · Cart Storage	5,017.86	4,725.00	292.86	6.2%
318 · Cart Rental	101,247.64	109,666.68	-8,419.04	-7.7%
320 · Handicap	616.00	260.00	356.00	136.9%
321 · Hail Rental	327.62	0.00	327.62	100.0%
340 · Cash Over/Short	1,686.31	15.03	1,671.28	11,119.6%
341 · Employee Meals	0.00	-1,795.94	1,795.94	100.0%
349 · Miscellaneous	6,268.61	9,118.87	-2,850.26	-31.3%
Total Income	975,695.99	983,831.00	-8,135.01	-0.8%
Cost of Goods Sold				
500 · Purchases - Bar-Other	11,163.53	10,986.50	177.03	1.6%
501 · Purchases - Bar-Liquor	46,121.34	40,675.13	5,446.21	13.4%
502 · Purchases - Dining	61,281.62	36,936.63	24,344.99	65.9%
512 · Payroll Taxes	44,202.84	40,111.94	4,090.90	10.2%
513 · Labor - Administrative	35,742.89	21,854.28	13,888.61	63.6%
514 · Labor - Bar	42,005.01	34,935.09	7,069.92	20.2%
515 · Labor - Clubhouse	4,305.42	3,991.90	313.52	7.9%
516 · Labor - Course	173,239.33	168,059.95	5,179.38	3.1%
517 · Labor - Dining	9,603.52	7,709.37	1,894.15	24.6%
518 · Labor - Kitchen	37,335.56	25,126.80	12,208.76	48.6%
519 · Labor - Pro Shop	94,432.97	95,807.67	-1,374.70	-1.4%
520 · Workers Comp Insurance	7,971.69	7,484.18	487.51	6.5%
Total COGS	567,405.72	493,679.44	73,726.28	14.9%
Gross Profit	408,290.27	490,151.56	-81,861.29	-16.7%
Expense				
3100 · Course	183,819.29	190,905.52	-7,086.23	-3.7%
3200 · Pro Shop	43,685.66	48,461.05	-4,775.39	-9.9%
3300 · Club House	59,174.62	61,446.83	-2,272.21	-3.7%
3400 · Bar	21,928.22	21,486.66	441.56	2.1%
3500 · Dining	31,228.60	30,897.97	330.63	1.1%
3600 · Administrative	130,966.83	135,402.99	-4,436.16	-3.3%
Total Expense	470,803.22	488,601.02	-17,797.80	-3.6%
Net Ordinary Income	-62,512.95	1,550.54	-64,063.49	-4,131.7%
Other Income/Expense				
Other Income				
310 · Interest Income	42.69	7.62	35.07	460.2%
Total Other Income	42.69	7.62	35.07	460.2%
Net Other Income	42.69	7.62	35.07	460.2%
Net Income	-62,470.26	1,558.16	-64,028.42	-4,109.2%

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Accrual Basis

Fox Valley Golf Club, Inc.
Balance Sheet Prev Year Comparison
As of October 31, 2010

	Oct 31, 10	Oct 31, 09	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
104 · Cash on Hand	2,500.00	2,500.00	0.00	0.0%
106 · Cash in Bank	63,643.10	18,927.38	44,715.72	236.3%
111 · Money Market	1,064.18	1,021.49	42.69	4.2%
Total Checking/Savings	67,207.28	22,448.87	44,758.41	199.4%
Accounts Receivable				
1200 · Accounts Receivable	1,304.50	1,641.03	-336.53	-20.5%
Total Accounts Receivable	1,304.50	1,641.03	-336.53	-20.5%
Other Current Assets				
125 · Inventories - Bar	12,844.75	13,189.23	-344.48	-2.6%
126 · Inventories - Food	1,867.22	1,867.22	0.00	0.0%
127 · Inventories - Pro Shop	7,262.33	0.00	7,262.33	100.0%
131 · Prepaid Expenses	-609.22	2,158.65	-2,767.87	-128.2%
1499 · Undeposited Funds	0.00	1,305.72	-1,305.72	-100.0%
Total Other Current Assets	21,365.08	18,520.82	2,844.26	15.4%
Total Current Assets	89,876.86	42,610.72	47,266.14	110.9%
Fixed Assets				
151 · Land	42,139.20	42,139.20	0.00	0.0%
154 · Holding Tank	9,296.26	9,296.26	0.00	0.0%
155 · Course Improvements	994,193.84	994,193.84	0.00	0.0%
156 · Course Blacktopping	15,359.20	15,359.20	0.00	0.0%
157 · Landscaping	90,104.22	90,104.22	0.00	0.0%
158 · Parking Lot	57,367.09	57,367.09	0.00	0.0%
159 · Bridges	79,209.37	79,209.37	0.00	0.0%
160 · Wells	90,214.26	90,214.26	0.00	0.0%
161 · Elec Panel & Power Line	968.55	968.55	0.00	0.0%
162 · Pole Building	91,888.20	91,888.20	0.00	0.0%
163 · Building - Machine Storage	47,075.65	47,075.65	0.00	0.0%
164 · Building - Clubhouse	924,433.97	922,932.96	1,501.01	0.2%
165 · Pumphouse	51,436.27	51,436.27	0.00	0.0%
170 · Equipment - Course	691,040.11	905,988.05	-214,947.94	-23.7%
171 · Equipment - Bar	61,266.41	76,002.34	-14,735.93	-19.4%
172 · Equipment - Dining	87,152.07	99,346.23	-12,194.16	-12.3%
173 · Equipment - Clubhouse	102,091.39	135,312.07	-33,220.68	-24.6%
174 · Equipment - Other	1,870.74	1,870.74	0.00	0.0%
176 · Power Carts	110,117.74	110,117.74	0.00	0.0%
177 · Pro Shop Equipment	7,647.92	7,647.92	0.00	0.0%
178 · Pro Shop Fixtures	7,918.00	7,918.00	0.00	0.0%
179 · Closing Fees	3,271.74	3,271.74	0.00	0.0%
180 · Furniture & Fixtures	871.00	11,989.07	-11,118.07	-92.7%
188 · Total Accumulated Depreciation	-2,878,485.41	-3,074,753.97	196,268.56	6.4%
Total Fixed Assets	688,447.79	776,895.00	-88,447.21	-11.4%
TOTAL ASSETS	778,324.65	819,505.72	-41,181.07	-5.0%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
220 · Accounts Payable	13,887.73	8,329.59	5,558.14	66.7%
Total Accounts Payable	13,887.73	8,329.59	5,558.14	66.7%
Other Current Liabilities				
221 · Payroll Liabilities				
225 · Accrued Social Security Tax	989.84	1,171.53	-181.69	-15.5%
227 · Accrued Wis Withholding	3,442.68	1,323.02	2,119.66	160.2%
230 · Accrued Unemployment	8,145.44	5,678.77	2,466.67	43.4%
234 · Accrued Wages	15,266.24	11,650.29	3,615.95	31.0%
Total 221 · Payroll Liabilities	27,844.20	19,823.61	8,020.59	40.5%

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 Accrual Basis

Fox Valley Golf Club, Inc.
Balance Sheet Prev Year Comparison
 As of October 31, 2010

	Oct 31, 10	Oct 31, 09	\$ Change	% Change
235 · Accrued Interest	2,433.45	5,680.94	-3,247.49	-57.2%
236 · Accrued Sales Tax	2,018.35	1,388.81	629.54	45.3%
238 · Advance on Club Minimum	15,752.23	4,958.90	10,793.33	217.7%
239 · Gift Certificates	1,723.80	320.00	1,403.80	438.7%
241 · Hall Deposit	85.00	125.00	-40.00	-32.0%
253 · Line of Credit #99446	115,000.00	130,166.92	-15,166.92	-11.7%
254 · Prepaid Dues	101,618.00	27,535.00	74,083.00	269.1%
Total Other Current Liabilities	266,475.03	189,999.18	76,475.85	40.3%
Total Current Liabilities	280,362.76	198,328.77	82,033.99	41.4%
Long Term Liabilities				
251 · Mtg Note Payable - Bank 99452	727,341.68	771,412.03	-44,070.35	-5.7%
252 · Note Payable - Members	142,655.88	159,380.32	-16,724.44	-10.5%
Total Long Term Liabilities	869,997.56	930,792.35	-60,794.79	-6.5%
Total Liabilities	1,150,360.32	1,129,121.12	21,239.20	1.9%
Equity				
271 · Capital Stock	9,432.84	9,352.85	79.99	0.9%
280 · Members' Equity	360,370.33	360,400.33	-30.00	0.0%
3900 · Retained Earnings	-679,368.58	-680,926.74	1,558.16	0.2%
Net Income	-62,470.26	1,558.16	-64,028.42	-4,109.2%
Total Equity	-372,035.67	-309,615.40	-62,420.27	-20.2%
TOTAL LIABILITIES & EQUITY	778,324.65	819,505.72	-41,181.07	-5.0%

BUDGET FOR 2011

FOX VALLEY GOLF CLUB, INC.
BUDGET AND HISTORICAL OPERATING STATEMENTS
YEARS ENDED OCTOBER 31,

2011
BUDGET

OPERATING EXPENSES - COURSE

PROFESSIONAL DEVELOPMENT	\$	1,500	
GAS & OIL	\$	17,000	
EQUIPMENT REPAIR	\$	16,000	
UTILITIES	\$	12,500	
MAINTENANCE SUPPLIES	\$	17,000	
FERTILIZERS & CHEMICALS	\$	66,000	
EQUIPMENT RENTAL INSURANCE	\$	1,000	
DEPRECIATION	\$	57,000	
TOTAL	\$	188,000	\$ -

OPERATING EXPENSES - PRO SHOP

SALARIES - Director Golf during season	\$	24,000	
SALARIES - ASSISTANTS	\$	35,000	
LABOR - SHOP HELP	\$	15,000	
TOURNAMENT EXPENSES	\$	800	
PROFESSIONAL DEVELOPMENT	\$	-	
Miscellaneous	\$	500	
SUPPLIES	\$	4,000	
UTILITIES SHOP	\$	5,000	
UTILITIES CARTS	\$	2,200	
CART MAINTENANCE	\$	3,000	
CART STORAGE	\$	1,000	
DEPRECIATION - CARTS	\$	6,000	
CART RENTAL	\$	5,000	
DEPRECIATION - EQUIPMENT	\$	1,800	
TOTAL	\$	103,300	\$ -

OPERATING EXPENSES - CLUB HOUSE

LABOR	\$	4,500	
REPAIRS	\$	8,000	
UTILITIES	\$	10,000	
WASTE REMOVAL	\$	2,500	
SUPPLIES	\$	5,500	
EMPLOYEE MEALS	\$	-	
HOLDING TANK MAINTENANCE	\$	3,800	
DEPRECIATION	\$	27,000	
TOTAL	\$	61,300	

OPERATING EXPENSES - BAR

Laundry, Tap cleaning & Equip Rent	\$	2,000	
Supplies, Licenses, Repairs & Utilities	\$	8,000	
DEPRECIATION	\$	12,000	
TOTAL	\$	22,000	

OPERATING EXPENSES - DINING

LAUNDRY	\$	2,000	
REPAIRS	\$	1,500	
Supplies, Licenses & RENTAL	\$	5,000	
UTILITIES	\$	11,000	
DEPRECIATION	\$	12,000	
TOTAL	\$	31,500	\$ -

OPERATING EXPENSES - ADMINISTRATIVE

LABOR - Admin (One half Director 24K)	\$	38,000
DUES & FEES	\$	2,200
POSTAGE	\$	1,000
PRINTING	\$	1,000
PROFESSIONAL SERVICES	\$	2,500
PROPERTY INSURANCE	\$	8,500
GROUP INSURANCE	\$	-
PROPERTY TAXES	\$	33,000
PAYROLL TAXES & Work Comp	\$	54,000
MASTERCARD FEES	\$	4,000
Website	\$	4,900
HANDIFAX	\$	6,000
OFFICE EXPENSES	\$	4,500
INTEREST	\$	57,000
ADVERTISING	\$	6,500
TROPHIES	\$	250
MEMBERS WELFARE	\$	700
TRAVEL EXPENSES	\$	500
TELEPHONE & Internet	\$	5,500
SPECIAL EVENT EXPENSES	\$	200
NEW MEMBER REFERRAL	\$	4,000
Miscellaneous	\$	-
DEFERRED COMPENSATION	\$	12,000
OTHER EXPENSES - Util	\$	1,000
TOTAL	\$	<u>247,250</u>

REVENUE

BAR	\$	200,000
DINING	\$	115,000
DUES	\$	525,000
GREEN FEES	\$	78,000
LOCKER RENTAL	\$	5,000
ENTRY FEES	\$	-
Biz Card Members	\$	-
BAG STORAGE	\$	8,000
CART STORAGE	\$	5,000
CART RENTAL	\$	115,000
INTEREST INCOME	\$	-
MISCELLANEOUS Handifax	\$	8,000
TOTAL REVENUE	\$	<u>1,059,000</u>

EXPENDITURES	
COST OF LIQUOR, BEER, ETC. OTHER	\$ 60,000
COST OF FOOD	\$ 58,650
LABOR - BAR	\$ 45,000
LABOR - DINING	\$ 46,000
LABOR - COURSE	\$ 165,000
TOTAL	<u>\$ 374,650</u>
GROSS PROFIT	<u>\$ 684,350</u>
GROSS PROFIT PERCENTAGE	<u>64.62%</u>

OPERATING EXPENSES	
COURSE	\$ 188,000
PRO SHOP	\$ 103,300
CLUB HOUSE	\$ 61,300
BAR	\$ 22,000
DINING	\$ 31,500
ADMINISTRATION	\$ 247,250
TOTAL	<u>\$ 653,350</u>
NET REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 31,000</u>

CHANGE IN WORKING CAPITAL	
ADD:	
DEPRECIATION	\$ 115,800
LESS:	
MEMBER LOAN REPAYMENTS	\$ 11,000
BANK LOAN REPAYMENTS	\$ 50,000
CAPITAL IMPROVEMENTS	\$ 40,900
CHANGE IN CAPITAL STOCK	<u>\$ -</u>
TOTAL USES WORKING CAPITAL	<u>\$ 101,900</u>
WORKING CAPITAL INCREASE (DECREASE)	<u>\$ 44,900</u>

Capital Expenditures

Sprayer	\$ 8,400.00
Greens Roller	\$ 8,400.00
Spiker Seeder	\$ 8,600.00
	\$ -
Two Computers Matre'd	\$ 5,000.00
	\$ -
	\$ -
	\$ -
	\$ -
Toilet Replacement	\$ 500.00
Other	\$ 10,000.00
	<u>\$ 40,900.00</u>