



**INDIAN WELLS**  
**GOLF RESORT**

**Operating Results**  
**AUGUST, 2012**

Prepared by:



# Indian Wells Golf Resort

## MONTH-END FACILITY REPORT

For: August, 2012

Date Completed: September 20, 2012

### OWNER COMMUNICATIONS:

- August business levels were soft as we fell \$22K short of our budgeted GOP goal for the month. Q1 is proving to be difficult to meet budgeted goals and we will have some shortfalls to make up as we look forward to the enhanced business levels we have on the books for Q2 and Q3.
- The shortfalls in August are partly due to the extremely hot and unusually humid weather we experienced. Many locals reported this August to be the worst weather they have experienced in the last 20 years as the humidity had a strong presence all month and we had many days of a slight westerly breeze that blanketed our area with an unpleasant odor from the Salton Sea.
- We experienced a few more course closures this August in comparison to last year with only one course open in an effort to accomplish some maintenance work that will benefit us in the high season with enhanced conditions.
- The Hyatt Grand Champions was closed through mid-August for renovations and we are happy to see they are now open as they deliver the highest level of golf rounds to us of all our hotel partners. Their recent opening came with the new name of Hyatt Regency Indian Wells Resort and Spa in addition to a new look through the entrance, lobby, corridors, retail center and market place.
- Golf rounds were 27% below budget. We finished 26% short of budgeted total revenues for the month and aggressively managed expenses to finish only 5% below budgeted gross operating profit. Although we are little soft out of the gates after 2 months of our new fiscal year budget, we are happy to report that we already have over \$250k more group business than last year on the books. Q2 and Q3 are filling in nicely and we anticipate a nice high season ahead of us with more weddings, catering and golf events booked over prior year that will offset any shortfalls in Q1.
- Many summer projects were completed in August that will provide us with an opportunity to offer an enhanced experience this season in comparison to previous seasons. We have a complete new fleet of golf cars from Club Car and they all have a new Visage GPS system that offers a tremendous upgrade to the user in comparison to our previous GPS system. We completed a facility-wide IT upgrade with new hardware throughout the entire building at each workstation, point of sale station and technology server room. The clubhouse now has a commercial wifi system in place with 6 access points covering all 60,000 square feet of the facility and outdoor patio areas. The café work is underway as we will be rolling out a new menu offering "hot food" utilizing the new oven we purchased that will arrive in mid-September.

### WEATHER:

- High temperature: 114 F on August 11th / Low temperature: 75 F on August 26th.
- Normal averages: High 107 F / Low: 80 F. 2012 Averages: High 107 F / Low 82 F.
- Precipitation. .69" / Historical Average 0.54"

### SALES/TOURNAMENT/OUTING:

#### IWGR SEM ROI

- SEM Online bookings –August resulted in 69 tee times booked through the SEM link resulting in \$4,457 in revenues.
- SEM Group Leads –August resulted in 5 group leads – of which 3 booked totaling 127 rounds of golf and \$16,250 in group revenues.
- SEM Phone Leads/Revenue –August resulted in 143 phone leads of which we estimate resulted in 86 rounds of golf at \$5,542 in revenues. We arrive at this calculation by assuming one booking for every five calls (Call Center Historical number) and each of those bookings averaging 3 players at \$64.44 (average SEM Online Rate).
- Total SEM revenues for the month equal \$26,249 vs. \$3,249 in SEM costs, with an ROI of \$23,000.
- Total Web based revenue for this month through our SEM and Website Portals totaled \$52,970.

### IW CLUB SEM ROI

- SEM Group Leads –August resulted in 25 leads, 15 phone leads and 10 online leads of which 2 booked to date resulting in a lead conversion rate of 8%.
- Total SEM revenues for the month equal \$7,150 vs. \$1,349 in SEM costs, with an ROI of \$5,801.

### Other Media and Promotions

- IW Platinum Card – the 2013 rollout of the IW Platinum Card will go on sale October 1, 2012.
- Social Media – The “Indian Wells Golf Resort” fan page on Face Book now has 1,251 fans and sees roughly 387 visitors per week. Topics include Specials at IW Club, tips from the pro, etc.
- IWGR Newsletter – Sent out roughly every two weeks to 52,000 + opt in addresses. Topics include, Unlimited Summer Golf, Fall Odyssey Charity Package etc.
- Chef Challenge – Partnered with R&R Broadcasting in the Crater Lake Chef Challenge at Fixtures Living in Rancho Mirage. Executive Chef Chris Olson prepared three courses for judges vs. Sullivan’s Executive Chef. A crowd of 125 was present to view the challenge.
- Palm Desert Chamber of Commerce – Partnering with the Palm Desert Chamber to host August 22<sup>nd</sup> Mixer for Palm Desert Business Owners to promote IW Club as a venue for business meetings, events, lunch, dinner, happy hour etc.

### Tournaments:

- Tournament sales had 683 group rounds in August, resulting in \$32,605 in revenue, which was 29% of total green fees revenue at an ADR of \$47.74. This was 12% behind budget and 5% behind PY.

August groups we were proud to host at IWGR include:

8/4 Sunstroke – 84 rounds

8/10 Ueckers – 148 rounds

8/25 Troon Challenge Finals – 64 rounds

### **GOLF OPERATIONS:**

- August was another slow month. The played rounds were 2,579 to a budget of 3,536 and prior year of 3,532. The rounds played were down dramatically to budget and prior year. We were very slow in part due to weather, it was very hot and humid in August, but also we were closed a few more weekend days than anticipated. This was due mainly to making sure we wanted to present a product that was up to Indian Wells standards.
- Our round mix for the month of August are as follows:
  - Daily fee – 6.6%
  - Resort Rounds – 17.3%
  - Resident & Guest – 13.3%
  - Group/ Tournaments – 26.5%

This month followed a similar pattern as July, as we were below in twilight rounds and resort rounds as compared to prior year. In evaluating the summer this year, it seems apparent that the Big Break played a very large role in attracting summer business last year.

- Total green fee revenue in August was \$112,060 to a budget of \$160,062, and prior year of \$157,408. August revenues were behind budget mainly due to lack of traffic. We just didn’t do enough rounds.
- We did a nice job in controlling our operating expenses, as our total operating expenses were \$3,845 compared to a budget of \$7,311 and a prior year of \$5,654.
- We completed the golf cart sale this month and have received our new fleet of carts. This was a very long process, but it seemed to work out well. We did incur additional labor costs, but the proceeds from holding the carts an extra year added a large amount of additional income to the facility.
- Our net operating income for the month was \$18,224 to a budget of \$51,607 and a prior year of \$82,202. The month of August was very difficult as the weather and additional course closures made it tough to reach expectations.
- Business in the Callaway Performance Center was slow as well. We had few fittings and sales. Our net income was -3,363 to a budget of -1,912 and prior year of -1,613.

### **RETAIL OPERATIONS:**

- Merchandise revenues for the month of August 2012 were \$27,269, - \$14,797, -33%, to the budget of \$42,006. The ADR was 10.58 to the budget of 11.89. The traffic definitely took a serious drop this August. Though we had some great summer deals running we had so many days with as few golfers. The Hyatt was also closed until the 16<sup>th</sup> of August so that opportunity for our resort guest support was minimized. The weather was also very hot

and humid throughout most of the month. If there was interest in an item before golf, the guest was so over heated after golf, the last thing they wanted to do was shop or try on clothes.

- Cost of sales for soft goods was slightly under budget as most of our tech shirts sold had good margins resulting from additional vendor discounts. Our hard goods coat of sales was also slightly under budget as we sold very few shoes or clubs which were on sale for the month of August. The margin on those items is always less than that on other hard goods such as golf balls.
- The tournament line was at a 100% cost of sales because of a purchase made by one of our groups that had special pricing as a favor to one noted women's league which held their tournament here.
- We had a minimal savings of \$850 on overall payroll because of slight reduction of staff during the very quiet days and a savings of \$360 in freight and operating supplies. There was little need for more merchandise or supplies during that slower time this summer.
- Though we had a little savings in areas above, the difference in revenues of -33% to budget was too great to offset the bottom line budget deficiency. As a result we finished out the month with -\$4,837 net profit to the budget of \$873 net profit, down -\$5,710 to the bottom line.

#### **GOLF COURSE MAINTENANCE:**

- Finished the final aerification of the Celebrity greens.
- Overall condition of the golf courses was very good with final transition spots melting away and Bermuda growing aggressively.
- Completed the mid-valley pipeline connections with CVWD.
- Started tree and plant trimming throughout both golf courses to be completed prior to over-seeding.
- Completed 14 holes of bunker renovation on the Players course. Expect to complete the remaining bunkers by the 15<sup>th</sup> of September.
- Tree removal at the putting green, 14<sup>th</sup> Players green and 8<sup>th</sup> Players green to alleviate suppressed growing conditions on those greens. Already seeing improvement in those areas.
- Continued applying new mulch to all landscape areas.
- Applied topdressing weekly to troublesome fairway areas for increased drainage and firmness.
- Expense Summary for the month of August:
  - Payroll is down \$16K to budget. This is primarily a result of being short staffed with an open position for the Head Mechanic and several green keepers.
  - Total expenses were down \$22K against budget with \$20K of contract labor being deferred at this time.

#### **ENGINEERING & BUILDING MAINTENANCE:**

- All scheduled monthly maintenance has been completed for the month of August.
- We had a smooth transition into the new computer changeover.
- Ran access points for wi-fi throughout the building
- Even though we had some extreme hot and humid days we managed to save \$3,238 from our utilities budget and \$2,574 compared to the same time last year.
- Many small repairs but no major equipment issues this month.

#### **FOOD AND BEVERAGE:**

##### **Overall**

- Total F&B revenue for the month of August was down 18% vs. budget at \$119,660 vs. \$145,714 and down 21% vs. PY August of \$150,702. Total covers for the month of August were down 22% vs. budget and down 20% to PY.

**Note:** The 2012-2013 F&B budget was written to include Wednesday dinner covers and revenue for the months of July – September. It was decided after the budget was written that the IW Club restaurant would close for dinner on Wednesdays for the period of July – September to realize additional cost savings. Wednesday dinner for August would have brought in an additional 350 covers and approximately \$8,750 in additional revenue.

##### **Operating Expenses**

- F&B payroll (as a % of revenues) for the month of August was 63.2% vs. 69.5% budget. Prior year August labor was 66.1%.
- Total August 2012 payroll was \$75,670 vs. \$101,244 budget, and \$99,641 PY August. August F&B payroll costs decreased by 25% vs. budget and saw a 24% decrease vs. PY August payroll costs.
- Total F&B operating expenses for August 2012 were \$133,197 vs. \$160,595 budget and \$162,802 PY August. This is a 17% decrease v. budget and an 18% decrease from PY August.

- Credit card fees remained relatively flat to budget this month at 1.9% vs. a budget of 2.0%.
- Total employee benefits for August stands at 25.1% of revenues vs. a budget of 22.4%.

**Gross Operating Profit**

- GOP for the month of August was (\$56,593) vs. a budget of (\$64,602) and (\$63,641) for the PY. That is an increase in GOP of 12% vs. budget and an 11% increase over PY August GOP.

**COS (August 2012)**

	Actual	Budget	PY
• Food –	40.7%	35%	36.2%
• Beer –	20.1%	27%	29.5%
• Wine –	36%	36%	32.5%
• Liquor –	9%	19%	3.4%

Total August COS: \$42,906 (35.9%) Budget: \$49,721 (34.1%) PY August: \$51,329 (34.1%)

**Outlets:**

**IW CLUB**

- Revenues for the IW Club for the month were \$74,352 vs. budget \$92,967 a decrease of 20% to budget and a 15% decrease to PY August of \$87,839.
- August covers were 3,838 vs. a budget of 4,700 and 4,466 PY. This is an 18% decrease vs. budget and a 14% decrease vs. PY. We saw traffic decrease in August below expectations mainly due to unusually humid weather. ADR for the month was \$20.00 vs. \$20.70 budgeted, a 3% decrease primarily due to heavier lunch traffic (closed for dinner Sunday-Wednesday) which drives down overall ADR.

**BEVERAGE CARTS**

- Revenues on the Beverage Carts for the month of August were \$11,888 vs. budgeted \$13,932 and ADR of \$4.68 vs. budget of \$4.15. Revenues for the month of August were down 15% vs. budget and down 13% vs. PY at \$13,606.

**Note:** All F&B outlets and to some extent the IW Club as well saw reduced traffic, in part, due to the 27% decrease in August rounds vs. August budget (-27% decrease in rounds vs. PY August).

**BANQUETS**

- Banquet revenue was \$19,087 vs. budget of \$19,314 and PY \$28,719, seeing a decrease in revenue of 1% vs. budget and decrease vs. PY of 34%.
- Catering and Banquet covers finished the month at 548 vs. budget of 450 and 496 PY which is an 18% increase to budgeted covers and a 9% increase over PY August covers. Banquet ADR was at \$27.75 vs. budget of \$34.50, a 20% decrease vs. budget.

**CAFÉ**

- Revenues for the month of August were \$11,007 vs. budgeted \$16,040 and PY \$17,403. This is a decrease of 31% over budgeted revenue and a decrease of 37% vs. PY August. ADR was \$7.98 vs. budget of \$7.52. Covers were 1,554 vs. 2,200 budgeted showing a decrease over budgeted covers of 29%. The overall average spent per person was up 6% vs. August budget.

**FAIRWAY GRILL**

- Revenue at the Fairway Grill for the month was \$3,326 vs. budgeted \$3,460; this is a 4% decrease in revenue versus August budget and a 6% increase vs. PY August revenue of \$3,136. ADR was \$1.74 vs. a budget of \$1.19, an 32% increase.

**PERSONNEL & ADMINISTRATIVE:**

- The Troon Experience Award winners for August: Jesys Ayon, Sr., Monico Rodriguez, Bob Mantuca, Christine Miller, Gretchen Karchmer and Leisa Young. Congratulations to all!
- The continuous Improvement Suggestion went to Art Karchmer for suggesting to donate our excess food to the various local food banks or charities.
- Birthdays for the month were recognized with birthday cards from corporate as well as birthday cakes served in the break room and Golf Maintenance.

## PRIMARY FINANCIALS –AUGUST, 2012

	Month to Date			Year to Date		
	2012	Budget	2011	2012-13	Budget	2011-12
Rounds	2,579	3,536	3,532	5,513	7,247	7,301
Revenues	273,304	371,269	371,513	577,229	753,417	734,473
Cost of Sales	63,344	80,875	78,421	136,407	162,052	159,565
Op Expenses	685,904	745,237	730,310	1,411,538	1,499,421	1,449,389
EBITDA	-475,943	-454,843	-437,218	-970,715	-908,055	-874,481

### REVENUE:

- Golf rounds were 27% below budget. We finished 26% short of budgeted total revenues for the month and aggressively managed expenses to finish only 5% below budgeted gross operating profit.
- Golf fees were down 30% (\$48K) to budget for month with rounds being down 27%(-957 rds). Round categories experiencing the largest shortfalls were Resort (-227 rds/-\$18K), Afternoon (-262 rds/-\$11K) and 18-hole Weekday (-86 rds/\$7K). Merchandise finished the month -\$17K(-38%) down to budget due to rounds being down 27% and especially the shortfall of resort traffic as locals in August tend not to support retail.
- Overall food & beverage traffic was down 22% to budget as we adjusted operational hours to be closed one additional evening in the restaurant compared to last year. Total F&B revenues were down -\$26K(-18%) to budget for the month as follows:
  - IW Club – down 20% to budget & down 15% to prior year.
  - Beverage Carts – down \$2k to budget and \$1,700 prior year.
  - Banquets – flat to budget - down \$9K to PY.
  - Café – down \$5K to budget – down \$6K to PY.
  - Fairway Grill – flat to budget & flat to prior year.

### COGS:

- Overall, Food & Beverage COGS came in at 35.3% vs. budget of 34.1% and PY 34.1%. Individually, Food cost was high compared to budget due to the reduced summer volume. Beer was significantly low due to various credits for returned product.
- Retail COGS came in at 55.3% vs. budget of 54.6% and PY of 46.4%. These levels are quite acceptable given the reduced traffic levels during summer.

### PAYROLL:

- Base payroll for the month was down \$38K to budget and down \$38K to PY. Significant savings were generated in Golf Maintenance (\$17K) and Food/Bevg (\$26K) due to seasonal reductions. We anticipate returning to budgeted staffing levels in September as fall hiring begins.
- Employee benefits came in \$2K over budget and \$9K over PY.

### OPERATIONAL EXPENSES:

- Overall, Operating Expenses came in \$20K under budget and \$7K under PY. Individually, we deferred approximately \$20K in tree trimming expenses until spring and we saved \$6 in gasoline expense. These savings was offset by increased sod and seed expense to improve the preparation for over-seeding season and an unexpected catch-up invoice for electricity on one of the well pumps.

### PROFIT:

- Gross Operating Profit/(Loss) exceeded budget by \$15K and \$30K over PY. Considering that top line revenues fell short of budget by \$97K, through the continued effective cost management in payroll and other operating expenses, we minimized the deficit flow-through

### FORECAST:

- September will not move the needle much and will not assist us with improvements to Q1 as we anticipate a shortfall to budgeted revenues. We will be able offset these shortfalls with expense savings resulting in a relatively flat forecast to budgeted GOP for the month. Q1 forecast will be an estimated \$70K short of our GOP goal and we anticipate making up that shortfall and more with a strong Q2 and Q3.

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT CONSOLIDATED - COMPARATIVE - Aug, 2012**

	<b>ACTUAL MONTH</b>	<b>BUDGET MONTH</b>	<b>PRIOR YEAR MONTH</b>	<b>ACTUAL Y-T-D</b>	<b>BUDGET Y-T-D</b>	<b>PRIOR YEAR ACTUAL Y-T-D</b>
<b>ROUNDS</b>	2,579	3,536	3,532	5,513	7,247	7,301
<b>COVERS</b>	8,519	10,886	10,674	17,165	21,975	21,381
<b>REVENUES</b>						
GOLF FEES	112,060	160,062	157,408	244,634	326,718	322,056
MERCHANDISE	29,413	47,266	46,844	70,786	93,574	91,850
FOOD & BEVERAGE	114,749	141,620	144,526	220,628	290,943	278,351
RANGE, RENTAL & OTHER	2,231	6,100	6,366	5,558	10,700	10,861
GROUP SERVICES	6,976	7,543	7,847	10,652	12,948	10,903
GOLF LESSONS	384	1,500	650	914	3,000	1,605
CALLAWAY FITTINGS	77	500	450	555	1,000	750
IWGR CARD SALES	5,654	6,000	6,423	11,309	12,000	12,846
OTHER INCOME	1,760	679	999	12,195	2,534	5,252
<b>TOTAL REVENUES</b>	<b>273,304</b>	<b>371,269</b>	<b>371,513</b>	<b>577,229</b>	<b>753,417</b>	<b>734,473</b>
<b>COST OF SALES</b>						
COS - GOLF	1,367	354	662	1,367	725	662
COS - MERCHANDISE	16,953	26,826	23,328	40,367	53,102	45,917
COS - FOOD & BEVERAGE	39,837	46,648	47,494	86,944	95,591	102,397
COS - GROUP SERVICES	4,994	5,798	6,437	7,059	10,134	9,384
COS - GOLF LESSONS	192	1,200	500	670	2,400	1,204
COS - OTHER	-	50	-	-	100	-
<b>TOTAL COST OF SALES</b>	<b>63,344</b>	<b>80,875</b>	<b>78,421</b>	<b>136,407</b>	<b>162,052</b>	<b>159,565</b>
<b>GROSS MARGIN</b>	<b>209,960</b>	<b>290,394</b>	<b>293,092</b>	<b>440,822</b>	<b>591,365</b>	<b>574,908</b>

<b>INDIAN WELLS GOLF RESORT</b>						
<b>INCOME STATEMENT CONSOLIDATED - COMPARATIVE - Aug, 2012</b>						
	<b>ACTUAL MONTH</b>	<b>BUDGET MONTH</b>	<b>PRIOR YEAR MONTH</b>	<b>ACTUAL Y-T-D</b>	<b>BUDGET Y-T-D</b>	<b>PRIOR YEAR ACTUAL Y-T-D</b>
<b>OPERATING EXPENSES</b>						
PAYROLL	332,398	370,227	369,971	688,282	741,184	738,871
EMPLOYEE BENEFITS	108,567	106,204	99,817	208,816	212,530	210,975
EMPLOYEE RELATED	9,623	12,409	17,970	16,486	19,718	25,357
MARKETING	11,206	11,666	17,468	23,962	30,157	30,603
REPAIRS & MAINTENANCE	59,099	79,500	66,620	138,744	159,202	128,833
OPERATING EXPENSES	37,970	43,911	40,189	95,114	99,593	85,501
<b>TOTAL OPERATING EXPENSE</b>	<b>558,863</b>	<b>623,917</b>	<b>612,034</b>	<b>1,171,405</b>	<b>1,262,385</b>	<b>1,220,140</b>
<b>OPERATING PROFIT</b>	<b>(348,902)</b>	<b>(333,523)</b>	<b>(318,942)</b>	<b>(730,583)</b>	<b>(671,020)</b>	<b>(645,232)</b>
<b>UTILITIES</b>	97,818	91,439	89,049	185,336	181,974	173,878
<b>TOTAL FIXED OPERATING</b>	<b>97,818</b>	<b>91,439</b>	<b>89,049</b>	<b>185,336</b>	<b>181,974</b>	<b>173,878</b>
<b>GROSS OPERATING PROFIT</b>	<b>(446,720)</b>	<b>(424,962)</b>	<b>(407,990)</b>	<b>(915,918)</b>	<b>(852,994)</b>	<b>(819,110)</b>
INSURANCE	3,907	3,514	3,163	7,815	7,028	6,326
FEES, PERMITS & LICENS	3,649	4,700	4,398	3,649	4,700	5,712
BASE MANAGEMENT FEE	21,667	21,667	21,667	43,333	43,334	43,333
<b>TOTAL OTHER EXPENSES</b>	<b>29,223</b>	<b>29,881</b>	<b>29,227</b>	<b>54,797</b>	<b>55,062</b>	<b>55,371</b>
<b>NET OPERATING INCOME</b>	<b>(475,943)</b>	<b>(454,843)</b>	<b>(437,218)</b>	<b>(970,715)</b>	<b>(908,055)</b>	<b>(874,481)</b>

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT CONSOLIDATED - COMPARATIVE - August, 2012**

	<b>ACTUAL MONTH</b>	<b>BUDGET MONTH</b>	<b>PRIOR YEAR MONTH</b>	<b>ACTUAL Y-T-D</b>	<b>BUDGET Y-T-D</b>	<b>PRIOR YEAR ACTUAL Y-T-D</b>
<b>ROUNDS</b>	<b>2,579</b>	<b>3,536</b>	<b>3,532</b>	<b>5,513</b>	<b>7,247</b>	<b>7,301</b>
<b>REVENUES</b>						
GOLF FEES	112,060	160,062	157,408	244,634	326,718	322,056
MERCHANDISE	29,413	47,266	46,844	70,786	93,574	91,850
RANGE, RENTAL & OTHER	2,231	6,100	6,366	5,558	10,700	10,861
GROUP SERVICES	3,895	4,128	2,670	6,289	6,330	4,126
GOLF LESSONS	384	1,500	650	914	3,000	1,605
CALLAWAY FITTINGS	77	500	450	555	1,000	750
IWGR CARD SALES	5,654	6,000	6,423	11,309	12,000	12,846
OTHER INCOME	-	-	-	1,690	1,200	1,055
<b>TOTAL REVENUES</b>	<b>153,714</b>	<b>225,556</b>	<b>220,811</b>	<b>341,734</b>	<b>454,522</b>	<b>445,148</b>
<b>COST OF SALES</b>						
COS - GOLF	1,367	354	662	1,367	725	662
COS - MERCHANDISE	16,953	26,826	23,328	40,367	53,102	45,917
COS - GROUP SERVICES	2,681	2,724	2,602	4,062	4,178	4,046
COS - GOLF LESSONS	192	1,200	500	670	2,400	1,204
COS - OTHER	-	50	-	-	100	-
<b>TOTAL COST OF SALES</b>	<b>21,194</b>	<b>31,154</b>	<b>27,092</b>	<b>46,466</b>	<b>60,504</b>	<b>51,829</b>
<b>GROSS MARGIN</b>	<b>132,520</b>	<b>194,402</b>	<b>193,719</b>	<b>295,268</b>	<b>394,017</b>	<b>393,319</b>
<b>OPERATING EXPENSES</b>						
PAYROLL	256,728	268,982	270,330	521,639	538,357	531,196
EMPLOYEE BENEFITS	78,558	73,502	69,867	147,199	147,058	147,392
EMPLOYEE RELATED	7,209	10,838	14,914	12,490	15,826	20,771
MARKETING	7,085	8,782	8,645	17,264	24,389	20,284
REPAIRS & MAINTENANCE	57,827	77,150	63,855	136,632	155,202	124,109
OPERATING EXPENSES	18,263	24,069	21,622	55,021	59,646	47,196
<b>TOTAL OPERATING EXPENSE</b>	<b>425,672</b>	<b>463,323</b>	<b>449,232</b>	<b>890,245</b>	<b>940,478</b>	<b>890,947</b>

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT CONSOLIDATED - COMPARATIVE - August, 2012**

	<b>ACTUAL MONTH</b>	<b>BUDGET MONTH</b>	<b>PRIOR YEAR MONTH</b>	<b>ACTUAL Y-T-D</b>	<b>BUDGET Y-T-D</b>	<b>PRIOR YEAR ACTUAL Y-T-D</b>
<b>OPERATING PROFIT</b>	<b>(293,151)</b>	<b>(268,921)</b>	<b>(255,513)</b>	<b>(594,977)</b>	<b>(546,461)</b>	<b>(497,628)</b>
UTILITIES	97,669	91,439	88,836	185,186	181,974	173,666
<b>TOTAL FIXED OPERATING</b>	<b>97,669</b>	<b>91,439</b>	<b>88,836</b>	<b>185,186</b>	<b>181,974</b>	<b>173,666</b>
<b>GROSS OPERATING PROFIT</b>	<b>(390,820)</b>	<b>(360,360)</b>	<b>(344,350)</b>	<b>(780,163)</b>	<b>(728,435)</b>	<b>(671,294)</b>
INSURANCE	3,011	2,664	2,483	6,022	5,328	4,966
FEES, PERMITS & LICENS	-	1,000	320	-	1,000	1,634
BASE MANAGEMENT FEE	21,667	21,667	21,667	43,333	43,334	43,333
<b>TOTAL OTHER EXPENSES</b>	<b>24,678</b>	<b>25,331</b>	<b>24,470</b>	<b>49,355</b>	<b>49,662</b>	<b>49,934</b>
<b>NET OPERATING INCOME</b>	<b>(415,497)</b>	<b>(385,691)</b>	<b>(368,819)</b>	<b>(829,518)</b>	<b>(778,096)</b>	<b>(721,227)</b>

<b>IW CLUB</b>						
<b>INCOME STATEMENT CONSOLIDATED - COMPARATIVE - August, 2012</b>						
	<b>ACTUAL MONTH</b>	<b>BUDGET MONTH</b>	<b>PRIOR YEAR MONTH</b>	<b>ACTUAL Y-T-D</b>	<b>BUDGET Y-T-D</b>	<b>PRIOR YEAR ACTUAL Y-T-D</b>
<b>COVERS</b>	<b>8,519</b>	<b>10,886</b>	<b>10,674</b>	<b>17,165</b>	<b>21,975</b>	<b>21,381</b>
<b>REVENUES</b>						
FOOD & BEVERAGE	114,749	141,620	144,526	220,628	290,943	278,351
GROUP SERVICES	3,081	3,415	5,177	4,363	6,618	6,777
OTHER INCOME	1,760	679	999	10,505	1,334	4,197
<b>TOTAL REVENUES</b>	<b>119,590</b>	<b>145,714</b>	<b>150,702</b>	<b>235,495</b>	<b>298,895</b>	<b>289,325</b>
<b>COST OF SALES</b>						
COS - FOOD & BEVERAGE	39,837	46,648	47,494	86,944	95,591	102,397
COS - GROUP SERVICES	2,313	3,073	3,834	2,997	5,956	5,338
<b>TOTAL COST OF SALES</b>	<b>42,150</b>	<b>49,721</b>	<b>51,329</b>	<b>89,941</b>	<b>101,547</b>	<b>107,736</b>
<b>GROSS MARGIN</b>	<b>77,440</b>	<b>95,993</b>	<b>99,374</b>	<b>145,554</b>	<b>197,348</b>	<b>181,589</b>
<b>OPERATING EXPENSES</b>						
PAYROLL	75,670	101,244	99,641	166,643	202,828	207,675
EMPLOYEE BENEFITS	30,009	32,703	29,950	61,617	65,472	63,583
EMPLOYEE RELATED	2,414	1,571	3,056	3,997	3,892	4,586
MARKETING	4,121	2,884	8,824	6,698	5,768	10,319
REPAIRS & MAINTENANCE	1,272	2,350	2,765	2,112	4,000	4,725
OPERATING EXPENSES	19,707	19,842	18,568	40,093	39,947	38,305
<b>TOTAL OPERATING EXPENSE</b>	<b>133,191</b>	<b>160,595</b>	<b>162,802</b>	<b>281,160</b>	<b>321,907</b>	<b>329,193</b>
<b>OPERATING PROFIT</b>	<b>(55,751)</b>	<b>(64,602)</b>	<b>(63,429)</b>	<b>(135,606)</b>	<b>(124,559)</b>	<b>(147,604)</b>
UTILITIES	149	-	212	149	-	212
<b>TOTAL FIXED OPERATING</b>	<b>149</b>	<b>-</b>	<b>212</b>	<b>149</b>	<b>-</b>	<b>212</b>
<b>GROSS OPERATING PROFIT</b>	<b>(55,901)</b>	<b>(64,602)</b>	<b>(63,641)</b>	<b>(135,755)</b>	<b>(124,559)</b>	<b>(147,816)</b>
INSURANCE	896	850	680	1,793	1,700	1,360
FEES, PERMITS & LICENS	3,649	3,700	4,078	3,649	3,700	4,078
<b>TOTAL OTHER EXPENSES</b>	<b>4,546</b>	<b>4,550</b>	<b>4,758</b>	<b>5,442</b>	<b>5,400</b>	<b>5,438</b>
<b>NET OPERATING INCOME</b>	<b>(60,446)</b>	<b>(69,152)</b>	<b>(68,398)</b>	<b>(141,197)</b>	<b>(129,959)</b>	<b>(153,254)</b>

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT GOLF - COMPARATIVE - August, 2012**

	ACTUAL MONTH	BUDGET MONTH	PRIOR YEAR MONTH	ACTUAL Y-T-D	BUDGET Y-T-D	PRIOR YEAR ACTUAL Y-T-D
ROUNDS - 18 HOLE PRIME	122	96	131	265	240	306
ROUNDS - 18 HOLE NON-PRIME	50	136	150	183	324	291
ROUNDS - TOURNAMENT	683	688	634	1,074	1,055	967
ROUNDS - RESORT GUEST PRIME	289	272	529	590	596	1,171
ROUNDS - RESORT GUEST NON-PRI	158	402	286	377	826	515
ROUNDS - AFTERNOON PRIME	102	160	216	256	331	501
ROUNDS - AFTERNOON NON-PRIME	90	294	215	241	610	425
ROUNDS - TROON PROGRAMS	27	62	17	40	160	48
ROUNDS - JUNIOR	44	84	116	121	182	232
ROUNDS - IWGR CARD PROGRAM	73	137	158	205	308	384
ROUNDS - PGA/CART FEES	65	135	76	137	272	187
ROUNDS - WHOLESALER	58	104	104	209	254	158
ROUNDS - SPECIAL	344	236	250	719	581	623
ROUNDS - COMP ROUNDS	129	254	230	299	528	480
ROUNDS - MEMBER	286	330	325	673	648	790
ROUNDS - MEMBER GUEST PRIME	35	48	66	69	102	153
ROUNDS - MEMBER GUEST NON-PRI	24	98	29	55	230	70
<b>TOTAL ROUNDS</b>	<b>2,579</b>	<b>3,536</b>	<b>3,532</b>	<b>5,513</b>	<b>7,247</b>	<b>7,301</b>
18 HOLE PRIME	7,478	7,200	9,920	16,853	18,000	22,885
18 HOLE NON-PRIME	2,612	9,520	10,360	11,743	22,680	20,210
TOURNAMENT	32,705	37,152	34,451	52,066	54,401	49,695
RESORT GUEST PRIME	15,362	17,680	26,780	31,749	38,740	62,615
RESORT GUEST NON-PRIME	8,830	24,120	16,185	21,448	49,560	29,745
AFTERNOON PRIME	4,065	6,400	8,108	10,133	13,240	19,048
AFTERNOON NON-PRIME	3,518	11,760	8,260	9,488	24,400	16,420
TROON PROGRAMS	1,215	2,790	780	1,800	6,710	2,040
JUNIOR	770	1	1,800	2,075	2	3,780
IWGR CARD PROGRAM	3,250	5,480	6,320	9,115	12,320	15,370
WHOLESALER	3,179	6,136	6,012	10,585	14,836	9,441
SPECIAL	14,924	11,328	11,727	35,150	29,613	30,257
PGA/CART FEES	1,570	3,105	2,160	3,505	6,256	5,173
MEMBER ROUNDS	9,866	11,550	10,765	23,299	22,680	26,478
MEMBER GUEST PRIME ROUNDS	1,680	1,920	2,520	3,200	4,080	6,000
MEMBER GUEST NON-PRIME ROUNDS	1,035	3,920	1,260	2,425	9,200	2,900
<b>TOTAL GOLF FEES</b>	<b>112,060</b>	<b>160,062</b>	<b>157,408</b>	<b>244,634</b>	<b>326,718</b>	<b>322,056</b>

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT GOLF - COMPARATIVE - August, 2012**

	ACTUAL MONTH		BUDGET MONTH		PRIOR YEAR MONTH		ACTUAL Y-T-D		BUDGET Y-T-D		PRIOR YEAR ACTUAL Y-T-D	
RANGE, RENTAL & OTHER	2,231	-	6,000	-	6,366	-	5,558	-	10,500	-	10,861	-
GROUP SERVICES - GOLF	3,895	-	4,128	-	2,670	-	6,289	-	6,330	-	4,126	-
GOLF LESSONS	384	-	1,500	-	650	-	914	-	3,000	-	1,605	-
IWGR CARD SALES	5,654	-	6,000	-	6,423	-	11,309	-	12,000	-	12,846	-
OTHER INCOME	-	-	-	-	-	-	1,690	-	1,200	-	1,055	-
<b>TOTAL OTHER GOLF REVENUE</b>	<b>12,164</b>	<b>-</b>	<b>17,628</b>	<b>-</b>	<b>16,109</b>	<b>-</b>	<b>25,760</b>	<b>-</b>	<b>33,030</b>	<b>-</b>	<b>30,493</b>	<b>-</b>
<b>TOTAL REVENUES</b>	<b>124,224</b>	<b>-</b>	<b>177,690</b>	<b>-</b>	<b>173,517</b>	<b>-</b>	<b>270,393</b>	<b>-</b>	<b>359,748</b>	<b>-</b>	<b>352,548</b>	<b>-</b>
COS - GOLF	1,367	53.0	354	10.0	662	18.8	1,367	24.8	725	10.0	662	9.1
COS - GROUP SERVICES GOLF	2,681	68.8	2,724	66.0	2,602	97.5	4,062	64.6	4,178	66.0	4,046	98.1
COS - GOLF LESSONS	192	50.0	1,200	80.0	500	76.9	670	73.3	2,400	80.0	1,204	75.0
<b>TOTAL COST OF SALES</b>	<b>4,240</b>	<b>3.4</b>	<b>4,278</b>	<b>2.4</b>	<b>3,764</b>	<b>2.2</b>	<b>6,100</b>	<b>2.3</b>	<b>7,303</b>	<b>2.0</b>	<b>5,912</b>	<b>1.7</b>
<b>TOTAL GROSS MARGIN</b>	<b>119,983</b>	<b>96.6</b>	<b>173,412</b>	<b>97.6</b>	<b>169,753</b>	<b>97.8</b>	<b>264,294</b>	<b>97.7</b>	<b>352,445</b>	<b>98.0</b>	<b>346,636</b>	<b>98.3</b>
PAYROLL - HOURLY	32,655	26.3	32,473	18.3	36,533	21.1	64,077	23.7	64,765	18.0	72,409	20.5
PAYROLL - SALARY	24,418	19.7	22,317	12.6	13,418	7.7	44,574	16.5	44,634	12.4	28,598	8.1
PAYROLL - OVERTIME	248	0.2	-	-	86	0.1	1,849	0.7	-	-	747	0.2
PAYROLL - VACATION	3,641	2.9	3,070	1.7	5,118	3.0	8,534	3.2	6,141	1.7	7,741	2.2
<b>TOTAL PAYROLL</b>	<b>60,962</b>	<b>49.1</b>	<b>57,861</b>	<b>32.6</b>	<b>55,155</b>	<b>31.8</b>	<b>119,033</b>	<b>44.0</b>	<b>115,539</b>	<b>32.1</b>	<b>109,495</b>	<b>31.1</b>
PAYROLL TAXES	6,332	5.1	4,629	2.6	4,745	2.7	10,798	4.0	9,243	2.6	11,068	3.1
WORKERS COMP	4,839	3.9	3,038	1.7	3,128	1.8	8,995	3.3	6,066	1.7	7,251	2.1
MEDICAL/DENTAL INS	9,555	7.7	11,447	6.4	8,541	4.9	19,113	7.1	22,893	6.4	17,103	4.9
401 (K) COSTS	363	0.3	405	0.2	523	0.3	735	0.3	809	0.2	937	0.3
EMPLOYEE MEALS	625	0.5	250	0.1	325	0.2	958	0.4	500	0.1	723	0.2
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>21,714</b>	<b>17.5</b>	<b>19,768</b>	<b>11.1</b>	<b>17,262</b>	<b>10.0</b>	<b>40,599</b>	<b>15.0</b>	<b>39,511</b>	<b>11.0</b>	<b>37,082</b>	<b>10.5</b>
ADVERTISING	6,188	5.0	7,732	4.4	7,511	4.3	15,660	5.8	22,389	6.2	18,545	5.3
PROMOTION	22	-	250	0.1	15	-	84	-	500	0.1	24	-
<b>TOTAL MARKETING</b>	<b>6,210</b>	<b>5.0</b>	<b>7,982</b>	<b>4.5</b>	<b>7,526</b>	<b>4.3</b>	<b>15,744</b>	<b>5.8</b>	<b>22,889</b>	<b>6.4</b>	<b>18,569</b>	<b>5.3</b>
R&M CARTS	710	0.6	1,200	0.7	1,954	1.1	2,954	1.1	2,400	0.7	3,921	1.1
<b>TOTAL REPAIRS &amp; MAINTENANCE</b>	<b>710</b>	<b>0.6</b>	<b>1,200</b>	<b>0.7</b>	<b>1,954</b>	<b>1.1</b>	<b>2,954</b>	<b>1.1</b>	<b>2,400</b>	<b>0.7</b>	<b>3,921</b>	<b>1.1</b>
EMPLOYEE UNIFORMS	221	0.2	-	-	14	-	(480)	(0.2)	-	-	167	0.1
HANDICAP FEES	-	-	100	0.1	180	0.1	60	-	200	0.1	330	0.1
GOLF OPERATING SUPPLIES	2,845	2.3	3,500	2.0	2,927	1.7	4,336	1.6	7,000	2.0	6,681	1.9
LOCKER ROOM SUPPLIES	-	-	30	-	-	-	-	-	60	-	-	-
FREIGHT	-	-	-	-	26	-	-	-	-	-	157	-
CREDIT CARDS FEES	717	0.6	3,681	2.1	2,518	1.5	7,949	2.9	7,515	2.1	6,996	2.0
CASH OVER/SHORT	62	0.1	-	-	(11)	-	(32)	-	-	-	(2)	-
<b>OPERATING EXPENSES</b>	<b>3,845</b>	<b>3.1</b>	<b>7,311</b>	<b>4.1</b>	<b>5,654</b>	<b>3.3</b>	<b>11,833</b>	<b>4.4</b>	<b>14,775</b>	<b>4.1</b>	<b>14,329</b>	<b>4.1</b>

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT GOLF - COMPARATIVE - August, 2012**

	ACTUAL MONTH		BUDGET MONTH		PRIOR YEAR MONTH		ACTUAL Y-T-D		BUDGET Y-T-D		PRIOR YEAR ACTUAL Y-T-D	
<b>TOTAL OPERATING EXPENSES</b>	<b>93,442</b>	<b>75.2</b>	<b>94,122</b>	<b>53.0</b>	<b>87,551</b>	<b>50.5</b>	<b>190,164</b>	<b>70.3</b>	<b>195,114</b>	<b>54.2</b>	<b>183,397</b>	<b>52.0</b>
<b>TOTAL OPERATING PROFIT</b>	<b>26,542</b>	<b>21.4</b>	<b>79,290</b>	<b>44.6</b>	<b>82,202</b>	<b>47.4</b>	<b>74,130</b>	<b>27.4</b>	<b>157,332</b>	<b>43.7</b>	<b>163,239</b>	<b>46.3</b>
<b>GROSS OPERATING PROFIT</b>	<b>26,542</b>	<b>21.4</b>	<b>79,290</b>	<b>44.6</b>	<b>82,202</b>	<b>47.4</b>	<b>74,130</b>	<b>27.4</b>	<b>157,332</b>	<b>43.7</b>	<b>163,239</b>	<b>46.3</b>
<b>NET OPERATING INCOME</b>	<b>26,542</b>	<b>21.4</b>	<b>79,290</b>	<b>44.6</b>	<b>82,202</b>	<b>47.4</b>	<b>74,130</b>	<b>27.4</b>	<b>157,332</b>	<b>43.7</b>	<b>163,239</b>	<b>46.3</b>
<b>CART LEASE</b>	<b>8,317</b>	<b>6.7</b>	<b>27,683</b>	<b>15.6</b>	<b>-</b>	<b>-</b>	<b>8,317</b>	<b>3.1</b>	<b>55,366</b>	<b>15.4</b>	<b>-</b>	<b>-</b>
<b>NET INCOME (LOSS)</b>	<b>18,224</b>	<b>14.7</b>	<b>51,607</b>	<b>29.0</b>	<b>82,202</b>	<b>47.4</b>	<b>65,813</b>	<b>24.3</b>	<b>101,966</b>	<b>28.3</b>	<b>163,239</b>	<b>46.3</b>

INDIAN WELLS GOLF RESORT												
INCOME STATEMENT CALLAWAY CTR - COMPARATIVE - August, 2012												
	ACTUAL MONTH		BUDGET MONTH		PRIOR YEAR MONTH		ACTUAL Y-T-D		BUDGET Y-T-D		PRIOR YEAR ACTUAL Y-T-D	
MERCHANDISE SALES - CALLAWAY	2,806	-	6,500	-	6,000	-	6,079	-	13,000	-	11,845	-
SALES DISCOUNTS - CALLAWAY CE	(662)	-	(1,300)	-	(1,198)	-	(1,338)	-	(2,600)	-	(2,365)	-
<b>TOTAL MERCHANDISE</b>	<b>2,144</b>	<b>-</b>	<b>5,200</b>	<b>-</b>	<b>4,802</b>	<b>-</b>	<b>4,741</b>	<b>-</b>	<b>10,400</b>	<b>-</b>	<b>9,480</b>	<b>-</b>
RANGE, RENTAL & OTHER	-	-	100	-	-	-	-	-	200	-	-	-
CALLAWAY FITTINGS	77	-	500	-	450	-	555	-	1,000	-	750	-
<b>TOTAL OTHER GOLF REVENUE</b>	<b>77</b>	<b>-</b>	<b>600</b>	<b>-</b>	<b>450</b>	<b>-</b>	<b>555</b>	<b>-</b>	<b>1,200</b>	<b>-</b>	<b>750</b>	<b>-</b>
<b>TOTAL REVENUES</b>	<b>2,222</b>	<b>-</b>	<b>5,800</b>	<b>-</b>	<b>5,252</b>	<b>-</b>	<b>5,296</b>	<b>-</b>	<b>11,600</b>	<b>-</b>	<b>10,230</b>	<b>-</b>
COS - MERCHANDISE - CALLAWAY	1,881	87.7	3,900	75.0	3,908	81.4	3,533	74.5	7,800	75.0	7,219	76.2
COS - DISCOUNTS EARNED	(11)	(0.5)	(50)	(1.0)	(73)	(1.5)	(55)	(1.2)	(100)	(1.0)	(151)	(1.6)
COS - OTHER	-	-	50	-	-	-	-	-	100	-	-	-
<b>TOTAL COST OF SALES</b>	<b>1,870</b>	<b>84.2</b>	<b>3,900</b>	<b>67.2</b>	<b>3,836</b>	<b>73.0</b>	<b>3,478</b>	<b>65.7</b>	<b>7,800</b>	<b>67.2</b>	<b>7,067</b>	<b>69.1</b>
<b>TOTAL GROSS MARGIN</b>	<b>352</b>	<b>15.8</b>	<b>1,900</b>	<b>32.8</b>	<b>1,416</b>	<b>27.0</b>	<b>1,818</b>	<b>34.3</b>	<b>3,800</b>	<b>32.8</b>	<b>3,163</b>	<b>30.9</b>
PAYROLL - HOURLY	-	-	-	-	-	-	957	18.1	-	-	-	-
PAYROLL - SALARY	2,793	125.7	2,557	44.1	1,522	29.0	4,369	82.5	5,113	44.1	4,528	44.3
PAYROLL - VACATION	130	5.9	314	5.4	287	5.5	370	7.0	628	5.4	403	3.9
<b>TOTAL PAYROLL</b>	<b>2,923</b>	<b>131.6</b>	<b>2,871</b>	<b>49.5</b>	<b>1,809</b>	<b>34.4</b>	<b>5,696</b>	<b>107.6</b>	<b>5,742</b>	<b>49.5</b>	<b>4,930</b>	<b>48.2</b>
PAYROLL TAXES	214	9.6	230	4.0	196	3.7	407	7.7	459	4.0	426	4.2
WORKERS COMP	178	8.0	151	2.6	151	2.9	330	6.2	301	2.6	315	3.1
MEDICAL/DENTAL INS	341	15.4	411	7.1	795	15.1	683	12.9	823	7.1	1,590	15.5
401 (K) COSTS	22	1.0	20	0.4	29	0.6	41	0.8	40	0.4	63	0.6
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>754</b>	<b>34.0</b>	<b>812</b>	<b>14.0</b>	<b>1,172</b>	<b>22.3</b>	<b>1,461</b>	<b>27.6</b>	<b>1,623</b>	<b>14.0</b>	<b>2,395</b>	<b>23.4</b>
GOLF OPERATING SUPPLIES	-	-	25	0.4	-	-	-	-	50	0.4	-	-
FREIGHT	37	1.7	104	1.8	48	0.9	88	1.7	208	1.8	129	1.3
<b>OPERATING EXPENSES</b>	<b>37</b>	<b>1.7</b>	<b>129</b>	<b>2.2</b>	<b>48</b>	<b>0.9</b>	<b>88</b>	<b>1.7</b>	<b>258</b>	<b>2.2</b>	<b>129</b>	<b>1.3</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>3,715</b>	<b>167.2</b>	<b>3,812</b>	<b>65.7</b>	<b>3,029</b>	<b>57.7</b>	<b>7,245</b>	<b>136.8</b>	<b>7,623</b>	<b>65.7</b>	<b>7,454</b>	<b>72.9</b>
<b>TOTAL OPERATING PROFIT</b>	<b>(3,363)</b>	<b>(151.4)</b>	<b>(1,912)</b>	<b>(33.0)</b>	<b>(1,613)</b>	<b>(30.7)</b>	<b>(5,428)</b>	<b>(102.5)</b>	<b>(3,823)</b>	<b>(33.0)</b>	<b>(4,292)</b>	<b>(42.0)</b>
<b>GROSS OPERATING PROFIT</b>	<b>(3,363)</b>	<b>(151.4)</b>	<b>(1,912)</b>	<b>(33.0)</b>	<b>(1,613)</b>	<b>(30.7)</b>	<b>(5,428)</b>	<b>(102.5)</b>	<b>(3,823)</b>	<b>(33.0)</b>	<b>(4,292)</b>	<b>(42.0)</b>
<b>NET OPERATING INCOME</b>	<b>(3,363)</b>	<b>(151.4)</b>	<b>(1,912)</b>	<b>(33.0)</b>	<b>(1,613)</b>	<b>(30.7)</b>	<b>(5,428)</b>	<b>(102.5)</b>	<b>(3,823)</b>	<b>(33.0)</b>	<b>(4,292)</b>	<b>(42.0)</b>
<b>NET INCOME (LOSS)</b>	<b>(3,363)</b>	<b>(151.4)</b>	<b>(1,912)</b>	<b>(33.0)</b>	<b>(1,613)</b>	<b>(30.7)</b>	<b>(5,428)</b>	<b>(102.5)</b>	<b>(3,823)</b>	<b>(33.0)</b>	<b>(4,292)</b>	<b>(42.0)</b>

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT MERCHANDISE - COMPARATIVE - August, 2012**

	<b>ACTUAL</b>		<b>BUDGET</b>		<b>PRIOR YEAR</b>		<b>ACTUAL</b>		<b>BUDGET</b>		<b>PRIOR YEAR</b>	
	<b>MONTH</b>		<b>MONTH</b>		<b>MONTH</b>		<b>Y-T-D</b>		<b>Y-T-D</b>		<b>ACTUAL Y-T-D</b>	
MERCHANDISE SALES - SOFT GOOD	26,595	-	36,909	-	36,051	-	63,721	-	74,590	-	73,607	-
SALES DISCOUNTS - SOFT GOODS	(7,270)	-	(8,120)	-	(8,230)	-	(17,612)	-	(16,410)	-	(16,982)	-
MERCHANDISE SALES - HARD GOOD	5,334	-	7,278	-	6,111	-	15,326	-	13,897	-	12,632	-
SALES DISCOUNTS - HARD GOODS	(541)	-	(728)	-	(470)	-	(1,322)	-	(1,390)	-	(874)	-
MERCHANDISE SALES - ACCESSORI	3,219	-	6,758	-	6,066	-	7,431	-	12,868	-	12,010	-
SALES DISCOUNTS - ACCESSORIES	(611)	-	(811)	-	(747)	-	(2,116)	-	(1,544)	-	(1,513)	-
MERCHANDISE SALES - SPECIAL O	542	-	1,040	-	3,262	-	617	-	1,549	-	3,539	-
SALES DISCOUNTS - SPECIAL ORD	-	-	(260)	-	-	-	-	-	(387)	-	(50)	-
<b>TOTAL MERCHANDISE</b>	<b>27,269</b>	<b>-</b>	<b>42,066</b>	<b>-</b>	<b>42,042</b>	<b>-</b>	<b>66,045</b>	<b>-</b>	<b>83,174</b>	<b>-</b>	<b>82,370</b>	<b>-</b>
<b>TOTAL REVENUES</b>	<b>27,269</b>	<b>-</b>	<b>42,066</b>	<b>-</b>	<b>42,042</b>	<b>-</b>	<b>66,045</b>	<b>-</b>	<b>83,174</b>	<b>-</b>	<b>82,370</b>	<b>-</b>
COS - MERCHANDISE - SOFT GOOD	10,320	53.4	15,871	55.1	13,524	48.6	25,072	54.4	32,074	55.1	27,116	47.9
COS - MERCHANDISE - HARD GOOD	2,666	55.6	3,930	60.0	3,294	58.4	7,637	54.5	7,505	60.0	6,448	54.8
COS - MERCHANDISE - ACCESSORI	1,557	59.7	3,007	50.6	2,638	49.6	3,598	67.7	5,726	50.6	5,173	49.3
COS - MERCHANDISE - SPECIAL O	542	100.0	468	60.0	57	1.8	610	98.9	697	60.0	214	6.1
COS - DISCOUNTS EARNED	(2)	-	(300)	(0.7)	(22)	(0.1)	(29)	-	(600)	(0.7)	(102)	(0.1)
<b>TOTAL COST OF SALES</b>	<b>15,083</b>	<b>55.3</b>	<b>22,976</b>	<b>54.6</b>	<b>19,492</b>	<b>46.4</b>	<b>36,889</b>	<b>55.9</b>	<b>45,402</b>	<b>54.6</b>	<b>38,849</b>	<b>47.2</b>
<b>TOTAL GROSS MARGIN</b>	<b>12,185</b>	<b>44.7</b>	<b>19,090</b>	<b>45.4</b>	<b>22,550</b>	<b>53.6</b>	<b>29,156</b>	<b>44.2</b>	<b>37,772</b>	<b>45.4</b>	<b>43,520</b>	<b>52.8</b>
PAYROLL - HOURLY	5,806	21.3	7,464	17.7	6,272	14.9	12,495	18.9	15,503	18.6	13,065	15.9
PAYROLL - SALARY	6,085	22.3	5,264	12.5	4,559	10.8	9,702	14.7	10,528	12.7	10,452	12.7
PAYROLL - OVERTIME	24	0.1	-	-	7	-	329	0.5	-	-	123	0.2
PAYROLL - VACATION	390	1.4	428	1.0	1,126	2.7	1,368	2.1	856	1.0	1,581	1.9
<b>TOTAL PAYROLL</b>	<b>12,306</b>	<b>45.1</b>	<b>13,156</b>	<b>31.3</b>	<b>11,964</b>	<b>28.5</b>	<b>23,893</b>	<b>36.2</b>	<b>26,887</b>	<b>32.3</b>	<b>25,222</b>	<b>30.6</b>
PAYROLL TAXES	1,218	4.5	1,053	2.5	1,914	4.6	2,039	3.1	2,151	2.6	3,163	3.8
WORKERS COMP	935	3.4	691	1.6	1,383	3.3	1,742	2.6	1,412	1.7	2,158	2.6
MEDICAL/DENTAL INS	784	2.9	851	2.0	1,228	2.9	1,565	2.4	1,703	2.1	2,153	2.6
401 (K) COSTS	115	0.4	92	0.2	112	0.3	235	0.4	188	0.2	242	0.3
EMPLOYEE MEALS	32	0.1	-	-	113	0.3	46	0.1	-	-	165	0.2
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>3,084</b>	<b>11.3</b>	<b>2,687</b>	<b>6.4</b>	<b>4,751</b>	<b>11.3</b>	<b>5,627</b>	<b>8.5</b>	<b>5,453</b>	<b>6.6</b>	<b>7,881</b>	<b>9.6</b>

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT MERCHANDISE - COMPARATIVE - August, 2012**

	<b>ACTUAL MONTH</b>		<b>BUDGET MONTH</b>		<b>PRIOR YEAR MONTH</b>		<b>ACTUAL Y-T-D</b>		<b>BUDGET Y-T-D</b>		<b>PRIOR YEAR ACTUAL Y-T-D</b>	
TRAVEL EXPENSE	1,117	4.1	1,500	3.6	1,129	2.7	1,117	1.7	1,500	1.8	1,253	1.5
<b>TOTAL EMPLOYEE RELATED</b>	<b>1,117</b>	<b>4.1</b>	<b>1,500</b>	<b>3.6</b>	<b>1,129</b>	<b>2.7</b>	<b>1,117</b>	<b>1.7</b>	<b>1,500</b>	<b>1.8</b>	<b>1,253</b>	<b>1.5</b>
GOLF OPERATING SUPPLIES	22	0.1	100	0.2	663	1.6	9,042	13.7	8,500	10.2	1,327	1.6
FREIGHT	492	1.8	774	1.8	506	1.2	1,014	1.5	1,470	1.8	1,372	1.7
<b>OPERATING EXPENSES</b>	<b>514</b>	<b>1.9</b>	<b>874</b>	<b>2.1</b>	<b>1,169</b>	<b>2.8</b>	<b>10,056</b>	<b>15.2</b>	<b>9,970</b>	<b>12.0</b>	<b>2,698</b>	<b>3.3</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>17,022</b>	<b>62.4</b>	<b>18,217</b>	<b>43.3</b>	<b>19,013</b>	<b>45.2</b>	<b>40,693</b>	<b>61.6</b>	<b>43,810</b>	<b>52.7</b>	<b>37,054</b>	<b>45.0</b>
<b>TOTAL OPERATING PROFIT</b>	<b>(4,837)</b>	<b>(17.7)</b>	<b>873</b>	<b>2.1</b>	<b>3,537</b>	<b>8.4</b>	<b>(11,537)</b>	<b>(17.5)</b>	<b>(6,038)</b>	<b>(7.3)</b>	<b>6,466</b>	<b>7.9</b>
<b>GROSS OPERATING PROFIT</b>	<b>(4,837)</b>	<b>(17.7)</b>	<b>873</b>	<b>2.1</b>	<b>3,537</b>	<b>8.4</b>	<b>(11,537)</b>	<b>(17.5)</b>	<b>(6,038)</b>	<b>(7.3)</b>	<b>6,466</b>	<b>7.9</b>
<b>NET OPERATING INCOME</b>	<b>(4,837)</b>	<b>(17.7)</b>	<b>873</b>	<b>2.1</b>	<b>3,537</b>	<b>8.4</b>	<b>(11,537)</b>	<b>(17.5)</b>	<b>(6,038)</b>	<b>(7.3)</b>	<b>6,466</b>	<b>7.9</b>
<b>NET INCOME (LOSS)</b>	<b>(4,837)</b>	<b>(17.7)</b>	<b>873</b>	<b>2.1</b>	<b>3,537</b>	<b>8.4</b>	<b>(11,537)</b>	<b>(17.5)</b>	<b>(6,038)</b>	<b>(7.3)</b>	<b>6,466</b>	<b>7.9</b>

IW CLUB												
INCOME STATEMENT CONSOLIDATED - COMPARATIVE - August, 2012												
	ACTUAL		BUDGET		PRIOR YEAR		ACTUAL		BUDGET		PRIOR YEAR	
	MONTH		MONTH		MONTH		Y-T-D		Y-T-D		ACTUAL Y-T-D	
COVERS - RESTAURANT	3,134		4,700		3,416		6,131		9,700		6,922	
COVERS - BANQUET	548		450		496		862		900		795	
COVERS - CAFE	1,509		2,200		2,032		3,098		4,128		3,809	
COVERS - FAIRWAY GRILL	2,579		3,536		3,532		5,513		7,247		7,301	
COVERS - RESIDENT	749		-		1,198		1,561		-		2,554	
<b>TOTAL COVERS</b>	<b>8,519</b>		<b>10,886</b>		<b>10,674</b>		<b>17,165</b>		<b>21,975</b>		<b>21,381</b>	
FOOD SALES	86,980	-	110,444	-	114,613	-	167,720	-	222,969	-	218,383	-
DISCOUNTS-EMPLOYEE FOOD SALES	(2,891)	-	(900)	-	(3,610)	-	(5,838)	-	(1,800)	-	(7,343)	-
DISCOUNTS-PUBLIC FOOD SALES	(2,887)	-	(5,235)	-	(4,515)	-	(5,971)	-	(10,650)	-	(9,570)	-
BEER SALES	13,293	-	13,178	-	14,053	-	24,652	-	27,153	-	27,601	-
WINE SALES	8,683	-	10,706	-	11,625	-	16,544	-	23,574	-	22,849	-
LIQUOR SALES	11,175	-	12,671	-	11,632	-	22,730	-	28,207	-	25,034	-
TOBACCO SALES	397	-	757	-	728	-	789	-	1,489	-	1,397	-
GRATUITIES/GROUP SVC CHARGE	3,081	-	3,415	-	5,177	-	4,363	-	6,618	-	6,777	-
OTHER F&B INCOME - NON-TAXABL	1,760	-	679	-	999	-	10,505	-	1,334	-	4,197	-
<b>TOTAL FOOD &amp; BEVERAGE REVENUE</b>	<b>119,590</b>	<b>-</b>	<b>145,714</b>	<b>-</b>	<b>150,702</b>	<b>-</b>	<b>235,495</b>	<b>-</b>	<b>298,895</b>	<b>-</b>	<b>289,325</b>	<b>-</b>
COS - FOOD	32,318	39.8	36,374	34.9	38,588	36.2	71,967	46.2	73,520	34.9	82,206	40.8
COS - BEER	2,674	20.1	3,558	27.0	4,139	29.5	5,163	20.9	7,331	27.0	8,110	29.4
COS - WINE	3,125	36.0	3,854	36.0	3,779	32.5	5,894	35.6	8,487	36.0	7,240	31.7
COS - LIQUOR	997	8.9	2,407	19.0	389	3.4	3,090	13.6	5,359	19.0	3,985	15.9
COS - TOBACCO	723	182.4	454	60.0	599	82.3	830	105.2	893	60.0	856	61.3
COS - GROUP SERVICES F&B	2,313	75.1	3,073	90.0	3,834	74.1	2,997	68.7	5,956	90.0	5,338	78.8
<b>TOTAL COST OF SALES</b>	<b>42,150</b>	<b>35.3</b>	<b>49,721</b>	<b>34.1</b>	<b>51,329</b>	<b>34.1</b>	<b>89,941</b>	<b>38.2</b>	<b>101,547</b>	<b>34.0</b>	<b>107,736</b>	<b>37.2</b>
<b>TOTAL GROSS MARGIN</b>	<b>77,440</b>	<b>64.8</b>	<b>95,993</b>	<b>65.9</b>	<b>99,374</b>	<b>65.9</b>	<b>145,554</b>	<b>61.8</b>	<b>197,348</b>	<b>66.0</b>	<b>181,589</b>	<b>62.8</b>
PAYROLL - F&B MNGR	10,904	9.1	17,053	11.7	14,147	9.4	27,061	11.5	34,106	11.4	23,204	8.0
PAYROLL - KITCHEN	31,817	36.6	36,429	33.0	38,973	34.0	69,043	41.2	73,104	32.8	87,377	40.0
PAYROLL - IW CLUB SERVERS	15,047	12.6	20,153	13.8	20,266	13.4	31,328	13.3	40,306	13.5	44,382	15.3
PAYROLL - BANQUETS	6,346	5.3	8,070	5.5	6,686	4.4	12,448	5.3	16,146	5.4	18,196	6.3
PAYROLL - CAFE/BV CRT/FWY GRL	7,895	6.6	14,311	9.8	9,328	6.2	17,313	7.4	28,707	9.6	19,667	6.8
PAYROLL - OVERTIME	533	0.4	-	-	1,475	1.0	2,203	0.9	-	-	3,536	1.2
PAYROLL - VACATION	3,129	177.8	5,230	770.3	8,765	877.4	7,246	69.0	10,460	784.1	11,314	269.6
<b>TOTAL PAYROLL</b>	<b>75,670</b>	<b>63.3</b>	<b>101,244</b>	<b>69.5</b>	<b>99,641</b>	<b>66.1</b>	<b>166,643</b>	<b>70.8</b>	<b>202,828</b>	<b>67.9</b>	<b>207,675</b>	<b>71.8</b>

IW CLUB												
INCOME STATEMENT CONSOLIDATED - COMPARATIVE - August, 2012												
	ACTUAL MONTH	BUDGET MONTH	PRIOR YEAR MONTH	ACTUAL Y-T-D	BUDGET Y-T-D	PRIOR YEAR ACTUAL Y-T-D						
PAYROLL TAXES	7,787	6.5	8,100	5.6	8,643	5.7	14,840	6.3	16,226	5.4	18,955	6.6
WORKERS COMP	5,905	4.9	5,315	3.7	5,476	3.6	12,720	5.4	10,648	3.6	10,659	3.7
MEDICAL/DENTAL INS	15,051	12.6	18,079	12.4	13,906	9.2	31,149	13.2	36,158	12.1	30,069	10.4
401 (K) COSTS	804	0.7	709	0.5	1,043	0.7	1,742	0.7	1,440	0.5	2,163	0.8
EMPLOYEE MEALS	462	0.4	500	0.3	883	0.6	1,167	0.5	1,000	0.3	1,737	0.6
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>30,009</b>	<b>25.1</b>	<b>32,703</b>	<b>22.4</b>	<b>29,950</b>	<b>19.9</b>	<b>61,617</b>	<b>26.2</b>	<b>65,472</b>	<b>21.9</b>	<b>63,583</b>	<b>22.0</b>
RECRUITING & RELOCATION	140	0.1	-	-	-	-	140	0.1	-	-	-	-
BUSINESS RELATED MEALS	100	0.1	-	-	284	0.2	100	-	-	-	284	0.1
TRAVEL EXPENSE	922	0.8	-	-	1,301	0.9	922	0.4	750	0.3	1,301	0.5
EMPLOYEE BENEFITS & ADMINISTR	1,251	1.1	1,571	1.1	1,471	1.0	2,834	1.2	3,142	1.1	3,001	1.0
<b>TOTAL EMPLOYEE RELATED</b>	<b>2,414</b>	<b>2.0</b>	<b>1,571</b>	<b>1.1</b>	<b>3,056</b>	<b>2.0</b>	<b>3,997</b>	<b>1.7</b>	<b>3,892</b>	<b>1.3</b>	<b>4,586</b>	<b>1.6</b>
ADVERTISING	3,194	2.7	1,984	1.4	7,997	5.3	4,643	2.0	3,968	1.3	8,172	2.8
PROMOTION	926	0.8	900	0.6	470	0.3	2,055	0.9	1,800	0.6	1,587	0.6
PROMOTION - FOOD	-	-	-	-	357	0.2	-	-	-	-	560	0.2
<b>TOTAL MARKETING</b>	<b>4,121</b>	<b>3.5</b>	<b>2,884</b>	<b>2.0</b>	<b>8,824</b>	<b>5.9</b>	<b>6,698</b>	<b>2.8</b>	<b>5,768</b>	<b>1.9</b>	<b>10,319</b>	<b>3.6</b>
R&M EQUIPMENT - F&B	1,232	1.0	1,900	1.3	2,373	1.6	1,880	0.8	3,100	1.0	4,275	1.5
R&M BEVERAGE CARTS	40	-	450	0.3	391	0.3	232	0.1	900	0.3	450	0.2
<b>TOTAL REPAIRS &amp; MAINTENANCE</b>	<b>1,272</b>	<b>1.1</b>	<b>2,350</b>	<b>1.6</b>	<b>2,765</b>	<b>1.8</b>	<b>2,112</b>	<b>0.9</b>	<b>4,000</b>	<b>1.3</b>	<b>4,725</b>	<b>1.6</b>

IW CLUB												
INCOME STATEMENT CONSOLIDATED - COMPARATIVE - August, 2012												
	ACTUAL		BUDGET		PRIOR YEAR		ACTUAL		BUDGET		PRIOR YEAR	
	MONTH		MONTH		MONTH		Y-T-D		Y-T-D		ACTUAL Y-T-D	
SERVER UNIFORMS	393	0.3	400	0.3	-	-	578	0.3	800	0.3	-	-
CULINARY UNIFORMS	1,419	1.2	1,300	0.9	1,440	1.0	2,157	0.9	2,600	0.9	2,729	0.9
EQUIPMENT RENTAL	157	0.1	200	0.1	183	0.1	1,388	0.6	400	0.1	1,383	0.5
PAPER PRODUCTS	-	-	450	0.3	188	0.1	424	0.2	900	0.3	473	0.2
OFFICE SUPPLIES	-	-	300	0.2	-	-	-	-	600	0.2	399	0.1
FLOWERS & DECORATIONS	748	0.6	200	0.1	292	0.2	1,040	0.4	400	0.1	292	0.1
OPERATING SUPPLIES - F&B	6,084	5.1	5,522	3.8	5,120	3.4	13,040	5.5	11,318	3.8	10,120	3.5
OPERATING SUPPLIES - G&A	-	-	-	-	-	-	-	-	-	-	117	-
LAUNDRY/LINENS	1,231	1.0	1,745	1.2	1,478	1.0	1,992	0.9	3,580	1.2	3,140	1.1
CHINA, GLASS & UTENSILS	1,203	1.0	1,000	0.7	686	0.5	1,667	0.7	2,000	0.7	1,760	0.6
COMPUTER RELATED	1,439	1.2	1,022	0.7	1,288	0.9	2,944	1.3	2,044	0.7	1,836	0.6
PRINTING	213	0.2	150	0.1	132	0.1	213	0.1	300	0.1	167	0.1
ENTERTAINMENT	2,584	2.2	2,250	1.5	2,514	1.7	4,666	2.0	4,250	1.4	5,042	1.7
CREDIT CARDS FEES	2,250	1.9	2,908	2.0	2,969	2.0	5,575	2.4	5,966	2.0	6,029	2.1
CASH OVER/SHORT	(155)	(0.1)	-	-	(111)	(0.1)	(146)	(0.1)	-	-	(93)	-
BANK FEES	81	0.1	-	-	83	0.1	252	0.1	-	-	246	0.1
PAYROLL ADMINISTRATION	1,058	0.9	1,395	1.0	1,307	0.9	2,303	1.0	2,790	0.9	2,666	0.9
RENT EXPENSE	1,000	0.8	1,000	0.7	1,000	0.7	2,000	0.9	2,000	0.7	2,000	0.7
<b>OPERATING EXPENSES</b>	<b>19,707</b>	<b>16.5</b>	<b>19,842</b>	<b>13.6</b>	<b>18,568</b>	<b>12.3</b>	<b>40,093</b>	<b>17.0</b>	<b>39,947</b>	<b>13.4</b>	<b>38,305</b>	<b>13.2</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>133,191</b>	<b>111.4</b>	<b>160,595</b>	<b>110.2</b>	<b>162,802</b>	<b>108.0</b>	<b>281,160</b>	<b>119.4</b>	<b>321,907</b>	<b>107.7</b>	<b>329,193</b>	<b>113.8</b>
<b>TOTAL OPERATING PROFIT</b>	<b>(55,751)</b>	<b>(46.6)</b>	<b>(64,602)</b>	<b>(44.3)</b>	<b>(63,429)</b>	<b>(42.1)</b>	<b>(135,606)</b>	<b>(57.6)</b>	<b>(124,559)</b>	<b>(41.7)</b>	<b>(147,604)</b>	<b>(51.0)</b>
CABLE TV / MUSIC	149	0.1	-	-	212	0.1	149	0.1	-	-	212	0.1
<b>TOTAL UTILITIES</b>	<b>149</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>212</b>	<b>0.1</b>	<b>149</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>212</b>	<b>0.1</b>
<b>TOTAL FIXED OPERATING</b>	<b>149</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>212</b>	<b>0.1</b>	<b>149</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>212</b>	<b>0.1</b>
<b>GROSS OPERATING PROFIT</b>	<b>(55,901)</b>	<b>(46.7)</b>	<b>(64,602)</b>	<b>(44.3)</b>	<b>(63,641)</b>	<b>(42.2)</b>	<b>(135,755)</b>	<b>(57.7)</b>	<b>(124,559)</b>	<b>(41.7)</b>	<b>(147,816)</b>	<b>(51.1)</b>
INSURANCE	896	0.8	850	0.6	680	0.5	1,793	0.8	1,700	0.6	1,360	0.5
FEES, PERMITS & LICENSES	3,649	3.1	3,700	2.5	4,078	2.7	3,649	1.6	3,700	1.2	4,078	1.4
<b>NET OPERATING INCOME</b>	<b>(60,446)</b>	<b>(50.5)</b>	<b>(69,152)</b>	<b>(47.5)</b>	<b>(68,398)</b>	<b>(45.4)</b>	<b>(141,197)</b>	<b>(60.0)</b>	<b>(129,959)</b>	<b>(43.5)</b>	<b>(153,254)</b>	<b>(53.0)</b>

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT MAINTENANCE - COMPARATIVE - August, 2012**

	<b>ACTUAL MONTH</b>	<b>BUDGET MONTH</b>	<b>PRIOR YEAR MONTH</b>	<b>ACTUAL Y-T-D</b>	<b>BUDGET Y-T-D</b>	<b>PRIOR YEAR ACTUAL Y-T-D</b>
PAYROLL - HOURLY	74,822	94,727	87,814	155,108	189,453	174,804
PAYROLL - SALARY	20,238	19,212	17,293	40,662	38,423	38,668
PAYROLL - OVERTIME	2,740	-	2,340	8,878	-	5,927
PAYROLL - VACATION	5,072	5,557	9,392	14,514	11,115	14,293
<b>TOTAL PAYROLL</b>	<b>102,872</b>	<b>119,496</b>	<b>116,839</b>	<b>219,162</b>	<b>238,991</b>	<b>233,692</b>
PAYROLL TAXES	9,916	9,560	9,389	17,254	19,119	20,483
WORKERS COMP	7,908	6,274	6,063	14,976	12,547	13,107
MEDICAL/DENTAL INS	12,924	13,728	11,568	26,741	27,456	23,763
401 (K) COSTS	412	836	528	834	1,673	1,065
EMPLOYEE MEALS	315	250	253	566	500	569
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>31,474</b>	<b>30,648</b>	<b>27,801</b>	<b>60,371</b>	<b>61,295</b>	<b>58,985</b>
R&M EQUIPMENT - MAINTENANCE	5,508	5,096	3,951	13,179	11,096	8,916
R&M PUMP STATION	-	-	-	10,790	-	200
R&M IRRIGATION	3,353	2,937	5,139	4,359	5,922	8,780
R&M BUILDING	394	-	166	394	1,000	166
CONTRACT LABOR	1,310	20,000	18,800	2,235	40,000	27,936
SOD	5,975	-	-	27,001	-	852
SEED & MULCH	3,879	1,500	32	4,526	3,000	32
SAND & GRAVEL	4,372	4,800	431	6,030	9,600	1,325
LANDSCAPING	1,395	1,250	(161)	2,060	2,500	(161)
GAS, DIESEL, OIL & LUBRICANTS	13,261	19,000	13,219	23,009	34,000	24,806
SMALL TOOLS	-	350	89	28	700	134
FERTILIZERS	3,672	6,717	6,209	16,043	16,834	14,285
CHEMICALS - HERBICIDES	5,373	3,644	4,788	7,565	7,288	10,305
CHEMICALS - INSECTICIDES	-	-	593	1,046	-	593
<b>TOTAL REPAIRS &amp; MAINTENANCE</b>	<b>48,491</b>	<b>65,294</b>	<b>53,254</b>	<b>118,265</b>	<b>131,940</b>	<b>98,169</b>

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT MAINTENANCE - COMPARATIVE - August, 2012**

	<b>ACTUAL MONTH</b>	<b>BUDGET MONTH</b>	<b>PRIOR YEAR MONTH</b>	<b>ACTUAL Y-T-D</b>	<b>BUDGET Y-T-D</b>	<b>PRIOR YEAR ACTUAL Y-T-D</b>
EQUIPMENT RENTAL	452	-	-	452	-	-
COURSE SUPPLIES	835	250	673	5,835	1,500	882
OPERATING SUPPLIES - MAINT	649	1,225	80	1,844	2,354	669
LAUNDRY/LINENS	1,430	1,400	2,164	3,175	2,550	3,998
SAFETY SUPPLIES	229	300	647	615	600	1,522
<b>OPERATING EXPENSES</b>	<b>3,596</b>	<b>3,175</b>	<b>3,565</b>	<b>11,922</b>	<b>7,004</b>	<b>7,072</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>186,434</b>	<b>218,612</b>	<b>201,459</b>	<b>409,720</b>	<b>439,230</b>	<b>397,918</b>
<b>TOTAL OPERATING PROFIT</b>	<b>(186,434)</b>	<b>(218,612)</b>	<b>(201,459)</b>	<b>(409,720)</b>	<b>(439,230)</b>	<b>(397,918)</b>
ELECTRIC & GAS	35,328	28,000	27,036	57,812	56,500	53,097
WATER	26,611	23,729	21,729	56,366	48,054	43,053
WASTE REMOVAL	114	120	114	228	240	228
SECURITY	114	-	-	228	-	-
<b>TOTAL UTILITIES</b>	<b>62,167</b>	<b>51,849</b>	<b>48,878</b>	<b>114,634</b>	<b>104,794</b>	<b>96,378</b>
<b>TOTAL FIXED OPERATING</b>	<b>62,167</b>	<b>51,849</b>	<b>48,878</b>	<b>114,634</b>	<b>104,794</b>	<b>96,378</b>
<b>GROSS OPERATING PROFIT</b>	<b>(248,601)</b>	<b>(270,461)</b>	<b>(250,337)</b>	<b>(524,354)</b>	<b>(544,024)</b>	<b>(494,296)</b>
FEES, PERMITS & LICENSES	-	1,000	320	-	1,000	1,634
<b>NET OPERATING INCOME</b>	<b>(248,601)</b>	<b>(271,461)</b>	<b>(250,657)</b>	<b>(524,354)</b>	<b>(545,024)</b>	<b>(495,930)</b>
<b>NET INCOME (LOSS)</b>	<b>(248,601)</b>	<b>(271,461)</b>	<b>(250,657)</b>	<b>(524,354)</b>	<b>(545,024)</b>	<b>(495,930)</b>

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT G&A - COMPARATIVE - August, 2012**

	<b>ACTUAL MONTH</b>	<b>BUDGET MONTH</b>	<b>PRIOR YEAR MONTH</b>	<b>ACTUAL Y-T-D</b>	<b>BUDGET Y-T-D</b>	<b>PRIOR YEAR ACTUAL Y-T-D</b>
PAYROLL - HOURLY	15,607	19,044	14,181	31,651	38,089	27,041
PAYROLL - SALARY	30,909	28,584	34,325	57,470	57,168	64,104
PAYROLL - OVERTIME	50	-	253	714	-	803
PAYROLL - VACATION	2,601	2,418	9,797	6,753	4,835	12,105
<b>TOTAL PAYROLL</b>	<b>49,166</b>	<b>50,046</b>	<b>58,556</b>	<b>96,587</b>	<b>100,093</b>	<b>104,053</b>
PAYROLL TAXES	3,413	4,004	5,015	4,893	8,007	9,599
WORKERS COMP	4,608	2,627	2,372	7,715	5,255	7,400
MEDICAL/DENTAL INS	4,714	4,949	3,802	9,428	9,899	7,983
401 (K) COSTS	550	350	507	1,106	701	1,105
EMPLOYEE MEALS	513	650	976	775	1,300	1,880
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>13,798</b>	<b>12,581</b>	<b>12,672</b>	<b>23,917</b>	<b>25,162</b>	<b>27,968</b>
SEMINARS	-	200	199	-	200	199
ASSOCIATION DUES	520	4,000	435	1,105	4,000	435
EMPLOYEE RECOGNITION & REWARD	121	700	300	1,108	1,400	1,849
RECRUITING & RELOCATION	-	-	8,330	-	-	8,330
BUSINESS RELATED MEALS	170	350	84	170	650	651
TRAVEL EXPENSE	1,806	700	952	2,027	1,300	1,563
EMPLOYEE BENEFITS & ADMINISTR	3,475	3,388	3,485	6,963	6,776	6,492
<b>TOTAL EMPLOYEE RELATED</b>	<b>6,092</b>	<b>9,338</b>	<b>13,785</b>	<b>11,372</b>	<b>14,326</b>	<b>19,519</b>
PROMOTION	875	800	1,119	1,520	1,500	1,715
<b>TOTAL MARKETING</b>	<b>875</b>	<b>800</b>	<b>1,119</b>	<b>1,520</b>	<b>1,500</b>	<b>1,715</b>
R&M OFFICE EQUIPMENT	93	200	72	209	400	282
<b>TOTAL REPAIRS &amp; MAINTENANCE</b>	<b>93</b>	<b>200</b>	<b>72</b>	<b>209</b>	<b>400</b>	<b>282</b>
EMPLOYEE UNIFORMS	-	-	-	783	500	-
OFFICE SUPPLIES	988	750	623	1,955	1,500	1,317
OFFSITE STORAGE	246	245	246	542	490	492

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT G&A - COMPARATIVE - August, 2012**

	<b>ACTUAL MONTH</b>	<b>BUDGET MONTH</b>	<b>PRIOR YEAR MONTH</b>	<b>ACTUAL Y-T-D</b>	<b>BUDGET Y-T-D</b>	<b>PRIOR YEAR ACTUAL Y-T-D</b>
LOSS & DAMAGE	-	-	-	233	250	248
CONTROLS & AUDIT	442	442	435	883	883	870
POSTAGE	187	225	279	187	425	476
OVERNIGHT DELIVERY	75	175	43	138	325	215
COMPUTER RELATED	2,755	3,667	2,246	5,118	7,335	4,180
PRINTING	335	80	-	458	140	55
BANK FEES	518	850	1,028	1,171	1,700	1,899
DUES & SUBSCRIPTIONS	50	50	50	100	100	195
CENTRALIZED SERVICES	1,222	1,178	-	2,482	2,355	-
PAYROLL ADMINISTRATION	2,159	2,418	3,427	4,358	4,836	7,538
<b>OPERATING EXPENSES</b>	<b>8,976</b>	<b>10,080</b>	<b>8,378</b>	<b>18,408</b>	<b>20,839</b>	<b>17,484</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>79,000</b>	<b>83,045</b>	<b>94,581</b>	<b>152,014</b>	<b>162,319</b>	<b>171,021</b>
<b>TOTAL OPERATING PROFIT</b>	<b>(79,000)</b>	<b>(83,045)</b>	<b>(94,581)</b>	<b>(152,014)</b>	<b>(162,319)</b>	<b>(171,021)</b>
TELEPHONE	3,430	3,800	3,933	7,113	7,600	8,061
<b>TOTAL UTILITIES</b>	<b>3,430</b>	<b>3,800</b>	<b>3,933</b>	<b>7,113</b>	<b>7,600</b>	<b>8,061</b>
<b>TOTAL FIXED OPERATING</b>	<b>3,430</b>	<b>3,800</b>	<b>3,933</b>	<b>7,113</b>	<b>7,600</b>	<b>8,061</b>
<b>GROSS OPERATING PROFIT</b>	<b>(82,431)</b>	<b>(86,845)</b>	<b>(98,515)</b>	<b>(159,127)</b>	<b>(169,919)</b>	<b>(179,082)</b>
INSURANCE	3,011	2,664	2,483	6,022	5,328	4,966
BASE MANAGEMENT FEES	21,667	21,667	21,667	43,333	43,334	43,333
<b>NET OPERATING INCOME</b>	<b>(107,108)</b>	<b>(111,176)</b>	<b>(122,664)</b>	<b>(208,482)</b>	<b>(218,581)</b>	<b>(227,381)</b>

**INDIAN WELLS GOLF RESORT  
INCOME STATEMENT BUILDING MAINT - COMPARATIVE - August, 2012**

	<b>ACTUAL MONTH</b>	<b>BUDGET MONTH</b>	<b>PRIOR YEAR MONTH</b>	<b>ACTUAL Y-T-D</b>	<b>BUDGET Y-T-D</b>	<b>PRIOR YEAR ACTUAL Y-T-D</b>
PAYROLL - HOURLY	15,611	15,701	14,572	31,640	31,401	30,434
PAYROLL - SALARY	11,646	8,563	9,244	21,303	17,125	19,608
PAYROLL - OVERTIME	70	157	46	717	314	748
PAYROLL - VACATION	1,170	1,133	2,145	3,607	2,265	3,013
<b>TOTAL PAYROLL</b>	<b>28,498</b>	<b>25,553</b>	<b>26,007</b>	<b>57,267</b>	<b>51,105</b>	<b>53,802</b>
PAYROLL TAXES	2,164	2,044	1,789	4,169	4,088	3,957
WORKERS COMP	1,826	1,342	1,272	3,535	2,683	2,763
MEDICAL/DENTAL INS	3,508	3,342	2,913	7,016	6,684	5,826
401 (K) COSTS	183	179	208	370	358	456
EMPLOYEE MEALS	52	100	27	133	200	78
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>7,733</b>	<b>7,007</b>	<b>6,209</b>	<b>15,224</b>	<b>14,013</b>	<b>13,080</b>
R&M EQUIPMENT - MAINTENANCE	2,525	1,700	112	4,192	3,400	4,987
R&M BUILDING	1,850	2,300	2,920	3,386	4,600	6,242
R&M ELECTRICAL AND MECHANICAL	657	900	492	1,210	1,800	1,276
R&M PLUMBING	621	900	23	868	1,300	182
CONTRACT LABOR	2,880	4,556	4,969	5,382	9,162	8,948
SMALL TOOLS	-	100	60	168	200	102
<b>TOTAL REPAIRS &amp; MAINTENANCE</b>	<b>8,534</b>	<b>10,456</b>	<b>8,575</b>	<b>15,204</b>	<b>20,462</b>	<b>21,737</b>
EMPLOYEE UNIFORMS	-	100	-	-	200	75
EQUIPMENT RENTAL	-	-	-	-	-	561
FLOWERS & DECORATIONS	292	300	306	583	600	478
OPERATING SUPPLIES - G&A	506	900	845	975	1,800	1,309
OFFSITE STORAGE	-	-	760	-	-	1,520
LAUNDRY/LINENS	497	1,100	896	1,060	2,100	1,540
SAFETY SUPPLIES	-	100	-	95	2,100	-

**INDIAN WELLS GOLF RESORT**  
**INCOME STATEMENT BUILDING MAINT - COMPARATIVE - August, 2012**

	<b>ACTUAL MONTH</b>	<b>BUDGET MONTH</b>	<b>PRIOR YEAR MONTH</b>	<b>ACTUAL Y-T-D</b>	<b>BUDGET Y-T-D</b>	<b>PRIOR YEAR ACTUAL Y-T-D</b>
<b>OPERATING EXPENSES</b>	<b>1,294</b>	<b>2,500</b>	<b>2,808</b>	<b>2,713</b>	<b>6,800</b>	<b>5,483</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>46,059</b>	<b>45,515</b>	<b>43,599</b>	<b>90,409</b>	<b>92,381</b>	<b>94,102</b>
<b>TOTAL OPERATING PROFIT</b>	<b>(46,059)</b>	<b>(45,515)</b>	<b>(43,599)</b>	<b>(90,409)</b>	<b>(92,381)</b>	<b>(94,102)</b>
ELECTRIC & GAS	29,188	32,500	31,762	57,825	63,000	61,424
CABLE TV / MUSIC	980	1,000	967	1,960	2,000	1,934
WATER	1,087	1,700	2,706	1,833	3,400	3,935
WASTE REMOVAL	40	-	-	40	-	-
SECURITY	166	-	-	581	-	-
PEST CONTROL	611	590	590	1,201	1,180	1,933
<b>TOTAL UTILITIES</b>	<b>32,071</b>	<b>35,790</b>	<b>36,025</b>	<b>63,440</b>	<b>69,580</b>	<b>69,226</b>
<b>TOTAL FIXED OPERATING</b>	<b>32,071</b>	<b>35,790</b>	<b>36,025</b>	<b>63,440</b>	<b>69,580</b>	<b>69,226</b>
<b>GROSS OPERATING PROFIT</b>	<b>(78,130)</b>	<b>(81,305)</b>	<b>(79,624)</b>	<b>(153,848)</b>	<b>(161,961)</b>	<b>(163,329)</b>
<b>NET OPERATING INCOME</b>	<b>(78,130)</b>	<b>(81,305)</b>	<b>(79,624)</b>	<b>(153,848)</b>	<b>(161,961)</b>	<b>(163,329)</b>
<b>NET INCOME (LOSS)</b>	<b>(78,130)</b>	<b>(81,305)</b>	<b>(79,624)</b>	<b>(153,848)</b>	<b>(161,961)</b>	<b>(163,329)</b>

**INDIAN WELLS GOLF RESORT**  
**BALANCE SHEET - STANDARD - August, 2012**

**ASSETS**

CASH & CASH EQUIVALENTS	505,635
ACCOUNTS RECEIVABLE, NET	15,811
INVENTORY	589,815
PREPAID & OTHER ST ASSETS	28,532

**TOTAL CURRENT ASSETS** **1,139,793**

OTHER LT ASSETS 8,317

**TOTAL ASSETS** **1,148,110**

**LIABILITIES & EQUITY**

**LIABILITIES**

ACCOUNTS PAYABLE	117,173
OTHER ACCRUED LIABILITIES	173,980
GIFT CERTIFICATES/GIFT CARDS	32,823
ADVANCED DEPOSITS - EVENTS	94,704
DEFERRED REVENUES	20,821
DUE TO AFFILIATE	6,699

**TOTAL CURRENT LIABILITIES** **446,201**

**TOTAL LIABILITIES** **446,201**

**EQUITY**

MEMBER CAPITAL	6,932,561
RETAINED EARNINGS	(5,442,713)
CURRENT YEAR EARNINGS	(787,939)

**TOTAL EQUITY** **701,909**

**TOTAL LIABILITIES & EQUITY** **1,148,110**

**69 - INDIAN WELLS GOLF RESORT**  
**Trial Balance for Aug, 2012**

Account	Description	Beginning Balance	Current Prd Debit	Current Prd Credit	Ending Balance
1000	Cash-Operating-Pacific Weste	398,756.22	787,821.51	(697,143.22)	489,434.51
1035	Petty Cash	300.00	-	-	300.00
1040	Cash Banks	15,400.00	1,000.00	(500.00)	15,900.00
1100	Accounts Receivable	39,822.26	40,970.79	(64,982.08)	15,810.97
1200	Prepaid Expenses	16,405.14	11,845.00	(17,145.13)	11,105.01
1240	Prepaid Liability Insurance	16,098.14	4,176.25	(2,846.94)	17,427.45
1320	Inventory - Soft Goods	385,597.18	12,205.79	(10,476.32)	387,326.65
1321	Inventory - Merchandise- Har	69,837.09	1,744.13	(3,755.42)	67,825.80
1322	Inventory - Merchandise-Acce	109,686.00	2,212.50	(2,826.44)	109,072.06
1323	Inventory - Merch - Callaway	2,374.53	1,844.36	(1,900.68)	2,318.21
1324	Inventory - Merch - Special	2,932.82	542.40	(542.40)	2,932.82
1325	Inventory - Merch - Callaway	20,439.28	-	(99.60)	20,339.68
1400	Due to/from Affiliate	(9,355.52)	14,715.52	(12,059.20)	(6,699.20)
1600	Deposits	8,317.23	-	-	8,317.23
2100	Accounts Payable	(133,438.93)	311,924.59	(295,659.00)	(117,173.34)
2199	Suspense	2,136.46	11,342.34	(13,478.80)	-
2200	Accrued Payroll	(35,759.68)	35,759.68	(69,123.65)	(69,123.65)
2210	Accrued Vacation	(113,110.89)	23,233.22	(13,004.83)	(102,882.50)
2230	Accrued Sales Tax	(12,265.83)	11,983.93	(2,328.43)	(2,610.33)
2231	Accrued Use Tax	(25.77)	-	(98.35)	(124.12)
2250	Accrued Professional Fees	3,380.18	-	-	3,380.18
2280	General Accrual	(68,850.00)	68,800.00	(2,570.00)	(2,620.00)
2320	Gift Certificates - OLD	(44,819.53)	-	-	(44,819.53)
2325	Gift Certificates - NEW	(53,312.79)	2,074.35	(2,170.00)	(53,408.44)
2326	Reserve for Old Gift Certif	65,405.41	-	-	65,405.41
2330	Advanced Deposits - Events	(91,488.57)	6,254.20	(9,470.00)	(94,704.37)
2335	Advanced Deposits - Callaway	(120.00)	2,016.44	(1,896.44)	-
2340	Deferred Revenues	(26,475.57)	5,654.31	-	(20,821.26)
3200	Member Contributions	(6,322,561.22)	-	(610,000.00)	(6,932,561.22)
3400	Retained Earnings	5,442,712.84	-	-	5,442,712.84
<b>Total Assets &amp; Liabilities</b>		<b>(311,983.52)</b>	<b>1,358,121.31</b>	<b>(1,834,076.93)</b>	<b>(787,939.14)</b>
4200	Sales - 18 Hole - Prime	(9,374.70)	-	(7,478.33)	(16,853.03)
4205	Sales - 18 Hole - Non-Prime	(9,131.10)	-	(2,612.00)	(11,743.10)
4210	Sales - Tournament	(19,491.00)	-	(32,705.00)	(52,196.00)
4211	Sales - Tournament - Tax Exe	130.00	-	-	130.00
4215	Sales - Resort Guest Prime	(16,387.00)	378.00	(15,740.00)	(31,749.00)
4220	Sales - Resort Guest Non-Pri	(12,618.00)	110.00	(8,940.00)	(21,448.00)
4230	Sales - Afternoon Prime	(6,068.00)	-	(4,065.00)	(10,133.00)
4232	Sales - Afternoon Non-Prime	(5,970.00)	-	(3,518.00)	(9,488.00)
4235	Sales - Troon Programs	(585.00)	-	(1,215.00)	(1,800.00)
4240	Sales - Junior	(1,305.00)	-	(770.00)	(2,075.00)
4245	Sales - IWGR Card	(5,865.00)	-	(3,250.00)	(9,115.00)
4252	Sales - Wholesaler	(7,405.30)	-	(3,179.20)	(10,584.50)
4254	Sales - Special	(20,226.00)	-	(14,924.00)	(35,150.00)
4255	Sales - PGA/Cart Fees	(1,935.00)	-	(1,570.00)	(3,505.00)
4270	Sales - Member Rounds	(13,433.00)	-	(9,866.00)	(23,299.00)
4272	Sales - Member Guest Prime R	(1,520.00)	-	(1,680.00)	(3,200.00)
4273	Sales - Member Guest Non-Pri	(1,390.00)	-	(1,035.00)	(2,425.00)
4280	Golf - Group Services	(2,394.00)	-	(3,894.94)	(6,288.94)
4285	Golf Lessons	(530.00)	-	(384.00)	(914.00)
4287	Range, Rentals, Other Golf r	(3,327.19)	388.55	(2,619.33)	(5,557.97)
4292	Callaway Fittings	(477.30)	50.00	(127.30)	(554.60)
4294	IWGR Card Sales	(5,654.31)	-	(5,654.31)	(11,308.62)
4295	Income - Other (non - golf)	(1,690.20)	-	-	(1,690.20)
4350	Merchandise Sales - Soft Goo	(37,126.00)	-	(26,595.00)	(63,721.00)
4351	Merchandise Sales - Hard Goo	(9,991.84)	-	(5,334.00)	(15,325.84)
4352	Merchandise Sales - Accessor	(4,211.78)	-	(3,219.35)	(7,431.13)
4353	Merchandise Sales - Callaway	(3,273.00)	-	(2,806.00)	(6,079.00)
4354	Merchandise Sales - Special	(75.00)	-	(542.40)	(617.40)
4360	Sales Discount - Soft Goods	10,341.88	7,269.90	-	17,611.78

4361	Sales Discount - Hard Goods	780.96	541.44	-	1,322.40
4362	Sales Discount - Accessories	1,505.61	610.60	-	2,116.21
4363	Sales Discount - Callaway Ce	676.02	661.60	-	1,337.62
5200	COS - Golf	-	1,367.35	-	1,367.35
5210	COS - Group Services Golf	1,381.35	2,880.97	(200.00)	4,062.32
5220	COS - Golf Lessons	478.00	292.00	(100.00)	670.00
5350	COS - Merchandise - Soft Goo	14,751.75	10,476.32	(156.36)	25,071.71
5351	COS - Merchandise - Hard Goo	4,971.35	3,135.42	(469.85)	7,636.92
5352	COS - Merchandise - Accessor	2,040.89	1,557.45	-	3,598.34
5353	COS - Merchandise - Callaway	1,652.00	1,995.68	(114.58)	3,533.10
5354	COS - Merchandise - Special	68.00	542.40	-	610.40
5360	COS - Discounts Earned	(70.49)	-	(13.20)	(83.69)
7000	Payroll - Hourly	151,425.98	163,580.12	(19,078.55)	295,927.55
7002	Payroll - Salary	81,990.72	167,402.19	(71,312.17)	178,080.74
7007	Payroll - Overtime	9,353.15	3,132.07	-	12,485.22
7015	Payroll - Vacation	22,140.71	13,004.83	-	35,145.54
7020	Payroll Taxes	16,302.89	25,974.57	(2,717.79)	39,559.67
7030	Worker's Compensation	17,001.92	22,439.38	(2,146.83)	37,294.47
7040	Medical/Dental	32,719.30	31,826.94	-	64,546.24
7050	401(k) Costs	1,676.16	1,859.76	(214.49)	3,321.43
7110	Employee Uniforms	82.37	220.65	-	303.02
7120	Association Dues	585.00	700.00	(180.00)	1,105.00
7130	Employee Recognition & Rewar	986.46	521.26	(400.00)	1,107.72
7150	Business Related Meals	-	169.62	-	169.62
7160	Travel Expense	220.60	4,806.15	(1,882.65)	3,144.10
7180	Employee Meals	940.20	1,536.68	-	2,476.88
7195	Employee Benefits & Administ	3,488.33	3,796.47	(321.64)	6,963.16
7230	Advertising	9,471.32	7,688.47	(1,500.00)	15,659.79
7240	Promotion	707.98	896.72	-	1,604.70
7300	Cart Leases - Operating	-	8,317.22	-	8,317.22
7340	Equipment Rental	-	452.13	-	452.13
7370	Handicap Fees	60.00	-	-	60.00
7400	Golf Operating Supplies	10,511.07	2,867.38	-	13,378.45
7410	Course Supplies	5,000.00	835.08	-	5,835.08
7430	Office Supplies	966.23	988.36	-	1,954.59
7435	Flowers & Decorations	291.67	291.67	-	583.34
7440	Operating Supplies-Maint	1,195.03	649.42	-	1,844.45
7444	Operating Supplies-G&A	468.68	578.66	(72.68)	974.66
7460	Laundry/Linens	2,309.07	1,926.86	-	4,235.93
7490	Loss & Damage	233.29	-	-	233.29
7500	Postage	-	200.00	(13.05)	186.95
7510	Freight	572.03	585.26	(55.48)	1,101.81
7520	Overnight Delivery	62.90	75.36	-	138.26
7530	Computer Related	2,363.38	3,454.61	(700.00)	5,117.99
7535	Controls & Audit	441.58	441.58	-	883.16
7540	Printing	122.68	335.10	-	457.78
7550	Safety Supplies	480.33	229.10	-	709.43
7560	Credit Card Fees	7,231.89	7,642.31	(6,925.00)	7,949.20
7570	Cash Over/Short	(94.00)	61.95	-	(32.05)
7580	Bank Fees	653.26	517.53	-	1,170.79
7585	Offsite Storage	296.00	246.00	-	542.00
7590	Dues & Subscriptions	50.00	50.00	-	100.00
7605	Centralized Services	1,260.91	1,379.13	(157.61)	2,482.43
7606	Payroll Administration	2,199.20	2,444.40	(285.60)	4,358.00
7610	R&M Equipment- Maintenance	9,337.75	8,269.12	(235.68)	17,371.19
7620	R&M Pump Station	10,789.71	-	-	10,789.71
7630	R&M Irrigation	1,006.90	3,352.57	-	4,359.47
7650	R&M Office Equipment	115.66	92.92	-	208.58
7660	R&M Building	1,535.53	2,244.06	-	3,779.59
7665	R&M Electrical and Mechanica	552.35	657.44	-	1,209.79
7675	R&M Plumbing	246.13	621.42	-	867.55
7680	R&M Carts	2,244.25	813.81	(104.05)	2,954.01
7695	Contract Labor	3,426.83	4,189.22	-	7,616.05
7700	Sod	21,026.53	5,974.76	-	27,001.29
7710	Seed & Mulch	646.50	3,879.00	-	4,525.50
7720	Sand & Gravel	1,658.56	4,371.80	-	6,030.36
7730	Landscaping	665.36	1,394.59	-	2,059.95
7740	Gas, Diesel, Oil & Lubricant	9,748.02	13,260.74	-	23,008.76
7750	Small Tools	195.91	-	-	195.91
7760	Fertilizers	12,371.10	3,672.12	-	16,043.22

7770	Chemicals - Herbicides	2,192.00	5,373.45	-	7,565.45
7775	Chemicals - Insecticides	1,045.90	-	-	1,045.90
7800	Electric & Gas	51,121.06	64,580.74	(64.65)	115,637.15
7810	Cable TV / Music	980.19	980.19	-	1,960.38
7820	Water	30,501.09	27,697.76	-	58,198.85
7830	Waste Removal	114.04	153.63	-	267.67
7835	Telephone	3,682.63	3,430.33	-	7,112.96
7840	Security	528.85	280.00	-	808.85
7850	Pest Control	589.95	610.60	-	1,200.55
7860	Insurance	3,010.88	3,010.86	-	6,021.74
7920	Base Management Fees	21,666.66	21,666.66	-	43,333.32
8300	Interest Income	(115.92)	-	(41.62)	(157.54)
8400	Capital Expenses	16,978.21	48,476.93	(394.08)	65,061.06
8500	Gain/Loss on Asset Disposal	(118,900.00)	5,125.00	(1,025.00)	(114,800.00)
9000	18 Hole - Prime	143.00	122.00	-	265.00
9100	18 Hole - Non-Prime	133.00	50.00	-	183.00
9150	Tournament	391.00	683.00	-	1,074.00
9200	Resort Guest Prime	301.00	289.00	-	590.00
9250	Resort Guest Non-Prime	219.00	158.00	-	377.00
9350	Afternoon Prime	154.00	102.00	-	256.00
9400	Afternoon Non-Prime	151.00	90.00	-	241.00
9450	Troon Programs	13.00	27.00	-	40.00
9500	Junlor Rate	77.00	44.00	-	121.00
9550	IWGR Card Program	132.00	73.00	-	205.00
9650	PGA/Cart Fees	72.00	65.00	-	137.00
9660	Wholesaler	151.00	58.00	-	209.00
9670	Special	375.00	344.00	-	719.00
9700	Comp Rounds	170.00	129.00	-	299.00
9800	Member Rounds	387.00	286.00	-	673.00
9850	Member Guest Prime Rounds	34.00	35.00	-	69.00
9860	Member Guest Non-Prime Round	31.00	24.00	-	55.00
9898	CONTRA GOLF ROUNDS	(2,934.00)	-	(2,579.00)	(5,513.00)
	<b>Total Income &amp; Expense</b>	<b>311,983.52</b>	<b>753,141.39</b>	<b>(277,185.77)</b>	<b>787,939.14</b>
	<b>Total Report</b>	<b>-</b>	<b>2,111,262.70</b>	<b>(2,111,262.70)</b>	<b>-</b>

**TROON GOLF**  
**INDIAN WELLS GOLF RESORT**  
**2012-13 PROJECTED SUMMARY PROFIT & LOSS STATEMENT**

	ACTUAL Jul-12	ACTUAL Aug-12	BUDGET Sep-12	BUDGET Oct-12	BUDGET Nov-12	BUDGET Dec-12	BUDGET Jan-13	BUDGET Feb-13	BUDGET Mar-13	BUDGET Apr-13	BUDGET May-13	BUDGET Jun-13	ACTUAL TOTAL	ORIGINAL BUDGET
<b>Revenues:</b>														
Golf Fees, net of discounts	132,574	112,060	256,206	456,384	661,978	501,407	617,766	898,792	979,415	846,470	548,630	307,496	6,319,178	6,401,262
Golf - Group Services	2,394	3,895	7,650	8,136	8,928	4,362	7,812	14,184	13,392	15,840	13,896	13,320	113,809	113,850
Range, Rentals, Other Golf related	3,327	2,231	14,000	27,000	30,000	17,500	32,000	38,500	45,000	27,500	25,000	10,000	272,058	277,044
Golf Lessons	530	384	2,000	3,500	4,000	3,000	5,000	5,500	6,000	4,500	2,500	2,000	40,914	43,000
Card Sales - IWGR Programs	5,654	5,654	6,000	9,200	9,000	10,000	7,200	6,000	26,000	7,200	6,000	6,044	103,952	81,000
Merchandise Revenues	38,776	27,269	74,381	107,031	127,829	118,711	141,518	207,369	206,855	182,548	139,522	57,952	1,429,763	1,446,891
Callaway Center	3,074	2,222	7,350	11,400	11,450	13,200	15,950	17,200	19,100	16,700	11,600	6,600	135,846	142,150
Income - Other (non - golf)	1,690												1,690	24,800
<b>Total Revenues</b>	<b>188,019</b>	<b>153,715</b>	<b>367,587</b>	<b>622,651</b>	<b>853,185</b>	<b>670,180</b>	<b>827,246</b>	<b>1,187,545</b>	<b>1,295,762</b>	<b>1,100,758</b>	<b>747,148</b>	<b>403,412</b>	<b>8,417,210</b>	<b>8,529,997</b>
<b>Cost of Sales:</b>														
COGS - Golf	-	1,367	475	513	1,652	1,351	1,561	1,869	2,074	2,047	1,637	642	15,187	14,545
COGS - Group Services Golf	1,381	2,681	5,049	5,370	5,892	2,879	5,156	9,361	8,839	10,454	9,171	8,791	75,025	75,141
COGS - Golf Lessons	478	192	1,600	2,800	3,200	4,000	4,400	4,800	3,600	2,000	1,600	2,000	32,670	34,400
COGS - Merchandise	21,805	15,083	39,190	51,977	61,065	58,904	75,104	106,385	108,981	105,179	75,080	30,319	749,072	757,586
COGS - Callaway Center	1,608	1,870	4,500	6,600	7,200	7,200	10,550	10,550	10,850	10,550	7,500	3,600	82,578	86,900
<b>Total Cost of Sales</b>	<b>25,272</b>	<b>21,193</b>	<b>50,814</b>	<b>67,260</b>	<b>79,009</b>	<b>74,333</b>	<b>96,371</b>	<b>132,565</b>	<b>135,544</b>	<b>131,830</b>	<b>95,389</b>	<b>44,953</b>	<b>954,532</b>	<b>968,572</b>
<b>Gross Profit</b>	<b>162,747</b>	<b>132,522</b>	<b>316,773</b>	<b>555,391</b>	<b>774,176</b>	<b>595,847</b>	<b>730,875</b>	<b>1,054,980</b>	<b>1,160,218</b>	<b>968,928</b>	<b>651,760</b>	<b>358,460</b>	<b>7,462,677</b>	<b>7,561,425</b>
<b>Operating Expenses:</b>														
Payroll	264,911	256,728	290,760	293,296	291,525	299,689	304,793	306,307	310,797	302,481	298,589	333,929	3,553,905	3,570,623
Employee Benefits	68,640	78,558	76,540	77,494	77,280	78,434	95,621	93,117	90,474	83,927	80,379	84,799	985,263	985,123
Employee Related	5,280	7,209	9,501	9,580	9,941	14,680	13,598	5,466	5,298	5,491	5,133	5,150	83,327	85,165
Advertising & Marketing	10,179	7,085	11,982	10,432	26,382	13,032	21,427	11,582	11,382	8,532	8,182	12,182	152,379	159,504
Repair & Maintenance	78,805	57,827	252,126	83,554	58,550	49,466	53,278	51,222	53,447	52,348	84,855	60,705	954,748	954,748
Operating Expenses	36,758	18,263	39,338	55,445	59,882	38,418	46,728	48,002	53,677	64,903	39,473	29,380	530,267	536,392
<b>Total Operating Expenses</b>	<b>464,573</b>	<b>425,670</b>	<b>676,247</b>	<b>525,900</b>	<b>518,559</b>	<b>497,531</b>	<b>531,634</b>	<b>515,697</b>	<b>525,075</b>	<b>517,677</b>	<b>516,611</b>	<b>526,145</b>	<b>6,241,319</b>	<b>6,291,555</b>
<b>Operating Profit</b>	<b>(301,826)</b>	<b>(293,148)</b>	<b>(359,474)</b>	<b>29,491</b>	<b>255,617</b>	<b>98,316</b>	<b>199,241</b>	<b>539,283</b>	<b>635,143</b>	<b>451,251</b>	<b>135,149</b>	<b>(167,685)</b>	<b>1,221,358</b>	<b>1,269,870</b>
<b>Leases - Carts</b>														
Leases - Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	87,518	97,669	86,379	87,159	68,940	53,359	55,941	53,901	61,673	68,141	78,426	82,346	881,452	878,239
<b>Fixed Operating Expenses</b>	<b>87,518</b>	<b>97,669</b>	<b>86,379</b>	<b>87,159</b>	<b>68,940</b>	<b>53,359</b>	<b>55,941</b>	<b>53,901</b>	<b>61,673</b>	<b>68,141</b>	<b>78,426</b>	<b>82,346</b>	<b>881,452</b>	<b>878,239</b>
<b>Gross Operating Profit</b>	<b>(389,344)</b>	<b>(390,817)</b>	<b>(445,853)</b>	<b>(57,668)</b>	<b>186,677</b>	<b>44,957</b>	<b>143,300</b>	<b>485,382</b>	<b>573,470</b>	<b>383,110</b>	<b>56,723</b>	<b>(250,031)</b>	<b>339,906</b>	<b>391,631</b>
<b>Insurance</b>														
Insurance	3,011	3,011	2,664	2,664	2,664	2,664	2,669	2,669	2,669	2,669	2,669	2,669	32,691	31,997
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fees, Permits & Licenses	-	-	-	-	1,000	-	115	-	585	-	-	-	1,700	2,700
Base Management Fees	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667	260,004	260,004
Bad Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expense	16,978	48,083	3,500	-	-	5,000	-	-	-	-	-	-	73,561	103,500
Expense Reimburse - Wash Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Non Operating Income	(116)	(42)	-	-	-	-	-	-	-	-	-	-	(158)	-
<b>Total Other Expenses</b>	<b>41,540</b>	<b>72,719</b>	<b>27,831</b>	<b>24,331</b>	<b>25,331</b>	<b>29,331</b>	<b>24,451</b>	<b>24,336</b>	<b>24,921</b>	<b>24,336</b>	<b>24,336</b>	<b>24,336</b>	<b>367,798</b>	<b>398,201</b>
<b>Net Operating Income</b>	<b>(430,884)</b>	<b>(463,536)</b>	<b>(473,684)</b>	<b>(81,999)</b>	<b>161,346</b>	<b>15,627</b>	<b>118,849</b>	<b>461,046</b>	<b>548,549</b>	<b>358,775</b>	<b>32,387</b>	<b>(274,367)</b>	<b>(27,891)</b>	<b>(6,570)</b>
<b>Interest Income Golf Cap Reserve Fund</b>														
Interest Income Golf Cap Reserve Fund	-	-	(6,250)	(6,250)	(6,250)	(6,250)	(6,250)	(6,250)	(6,250)	(6,250)	(6,250)	(6,250)	(62,500)	(75,000)
Community Center Revenue	-	-	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)	(220,000)	(264,097)
Technology Hardware Lease	-	-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	30,000	36,000
Sale of old Golf Carts	(118,900)	4,100	-	-	-	-	-	-	-	-	-	-	(114,800)	(180,000)
Golf Cart Lease	-	8,317	27,683	27,683	27,683	27,683	27,683	27,683	27,683	27,683	27,683	27,683	285,147	332,196
<b>Total Other Expenses</b>	<b>(118,900)</b>	<b>12,417</b>	<b>2,433</b>	<b>(82,153)</b>	<b>(150,901)</b>									
<b>Net Income (Loss)</b>	<b>(311,984)</b>	<b>(475,953)</b>	<b>(476,117)</b>	<b>(84,432)</b>	<b>158,913</b>	<b>13,194</b>	<b>116,416</b>	<b>458,613</b>	<b>546,116</b>	<b>356,342</b>	<b>29,954</b>	<b>(276,800)</b>	<b>54,262</b>	<b>144,331</b>
<b>VARIABLE EFFECT ON CASH</b>														
(Increase)/Decrease in A/R	5,368	24,011	-	-	-	-	-	-	-	-	-	-	29,379	-
(Increase)/Decrease in Prepaids	3,909	3,971	-	-	-	-	-	-	-	-	-	-	7,880	-
(Increase)/Decrease in Inventory	10,127	1,052	-	-	-	-	-	-	-	-	-	-	11,179	-
(Increase)/Decrease in Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Increase)/Decrease in A/P	225	(16,266)	-	-	-	-	-	-	-	-	-	-	(16,041)	-
(Increase)/Decrease in Accruals	(136,929)	(50,515)	-	-	-	-	-	-	-	-	-	-	(187,444)	-
(Increase)/Decrease in Gift Certificates	437	96	-	-	-	-	-	-	-	-	-	-	533	-
(Increase)/Decrease in Advance Deposits	20,573	3,096	-	-	-	-	-	-	-	-	-	-	23,669	-
(Increase)/Decrease in Deferred Revenues	(5,654)	(5,654)	-	-	-	-	-	-	-	-	-	-	(11,308)	-
Unrestricted Contributions / City of Indian Wells	-	610,000	-	-	-	-	-	-	-	-	-	-	610,000	-
(Increase)/Decrease in Due to Affiliate	(11,820)	(2,656)	-	-	-	-	-	-	-	-	-	-	(14,476)	-
<b>Increase/(Decrease) in Cash</b>	<b>(425,748)</b>	<b>91,182</b>	<b>(476,117)</b>	<b>(84,432)</b>	<b>158,913</b>	<b>13,194</b>	<b>116,416</b>	<b>458,613</b>	<b>546,116</b>	<b>356,342</b>	<b>29,954</b>	<b>(276,800)</b>	<b>507,633</b>	
<b>BEGINNING CASH</b>	<b>840,204</b>	<b>414,456</b>	<b>505,638</b>	<b>29,521</b>	<b>(54,911)</b>	<b>104,001</b>	<b>117,195</b>	<b>233,611</b>	<b>692,225</b>	<b>1,238,341</b>	<b>1,594,682</b>	<b>1,624,637</b>	<b>732,361</b>	
<b>ENDING OPERATING CASH (per G/L)</b>	<b>414,456</b>	<b>505,638</b>	<b>29,521</b>	<b>(54,911)</b>	<b>104,001</b>	<b>117,195</b>	<b>233,611</b>	<b>692,225</b>	<b>1,238,341</b>	<b>1,594,682</b>	<b>1,624,637</b>	<b>1,347,837</b>	<b>1,239,994</b>	



**69 - INDIAN WELLS GOLF RESORT**  
**Summary Aged Receivables List**  
**All Areas (Regular Club & Outside)**  
**Regular Aged Receivable List**

		As at Aug31/12					
Member	Member Name	Net Amount	Current	1 Mths	2 Mths	3 Mths	Over 4 Mths
0001001	Hotel Golf Hyatt Rm Chrg	1,902.97	1,902.97	-	-	-	-
0001002	Hotel Golf Ren Rm Chrg	3,273.00	3,273.00	-	-	-	-
0001003	Hotel Golf IWRH Rm Chrg	10.00	10.00	-	-	-	-
0001004	Hotel Golf Miramonte Rm Chrg	1,025.00	1,025.00	-	-	-	-
0002033	Blrd Golf Academy	600.00	400.00	200.00	-	-	-
0003001	Pkg-Hyatt Hotel	615.00	615.00	-	-	-	-
0003004	Pkg-Indian Wells Hotel	1,405.00	1,405.00	-	-	-	-
0003005	Pkg-Renalsance	6,890.00	6,890.00	-	-	-	-
0007730	CostcoWholesale	90.00	90.00	-	-	-	-
Total Report		15,810.97	15,610.97	200.00	-	-	-
			98.70%	1.30%	0.00%	0.00%	0.00%

## 69 - INDIAN WELLS GOLF RESORT

## Credit Book Balances Report

## Credit Book A Tournament Advance Deposit - August 2012

Member	Name	Amount
0002038	Under Par Golf	1,939.37
0007547	3/5/13PlasticPipe&Fitti	2,000.00
0007614	3/21/13RockwellAutomati	2,500.00
0007627	5/1/14PekinPathwayTrip	2,000.00
0007628	11/7/14PekinInsScenicTr	21,000.00
0007710	1/1/13 Qualcomm	500.00
0007735	9/18/12PoppyGolfClub	400.00
0007738	12/10/12SCGATournClubCh	1,000.00
0007745	12/31/12ibm	5,000.00
0007816	9/21/12PacNWSteelFabric	400.00
0007833	11/25/12CaClassicProAm	500.00
0007861	1/4/13PDI	355.00
0007876	11/1/12AGCHighways&Util	1,000.00
0007908	9/22/12Aerospace	5,000.00
0007950	10/13/12CommercialVanIn	500.00
0007952	5/12/13USGolfingFellows	2,500.00
0007956	1/12/13SPRI2013	1,500.00
0007963	10/24/12agc	2,500.00
0007968	10/5/12BauerHockey	2,500.00
0007972	10/16/12CHIME2012	4,000.00
0007973	9/22/12Catuto	250.00
0007976	9/10/12IMDA	500.00
0007978	2/1/13Amistad	2,500.00
0007984	3/8/13WIGA	2,000.00
0007990	10/25/14MilbankTweedHad	1,000.00
0007992	10/25/12Candy-SullivanW	500.00
0007993	5/6/13BevHillsFireDept	500.00
0007994	11/10/12Synthes	5,000.00
0008003	11/12/12MetalPowderIndu	1,000.00
0008005	1/28/14UnitedBenefitsAd	2,000.00
0008010	3/23/13CrescentElectric	5,000.00
0008013	11/29/12WayneMoss2012	500.00
0008018	11/13/12AKCAShootout201	5,000.00
0008020	1/12/13FreseniusMedical	1,000.00
0008025	2/8/13CropInsurance&Rei	1,000.00
0008029	6/8/13HESGA	1,500.00
0008030	3/3/13PeaceHealthSouthw	1,000.00
0008031	11/9/12MDAGolfOuting	260.00
0008033	10/9/12Emerson2012	1,500.00
0008036	9/15/12ClamBakeOpen	750.00
0008037	11/28/12EDPA	1,000.00
0008043	3/20/13AveraHealth	1,000.00
0008044	11/16/12PeoplesTrust	350.00
0008056	6/6/13AmericanAirlines	2,500.00
	<b>TOTAL:</b>	<b>94,704.37</b>

**IW CLUB**  
**BALANCE SHEET - STANDARD - August, 2012**

**ASSETS**

CASH & CASH EQUIVALENTS	453,584
ACCOUNTS RECEIVABLE, NET	3,823
INVENTORY	96,747
PREPAID & OTHER ST ASSETS	<u>32,239</u>

**TOTAL CURRENT ASSETS** **586,393**

**TOTAL ASSETS** **586,393**

**LIABILITIES & EQUITY**

**LIABILITIES**

ACCOUNTS PAYABLE	49,175
OTHER ACCRUED LIABILITIES	63,303
ADVANCED DEPOSITS - EVENTS	<u>19,750</u>

**TOTAL CURRENT LIABILITIES** **132,228**

**TOTAL LIABILITIES** **132,228**

**EQUITY**

MEMBER CAPITAL	1,578,846
RETAINED EARNINGS	(943,023)
CURRENT YEAR EARNINGS	<u>(181,658)</u>

**TOTAL EQUITY** **454,164**

**TOTAL LIABILITIES & EQUITY** **586,393**

**70 - IW CLUB**  
**Trial Balance for Aug, 2012**

Account	Description	Beginning Balance	Current Prd Debit	Current Prd Credit	Ending Balance
1000	Cash-Operating-Pacific Weste	193,253.90	471,259.04	(225,379.00)	439,133.94
1035	Petty Cash	400.00	-	-	400.00
1040	Cash Banks	17,550.00	-	(3,500.00)	14,050.00
1100	Accounts Receivable	5,837.72	18,940.15	(20,954.52)	3,823.35
1200	Prepaid Expenses	14,296.19	9,336.31	(3,377.37)	20,255.13
1240	Prepaid Liability Insurance	4,788.60	1,392.08	(896.44)	5,284.24
1340	Inventory - Food	37,247.50	2,274.54	-	39,522.04
1342	Inventory - Beer	6,114.19	803.91	-	6,918.10
1344	Inventory - Wine	26,880.34	526.27	-	27,406.61
1346	Inventory - Liquor	20,844.61	252.03	-	21,096.64
1348	Inventory - Tobacco	1,748.00	55.50	-	1,803.50
1400	Due to/from Affiliate	9,355.52	12,128.95	(14,785.27)	6,699.20
2100	Accounts Payable	(39,964.79)	154,981.72	(164,191.97)	(49,175.04)
2199	Suspense	-	20.00	-	20.00
2200	Accrued Payroll	(15,438.60)	15,438.60	(20,940.81)	(20,940.81)
2210	Accrued Vacation	(31,655.05)	7,157.08	(3,129.15)	(27,627.12)
2230	Accrued Sales Tax	(8,304.90)	7,772.40	(9,137.97)	(9,670.47)
2231	Accrued Use Tax	-	-	(13.94)	(13.94)
2280	General Accrual	(15,350.00)	15,350.00	(4,850.00)	(4,850.00)
2310	Tip Liability	(665.95)	13,149.75	(12,704.88)	(221.08)
2330	Advanced Deposits - Events	(12,300.00)	1,300.00	(8,750.00)	(19,750.00)
3200	Member Contributions	(1,258,845.75)	-	(320,000.00)	(1,578,845.75)
3400	Retained Earnings	943,023.43	-	-	943,023.43
<b>Total Assets &amp; Liabilities</b>		<b>(101,185.04)</b>	<b>732,138.33</b>	<b>(812,611.32)</b>	<b>(181,658.03)</b>
4500	Sales - Food	(80,740.20)	71.75	(87,052.03)	(167,720.48)
4505	Discount - Employee Food Sal	2,946.84	2,891.24	-	5,838.08
4507	Discounts-Public Food Sales	3,083.81	2,887.16	-	5,970.97
4510	Sales - Beer	(11,359.31)	-	(13,292.69)	(24,652.00)
4520	Sales - Wine	(7,861.70)	-	(8,682.73)	(16,544.43)
4530	Sales - Liquor	(11,555.65)	-	(11,174.82)	(22,730.47)
4550	Sales - Tobacco	(392.64)	-	(396.53)	(789.17)
4560	Gratuities/Group Service Cha	(1,281.12)	-	(3,081.44)	(4,362.56)
4591	Other F&B Income - Non-Taxab	(8,745.00)	-	(1,760.00)	(10,505.00)
5500	COS - Food	39,649.35	44,234.19	(11,916.52)	71,967.02
5510	COS - Beer	2,488.14	6,273.65	(3,599.21)	5,162.58
5520	COS - Wine	2,768.72	4,097.06	(972.03)	5,893.75
5530	COS - Liquor	2,093.09	2,152.49	(1,155.49)	3,090.09
5550	COS - Tobacco	107.00	971.85	(248.50)	830.35
5560	COS - Gratuities/Group Servi	684.14	2,312.66	-	2,996.80
7000	Payroll - Hourly	33,335.07	34,027.21	(4,158.71)	63,203.57
7001	Commissions Expense	188.28	303.55	-	491.83
7003	Payroll - Banquets	4,188.74	4,655.72	(566.05)	8,278.41
7004	Payroll - F&B Manager	16,156.70	26,815.04	(15,911.22)	27,060.52
7005	Payroll - Kitchen	15,086.01	15,111.38	(3,286.70)	26,910.69
7006	Payroll - Servers	16,231.31	17,036.95	(2,019.84)	31,248.42
7008	Payroll - Kitchen Overtime	498.84	8.63	-	507.47

**70 - IW CLUB**

**Trial Balance for Aug, 2012**

7009	Payroll - Server Overtime	1,172.32	524.44	-	1,696.76
7015	Payroll - Vacation	4,116.61	3,129.15	-	7,245.76
7020	Payroll Taxes	7,053.39	8,941.51	(1,154.95)	14,839.95
7030	Worker's Compensation	6,814.75	6,798.21	(893.16)	12,719.80
7040	Medical/Dental	16,098.35	15,050.70	-	31,149.05
7050	401(k) Costs	938.07	920.23	(116.28)	1,742.02
7115	Server Uniforms	184.65	393.14	-	577.79
7116	Culinary Uniforms	737.61	3,023.86	(1,604.52)	2,156.95
7140	Recruiting & Relocation	-	140.18	-	140.18
7150	Business Related Meals	-	99.88	-	99.88
7160	Travel Expense	-	922.42	-	922.42
7180	Employee Meals	704.35	462.29	-	1,166.64
7195	Employee Benefits & Administ	1,582.79	1,426.97	(175.69)	2,834.07
7230	Advertising	1,448.41	3,194.29	-	4,642.70
7240	Promotion	1,128.48	926.48	-	2,054.96
7340	Equipment Rental	1,231.00	156.60	-	1,387.60
7435	Flowers & Decorations	291.68	748.42	-	1,040.10
7442	Operating Supplies-F&B	6,956.20	6,360.45	(276.49)	13,040.16
7450	Paper Products	424.36	-	-	424.36
7460	Laundry/Linens	760.77	1,231.44	-	1,992.21
7470	China, Glass & Utensils	463.30	1,203.48	-	1,666.78
7530	Computer Related	1,505.05	1,439.30	-	2,944.35
7540	Printing	-	212.54	-	212.54
7560	Credit Card Fees	3,324.28	4,600.22	(2,350.00)	5,574.50
7570	Cash Over/Short	8.91	-	(154.63)	(145.72)
7580	Bank Fees	171.00	81.00	-	252.00
7595	Entertainment	2,081.92	2,584.07	-	4,665.99
7606	Payroll Administration	1,245.60	1,213.80	(156.00)	2,303.40
7670	R&M Equipment - F&B	648.30	1,231.71	-	1,880.01
7690	R&M Beverage Carts	191.80	40.35	-	232.15
7810	Cable TV / Music	-	149.17	-	149.17
7860	Insurance	896.45	896.44	-	1,792.89
7880	Fees, Permits & Licenses	-	3,649.10	-	3,649.10
7916	Rent Expense	1,000.00	1,000.00	-	2,000.00
8300	Interest Income	(19.95)	-	(17.07)	(37.02)
8400	Capital Expenses	20,454.17	21,542.02	(1,498.10)	40,498.09
9910	Restaurant Cover	2,997.00	3,134.00	-	6,131.00
9915	Banquet Cover	314.00	548.00	-	862.00
9930	Resident Cover	812.00	749.00	-	1,561.00
9935	Cafe Covers	1,589.00	1,509.00	-	3,098.00
9940	Fairway Grill Covers	2,934.00	2,579.00	-	5,513.00
9995	Contra Covers	(8,646.00)	-	(8,519.00)	(17,165.00)
	Total Income & Expense	101,185.04	266,663.39	(186,190.40)	181,658.03
	<b>Total Report</b>	-	<b>998,801.72</b>	<b>(998,801.72)</b>	-

**TROON GOLF**  
**IW Club**  
**2012-13 PROJECTED SUMMARY PROFIT & LOSS STATEMENT**

	ACTUAL Jul-12	ACTUAL Aug-12	BUDGET Sep-12	BUDGET Oct-12	BUDGET Nov-12	BUDGET Dec-12	BUDGET Jan-13	BUDGET Feb-13	BUDGET Mar-13	BUDGET Apr-13	BUDGET May-13	BUDGET Jun-13	ACTUAL TOTAL	ORIGINAL BUDGET
<b>Statistics:</b>														
Restaurant Covers	3,765	3,838	5,300	8,700	11,750	10,350	11,500	13,300	14,750	13,850	10,400	8,200	115,703	117,800
Banquet Covers	314	548	668	1,910	2,155	2,050	2,500	2,350	3,100	2,750	2,450	1,200	21,020	21,058
Fairway Grill Covers	2,934	2,579	4,750	5,126	9,258	6,753	7,805	9,344	10,369	10,236	8,186	6,422	82,762	84,496
Café Covers	1,633	1,554	2,500	2,600	3,300	3,300	3,540	4,200	4,000	4,000	3,800	2,850	36,877	37,818
<b>Covers Total</b>	<b>8,646</b>	<b>8,519</b>	<b>13,218</b>	<b>18,336</b>	<b>25,463</b>	<b>21,528</b>	<b>24,895</b>	<b>28,994</b>	<b>32,419</b>	<b>30,836</b>	<b>24,836</b>	<b>18,672</b>	<b>256,362</b>	<b>261,172</b>
<b>Revenues:</b>														
Restaurant	74,603	77,630	112,837	196,881	278,593	241,776	272,090	327,978	374,060	342,234	246,584	186,222	2,731,488	2,744,345
Banquet	15,589	19,087	28,646	85,984	99,906	70,699	95,663	111,813	147,498	130,845	107,604	51,972	965,276	1,006,678
Beverage Cart	14,742	12,027	22,325	27,885	39,556	31,807	37,386	48,495	53,815	53,125	40,275	29,413	410,851	412,927
Fairway Grill	3,933	4,423	6,365	8,509	14,699	10,940	13,112	17,567	19,494	18,630	14,080	11,046	142,798	142,798
Café	13,099	12,202	19,500	20,930	28,446	23,345	29,028	34,400	36,120	33,400	30,970	22,800	304,240	310,771
Employee Meals & Other	(6,031)	(5,778)	(5,637)	(7,726)	(1,724)	(9,676)	(9,503)	(11,653)	7,256	(2,784)	(8,700)	(6,973)	(68,929)	(68,235)
<b>Total Revenue</b>	<b>115,905</b>	<b>119,591</b>	<b>184,036</b>	<b>332,464</b>	<b>459,476</b>	<b>368,891</b>	<b>437,776</b>	<b>528,600</b>	<b>638,243</b>	<b>575,449</b>	<b>430,813</b>	<b>294,480</b>	<b>4,485,724</b>	<b>4,549,123</b>
<b>Total Avg. Revenue Per Cover</b>	<b>\$ 13.41</b>	<b>\$ 14.04</b>	<b>\$ 13.92</b>	<b>\$ 18.13</b>	<b>\$ 18.04</b>	<b>\$ 17.14</b>	<b>\$ 17.58</b>	<b>\$ 18.23</b>	<b>\$ 19.69</b>	<b>\$ 18.66</b>	<b>\$ 17.35</b>	<b>\$ 15.77</b>	<b>\$ 17.50</b>	<b>\$ 17.42</b>
Average Revenue Per Cover - Restaurant	\$ 19.81	\$ 20.23	\$ 21.29	\$ 22.63	\$ 23.71	\$ 23.36	\$ 23.66	\$ 24.66	\$ 25.36	\$ 24.71	\$ 23.71	\$ 22.71	\$ 23.61	\$ 23.30
Average Revenue Per Cover - Banquet	\$ 49.55	\$ 34.83	\$ 42.88	\$ 45.02	\$ 46.36	\$ 46.36	\$ 46.66	\$ 47.58	\$ 47.58	\$ 47.58	\$ 43.92	\$ 43.31	\$ 45.92	\$ 47.81
Average Revenue Per Cover - Bev Cart	\$ 5.02	\$ 4.66	\$ 4.70	\$ 5.44	\$ 4.79	\$ 4.71	\$ 4.79	\$ 5.19	\$ 5.19	\$ 5.19	\$ 4.92	\$ 4.58	\$ 4.96	\$ 4.89
Average Revenue Per Cover - Fairway Grill	\$ 1.34	\$ 1.72	\$ 1.34	\$ 1.64	\$ 1.78	\$ 1.62	\$ 1.68	\$ 1.88	\$ 1.88	\$ 1.82	\$ 1.72	\$ 1.72	\$ 1.73	\$ 1.69
Average Revenue Per Cover - Café	\$ 8.02	\$ 7.85	\$ 7.80	\$ 8.05	\$ 8.62	\$ 8.05	\$ 8.20	\$ 8.60	\$ 8.60	\$ 8.35	\$ 8.15	\$ 8.00	\$ 8.25	\$ 8.22
<b>Revenues:</b>														
Food, net of discounts	74,709	86,980	132,320	228,951	306,111	253,182	299,685	357,090	413,162	381,985	290,246	203,217	3,027,638	3,088,916
Beer	11,359	13,293	19,682	28,904	36,964	28,996	34,378	43,285	49,459	45,807	37,082	25,978	375,187	377,689
Wine	7,862	8,683	14,044	32,510	50,900	42,895	48,497	58,654	69,177	61,577	44,502	28,536	474,868	474,868
Liquor	11,556	11,175	17,506	33,200	47,309	39,318	45,709	59,007	70,359	63,302	46,976	33,469	478,886	484,362
Tobacco	393	397	956	1,120	1,900	1,426	1,760	2,232	1,967	1,967	881	881	16,389	17,087
Group Services	1,281	3,081	5,166	15,505	18,016	12,749	17,251	20,163	26,598	23,595	19,404	9,372	172,181	174,437
Other F&B Income	8,745	(4,018)	(5,637)	(7,726)	(1,724)	(9,676)	(9,503)	(11,653)	7,256	(2,784)	(8,700)	(6,974)	(52,394)	(68,235)
<b>Total Revenues</b>	<b>115,905</b>	<b>119,591</b>	<b>184,037</b>	<b>332,464</b>	<b>459,476</b>	<b>368,890</b>	<b>437,777</b>	<b>528,600</b>	<b>638,243</b>	<b>575,449</b>	<b>430,813</b>	<b>294,479</b>	<b>4,485,724</b>	<b>4,549,124</b>
<b>Cost of Sales:</b>														
COS - Food	39,649	32,318	43,288	73,852	97,041	82,607	97,360	113,404	130,683	120,932	93,684	66,423	991,241	992,792
COS - Beer	2,488	2,674	5,314	7,804	9,980	7,829	9,282	11,254	12,859	11,910	9,641	6,754	97,789	99,960
COS - Wine	2,769	3,125	5,056	11,704	17,815	15,013	16,489	19,942	23,520	20,936	16,021	10,773	162,663	162,256
COS - Liquor	2,093	997	3,326	6,308	8,989	7,077	8,278	10,621	12,665	11,394	8,925	6,359	89,252	89,252
COS - Tobacco	107	723	573	672	1,140	856	1,056	1,233	1,339	1,180	782	528	10,189	10,252
COS - Group Services	684	2,313	4,649	13,955	16,214	11,474	15,526	18,147	23,938	21,236	17,464	8,435	154,035	156,993
<b>Total Cost of Sales</b>	<b>47,790</b>	<b>42,150</b>	<b>62,206</b>	<b>114,295</b>	<b>151,179</b>	<b>124,856</b>	<b>147,941</b>	<b>174,601</b>	<b>205,004</b>	<b>187,588</b>	<b>146,517</b>	<b>98,772</b>	<b>1,502,899</b>	<b>1,514,505</b>
<b>Gross Profit</b>	<b>68,115</b>	<b>77,441</b>	<b>121,831</b>	<b>218,169</b>	<b>308,297</b>	<b>244,034</b>	<b>289,836</b>	<b>353,999</b>	<b>433,239</b>	<b>387,861</b>	<b>284,296</b>	<b>195,707</b>	<b>2,982,825</b>	<b>3,034,619</b>
<b>Operating Expenses:</b>														
Payroll	90,974	75,670	107,858	129,446	154,583	155,402	162,564	172,969	175,681	169,119	150,522	138,754	1,683,542	1,719,725
Employee Benefits	31,689	30,009	33,625	36,837	40,343	40,458	49,641	49,921	48,443	44,879	40,742	39,056	485,563	489,398
Employee Related	1,583	2,414	1,520	2,531	1,926	1,990	3,015	2,046	2,265	2,734	1,834	1,566	25,424	25,319
Advertising & Marketing	2,577	4,121	11,184	10,484	8,984	14,984	15,184	10,234	4,184	3,984	3,114	3,084	91,288	91,258
Repair & Maintenance	840	1,272	1,650	1,650	2,450	1,950	2,350	1,950	1,950	1,950	2,350	1,650	23,600	23,600
Operating Expenses	20,387	19,707	27,979	32,013	43,993	36,838	42,202	48,415	56,102	55,733	41,112	31,279	455,760	455,655
Utilities	-	149	350	700	1,050	700	700	-	-	-	-	-	3,649	3,500
<b>Total Operating Expenses</b>	<b>147,970</b>	<b>133,342</b>	<b>184,166</b>	<b>213,661</b>	<b>253,329</b>	<b>252,022</b>	<b>275,256</b>	<b>285,935</b>	<b>288,625</b>	<b>278,399</b>	<b>239,744</b>	<b>215,389</b>	<b>2,767,838</b>	<b>2,808,455</b>
<b>Operating Profit</b>	<b>(79,855)</b>	<b>(55,901)</b>	<b>(62,335)</b>	<b>4,508</b>	<b>54,968</b>	<b>(7,988)</b>	<b>14,580</b>	<b>68,064</b>	<b>144,614</b>	<b>109,462</b>	<b>44,552</b>	<b>(19,682)</b>	<b>214,987</b>	<b>226,164</b>
<b>Gross Operating Profit</b>	<b>(79,855)</b>	<b>(55,901)</b>	<b>(62,335)</b>	<b>4,508</b>	<b>54,968</b>	<b>(7,988)</b>	<b>14,580</b>	<b>68,064</b>	<b>144,614</b>	<b>109,462</b>	<b>44,552</b>	<b>(19,682)</b>	<b>214,987</b>	<b>226,164</b>
Insurance	896	896	850	850	850	850	850	850	850	850	850	850	10,292	10,200
Fees, Permits & Licenses	3,649	3,649	2,600	-	-	-	8,500	500	500	1,800	1,800	-	17,049	17,100
Bad Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenses	20,454	20,044	20,100	12,000	-	-	-	-	-	-	-	-	72,598	63,500
Non Operating Income	(20)	(17)	-	-	-	-	-	-	-	-	-	-	(37)	-
<b>Total Other Expenses</b>	<b>21,330</b>	<b>24,572</b>	<b>23,550</b>	<b>12,850</b>	<b>850</b>	<b>850</b>	<b>9,350</b>	<b>850</b>	<b>1,350</b>	<b>850</b>	<b>2,650</b>	<b>850</b>	<b>99,202</b>	<b>90,800</b>

**TROON GOLF**  
**IW Club**  
**2012-13 PROJECTED SUMMARY PROFIT & LOSS STATEMENT**

	ACTUAL Jul-12	ACTUAL Aug-12	BUDGET Sep-12	BUDGET Oct-12	BUDGET Nov-12	BUDGET Dec-12	BUDGET Jan-13	BUDGET Feb-13	BUDGET Mar-13	BUDGET Apr-13	BUDGET May-13	BUDGET Jun-13	ACTUAL TOTAL	ORIGINAL BUDGET
<b>Net Operating Income</b>	<b>(101,185)</b>	<b>(80,473)</b>	<b>(85,885)</b>	<b>(8,342)</b>	<b>54,118</b>	<b>(8,838)</b>	<b>5,230</b>	<b>67,214</b>	<b>143,264</b>	<b>108,612</b>	<b>41,902</b>	<b>(20,532)</b>	<b>115,085</b>	<b>135,364</b>
<b>Net Income (Loss)</b>	<b>(101,185)</b>	<b>(80,473)</b>	<b>(85,885)</b>	<b>(8,342)</b>	<b>54,118</b>	<b>(8,838)</b>	<b>5,230</b>	<b>67,214</b>	<b>143,264</b>	<b>108,612</b>	<b>41,902</b>	<b>(20,532)</b>	<b>115,085</b>	<b>135,364</b>
<b>VARIABLE EFFECT ON CASH</b>														
(Increase)/Decrease in A/R	5,928	2,014												7,942
(Increase)/Decrease in Prepaids	(5,578)	(6,455)												(12,033)
(Increase)/Decrease in Inventory	3,054	(3,912)												(858)
(Increase)/Decrease in Deposits														-
Increase/(Decrease) in A/P	7,396	9,210												16,606
Increase/(Decrease) in Accruals	(77,960)	(8,111)												(86,071)
Increase/(Decrease) in Gift Certificates														-
Increase/(Decrease) in Advance Deposits	2,250	7,450												9,700
Unrestricted Contributions / City of Indian Wells														320,000
(Increase)/Decrease in Due to Affiliate	11,820	2,656												14,476
<b>Increase/(Decrease) in Cash</b>	<b>(154,275)</b>	<b>242,379</b>	<b>(85,885)</b>	<b>(8,342)</b>	<b>54,118</b>	<b>(8,838)</b>	<b>5,230</b>	<b>67,214</b>	<b>143,264</b>	<b>108,612</b>	<b>41,902</b>	<b>(20,532)</b>	<b>384,847</b>	
<b>BEGINNING CASH</b>	<b>365,479</b>	<b>211,204</b>	<b>453,583</b>	<b>367,698</b>	<b>359,356</b>	<b>413,474</b>	<b>404,636</b>	<b>409,866</b>	<b>477,080</b>	<b>620,344</b>	<b>728,956</b>	<b>770,858</b>	<b>365,479</b>	
<b>ENDING OPERATING CASH (per G/L)</b>	<b>211,204</b>	<b>453,583</b>	<b>367,698</b>	<b>359,356</b>	<b>413,474</b>	<b>404,636</b>	<b>409,866</b>	<b>477,080</b>	<b>620,344</b>	<b>728,956</b>	<b>770,858</b>	<b>750,326</b>	<b>750,326</b>	



**70 - IW CLUB**  
**Summary Aged Receivables List**  
**All Areas (Regular Club & Outside)**  
**Regular Aged Receivable List**  
**As at Aug31/12**

<b>Member</b>	<b>Member Name</b>	<b>Net Amount</b>	<b>Current</b>	<b>1 Mths</b>	<b>2 Mths</b>	<b>3 Mths</b>	<b>Over 4 Mths</b>
0002033	Bird Golf Academy	183.50	122.86	60.64	-	-	-
0002038	Under Par Golf	15.00	15.00	-	-	-	-
0006001	Hyatt Hotel Room Chg	1,238.27	1,238.27	-	-	-	-
0006002	Renaissance Hotel Room Charges	1,446.80	1,446.80	-	-	-	-
0006003	Indian Wells Hotel	43.00	43.00	-	-	-	-
0006005	City of Indian Wells	331.27	-	331.27	-	-	-
0006006	Miramonte-Executives	136.04	136.04	-	-	-	-
0006009	Hyatt-Executives	429.47	429.47	-	-	-	-
<b>Total Report</b>		<b>3,823.35</b>	<b>3,431.44</b>	<b>391.91</b>	<b>-</b>	<b>-</b>	<b>-</b>
			89.80%	10.30%	0.00%	0.00%	0.00%

**70 - IW CLUB  
EVENT DEPOSIT REPORT  
AUGUST, 2012**

	<b>Name</b>	<b>Amount</b>
0005033	10/24/12 CV Partnership	250.00
0005060	11/3/12 Howard-Stewart	500.00
0005073	11/11/12 Greig Wedding	1,000.00
0005077	11/10/12 Rees-Burton We	1,000.00
0005084	03/30/13 Aquino/Silva W	1,000.00
0005086	11/16/12 MTJR dinner	500.00
0005087	3/23/13 Arnold Wedding	1,000.00
0005090	11/16/12 Renfro/Herrick	500.00
0005091	1/5/13 Pdi	500.00
0005093	10/15/12 Chime Boot Cam	500.00
0005094	11/29/12 Householder Gr	250.00
0005095	10/12/12 Commercl Van I	2,250.00
0005097	10/2/12 Landis/Gyr Dinn	500.00
0005098	10/9/12 Desert Oasis He	250.00
0005099	5/18/13 Kish/Paganucci	500.00
0005100	1/19/13 Maggio 80th Bir	500.00
0005104	11/28/12 Hi-LO Desert G	250.00
0005105	5/4/13 Law/Thompson reh	500.00
0005106	09/27/12 Jensen Wealth	500.00
0005107	9/9/12 IMDA Dinner	500.00
0005108	10/17/12 IBM/Chimel 12	500.00
0005109	10/24/12 XL Insurance	5,000.00
0005110	10/1/12 MYR Group Dinne	500.00
0005111	10/17/12 Allscripts-Chi	500.00
0005112	11/27/12 EDPA ACCESS Bo	250.00
0005113	12/1/12 Paschal 90th B-	250.00
	<b>TOTAL:</b>	<b>19,750.00</b>