



INDIAN WELLS
GOLF RESORT

Operating Results
OCTOBER, 2012

Prepared by:



Indian Wells Golf Resort

MONTH-END FACILITY REPORT

For: October, 2012

Date Completed: November 20, 2012

OWNER COMMUNICATIONS:

- October opened the second quarter with revenue levels much softer than anticipated. Pace reports for October just a month prior revealed more group business than prior year but in the end we just did not get the fill-in business or average rate that we needed to meet our budget goals. Although we fell short of budgeted top line revenues by we were able to manage expenses to improve the variance to budgeted gross operating profit.
- The weather in October remained above the normal average as we experienced highs near 100 degrees. This warm weather proves to be difficult overseeding conditions as the rye grass growth is slow and the bermuda grass is stimulated to return further restricting progress with rye grass.
- Both courses completed overseeding in October and both opened for play at the beginning of November. In the month of October we always had one course closed due to overseeding other than a three day period in mid-October where we had both courses open before transitioning to the other course to over-seed it.
- The golf committee met in October for an update on overseeding and a recap of Q1 financials. John Easterbrook and Jeff Spangler from Troon corporate offices were in town to attend the meeting as well. Jeff Spangler, Sr. Vice President of Science & Agronomy, provided a report on his evaluation of our over-seed status and progress. John Easterbrook, Executive Vice President of Operations, provided an industry update and shared some financial statistics from comparable markets. Q1 results at Indian Wells Golf Resort compared well with a slight shortfall of 3.7% to budget given the tough summer in the southwest.

WEATHER:

- High temperature: 108 F on October 2nd / Low temperature: 52 F on October 27th.
- Normal averages: High 92 F / Low: 64 F. 2012 Averages: High 92 F / Low 65 F.
- Precipitation: 0.0" / Historical Average 0.26"

SALES/TOURNAMENT/OUTING:

IWGR SEM ROI

- SEM Online bookings –October resulted in 66 tee times booked through the SEM link resulting in \$7,915 in revenues.
- SEM Group Leads –October resulted in 15 group leads – of which 4 booked totaling 84 rounds of golf and \$9,450 in group revenues.
- SEM Phone Leads/Revenue –October resulted in 328 phone leads of which we estimate resulted in 197 rounds of golf at \$23,601 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 \$119.80 (average SEM Online Rate).
- Total SEM revenues for the month equal \$40,966 vs. \$3,249 in SEM costs, with an ROI of \$37,717.
- Total web based revenue for this month through our SEM and website portals totaled \$142,071.

IW CLUB SEM ROI

- SEM Group Leads –October resulted in 23 leads, 14 phone leads and 9 online leads of which 2 booked to date resulting in a lead conversion rate of 9%.
- Total SEM revenues for the month equal \$6,375 vs. \$1,349 in SEM costs, with an ROI of \$5,026.
- 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 1,330 fans and sees roughly 400 visitors per week. Topics include Restaurant specials, Tips from the pro, etc.
- IWGR Newsletter – Sent out roughly every two weeks to 52,000 + opt in addresses. Topics include, November 1 Wine Tasting, Thanksgiving at IW Club etc.
- KMIR 6 – Partnering with KMIR 6 to produce an IW Club Spot that will run this November -January. Great Value from trade event we hosted in July.

- Radio – IW Club is hosting the KPSI 920am Rich Gilgallon Show every Thursday Night during Football Season for Thursday Night Football.
 - Magazine – Placed ad insertion in Desert Golfer for IW Club Restaurant and Bar.
 - Magazine – Placed 2/3 page ad in Alaska Airlines as a remnant.
- Tournaments:
- Tournament sales had 1,295 group rounds in October, resulting in \$141,138 in revenue, which was 36% of total green fees revenue at an ADR of \$108.98. This was 9% behind budget and 3% behind PY. We saw 10-15% attrition from contracted numbers in October due to economic uncertainty and Hurricane Sandy later in the month.
 - October groups we were proud to host at IWGR include:
 - 10/5 Bauer Hockey – 136 rounds
 - 10/11 Ferrari Club of America – Buyout
 - 10/16 Chime – 136 rounds
 - 10/24 Associated General Contractors – 52 rounds

GOLF OPERATIONS:

- Unfortunately October wasn't a great month for the golf department. The rounds were down slightly to budget and prior year. The rounds being slightly down, less than 3%, wasn't the big problem with the month, but our average daily rate(ADR) was well below budget and prior year. The ADR showed that people are becoming very price conscious and that they are searching for bargains. The ADR was \$9.76 below budget and \$8.54 prior year.
- Our round mix for the month of October are as follows:
 - Daily fee – 4.7% (prior year was 6.6%)
 - Resort Rounds – 8.1% (prior year was 11.6%)
 - Resident & Guest – 28.8% (prior year was 25.1%)
 - Group/ Tournaments – 26.2% (prior year was 24.8%)
- Total green fee revenue in October was \$392,034 to a budget of \$456,384, and prior year of \$444,839. We fell way short of our target this month, mainly due to the low ADR and fewer hotel and rack rate players. Last October we did benefit from one additional day of being open for a double course buyout (\$32,000) just from that day, but even taking \$16,000 out of the mix, we were still far behind our goals. We will continue to try to attract higher rate paying guests via the internet and GolfNow, but we need to see resort business pick up and we would like to see a higher rate paid by our tournament groups.
- Our payroll and expenses were in line with budget, although payroll was slightly above budget we offset that increase by holding other expenses below budget.
- Our net operating income for the month was \$297,855 to a budget of \$343,256 and a prior year of \$372,093. We did our best in trying to make up for the shortfall in revenue, but only could save slightly.
- The overseeding-process is completed and both courses are in good condition.
- Business in the Callaway Performance Center was also slow in October. The revenue and net income were below budget, but we were in line with prior year. The CPC continued to be a bit of a struggle the last quarter, but we have seen an uptick in business within the last week. Hopefully the trend continues.

RETAIL OPERATIONS:

- Merchandise revenues for the month of October 2012 were \$82,672, - \$24,359, -22.7%, to the budget of \$107,031. The ADR was \$16.69 to the budget of \$20.88. During the month of October the overall traffic felt lighter than in previous years. Our guest seemed to zoom in and zoom out after golf. The weather might have been a factor as it remained warm throughout the month. We were a bit deficient on our resort rounds this October which generally bring in that guest with the extra spending cash. We had plenty of new men's golf apparel as well as layering pieces which we made great efforts with to sell our golfer. We did keep a good portion of our "End of Summer" sales racks out, in hopes of snagging some last minute sells. Many guests just rushed through to post their scores and then grab a cold drink upstairs. Along with some purchases within our new golf lines, our combined revenues in our tech Greg Norman line were at \$3,910 in the men's lead and our Ralph Lauren revenues were at \$3,611 leading the women's apparel revenues.
- Our cost of sales in soft goods was just slightly over budget and our hard good cost of sales was over budget by 3 points. We continued to sell off some of our out of season merchandise such as shoes and clubs. Our accessories cost of sales was several points under we continued to sales in regular price merchandise from our new selection of towels and counter gift items.
- We had \$2,198 total savings in payroll as based on the business trend we kept our staff lean and chose not to fill our part time position until we get closer to our busier part of the season. With our deficiency of -22.7% to the

revenue budget, our above savings was not enough to get us to our net profit budget number. We finished out the month with a \$15,433, -\$10,828, to the budgeted net of \$26,271.

GOLF COURSE MAINTENANCE:

- Opened the Players golf course on October 12th. Course overseeding went well with the exception of returning Bermuda grass which was expected. Spot seeding and mulching took place through the end of the month to increase ryegrass in certain areas.
- Hydro-seeded all of the wildflower areas on the Celebrity course.
- Closed the Celebrity golf course for overseeding on October 15th. Overseeding went very well with favorable weather conditions and good seed germination.
- Overall expenses to budget were flat. Labor numbers were up due to overseeding but total operating expenses were just under budget. We show a positive savings against budget of \$45K year to date.
- Managed to get a great deal of plant trimming done in the Players landscape areas during the over-seed closure.
- Most of our efforts were focused on the over-seed process and that will strategy will continue through November.
- All of the annual flowers were planted and they are performing well at this time.

ENGINEERING & BUILDING MAINTENANCE:

- All Scheduled monthly preventive maintenance for the month of October has been completed.
- Major kitchen repairs this month include replacing compressor on one of the under counter coolers and repairing a freon leak in the walk-in freezer.
- Edison had an 8 hour planned power outage Monday night October 29, due to careful planning by all departments this went very smoothly.
- Busy housekeeping month, all banquet chairs have been steam cleaned, we also shampooed and high dusted the pro-shop.
- Patio furniture has been deep cleaned and teak oiling has been completed.

FOOD AND BEVERAGE:

Overall

- Total F&B revenue for the month of October was down 6.7% vs. budget at \$310,191 vs. \$332,464 and up 1.4% vs. PY October of \$305,860. Total covers for the month of October were down 9.4% vs. budget and down 5% to PY.

Operating Expenses

- F&B payroll (as a % of revenues) for the month of October was 43.5% vs. 38.9% budget. Prior year October labor was 42.2%.
Payroll increases in October were mainly from the following:
 - Increased Catering business (\$13,000 increase vs. budget)
 - Hiring and training of fall kitchen and FOH staff to prepare for increased seasonal volumes
- Total October 2012 payroll was \$134,991 vs. \$129,446 budget, and \$129,050 PY October. October F&B payroll costs increased by 4.2% vs. budget and saw a 4.5% increase vs. PY October payroll costs.
- Total F&B operating expenses for October 2012 were \$221,543 vs. \$212,901 budget and \$201,224 PY October. This is a 3.8% increase v. budget and a 9% increase from PY October.
- Credit card fees remained flat to budget this month at 2.0% vs. a budget of 2.0%.
- Total employee benefits for October stands at 12.5% of revenues vs. a budget of 11.1%.

Gross Operating Profit

- GOP for the month of October was (\$19,089) vs. a budget of \$4,569 and (\$354) for the PY.

COS (October 2012)

| | <u>Actual</u> | <u>Budget</u> | <u>PY</u> |
|------------|---------------|---------------|-----------|
| • Food – | 33.1% | 33.8% | 34.6% |
| • Beer – | 37.4% | 27% | 27.3% |
| • Wine – | 32.1% | 36% | 37% |
| • Liquor – | 19.9% | 19% | 17% |

Total October COS: \$107,450 (34.7%) Budget: \$114,294 (34.4%) PY October: \$104,205 (34.1%)

Outlets:**IW CLUB**

- Revenues for the IW Club for the month were \$158,921 vs. budget \$189,125 a decrease of 14.8% to budget and a 10.7% decrease to PY October of \$180,986.
- October covers were 7,823 vs. a budget of 8,700 and 8,154 PY. This is a 10.1% decrease vs. budget and a 4.1% decrease vs. PY. ADR for the month was \$21.35 vs. \$22.62 budgeted, a 5.7% decrease.

BEVERAGE CARTS

- Revenues on the Beverage Carts for the month of October were \$26,932 vs. budgeted \$27,885 and ADR of \$5.38 vs. budget of \$5.36. Revenues for the month of October were down 3.5% vs. budget and down 9.4% vs. PY at \$29,702.

Note: All F&B outlets and to some extent the IW Club as well saw reduced traffic, in part, due to the 3.6% decrease in October rounds vs. October budget (3% decrease v. PY).

BANQUETS

- Banquet revenue was \$100,105 vs. budget of \$87,704 and PY \$72,042, seeing a increase in revenue of 10.6% vs. budget and increase vs. PY of 26.6%.
- Catering and Banquet covers finished the month at 1,569 vs. budget of 1,910 and 1,942 PY which is a 17.9% decrease to budgeted covers and a 19.3% decrease vs. PY October covers. Banquet ADR was at \$50.03 vs. budget of \$36.90, a 26.3% increase vs. budget.

CAFÉ

- Revenues for the month of October were \$15,914 vs. budgeted \$19,841 and PY \$16,145. This is a decrease of 19.8% over budgeted revenue and a decrease of 1.5% vs. PY October. ADR was \$7.42 vs. budget of \$7.85. Covers were 2,281 vs. 2,600 budgeted showing a decrease over budgeted covers of 12.3%. The overall average spent per person was down to October budget by 5.5%.

FAIRWAY GRILL

- Revenue at the Fairway Grill for the month was \$8,146 vs. budgeted \$7,907; this is an increase of 3% versus October budget and a 14.3% increase vs. PY October revenue of \$6,985. ADR was \$1.87 vs. a budget of \$1.64, a 12.3% increase.

We are seeing better business at the Fairway Grill mainly due to the improved delivery of menu items to golfers from the new GPS system.

PERSONNEL & ADMINISTRATIVE:

- The Troon Experience Award winners for October: Manuela Gutierrez, Pedro Ibarra, Brittany Hawkins, Miriam Garcia, Maria Rodriguez and Ruben Garcia. Congratulations to all!
- The continuous Improvement Suggestion went to Cheryl McCullough for suggesting a sign at the front entrance identifying our facility as open to the public to stem the perception we are a private club.
- 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 –OCTOBER, 2012

| | Month to Date | | | Year to Date | | |
|---------------|---------------|---------|---------|--------------|------------|------------|
| | 2012-13 | Budget | 2011-12 | 2012-13 | Budget | 2011-12 |
| Rounds | 4,942 | 5,126 | 5,089 | 14,695 | 17,123 | 16,975 |
| Covers | 16,615 | 18,336 | 17,481 | 46,055 | 53,529 | 51,620 |
| Revenues | 829,587 | 955,115 | 909,060 | 1,896,502 | 2,260,154 | 2,165,767 |
| Cost of Sales | 156,764 | 181,554 | 166,481 | 401,304 | 456,626 | 436,374 |
| Op Expenses | 841,661 | 851,842 | 801,616 | 3,146,511 | 3,325,802 | 3,133,381 |
| EBITDA | -168,838 | -78,281 | -59,036 | -1,661,653 | -1,522,273 | -1,403,988 |

REVENUE:

- Traffic to the golf resort experienced a shortfall of 3% to budget and prior year for the month. Total facility revenues finished 8% down to prior year and 13% down to budget for the month.

- Golf fees were down 11%(-\$52K) to prior year and down 14% (-\$64K) to budget for the month. Round categories experiencing the largest shortfalls to budget for the month were Weekday Resort Guest (-\$42K) and Weekend Public Guest (-\$35K). Demand Monday-Thursday is considerably less than we anticipated and experienced in the past.
- Merchandise revenues finished the month down 27%(-\$32K) to budget and down 25%(-\$27k) to prior year. Hard good sales are up but the considerable shortfall in soft goods restricted our opportunities to meet our goals. The soft weekday business filled with an audience that did not support our retail regardless of sales and promotions.
- Banquets, Café and Fairway Grill performed well this month while other revenue outlets had more room for improvement. Overall food & beverage traffic was down 9% to budget and 5% to prior year. Total F&B revenues were down 6% to budget and 1% to prior year for the month as follows:
 - IW Club – down 14% to budget & down 11% to prior year.
 - Beverage Carts – down 3% to budget and down 9% to prior year.
 - Banquets – up 12%(\$10K) to budget – up 36%(\$26K) to PY.
 - Café – down \$3,900 to budget – flat to PY.
 - Fairway Grill – up 3% to budget & up 16% to prior year.

COGS:

- Overall, Food & Beverage COGS came in at 34.7% vs. budget of 34.4% and PY 34.1%. As business levels have increased, we see a return to the budgeted cost levels. Staff continues to manage all inventory without any sacrifice to quality.
- Retail COGS came in at 50.7% vs. budget of 48.6% and PY of 46.7%. Cost of sales was a bit high due to continued sell off of out of season merchandise.

PAYROLL:

- Base payroll for the month was up \$8K to budget and flat to PY. The increase was due to overtime associated with the over seeding process, which is a seasonal issue and the training of new staff in both Golf and Food/Bevg staff.
- Employee benefits came in \$2K over budget and \$5K over PY.

OPERATIONAL EXPENSES:

- Overall, Operating Expenses came in \$25K under budget and \$33K over PY. Significant savings occurred as follows: \$5K employee uniforms, \$4K operating supplies, \$10K electricity, and numerous other savings.

PROFIT:

- Gross Operating Profit for the overall golf resort suffered this month finishing \$75K short of budget. Our year to date position did not see an improvement after a tough performance in October as we are currently 9% below budgeted gross operating profit after 4months.

FORECAST:

- November pace reports are slightly ahead of this same period last year and relatively flat to budget. Management communications remain aggressive on expenses as we need to make up some ground in November with a healthy top line and an efficient bottom line. Although we are outpacing business on the books in December in comparison to prior year, we must improve our fill-in business levels to meet our goals. The Third Quarter is our largest revenue period and we will enter that period with a deficit to make up. We are fortunate to be operating within our first budget of profitability this year and we will remain on track to profitability for the 2012/2013 fiscal year.

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

| | ACTUAL MONTH | BUDGET MONTH | PRIOR YEAR MONTH | ACTUAL Y-T-D | BUDGET Y-T-D | PRIOR YEAR ACTUAL Y-T-D |
|----------------------------|-------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|------------------------------------|
| ROUNDS | 4,942 | 5,126 | 5,089 | 14,695 | 17,123 | 16,975 |
| COVERS | 16,615 | 18,336 | 17,481 | 46,055 | 53,529 | 51,620 |
| REVENUES | | | | | | |
| GOLF FEES | 392,034 | 456,384 | 444,839 | 868,995 | 1,039,308 | 1,013,074 |
| MERCHANDISE | 85,079 | 117,331 | 112,912 | 229,492 | 291,786 | 274,101 |
| FOOD & BEVERAGE | 288,513 | 314,339 | 292,212 | 663,436 | 783,079 | 743,617 |
| RANGE, RENTAL & OTHER | 26,992 | 27,100 | 27,330 | 42,522 | 51,900 | 51,713 |
| GROUP SERVICES | 21,167 | 23,641 | 18,340 | 42,813 | 49,405 | 40,484 |
| GOLF LESSONS | 2,574 | 3,500 | 2,890 | 4,703 | 8,500 | 5,475 |
| CALLAWAY FITTINGS | 90 | 1,000 | 500 | 970 | 2,750 | 1,895 |
| IWGR CARD SALES | 8,558 | 8,000 | 7,670 | 25,521 | 26,000 | 26,938 |
| OTHER INCOME | 4,580 | 3,820 | 2,368 | 18,050 | 7,427 | 8,470 |
| TOTAL REVENUES | 829,587 | 955,115 | 909,060 | 1,896,502 | 2,260,154 | 2,165,767 |
| COST OF SALES | | | | | | |
| COS - GOLF | - | 513 | 661 | 2,275 | 1,712 | 1,444 |
| COS - MERCHANDISE | 43,624 | 58,527 | 53,291 | 125,759 | 155,269 | 136,147 |
| COS - FOOD & BEVERAGE | 92,837 | 100,339 | 94,713 | 236,350 | 253,487 | 259,557 |
| COS - GROUP SERVICES | 18,212 | 19,325 | 15,236 | 33,140 | 39,157 | 34,649 |
| COS - GOLF LESSONS | 2,090 | 2,800 | 2,581 | 3,779 | 6,800 | 4,577 |
| COS - OTHER | - | 50 | - | - | 200 | - |
| TOTAL COST OF SALES | 156,764 | 181,554 | 166,481 | 401,304 | 456,626 | 436,374 |
| GROSS MARGIN | 672,823 | 773,561 | 742,579 | 1,495,198 | 1,803,529 | 1,729,393 |

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

| | ACTUAL MONTH | BUDGET MONTH | PRIOR YEAR MONTH | ACTUAL Y-T-D | BUDGET Y-T-D | PRIOR YEAR ACTUAL Y-T-D |
|--------------------------------|-------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|------------------------------------|
| OPERATING EXPENSES | | | | | | |
| PAYROLL | 431,138 | 422,842 | 431,117 | 1,485,095 | 1,562,644 | 1,562,008 |
| EMPLOYEE BENEFITS | 116,792 | 114,331 | 111,455 | 427,188 | 437,026 | 420,804 |
| EMPLOYEE RELATED | 7,693 | 8,411 | 6,306 | 31,868 | 35,299 | 45,542 |
| MARKETING | 18,334 | 20,916 | 11,400 | 57,664 | 74,239 | 67,271 |
| REPAIRS & MAINTENANCE | 77,461 | 85,204 | 64,805 | 462,880 | 498,182 | 379,282 |
| OPERATING EXPENSES | 83,726 | 87,099 | 70,683 | 234,572 | 253,826 | 214,847 |
| TOTAL OPERATING EXPENSE | 735,144 | 738,802 | 695,765 | 2,699,267 | 2,861,216 | 2,689,754 |
| OPERATING PROFIT | (62,321) | 34,759 | 46,815 | (1,204,069) | (1,057,688) | (960,361) |
| UTILITIES | 77,593 | 87,859 | 78,161 | 346,962 | 356,562 | 332,626 |
| TOTAL FIXED OPERATING | 77,593 | 87,859 | 78,161 | 346,962 | 356,562 | 332,626 |
| GROSS OPERATING PROFIT | (139,914) | (53,100) | (31,346) | (1,551,032) | (1,414,250) | (1,292,987) |
| INSURANCE | 3,907 | 3,514 | 3,163 | 15,629 | 14,056 | 12,652 |
| FEES, PERMITS & LICENS | 3,350 | - | 2,860 | 8,325 | 7,300 | 11,683 |
| BASE MANAGEMENT FEE | 21,667 | 21,667 | 21,667 | 86,667 | 86,668 | 86,667 |
| TOTAL OTHER EXPENSES | 28,924 | 25,181 | 27,690 | 110,621 | 108,024 | 111,001 |
| NET OPERATING INCOME | (168,838) | (78,281) | (59,036) | (1,661,653) | (1,522,273) | (1,403,988) |

INDIAN WELLS GOLF RESORT
INCOME STATEMENT CONSOLIDATED - COMPARATIVE - October, 2012

| | ACTUAL MONTH | BUDGET MONTH | PRIOR YEAR MONTH | ACTUAL Y-T-D | BUDGET Y-T-D | PRIOR YEAR ACTUAL Y-T-D |
|--------------------------------|-------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|------------------------------------|
| ROUNDS | 4,942 | 5,126 | 5,089 | 14,695 | 17,123 | 16,975 |
| REVENUES | | | | | | |
| GOLF FEES | 392,034 | 456,384 | 444,839 | 868,995 | 1,039,308 | 1,013,074 |
| MERCHANDISE | 85,079 | 117,331 | 112,912 | 229,492 | 291,786 | 274,101 |
| RANGE, RENTAL & OTHER | 26,992 | 27,100 | 27,330 | 42,522 | 51,900 | 51,713 |
| GROUP SERVICES | 3,864 | 8,136 | 5,932 | 18,106 | 22,116 | 15,380 |
| GOLF LESSONS | 2,574 | 3,500 | 2,890 | 4,703 | 8,500 | 5,475 |
| CALLAWAY FITTINGS | 90 | 1,000 | 500 | 970 | 2,750 | 1,895 |
| IWGR CARD SALES | 8,558 | 8,000 | 7,670 | 25,521 | 26,000 | 26,938 |
| OTHER INCOME | 378 | 1,200 | 1,128 | 2,068 | 2,400 | 2,183 |
| TOTAL REVENUES | 519,569 | 622,651 | 603,200 | 1,192,377 | 1,444,760 | 1,390,759 |
| COST OF SALES | | | | | | |
| COS - GOLF | - | 513 | 661 | 2,275 | 1,712 | 1,444 |
| COS - MERCHANDISE | 43,624 | 58,527 | 53,291 | 125,759 | 155,269 | 136,147 |
| COS - GROUP SERVICES | 3,599 | 5,370 | 5,744 | 13,007 | 14,597 | 14,826 |
| COS - GOLF LESSONS | 2,090 | 2,800 | 2,581 | 3,779 | 6,800 | 4,577 |
| COS - OTHER | - | 50 | - | - | 200 | - |
| TOTAL COST OF SALES | 49,314 | 67,260 | 62,276 | 144,820 | 178,578 | 156,993 |
| GROSS MARGIN | 470,255 | 555,391 | 540,924 | 1,047,556 | 1,266,181 | 1,233,766 |
| OPERATING EXPENSES | | | | | | |
| PAYROLL | 296,147 | 293,395 | 302,067 | 1,084,317 | 1,122,511 | 1,116,453 |
| EMPLOYEE BENEFITS | 78,055 | 77,494 | 73,839 | 295,504 | 301,092 | 288,723 |
| EMPLOYEE RELATED | 5,389 | 5,880 | 4,371 | 23,394 | 27,356 | 37,103 |
| MARKETING | 10,998 | 10,432 | 10,308 | 38,191 | 46,803 | 50,354 |
| REPAIRS & MAINTENANCE | 75,441 | 83,554 | 63,523 | 457,433 | 490,882 | 371,796 |
| OPERATING EXPENSES | 47,571 | 55,146 | 40,433 | 138,535 | 153,980 | 121,469 |
| TOTAL OPERATING EXPENSE | 513,601 | 525,901 | 494,541 | 2,037,375 | 2,142,624 | 1,985,898 |

INDIAN WELLS GOLF RESORT
INCOME STATEMENT CONSOLIDATED - COMPARATIVE - October, 2012

| | ACTUAL MONTH | BUDGET MONTH | PRIOR YEAR MONTH | ACTUAL Y-T-D | BUDGET Y-T-D | PRIOR YEAR ACTUAL Y-T-D |
|-------------------------------|-------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|------------------------------------|
| OPERATING PROFIT | (43,345) | 29,490 | 46,383 | (989,818) | (876,443) | (752,132) |
| UTILITIES | 76,942 | 87,159 | 77,375 | 345,834 | 355,512 | 331,161 |
| TOTAL FIXED OPERATING | 76,942 | 87,159 | 77,375 | 345,834 | 355,512 | 331,161 |
| GROSS OPERATING PROFIT | (120,288) | (57,669) | (30,992) | (1,335,653) | (1,231,955) | (1,083,294) |
| INSURANCE | 3,011 | 2,664 | 2,483 | 12,043 | 10,656 | 9,932 |
| FEES, PERMITS & LICENS | 3,350 | - | 2,860 | 4,660 | 1,000 | 4,989 |
| BASE MANAGEMENT FEE | 21,667 | 21,667 | 21,667 | 86,667 | 86,668 | 86,667 |
| TOTAL OTHER EXPENSES | 28,028 | 24,331 | 27,010 | 103,370 | 98,324 | 101,588 |
| NET OPERATING INCOME | (148,315) | (81,999) | (58,002) | (1,439,023) | (1,330,279) | (1,184,881) |

| IW CLUB | | | | | | |
|--|-------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|------------------------------------|
| INCOME STATEMENT CONSOLIDATED - COMPARATIVE - October, 2012 | | | | | | |
| | ACTUAL MONTH | BUDGET MONTH | PRIOR YEAR MONTH | ACTUAL Y-T-D | BUDGET Y-T-D | PRIOR YEAR ACTUAL Y-T-D |
| COVERS | 16,615 | 18,336 | 17,481 | 46,055 | 53,529 | 51,620 |
| REVENUES | | | | | | |
| FOOD & BEVERAGE | 288,513 | 314,339 | 292,212 | 663,436 | 783,079 | 743,617 |
| GROUP SERVICES | 17,303 | 15,505 | 12,408 | 24,707 | 27,289 | 25,104 |
| OTHER INCOME | 4,202 | 2,620 | 1,240 | 15,982 | 5,027 | 6,287 |
| TOTAL REVENUES | 310,018 | 332,464 | 305,860 | 704,125 | 815,395 | 775,008 |
| COST OF SALES | | | | | | |
| COS - FOOD & BEVERAGE | 92,837 | 100,339 | 94,713 | 236,350 | 253,487 | 259,557 |
| COS - GROUP SERVICES | 14,613 | 13,955 | 9,492 | 20,133 | 24,560 | 19,824 |
| TOTAL COST OF SALES | 107,450 | 114,294 | 104,205 | 256,483 | 278,048 | 279,381 |
| GROSS MARGIN | 202,567 | 218,170 | 201,655 | 447,642 | 537,347 | 495,627 |
| OPERATING EXPENSES | | | | | | |
| PAYROLL | 134,991 | 129,446 | 129,050 | 400,778 | 440,132 | 445,555 |
| EMPLOYEE BENEFITS | 38,738 | 36,837 | 37,616 | 131,684 | 135,934 | 132,081 |
| EMPLOYEE RELATED | 2,304 | 2,531 | 1,935 | 8,474 | 7,943 | 8,439 |
| MARKETING | 7,336 | 10,484 | 1,092 | 19,473 | 27,436 | 16,917 |
| REPAIRS & MAINTENANCE | 2,020 | 1,650 | 1,281 | 5,447 | 7,300 | 7,485 |
| OPERATING EXPENSES | 36,155 | 31,954 | 30,250 | 96,037 | 99,846 | 93,378 |
| TOTAL OPERATING EXPENSE | 221,543 | 212,901 | 201,224 | 661,893 | 718,592 | 703,855 |
| OPERATING PROFIT | (18,976) | 5,269 | 432 | (214,251) | (181,245) | (208,229) |
| UTILITIES | 651 | 700 | 785 | 1,128 | 1,050 | 1,465 |
| TOTAL FIXED OPERATING | 651 | 700 | 785 | 1,128 | 1,050 | 1,465 |
| GROSS OPERATING PROFIT | (19,626) | 4,569 | (354) | (215,379) | (182,295) | (209,693) |
| INSURANCE | 896 | 850 | 680 | 3,586 | 3,400 | 2,720 |
| FEES, PERMITS & LICENS | - | - | - | 3,665 | 6,300 | 6,694 |
| TOTAL OTHER EXPENSES | 896 | 850 | 680 | 7,251 | 9,700 | 9,413 |
| NET OPERATING INCOME | (20,523) | 3,719 | (1,034) | (222,630) | (191,995) | (219,107) |

INDIAN WELLS GOLF RESORT
INCOME STATEMENT GOLF - COMPARATIVE - October, 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 | 34 | 197 | 525 | 516 | 754 |
| ROUNDS - 18 HOLE NON-PRIME | 111 | 348 | 137 | 567 | 865 | 708 |
| ROUNDS - TOURNAMENT | 1,295 | 1,356 | 1,264 | 3,624 | 3,686 | 3,485 |
| ROUNDS - RESORT GUEST PRIME | 212 | 64 | 366 | 1,109 | 1,034 | 1,888 |
| ROUNDS - RESORT GUEST NON-PRI | 189 | 518 | 222 | 710 | 1,662 | 976 |
| ROUNDS - AFTERNOON PRIME | 176 | 26 | 251 | 636 | 665 | 1,000 |
| ROUNDS - AFTERNOON NON-PRIME | 191 | 408 | 264 | 596 | 1,294 | 922 |
| ROUNDS - TROON PROGRAMS | 48 | 47 | 46 | 113 | 248 | 140 |
| ROUNDS - JUNIOR | 54 | 16 | 39 | 208 | 239 | 303 |
| ROUNDS - IWGR CARD PROGRAM | 221 | 176 | 234 | 514 | 604 | 784 |
| ROUNDS - PGA/CART FEES | 90 | 34 | 55 | 327 | 384 | 342 |
| ROUNDS - WHOLESALE | 119 | 242 | 234 | 636 | 676 | 600 |
| ROUNDS - SPECIAL | 453 | 336 | 314 | 1,598 | 1,329 | 1,281 |
| ROUNDS - COMP ROUNDS | 238 | 310 | 188 | 778 | 1,108 | 901 |
| ROUNDS - MEMBER | 1,127 | 939 | 994 | 2,247 | 2,089 | 2,266 |
| ROUNDS - MEMBER GUEST PRIME | 156 | 30 | 163 | 286 | 176 | 386 |
| ROUNDS - MEMBER GUEST NON-PRI | 140 | 242 | 121 | 221 | 548 | 239 |
| TOTAL ROUNDS | 4,942 | 5,126 | 5,089 | 14,695 | 17,123 | 16,975 |
| 18 HOLE PRIME | 16,965 | 5,100 | 29,435 | 45,871 | 43,670 | 74,145 |
| 18 HOLE NON-PRIME | 16,000 | 51,864 | 20,690 | 45,738 | 89,264 | 61,665 |
| TOURNAMENT | 141,841 | 155,940 | 144,721 | 267,495 | 287,036 | 269,258 |
| RESORT GUEST PRIME | 27,162 | 8,256 | 46,650 | 82,666 | 75,046 | 134,970 |
| RESORT GUEST NON-PRIME | 24,250 | 66,822 | 28,315 | 54,553 | 137,682 | 73,170 |
| AFTERNOON PRIME | 11,625 | 1,820 | 17,510 | 31,387 | 27,380 | 46,938 |
| AFTERNOON NON-PRIME | 12,715 | 28,560 | 18,525 | 29,298 | 64,000 | 44,275 |
| TROON PROGRAMS | 3,738 | 5,123 | 5,000 | 6,483 | 13,678 | 9,115 |
| JUNIOR | 940 | 1,600 | 1,040 | 3,440 | 2,586 | 5,300 |
| IWGR CARD PROGRAM | 19,810 | 15,840 | 18,840 | 33,370 | 32,960 | 41,010 |
| WHOLESALE | 13,790 | 29,282 | 28,238 | 42,743 | 55,578 | 51,574 |
| SPECIAL | 41,683 | 34,272 | 31,265 | 108,023 | 89,017 | 80,747 |
| PGA/CART FEES | 2,980 | 1,360 | 1,600 | 9,580 | 10,736 | 9,475 |
| MEMBER ROUNDS | 39,325 | 32,865 | 35,080 | 78,259 | 73,115 | 78,253 |
| MEMBER GUEST PRIME ROUNDS | 10,045 | 1,950 | 10,075 | 16,975 | 8,450 | 19,555 |
| MEMBER GUEST NON-PRIME ROUNDS | 9,165 | 15,730 | 7,855 | 13,115 | 29,110 | 13,625 |
| TOTAL GOLF FEES | 392,034 | 456,384 | 444,839 | 868,995 | 1,039,308 | 1,013,074 |

INDIAN WELLS GOLF RESORT
INCOME STATEMENT GOLF - COMPARATIVE - October, 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 | 26,992 | - | 27,000 | - | 27,330 | - | 42,522 | - | 51,500 | - | 51,713 | - |
| GROUP SERVICES - GOLF | 3,864 | - | 8,136 | - | 5,932 | - | 18,106 | - | 22,116 | - | 15,380 | - |
| GOLF LESSONS | 2,574 | - | 3,500 | - | 2,890 | - | 4,703 | - | 8,500 | - | 5,475 | - |
| IWGR CARD SALES | 8,558 | - | 8,000 | - | 7,670 | - | 25,521 | - | 26,000 | - | 26,938 | - |
| OTHER INCOME | 378 | - | 1,200 | - | 1,128 | - | 2,068 | - | 2,400 | - | 2,183 | - |
| TOTAL OTHER GOLF REVENUE | 42,366 | - | 47,836 | - | 44,950 | - | 92,920 | - | 110,516 | - | 101,690 | - |
| TOTAL REVENUES | 434,400 | - | 504,220 | - | 489,789 | - | 961,915 | - | 1,149,824 | - | 1,114,763 | - |
| COS - GOLF | - | - | 513 | 10.0 | 661 | 13.0 | 2,275 | 15.5 | 1,712 | 10.0 | 1,444 | 8.5 |
| COS - GROUP SERVICES GOLF | 3,599 | 93.2 | 5,370 | 66.0 | 5,744 | 96.8 | 13,007 | 71.8 | 14,597 | 66.0 | 14,826 | 96.4 |
| COS - GOLF LESSONS | 2,090 | 81.2 | 2,800 | 80.0 | 2,581 | 89.3 | 3,779 | 80.4 | 6,800 | 80.0 | 4,577 | 83.6 |
| TOTAL COST OF SALES | 5,689 | 1.3 | 8,682 | 1.7 | 8,985 | 1.8 | 19,061 | 2.0 | 23,109 | 2.0 | 20,847 | 1.9 |
| TOTAL GROSS MARGIN | 428,711 | 98.7 | 495,538 | 98.3 | 480,803 | 98.2 | 942,854 | 98.0 | 1,126,715 | 98.0 | 1,093,917 | 98.1 |
| PAYROLL - HOURLY | 38,553 | 8.9 | 35,385 | 7.0 | 37,669 | 7.7 | 138,211 | 14.4 | 137,667 | 12.0 | 152,691 | 13.7 |
| PAYROLL - SALARY | 23,285 | 5.4 | 26,233 | 5.2 | 23,995 | 4.9 | 88,800 | 9.2 | 94,707 | 8.2 | 71,040 | 6.4 |
| PAYROLL - OVERTIME | 318 | 0.1 | - | - | 167 | - | 3,306 | 0.3 | - | - | 1,186 | 0.1 |
| PAYROLL - VACATION | 4,583 | 1.1 | 3,070 | 0.6 | 2,497 | 0.5 | 17,035 | 1.8 | 12,281 | 1.1 | 12,444 | 1.1 |
| TOTAL PAYROLL | 66,739 | 15.4 | 64,689 | 12.8 | 64,328 | 13.1 | 247,352 | 25.7 | 244,656 | 21.3 | 237,361 | 21.3 |
| PAYROLL TAXES | 5,810 | 1.3 | 5,175 | 1.0 | 5,597 | 1.1 | 21,939 | 2.3 | 19,572 | 1.7 | 22,337 | 2.0 |
| WORKERS COMP | 4,470 | 1.0 | 3,396 | 0.7 | 3,727 | 0.8 | 17,539 | 1.8 | 12,844 | 1.1 | 14,675 | 1.3 |
| MEDICAL/DENTAL INS | 9,562 | 2.2 | 11,447 | 2.3 | 8,238 | 1.7 | 38,230 | 4.0 | 45,787 | 4.0 | 33,883 | 3.0 |
| 401 (K) COSTS | 442 | 0.1 | 582 | 0.1 | 455 | 0.1 | 1,542 | 0.2 | 1,842 | 0.2 | 1,734 | 0.2 |
| EMPLOYEE MEALS | 734 | 0.2 | 250 | 0.1 | 405 | 0.1 | 2,268 | 0.2 | 1,000 | 0.1 | 1,724 | 0.2 |
| TOTAL EMPLOYEE BENEFITS | 21,018 | 4.8 | 20,850 | 4.1 | 18,422 | 3.8 | 81,518 | 8.5 | 81,046 | 7.1 | 74,353 | 6.7 |
| ADVERTISING | 10,263 | 2.4 | 9,382 | 1.9 | 8,736 | 1.8 | 34,562 | 3.6 | 40,903 | 3.6 | 44,551 | 4.0 |
| PROMOTION | 56 | - | 250 | 0.1 | 49 | - | 343 | - | 1,000 | 0.1 | 809 | - |
| TOTAL MARKETING | 10,318 | 2.4 | 9,632 | 1.9 | 8,785 | 1.8 | 34,905 | 3.6 | 41,903 | 3.6 | 45,359 | 4.1 |
| R&M CARTS | 1,039 | 0.2 | 1,200 | 0.2 | 1,949 | 0.4 | 4,463 | 0.5 | 4,800 | 0.4 | 7,897 | 0.7 |
| TOTAL REPAIRS & MAINTENANCE | 1,039 | 0.2 | 1,200 | 0.2 | 1,949 | 0.4 | 4,463 | 0.5 | 4,800 | 0.4 | 7,897 | 0.7 |
| EMPLOYEE UNIFORMS | 7,883 | 1.8 | 12,000 | 2.4 | 60 | - | 7,744 | 0.8 | 12,000 | 1.0 | 307 | - |
| HANDICAP FEES | - | - | 100 | - | 30 | - | 60 | - | 400 | - | 360 | - |
| GOLF OPERATING SUPPLIES | 3,723 | 0.9 | 5,600 | 1.1 | 4,373 | 0.9 | 12,683 | 1.3 | 17,100 | 1.5 | 15,422 | 1.4 |
| LOCKER ROOM SUPPLIES | - | - | 30 | - | 9 | - | 103 | - | 340 | - | 301 | - |
| FREIGHT | - | - | - | - | 56 | - | - | - | - | - | 213 | - |
| CREDIT CARDS FEES | 11,700 | 2.7 | 10,497 | 2.1 | 10,701 | 2.2 | 24,833 | 2.6 | 23,904 | 2.1 | 20,769 | 1.9 |
| CASH OVER/SHORT | 119 | - | - | - | (2) | - | 93 | - | - | - | 1 | - |
| OPERATING EXPENSES | 23,425 | 5.4 | 28,227 | 5.6 | 15,226 | 3.1 | 45,516 | 4.7 | 53,744 | 4.7 | 37,372 | 3.4 |

| | INDIAN WELLS GOLF RESORT | | | | | | | | | | | |
|---------------------------------|---|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|
| | INCOME STATEMENT GOLF - COMPARATIVE - October, 2012 | | | | | | | | | | | |
| | ACTUAL | | BUDGET | | PRIOR YEAR | | ACTUAL | | BUDGET | | PRIOR YEAR | |
| | MONTH | | MONTH | | MONTH | | Y-T-D | | Y-T-D | | ACTUAL Y-T-D | |
| TOTAL OPERATING EXPENSES | 122,539 | 28.2 | 124,598 | 24.7 | 108,710 | 22.2 | 413,753 | 43.0 | 426,149 | 37.1 | 402,342 | 36.1 |
| TOTAL OPERATING PROFIT | 306,172 | 70.5 | 370,939 | 73.6 | 372,093 | 76.0 | 529,101 | 55.0 | 700,566 | 60.9 | 691,575 | 62.0 |
| GROSS OPERATING PROFIT | 306,172 | 70.5 | 370,939 | 73.6 | 372,093 | 76.0 | 529,101 | 55.0 | 700,566 | 60.9 | 691,575 | 62.0 |
| FEES, PERMITS & LICENSES | - | - | - | - | - | - | - | - | - | - | 495 | - |
| NET OPERATING INCOME | 306,172 | 70.5 | 370,939 | 73.6 | 372,093 | 76.0 | 529,101 | 55.0 | 700,566 | 60.9 | 691,080 | 62.0 |
| CART LEASE | 8,317 | 1.9 | 27,683 | 5.5 | - | - | 68,599 | 7.1 | 110,732 | 9.6 | - | - |
| NET INCOME (LOSS) | 297,855 | 68.6 | 343,256 | 68.1 | 372,093 | 76.0 | 460,501 | 47.9 | 589,834 | 51.3 | 691,080 | 62.0 |

INDIAN WELLS GOLF RESORT
INCOME STATEMENT CALLAWAY CTR - COMPARATIVE - October, 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 | 3,720 | - | 12,500 | - | 6,555 | - | 13,938 | - | 33,500 | - | 19,040 | - |
| SALES DISCOUNTS - CALLAWAY CE | (1,313) | - | (2,200) | - | (1,432) | - | (3,488) | - | (6,300) | - | (3,978) | - |
| TOTAL MERCHANDISE | 2,407 | - | 10,300 | - | 5,123 | - | 10,450 | - | 27,200 | - | 15,062 | - |
| RANGE, RENTAL & OTHER | - | - | 100 | - | - | - | - | - | 400 | - | - | - |
| CALLAWAY FITTINGS | 90 | - | 1,000 | - | 500 | - | 970 | - | 2,750 | - | 1,895 | - |
| TOTAL OTHER GOLF REVENUE | 90 | - | 1,100 | - | 500 | - | 970 | - | 3,150 | - | 1,895 | - |
| TOTAL REVENUES | 2,497 | - | 11,400 | - | 5,623 | - | 11,419 | - | 30,350 | - | 16,957 | - |
| COS - MERCHANDISE - CALLAWAY | 1,751 | 72.8 | 6,600 | 64.1 | 3,075 | 60.0 | 7,730 | 74.0 | 18,900 | 69.5 | 10,601 | 70.4 |
| COS - DISCOUNTS EARNED | (12) | (0.5) | (50) | (0.5) | (136) | (2.7) | (88) | (0.8) | (200) | (0.7) | (288) | (1.9) |
| COS - OTHER | - | - | 50 | - | - | - | - | - | 200 | - | - | - |
| TOTAL COST OF SALES | 1,739 | 69.6 | 6,600 | 57.9 | 2,939 | 52.3 | 7,642 | 66.9 | 18,900 | 62.3 | 10,314 | 60.8 |
| TOTAL GROSS MARGIN | 758 | 30.4 | 4,800 | 42.1 | 2,684 | 47.7 | 3,778 | 33.1 | 11,450 | 37.7 | 6,643 | 39.2 |
| PAYROLL - HOURLY | - | - | - | - | - | - | 957 | 8.4 | - | - | - | - |
| PAYROLL - SALARY | 1,622 | 64.9 | 2,670 | 23.4 | 2,834 | 50.4 | 8,568 | 75.0 | 10,391 | 34.2 | 10,252 | 60.5 |
| PAYROLL - VACATION | 164 | 6.6 | 314 | 2.8 | 416 | 7.4 | 674 | 5.9 | 1,257 | 4.1 | 993 | 5.9 |
| TOTAL PAYROLL | 1,786 | 71.5 | 2,984 | 26.2 | 3,250 | 57.8 | 10,199 | 89.3 | 11,647 | 38.4 | 11,245 | 66.3 |
| PAYROLL TAXES | 218 | 8.7 | 239 | 2.1 | 220 | 3.9 | 838 | 7.3 | 932 | 3.1 | 845 | 5.0 |
| WORKERS COMP | 181 | 7.3 | 157 | 1.4 | 166 | 3.0 | 689 | 6.0 | 611 | 2.0 | 633 | 3.7 |
| MEDICAL/DENTAL INS | 341 | 13.7 | 411 | 3.6 | 796 | 14.2 | 1,366 | 12.0 | 1,645 | 5.4 | 3,181 | 18.8 |
| 401 (K) COSTS | 22 | 0.9 | 27 | 0.2 | 32 | 0.6 | 85 | 0.8 | 88 | 0.3 | 124 | 0.7 |
| TOTAL EMPLOYEE BENEFITS | 763 | 30.6 | 834 | 7.3 | 1,214 | 21.6 | 2,978 | 26.1 | 3,276 | 10.8 | 4,784 | 28.2 |
| ADVERTISING | - | - | - | - | - | - | - | - | 1,500 | 4.9 | - | - |
| TOTAL MARKETING | - | - | - | - | - | - | - | - | 1,500 | 4.9 | - | - |
| GOLF OPERATING SUPPLIES | - | - | 25 | 0.2 | 39 | 0.7 | - | - | 100 | 0.3 | 39 | 0.2 |
| FREIGHT | 45 | 1.8 | 176 | 1.5 | 108 | 1.9 | 189 | 1.7 | 504 | 1.7 | 275 | 1.6 |
| OPERATING EXPENSES | 45 | 1.8 | 201 | 1.8 | 147 | 2.6 | 189 | 1.7 | 604 | 2.0 | 314 | 1.9 |
| TOTAL OPERATING EXPENSES | 2,594 | 103.9 | 4,019 | 35.3 | 4,611 | 82.0 | 13,366 | 117.1 | 17,027 | 56.1 | 16,343 | 96.4 |
| TOTAL OPERATING PROFIT | (1,836) | (73.5) | 781 | 6.9 | (1,927) | (34.3) | (9,589) | (84.0) | (5,577) | (18.4) | (9,699) | (57.2) |
| GROSS OPERATING PROFIT | (1,836) | (73.5) | 781 | 6.9 | (1,927) | (34.3) | (9,589) | (84.0) | (5,577) | (18.4) | (9,699) | (57.2) |
| NET OPERATING INCOME | (1,836) | (73.5) | 781 | 6.9 | (1,927) | (34.3) | (9,589) | (84.0) | (5,577) | (18.4) | (9,699) | (57.2) |
| NET INCOME (LOSS) | (1,836) | (73.5) | 781 | 6.9 | (1,927) | (34.3) | (9,589) | (84.0) | (5,577) | (18.4) | (9,699) | (57.2) |

INDIAN WELLS GOLF RESORT
INCOME STATEMENT MERCHANDISE - COMPARATIVE - October, 2012

| | ACTUAL MONTH | | BUDGET MONTH | | PRIOR YEAR MONTH | | ACTUAL Y-T-D | | BUDGET Y-T-D | | PRIOR YEAR ACTUAL Y-T-D | |
|--------------------------------|---------------|-------------|----------------|-------------|------------------|-------------|----------------|-------------|----------------|-------------|-------------------------|-------------|
| MERCHANDISE SALES - SOFT GOOD | 66,166 | - | 84,102 | - | 81,212 | - | 195,489 | - | 223,263 | - | 213,785 | - |
| SALES DISCOUNTS - SOFT GOODS | (9,079) | - | (5,887) | - | (6,868) | - | (41,719) | - | (33,274) | - | (33,900) | - |
| MERCHANDISE SALES - HARD GOOD | 32,526 | - | 16,353 | - | 19,861 | - | 61,080 | - | 41,750 | - | 48,680 | - |
| SALES DISCOUNTS - HARD GOODS | (18,000) | - | (1,472) | - | (1,499) | - | (20,660) | - | (4,011) | - | (6,238) | - |
| MERCHANDISE SALES - ACCESSORI | 9,528 | - | 15,185 | - | 15,024 | - | 25,345 | - | 39,552 | - | 35,891 | - |
| SALES DISCOUNTS - ACCESSORIES | (629) | - | (2,126) | - | (2,140) | - | (3,295) | - | (5,395) | - | (5,624) | - |
| MERCHANDISE SALES - SPECIAL O | 3,600 | - | 1,168 | - | 2,199 | - | 4,242 | - | 3,602 | - | 6,495 | - |
| SALES DISCOUNTS - SPECIAL ORD | (1,440) | - | (292) | - | - | - | (1,440) | - | (900) | - | (50) | - |
| TOTAL MERCHANDISE | 82,672 | - | 107,031 | - | 107,789 | - | 219,042 | - | 264,586 | - | 259,039 | - |
| TOTAL REVENUES | 82,672 | - | 107,031 | - | 107,789 | - | 219,042 | - | 264,586 | - | 259,039 | - |
| COS - MERCHANDISE - SOFT GOOD | 28,682 | 50.3 | 36,164 | 46.2 | 32,849 | 44.2 | 82,239 | 53.5 | 96,003 | 50.5 | 83,705 | 46.6 |
| COS - MERCHANDISE - HARD GOOD | 8,945 | 61.6 | 8,831 | 59.3 | 10,882 | 59.3 | 25,467 | 63.0 | 22,545 | 59.7 | 25,702 | 60.5 |
| COS - MERCHANDISE - ACCESSORI | 4,232 | 47.6 | 6,757 | 51.7 | 6,437 | 49.9 | 11,829 | 53.7 | 17,601 | 51.5 | 15,489 | 51.2 |
| COS - MERCHANDISE - SPECIAL O | 725 | 33.5 | 526 | 60.0 | 1,289 | 58.6 | 1,340 | 47.9 | 1,621 | 60.0 | 2,187 | 33.9 |
| COS - DISCOUNTS EARNED | (699) | (0.9) | (300) | (0.3) | (1,104) | (1.0) | (2,757) | (1.3) | (1,200) | (0.5) | (1,249) | (0.5) |
| TOTAL COST OF SALES | 41,885 | 50.7 | 51,977 | 48.6 | 50,352 | 46.7 | 118,118 | 53.9 | 136,569 | 51.6 | 125,833 | 48.6 |
| TOTAL GROSS MARGIN | 40,786 | 49.3 | 55,054 | 51.4 | 57,437 | 53.3 | 100,925 | 46.1 | 128,016 | 48.4 | 133,206 | 51.4 |
| PAYROLL - HOURLY | 6,361 | 7.7 | 9,187 | 8.6 | 6,226 | 5.8 | 25,696 | 11.7 | 33,187 | 12.5 | 26,973 | 10.4 |
| PAYROLL - SALARY | 5,932 | 7.2 | 5,503 | 5.1 | 5,788 | 5.4 | 20,304 | 9.3 | 21,401 | 8.1 | 23,324 | 9.0 |
| PAYROLL - OVERTIME | 142 | 0.2 | - | - | 19 | - | 774 | 0.4 | - | - | 143 | 0.1 |
| PAYROLL - VACATION | 491 | 0.6 | 434 | 0.4 | 693 | 0.6 | 2,279 | 1.0 | 1,724 | 0.7 | 2,960 | 1.1 |
| TOTAL PAYROLL | 12,926 | 15.6 | 15,124 | 14.1 | 12,727 | 11.8 | 49,051 | 22.4 | 56,312 | 21.3 | 53,400 | 20.6 |
| PAYROLL TAXES | 1,058 | 1.3 | 1,210 | 1.1 | 1,158 | 1.1 | 4,160 | 1.9 | 4,505 | 1.7 | 5,206 | 2.0 |
| WORKERS COMP | 749 | 0.9 | 794 | 0.7 | 746 | 0.7 | 3,286 | 1.5 | 2,956 | 1.1 | 3,406 | 1.3 |
| MEDICAL/DENTAL INS | 436 | 0.5 | 851 | 0.8 | 1,224 | 1.1 | 2,778 | 1.3 | 3,406 | 1.3 | 4,606 | 1.8 |
| 401 (K) COSTS | 100 | 0.1 | 136 | 0.1 | 88 | 0.1 | 444 | 0.2 | 424 | 0.2 | 452 | 0.2 |
| EMPLOYEE MEALS | 56 | 0.1 | - | - | 34 | - | 152 | 0.1 | - | - | 271 | 0.1 |
| TOTAL EMPLOYEE BENEFITS | 2,399 | 2.9 | 2,991 | 2.8 | 3,250 | 3.0 | 10,820 | 4.9 | 11,291 | 4.3 | 13,941 | 5.4 |

INDIAN WELLS GOLF RESORT
INCOME STATEMENT MERCHANDISE - COMPARATIVE - October, 2012

| | ACTUAL MONTH | | BUDGET MONTH | | PRIOR YEAR MONTH | | ACTUAL Y-T-D | | BUDGET Y-T-D | | PRIOR YEAR ACTUAL Y-T-D | |
|---------------------------------|---------------|-------------|---------------|-------------|------------------|-------------|---------------|-------------|---------------|-------------|-------------------------|-------------|
| TRAVEL EXPENSE | 259 | 0.3 | 300 | 0.3 | 302 | 0.3 | 1,376 | 0.6 | 1,950 | 0.7 | 1,555 | 0.6 |
| TOTAL EMPLOYEE RELATED | 259 | 0.3 | 300 | 0.3 | 302 | 0.3 | 1,376 | 0.6 | 1,950 | 0.7 | 1,555 | 0.6 |
| ADVERTISING PROMOTION | - | - | - | - | 244 | 0.2 | - | - | 400 | 0.2 | - | - |
| TOTAL MARKETING | - | - | - | - | 244 | 0.2 | - | - | 400 | 0.2 | 1,302 | 0.5 |
| EMPLOYEE UNIFORMS | 3,999 | 4.8 | 4,000 | 3.7 | 3,445 | 3.2 | 3,999 | 1.8 | 4,000 | 1.5 | 3,445 | 1.3 |
| GOLF OPERATING SUPPLIES | 3,607 | 4.4 | 4,200 | 3.9 | 2,189 | 2.0 | 13,833 | 6.3 | 13,900 | 5.3 | 4,410 | 1.7 |
| FREIGHT | 2,154 | 2.6 | 2,168 | 2.0 | 2,859 | 2.7 | 5,648 | 2.6 | 5,002 | 1.9 | 6,105 | 2.4 |
| OPERATING EXPENSES | 9,760 | 11.8 | 10,368 | 9.7 | 8,492 | 7.9 | 23,480 | 10.7 | 22,902 | 8.7 | 13,960 | 5.4 |
| TOTAL OPERATING EXPENSES | 25,344 | 30.7 | 28,783 | 26.9 | 25,015 | 23.2 | 84,728 | 38.7 | 92,856 | 35.1 | 84,156 | 32.5 |
| TOTAL OPERATING PROFIT | 15,443 | 18.7 | 26,271 | 24.6 | 32,422 | 30.1 | 16,197 | 7.4 | 35,160 | 13.3 | 49,050 | 18.9 |
| GROSS OPERATING PROFIT | 15,443 | 18.7 | 26,271 | 24.6 | 32,422 | 30.1 | 16,197 | 7.4 | 35,160 | 13.3 | 49,050 | 18.9 |
| NET OPERATING INCOME | 15,443 | 18.7 | 26,271 | 24.6 | 32,422 | 30.1 | 16,197 | 7.4 | 35,160 | 13.3 | 49,050 | 18.9 |
| NET INCOME (LOSS) | 15,443 | 18.7 | 26,271 | 24.6 | 32,422 | 30.1 | 16,197 | 7.4 | 35,160 | 13.3 | 49,050 | 18.9 |

**IW CLUB
INCOME STATEMENT CONSOLIDATED - COMPARATIVE - October, 2012**

| | ACTUAL MONTH | | BUDGET MONTH | | PRIOR YEAR MONTH | | ACTUAL Y-T-D | | BUDGET Y-T-D | | PRIOR YEAR ACTUAL Y-T-D | |
|--|----------------|-------------|----------------|-------------|------------------|-------------|----------------|-------------|----------------|-------------|-------------------------|-------------|
| COVERS - RESTAURANT | 6,280 | | 8,700 | | 6,218 | | 16,668 | | 23,700 | | 16,908 | |
| COVERS - BANQUET | 1,569 | | 1,910 | | 1,942 | | 3,079 | | 3,478 | | 3,371 | |
| COVERS - CAFE | 2,195 | | 2,600 | | 2,127 | | 7,533 | | 9,228 | | 8,313 | |
| COVERS - FAIRWAY GRILL | 4,942 | | 5,126 | | 5,089 | | 14,695 | | 17,123 | | 16,975 | |
| COVERS - RESIDENT | 1,629 | | - | | 2,105 | | 4,080 | | - | | 6,053 | |
| TOTAL COVERS | 16,615 | | 18,336 | | 17,481 | | 46,055 | | 53,529 | | 51,620 | |
| FOOD SALES | 210,945 | - | 228,951 | - | 217,026 | - | 488,465 | - | 584,240 | - | 563,535 | - |
| DISCOUNTS-EMPLOYEE FOOD SALES | (3,989) | - | (1,000) | - | (4,016) | - | (12,550) | - | (3,600) | - | (14,281) | - |
| DISCOUNTS-PUBLIC FOOD SALES | (6,715) | - | (9,346) | - | (8,337) | - | (15,976) | - | (25,906) | - | (23,364) | - |
| BEER SALES | 24,694 | - | 28,904 | - | 25,369 | - | 70,161 | - | 75,740 | - | 74,276 | - |
| WINE SALES | 34,415 | - | 32,510 | - | 31,672 | - | 63,447 | - | 70,129 | - | 67,974 | - |
| LIQUOR SALES | 28,086 | - | 33,200 | - | 29,378 | - | 66,768 | - | 78,913 | - | 72,191 | - |
| TOBACCO SALES | 1,076 | - | 1,120 | - | 1,121 | - | 3,122 | - | 3,564 | - | 3,287 | - |
| GRATUITIES/GROUP SVC CHARGE | 17,303 | - | 15,505 | - | 12,408 | - | 24,707 | - | 27,289 | - | 25,104 | - |
| OTHER F&B INCOME - NON-TAXABL | 4,202 | - | 2,620 | - | 1,240 | - | 15,982 | - | 5,027 | - | 6,287 | - |
| TOTAL FOOD & BEVERAGE REVENUE | 310,018 | - | 332,464 | - | 305,860 | - | 704,125 | - | 815,395 | - | 775,008 | - |
| COS - FOOD | 66,299 | 33.1 | 73,852 | 33.8 | 70,773 | 34.6 | 181,947 | 39.6 | 190,659 | 34.4 | 201,926 | 38.4 |
| COS - BEER | 9,229 | 37.4 | 7,804 | 27.0 | 6,924 | 27.3 | 20,462 | 29.2 | 20,450 | 27.0 | 21,317 | 28.7 |
| COS - WINE | 11,051 | 32.1 | 11,704 | 36.0 | 11,713 | 37.0 | 20,403 | 32.2 | 25,246 | 36.0 | 22,742 | 33.5 |
| COS - LIQUOR | 5,580 | 19.9 | 6,308 | 19.0 | 4,983 | 17.0 | 11,036 | 16.5 | 14,993 | 19.0 | 11,757 | 16.3 |
| COS - TOBACCO | 679 | 63.1 | 672 | 60.0 | 320 | 28.6 | 2,501 | 80.1 | 2,138 | 60.0 | 1,816 | 55.2 |
| COS - GROUP SERVICES F&B | 14,613 | 84.5 | 13,955 | 90.0 | 9,492 | 76.5 | 20,133 | 81.5 | 24,560 | 90.0 | 19,824 | 79.0 |
| TOTAL COST OF SALES | 107,450 | 34.7 | 114,294 | 34.4 | 104,205 | 34.1 | 256,483 | 36.4 | 278,048 | 34.1 | 279,381 | 36.1 |
| TOTAL GROSS MARGIN | 202,567 | 65.3 | 218,170 | 65.6 | 201,655 | 65.9 | 447,642 | 63.6 | 537,347 | 65.9 | 495,627 | 64.0 |
| PAYROLL - F&B MNGR | 17,926 | 5.8 | 17,826 | 5.4 | 16,762 | 5.5 | 64,634 | 9.2 | 70,186 | 8.6 | 59,374 | 7.7 |
| PAYROLL - KITCHEN | 53,728 | 25.5 | 50,912 | 22.2 | 53,579 | 24.7 | 159,118 | 32.6 | 164,027 | 28.1 | 184,294 | 32.7 |
| PAYROLL - IW CLUB SERVERS | 33,106 | 10.7 | 31,184 | 9.4 | 29,812 | 9.7 | 83,402 | 11.8 | 93,368 | 11.5 | 93,739 | 12.1 |
| PAYROLL - BANQUETS | 14,078 | 4.5 | 10,222 | 3.1 | 10,858 | 3.5 | 33,031 | 4.7 | 34,556 | 4.2 | 36,409 | 4.7 |
| PAYROLL - CAFE/BV CRT/FWY GRL | 9,663 | 3.1 | 14,073 | 4.2 | 12,240 | 4.0 | 37,961 | 5.4 | 57,076 | 7.0 | 43,601 | 5.6 |
| PAYROLL - OVERTIME | 2,468 | 0.8 | - | - | 1,222 | 0.4 | 6,537 | 0.9 | - | - | 5,864 | 0.8 |
| PAYROLL - VACATION | 4,022 | 1.3 | 5,230 | 1.6 | 4,578 | 1.5 | 16,094 | 2.3 | 20,920 | 2.6 | 22,274 | 2.9 |
| TOTAL PAYROLL | 134,991 | 43.5 | 129,446 | 38.9 | 129,050 | 42.2 | 400,778 | 56.9 | 440,132 | 54.0 | 445,555 | 57.5 |

| IW CLUB | | | | | | | | | | | | |
|---|---------------|-------------|---------------|-------------|---------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|
| INCOME STATEMENT CONSOLIDATED - COMPARATIVE - October, 2012 | | | | | | | | | | | | |
| | ACTUAL | | BUDGET | | PRIOR YEAR | | ACTUAL | | BUDGET | | PRIOR YEAR | |
| | MONTH | | MONTH | | MONTH | | Y-T-D | | Y-T-D | | ACTUAL Y-T-D | |
| PAYROLL TAXES | 13,403 | 4.3 | 10,356 | 3.1 | 12,844 | 4.2 | 36,857 | 5.2 | 35,211 | 4.3 | 40,292 | 5.2 |
| WORKERS COMP | 8,873 | 2.9 | 6,796 | 2.0 | 7,475 | 2.4 | 27,590 | 3.9 | 23,106 | 2.8 | 23,859 | 3.1 |
| MEDICAL/DENTAL INS | 14,222 | 4.6 | 18,079 | 5.4 | 14,877 | 4.9 | 60,426 | 8.6 | 72,316 | 8.9 | 59,487 | 7.7 |
| 401 (K) COSTS | 1,136 | 0.4 | 906 | 0.3 | 1,201 | 0.4 | 3,742 | 0.5 | 3,101 | 0.4 | 4,437 | 0.6 |
| EMPLOYEE MEALS | 1,104 | 0.4 | 700 | 0.2 | 1,220 | 0.4 | 3,070 | 0.4 | 2,200 | 0.3 | 4,005 | 0.5 |
| TOTAL EMPLOYEE BENEFITS | 38,738 | 12.5 | 36,837 | 11.1 | 37,616 | 12.3 | 131,684 | 18.7 | 135,934 | 16.7 | 132,081 | 17.0 |
| RECRUITING & RELOCATION | 52 | - | - | - | - | - | 692 | 0.1 | - | - | - | - |
| BUSINESS RELATED MEALS | - | - | - | - | - | - | 108 | - | - | - | 331 | - |
| TRAVEL EXPENSE | - | - | 750 | 0.2 | - | - | 1,023 | 0.2 | 1,500 | 0.2 | 1,645 | 0.2 |
| EMPLOYEE BENEFITS & ADMINISTR | 2,252 | 0.7 | 1,781 | 0.5 | 1,935 | 0.6 | 6,651 | 0.9 | 6,443 | 0.8 | 6,463 | 0.8 |
| TOTAL EMPLOYEE RELATED | 2,304 | 0.7 | 2,531 | 0.8 | 1,935 | 0.6 | 8,474 | 1.2 | 7,943 | 1.0 | 8,439 | 1.1 |
| ADVERTISING | 5,139 | 1.7 | 8,984 | 2.7 | (856) | (0.3) | 13,497 | 1.9 | 22,936 | 2.8 | 11,739 | 1.5 |
| PROMOTION | 2,196 | 0.7 | 1,500 | 0.5 | 1,318 | 0.4 | 5,976 | 0.9 | 4,500 | 0.6 | 3,774 | 0.5 |
| PROMOTION - FOOD | - | - | - | - | 629 | 0.2 | - | - | - | - | 1,405 | 0.2 |
| TOTAL MARKETING | 7,336 | 2.4 | 10,484 | 3.2 | 1,092 | 0.4 | 19,473 | 2.8 | 27,436 | 3.4 | 16,917 | 2.2 |
| R&M EQUIPMENT - F&B | 2,020 | 0.7 | 1,200 | 0.4 | 665 | 0.2 | 5,123 | 0.7 | 5,500 | 0.7 | 6,419 | 0.8 |
| R&M BEVERAGE CARTS | - | - | 450 | 0.1 | 616 | 0.2 | 324 | 0.1 | 1,800 | 0.2 | 1,066 | 0.1 |
| TOTAL REPAIRS & MAINTENANCE | 2,020 | 0.7 | 1,650 | 0.5 | 1,281 | 0.4 | 5,447 | 0.8 | 7,300 | 0.9 | 7,485 | 1.0 |

| IW CLUB | | | | | | | | | | | | |
|---|-----------------|--------------|----------------|-------------|----------------|--------------|------------------|---------------|------------------|---------------|------------------|---------------|
| INCOME STATEMENT CONSOLIDATED - COMPARATIVE - October, 2012 | | | | | | | | | | | | |
| | ACTUAL | | BUDGET | | PRIOR YEAR | | ACTUAL | | BUDGET | | PRIOR YEAR | |
| | MONTH | | MONTH | | MONTH | | Y-T-D | | Y-T-D | | ACTUAL Y-T-D | |
| SERVER UNIFORMS | 441 | 0.1 | 400 | 0.1 | 1,525 | 0.5 | 3,816 | 0.5 | 7,200 | 0.9 | 5,137 | 0.7 |
| CULINARY UNIFORMS | 1,796 | 0.6 | 1,400 | 0.4 | 1,214 | 0.4 | 5,644 | 0.8 | 5,400 | 0.7 | 5,257 | 0.7 |
| EQUIPMENT RENTAL | - | - | 400 | 0.1 | 275 | 0.1 | 1,388 | 0.2 | 1,200 | 0.2 | 2,432 | 0.3 |
| PAPER PRODUCTS | - | - | 450 | 0.1 | - | - | 424 | 0.1 | 1,800 | 0.2 | 473 | 0.1 |
| OFFICE SUPPLIES | 201 | 0.1 | 300 | 0.1 | 202 | 0.1 | 456 | 0.1 | 1,200 | 0.2 | 601 | 0.1 |
| FLOWERS & DECORATIONS | 292 | 0.1 | 300 | 0.1 | 292 | 0.1 | 1,623 | 0.2 | 900 | 0.1 | 1,036 | 0.1 |
| OPERATING SUPPLIES - F&B | 13,782 | 4.5 | 12,335 | 3.7 | 10,397 | 3.4 | 31,208 | 4.4 | 30,570 | 3.8 | 27,366 | 3.5 |
| LAUNDRY/LINENS | 3,893 | 1.3 | 2,984 | 0.9 | 2,012 | 0.7 | 7,712 | 1.1 | 8,399 | 1.0 | 6,908 | 0.9 |
| CHINA, GLASS & UTENSILS | 3,353 | 1.1 | 1,000 | 0.3 | 1,372 | 0.5 | 5,266 | 0.8 | 4,000 | 0.5 | 3,252 | 0.4 |
| COMPUTER RELATED | 1,375 | 0.4 | 1,022 | 0.3 | 1,381 | 0.5 | 5,704 | 0.8 | 4,088 | 0.5 | 4,653 | 0.6 |
| PRINTING | - | - | 150 | 0.1 | 215 | 0.1 | 213 | - | 600 | 0.1 | 575 | 0.1 |
| ENTERTAINMENT | 2,092 | 0.7 | 2,000 | 0.6 | 2,046 | 0.7 | 8,649 | 1.2 | 8,500 | 1.0 | 9,616 | 1.2 |
| CREDIT CARDS FEES | 6,153 | 2.0 | 6,631 | 2.0 | 6,192 | 2.0 | 14,346 | 2.0 | 16,268 | 2.0 | 15,807 | 2.0 |
| CASH OVER/SHORT | (17) | - | - | - | 281 | 0.1 | (165) | - | - | - | 73 | - |
| BANK FEES | 93 | - | - | - | 128 | - | 411 | 0.1 | - | - | 383 | 0.1 |
| DUES & SUBSCRIPTIONS | - | - | - | - | - | - | - | - | - | - | 68 | - |
| PAYROLL ADMINISTRATION | 1,701 | 0.6 | 1,581 | 0.5 | 1,719 | 0.6 | 5,340 | 0.8 | 5,721 | 0.7 | 5,742 | 0.7 |
| RENT EXPENSE | 1,000 | 0.3 | 1,000 | 0.3 | 1,000 | 0.3 | 4,000 | 0.6 | 4,000 | 0.5 | 4,000 | 0.5 |
| OPERATING EXPENSES | 36,155 | 11.7 | 31,954 | 9.6 | 30,250 | 9.9 | 96,037 | 13.6 | 99,846 | 12.3 | 93,378 | 12.1 |
| TOTAL OPERATING EXPENSES | 221,543 | 71.5 | 212,901 | 64.0 | 201,224 | 65.8 | 661,893 | 94.0 | 718,592 | 88.1 | 703,855 | 90.8 |
| TOTAL OPERATING PROFIT | (18,976) | (6.1) | 5,269 | 1.6 | 432 | 0.1 | (214,251) | (30.4) | (181,245) | (22.2) | (208,229) | (26.9) |
| CABLE TV / MUSIC | 651 | 0.2 | 700 | 0.2 | 785 | 0.3 | 1,128 | 0.2 | 1,050 | 0.1 | 1,465 | 0.2 |
| TOTAL UTILITIES | 651 | 0.2 | 700 | 0.2 | 785 | 0.3 | 1,128 | 0.2 | 1,050 | 0.1 | 1,465 | 0.2 |
| TOTAL FIXED OPERATING | 651 | 0.2 | 700 | 0.2 | 785 | 0.3 | 1,128 | 0.2 | 1,050 | 0.1 | 1,465 | 0.2 |
| GROSS OPERATING PROFIT | (19,626) | (6.3) | 4,569 | 1.4 | (354) | (0.1) | (215,379) | (30.6) | (182,295) | (22.4) | (209,693) | (27.1) |
| INSURANCE | 896 | 0.3 | 850 | 0.3 | 680 | 0.2 | 3,586 | 0.5 | 3,400 | 0.4 | 2,720 | 0.4 |
| FEES, PERMITS & LICENSES | - | - | - | - | - | - | 3,665 | 0.5 | 6,300 | 0.8 | 6,694 | 0.9 |
| NET OPERATING INCOME | (20,523) | (6.6) | 3,719 | 1.1 | (1,034) | (0.3) | (222,630) | (31.6) | (191,995) | (23.6) | (219,107) | (28.3) |

INDIAN WELLS GOLF RESORT
INCOME STATEMENT MAINTENANCE - COMPARATIVE - October, 2012

| | ACTUAL MONTH | BUDGET MONTH | PRIOR YEAR MONTH | ACTUAL Y-T-D | BUDGET Y-T-D | PRIOR YEAR ACTUAL Y-T-D |
|--|-------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|------------------------------------|
| PAYROLL - HOURLY | 88,618 | 94,727 | 96,934 | 329,280 | 378,907 | 357,797 |
| PAYROLL - SALARY | 26,043 | 20,124 | 20,569 | 91,052 | 79,529 | 80,220 |
| PAYROLL - OVERTIME | 16,780 | 9,473 | 10,861 | 29,004 | 18,945 | 28,200 |
| PAYROLL - VACATION | 5,383 | 5,557 | 6,103 | 26,355 | 22,230 | 24,300 |
| TOTAL PAYROLL | 137,825 | 129,880 | 134,466 | 475,691 | 499,611 | 490,518 |
| PAYROLL TAXES | 11,172 | 10,390 | 10,885 | 36,732 | 39,969 | 40,232 |
| WORKERS COMP | 8,781 | 6,819 | 7,632 | 30,425 | 26,230 | 26,578 |
| MEDICAL/DENTAL INS | 13,198 | 13,728 | 11,547 | 53,170 | 54,912 | 46,902 |
| 401 (K) COSTS | 521 | 1,169 | 681 | 1,813 | 3,757 | 2,230 |
| EMPLOYEE MEALS | 361 | 250 | 309 | 1,255 | 1,000 | 1,157 |
| TOTAL EMPLOYEE BENEFITS | 34,033 | 32,356 | 31,054 | 123,394 | 125,867 | 117,098 |
| R&M EQUIPMENT - MAINTENANCE | 5,778 | 5,689 | 4,408 | 23,726 | 23,209 | 19,342 |
| R&M PUMP STATION | - | - | - | 14,390 | 4,000 | 1,500 |
| R&M IRRIGATION | 1,132 | 1,902 | 2,686 | 8,686 | 11,463 | 15,752 |
| R&M BUILDING | 323 | 1,000 | 216 | 897 | 2,000 | 10,543 |
| CONTRACT LABOR | 3,067 | 2,600 | - | 7,880 | 42,600 | 27,936 |
| SOD | - | - | - | 27,001 | - | 852 |
| SEED & MULCH | 2,575 | - | - | 183,447 | 172,000 | 121,746 |
| SAND & GRAVEL | 1,943 | - | - | 9,373 | 12,000 | 2,936 |
| LANDSCAPING | 17,218 | 18,000 | 24,143 | 19,697 | 21,000 | 23,981 |
| GAS, DIESEL, OIL & LUBRICANTS | 11,458 | 15,000 | 12,449 | 45,964 | 64,000 | 50,820 |
| SMALL TOOLS | - | 350 | - | 275 | 1,400 | 392 |
| FERTILIZERS | 16,053 | 19,587 | 5,423 | 47,915 | 56,550 | 20,976 |
| CHEMICALS - HERBICIDES | 6,236 | 5,520 | 5,085 | 31,411 | 32,136 | 31,523 |
| CHEMICALS - INSECTICIDES | - | - | 991 | 1,046 | - | (2,732) |
| TOTAL REPAIRS & MAINTENANCE | 65,784 | 69,648 | 55,401 | 421,706 | 442,358 | 325,567 |

INDIAN WELLS GOLF RESORT
INCOME STATEMENT MAINTENANCE - COMPARATIVE - October, 2012

| | ACTUAL MONTH | BUDGET MONTH | PRIOR YEAR MONTH | ACTUAL Y-T-D | BUDGET Y-T-D | PRIOR YEAR ACTUAL Y-T-D |
|---------------------------------|-------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|------------------------------------|
| EMPLOYEE UNIFORMS | (1,200) | - | 397 | 1,356 | 2,600 | 2,280 |
| EQUIPMENT RENTAL | - | - | - | 452 | 750 | - |
| COURSE SUPPLIES | 1,767 | 250 | 518 | 13,723 | 8,750 | 7,954 |
| OPERATING SUPPLIES - MAINT | 1,058 | 1,103 | 663 | 4,303 | 4,852 | 2,287 |
| LAUNDRY/LINENS | 1,644 | 1,150 | 1,915 | 6,474 | 4,850 | 8,056 |
| SAFETY SUPPLIES | 460 | 300 | 123 | 1,369 | 1,200 | 1,883 |
| OPERATING EXPENSES | 3,729 | 2,803 | 3,615 | 27,677 | 23,002 | 22,460 |
| TOTAL OPERATING EXPENSES | 241,371 | 234,687 | 224,537 | 1,048,468 | 1,090,838 | 955,642 |
| TOTAL OPERATING PROFIT | (241,371) | (234,687) | (224,537) | (1,048,468) | (1,090,838) | (955,642) |
| ELECTRIC & GAS | 13,385 | 25,250 | 24,574 | 95,691 | 107,500 | 101,726 |
| WATER | 28,375 | 24,099 | 23,099 | 108,336 | 92,072 | 81,072 |
| WASTE REMOVAL | 228 | 120 | 114 | 570 | 480 | 1,531 |
| ALARM MAINTENANCE | 114 | - | - | 456 | - | - |
| TOTAL UTILITIES | 42,101 | 49,469 | 47,787 | 205,053 | 200,052 | 184,329 |
| TOTAL FIXED OPERATING | 42,101 | 49,469 | 47,787 | 205,053 | 200,052 | 184,329 |
| GROSS OPERATING PROFIT | (283,472) | (284,156) | (272,324) | (1,253,521) | (1,290,890) | (1,139,971) |
| FEES, PERMITS & LICENSES | 3,350 | - | 2,860 | 4,660 | 1,000 | 4,494 |
| NET OPERATING INCOME | (286,822) | (284,156) | (275,184) | (1,258,181) | (1,291,890) | (1,144,465) |
| NET INCOME (LOSS) | (286,822) | (284,156) | (275,184) | (1,258,181) | (1,291,890) | (1,144,465) |

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

| | ACTUAL MONTH | BUDGET MONTH | PRIOR YEAR MONTH | ACTUAL Y-T-D | BUDGET Y-T-D | PRIOR YEAR ACTUAL Y-T-D |
|--|-------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|------------------------------------|
| PAYROLL - HOURLY | 17,910 | 19,044 | 16,683 | 66,758 | 76,178 | 57,816 |
| PAYROLL - SALARY | 26,712 | 30,412 | 40,698 | 109,635 | 118,762 | 139,764 |
| PAYROLL - OVERTIME | 213 | - | 95 | 1,985 | - | 1,227 |
| PAYROLL - VACATION | 3,273 | 2,418 | 2,774 | 13,473 | 9,671 | 18,163 |
| TOTAL PAYROLL | 48,109 | 51,874 | 60,250 | 191,851 | 204,611 | 216,971 |
| PAYROLL TAXES | 3,207 | 4,150 | 3,919 | 10,449 | 16,369 | 16,255 |
| WORKERS COMP | 3,392 | 2,723 | 3,450 | 13,815 | 10,742 | 13,144 |
| MEDICAL/DENTAL INS | 4,910 | 4,949 | 4,943 | 19,248 | 19,797 | 17,783 |
| 401 (K) COSTS | 604 | 467 | 544 | 2,219 | 1,536 | 2,263 |
| EMPLOYEE MEALS | 242 | 650 | 662 | 1,237 | 2,600 | 3,283 |
| TOTAL EMPLOYEE BENEFITS | 12,354 | 12,940 | 13,518 | 46,969 | 51,044 | 52,727 |
| SEMINARS | - | 300 | - | - | 700 | 3,585 |
| ASSOCIATION DUES | 40 | 100 | 81 | 1,782 | 4,500 | 906 |
| EMPLOYEE RECOGNITION & REWARD | 874 | 700 | 286 | 2,669 | 2,799 | 3,034 |
| RECRUITING & RELOCATION | - | - | - | - | - | 8,330 |
| BUSINESS RELATED MEALS | 27 | 350 | 9 | 261 | 1,300 | 961 |
| TRAVEL EXPENSE | 383 | 700 | 396 | 3,355 | 2,600 | 5,210 |
| EMPLOYEE BENEFITS & ADMINISTR | 3,807 | 3,430 | 3,297 | 13,951 | 13,507 | 13,522 |
| TOTAL EMPLOYEE RELATED | 5,130 | 5,580 | 4,069 | 22,018 | 25,406 | 35,548 |
| PROMOTION | 680 | 800 | 1,279 | 3,286 | 3,000 | 3,693 |
| TOTAL MARKETING | 680 | 800 | 1,279 | 3,286 | 3,000 | 3,693 |
| R&M OFFICE EQUIPMENT | 132 | 200 | 165 | 639 | 800 | 568 |
| TOTAL REPAIRS & MAINTENANCE | 132 | 200 | 165 | 639 | 800 | 568 |
| EMPLOYEE UNIFORMS | 148 | 500 | - | 931 | 1,000 | 175 |
| OFFICE SUPPLIES | 1,169 | 750 | 1,325 | 3,977 | 3,000 | 3,217 |
| OFFSITE STORAGE | 246 | 245 | 246 | 1,034 | 980 | 984 |

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

| | ACTUAL MONTH | BUDGET MONTH | PRIOR YEAR MONTH | ACTUAL Y-T-D | BUDGET Y-T-D | PRIOR YEAR ACTUAL Y-T-D |
|---------------------------------|-------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|------------------------------------|
| LOSS & DAMAGE | - | 250 | 54 | 337 | 500 | 302 |
| CONTROLS & AUDIT | 442 | 442 | 435 | 1,766 | 1,766 | 1,740 |
| POSTAGE | 450 | 225 | (5) | 837 | 850 | 958 |
| OVERNIGHT DELIVERY | 171 | 175 | 20 | 352 | 650 | 345 |
| COMPUTER RELATED | 2,115 | 3,667 | 1,690 | 9,085 | 14,670 | 7,448 |
| PRINTING | 123 | 60 | 807 | 751 | 270 | 971 |
| BANK FEES | 460 | 850 | 800 | 2,105 | 3,400 | 3,549 |
| DUES & SUBSCRIPTIONS | 89 | 50 | 50 | 293 | 200 | 698 |
| CENTRALIZED SERVICES | 1,222 | 1,178 | - | 4,886 | 4,710 | - |
| PAYROLL ADMINISTRATION | 2,253 | 2,455 | 3,434 | 8,766 | 9,631 | 14,321 |
| OPERATING EXPENSES | 8,887 | 10,847 | 8,856 | 35,119 | 41,628 | 34,707 |
| TOTAL OPERATING EXPENSES | 75,292 | 82,241 | 88,137 | 299,882 | 326,489 | 344,214 |
| TOTAL OPERATING PROFIT | (75,292) | (82,241) | (88,137) | (299,882) | (326,489) | (344,214) |
| TELEPHONE | 3,773 | 3,800 | 3,217 | 14,886 | 15,200 | 15,497 |
| TOTAL UTILITIES | 3,773 | 3,800 | 3,217 | 14,886 | 15,200 | 15,497 |
| TOTAL FIXED OPERATING | 3,773 | 3,800 | 3,217 | 14,886 | 15,200 | 15,497 |
| GROSS OPERATING PROFIT | (79,065) | (86,041) | (91,354) | (314,767) | (341,689) | (359,711) |
| INSURANCE | 3,011 | 2,664 | 2,483 | 12,043 | 10,656 | 9,932 |
| BASE MANAGEMENT FEES | 21,667 | 21,667 | 21,667 | 86,667 | 86,668 | 86,667 |
| NET OPERATING INCOME | (103,743) | (110,372) | (115,504) | (413,477) | (439,012) | (456,310) |

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

| | ACTUAL MONTH | BUDGET MONTH | PRIOR YEAR MONTH | ACTUAL Y-T-D | BUDGET Y-T-D | PRIOR YEAR ACTUAL Y-T-D |
|--|-------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|------------------------------------|
| PAYROLL - HOURLY | 18,051 | 18,392 | 16,040 | 63,473 | 65,494 | 62,932 |
| PAYROLL - SALARY | 9,070 | 8,951 | 9,618 | 38,807 | 34,811 | 37,542 |
| PAYROLL - OVERTIME | 169 | 368 | - | 1,553 | 839 | 779 |
| PAYROLL - VACATION | 1,473 | 1,133 | 1,387 | 6,340 | 4,530 | 5,706 |
| TOTAL PAYROLL | 28,763 | 28,843 | 27,046 | 110,172 | 105,674 | 106,959 |
| PAYROLL TAXES | 2,009 | 2,307 | 1,885 | 7,987 | 8,454 | 7,698 |
| WORKERS COMP | 1,706 | 1,514 | 1,334 | 6,789 | 5,548 | 5,410 |
| MEDICAL/DENTAL INS | 3,508 | 3,342 | 2,913 | 14,032 | 13,368 | 11,653 |
| 401 (K) COSTS | 184 | 260 | 218 | 724 | 797 | 890 |
| EMPLOYEE MEALS | 81 | 100 | 30 | 292 | 400 | 169 |
| TOTAL EMPLOYEE BENEFITS | 7,488 | 7,523 | 6,381 | 29,824 | 28,567 | 25,821 |
| R&M EQUIPMENT - MAINTENANCE | 1,284 | 1,700 | 594 | 6,638 | 6,800 | 7,682 |
| R&M BUILDING | 1,176 | 2,300 | 1,424 | 5,232 | 9,200 | 8,965 |
| R&M ELECTRICAL AND MECHANICAL | 888 | 900 | 894 | 3,761 | 3,600 | 5,299 |
| R&M PLUMBING | 87 | 400 | 55 | 1,136 | 2,100 | 264 |
| CONTRACT LABOR | 5,001 | 7,106 | 3,041 | 13,586 | 20,824 | 15,453 |
| SMALL TOOLS | 50 | 100 | - | 274 | 400 | 102 |
| TOTAL REPAIRS & MAINTENANCE | 8,486 | 12,506 | 6,008 | 30,626 | 42,924 | 37,765 |
| EMPLOYEE UNIFORMS | - | 100 | - | - | 400 | 75 |
| EQUIPMENT RENTAL | - | - | - | - | - | 561 |
| FLOWERS & DECORATIONS | 292 | 300 | 462 | 1,167 | 1,200 | 1,402 |
| OPERATING SUPPLIES - G&A | 278 | 1,100 | 711 | 2,092 | 3,900 | 2,889 |
| OFFSITE STORAGE | - | - | 760 | - | - | 3,040 |
| LAUNDRY/LINENS | 967 | 1,100 | 881 | 2,847 | 4,300 | 3,288 |
| SAFETY SUPPLIES | 187 | 100 | 1,283 | 450 | 2,300 | 1,401 |

| INDIAN WELLS GOLF RESORT | | | | | | |
|---|-----------------|-----------------|---------------------|------------------|------------------|----------------------------|
| INCOME STATEMENT BUILDING MAINT - COMPARATIVE - October, 2012 | | | | | | |
| | ACTUAL MONTH | BUDGET MONTH | PRIOR YEAR MONTH | ACTUAL Y-T-D | BUDGET Y-T-D | PRIOR YEAR ACTUAL Y-T-D |
| OPERATING EXPENSES | <u>1,725</u> | <u>2,700</u> | <u>4,097</u> | <u>6,555</u> | <u>12,100</u> | <u>12,657</u> |
| TOTAL OPERATING EXPENSES | <u>46,462</u> | <u>51,573</u> | <u>43,531</u> | <u>177,177</u> | <u>189,265</u> | <u>183,202</u> |
| TOTAL OPERATING PROFIT | <u>(46,462)</u> | <u>(51,573)</u> | <u>(43,531)</u> | <u>(177,177)</u> | <u>(189,265)</u> | <u>(183,202)</u> |
| ELECTRIC & GAS | 25,671 | 27,500 | 23,350 | 111,745 | 124,000 | 117,374 |
| CABLE TV / MUSIC | 980 | 1,000 | 967 | 4,316 | 4,000 | 3,869 |
| WATER | 2,041 | 1,600 | 1,064 | 4,901 | 6,700 | 6,579 |
| ALARM MAINTENANCE | 166 | - | - | 913 | - | - |
| PEST CONTROL | 2,211 | 3,790 | 990 | 4,022 | 5,560 | 3,513 |
| TOTAL UTILITIES | <u>31,068</u> | <u>33,890</u> | <u>26,371</u> | <u>125,896</u> | <u>140,260</u> | <u>131,335</u> |
| TOTAL FIXED OPERATING | <u>31,068</u> | <u>33,890</u> | <u>26,371</u> | <u>125,896</u> | <u>140,260</u> | <u>131,335</u> |
| GROSS OPERATING PROFIT | <u>(77,530)</u> | <u>(85,463)</u> | <u>(69,902)</u> | <u>(303,073)</u> | <u>(329,525)</u> | <u>(314,536)</u> |
| NET OPERATING INCOME | <u>(77,530)</u> | <u>(85,463)</u> | <u>(69,902)</u> | <u>(303,073)</u> | <u>(329,525)</u> | <u>(314,536)</u> |
| NET INCOME (LOSS) | <u>(77,530)</u> | <u>(85,463)</u> | <u>(69,902)</u> | <u>(303,073)</u> | <u>(329,525)</u> | <u>(314,536)</u> |

INDIAN WELLS GOLF RESORT
BALANCE SHEET - STANDARD - October, 2012

ASSETS

| | |
|---------------------------|---------|
| CASH & CASH EQUIVALENTS | 633,479 |
| ACCOUNTS RECEIVABLE, NET | 78,302 |
| INVENTORY | 681,047 |
| PREPAID & OTHER ST ASSETS | 29,497 |

TOTAL CURRENT ASSETS 1,422,324

OTHER LT ASSETS 8,317

TOTAL ASSETS 1,430,641

LIABILITIES & EQUITY

LIABILITIES

| | |
|------------------------------|---------|
| ACCOUNTS PAYABLE | 165,405 |
| OTHER ACCRUED LIABILITIES | 272,288 |
| GIFT CERTIFICATES/GIFT CARDS | 33,145 |
| ADVANCED DEPOSITS - EVENTS | 97,105 |
| ADVANCED DEPOSITS - CALLAWAY | 2,236 |
| DEFERRED REVENUES | 51,955 |
| DUE TO AFFILIATE | 35,230 |

TOTAL CURRENT LIABILITIES 657,363

TOTAL LIABILITIES 657,363

EQUITY

| | |
|-----------------------|-------------|
| MEMBER CAPITAL | 7,432,561 |
| RETAINED EARNINGS | (5,442,713) |
| CURRENT YEAR EARNINGS | (1,216,570) |

TOTAL EQUITY 773,278

TOTAL LIABILITIES & EQUITY 1,430,641

69 - INDIAN WELLS GOLF RESORT

Trial Balance for Oct, 2012

| Account | Description | Beginning | Current Prd | Current Prd | Ending |
|---------------------------------------|------------------------------|-----------------------|---------------------|-----------------------|-----------------------|
| | | Balance | Debit | Credit | Balance |
| 1000 | Cash-Operating-Pacific Weste | 414,097.98 | 1,084,723.12 | (881,042.45) | 617,778.65 |
| 1035 | Petty Cash | 300.00 | - | - | 300.00 |
| 1040 | Cash Banks | 15,400.00 | - | - | 15,400.00 |
| 1100 | Accounts Receivable | 42,854.43 | 203,292.79 | (167,845.63) | 78,301.59 |
| 1200 | Prepaid Expenses | 18,189.45 | 7,300.00 | (7,726.16) | 17,763.29 |
| 1240 | Prepaid Liability Insurance | 14,580.52 | - | (2,846.93) | 11,733.59 |
| 1320 | Inventory - Soft Goods | 442,755.38 | 65,669.86 | (31,841.19) | 476,584.05 |
| 1321 | Inventory - Merchandise- Har | 70,852.93 | 19,676.97 | (21,646.27) | 68,883.63 |
| 1322 | Inventory - Merchandise-Acce | 113,093.89 | 4,390.83 | (4,245.76) | 113,238.96 |
| 1323 | Inventory - Merch - Callaway | 2,315.67 | 1,586.00 | (1,824.34) | 2,077.33 |
| 1324 | Inventory - Merch - Special | 2,907.82 | 725.00 | (1,391.95) | 2,240.87 |
| 1325 | Inventory - Merch - Callaway | 18,022.00 | - | - | 18,022.00 |
| 1400 | Due to/from Affiliate | (12,373.67) | 14,477.57 | (37,333.68) | (35,229.78) |
| 1600 | Deposits | 8,317.23 | - | - | 8,317.23 |
| 2100 | Accounts Payable | (359,991.20) | 530,071.07 | (335,484.69) | (165,404.82) |
| 2200 | Accrued Payroll | (89,109.37) | 89,109.37 | (122,418.26) | (122,418.26) |
| 2210 | Accrued Vacation | (103,529.65) | 12,927.42 | (16,366.84) | (106,969.07) |
| 2230 | Accrued Sales Tax | (6,344.39) | 8,526.76 | (8,769.42) | (6,587.05) |
| 2231 | Accrued Use Tax | (151.78) | 170.25 | (354.24) | (335.77) |
| 2250 | Accrued Professional Fees | (5,369.82) | 3,108.00 | - | (2,261.82) |
| 2275 | Accrued Merchandise Inventor | - | 102,104.63 | (103,198.19) | (1,093.56) |
| 2280 | General Accrual | (13,423.59) | 28,582.00 | (47,780.41) | (32,622.00) |
| 2320 | Gift Certificates - OLD | (44,819.53) | - | - | (44,819.53) |
| 2325 | Gift Certificates - NEW | (52,995.18) | 3,730.22 | (4,465.70) | (53,730.66) |
| 2326 | Reserve for Old Gift Certifi | 65,405.41 | - | - | 65,405.41 |
| 2330 | Advanced Deposits - Events | (94,599.37) | 20,094.37 | (22,600.00) | (97,105.00) |
| 2335 | Advanced Deposits - Callaway | (96.98) | 2,074.51 | (4,213.32) | (2,235.79) |
| 2340 | Deferred Revenues | (16,962.95) | 25,357.64 | (60,350.03) | (51,955.34) |
| 3200 | Member Contributions | (6,932,561.22) | - | (500,000.00) | (7,432,561.22) |
| 3400 | Retained Earnings | 5,442,712.84 | - | - | 5,442,712.84 |
| Total Assets & Liabilities | | (1,060,523.15) | 2,227,698.38 | (2,383,745.46) | (1,216,570.23) |

| | | | | | |
|------|------------------------------|--------------|-----------|--------------|--------------|
| 4200 | Sales - 18 Hole - Prime | (28,905.63) | 150.00 | (17,115.00) | (45,870.63) |
| 4205 | Sales - 18 Hole - Non-Prime | (29,737.60) | - | (16,000.00) | (45,737.60) |
| 4210 | Sales - Tournament | (125,653.97) | 1,265.00 | (143,106.00) | (267,494.97) |
| 4215 | Sales - Resort Guest Prime | (55,504.00) | 20.00 | (27,182.00) | (82,666.00) |
| 4220 | Sales - Resort Guest Non-Prl | (30,303.00) | - | (24,250.00) | (54,553.00) |
| 4230 | Sales - Afternoon Prime | (19,762.00) | 70.00 | (11,695.00) | (31,387.00) |
| 4232 | Sales - Afternoon Non-Prime | (16,583.00) | - | (12,715.00) | (29,298.00) |
| 4235 | Sales - Troon Programs | (2,745.00) | - | (3,738.00) | (6,483.00) |
| 4240 | Sales - Junlor | (2,500.00) | - | (940.00) | (3,440.00) |
| 4245 | Sales - IWGR Card | (13,560.00) | - | (19,810.00) | (33,370.00) |
| 4252 | Sales - Wholesaler | (28,952.50) | 720.00 | (14,510.40) | (42,742.90) |
| 4254 | Sales - Special | (66,340.00) | - | (41,683.00) | (108,023.00) |
| 4255 | Sales - PGA/Cart Fees | (6,600.00) | - | (2,980.00) | (9,580.00) |
| 4270 | Sales - Member Rounds | (38,934.00) | - | (39,325.00) | (78,259.00) |
| 4272 | Sales - Member Guest Prime R | (6,930.00) | - | (10,045.00) | (16,975.00) |
| 4273 | Sales - Member Guest Non-Prl | (3,950.00) | - | (9,165.00) | (13,115.00) |
| 4280 | Golf - Group Services | (14,241.84) | 1,200.00 | (5,064.00) | (18,105.84) |
| 4285 | Golf Lessons | (2,129.00) | 100.00 | (2,674.00) | (4,703.00) |
| 4287 | Range, Rentals, Other Golf r | (15,530.50) | 554.58 | (27,546.48) | (42,522.40) |
| 4292 | Callaway Fittings | (879.60) | 50.00 | (140.00) | (969.60) |
| 4294 | IWGR Card Sales | (16,962.93) | - | (8,557.64) | (25,520.57) |
| 4295 | Income - Other (non - golf) | (1,690.20) | - | (378.00) | (2,068.20) |
| 4350 | Merchandise Sales - Soft Goo | (129,323.00) | 50.00 | (66,216.00) | (195,489.00) |
| 4351 | Merchandise Sales - Hard Goo | (28,554.25) | - | (32,525.50) | (61,079.75) |
| 4352 | Merchandise Sales - Accessor | (15,817.27) | - | (9,527.69) | (25,344.96) |
| 4353 | Merchandise Sales - Callaway | (10,218.00) | - | (3,720.00) | (13,938.00) |
| 4354 | Merchandise Sales - Special | (642.40) | - | (3,600.00) | (4,242.40) |
| 4360 | Sales Discount - Soft Goods | 32,640.35 | 9,083.52 | (4.52) | 41,719.35 |
| 4361 | Sales Discount - Hard Goods | 2,660.65 | 17,999.52 | - | 20,660.17 |

| | | | | | |
|------|------------------------------|------------|------------|-------------|------------|
| 4362 | Sales Discount - Accessories | 2,665.58 | 628.94 | (0.02) | 3,294.50 |
| 4363 | Sales Discount - Callaway Ce | 2,175.62 | 1,312.52 | - | 3,488.14 |
| 4364 | Sales Discount - Special Ord | - | 1,440.00 | - | 1,440.00 |
| 5200 | COS - Golf | 2,275.33 | - | - | 2,275.33 |
| 5210 | COS - Group Services Golf | 9,407.36 | 6,499.29 | (2,900.00) | 13,006.65 |
| 5220 | COS - Golf Lessons | 1,689.20 | 2,190.00 | (100.00) | 3,779.20 |
| 5350 | COS - Merchandise - Soft Goo | 52,637.89 | 27,615.92 | - | 80,253.81 |
| 5351 | COS - Merchandise - Hard Goo | 15,810.35 | 9,044.47 | - | 24,854.82 |
| 5352 | COS - Merchandise - Accessor | 7,271.22 | 4,117.07 | - | 11,388.29 |
| 5353 | COS - Merchandise - Callaway | 5,978.47 | 1,751.34 | - | 7,729.81 |
| 5354 | COS - Merchandise - Special | 615.40 | 720.00 | - | 1,335.40 |
| 5355 | COS - Over/Short - Soft Good | 919.02 | 1,066.19 | - | 1,985.21 |
| 5356 | COS - Over/Short - Hard Good | 710.54 | - | (99.02) | 611.52 |
| 5357 | COS - Over/Short - Accessori | 326.03 | 114.54 | - | 440.57 |
| 5359 | COS - Over/Short - Special O | - | 5.00 | - | 5.00 |
| 5360 | COS - Discounts Earned | (2,134.12) | - | (711.12) | (2,845.24) |
| 7000 | Payroll - Hourly | 454,880.74 | 223,148.61 | (53,656.01) | 624,373.34 |
| 7002 | Payroll - Salary | 264,502.13 | 121,078.93 | (28,414.49) | 357,166.57 |
| 7007 | Payroll - Overtime | 18,998.28 | 25,623.43 | (8,000.00) | 36,621.71 |
| 7015 | Payroll - Vacation | 49,788.40 | 16,366.84 | - | 66,155.24 |
| 7020 | Payroll Taxes | 58,632.37 | 29,279.63 | (5,805.46) | 82,106.54 |
| 7030 | Worker's Compensation | 53,264.68 | 24,127.73 | (4,849.54) | 72,542.87 |
| 7040 | Medical/Dental | 96,867.88 | 31,955.64 | - | 128,823.52 |
| 7050 | 401(k) Costs | 4,953.96 | 2,350.61 | (477.95) | 6,826.62 |
| 7110 | Employee Uniforms | 3,199.76 | 13,049.53 | (2,220.00) | 14,029.29 |
| 7120 | Association Dues | 1,741.80 | 100.00 | (60.00) | 1,781.80 |
| 7130 | Employee Recognition & Rewar | 1,795.00 | 873.79 | - | 2,668.79 |
| 7150 | Business Related Meals | 234.12 | 41.75 | (14.63) | 261.24 |
| 7160 | Travel Expense | 4,089.05 | 1,015.66 | (374.11) | 4,730.60 |
| 7180 | Employee Meals | 3,730.46 | 1,473.92 | - | 5,204.38 |
| 7195 | Employee Benefits & Administ | 10,144.89 | 4,530.24 | (723.69) | 13,951.44 |
| 7230 | Advertising | 24,299.53 | 11,712.82 | (1,450.00) | 34,562.35 |
| 7240 | Promotion | 2,893.64 | 735.43 | - | 3,629.07 |
| 7300 | Cart Leases - Operating | 60,282.00 | 8,317.22 | - | 68,599.22 |
| 7340 | Equipment Rental | 452.13 | 228.08 | (228.08) | 452.13 |
| 7350 | Equipment Leases | 3,926.00 | 1,148.77 | (3,926.00) | 1,148.77 |
| 7370 | Handicap Fees | 60.00 | - | - | 60.00 |
| 7400 | Golf Operating Supplies | 19,186.15 | 8,541.29 | (1,211.00) | 26,516.44 |
| 7410 | Course Supplies | 11,955.89 | 4,134.34 | (2,367.00) | 13,723.23 |
| 7430 | Office Supplies | 2,807.71 | 1,178.93 | (10.00) | 3,976.64 |
| 7435 | Flowers & Decorations | 875.01 | 291.67 | - | 1,166.68 |
| 7440 | Operating Supplies-Malnt | 3,244.78 | 1,110.96 | (52.80) | 4,302.94 |
| 7444 | Operating Supplies-G&A | 1,813.29 | 613.03 | (334.72) | 2,091.60 |
| 7445 | Locker Room Supplies | 103.01 | - | - | 103.01 |
| 7460 | Laundry/Linens | 6,709.00 | 2,611.33 | - | 9,320.33 |
| 7490 | Loss & Damage | 336.58 | - | - | 336.58 |
| 7500 | Postage | 386.95 | 450.00 | - | 836.95 |
| 7510 | Freight | 3,638.12 | 2,754.87 | (555.56) | 5,837.43 |
| 7520 | Overnight Delivery | 180.24 | 171.29 | - | 351.53 |
| 7530 | Computer Related | 6,970.02 | 2,114.63 | - | 9,084.65 |
| 7535 | Controls & Audit | 1,324.74 | 441.58 | - | 1,766.32 |
| 7540 | Printing | 628.55 | 122.68 | - | 751.23 |
| 7550 | Safety Supplies | 1,172.12 | 646.99 | - | 1,819.11 |
| 7560 | Credit Card Fees | 13,132.53 | 18,093.05 | (6,393.00) | 24,832.58 |
| 7570 | Cash Over/Short | (25.99) | 119.96 | (1.00) | 92.97 |
| 7580 | Bank Fees | 1,645.04 | 460.00 | - | 2,105.04 |
| 7585 | Offsite Storage | 788.00 | 246.00 | - | 1,034.00 |
| 7590 | Dues & Subscriptions | 203.70 | 89.03 | - | 292.73 |
| 7605 | Centralized Services | 3,664.53 | 1,576.14 | (354.63) | 4,886.04 |
| 7606 | Payroll Administration | 6,512.60 | 2,895.82 | (642.60) | 8,765.82 |
| 7610 | R&M Equipment- Maintenance | 23,300.89 | 7,312.84 | (250.66) | 30,363.07 |
| 7620 | R&M Pump Station | 14,389.71 | 1,500.00 | (1,500.00) | 14,389.71 |
| 7630 | R&M Irrigation | 7,553.79 | 1,139.54 | (7.13) | 8,686.20 |
| 7650 | R&M Office Equipment | 506.83 | 132.00 | - | 638.83 |
| 7660 | R&M Building | 4,629.42 | 1,498.65 | - | 6,128.07 |
| 7665 | R&M Electrical and Mechanica | 2,872.77 | 888.17 | - | 3,760.94 |
| 7675 | R&M Plumbing | 1,048.59 | 87.49 | - | 1,136.08 |
| 7680 | R&M Carls | 3,424.01 | 1,817.97 | (779.22) | 4,462.76 |
| 7695 | Contract Labor | 13,397.84 | 11,487.41 | (3,420.00) | 21,465.25 |
| 7700 | Sod | 27,001.29 | - | - | 27,001.29 |

| | | | | | |
|-----------------------------------|------------------------------|---------------------|---------------------|-----------------------|---------------------|
| 7710 | Seed & Mulch | 180,871.86 | 2,575.22 | - | 183,447.08 |
| 7720 | Sand & Gravel | 7,430.36 | 3,343.04 | (1,400.00) | 9,373.40 |
| 7730 | Landscaping | 2,479.10 | 17,217.81 | - | 19,696.91 |
| 7740 | Gas, Diesel, Oil & Lubricant | 34,505.18 | 11,458.34 | - | 45,963.52 |
| 7750 | Small Tools | 498.30 | 50.16 | - | 548.46 |
| 7760 | Fertilizers | 31,861.70 | 16,052.98 | - | 47,914.68 |
| 7770 | Chemicals - Herbicides | 25,174.78 | 6,236.31 | - | 31,411.09 |
| 7775 | Chemicals - Insecticides | 1,045.90 | - | - | 1,045.90 |
| 7800 | Electric & Gas | 168,380.58 | 39,055.10 | - | 207,435.68 |
| 7810 | Cable TV / Music | 3,335.53 | 980.19 | - | 4,315.72 |
| 7820 | Water | 82,821.23 | 30,415.39 | - | 113,236.62 |
| 7830 | Waste Removal | 342.12 | 228.08 | - | 570.20 |
| 7835 | Telephone | 11,112.58 | 3,822.99 | (50.00) | 14,885.57 |
| 7840 | Security | 1,088.85 | 280.00 | - | 1,368.85 |
| 7850 | Pest Control | 1,811.15 | 2,210.60 | - | 4,021.75 |
| 7860 | Insurance | 9,032.59 | 3,010.85 | - | 12,043.44 |
| 7880 | Fees, Permits & Licenses | 1,310.00 | 3,350.00 | - | 4,660.00 |
| 7920 | Base Management Fees | 64,999.98 | 21,666.66 | - | 86,666.64 |
| 8300 | Interest Income | (204.90) | - | (3.18) | (208.08) |
| 8350 | Other Non-Operating Income | (264,097.00) | - | - | (264,097.00) |
| 8400 | Capital Expenses | 85,734.53 | 8,600.02 | (1,280.00) | 93,054.55 |
| 8500 | Gain/Loss on Asset Disposal | (115,825.00) | - | (5,125.00) | (120,950.00) |
| 9000 | 18 Hole - Prime | 403.00 | 122.00 | - | 525.00 |
| 9100 | 18 Hole - Non-Prime | 456.00 | 111.00 | - | 567.00 |
| 9150 | Tournament | 2,329.00 | 1,295.00 | - | 3,624.00 |
| 9200 | Resort Guest Prime | 897.00 | 212.00 | - | 1,109.00 |
| 9250 | Resort Guest Non-Prime | 521.00 | 189.00 | - | 710.00 |
| 9350 | Afternoon Prime | 460.00 | 176.00 | - | 636.00 |
| 9400 | Afternoon Non-Prime | 405.00 | 191.00 | - | 596.00 |
| 9450 | Troon Programs | 65.00 | 48.00 | - | 113.00 |
| 9500 | Junior Rate | 154.00 | 54.00 | - | 208.00 |
| 9550 | IWGR Card Program | 293.00 | 221.00 | - | 514.00 |
| 9650 | PGA/Cart Fees | 237.00 | 90.00 | - | 327.00 |
| 9660 | Wholesaler | 517.00 | 119.00 | - | 636.00 |
| 9670 | Special | 1,145.00 | 453.00 | - | 1,598.00 |
| 9700 | Comp Rounds | 540.00 | 238.00 | - | 778.00 |
| 9800 | Member Rounds | 1,120.00 | 1,127.00 | - | 2,247.00 |
| 9850 | Member Guest Prime Rounds | 130.00 | 156.00 | - | 286.00 |
| 9860 | Member Guest Non-Prime Round | 81.00 | 140.00 | - | 221.00 |
| 9898 | CONTRA GOLF ROUNDS | (9,753.00) | - | (4,942.00) | (14,695.00) |
| Total Income & Expense | | 1,060,523.15 | 854,949.93 | (698,902.85) | 1,216,570.23 |
| Total Report | | - | 3,082,648.31 | (3,082,648.31) | - |

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

| | ACTUAL Jul-12 | ACTUAL Aug-12 | ACTUAL Sep-12 | ACTUAL 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 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| Revenues: | | | | | | | | | | | | | | |
| Golf Fees, net of discounts | 132,574 | 112,060 | 232,327 | 392,034 | 661,978 | 501,407 | 617,766 | 898,792 | 979,415 | 846,470 | 548,630 | 307,496 | 6,230,949 | 6,401,262 |
| Golf - Group Services | 2,394 | 3,895 | 7,953 | 3,864 | 8,928 | 4,362 | 7,812 | 14,184 | 13,392 | 15,840 | 13,896 | 13,320 | 109,840 | 113,850 |
| Range, Rentals, Other Golf related | 3,327 | 2,231 | 9,973 | 26,992 | 30,000 | 17,500 | 32,000 | 38,500 | 45,000 | 27,500 | 25,000 | 10,000 | 268,023 | 277,044 |
| Golf Lessons | 530 | 384 | 1,215 | 2,574 | 4,000 | 5,000 | 5,000 | 5,500 | 6,000 | 4,500 | 2,500 | 2,000 | 39,203 | 43,000 |
| Card Sales - JWGR Programs | 5,654 | 5,654 | 5,654 | 8,558 | 9,000 | 10,000 | 7,200 | 6,000 | 26,000 | 7,200 | 6,000 | 6,044 | 102,964 | 81,000 |
| Merchandise Revenues | 38,776 | 27,269 | 70,325 | 82,672 | 127,829 | 118,711 | 141,518 | 207,369 | 206,855 | 182,548 | 139,522 | 57,952 | 1,401,348 | 1,446,891 |
| Callaway Center | 3,074 | 2,222 | 3,626 | 2,497 | 11,450 | 13,200 | 15,950 | 17,200 | 19,100 | 16,700 | 11,600 | 6,600 | 123,219 | 142,150 |
| Income - Other (non - golf) | 1,690 | | | 378 | | | | | | | | | 2,068 | 24,800 |
| Total Revenues | 188,019 | 153,715 | 331,073 | 519,569 | 853,185 | 670,180 | 827,246 | 1,187,545 | 1,295,762 | 1,100,758 | 747,148 | 403,412 | 8,277,614 | 8,529,997 |
| Cost of Sales: | | | | | | | | | | | | | | |
| COS - Golf | - | 1,367 | 908 | - | 1,652 | 1,351 | 1,561 | 1,869 | 2,074 | 2,047 | 1,637 | 642 | 15,107 | 14,545 |
| COS - Group Services Golf | 1,381 | 2,661 | 5,345 | 3,599 | 5,892 | 2,879 | 5,156 | 9,361 | 8,839 | 10,454 | 9,171 | 8,791 | 73,550 | 75,141 |
| COS - Golf Lessons | 478 | 192 | 1,019 | 2,090 | 3,200 | 4,000 | 4,000 | 4,400 | 4,800 | 3,600 | 1,600 | 1,600 | 31,379 | 34,400 |
| COS - Merchandise | 21,805 | 15,083 | 39,344 | 41,885 | 61,065 | 58,904 | 75,104 | 106,385 | 108,981 | 106,179 | 75,080 | 30,319 | 735,133 | 757,586 |
| COS - Callaway Center | 1,608 | 1,870 | 2,424 | 1,739 | 7,200 | 7,200 | 10,550 | 10,550 | 10,850 | 10,550 | 7,500 | 3,600 | 75,641 | 86,900 |
| Total Cost of Sales | 25,272 | 21,193 | 49,040 | 49,313 | 79,009 | 74,333 | 96,371 | 132,565 | 135,544 | 131,830 | 95,389 | 44,953 | 934,811 | 968,572 |
| Gross Profit | 162,747 | 132,522 | 282,033 | 470,256 | 774,176 | 595,847 | 730,875 | 1,054,980 | 1,160,218 | 968,928 | 651,760 | 358,460 | 7,342,802 | 7,561,425 |
| Operating Expenses: | | | | | | | | | | | | | | |
| Payroll | 264,911 | 256,728 | 266,531 | 296,147 | 391,535 | 299,689 | 304,793 | 306,307 | 310,797 | 302,481 | 298,589 | 333,929 | 3,532,427 | 3,570,623 |
| Employee Benefits | 68,540 | 78,558 | 70,251 | 78,555 | 77,260 | 78,434 | 95,621 | 93,177 | 90,474 | 83,927 | 83,793 | 84,799 | 979,535 | 985,123 |
| Employee Related | 5,380 | 7,209 | 5,515 | 5,389 | 4,941 | 14,680 | 13,588 | 5,466 | 5,268 | 5,491 | 5,133 | 5,150 | 83,150 | 85,165 |
| Advertising & Marketing | 10,179 | 7,085 | 9,929 | 10,998 | 26,382 | 13,032 | 21,427 | 11,582 | 11,382 | 8,532 | 8,182 | 12,182 | 150,892 | 159,504 |
| Repair & Maintenance | 78,805 | 57,827 | 245,320 | 75,441 | 58,550 | 53,278 | 49,466 | 51,222 | 53,447 | 52,343 | 84,855 | 60,705 | 921,259 | 954,748 |
| Operating Expenses | 36,758 | 18,263 | 35,944 | 47,571 | 59,882 | 38,418 | 46,728 | 48,002 | 53,677 | 64,903 | 39,473 | 29,380 | 518,999 | 536,392 |
| Total Operating Expenses | 464,573 | 425,670 | 633,490 | 513,601 | 518,559 | 497,531 | 531,634 | 515,697 | 525,075 | 517,677 | 516,611 | 526,145 | 6,186,262 | 6,291,555 |
| Operating Profit | (301,826) | (293,148) | (351,457) | (43,345) | 255,617 | 98,316 | 199,241 | 539,283 | 635,143 | 451,251 | 135,149 | (167,685) | 1,156,540 | 1,269,870 |
| Leases - Carts | | | | | | | | | | | | | | |
| Leases - Equipment | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Utilities | 87,518 | 97,669 | 83,745 | 76,942 | 68,940 | 53,359 | 55,941 | 53,901 | 61,673 | 68,141 | 78,426 | 82,346 | 868,601 | 878,239 |
| Fixed Operating Expenses | 87,518 | 97,669 | 83,745 | 76,942 | 68,940 | 53,359 | 55,941 | 53,901 | 61,673 | 68,141 | 78,426 | 82,346 | 868,601 | 878,239 |
| Gross Operating Profit | (389,344) | (390,817) | (435,202) | (120,287) | 186,677 | 44,957 | 143,300 | 485,382 | 573,470 | 383,110 | 56,723 | (250,031) | 287,939 | 391,631 |
| Other Expenses: | | | | | | | | | | | | | | |
| Insurance | 3,011 | 3,011 | 3,011 | 3,011 | 2,664 | 2,664 | 2,669 | 2,669 | 2,669 | 2,669 | 2,669 | 2,669 | 33,385 | 31,997 |
| Property Taxes | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fees, Permits & Licenses | - | - | 1,310 | 3,350 | 1,000 | - | 115 | - | 585 | - | - | - | 6,360 | 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 | 20,673 | 7,320 | - | 5,000 | - | - | - | - | - | - | 98,054 | 103,500 |
| Expense Reimburse - Wash Maintenance | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Non Operating Income | (116) | (42) | (47) | (3) | - | - | - | - | - | - | - | - | (208) | - |
| Total Other Expenses | 41,540 | 72,719 | 46,614 | 35,345 | 25,331 | 29,331 | 24,451 | 24,336 | 24,921 | 24,336 | 24,336 | 24,336 | 397,595 | 398,201 |
| Net Operating Income | (430,884) | (463,536) | (481,816) | (155,632) | 161,346 | 15,627 | 118,849 | 461,046 | 548,549 | 358,775 | 32,387 | (274,367) | (109,656) | (6,570) |
| Interest Income Golf Cap Reserve Fund | | | | | | | | | | | | | | |
| Community Center Revenue | - | - | (264,097) | - | (6,250) | (6,250) | (6,250) | (6,250) | (6,250) | (6,250) | (6,250) | (6,250) | (50,000) | (75,000) |
| Technology Hardware Lease | - | - | 3,926 | (2,777) | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 25,149 | 36,000 |
| Sale of old Golf Carts | (118,900) | 4,100 | (1,025) | (5,125) | - | - | - | - | - | - | - | - | (120,950) | (180,000) |
| Golf Cart Lease | - | 8,317 | 51,964 | 8,317 | 27,683 | 27,683 | 27,683 | 27,683 | 27,683 | 27,683 | 27,683 | 27,683 | 290,062 | 332,196 |
| Total Other Expenses | (118,900) | 12,417 | (209,232) | 415 | 2,433 | (295,836) | (150,901) |
| Net Income (Loss) | (311,984) | (475,953) | (272,584) | (156,047) | 158,913 | 13,194 | 116,416 | 458,613 | 546,116 | 356,342 | 29,954 | (276,800) | 186,180 | 144,331 |
| VARIABLE EFFECT ON CASH | | | | | | | | | | | | | | |
| (Increase)/Decrease in A/R | 5,368 | 24,011 | (27,043) | (35,447) | - | - | - | - | - | - | - | - | (33,111) | - |
| (Increase)/Decrease in Prepaids | 3,909 | 3,971 | (4,238) | 3,273 | - | - | - | - | - | - | - | - | 6,915 | - |
| (Increase)/Decrease in Inventory | 10,127 | 1,052 | (60,132) | (31,099) | - | - | - | - | - | - | - | - | (80,052) | - |
| (Increase)/Decrease in Deposits | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Increase/(Decrease) in A/P | 225 | (16,266) | 242,814 | (194,586) | - | - | - | - | - | - | - | - | 32,187 | - |
| Increase/(Decrease) in Accruals | (136,829) | (50,515) | 43,948 | 54,359 | - | - | - | - | - | - | - | - | (89,137) | - |
| Increase/(Decrease) in Gift Certificates | 437 | 96 | (413) | 725 | - | - | - | - | - | - | - | - | 855 | - |
| Increase/(Decrease) in Advance Deposits | 20,573 | 3,096 | (8) | 4,645 | - | - | - | - | - | - | - | - | 28,306 | - |
| Increase/(Decrease) in Deferred Revenues | (5,654) | (5,654) | (3,858) | 34,992 | - | - | - | - | - | - | - | - | 19,826 | - |
| Unrestricted Contributions / City of Indian Wells | 610,000 | 610,000 | 500,000 | 500,000 | - | - | - | - | - | - | - | - | 1,110,000 | - |
| Increase/(Decrease) in Due to Affiliate | (11,820) | (2,656) | 5,674 | 22,856 | - | - | - | - | - | - | - | - | 14,054 | - |
| Increase/(Decrease) in Cash | (425,748) | 91,182 | (75,840) | 203,681 | 158,913 | 13,194 | 116,416 | 458,613 | 546,116 | 356,342 | 29,954 | (276,800) | 1,196,023 | |
| BEGINNING CASH | 840,204 | 414,456 | 505,638 | 429,798 | 633,479 | 792,392 | 805,585 | 922,002 | 1,380,615 | 1,926,731 | 2,283,073 | 2,313,027 | 732,361 | |
| ENDING OPERATING CASH (per G/L) | 414,456 | 505,638 | 429,798 | 633,479 | 792,392 | 805,585 | 922,002 | 1,380,615 | 1,926,731 | 2,283,073 | 2,313,027 | 2,036,227 | 1,928,384 | |

INDIAN WELLS GOLF RESORT

BANK RECONCILIATION - Pacific Western Bank

G/L Account # 1000-000

Period of:

October 2012

| BANK | | |
|----------------------------|--------------|-------------------|
| Beginning Balance | General Acct | \$ 100.00 |
| | Sweep Acct | 420,193.05 |
| - Deposits | | |
| | General Acct | 1,796,175.14 |
| | Sweep Acct | 855,377.86 |
| - Disbursements | | |
| | General Acct | (1,796,175.14) |
| | Sweep Acct | (751,396.58) |
| Bank Ending Balance | | 524,274.33 |
| Bal - General Acct | | 100.00 |
| Bal - Sweep Acct | | 524,174.33 |
| Bank Ending Balance | | 524,274.33 |

| BOOK | | |
|----------------------------|---------------------|-------------------|
| Beginning Balance | | \$ 414,097.98 |
| - Total Deposits | | 1,084,723.12 |
| | Cash | - |
| | Amex | - |
| | Visa/MC | - |
| | Misc. Deposits - JE | - |
| | Voided Checks | - |
| - Disbursements | | (881,042.45) |
| | A/P Checks | - |
| | Wires | - |
| | Other Payments | - |
| | Misc Deposit | - |
| Book Ending Balance | | 617,778.65 |

| Adjustments | | |
|-----------------------|-----------------|-------------------|
| DIT'S | | |
| | - Golf | 88,534.49 |
| | - Callaway | 1,905.66 |
| | - Miscellaneous | 5,150.00 |
| | O/S Checks | (2,085.83) |
| Ending Balance | | 617,778.65 |

| Adjustments | | |
|-----------------------|---------------------------------|----------------------|
| | G/S Cash Over/Short | - |
| | G/S Credit Card Over/Short | - |
| | G/S AX fees | - |
| | Tips Paid Out | - |
| | F/B Cash Over/Short | - |
| | F/B Credit Card Over/Short | - |
| | F/B AX fees | - |
| | Credit Card Fees Not Yet Booked | - |
| | Bank Fees | - |
| | Paid Outs | - |
| Ending Balance | | \$ 617,778.65 |

\$ -

- TOTAL OUTSTANDING ITEMS 2,085.83

| Month | Check # | Amount |
|-------|---------|-----------------|
| | 24530 | 1,449.50 |
| | 24544 | 45.00 |
| | 24546 | 99.61 |
| | 24566 | 75.00 |
| | 24568 | 100.00 |
| | 24570 | 316.72 |
| | | <u>2,085.83</u> |

69 - INDIAN WELLS GOLF RESORT
Summary Aged Receivables List
All Areas (Regular Club & Outside)
Regular Aged Receivable List
As at Oct31/12

| Member | Member Name | Net Amount | Current | 1 Mths | 2 Mths | 3 Mths | Over 4 Mths |
|---------------------|------------------------------|-------------------|------------------|------------------|-----------------|---------------|--------------------|
| 0001001 | Hotel Golf Hyatt Rm Chrg | 27,966.16 | 18,503.47 | 7,614.72 | 1,847.97 | - | - |
| 0001002 | Hotel Golf Ren Rm Chrg | 8,678.27 | 8,678.27 | - | - | - | - |
| 0001003 | Hotel Golf IWRH Rm Chrg | 130.00 | - | 130.00 | - | - | - |
| 0001004 | Hotel Golf Miramonte Rm Chrg | 50.00 | 50.00 | - | - | - | - |
| 0001005 | Hyatt Executives | 695.00 | 695.00 | - | - | - | - |
| 0002033 | Blrd Golf Academy | 2,099.76 | 2,099.76 | - | - | - | - |
| 0003001 | Pkg-Hyatt Hotel | 3,835.00 | 350.00 | 2,880.00 | 605.00 | - | - |
| 0003003 | Pkg-Miramonte Hotel | 470.00 | 470.00 | - | - | - | - |
| 0003004 | Pkg-Indian Wells Hotel | 1,660.00 | 1,660.00 | - | - | - | - |
| 0003005 | Pkg-Renaissance | 2,240.00 | 2,240.00 | - | - | - | - |
| 0003006 | Master Acct - Hyatt | 10,850.00 | - | 10,850.00 | - | - | - |
| 0003007 | Master Acct-Renaissance | 975.00 | 975.00 | - | - | - | - |
| 0007730 | CostcoWholesale | 45.00 | 45.00 | - | - | - | - |
| 0007972 | 10/16/12CHIME2012 | 18,607.40 | 18,607.40 | - | - | - | - |
| Total Report | | 78,301.59 | 54,373.90 | 21,474.72 | 2,452.97 | - | - |
| | | | 69.40% | 27.40% | 3.10% | 0.00% | 0.00% |

69 - INDIAN WELLS GOLF RESORT**Credit Book Balances Report****Credit Book A Tournament Advance Deposit - October 2012**

| Member | Name | Amount |
|---------------|--------------------------|------------------|
| 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 |
| 0007738 | 12/10/12SCGA TournClubCh | 1,000.00 |
| 0007745 | 2/5/13IBM | 5,000.00 |
| 0007833 | 11/25/12CaClassicProAm | 500.00 |
| 0007861 | 1/4/13PDI | 355.00 |
| 0007876 | 11/1/12AGCHighways&Util | 1,000.00 |
| 0007952 | 5/12/13USGolfingFellows | 2,500.00 |
| 0007956 | 1/12/13SPRI2013 | 1,500.00 |
| 0007978 | 2/1/13Amistad | 2,500.00 |
| 0007984 | 3/8/13WIGA | 2,000.00 |
| 0007990 | 10/25/14MilbankTweedHad | 1,000.00 |
| 0007993 | 5/6/13BevHillsFireDept | 500.00 |
| 0007994 | 11/10/12Synthes | 5,000.00 |
| 0008003 | 11/12/12MetalPowderIndu | 1,000.00 |
| 0008005 | 1/28/14UnltedBenefitsAd | 2,000.00 |
| 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 |
| 0008037 | 11/28/12EDPA | 1,000.00 |
| 0008043 | 3/20/13AveraHealth | 1,000.00 |
| 0008044 | 11/16/12PeoplesTrust | 350.00 |
| 0008046 | 1/19/13WesternPallet201 | 500.00 |
| 0008056 | 6/6/13AmericanAirlines | 2,500.00 |
| 0008067 | 2/12/13Nexen2013 | 5,000.00 |
| 0008073 | 2/21/13CanadaMasonryCon | 1,300.00 |
| 0008077 | 4/1/13 CDWHealthcare | 5,000.00 |
| 0008085 | 9/13/14StructuralFocus2 | 500.00 |
| 0008087 | 5/6/14NSGA2014 | 1,000.00 |
| 0008089 | 3/19/13UnivofWashington | 2,500.00 |
| 0008090 | 5/3/13WWCCAGolfClassic | 2,500.00 |
| 0008093 | 2/10/13CropIndustry2013 | 2,500.00 |
| 0008094 | 2/14/16CropIndustry2016 | 2,500.00 |
| 0008097 | 3/30/13RaymondJames-ALP | 450.00 |
| 0008101 | 3/21/13BrianOngGroup | 500.00 |
| 0008109 | 2/22/13CambridgeHouse | 2,500.00 |
| 0008113 | 2/17/13GGT | 150.00 |
| 0008117 | 5/18/13Liu'sInvitationa | 500.00 |
| 0008118 | 3/16/13CMACN2013 | 1,000.00 |
| | TOTAL: | 97,105.00 |

IW CLUB

BALANCE SHEET - STANDARD - October, 2012

ASSETS

| | |
|---------------------------|---------|
| CASH & CASH EQUIVALENTS | 394,259 |
| ACCOUNTS RECEIVABLE, NET | 25,976 |
| INVENTORY | 120,073 |
| PREPAID & OTHER ST ASSETS | 49,077 |

TOTAL CURRENT ASSETS 589,385

TOTAL ASSETS 589,385

LIABILITIES & EQUITY

LIABILITIES

| | |
|----------------------------|---------|
| ACCOUNTS PAYABLE | 82,474 |
| OTHER ACCRUED LIABILITIES | 135,297 |
| ADVANCED DEPOSITS - EVENTS | 13,750 |

TOTAL CURRENT LIABILITIES 231,521

TOTAL LIABILITIES 231,521

EQUITY

| | |
|-----------------------|-----------|
| MEMBER CAPITAL | 1,578,846 |
| RETAINED EARNINGS | (943,023) |
| CURRENT YEAR EARNINGS | (277,958) |

TOTAL EQUITY 357,864

TOTAL LIABILITIES & EQUITY 589,385

70 - IW CLUB
Trial Balance for Oct, 2012

| Account | Description | Beginning Balance | Current Prd Debit | Current Prd Credit | Ending Balance |
|---------------------------------------|------------------------------|--------------------------|--------------------------|---------------------------|-----------------------|
| 1000 | Cash-Operating-Pacific Weste | 363,686.32 | 337,790.94 | (325,867.88) | 375,609.38 |
| 1035 | Petty Cash | 400.00 | - | - | 400.00 |
| 1040 | Cash Banks | 17,550.00 | 900.00 | (200.00) | 18,250.00 |
| 1100 | Accounts Receivable | 9,452.12 | 53,057.45 | (36,533.42) | 25,976.15 |
| 1200 | Prepaid Expenses | 17,995.96 | 2,089.96 | (9,729.96) | 10,355.96 |
| 1240 | Prepaid Liability Insurance | 4,387.79 | - | (896.45) | 3,491.34 |
| 1340 | Inventory - Food | 39,264.93 | 10,727.31 | - | 49,992.24 |
| 1342 | Inventory - Beer | 6,414.32 | 1,737.76 | - | 8,152.08 |
| 1344 | Inventory - Wine | 29,091.10 | 7,724.05 | - | 36,815.15 |
| 1346 | Inventory - Liquor | 20,705.15 | 2,894.49 | - | 23,599.64 |
| 1348 | Inventory - Tobacco | 1,469.00 | 216.00 | (171.50) | 1,513.50 |
| 1400 | Due to/from Affiliate | 12,373.67 | 39,068.92 | (16,212.81) | 35,229.78 |
| 2100 | Accounts Payable | (35,059.41) | 110,243.52 | (157,658.34) | (82,474.23) |
| 2200 | Accrued Payroll | (33,819.99) | 89,503.34 | (122,847.17) | (67,163.82) |
| 2210 | Accrued Vacation | (27,945.04) | 1,370.67 | (4,340.36) | (30,914.73) |
| 2230 | Accrued Sales Tax | (13,944.11) | 14,246.74 | (24,003.37) | (23,700.74) |
| 2231 | Accrued Use Tax | (187.15) | 187.15 | - | - |
| 2280 | General Accrual | (5,015.00) | 2,615.00 | (7,683.00) | (10,083.00) |
| 2310 | Tip Liability | (863.74) | 41,459.79 | (44,030.38) | (3,434.33) |
| 2330 | Advanced Deposits - Events | (19,750.00) | 34,750.00 | (28,750.00) | (13,750.00) |
| 3200 | Member Contributions | (1,578,845.75) | - | - | (1,578,845.75) |
| 3400 | Retained Earnings | 943,023.43 | - | - | 943,023.43 |
| Total Assets & Liabilities | | (249,616.40) | 750,583.09 | (778,924.64) | (277,957.95) |
| 4500 | Sales - Food | (277,519.60) | 373.50 | (211,318.81) | (488,464.91) |
| 4505 | Discount - Employee Food Sal | 8,561.50 | 3,988.62 | - | 12,550.12 |
| 4507 | Discounts-Public Food Sales | 9,260.90 | 6,715.32 | - | 15,976.22 |
| 4510 | Sales - Beer | (45,466.49) | - | (24,694.18) | (70,160.67) |
| 4520 | Sales - Wine | (29,031.51) | - | (34,415.19) | (63,446.70) |
| 4530 | Sales - Liquor | (38,682.36) | - | (28,085.82) | (66,768.18) |
| 4550 | Sales - Tobacco | (2,045.86) | - | (1,076.15) | (3,122.01) |
| 4560 | Gratuities/Group Service Cha | (7,403.97) | - | (17,303.24) | (24,707.21) |
| 4591 | Other F&B Income - Non-Taxab | (11,780.00) | 2,250.00 | (6,451.56) | (15,981.56) |
| 5500 | COS - Food | 115,648.66 | 105,847.52 | (39,548.79) | 181,947.39 |
| 5510 | COS - Beer | 11,233.32 | 16,275.66 | (7,046.82) | 20,462.16 |
| 5520 | COS - Wine | 9,352.00 | 22,896.51 | (11,845.81) | 20,402.70 |
| 5530 | COS - Liquor | 5,456.13 | 10,625.35 | (5,045.50) | 11,035.98 |
| 5550 | COS - Tobacco | 1,822.11 | 1,409.37 | (730.00) | 2,501.48 |
| 5560 | COS - Gratuities/Group Servi | 5,520.64 | 15,612.80 | (1,000.00) | 20,133.44 |
| 7000 | Payroll - Hourly | 97,828.03 | 69,376.75 | (10,548.07) | 156,656.71 |
| 7001 | Commissions Expense | 805.87 | 1,952.64 | (50.00) | 2,708.51 |
| 7003 | Payroll - Banquets | 12,424.69 | 5,066.10 | (1,273.60) | 16,217.19 |
| 7004 | Payroll - F&B Manager | 46,708.19 | 23,387.62 | (5,461.81) | 64,634.00 |
| 7005 | Payroll - Kitchen | 41,663.29 | 17,270.14 | (3,885.78) | 55,047.65 |
| 7006 | Payroll - Servers | 50,215.65 | 39,662.18 | (6,995.85) | 82,881.98 |
| 7008 | Payroll - Kitchen Overtime | 890.40 | 1,174.13 | - | 2,064.53 |
| 7009 | Payroll - Server Overtime | 3,180.02 | 1,293.75 | - | 4,473.77 |

70 - IW CLUB
Trial Balance for Oct, 2012

| | | | | | |
|------|-----------------------------------|-------------------|---------------------|-----------------------|-------------------|
| 7015 | Payroll - Vacation | 12,071.21 | 4,340.36 | (317.92) | 16,093.65 |
| 7020 | Payroll Taxes | 23,454.37 | 16,075.53 | (2,672.79) | 36,857.11 |
| 7030 | Worker's Compensation | 18,716.29 | 10,721.02 | (1,847.54) | 27,589.77 |
| 7040 | Medical/Dental | 46,203.44 | 14,222.06 | - | 60,425.50 |
| 7050 | 401(k) Costs | 2,606.28 | 1,399.71 | (263.92) | 3,742.07 |
| 7115 | Server Uniforms | 3,374.88 | 441.22 | - | 3,816.10 |
| 7116 | Culinary Uniforms | 3,848.11 | 1,796.28 | - | 5,644.39 |
| 7140 | Recruiting & Relocation | 640.18 | 52.00 | - | 692.18 |
| 7150 | Business Related Meals | 108.36 | - | - | 108.36 |
| 7160 | Travel Expense | 1,022.52 | - | - | 1,022.52 |
| 7180 | Employee Meals | 1,966.42 | 1,103.53 | - | 3,069.95 |
| 7195 | Employee Benefits & Administ | 4,398.89 | 2,887.00 | (635.32) | 6,650.57 |
| 7230 | Advertising | 8,357.94 | 5,214.11 | (75.00) | 13,497.05 |
| 7240 | Promotion | 3,779.47 | 4,478.31 | (2,281.83) | 5,975.95 |
| 7340 | Equipment Rental | 1,387.60 | - | - | 1,387.60 |
| 7430 | Office Supplies | 254.96 | 201.10 | - | 456.06 |
| 7435 | Flowers & Decorations | 1,331.77 | 291.67 | - | 1,623.44 |
| 7442 | Operating Supplies-F&B | 17,425.35 | 14,650.86 | (868.41) | 31,207.80 |
| 7450 | Paper Products | 424.36 | - | - | 424.36 |
| 7460 | Laundry/Linens | 3,819.28 | 3,893.08 | - | 7,712.36 |
| 7470 | China, Glass & Utensils | 1,913.44 | 3,966.30 | (613.54) | 5,266.20 |
| 7530 | Computer Related | 4,329.40 | 1,375.05 | - | 5,704.45 |
| 7540 | Printing | 212.54 | - | - | 212.54 |
| 7560 | Credit Card Fees | 8,193.25 | 8,767.96 | (2,615.00) | 14,346.21 |
| 7570 | Cash Over/Short | (147.85) | 47.22 | (63.90) | (164.53) |
| 7580 | Bank Fees | 317.58 | 108.42 | (15.42) | 410.58 |
| 7595 | Entertainment | 6,557.63 | 2,091.60 | - | 8,649.23 |
| 7606 | Payroll Administration | 3,639.60 | 2,100.28 | (399.60) | 5,340.28 |
| 7670 | R&M Equipment - F&B | 3,102.69 | 2,020.22 | - | 5,122.91 |
| 7690 | R&M Beverage Carts | 323.72 | - | - | 323.72 |
| 7810 | Cable TV / Music | 477.34 | 1,940.62 | (1,289.96) | 1,128.00 |
| 7860 | Insurance | 2,689.34 | 896.45 | - | 3,585.79 |
| 7880 | Fees, Permits & Licenses | 3,665.10 | - | - | 3,665.10 |
| 7916 | Rent Expense | 3,000.00 | 1,000.00 | - | 4,000.00 |
| 8300 | Interest Income | (67.98) | - | (33.45) | (101.43) |
| 8400 | Capital Expenses | 47,577.31 | 7,852.21 | - | 55,429.52 |
| 9910 | Restaurant Cover | 10,388.00 | 6,280.00 | - | 16,668.00 |
| 9915 | Banquet Cover | 1,510.00 | 1,569.00 | - | 3,079.00 |
| 9930 | Resident Cover | 2,451.00 | 1,629.00 | - | 4,080.00 |
| 9935 | Cafe Covers | 5,338.00 | 2,195.00 | - | 7,533.00 |
| 9940 | Fairway Grill Covers | 9,753.00 | 4,942.00 | - | 14,695.00 |
| 9995 | Contra Covers | (29,440.00) | - | (16,615.00) | (46,055.00) |
| | Total Income & Expense | 249,616.40 | 475,727.13 | (447,385.58) | 277,957.95 |
| | Total Report | - | 1,226,310.22 | (1,226,310.22) | - |

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

| | ACTUAL Jul-12 | ACTUAL Aug-12 | ACTUAL Sep-12 | ACTUAL 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 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| Statistics: | | | | | | | | | | | | | | |
| Restaurant Covers | 3,765 | 3,838 | 5,088 | 7,823 | 11,750 | 10,350 | 11,500 | 13,300 | 14,750 | 13,850 | 10,400 | 8,200 | 114,614 | 117,800 |
| Banquet Covers | 314 | 548 | 648 | 1,569 | 2,155 | 1,525 | 2,050 | 2,350 | 3,100 | 2,750 | 2,450 | 1,200 | 20,659 | 21,058 |
| Fairway Grill Covers | 2,934 | 2,579 | 4,240 | 4,942 | 8,258 | 6,253 | 7,805 | 9,344 | 10,369 | 10,236 | 8,186 | 6,422 | 82,068 | 84,496 |
| Café Covers | 1,633 | 1,554 | 2,299 | 2,281 | 3,300 | 2,900 | 3,540 | 4,000 | 4,200 | 4,000 | 3,800 | 2,850 | 36,357 | 37,818 |
| Covers Total | 8,646 | 8,519 | 12,275 | 16,615 | 25,463 | 21,528 | 24,895 | 28,994 | 32,419 | 30,836 | 24,836 | 18,672 | 253,698 | 261,172 |
| Revenues: | | | | | | | | | | | | | | |
| Restaurant | 74,603 | 77,630 | 98,047 | 166,954 | 278,593 | 241,776 | 272,090 | 327,978 | 374,060 | 342,234 | 246,584 | 186,222 | 2,686,771 | 2,744,345 |
| Banquet | 15,559 | 19,087 | 18,343 | 100,105 | 99,906 | 70,699 | 95,663 | 111,813 | 147,498 | 130,845 | 107,604 | 51,972 | 969,094 | 1,006,678 |
| Beverage Cart | 14,742 | 12,027 | 22,164 | 27,002 | 39,556 | 31,807 | 37,386 | 48,495 | 53,815 | 53,125 | 40,275 | 29,413 | 409,807 | 412,932 |
| Fairway Grill | 3,933 | 4,423 | 6,875 | 9,246 | 14,699 | 10,940 | 13,112 | 17,567 | 19,494 | 18,630 | 14,080 | 11,046 | 144,045 | 142,632 |
| Café | 13,099 | 12,202 | 19,195 | 17,415 | 28,446 | 23,345 | 29,028 | 34,400 | 36,120 | 33,400 | 30,970 | 22,800 | 300,420 | 310,771 |
| Employee Meals & Other | (6,031) | (5,778) | (6,013) | (10,704) | (1,724) | (9,676) | (9,503) | (11,653) | 7,256 | (2,784) | (8,700) | (6,973) | (72,283) | (68,235) |
| Total Revenue | 115,905 | 119,591 | 158,611 | 310,018 | 459,476 | 368,890 | 437,777 | 528,600 | 638,243 | 575,449 | 430,813 | 294,480 | 4,437,854 | 4,549,123 |
| Total Avg. Revenue Per Cover | \$ 13.41 | \$ 14.04 | \$ 12.92 | \$ 18.66 | \$ 18.04 | \$ 17.14 | \$ 17.58 | \$ 18.23 | \$ 19.69 | \$ 18.66 | \$ 17.55 | \$ 15.77 | \$ 17.49 | \$ 17.42 |
| Average Revenue Per Cover - Restaurant | \$ 19.81 | \$ 20.23 | \$ 19.27 | \$ 21.34 | \$ 23.71 | \$ 23.36 | \$ 23.66 | \$ 24.66 | \$ 25.36 | \$ 24.71 | \$ 23.71 | \$ 22.71 | \$ 23.34 | \$ 23.30 |
| Average Revenue Per Cover - Banquet | \$ 49.55 | \$ 34.83 | \$ 28.31 | \$ 63.80 | \$ 46.36 | \$ 46.66 | \$ 47.58 | \$ 47.58 | \$ 43.92 | \$ 43.92 | \$ 43.31 | \$ 46.51 | \$ 47.81 | \$ 47.81 |
| Average Revenue Per Cover - Bev Cart | \$ 5.02 | \$ 4.66 | \$ 5.23 | \$ 5.46 | \$ 4.79 | \$ 4.71 | \$ 4.79 | \$ 5.19 | \$ 5.19 | \$ 5.19 | \$ 4.92 | \$ 4.58 | \$ 4.99 | \$ 4.89 |
| Average Revenue Per Cover - Fairway Grill | \$ 1.34 | \$ 1.72 | \$ 1.62 | \$ 1.87 | \$ 1.78 | \$ 1.62 | \$ 1.68 | \$ 1.88 | \$ 1.82 | \$ 1.82 | \$ 1.72 | \$ 1.72 | \$ 1.69 | \$ 1.69 |
| Average Revenue Per Cover - Café | \$ 8.02 | \$ 7.85 | \$ 8.35 | \$ 7.63 | \$ 8.62 | \$ 8.05 | \$ 8.20 | \$ 8.60 | \$ 8.60 | \$ 8.35 | \$ 8.15 | \$ 8.00 | \$ 8.26 | \$ 8.22 |
| Revenues: | | | | | | | | | | | | | | |
| Food, net of discounts | 74,709 | 85,980 | 109,799 | 200,242 | 306,111 | 253,182 | 299,685 | 357,090 | 413,162 | 381,985 | 290,246 | 203,217 | 2,976,808 | 3,088,916 |
| Beer | 11,359 | 13,293 | 20,814 | 24,694 | 36,964 | 28,996 | 34,378 | 43,285 | 49,459 | 45,807 | 37,082 | 25,978 | 372,109 | 377,689 |
| Wine | 7,862 | 8,683 | 12,487 | 34,415 | 50,900 | 42,895 | 48,497 | 58,654 | 69,177 | 61,577 | 44,502 | 28,536 | 468,185 | 474,868 |
| Liquor | 11,556 | 11,175 | 15,952 | 28,086 | 47,309 | 39,318 | 46,709 | 59,007 | 70,369 | 63,302 | 46,976 | 33,469 | 472,218 | 484,362 |
| Tobacco | 393 | 397 | 1,257 | 1,076 | 1,426 | 1,760 | 2,054 | 2,232 | 1,967 | 1,303 | 881 | 1,303 | 16,646 | 17,087 |
| Group Services | 1,281 | 3,081 | 3,041 | 17,303 | 18,016 | 12,749 | 17,251 | 20,163 | 26,598 | 23,595 | 19,404 | 9,372 | 171,854 | 174,437 |
| Other F&B Income | 8,745 | (4,018) | (4,738) | 4,202 | (1,724) | (9,676) | (9,503) | (11,653) | 7,256 | (2,784) | (8,700) | (6,974) | (39,567) | (68,235) |
| Total Revenues | 115,905 | 119,591 | 158,611 | 310,018 | 459,476 | 368,890 | 437,777 | 528,600 | 638,243 | 575,449 | 430,813 | 294,479 | 4,437,853 | 4,549,124 |
| Cost of Sales: | | | | | | | | | | | | | | |
| COS - Food | 39,649 | 32,318 | 43,682 | 66,799 | 97,041 | 82,607 | 97,360 | 113,404 | 130,683 | 120,932 | 93,684 | 66,423 | 984,082 | 992,792 |
| COS - Beer | 2,488 | 2,674 | 6,071 | 9,229 | 9,980 | 7,829 | 9,282 | 11,254 | 12,859 | 11,910 | 9,641 | 6,254 | 99,971 | 99,960 |
| COS - Wine | 2,769 | 3,125 | 3,458 | 11,051 | 17,815 | 15,013 | 16,489 | 19,942 | 23,520 | 20,936 | 16,021 | 10,273 | 160,412 | 165,256 |
| COS - Liquor | 2,093 | 907 | 2,366 | 5,580 | 8,989 | 7,077 | 8,228 | 10,621 | 12,665 | 11,394 | 8,925 | 6,359 | 89,252 | 89,252 |
| COS - Tobacco | 107 | 723 | 992 | 679 | 1,140 | 856 | 1,056 | 1,233 | 1,339 | 1,180 | 782 | 528 | 10,615 | 10,252 |
| COS - Group Services | 684 | 2,313 | 2,524 | 14,613 | 16,214 | 11,474 | 15,526 | 18,147 | 23,938 | 21,236 | 17,464 | 8,435 | 152,568 | 156,993 |
| Total Cost of Sales | 47,790 | 42,150 | 59,093 | 107,451 | 151,179 | 124,856 | 147,941 | 174,601 | 205,004 | 187,588 | 146,517 | 98,772 | 1,492,942 | 1,514,505 |
| Gross Profit | 68,115 | 77,441 | 99,519 | 202,567 | 308,297 | 244,034 | 289,836 | 353,999 | 433,239 | 387,861 | 284,296 | 195,707 | 2,944,911 | 3,034,619 |
| Operating Expenses: | | | | | | | | | | | | | | |
| Payroll | 90,974 | 75,670 | 99,144 | 134,991 | 154,583 | 155,402 | 162,564 | 172,969 | 175,681 | 169,119 | 150,522 | 138,754 | 1,680,373 | 1,719,725 |
| Employee Benefits | 31,609 | 30,009 | 31,329 | 38,738 | 40,343 | 40,458 | 49,641 | 49,921 | 48,443 | 44,879 | 40,742 | 39,056 | 489,168 | 489,398 |
| Employee Related | 1,583 | 2,414 | 2,173 | 2,304 | 1,936 | 1,990 | 3,015 | 2,046 | 2,265 | 2,734 | 1,834 | 1,566 | 25,850 | 25,319 |
| Advertising & Marketing | 2,577 | 4,121 | 5,440 | 7,336 | 8,984 | 14,984 | 15,184 | 10,234 | 4,184 | 3,984 | 3,184 | 3,084 | 83,296 | 91,258 |
| Repair & Maintenance | 840 | 1,272 | 1,314 | 2,020 | 2,450 | 1,650 | 1,950 | 2,350 | 1,950 | 2,350 | 1,650 | 1,650 | 21,746 | 23,600 |
| Operating Expenses | 20,387 | 19,707 | 19,794 | 36,155 | 43,993 | 36,838 | 42,202 | 48,415 | 56,102 | 55,733 | 41,112 | 31,279 | 451,717 | 455,655 |
| Utilities | - | 149 | 328 | 650 | 1,050 | 700 | 700 | - | - | - | - | - | 3,577 | 3,500 |
| Total Operating Expenses | 147,970 | 133,342 | 158,522 | 222,194 | 253,329 | 252,022 | 275,256 | 285,935 | 288,625 | 278,399 | 239,744 | 215,389 | 2,751,727 | 2,808,455 |
| Operating Profit | (79,855) | (55,901) | (60,003) | (19,627) | 54,968 | (7,988) | 14,580 | 68,064 | 144,614 | 109,462 | 44,552 | (19,682) | 193,184 | 226,164 |
| Gross Operating Profit | (79,855) | (55,901) | (60,003) | (19,627) | 54,968 | (7,988) | 14,580 | 68,064 | 144,614 | 109,462 | 44,552 | (19,682) | 193,184 | 226,164 |
| Insurance | 896 | 896 | 896 | 896 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 10,384 | 10,200 |
| Fees, Permits & Licenses | 3,649 | 3,649 | - | - | - | - | 8,500 | - | 500 | - | 1,800 | - | 14,499 | 17,100 |
| Bad Debt | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital Expenses | 20,454 | 20,044 | 7,079 | 7,852 | - | - | - | - | - | - | - | - | 55,429 | 63,500 |
| Non Operating Income | (20) | (17) | - | (33) | - | - | - | - | - | - | - | - | (70) | - |
| Total Other Expenses | 21,330 | 24,572 | 7,975 | 8,715 | 850 | 850 | 9,350 | 850 | 1,350 | 850 | 2,650 | 850 | 80,192 | 90,800 |

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

| | ACTUAL Jul-12 | ACTUAL Aug-12 | ACTUAL Sep-12 | ACTUAL 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 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|--------------------|
| Net Operating Income | (101,185) | (80,473) | (67,978) | (28,342) | 54,118 | (8,838) | 5,230 | 67,214 | 143,264 | 108,612 | 41,902 | (20,532) | 112,992 | 135,364 |
| Net Income (Loss) | (101,185) | (80,473) | (67,978) | (28,342) | 54,118 | (8,838) | 5,230 | 67,214 | 143,264 | 108,612 | 41,902 | (20,532) | 112,992 | 135,364 |
| VARIABLE EFFECT ON CASH | | | | | | | | | | | | | | |
| (Increase)/Decrease in A/R | 5,928 | 2,014 | (5,629) | (16,524) | | | | | | | | | (14,211) | |
| (Increase)/Decrease in Prepaids | (5,578) | (6,455) | 3,156 | 8,536 | | | | | | | | | (341) | |
| (Increase)/Decrease in Inventory | 3,054 | (3,912) | (198) | (23,128) | | | | | | | | | (24,184) | |
| (Increase)/Decrease in Deposits | | | | | | | | | | | | | - | |
| Increase/(Decrease) in A/P | 7,396 | 9,210 | (14,096) | 47,415 | | | | | | | | | 49,925 | |
| Increase/(Decrease) in Accruals | (77,960) | (8,111) | 18,472 | 53,522 | | | | | | | | | (14,077) | |
| Increase/(Decrease) in Gift Certificates | | | | | | | | | | | | | - | |
| Increase/(Decrease) in Advance Deposits | 2,250 | 7,450 | | (6,000) | | | | | | | | | 3,700 | |
| Unrestricted Contributions / City of Indian Wells | | 320,000 | | | | | | | | | | | 320,000 | |
| (Increase)/Decrease in Due to Affiliate | 11,620 | 2,656 | (5,674) | (22,856) | | | | | | | | | (14,054) | |
| Increase/(Decrease) in Cash | (154,275) | 242,379 | (71,947) | 12,623 | 54,118 | (8,838) | 5,230 | 67,214 | 143,264 | 108,612 | 41,902 | (20,532) | 419,750 | |
| BEGINNING CASH | 365,479 | 211,204 | 453,583 | 381,636 | 394,259 | 448,377 | 439,539 | 444,769 | 511,983 | 655,247 | 763,859 | 805,761 | 365,479 | |
| ENDING OPERATING CASH (per G/L) | 211,204 | 453,583 | 381,636 | 394,259 | 448,377 | 439,539 | 444,769 | 511,983 | 655,247 | 763,859 | 805,761 | 785,229 | 785,229 | |

70 - IW CLUB
Summary Aged Receivables List
All Areas (Regular Club & Outside)
Regular Aged Receivable List
As at Oct31/12

| Member | Member Name | Net Amount | Current | 1 Mths | 2 Mths | 3 Mths | Over 4 Mths |
|---------------------|--------------------------------|-------------------|------------------|-----------------|-----------------|---------------|--------------------|
| 0002033 | Bird Golf Academy | 684.85 | 684.85 | - | - | - | - |
| 0006001 | Hyatt Hotel Room Chg | 10,924.42 | 4,353.62 | 5,332.53 | 1,238.27 | - | - |
| 0006002 | Renaissance Hotel Room Charges | 3,122.95 | 3,122.95 | - | - | - | - |
| 0006004 | Miramonte Hotel Room Chg | 1,025.17 | 1,025.17 | - | - | - | - |
| 0006005 | City of Indian Wells | 331.27 | 331.27 | - | - | - | - |
| 0006006 | Miramonte-Executives | 43.71 | 43.71 | - | - | - | - |
| 0006009 | Hyatt-Executives | 1,007.84 | 496.25 | 82.12 | 429.47 | - | - |
| 0007972 | 10/16/12CHIME2012 | 8,835.94 | 8,835.94 | - | - | - | - |
| Total Report | | 25,976.15 | 18,893.76 | 5,414.65 | 1,667.74 | - | - |
| | | | 72.70% | 20.80% | 6.40% | 0.00% | 0.00% |

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

| | Name | Amount |
|---------|-------------------------|------------------|
| 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 |
| 0005094 | 11/29/12 Householder Gr | 250.00 |
| 0005096 | 5/4/13 Law Wedding | 2,000.00 |
| 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 |
| 0005112 | 11/27/12 EDPA ACCESS Bo | 250.00 |
| 0005113 | 12/1/12 Paschal 90th B- | 250.00 |
| 0005114 | 4/12/13 Dooley Wedding | 250.00 |
| 0005116 | 11/21/12 Thompson Famil | 500.00 |
| 0005119 | 11/21/12ThompsonFamilyR | 250.00 |
| 0005120 | 12/5/12 Albert Mgmt, In | 250.00 |
| 0005121 | 02/20/13 Albert Mgmt, I | 250.00 |
| 0005122 | 4/6/13 Moser Vow Renewa | 500.00 |
| 0005123 | 12/14/12 CruiseOne Holi | 500.00 |
| 0005124 | 11/15/12 State Farm SD | 250.00 |
| 0008102 | 1/6/13 CEVAAnimalHealth | 500.00 |
| | TOTAL: | 13,750.00 |