

NEW LONDON COUNTRY CLUB, INC.

Financial Report- Annual Meeting

November 4, 2010

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New London Country Club, Inc.

Balance Sheet

	October 31, 2010	2009	2008	December 31, 2007	2006
ASSETS					
Current Assets					
Cash	190,219.53	72,695.20	36,563.64	28,503.18	9,993.56
Petty cash	627.24	200.00	200.00	200.00	0.00
Petty cash /drawer F&B	600.00	0.00	0.00	400.00	0.00
Escrow savings	29,337.81	35,702.36	28,130.47	31,791.34	25,471.25
Accounts receivable	85,128.62	32,000.61	8,443.61	(5,657.35)	485.44
A/R delinquent members	0.00	0.00	36,017.59	36,423.96	30,498.22
A/R admisson	27,912.52	73,203.83	152,732.91	130,905.22	193,627.90
A/R stock	2,800.00	6,005.00	7,375.00	5,485.00	7,915.00
A/R service charge	1,325.62	3,600.00	5,250.00	4,700.00	6,800.00
Allowance for doubtful	(25,000.00)	(25,000.00)	(40,000.00)	(40,000.00)	0.00
Prepaid expenses	0.00	0.00	0.00	471.00	471.00
Inventory - liquor	1,600.00	1,600.00	0.00	0.00	0.00
Inventory - chemicals	9,150.00	0.00	0.00	0.00	0.00
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Total Current Assets	323,701.34	200,007.00	234,713.22	193,222.35	275,262.37
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Fixed Assets					
Land	51,654.67	51,654.67	51,654.67	51,654.67	51,654.67
Golf course	2,943,525.53	2,943,525.53	2,943,525.53	2,831,766.33	2,831,766.33
Reservoir (Pond)	649,909.82	649,909.82	649,909.82	649,909.82	649,909.82
Irrigation system	1,155,365.00	1,155,365.00	1,180,767.00	1,180,767.00	1,180,767.00
Water & sewer	175,041.21	175,041.21	175,041.21	154,196.25	154,196.25
Buildings	761,665.17	761,665.17	778,394.17	778,394.17	776,886.85
Building improvements	253,196.44	253,196.44	253,196.44	0.00	0.00
Closing cost	47,783.50	47,783.50	47,783.50	3,763.00	738.00
Furniture & fixtures	127,057.03	127,057.03	165,123.03	165,123.03	138,218.00
Computer equipment	19,604.57	19,604.57	89,874.57	87,974.65	85,578.00
Tools & equipment	412,517.28	405,962.77	534,350.77	524,058.64	361,827.00
Road & parking	56,445.52	56,445.52	56,445.52	44,145.52	44,145.52
Golf carts	135,215.38	133,720.38	245,358.38	245,358.38	168,718.22
Transportation equipment	17,500.00	17,500.00	17,500.00	17,500.00	17,500.00
Leased equipment	431,751.36	431,751.36	444,575.80	285,415.00	285,415.00
Accumulated deprecation	(2,504,489.68)	(2,285,582.98)	(2,383,185.11)	(2,070,415.29)	(1,777,884.04)
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Total Net Fixed Assets	4,733,742.80	4,944,599.99	5,250,315.30	4,949,611.17	4,969,436.62
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Total Assets	5,057,444.14	5,144,606.99	5,485,028.52	5,142,833.52	5,244,698.99
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New London Country Club, Inc.

Balance Sheet

	October 31, 2010	2009	2008	December 31, 2007	2006
Liabilities & Equity					
Current Liabilities					
Mortgage - Dime Bank - current	125,862.82	102,995.31	63,951.00	154,899.23	1,411,418.41
Capital leases - current	44,975.47	44,975.47	65,043.00	73,036.00	56,996.00
Accounts payable - trade	12,339.45	51,980.13	60,048.35	(102.74)	(661.30)
Women's Association	2,302.64	1,642.82	1,147.27	937.02	417.78
Men's Association	4,242.88	3,027.04	2,475.00	0.00	340.00
Men's Tues. Night League	6,976.04	3,176.04	3,176.04	1,894.70	0.00
1st Asst.Pro - golf lessons	0.00	0.00	70.00	0.00	0.00
2nd Asst.Pro - golf lessons	0.00	0.00	80.00	0.00	0.00
Hole in one	354.00	342.00	322.00	270.00	330.00
Prepaid booking deposits	500.00	0.00	2,950.00	750.00	500.00
Prepaid admission/entry deposit	16,199.28	26,262.68	0.00	1,000.00	0.00
3-DAY CLASSIC	188.95	3,383.09	2,440.28	0.00	750.00
Gift Certificates (members)	0.00	0.00	0.00	0.00	750.00
Cloud Nine, LLC payable	2,339.87	2,741.47	0.00	0.00	0.00
Pro shop payable	7,115.11	0.00	11,149.63	0.00	0.00
Other club payable	378.00	0.00	0.00	(24.50)	(5.04)
Tips payable	149.99	0.00	0.00	0.00	4.18
Payroll taxes payable	8,956.39	1,276.12	2,500.63	2,911.92	1,478.23
Business income tax Fed/ST	0.00	0.00	636.00	697.26	1,476.26
Dues & admission tax payable	88.93	58.00	164.88	173.00	22.54
Sales tax payable	1,370.85	0.00	1,544.00	601.00	472.90
Accrued interest	27,207.04	27,207.04	24,952.08	20,399.32	36,759.90
Accrued water	19,550.00	0.00	0.00	0.00	0.00
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Total Current Liabilities	281,097.71	269,067.21	242,650.16	257,442.21	1,511,049.86
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Long Term Liabilities					
Dime mtg. payable (long term)	4,045,827.58	4,183,053.24	4,286,049.00	3,485,055.68	2,197,064.82
Line of credit - Dime Bank	0.00	0.00	0.00	150,000.00	0.00
Assessments payable	247,200.00	247,200.00	249,540.00	267,720.00	255,420.00
Deferred initiation pymt plan	32,038.14	82,808.83	164,572.91	140,305.22	200,427.90
Capital lease-long term	63,140.66	63,140.66	88,758.55	67,676.56	67,676.74
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Total Long Term Liabilities	4,388,206.38	4,576,202.73	4,788,920.46	4,110,757.46	2,720,589.46
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Owner's Equity					
Common stock	45,514.82	42,401.82	44,507.00	231,675.00	214,690.00
Addition paid in capital	325,245.92	325,245.92	321,105.92	130,957.92	145,577.92
Retained earnings (Deficit)	17,379.31	(68,310.69)	87,844.98	412,000.93	652,791.75
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Total Owner's Equity	388,140.05	299,337.05	453,457.90	774,633.85	1,013,059.67
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Total Liabilities & Equity	5,057,444.14	5,144,606.99	5,485,028.52	5,142,833.52	5,244,698.99
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New London Country Club, Inc.

Income Statement - Year Ended December 31,

	Projected 2010	2009	2008	2007	2006
REVENUE					
Initiation fees	47,000	69,798	108,697	111,379	103,778
Installment plan admin charge	1,900	2,841	3,650	3,900	4,695
Membership dues	657,000	610,282	729,283	657,317	574,244
Capital improvement fund	470,000	418,458	327,855	296,622	301,463
Locker rental	30,500	30,334	35,042	35,375	33,135
Guest fees	75,500	249,834	70,983	64,096	76,703
Promotional lesson credit	0	0	0	(4,750)	0
Cart fees - daily	68,000	81,303	84,045	85,905	85,487
Cart fees - seasonal	17,000	11,870	11,644	10,142	10,000
Speed cart storage	4,000	4,750	0	0	0
Club events	25,000	27,075	31,554	(2,368)	1,823
Club tournaments	97,000	63,067	83,139	88,950	104,194
Late fee	13,100	13,986	9,072	14,302	14,634
Interest income	300	909	625	1,339	5,124
Service charge	0	0	0	0	5,268
Unmet minimums	10,000	0	691	(440)	0
Sales - food	32,000	0	96,949	220,495	251,510
Sales - beer	57,000	0	50,178	0	0
Sales - wine	9,000	0	3,235	0	0
Sales - liquor	30,000	0	59,925	117,713	117,740
Sales - non alcoholic bev	21,000	0	19,280	24,366	25,949
Ballroom rental	5,300	0	7,101	2,250	2,700
Catering rental	0	15,214	0	0	0
Residential rental	7,800	7,800	7,800	8,773	5,965
School team & dues	3,000	3,000	3,000	3,000	1,500
Other income	1,600	4,340	0	0	0
Sale of asset	1,000	0	0	0	3,000
Total Revenue	1,684,000	1,614,861	1,743,746	1,738,367	1,728,912
COST OF GOODS					
Beginning Inventory					
CGS - Food	17,000	0	64,947	80,639	96,913
CGS - Beer	18,000	0	21,118	9,922	0
CGS - Wine	2,000	0	4,487	2,659	0
CGS - Liquor	8,200	0	13,859	22,351	33,914
CGS - Non alcoholic	6,000	0	11,994	10,771	9,911
CGS - Club events	25,000	27,221	31,410	0	0
CGS - Club tournaments		11,704	8,287	0	0
CGS - O/S tournaments		0	0	0	0
Total Cost of Goods	76,200	38,925	156,102	126,342	140,739
GROSS PROFIT	1,607,800	1,575,936	1,587,644	1,612,025	1,588,173

New London Country Club, Inc.

Income Statement - Year Ended December 31,

	Projected 2010	2009	2008	2007	2006
EXPENSES					
SALARIES & WAGES					
Labor - general manager	0	0	40,462	0	0
Labor - office manager	35,000	38,000	32,434	27,778	36,400
Labor - office (part time)	1,800	4,319	4,382	360	2,466
Labor - green superintendent	82,500	79,961	78,942	70,039	70,673
Labor - assist. superintend	37,000	27,072	35,930	28,173	22,212
Labor - mechanic	36,000	34,988	27,111	29,228	34,000
Labor - foreman	37,000	36,000	26,308	0	12,115
Labor - greens	106,000	118,482	140,215	135,599	138,443
Labor - golf professional	45,000	43,725	43,200	40,732	39,639
Labor - 1st Assistant Pro	27,000	26,100	26,100	20,460	18,500
Labor - 2nd Assistant Pro	11,000	10,511	13,500	8,605	8,483
Labor - shop help/overtime	0	1,121	1,820	4,475	0
Labor - bag room/overtime	20,000	18,258	22,440	26,080	24,327
Labor - custodian	0	0	0	0	10,908
Labor - bev cart drivers	0	0	456	5,989	0
Labor - kitchen manager	0	0	27,286	0	26,719
Labor - restaurant manager	32,500	0	4,375	50,344	44,531
Labor - waitstaff/overtime	0	0	34,043	13,198	40,443
Labor - bartenders/overtime	30,500	0	2,924	15,207	0
Labor - cook/overtime	13,000	0	11,850	70,982	43,789
Labor - kitchen assistant	0	0	2,691	20,367	0
Labor - overtime	7,600	8,142	5,892	5,177	0
Labor - vacation,holiday,sick	0	1,575	3,990	2,777	0
Labor - temporary outsourced	1,430	0	0	0	0
Payroll taxes	58,300	50,635	73,760	79,035	75,897
Health insurance	27,300	24,547	27,696	27,813	34,969
Total Salaries & Wages	608,930	523,436	694,153	682,418	684,515
OTHER EXPENSES					
Advertising:					
- employment	0	0	803	0	0
- membership	3,500	8,355	6,097	13,285	12,712
- other	0	0	40	0	0
- special events	30	0	60	0	0
Alarm system - burglary	1,550	1,133	1,853	1,283	1,624
Alarm system - fire protection	0	0	0	0	0
Bad debt expense	300	14,060	0	40,000	0
Bank fees	300	229	542	3,026	257
BOD meeting meals	0	61	841	438	1,345
BOD gifts issued	0	0	150	0	0
Building maint/repairs - HVAC	0	0	570	0	0
Building maint/repairs - othe	6,200	6,095	7,753	16,291	11,072
Building maint/repairs - plmg	5,100	2,608	3,235	0	0
Cash short (over)	0	0	0	0	0
Championship boards	600	660	443	541	856
Chemicals - pesticides	83,400	85,265	82,575	76,689	66,755
Club parties	0	0	5,847	4,785	4,860
Clubhouse decorations	0	0	229	738	0
Computer:					
- ISP & Email	2,200	1,186	530	0	0
- Jonas	9,000	2,544	24,459	0	0
- system maintenance	14,250	11,155	25,733	12,975	11,603
- website	900	2,388	2,354	370	1,870
Credit card fees	1,700	5,026	1,388	1,435	707
Discount - employee meals	0	0	144	0	432
Discount - gratis beverage	0	0	800	2,139	1,630
Drainage	2,000	0	239	299	4,723
Driving range supplies	2,700	2,204	6,764	5,886	4,024
Dues & subscriptions	2,800	2,687	4,726	2,473	2,995
Subscription (GHIN)	5,600	5,886	5,952	5,888	5,280

New London Country Club, Inc.

Income Statement - Year Ended December 31,

	Projected 2010	2009	2008	2007	2006
Education & training	1,500	2,044	3,410	4,210	2,709
Equipment leases	0	0	0	2,718	0
Equipment rental/purchase	835	425	3,154	1,914	1,090
Equipment rental - golf carts	3,000	2,720	5,328	0	0
Equipment maint/repairs	35,600	41,388	33,441	48,897	26,375
Employee meals expense	0	0	0	1,000	782
Fertilizer	39,700	41,083	36,916	32,886	27,768
Fuel - diesel	10,500	9,688	12,592	0	0
- gasoline	9,500	9,790	16,721	21,460	24,410
Golf course material:					
- accessories	3,250	4,509	5,022	3,378	5,587
- landscaping	0	1,119	386	3,492	3,431
- sand/gravel	16,500	16,576	14,744	13,085	10,358
- seed/sod	8,800	7,180	9,472	6,229	2,067
Insurance:					
- commercial package	16,800	14,946	24,663	19,655	27,488
- directors & officers	0	4,249	4,249	3,057	3,057
- workers comp	22,300	23,294	24,350	21,767	9,604
Irrigation	11,000	8,984	9,172	23,070	681
Licenses & permits	2,700	730	4,185	2,111	2,223
Linen rental	0	181	2,459	11,320	9,914
Loan interest	231,600	341,913	213,364	225,704	254,064
Payroll processing fees	0	0	0	421	3,344
Penalties	0	0	218	156	0
Postage	2,000	2,414	2,992	3,516	2,743
Printing/copying	100	75	2,967	(1,161)	2,439
Professional services:					
- accounting	21,000	23,900	24,680	20,772	4,413
- course	0	4,420	8,092	14,788	11,547
- legal	3,000	5,814	4,811	5,103	3,732
- other	400	318	1,417	9,716	7,627
Property taxes:					
- motor vehicle	200	188	201	369	379
- real estate	74,000	35,701	100,630	55,015	52,020
- personal prop.	7,150	9,470	6,936	6,991	7,125
Refuse removal	2,300	3,506	6,902	6,166	7,836
Score cards	1,400	1,335	1,291	1,678	1,482
Storage	0	138	1,674	1,395	1,559
Supplies:					
- cleaning	900	132	4,148	1,458	1,773
- laundry	750	616	1,139	3,571	2,845
- locker room	200	464	603	491	124
- office	5,800	6,780	10,294	8,705	8,636
- other	730	87	7,386	776	4,064
- restroom	1,600	1,694	1,808	5,953	3,389
- safety	1,220	1,267	1,209	589	2,219
- table settings	200	0	4,953	429	3,006
Tools	3,500	1,522	3,220	2,690	999
Uniforms	1,200	718	1,834	1,488	3,665
Utilities:					
- electricity	46,000	51,867	55,675	60,812	57,400
- music	0	0	127	700	700
- propane	13,100	10,631	13,621	11,978	13,385
- sewer use	3,500	3,118	4,031	2,529	2,616
- telephone	6,050	6,782	7,324	8,460	5,511
- television	1,300	1,720	2,666	0	0
- water	21,200	10,676	7,659	1,612	2,597
Miscellaneous expense	600	0	2,441	6,308	0
Suspense account	0	0	0	0	(17,259)
UBIT - federal	0	0	383	0	729
UBIT - state	0	0	27	(101)	481
Use tax - state	0	0	0	0	27
Depreciation	262,688	306,417	316,533	292,531	277,461
Amortization	0	2,389	0	0	0
Abandonment of assets	0	32,136	0	0	0
Total Other Expenses	1,037,803	1,208,656	1,217,647	1,170,398	1,024,967
Total Expenses	1,646,733	1,732,092	1,911,800	1,852,816	1,709,482
NET PROFIT (LOSS)	(38,933)	(156,156)	(324,156)	(240,791)	(121,309)

New London Country Club, Inc.

Cash Flows Statement - Year Ended December 31,

	Projected			
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<u>Cash Flow Conversion:</u>				
NET PROFIT (LOSS)	(38,933)	(156,156)	(324,156)	(240,791)
ADD:				
Depreciation	262,688	306,417	316,533	292,531
Amortization	2,389	0	0	0
Abandoned assets	0	0	0	0
Issuance of long term debt	0	0	4,350,000	230,000
Issuance of line of credit	0	0	0	150,000
Issuance of capital lease	0	19,358	159,161	0
LESS:				
Mortgage principal paid	(125,740)	(63,951)	(3,712,991)	(125,493)
Lines of credit paid			(150,000)	
Capital leases	(46,555)	(65,043)	(73,036)	(56,996)
Prop.& eqpt.purchases			(617,237)	(272,706)
Eqpmnt purchases-'10	(5,300)			
Eqpmnt purchases-'09		(35,528)		
Cash Flow From Operations (Deficit)	48,549	5,097	(51,726)	(23,455)