

CANYON LAKE PROPERTY OWNERS ASSOCIATION

**Auditors' Report
Financial Statements
and
Supplemental Information
*For the Year Ended April 30, 2009***

SIEBERT BOTKIN HICKEY & ASSOCIATES, LLP
Certified Public Accountants



***Siebert Botkin Hickey
& Associates, LLP***

Board of Directors and Members

Canyon Lake Property Owners Association
Canyon Lake, CA

Independent Auditors' Report

We have audited the accompanying balance sheet of Canyon Lake Property Owners Association, a California Non-Profit Corporation, as of April 30, 2009, and the related statements of revenues and expenses and changes in fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph above present fairly, in all material respects, the financial position of Canyon Lake Property Owners Association as of April 30, 2009 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. We have not applied procedures to determine whether the funds designated for future major repairs and replacements are adequate to meet such future costs because that determination is outside the scope of our audit. The Supplemental Information on Replacement Fund Balances included in the accompanying schedule is not a required part of the basic financial statements but is supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and express no opinion on it. The Supplemental Information on Operating Fund Facility User/Food Sales, and Other Fees and Expenses is presented for purposes of additional analysis and is not required as part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Siebert Botkin Hickey & Associates, LLP

July 23, 2009

Canyon Lake Property Owners Association

Balance Sheet

As of April 30, 2009

	Operating Fund	Community Facilities Fund	Replacement Fund	Total Funds
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 50,057	\$ 76,243	\$ 2,124,620	\$ 2,250,920
Investments	88,822	639,610	7,544,884	8,273,316
Assessments Receivable, Net of Allowance for Doubtful Accounts of \$218,188 and \$510,843, Respectively	872,751	510,843	-	1,383,594
Interest Receivable	-	127,057	-	127,057
Other Receivables	82,548	-	-	82,548
Inventory	38,349	-	-	38,349
Prepaid Expenses	197,716	-	-	197,716
Property and Equipment, Net of Accumulated Depreciation of \$6,390,926	7,282,150	-	-	7,282,150
Due To/From Between Funds	(76,243)	-	76,243	-
Other Assets	205,660	-	-	205,660
 Total Assets	 \$ 8,741,810	 \$ 1,353,753	 \$ 9,745,747	 \$ 19,841,310
 <u>LIABILITIES</u>				
Accounts Payable	\$ 373,485	\$ -	\$ -	\$ 373,485
Note Payable	765,587	-	-	765,587
Accrued Payroll and Related Items	221,515	-	-	221,515
Prepaid Assessments	1,602,926	-	-	1,602,926
Accrued Lake Lease Expense	345,301	-	-	345,301
Refundable Member Deposits	188,895	-	-	188,895
State Income Taxes Payable	5,117	-	-	5,117
Sales Tax Payable	655	-	-	655
Other Deferred Revenues	424,242	-	-	424,242
 Total Liabilities	 3,927,723	 -	 -	 3,927,723
 <u>FUND BALANCES</u>				
Fund Balances-Unappropriated	4,814,087	1,353,753	9,745,747	15,913,587
 Total Fund Balances	 4,814,087	 1,353,753	 9,745,747	 15,913,587
 Total Liabilities and Fund Balances	 \$ 8,741,810	 \$ 1,353,753	 \$ 9,745,747	 \$ 19,841,310

See Auditors' Report

The Notes to Financial Statements are an Integral Part of This Statement

Canyon Lake Property Owners Association
Statement of Revenues and Expenses and Changes in Fund Balances
For the Year Ended April 30, 2009

	Operating Fund	Community Facilities Fund	Replacement Fund	Total Funds
<u>REVENUES</u>				
Assessments	\$ 7,664,000	\$ 468,000	\$ 3,100,000	\$ 11,232,000
Interest Income	21,748	309,909	-	331,657
Administrative Fees	1,150,683	-	-	1,150,683
Architectural and Building Fees	144,024	-	-	144,024
Sales and User Fees	2,554,758	-	-	2,554,758
Other Income	369,865	849,948	-	1,219,813
Total Revenues	<u>11,905,078</u>	<u>1,627,857</u>	<u>3,100,000</u>	<u>16,632,935</u>
<u>EXPENSES</u>				
<u>General and Administrative Expenses</u>				
Insurance	192,133	-	-	192,133
Income Taxes	29,217	-	-	29,217
Legal Fees	144,325	215,432	-	359,757
Events	137,805	-	-	137,805
Bad Debts	-	1,414,136	-	1,414,136
Other General and Administrative	426,697	-	-	426,697
Cost of Sales	537,749	-	-	537,749
Utilities	794,630	-	-	794,630
Salaries and Related Expenses	3,841,447	-	-	3,841,447
Outside Services	3,446,469	-	-	3,446,469
Lake Lease	1,151,985	-	-	1,151,985
Repairs and Maintenance	223,381	-	-	223,381
Supplies	413,633	-	-	413,633
Rental Equipment	117,044	-	-	117,044
Property Taxes	15,710	-	-	15,710
Interest Expense	53,430	-	-	53,430
Major Repairs and Replacements	-	75,078	269,807	344,885
Total Expenses	<u>11,525,655</u>	<u>1,704,646</u>	<u>269,807</u>	<u>13,500,108</u>
Excess (Deficiency) of Revenues Over Expenses				
Before Depreciation	<u>379,423</u>	<u>(76,789)</u>	<u>2,830,193</u>	<u>3,132,827</u>
Depreciation	<u>(356,261)</u>	<u>-</u>	<u>-</u>	<u>(356,261)</u>
Excess (Deficiency) of Revenues Over Expenses	23,162	(76,789)	2,830,193	2,776,566
Fund Balances, Beginning of Year	4,908,406	1,089,826	7,138,789	13,137,021
Interfund Transfers	(117,481)	340,716	(223,235)	-
Fund Balances, End of Year	<u>\$ 4,814,087</u>	<u>\$ 1,353,753</u>	<u>\$ 9,745,747</u>	<u>\$ 15,913,587</u>

Canyon Lake Property Owners Association

Statement of Cash Flows

For the Year Ended April 30, 2009

	Operating Fund	Community Facilities Fund	Replacement Fund	Total Funds
<u>Cash Flows From Operating Activities:</u>				
Excess (Deficiency) of Revenues Over Expenses	\$ 23,162	\$ (76,789)	\$ 2,830,193	\$ 2,776,566
<u>Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities:</u>				
Depreciation	356,261	-	-	356,261
Bad Debts	-	-	-	-
<u>Change in Assets and Liabilities:</u>				
Change in Assessments Receivable	(231,468)	(269,796)	-	(501,264)
Change in Allowance for Doubtful Accounts	137,620	210,843	-	348,463
Change in Interest Receivable	-	(33,275)	-	(33,275)
Change in Other Receivables	(32,333)	-	123,923	91,590
Change in Inventory	34,480	-	-	34,480
Change in Prepaid Expenses	(56,280)	-	-	(56,280)
Change in Other Assets	13,249	-	-	13,249
Change in Accounts Payable	(37,202)	-	-	(37,202)
Change in Note Payable	(47,450)	-	-	(47,450)
Change in Accrued Payroll and Related Items	54,384	-	-	54,384
Change in Refundable Member Deposits	(71,042)	-	-	(71,042)
Change in Accrued Lake Lease Expense	50,282	-	-	50,282
Change in Prepaid Assessments	699,225	-	-	699,225
Change in Income Taxes Payable	4,198	-	-	4,198
Change in Sales Taxes Payable	(76)	-	-	(76)
Change in Deferred Revenues	(13,910)	-	-	(13,910)
Total Adjustments	859,938	(92,228)	123,923	891,633
Net Cash Provided (Used) By Operations	883,100	(169,017)	2,954,116	3,668,199
<u>Cash Flows Provided (Used) by Investing Activities:</u>				
Change in Investments, Net	(88,822)	(95,456)	(2,575,949)	(2,760,227)
Change in Property and Equipment, Net	(261,944)	-	-	(261,944)
Net Cash Provided (Used) by Investing Activities	(350,766)	(95,456)	(2,575,949)	(3,022,171)
<u>Cash Flows Provided (Used) by Financing Activities:</u>				
Transfers Between Funds	(117,481)	340,716	(223,235)	-
Interfund Borrowings, Net	(417,387)	-	417,387	-
Net Cash Provided (Used) by Financing Activities	(534,868)	340,716	194,152	-
Net Increase (Decrease) in Cash	(2,534)	76,243	572,319	646,028
Cash and Cash Equivalents at Beginning of Year	52,591	-	1,552,301	1,604,892
Cash and Cash Equivalents at End of Year	\$ 50,057	\$ 76,243	\$ 2,124,620	\$ 2,250,920
<u>Supplemental Information:</u>				
Cash Paid for Income Taxes	\$ 40,631	\$ -	\$ -	\$ 40,631

See Auditors' Report

The Notes to Financial Statements are an Integral Part of This Statement

Canyon Lake Property Owners Association

Notes to Financial Statements

For the Year Ended April 30, 2009

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES:

Organizational Data

Canyon Lake Property Owners Association (the "Association") was incorporated May 3, 1968 as a California nonprofit corporation. The Association is responsible for the operation and maintenance of the common areas of a 4,800 lot planned development in Canyon Lake, California. Association activities are governed by the Association's governing documents. The Association is controlled by a member-elected Board of Directors, all of whom serve on a voluntary basis. The Association is managed by a general manager and supporting staff.

Accounting Method

The Association maintains its books of account on the accrual basis of accounting where revenue is recognized when assessments are earned or billed, and expenses are recognized when goods or services are received, whether paid for or not.

Fund Accounting

The Association has segregated its activities into three funds. The operating fund accounts for all current operating transactions of the Association. The community facilities fund accounts for the accumulations and expenditure of funds for new improvements to the community. The replacement fund accounts for member capital contributions and Association disbursements necessary to provide for the future repair, replacement and improvement of Association property, facilities, roadways, and common areas.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, funds on deposit with financial institutions, and investments with original maturities of three months or less. The Association maintains bank accounts at financial institutions within the counties of Riverside and Los Angeles.

Investments

Investments consist of Certificates of Deposit and Municipal Bonds recorded at amortized cost. Based on the past investing history and the current intentions of Management these securities are classified as "Held to Maturity" for purposes of Statement of Financial Accounting Standards No. 115. These investments mature at dates ranging from June 2010 to June 2040 with interest rates ranging from 3.0% to 6.75%. The amortized cost of these investments held at April 30, 2009, was \$8,273,316. Investments are classified as designated funds. The unrealized gain at April 30, 2009 was \$144,797.

Assessments Receivable

Assessments receivable as reflected in the financial statements are from members whose units are located within the City of Canyon Lake. A provision has been made for bad debts, using the allowance method. The Association has the right to levy liens on a member's property to insure payment of an assessment due the Association.

Inventories

Inventories consist primarily of food at the restaurant, gasoline at the campground and horse feed at the equestrian center. Inventory is stated at the lower of first-in, first-out cost or market, using a standard cost method.

Property, Equipment, and Depreciation

Common areas are restricted to use by Association members, their tenants, and guests. The Association is responsible for the preservation and maintenance of the common areas. Personal property acquired by the Association is capitalized at cost and depreciated over the estimated useful life of the item purchased, ranging from three to forty years, using the straight-line method of depreciation.

Real property capitalized on the balance sheet of the Association includes the golf course and related improvements, buildings, the equestrian center, campground improvements, and the marina and related improvements. These assets are related either to the production of income to the Association or are severable and saleable at the Board of Directors' discretion. Real property not capitalized on the balance sheet of the Association includes the roads, administrative and maintenance buildings, parks, and greenbelts. Replacements and improvements to this property and common areas are not capitalized, as they are either not directly related to the production of income to the Association, or are not severable and saleable at the Board of Directors' discretion. The following summarizes capital assets recorded as of April 30, 2009:

<u>Description</u>	<u>Amount</u>
Land and Improvements	\$ 6,653,865
Buildings	3,818,470
Machinery and Equipment	1,642,289
Pool	354,365
Furniture and Fixtures	689,115
Vehicles	514,972
Total Cost of Property and Equipment	<u>13,673,076</u>
Less Accumulated Depreciation	<u>(6,390,926)</u>
Net Property and Equipment at 4/30/2009	<u>\$ 7,282,150</u>

Canyon Lake Property Owners Association

Notes to Financial Statements

For the Year Ended April 30, 2009

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued):

Construction Deposits

The Association collects deposits from property owners or contractors (builders) when builders apply for a building permit. The purpose of the deposit is to ensure compliance with Association rules and regulations. The deposit is refunded when the builders apply for the refund and the Association verifies compliance.

Assessments

Each property owner is subject to paying an annual assessment as determined by the Board of Directors to provide for the Association's operating expenses and replacement fund needs. Assessments are determined annually during the budget process based on the Association's fiscal year.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates included in the preparation of these financial statements include estimated bad debts, estimates of depreciation, and of replacement fund components relating to useful life, replacement cost, inflation rates, and tax rates. Actual results could differ from those estimates.

Lines of Business

The Association conducts only one line of business, which is providing management and recreation services to its members. This consists primarily of maintenance of the common areas and related administrative functions.

NOTE 2 - REPLACEMENT FUND AND RESTRICTED CASH:

The Canyon Lake Property Owners Association governing documents require funds to be accumulated for the replacement and improvements of its common areas and for general operations. Such funds are intended to provide for the cost of future replacement, repairs and maintenance when it is estimated that such items are needed.

It is the Association's policy to fund its reserves on a monthly basis. The Association annually reviews its reserve funding program. The last review was performed as part of the budget process for the current year. California Civil Code Section 1365 et.seq. mandates certain requirements for disclosure of the reserve funding program by the Association to its members. The Association believes that it has complied in all material respects with these requirements.

Actual expenditures may vary from estimated amounts and variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. The Association updates cost data annually.

Cash balances in amounts equal to the designated capital reserves represent cash designated for this purpose only.

NOTE 3 - INCOME TAXES:

The Association is classified as a non-exempt membership organization for both federal and state income tax purposes. Under this method of taxation, the Association is required to classify its taxable income and deductions between member activities, non-member activities, and capital transactions (for capital replacement fund components). The Association is subject to specific rulings and regulations applicable to non-exempt membership organizations.

For federal tax purposes, the Association is taxed on all net income from non-member activities reduced only by losses from non-member activities for which a profit motive exists. Non-member income may not be offset by member losses, and any net member losses may only be carried forward to offset member income of future tax periods. Any net member income not applied to the subsequent tax year is subject to taxation. The Association files Form 1120, with tax rates applicable to Association net taxable income based on a graduated rate table of 15% to 39%.

For California income tax purposes, the Association is taxed on all net income from non-member activities reduced only by losses from non-member activities for which a profit motive exists. Non-member income may not be offset by member losses. Any net member income is not subject to taxation. The tax rate for Association net taxable income is 8.84%.

Canyon Lake Property Owners Association

Notes to Financial Statements

For the Year Ended April 30, 2009

NOTE 4 - SIGNIFICANT GROUP CONCENTRATIONS OF CREDIT RISK:

The Association maintains bank accounts at various financial institutions. Some accounts are not federally insured or have balances, which exceed the federally insured amount of \$250,000. This is considered necessary due to the high volume of operating transactions.

The majority of the Association's investments are in long term local government bonds of governmental entities within the state of California. The brokerage account is insured by the Securities Investors Protection Corporation (SIPC).

NOTE 5 - EMPLOYEE BENEFIT PLAN:

The Association has a 401(k) defined contribution plan (the "Plan") which covers all employees who have completed at least 1,000 hours of service within a 12 consecutive month period. Employees qualify for benefits upon reaching the age of 65. For the employer portion, employees become 25% vested after two years of service, 75% vested after three years, and 100% after four years. The Association may make a discretionary matching contribution not to exceed 4% of an employee's gross pay per pay period. The Association made matching contributions of \$65,540 during the year ended April 30, 2009. The Association may also make a discretionary contribution based on the amount of excess assessments and other revenues over expenses for each plan year which, when combined with the matching contribution, may not exceed 15% of an employee's annual compensation. The Association made no such contribution to the Plan for the year ended April 30, 2009.

NOTE 6 - OPERATING LEASE:

The Association leases the Canyon Lake Reservoir (the "Reservoir") for water recreation purposes. The lease term extends through December 31, 2022, with an option to renew for an additional 44 years. The annual rent consists of a base rate of \$65,800 plus a "cost increase sum". The "cost increase sum" portion of the lake lease amounted to \$1,086,185 in 2009 and is determined each year by multiplying \$52,000 by the percentage increase of the estimated current costs of an acre foot of available water over \$22.00.

Future minimum lease expenses for the operating lease, if options are exercised (assuming the option through December 21, 2066 is exercised at the base rate of \$65,800 and excluding the "cost increase sum," which is not determinable for future years at this time), are as follows:

Year Ending April 30,	Amount
2010	\$ 65,800
2011	65,800
2012	65,800
2013	65,800
2014	65,800
Thereafter	3,421,600
Total	<u>\$ 3,750,600</u>

The "cost increase sum" amount is anticipated to continue in future years, and the amount charged for calendar year 2008 was \$922,480, and, as previously mentioned, is \$1,086,185 for calendar year 2009.

NOTE 7 - NOTE PAYABLE:

The Association purchased the building which houses the Association's accounting and administrative offices in 2004 for \$1,310,332, subject to a \$950,000 note payable, with interest at a rate of 6.75% per annum. The terms of the note call for monthly payments of \$8,407 for 15 years, beginning January 2005, and ending in December 2019. The outstanding balance as of April 30, 2009 is \$765,587. Future payments are as follows:

Year Ending	Principal	Interest	Total
<u>April 30,</u>			
2010	50,754	50,126	100,880
2011	54,288	46,592	100,880
2012	58,067	42,812	100,880
2013	62,111	38,769	100,880
2014	66,435	34,444	100,880
Beyond	473,932	97,719	571,652
Total	<u>\$ 765,587</u>	<u>\$ 310,463</u>	<u>\$ 1,076,050</u>

NOTE 8 - CONTINGENCIES:

The Association has been named a defendant in several lawsuits. In addition, there are various claims for which no lawsuit has been filed.

The Association is being defended by insurance counsel on some of the matters, and Association legal counsel on other matters. These claims are all in the discovery stage, and it is premature to predict an outcome, although the Association believes it has adequate defenses and insurance coverage.

Canyon Lake Property Owners Association
Supplemental Information on Replacement Fund Balances
For the Year Ended April 30, 2009
(unaudited)

The Association conducted a reserve study with a site inspection in September 2008 to estimate the remaining useful lives and the replacement costs of the components of common property. As part of this study, the Association has assessed the present condition of all common area components; estimated replacement costs relying upon published data, contractor's or engineer's estimates, and previously paid amounts; and estimated remaining lives, relying upon consultants or published data. Funding has been provided using a cash flow methodology with provisions for interest earnings, and no provisions for inflation or taxes, and the funding is updated annually by management.

<u>Componets</u>	<u>Estimated Remaining Useful Lives</u>	<u>Estimated Future Replacement Costs</u>	<u>Componets Fund Balance at 4/30/2009</u>	<u>FYE 2010 Funding Requirement</u>
Docks/Ramps/Lake	2 - 20 yrs.	\$ 2,493,998	\$ 810,759	\$ 395,000
Equipment-Food&Beverage	4 - 24 yrs.	142,050	31,844	12,000
Equipment-Mechanical	1 - 38 yrs.	693,950	282,658	65,000
Equipment-Office/Computers	0 - 13 yrs.	590,000	146,654	94,000
Equipment-Playground	3 - 12 yrs.	188,850	91,216	22,000
Exterior Buildings	1 - 30 yrs.	547,740	149,426	34,000
Facilities	2 - 30 yrs.	1,828,451	634,197	111,000
Fences/Signs	0 - 30 yrs.	1,199,700	424,549	74,000
Flooring	1 - 26 yrs.	443,864	159,587	39,000
Furnishings	0 - 20 yrs.	530,719	208,320	54,000
Grounds	0 - 26 yrs.	1,945,745	92,453	159,000
Interior Building	2 - 24 yrs.	860,880	338,521	87,000
Paths/Walkways/Parking Lots	0 - 24 yrs.	1,989,198	469,106	144,000
Vehicles/Boats	0 - 18 yrs.	1,245,000	704,460	110,000
Subtotal		<u>14,700,145</u>	<u>4,543,751</u>	<u>1,400,000</u>
Roads	0 - 40 yrs.	<u>16,700,000</u>	<u>5,201,996</u>	<u>1,700,000</u>
	Totals	<u>\$ 31,400,145</u>	<u>\$ 9,745,747</u>	<u>\$ 3,100,000</u>

Canyon Lake Property Owners Association
Supplemental Information on Operating Fund
Facility User/Food Sales, and Other Fees and Expenses
For the Year Ended April 30, 2009

	Corporate	Lake Operations	Operations	Member Services	ACC	Community Patrol	Activities	Equestrian Center	Campground	Golf Course	Lighthouse	Country Club	Total
<u>Revenues</u>													
Assessments	\$ 1,476,331	\$ 821,500	\$ 2,680,192	\$ 5,980	\$ 46,220	\$ 1,213,140	\$ 334,940	\$ 87,285	\$ 5,259	\$ 734,000	\$ 70,065	\$ 189,088	\$ 7,664,000
Interest Income	21,748	-	-	-	-	-	-	-	-	-	-	-	21,748
Administrative Fees	812,243	-	-	302,040	36,400	-	-	-	-	-	-	-	1,150,683
Architectural and Building Fees	-	-	-	-	144,024	-	-	-	-	-	-	-	144,024
Facility User Fees/Food Sales	-	392,760	10,723	165,873	-	-	16,355	148,412	205,402	645,092	374,750	595,391	2,554,758
Other Income	110,645	316	34,229	3,485	102,884	96,000	20,153	-	-	-	-	2,153	369,865
Total Revenues	2,420,967	1,214,576	2,725,144	477,378	329,528	1,309,140	371,448	235,697	210,661	1,379,092	444,815	786,632	11,905,078
<u>Expenses</u>													
Salaries and Related Expenses	818,160	138,881	1,391,233	318,564	240,104	-	201,606	119,230	65,325	4,125	186,589	357,630	3,841,447
Outside Services	269,418	138,944	538,407	8,909	43,535	1,242,353	29,850	27,226	14,891	1,028,686	58,468	45,782	3,446,469
Lake Lease	-	1,151,985	-	-	-	-	-	-	-	-	-	-	1,151,985
Utilities	92,205	-	298,218	1,045	2,071	19,301	67,864	15,656	33,032	215,154	16,198	33,886	794,630
Repairs and Maintenance	13,821	19,839	106,469	295	798	1,213	6,901	6,644	7,506	45,489	6,211	8,195	223,381
Supplies	53,478	20,249	134,238	31,879	9,694	42,152	22,675	16,254	7,251	30,291	15,561	29,911	413,633
Rental Equipment	88,044	850	16,121	-	-	-	-	420	3,031	1,000	3,383	4,195	117,044
Property Taxes	15,710	-	-	-	-	-	-	-	-	-	-	-	15,710
Cost of Sales	-	-	-	-	-	-	-	53,941	86,565	-	172,407	224,836	537,749
General and Administrative	286,883	171	29,395	2,255	10,708	-	3,085	-	3,744	39,085	22,940	28,431	426,697
Insurance	192,133	-	-	-	-	-	-	-	-	-	-	-	192,133
Legal Fees	120,657	-	-	-	23,668	-	-	-	-	-	-	-	144,325
Events	45,032	19,383	2,699	542	-	-	27,898	-	-	-	25,136	17,115	137,805
Taxes on Income	29,217	-	-	-	-	-	-	-	-	-	-	-	29,217
Building Lease	53,430	-	-	-	-	-	-	-	-	-	-	-	53,430
Total Expenses Before Depreciation	2,078,188	1,490,302	2,516,780	363,489	330,578	1,305,019	359,879	239,371	221,345	1,363,830	506,893	749,981	11,525,655
Excess (Deficiency) of Revenues Over Expenses Before Depreciation	342,779	(275,726)	208,364	113,889	(1,050)	4,121	11,569	(3,674)	(10,684)	15,262	(62,078)	36,651	379,423
Depreciation	(356,261)	-	-	-	-	-	-	-	-	-	-	-	(356,261)
Excess (Deficiency) of Revenues Over Expenses	\$ (13,482)	\$ (275,726)	\$ 208,364	\$ 113,889	\$ (1,050)	\$ 4,121	\$ 11,569	\$ (3,674)	\$ (10,684)	\$ 15,262	\$ (62,078)	\$ 36,651	\$ 23,162