



GENEVA COUNTRY CLUB INC.

SHAREHOLDER REPORT

FOR DECEMBER 31, 2010

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Dear Geneva Country Club Inc., Shareholder:

The Fourth Quarter saw the 2010 golf season come to an end. All equipment has been serviced and put up for storage. The two items we did not complete where the Number Two Tee\Entrance and the stumps were not ground. This will be done coming out of winter. We had additional sewer problems inside the building, which were addressed. We had an electrical fire on December 17, 2010 which shut us down into January. Other than that the New Year has come. Our membership numbers as of December 31, 2010 are as follows:

GOLF MEMBERS

SINGLE	29
SINGLE SENIOR	6
SINGLE SENIOR OVER 80	8
SINGLE NONRESIDENT	2
SINGLE UNDER 40	9
FAMILY	20
FAMILY SENIOR	3
FAMILY NONRESIDENT	2
SPECIAL EQUITY	51
STUDENT	17
CORPORATE	7

TOTAL ***154***

SOCIAL MEMBERS

REGULAR	75
SENIOR NO GOLF	31

TOTAL ***106***

CONTRACTS

John Rossi has been appointed Director of Golf for the 2011 & 2012 golf seasons and his contract is in place. He will continue with all his current duties as our local PGA golf professional, but will also assume operation management, retention, recruitment and member satisfaction responsibilities in conjunction with the Board.

Jim Siard has been appointed GCC Superintendent for the 2011 & 2012 golf seasons. He will be responsible for the care and maintenance of our golf course, equipment and playability.

BAEJLS has signed on as our restaurateur for the 2011 & 2012 calendar years and are under contract. They will work in conjunction with the Director of Golf, Kitchen/Entertainment Committee and the membership in the operation of our clubhouse.

ACCOUNTING/BOOKKEEPING

Attached is the Profit and Loss Statement for the Period October 1, 2010 to December 31, 2010 and the Balance Sheet as of December 31, 2010. The reports are now available on the website and shareholders will be able to login and review the financial reports anytime. We did not have any substantial Dues income in November or December due to the Fiscal year of the non profit billing cycle starting in November or 2009. This situation depleted our cash flow and the Board authorized a \$ 7500.00 loan on December 19, 2010, which has been paid off as of this report.

The Year To Date P & L shows a \$ 156,568.00 dollar loss. Please bear in mind that \$ 116,000.00 of dues income from the annual payers was booked on the non profit books. I have over \$ 60,000.00 of legal expense and depreciation on our books, so take it easy!

The constant pressure on the expense side was underestimated in 2010, but many one time items were addressed with a long term view which will bear fruit going forward. We modified our budget in response to a few other issues which will need to be addressed.

The Final 2011 Budget is attached and is available on the website. We have a solid plan for revenue and tracking our performance is very straight forward. The expense projection is solid, but without a reserve we have exposure to any large unforeseen repair. This budget reflects all the realities known to us at this time.

2011 MEMBERSHIP RATES

The 2011 Membership Rates for Special Equity and New Members are \$ 1250.00 for a Single and \$ 1500.00 for a Family. The plan for the old active category remains the same. We will bill 2010 ending rates (\$2465.00 for single and \$ 3015.00 for family), and issue another round of reductions in July and August based on membership levels at that time. Our stated goal is to bring all membership pricing into equilibrium by 2013. We would like a single membership to be around \$ 1650.00 and a family around \$ 2500.00.

2011 CAPITAL IMPROVEMENTS

Looking forward to our Planned Capital Improvements, up next year are the Bunkers, continuation of our Tee Box Improvements and to address the air conditioning in the Club House. It is our intention to be the oldest premier nine hole golf course in the Eastern United States. And as we become that, to act accordingly: with reverence and tradition.

2011 MARKETING CAMPAIGN

Our Marketing Plan for 2011 will be presented at the Annual Meeting on February 6, 2011. We have identified three areas in our membership demographics which need improvement and they are Women, Men & Women under 40 and Men & Women over 65. Did I mention we need more Women?

GCC INFORMATION

Christopher Jennings nominating committee has made its recommendation for the Director spot being vacated and our ballot for February 6, 2011 will reflect their work.

The Lake Access Committee needs to request an opinion from the Army Corps of Engineers to see if the Foot Bridge Accord we have with Norfolk Southern Railroad is sufficient to be granted a permit to build a dock.

We created some new classes of membership for the 2011 Golf Season.

Equity Social-a member or new applicant may purchase a share for \$ 300.00 and the dues for social are waived for that year.

Equity Golf- a member or new applicant may purchase 10 shares for \$ 300.00 and the dues for single golf are waived for that year. A family would be 15 shares.

Association Social – any association with a defined membership pays \$ 20.00 per member and each member of the association becomes an Associate Social Member of GCC.

Geneva Country Club, Inc.
Profit & Loss
 October through December 2010

	Oct - Dec 10
Ordinary Income/Expense	
Income	
40000 · Lease Income	9,148.18
40010 · Pro Shop	
40011 · Cart Rental	4,541.30
40012 · Green Fee	1,639.60
Total 40010 · Pro Shop	6,180.90
40020 · Program Income	
40021 · Member Assessments	
40022 · Finance Charge	349.02
Total 40021 · Member Assessments	349.02
40030 · Membership Dues	
40031 · Dues/Family Golf Annual	1,500.00
40032 · Dues/Family Golf Monthly	4,662.86
40035 · Dues/Family Senior Monthly	624.12
40038 · Dues/Nonresident Family Mon...	157.02
40040 · Dues/Nonresident Single Mon...	179.16
40042 · Dues/Senior >80 Monthly	162.48
40045 · Dues/Single Golf <40 Monthly	695.81
40046 · Dues/Single Golf Monthly	5,164.08
40048 · Dues/Single Senior Monthly	166.58
40049 · Dues/Social Annual	-230.70
40050 · Dues/Social Monthly	95.80
40030 · Membership Dues - Other	-3,640.04
Total 40030 · Membership Dues	9,537.17
40058 · Memorial Tee Program	1,534.88
40061 · Scorecard Advertising	825.00
Total 40020 · Program Income	12,246.07
40070 · Interest Income	1.75
Total Income	27,576.90
Gross Profit	27,576.90
Expense	
60100 · Out of State Sales Tax	-134.65
60400 · Bank Service Charges	142.24
60401 · Credit Card Fees	243.03
62100 · Contract services	
62102 · Bookkeeping Fees	3,750.00
Total 62100 · Contract services	3,750.00
62400 · Depreciation Expense	9,018.87
62880 · Real Estate, Personal Prop Tax	6,631.68
63000 · Grounds Expense	
63002 · Grounds Supplies	2,249.51
63003 · Golf Course Maintenance	600.00
63004 · Fertilizer and Chemicals	3,050.85
63005 · Equipment Repairs	1,731.23
63006 · Gasoline	-20.00
63020 · Gross Wages - Grounds	16,567.95
63021 · Allotment	443.30
63022 · Payroll Tax Expense	4,899.65
Total 63000 · Grounds Expense	29,522.49
63300 · Insurance Expense	
63301 · Disability Insurance	-24.03
63303 · Building Insurance	1,630.00
Total 63300 · Insurance Expense	1,605.97
64000 · Pro Shop Expense	
64001 · Health Ins (Pro)	0.00
64003 · GHIN	92.45

Geneva Country Club, Inc.
Profit & Loss
October through December 2010

	Oct - Dec 10
64004 · Pro Shop Supplies	327.68
64020 · Gross Wages	
64021 · Golf Pro Gross Wage	4,083.35
64022 · Cart Commission	347.17
64023 · Pro Shop Assistants Gross W...	246.50
Total 64020 · Gross Wages	4,677.02
64030 · Payroll Tax Expense	-418.09
64040 · Pro Shop Misc Expenses	71.91
Total 64000 · Pro Shop Expense	4,750.97
65000 · Operation Expenses	
65001 · Postage, Mailing Service	188.64
65003 · Telephone, Telecommunications	-114.21
65004 · Cable TV	458.12
65006 · Trash Removal	32.25
65007 · Water/Sewer	1,329.26
65008 · Electric/Gas	7,341.38
65009 · Tent Costs	80.63
Total 65000 · Operation Expenses	9,316.07
65100 · Other Types of Expenses	
65131 · Finance Charge	189.05
65150 · Memberships and Dues	110.00
65151 · Licenses & Permits	150.00
Total 65100 · Other Types of Expenses	449.05
67000 · Facilities and Equipment	
67001 · Security System	195.66
67002 · Building Repairs	325.46
67004 · Golf Course Improvements	599.82
67005 · Sewer	1,500.00
Total 67000 · Facilities and Equipment	2,620.94
Total Expense	67,916.66
Net Ordinary Income	-40,339.76
Net Income	-40,339.76

Geneva Country Club, Inc.
Balance Sheet
As of December 31, 2010

	Dec 31, 10
ASSETS	
Current Assets	
Checking/Savings	
10000 · Five Star Checking	-3,798.64
10001 · Five Star Savings	305.20
10003 · Petty Cash	148.07
Total Checking/Savings	-3,345.37
Accounts Receivable	
11000 · Accounts Receivable	-331.74
Total Accounts Receivable	-331.74
Other Current Assets	
12000 · Undeposited Funds	782.50
12200 · Prepaid Property Tax	23,210.90
12300 · Prepaid Expense	1,404.64
Total Other Current Assets	25,398.04
Total Current Assets	21,720.93
Fixed Assets	
16100 · Land	26,598.09
16150 · Course & Land Improvements	208,669.36
16200 · Buildings	391,090.00
16300 · Building Improvements	269,717.18
16400 · Machines & Equipment	315,430.08
16500 · Furniture & Fixtures	107,091.82
16600 · Office Equipment	16,732.06
16700 · Restaurant & Kitchen Equipment	47,708.89
17100 · Accum Dep Course & Land Impro...	-143,761.74
17200 · Accum Dep Building	-367,445.86
17300 · Accum Dep Building Improvemen...	-108,769.68
17400 · Accum Dep Machines & Equipment	-301,925.30
17500 · Accum Dep Furniture & Fixtures	-103,342.09
17600 · Accum Dep Office Equipment	-16,732.08
17700 · Accum Dep Restaurant & Kitchen	-36,899.15
Total Fixed Assets	302,161.58
TOTAL ASSETS	323,882.51
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	16,062.01
Total Accounts Payable	16,062.01
Other Current Liabilities	
25400 · Accrued Property Tax	16,579.21
25500 · Sales Tax Payable	158.28
26505 · Loan - Tierney Pension Admin...	7,500.00
27000 · Billing Pass Through	235.00
27002 · Hole in One	235.00
Total 27000 · Billing Pass Through	235.00
28000 · Unearned Revenue - Sharehol...	1,500.00
Total Other Current Liabilities	25,972.49
Total Current Liabilities	42,034.50
Total Liabilities	42,034.50
Equity	
30000 · Opening Balance Equity	-267,368.98
30100 · Capital Stock	706,600.00
30201 · Shareholder Cash	-1,500.00

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Accrual Basis

Geneva Country Club, Inc.
Balance Sheet
As of December 31, 2010

	<u>Dec 31, 10</u>
Net Income	-155,883.01
Total Equity	<u>281,848.01</u>
TOTAL LIABILITIES & EQUITY	<u><u>323,882.51</u></u>

2011
BUDGET

2011
BUDGET
NONDISCRETIONARY
SPENDING

DUES-INDIVIDUAL	240358	
2 % DISCOUNT CREDIT	-14056	
DUES REDUCTION	-12000	
NEW MEMBERS	11000	
DUES-CORP	7700	
BAEJLS	49000	
ADVERTISING	3600	
MISC (LOCKER, WINE CLUB, # 2 TEE)	5200	
CART RENTAL	70000	
GREENS FEE	15000	
TOT INCOME	375802	
GOLF COURSE	137000	118000
PROSHOP	56000	56000
ADMINISTRATION	15000	15000
PHONE	990	990
ADVERTISING	1200	
MARKETING	1500	
ACCOUNTING	1600	1600
LEGAL	1000	1000
SECURITY & TENT	850	850
BROADBAND	420	420
W/C, D & O, BLDG INS	21600	21600
YAMAHA	9750	
TAXES	43500	43500
UTILITIES	48000	48000
ENTERTAINMENT	4500	
MISC	8500	5000
CAP EX	23000	19000
	166410	141960
TOTAL EXPENSE	374410	330960
NET BEFORE DEP	1392	
DEPRECIATION	37000	
NET AFTER DEP	-35608	