

**Lake Holiday Country Club, Inc.**  
**Statement of Assets, Liabilities, and Equity—Income Tax Basis**  
**As of August 31, 2007**

	Aug 31, 07
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1000 · Cash & Investments-Undesignated	
1004 · Wachovia-Checking	212,318.02
1041 · Morgan Stanley Savings Cash	32,190.90
1042 · Petty Cash Account	500.00
1044 · Undeposited Checks	19,077.28
<b>Total 1000 · Cash &amp; Investments-Undesignated</b>	<b>264,086.20</b>
1050 · Cash & Investments-Designated	
1052 · Wachovia Conformance Bonds	94,000.00
1053 · Wachovia Replacement Reserves	202,801.41
<b>Total 1050 · Cash &amp; Investments-Designated</b>	<b>296,801.41</b>
<b>Total Checking/Savings</b>	<b>560,887.61</b>
<b>Accounts Receivable</b>	
1201 · Accounts Receivable	601,395.29
1202 · Accounts Receivable-LHEUC	124,605.74
<b>Total Accounts Receivable</b>	<b>726,001.03</b>
<b>Other Current Assets</b>	
1205 · Allowance for Bad Debt - LHEUC	-93,976.45
1100 · Current Assets	
1320 · Prepaid Insurance	27,555.06
1340 · Prepaid Income Taxes	900.00
<b>Total 1100 · Current Assets</b>	<b>28,455.06</b>
<b>Total Other Current Assets</b>	<b>-65,521.39</b>
<b>Total Current Assets</b>	<b>1,221,367.25</b>
<b>Fixed Assets</b>	
1600 · Fixed Assets	
1601 · Equipment	129,253.11
1602 · Vehicles	168,677.42
1707 · Lots held for resale	624,343.75
1800 · Accumulated Depreciation	-185,568.85
<b>Total 1600 · Fixed Assets</b>	<b>736,705.43</b>
7050 · Capital Improvements (2007 Add)	
7055 · - Clubhouse	618,688.08
7065 · Clubhouse Gameroom	468.95
7076 · Other Capital Improvements	18,570.90
7077 · Clubhouse Exercise Room	20,440.00
7081 · Spreader for truck	4,182.25
7062 · Plow	4,200.00
7083 · Furnish Clubhouse	24,352.61
<b>Total 7050 · Capital Improvements (2007 Add)</b>	<b>690,902.79</b>
<b>Total Fixed Assets</b>	<b>1,427,608.22</b>
<b>Other Assets</b>	
1500 · Note Rec - Aqua	
1501 · Note Rec - Aqua Rec	1,140,000.00
1502 · Aqua - Present Value Discount	-345,786.50
<b>Total 1500 · Note Rec - Aqua</b>	<b>794,213.50</b>
1503 · Aqua - Contract Escrow	50,000.00
1708 · Investments in LHEU	49,479.43
<b>Total Other Assets</b>	<b>893,692.93</b>
<b>TOTAL ASSETS</b>	<b>3,542,668.40</b>
<b>LIABILITIES &amp; EQUITY</b>	

**Lake Holiday Country Club, Inc.**  
**Statement of Assets, Liabilities, and Equity—Income Tax Basis**  
**As of August 31, 2007**

	Aug 31, 07
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2002 · Accounts Payable - Operating	51,071.03
2203 · Construction - Accounts Payable	27,521.00
<b>Total Accounts Payable</b>	78,592.03
<b>Other Current Liabilities</b>	
2000 · Current Liabilities	
2004 · Conformance Bond Deposits	94,000.00
2100 · Payroll Liabilities	6,280.67
2200 · Prepaid Residential Assessments	84,008.44
2211 · Penalties and Interest Payable	86,446.83
2300 · Accrued Payroll	8,307.71
2301 · Accrued Vacation	26,099.38
<b>Total 2000 · Current Liabilities</b>	305,143.03
<b>Total Other Current Liabilities</b>	305,143.03
<b>Total Current Liabilities</b>	383,735.06
<b>Long Term Liabilities</b>	
2600 · Note Payable Clubhouse - Wach	628,859.26
<b>Total Long Term Liabilities</b>	628,859.26
<b>Total Liabilities</b>	1,012,594.32
<b>Equity</b>	
3001 · Member's Equity Unappropriated	1,661,455.18
3199 · Capital Reserves	
3235 · Capital Reserves - Dam	210,459.34
<b>Total 3199 · Capital Reserves</b>	210,459.34
3236 · Capital Res-Dam-Aqua Escrow	50,000.00
3230 · Replacement Reserves	202,801.41
Net Income	405,358.15
<b>Total Equity</b>	2,530,074.08
<b>TOTAL LIABILITIES &amp; EQUITY</b>	3,542,668.40