

CHO-YEH CAMP AND  
CONFERENCE CENTER, INC.  
Livingston, Texas

FINANCIAL STATEMENTS WITH  
INDEPENDENT AUDITORS' REPORT

December 31, 2015 and 2014

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INDEPENDENT AUDITORS' REPORT

Board of Directors  
Cho-Yeh Camp and Conference  
Center, Inc.  
Livingston, Texas

We have audited the accompanying financial statements of Cho-Yeh Camp and Conference Center, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cho-Yeh Camp and Conference Center, Inc. at December 31, 2015 and 2014, and the statement of activities, functional expenditures, and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

  
CERTIFIED PUBLIC ACCOUNTANTS

Lufkin, Texas  
May 21, 2016

CHO-YEH CAMP AND CONFERENCE CENTER, INC.  
STATEMENTS OF FINANCIAL POSITION  
December 31, 2015 and 2014

	UNRESTRICTED		TEMPORARILY RESTRICTED	
	2015	2014	2015	2014
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 1 028 341	\$ 581 036	\$ 47 158	\$ 36 877
Accounts receivable	8 422	11 864	-	-
Inventory	25 897	25 601	-	-
Prepaid expenses	100 615	110 627	-	-
Unconditional promises to give	-	-	237 660	25 000
Other receivables	816	6 291	-	-
TOTAL CURRENT ASSETS	1 164 091	735 419	284 818	61 877
Property, plant and equipment	7 240 239	6 650 294	-	-
Other Assets:				
Investments	-	-	-	-
Cash restricted for property, plant and equipment	-	-	1 559 484	809 394
TOTAL OTHER ASSETS	-	-	1 559 484	809 394
TOTAL ASSETS	\$ 8 404 330	\$ 7 385 713	\$ 1 844 302	\$ 871 271
<b>LIABILITIES AND NET ASSETS</b>				
Current Liabilities:				
Accounts payable	\$ 134 139	\$ 120 527	\$ -	\$ -
Accrued expenses	90 873	36 288	-	-
Advance deposits	245 782	197 231	-	-
Current portion of long-term debt	208 107	201 350	-	-
TOTAL CURRENT LIABILITIES	678 901	555 396	-	-
Long-term debt	1 215 299	1 199 514	-	-
TOTAL LIABILITIES	1 894 200	1 754 910	-	-
Net Assets:				
Unrestricted	6 510 130	5 630 803	-	-
Temporarily Restricted:				
Scholarships	-	-	47 158	36 877
For purchase of property, plant and equipment	-	-	1 797 144	834 394
Permanently restricted	-	-	-	-
TOTAL NET ASSETS	6 510 130	5 630 803	1 844 302	871 271
TOTAL LIABILITIES AND NET ASSETS	\$ 8 404 330	\$ 7 385 713	\$ 1 844 302	\$ 871 271

See independent auditors' report and accompanying notes to financial statements.

PERMANENTLY RESTRICTED		TOTAL	
2015	2014	2015	2014
\$ -	\$ -	\$ 1 075 499	\$ 617 913
-	-	8 422	11 864
-	-	25 897	25 601
-	-	100 615	110 627
-	-	237 660	25 000
-	-	816	6 291
-	-	<u>1 448 909</u>	<u>797 296</u>
-	-	7 240 239	6 650 294
21 596	21 596	21 596	21 596
-	-	1 559 484	809 394
<u>21 596</u>	<u>21 596</u>	<u>1 581 080</u>	<u>830 990</u>
\$ <u><u>21 596</u></u>	\$ <u><u>21 596</u></u>	\$ <u><u>10 270 228</u></u>	\$ <u><u>8 278 580</u></u>
\$ -	\$ -	\$ 134 139	\$ 120 527
-	-	90 873	36 288
-	-	245 782	197 231
-	-	208 107	201 350
-	-	<u>678 901</u>	<u>555 396</u>
-	-	1 215 299	1 199 514
-	-	<u>1 894 200</u>	<u>1 754 910</u>
-	-	6 510 130	5 630 803
-	-	47 158	36 877
-	-	1 797 144	834 394
<u>21 596</u>	<u>21 596</u>	<u>21 596</u>	<u>21 596</u>
<u>21 596</u>	<u>21 596</u>	<u>8 376 028</u>	<u>6 523 670</u>
\$ <u><u>21 596</u></u>	\$ <u><u>21 596</u></u>	\$ <u><u>10 270 228</u></u>	\$ <u><u>8 278 580</u></u>

CHO-YEH CAMP AND CONFERENCE CENTER, INC.  
STATEMENTS OF ACTIVITIES  
Years Ended December 31, 2015 and 2014

	UNRESTRICTED		TEMPORARILY RESTRICTED	
	2015	2014	2015	2014
Operating Revenues:				
Retreats and conferences	\$ 924 025	\$ 753 728	\$ -	\$ -
Camp	2 081 467	1 915 450	-	-
Food service	1 010 558	897 942	-	-
Trading post	209 514	162 297	-	-
Other	26 108	63 554	-	-
TOTAL OPERATING REVENUES	4 251 672	3 792 971	-	-
Operating Expenses:				
Program	3 837 488	3 430 417	-	-
Management and general	405 842	476 609	-	-
Fundraising	51 743	40 588	-	-
TOTAL OPERATING EXPENSES	4 295 073	3 947 614	-	-
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	(43 401)	(154 643)	-	-
Other Revenues (Expenses);				
Contributions	48 507	148 860	1 765 395	1 190 931
Interest and dividends	3 374	3 176	-	-
Contributed professional services	-	(67 173)	-	-
Other revenue	78 483	103 000	-	-
Net assets released from restrictions	792 364	1 153 256	(792 364)	(1 153 256)
TOTAL OTHER REVENUES (EXPENSES)	922 728	1 341 119	973 031	37 675
CHANGE IN NET ASSETS	879 327	1 186 476	973 031	37 675
Net assets - Beginning of year	5 630 803	4 444 327	871 271	833 596
NET ASSETS - END OF YEAR	\$ 6 510 130	\$ 5 630 803	\$ 1 844 302	\$ 871 271

See independent auditors' report and accompanying notes to financial statements.

PERMANENTLY RESTRICTED		TOTAL	
2015	2014	2015	2014
\$ -	\$ -	\$ 924 025	\$ 753 728
-	-	2 081 467	1 915 450
-	-	1 010 558	897 942
-	-	209 514	162 297
-	-	26 108	63 554
<u>-</u>	<u>-</u>	<u>4 251 672</u>	<u>3 792 971</u>
-	-	3 837 488	3 430 417
-	-	405 842	476 609
-	-	51 743	40 588
<u>-</u>	<u>-</u>	<u>4 295 073</u>	<u>3 947 614</u>
-	-	(43 401)	(154 643)
-	-	1 813 902	1 339 791
-	169	3 374	3 345
-	-	-	(67 173)
-	-	78 483	103 000
-	-	-	-
<u>-</u>	<u>169</u>	<u>1 895 759</u>	<u>1 378 963</u>
-	169	1 852 358	1 224 320
<u>21 596</u>	<u>21 427</u>	<u>6 523 670</u>	<u>5 299 350</u>
\$ <u>21 596</u>	\$ <u>21 596</u>	\$ <u>8 376 028</u>	\$ <u>6 523 670</u>



CHO-YEH CAMP AND CONFERENCE CENTER, INC.  
 STATEMENTS OF FUNCTIONAL EXPENSES  
 Years Ended December 31, 2015 and 2014

	2015			
	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUND- RAISING	TOTAL EXPENSES
Salaries	\$ 1 426 185	\$ 66 410	\$ 31 409	\$ 1 524 004
Taxes	113 079	4 746	2 180	120 005
Health insurance	79 569	3 562	2 507	85 638
Other benefits	63 297	3 422	1 143	67 862
TOTAL SALARY AND RELATED EXPENSES	1 682 130	78 140	37 239	1 797 509
Food	399 941	-	89	400 030
Kitchen - Non-food	31 426	-	-	31 426
Interest	75 183	-	2 673	77 856
Repairs and maintenance	156 409	-	190	156 599
Utilities	194 019	-	-	194 019
Trading post	145 875	-	-	145 875
Advertising	133 502	-	6 313	139 815
Scholarships	303 182	-	-	303 182
Staff development	45 177	-	-	45 177
Housekeeping	22 792	-	-	22 792
Program activities	183 056	-	-	183 056
Credit card fees	69 127	-	1 585	70 712
Miscellaneous	48 440	-	87	48 527
Insurance	-	196 901	-	196 901
Professional services	-	88 601	2 885	91 486
Postage	-	7 048	496	7 544
Supplies	-	35 152	76	35 228
Travel expenses	20 235	-	110	20 345
TOTAL EXPENSES BEFORE DEPRECIATION AND BAD DEBT	1 828 364	327 702	14 504	2 170 570
Depreciation	326 994	-	-	326 994
Bad debt expense	-	-	-	-
TOTAL EXPENSES	\$ 3 837 488	\$ 405 842	\$ 51 743	\$ 4 295 073

See independent auditors' report and accompanying notes to financial statements.

2014

PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUND-RAISING	TOTAL EXPENSES
\$ 1 225 716	\$ 73 292	\$ 26 862	\$ 1 325 870
98 536	5 320	1 911	105 767
70 312	2 723	1 355	74 390
28 409	9 436	1 638	39 483
<u>1 422 973</u>	<u>90 771</u>	<u>31 766</u>	<u>1 545 510</u>
387 664	-	-	387 664
6 809	-	-	6 809
75 855	-	-	75 855
191 496	-	-	191 496
204 867	-	-	204 867
110 598	-	352	110 950
119 254	-	6 320	125 574
276 279	-	-	276 279
45 166	-	-	45 166
17 036	-	-	17 036
199 971	-	-	199 971
65 619	-	717	66 336
9 288	-	-	9 288
-	199 310	-	199 310
-	147 243	1 427	148 670
-	7 508	6	7 514
-	31 777	-	31 777
19 909	-	-	19 909
<u>1 729 811</u>	<u>385 838</u>	<u>8 822</u>	<u>2 124 471</u>
275 168	-	-	275 168
2 465	-	-	2 465
<u>\$ 3 430 417</u>	<u>\$ 476 609</u>	<u>\$ 40 588</u>	<u>\$ 3 947 614</u>

CHO-YEH CAMP AND CONFERENCE CENTER, INC.  
STATEMENTS OF CASH FLOWS  
Years Ended December 31, 2015 and 2014

	2015	2014
Cash Flows from Operating Activities:		
Change in net assets	\$ 1 852 358	\$ 1 224 320
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	326 994	275 168
Bad debt expense	-	2 465
Unconditional promises to give - Net	(212 660)	176 351
Other revenue, noncash	1 500	(81 250)
(Increase) Decrease in Current Assets:		
Accounts receivable	3 442	(10 545)
Inventory	(296)	14 795
Prepaid expenses	10 012	11 244
(Gain) loss on sale of assets	22 358	-
Other receivables	5 475	(4 167)
Increase (Decrease) in Current Liabilities:		
Accounts payable	13 612	25 329
Accrued expenses	54 585	4 774
Advance deposits	48 551	(37 855)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2 125 931	1 600 629
Cash Flows from Investing Activities:		
Change in cash restricted for:		
Scholarships	-	(169)
Fortifying our Foundation	-	50 000
Property, plant and equipment	(750 090)	(233 609)
Purchase of property, plant and equipment	(940 797)	(1 071 715)
NET CASH USED FOR INVESTING ACTIVITIES	(1 690 887)	(1 255 493)
Cash Flows from Financing Activities:		
Short-term debt, net	(2 379)	14 527
Payments on long-term debt	(155 079)	(219 377)
Proceeds from issuance of long-term debt	180 000	-
NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES	22 542	(204 850)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	457 586	140 286
Cash and cash equivalents - Beginning of year	617 913	477 627
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1 075 499	\$ 617 913
Supplemental Disclosures:		
Amount paid for interest	\$ 78 247	\$ 76 804
Noncash Financing Activities:		
Note payable issued to finance prepaid insurance	\$ 138 013	\$ 127 452

See independent auditors' report and accompanying notes to financial statements.

CHO-YEH CAMP AND CONFERENCE CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2015 and 2014

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Cho-Yeh Camp and Conference Center, Inc. (the Organization) was established in 1947 by the Presbytery of New Covenant, Presbyterian Church U.S.A. as an integrated auxiliary. The Organization incorporated and received separate 501(c)(3) status in 2002. Currently, the mission of the Organization is to be "a place where Jesus Christ transforms lives through meaningful relationships and outdoor adventures". This is achieved through various programs and facilities the Organization makes available, such as summer camp, retreats and conferences, Elderhostel, and related facilities.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Promises to Give

Contributions are recognized when the donor makes an unconditional promise to give. All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the allowance method to determine the uncollectible portion of unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made.

Accounts Receivable

Accounts receivable consist of those amounts that are due from various individuals or groups that utilize the Organization's services and facilities. Management believes that these amounts are fully collectible; therefore, no allowances for doubtful accounts have been provided. Management is not aware of any significant concentrations of credit or market risks related to receivables or other financial instruments reported in these financial statements.

Contributed Services

Unpaid volunteers have made contributions of their time to develop the Organization's programs. During the year ended December 31, 2015 and 2014, the value of contributed services meeting the requirements for recognition under Financial Accounting Standards Board Codification Section 958, was not material and has not been recorded.

Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The amounts reflected in the accompanying financial statements as in-kind contributions are made in other revenues and are offset by like amounts included in expenses or additions to property and equipment. The organization received contributed professional legal services from a related party (Note 11) during the year ended December 31, 2015 and 2014, with a fair value on the date of donation of \$-0- and \$67,173 respectively.

CHO-YEH CAMP AND CONFERENCE CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
December 31, 2015 and 2014

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Inventory

Inventory is carried at the lower of cost (determined by the use of the first in, first out method) or market and consists of books, clothing, gifts, etc. Food is expensed as purchased.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property, Plant and Equipment

Property, plant and equipment is carried at cost, if purchased, or fair market value at date of acquisition, if received as a donation, with depreciation being taken by the straight-line method over the following estimated useful lives:

Buildings and improvements	30 years
Furniture, fixtures and equipment	7 years
Vehicles	5 years

Interest costs related to building construction are capitalized as part of the building cost.

Maintenance and repairs, as well as minor betterments, are charged to expense as incurred. Major betterments are capitalized. The cost and related accumulated depreciation for property disposals are removed from the accounts and any gains or losses are included in income.

Donations of property, plant, and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property, plant, and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated or acquired assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization then reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Fair Values of Financial Instruments

Current professional standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value should be based on assumptions that market participants would use, including a consideration of non-performance risk. Management assesses the inputs used to measure fair value using a three-tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market. Level 1 inputs are quoted market prices for identical instruments in an active market that the entity has the ability to access and are the most observable. Level 2 inputs include quoted market prices for similar assets and observable inputs such as interest rates, currency exchange rates, commodity rates, and yield curves. Level 3 inputs are not observable in the market and include management's judgments about the assumptions market participants would use in pricing the asset or liability.

The following methods and assumptions were used by the Organization in estimating its fair value disclosures for financial instruments:

CHO-YEH CAMP AND CONFERENCE CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
December 31, 2015 and 2014

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Cash and accounts receivable: The carrying amounts reported in the statements of financial position approximate fair values because of the short maturities of those instruments. (Level 1)

Investments: The fair values of investments are based on quoted market prices for those or similar investments. (Level 1)

Long-term unconditional promises to give: The fair value of promises to give that are due in more than one year is estimated by discounting the future cash flows using a current risk free rate of return based on the yield of a U.S. Treasury security with a maturity date similar to the expected collection period. (Level 2)

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Federal Income Tax

The Organization is classified as a nonprofit corporation and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Uncertain Tax Positions

Financial Accounting Standards Board Codification Section 740 requires recognition, measurement and disclosure of uncertain tax positions. The Organization currently accounts for uncertain tax positions based on the estimated likelihood of assessment and has not determined that any tax positions require an accrual based on current standards of accounting. For federal income tax purposes, the tax returns essentially remain open for possible examination for a period of three years after the date on which those returns are filed.

Statements of Cash Flows

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash restricted for purchase of property, plant and equipment and designated cash is not included in cash and cash equivalents.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 2 - UNINSURED CASH BALANCES

The Organization's cash is deposited with three institutions. The amount on deposit in each of these institutions may exceed the \$250,000 federally insured limit from time to time. At December 31, 2015 and 2014, cash exceeded federally insured limits by \$2,130,333 and \$911,508, respectively.

CHO-YEH CAMP AND CONFERENCE CENTER, INC.  
 NOTES TO FINANCIAL STATEMENTS - CONTINUED  
 December 31, 2015 and 2014

NOTE 3 - INVESTMENTS

Investments as of December 31, 2015 and 2014 consist of deposits with The Texas Presbyterian Foundation and are categorized as follows:

	COST		FAIR VALUE		CARRYING VALUE	
	2015	2014	2015	2014	2015	2014
Unrestricted:						
Undesignated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permanently restricted	\$ 18 091	\$ 18 091	\$ 21 596	\$ 21 596	\$ 21 596	\$ 21 596

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended December 31, 2015 and 2014.

	UNRESTRICTED		PERMANENTLY RESTRICTED	
	2015	2014	2015	2014
Interest and dividends	\$ 3 374	\$ 3 176	\$ -	\$ 169
Realized and unrealized gains (losses)	\$ -	\$ -	\$ -	\$ -

NOTE 4 - UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give at December 31, 2015 and 2014 are as follows:

	2015	2014
Receivable in less than one year	\$ 237 660	\$ 25 000
Receivable in one to five years	-	-
Receivable in more than five years	-	-
TOTAL UNCONDITIONAL PROMISES TO GIVE	237 660	25 000
Less discounts to net present value	-	-
Less allowance for uncollectable promises	-	-
NET UNCONDITIONAL PROMISES TO GIVE	\$ 237 660	\$ 25 000

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, at cost, is summarized by major classification as follows:

	2015	2014
Land	\$ 1 440 984	\$ 1 157 387
Buildings and improvements	8 519 203	8 123 684
Furniture and equipment	1 198 063	1 071 294
Construction in progress	287 329	199 643
Vehicles	132 767	148 907
	11 578 346	10 700 915
Less accumulated depreciation	(4 338 107)	(4 050 621)
	\$ 7 240 239	\$ 6 650 294

Depreciation expense totaled \$326,994 and \$275,168 for the years ended December 31, 2015 and 2014, respectively.

CHO-YEH CAMP AND CONFERENCE CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
December 31, 2015 and 2014

NOTE 6 - EMPLOYEE BENEFIT PLANS

The Organization participates in a 401(k) salary reduction plan, which covers all regular full-time employees who have completed twelve consecutive months of service. Contributions to the plan were \$24,862 and \$15,087 for the years ended December 31, 2015 and 2014, respectively.

NOTE 7 - NOTES PAYABLE

At December 31, 2015 and 2014, the Organization was liable for the following notes payable:

	2015	2014
Note payable - Premium Convenience Services Inc., due in 3 quarterly installments of \$33,184 including interest at 5.00%. Matures in September 2016.	\$ 99 554	\$ 101 933
Note payable - John Deere Credit Corp., due in 60 monthly installments of \$466 including interest at 6.00%, secured by equipment. Matures in November 2015.	-	5 120
Note payable - First National Bank of Livingston, due in 240 monthly installments of \$3,936 including interest at 5.50%, collateralized by deed of trust and real estate lien on a 345 acre tract of land in Polk County, Texas. Matures in August 2024.	314 356	342 296
Note payable - First National Bank of Livingston, due in 240 monthly installments of \$2,150, including interest at 5.50%, secured by a building. Matures in April 2031.	104 830	166 635
Note payable - First National Bank of Livingston, due in 180 monthly installments of \$8,006, interest due at 5.50%, secured by buildings and equipment. Matures in May of 2026.	736 768	784 880
Note payable - Edwards, due in 120 monthly installments of \$1,865, including interest at 4.5%, secured by 11.079 acres on three tracts of land in Polk County, Texas. Matures in February 2025.	167 898	-
Less current maturities	208 107	201 350
	\$ 1 215 299	\$ 1 199 514

The annual requirements for the five subsequent years are as follows:

2016	\$	208 107
2017		124 584
2018		131 904
2019		139 657
2020		137 617
Thereafter		681 537
	\$	1 423 406



CHO-YEH CAMP AND CONFERENCE CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
December 31, 2015 and 2014

NOTE 8 - SUBSEQUENT EVENTS

Subsequent events have been evaluated for potential recognition or disclosure through the date of this report which is also the date the report was available to be issued.

NOTE 9 - RISK MANAGEMENT

The Organization is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Organization purchases commercial insurance to cover general liabilities.

NOTE 10 - RELATED PARTY TRANSACTIONS

The Organization received contributed professional legal services from a board member's company during the year ended December 31, 2014. The amount recognized in the financial statements under contributions and legal expense is the fair value on the date of donation of \$-0- and \$67,173 for 2015 and 2014, respectively (Note 1).

The Organization received contributions from related parties that approximated \$1,010,000 and \$468,000 for each year ending December 31, 2015 and 2014, respectively.