ALL AMERICAN SPORTPARK INC
Form 10KSB
April 15, 2008

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-KSB

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year ended: December 31, 2007

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from: _____ to ____

Commission File No. 0-024970

ALL-AMERICAN SPORTPARK, INC.
(Name of Small Business Issuer in its Charter)

NEVADA	88-0203976
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

6730 South Las Vegas Boulevard, Las Vegas, NV 89119
(Address of Principal Executive Offices, Including Zip Code)

Issuer's Telephone Number: (702) 798-7777

Securities Registered Pursuant to Section 12(b) of the Act: None.

Securities Registered Pursuant to Section 12(g) of the Act:

COMMON STOCK, $.001 PAR VALUE
(Title of each class)

Check whether the Issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B is not contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

State issuer's revenues for its most recent fiscal year: $2,238,658.

As of March 31, 2008, 3,502,000 shares of common stock were outstanding, and the aggregate market value of the common stock of the Registrant held by non-affiliates was approximately $330,000.

Transitional Small Business Disclosure Format (check one): Yes [ ] No [X]

Documents Incorporated By Reference: None.

PART I

ITEM 1. DESCRIPTION OF BUSINESS.

BUSINESS DEVELOPMENT

The Company's business began in 1974 when Vaso Boreta, the Company's Chairman of the Board, opened a "Las Vegas Discount Golf & Tennis" retail store in Las Vegas, Nevada. This store, which is still owned by Mr. Boreta, subsequently began distributing catalogs and developing a mail order business for the sale of golf and tennis products. In 1984, the Company began to franchise the "Las Vegas Discount Golf & Tennis" retail store concept and commenced the sale of franchises. As of February 26, 1997, when the franchise business was sold, the Company had 43 franchised stores in operation in 17 states and 2 foreign countries.

The Company was incorporated in Nevada on March 6, 1984, under the name "Sporting Life, Inc." The Company's name was changed to "St. Andrews Golf Corporation" on December 27, 1988, to "Saint Andrews Golf Corporation" on August 12, 1994, and to All-American SportPark, Inc. ("AASP") on December 14, 1998.

Sports Entertainment Enterprises, Inc. ("SPEN"), formerly known as Las Vegas Discount Golf & Tennis, Inc. ("LVDG"), a publicly traded company, acquired the Company in February 1988, from Vaso Boreta, who was the Company's sole shareholder. Vaso Boreta also served as SPEN's Chairman of the Board, President and CEO until February 2005.

In December 1994, the Company completed an initial public offering of 1,000,000 Units, each Unit consisting of one share of Common Stock and one Class A Warrant. The net proceeds to the Company from this public offering were approximately $3,684,000. The Class A Warrants expired unexercised on March 15, 1999.

In 1996, the Company sold 500,000 shares of Series A Convertible Preferred Stock to Three Oceans Inc. ("TOI"), an affiliate of SANYO North America Corporation, for $5,000,000 in cash pursuant to an Investment Agreement between the Company and TOI. The Company used these proceeds to fund part of the development costs of its All-American SportPark property in Las Vegas. In March 2001, the Company repurchased all of the shares of Series A Convertible Preferred Stock from TOI for $5,000 in cash. Once repurchased, the shares were retired.

On December 16, 1996, the Company and its majority shareholder, SPEN, entered into negotiations pursuant to an "Agreement for the Purchase and Sale of Assets" to sell all but one of the four retail stores owned by SPEN, all of SPEN's wholesale operations and the entire franchising business of the Company to Las Vegas Golf & Tennis, Inc., an unaffiliated company. On February 26, 1997, the Company and SPEN completed this transaction.

In connection with the sale of the above-described assets, SPEN and the Company agreed not to compete with the buyer in the golf equipment business except that the Company is permitted to sell golf equipment at its Callaway

Golf Center business. In addition, the Buyer granted Boreta Enterprises, Ltd., a limited partnership owned by Vaso Boreta, Ron Boreta, Vaso's son and President of the Company, and John Boreta, Vaso's son and a principal shareholder of SPEN, the right to operate "Las Vegas Discount Golf & Tennis"

stores in southern Nevada, except for the Summerlin area of Las Vegas, Nevada. Likewise, the buyer is restricted from operating stores in southern Nevada except for the Summerlin area of Las Vegas, Nevada.

On July 12, 1996, the Company entered into a lease agreement covering approximately 65 acres of land in Las Vegas, Nevada, on which the Company developed its Callaway Golf Center and All-American SportPark ("SportPark") properties. The property is located on the world famous Las Vegas "Strip" at the corner of Las Vegas Boulevard and Sunset Road which is just south of McCarran International Airport and several of Las Vegas' major hotel/casino properties such as Mandalay Bay and the MGM Grand. The property is also adjacent to the Interstate 215 beltway that will eventually encircle the entire Las Vegas valley. On 42 acres of the property is the Callaway Golf Center that opened for business in October 1997. The remaining 23 acres was home to the discontinued SportPark that opened for business in October 1998 and was disposed of in May 2001.

On June 20, 1997, the lessor of the 65-acre tract ("Landlord") agreed with the Company to cancel the original lease and replace it with two separate leases. The lease for the SportPark commenced on February 1, 1998 with a base rent of $18,910 per month and was cancelled in connection with the disposition of the SportPark in May 2001; the lease for the Callaway Golf Center is for fifteen years with options to extend for two additional five-year terms. The lease for the Callaway Golf Center[TM] commenced on October 1, 1997 when the golf center opened with a base rent of $33,173 per month.

During June 1997 the Company and Callaway Golf Company ("Callaway") formed All-American Golf LLC ("LLC"), a California limited liability company that was owned 80% by the Company and 20% by Callaway; the LLC owned and operated the Callaway Golf Center. In May 1998, the Company sold its 80% interest in LLC to Callaway. On December 31, 1998 the Company acquired substantially all the assets of LLC subject to certain liabilities that resulted in the Company owning 100% of the Callaway Golf Center.

On October 19, 1998 the Company sold 250,000 shares of the Series B Convertible Preferred Stock to SPEN for $2,500,000. SPEN had earlier issued 2,303,290 shares of its common stock for $2,500,000 in a private transaction to ASI Group, L.L.C. ("ASI"). ASI also received 347,975 stock options for SPEN common stock. ASI is a Nevada limited liability company whose members include Andre Agassi, a professional tennis player.

SPEN owned 2,000,000 shares of the Company's common stock and 250,000 shares of the Company's Series B Convertible Preferred Stock. In the aggregate, this represented approximately two-thirds ownership in the Company. On April 5, 2002, SPEN elected to convert its Series B Convertible Preferred Stock into common stock on a 1 for 1 basis. On May 8, 2002, SPEN completed a spin-off of the Company's shares held by SPEN to SPEN's shareholders. This resulted in SPEN no longer having any ownership interest in the Company.

BUSINESS OF THE COMPANY

In June 1997, the Company completed a final agreement with Callaway to form a limited liability company named All-American Golf LLC (the "LLC") for

the purpose of operating a golf facility, to be called the "Callaway Golf Center[TM] ("CGC")," on approximately forty-two (42) acres of land located on Las Vegas Boulevard in Las Vegas, Nevada. The CGC opened to the public on October 1, 1997.

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The Company's operations consist of the CGC, located on 42 acres of leased land and strategically positioned within a few miles of the largest hotels and casinos in the world. There are over 132,000 hotel rooms in Las Vegas with an average occupancy of 89.7%, and seventeen of the top twenty largest hotels in the world are within a few miles of the CGC including the MGM Grand, Mandalay Bay, Luxor, Bellagio, and the Monte Carlo. The CGC is also adjacent to McCarran International Airport, the fifth busiest airport in the world for passenger traffic. McCarran International Airport had it busiest year in its history with 47.7 million passengers passing through the terminal in 2007. The Las Vegas valley residential population approximates 2.0 million.

The CGC includes a two tiered, 110-station, driving range. The driving range is designed to have the appearance of an actual golf course with ten impact greens, waterfall features, and an island green. Pro-line equipment and popular brand name golf balls are utilized. In addition to the driving range, the CGC has a lighted, nine-hole, par three golf course, named the "Divine Nine." The golf course has been designed to be challenging, and has several water features including lakes, creeks, water rapids and waterfalls, golf cart paths and designated practice putting and chipping areas. At the entrance to the CGC is a 20,000 square foot clubhouse which includes an advanced state of the art golf swing analyzing system developed by Callaway, and two tenant operations: (a) the St. Andrews Golf Shop featuring the latest in Callaway Golf equipment and accessories, and (b) a restaurant, which features an outdoor patio overlooking the golf course and driving range with the Las Vegas "Strip" in the background.

The CGC has a lease agreement with St. Andrews Golf Shop for the provision of sales of golf retail merchandise. The lease is for fifteen years ending in October 2012. The lessee pays a fixed monthly rental for its office and retail space.

The LLC's original ownership was 80% by the Company and 20% by Callaway. Callaway agreed to contribute $750,000 of equity capital and loan the LLC $5,250,000. The Company contributed the value of expenses incurred relating to the design and construction of the golf center and cash in the combined amount of $3,000,000. Callaway's loan to the LLC had a ten-year term with interest at ten percent per annum. The principal was due in 60 equal monthly payments commencing five years after the CGC opened.

On May 5, 1998, the Company sold its 80% interest in the LLC to Callaway for $1.5 million in cash and the forgiveness of $3 million in debt, including accrued interest thereon, owed to Callaway by the Company. The Company retained the option to repurchase the 80% interest for a period of two years on essentially the same financial terms that it sold its interest. The sale of the Company's 80% interest in the LLC was completed in order to improve the Company's financial condition that, in turn, improved the Company's ability to complete the financing needed for the final construction stage of the SportPark.

On December 30, 1998, the Company acquired substantially all the assets of the LLC subject to certain liabilities. This resulted in the Company owning 100% of the CGC. Under the terms of the asset purchase agreement, the Company paid $1 million to Active Media Services in the form of a promissory

note payable in quarterly installments of $25,000 over a 10-year period without interest. In turn, Active Media delivered a trade credit of $4,000,000 to the Callaway Golf Company.

In connection with this acquisition, the Company executed a trademark license agreement with Callaway pursuant to which the Company licenses the right to use the marks "Callaway Golf Center" and "Divine Nine" from Callaway for a term beginning on December 30, 1998 and ending upon termination of the land lease on the CGC. The Company paid a one-time fee for this license agreement that was a component of the purchase price the Company paid for the CGC upon acquisition of the facility on December 30, 1998. Pursuant to this agreement, Callaway has the right to terminate the agreement upon the occurrence of any "Event of Termination" as defined in the agreement.

On June 1, 2001, the Company completed a transaction pursuant to a Restructuring and Settlement Agreement with Urban Land of Nevada, Inc. (the "Landlord") to terminate the land lease for the discontinued SportPark, and to transfer all of the leasehold improvements and personal property located on the premises to the Landlord.

As part of the agreement, the Landlord agreed to waive all liabilities of the Company to the Landlord with respect to the discontinued SportPark, and with the exception of a limited amount of unsecured trade payables, the Landlord agreed to assume responsibility of all other continuing and contingent liabilities related to the SportPark. The Landlord also agreed to cancel all of the Company's back rent obligations for the CGC for periods through April 30, 2001. The CGC remains the only operating business of the Company.

As part of the transaction, the Company transferred to the Landlord a 35 percent ownership interest in the Company's subsidiary that owns and operates the CGC. This subsidiary is All-American Golf Center, Inc. ("AAGC"). In connection with the issuance of the 35 percent interest in AAGC to the Landlord, the Company and the Landlord entered into a Stockholders Agreement that provides certain restrictions and rights on the AAGC shares issued to the Landlord. The Landlord is permitted to designate a non-voting observer of meetings of AAGC's Board of Directors. In the event of an uncured default of the lease for the CGC, so long as the Landlord holds a 25% interest in AAGC, the Landlord will have the right to select one director of AAGC. As to matters other than the election of Directors, the Landlord has agreed to vote its shares of AAGC as designated by the Company.

LIABILITY INSURANCE

The Company has a comprehensive general liability insurance policy to cover possible claims for injury and damages from accidents and similar activities. Although management of the Company believes that its insurance levels are sufficient to cover all future claims, there is no assurance it will be sufficient to cover all future claims.

MARKETING

The marketing program for the CGC is focused primarily on the local individual customers with increasing emphasis on the individual tourist market because of the CGC's proximity to most of the major resorts in Las Vegas. The CGC focuses its marketing efforts principally on print media that has proven to be effective for the local market. For the tourist market, the Company has instituted taxi programs, rack cards, and print media in tourist publications that are located in the Las Vegas hotels and hotel rooms. Also, the CGC, has implemented programs to attract more group events, clinics, and other special

promotional events. In February of 2004, a 30 ft. pylon sign with a reader board was installed in front of the CGC. The sign makes the general public

aware of various programs, specials and information on events and other activities taking place within the CGC. Once installed, the CGC began random customer information surveys to provide information on how guests heard of the CGC. Over half stated that they came into the CGC because they saw the new sign.

The CGC, which includes a nine-hole par 3 golf course, driving range, and clubhouse, is designed to provide a country club atmosphere for the general public.

The Company's marketing efforts toward establishing additional CGC-type locations have been directed towards a number of large existing and potential markets for which there can be no assurance of financial success. Further, to expand the concept for CGC-type facilities beyond the Las Vegas location could require considerably more financial and human resources than presently exists at the Company.

FIRST TEE PROGRAM

In March 2002, the CGC became the official home in southern Nevada for the national First Tee program. The First Tee program is a national initiative started in November 1997 by the World Golf Foundation. First Tee is a program sponsored by the PGA Tour, the LPGA, the PGA of America, the United States Golf Association, and Augusta National Golf Club. The First Tee program was formed to eliminate access and affordability issues for children, especially economically disadvantaged children, to participate in the game of golf. In research conducted by the National Golf Foundation, it was noted that only two percent of children through age 17 ever try golf and only five percent of our nation's golfers were minorities. The CGC is proud to be part of the First Tee program and believes it will offer many opportunities for the Company in the years ahead.

COMPETITION

Any golf/amusement facilities developed by the Company will compete with any other family/sports attractions in the area where such facilities are located. Such attractions could include amusement parks, driving ranges, water parks, and any other type of family or sports entertainment. The Company will be relying on the combination of active user participation in the sports activities and uniqueness of the Park features, attractive designs, and competitive pricing to encourage visitation and patronage.

In the Las Vegas market, the Company has competition from other golf courses, family entertainment centers, and entertainment provided by hotel/casinos. Company management believes the CGC has a competitive advantage in the Las Vegas market because of its strategic location, product branding, alliances, and extent of facilities balanced with competitive pricing that is unlike any competitor in the market.

The Company's competition includes other golf facilities within the Las Vegas area that provide a golf course and driving range combination and/or a night lighted golf course. Management believes that the CGC is able to compete because it is unique in providing a branded partnership with Callaway and giving the Las Vegas community one of the largest golf training facilities in the western United States. In addition, several Las Vegas hotel/casinos own their own golf courses that cater to high-roller/VIP tourists. The CGC is able to compete against these facilities because it offers a competitively

priced golf facility with close proximity to the Las Vegas "Strip" properties where a non-high-roller/VIP tourist can come to enjoy a Las Vegas golf experience.

EMPLOYEES

As of March 31, 2007, there were 4 full-time and 1 part-time employees at the Company's executive offices, and 9 full-time and 16 part-time employees at CGC.

ITEM 2. DESCRIPTION OF THE PROPERTY.

The Company's corporate offices are located inside the clubhouse building of the CGC at 6730 South Las Vegas Boulevard, Las Vegas, Nevada 89119. The CGC property occupies approximately 42 acres of leased land described in ITEM 1. DESCRIPTION OF BUSINESS, BUSINESS DEVELOPMENT. The CGC was opened October 1, 1997. The property is in good condition both structurally and in appearance. There were certain construction defects that are discussed below in ITEM 3. LEGAL PROCEEDINGS. There were minor defects to the building but they have been repaired. Other construction not related to the building involved adjoining concrete sidewalks and walkways. Temporary repairs have been made and a permanent correction will be made upon final settlement of the lawsuit. The Company owns 65% of the CGC through its subsidiary, AAGC.

A ten-year note payable secured by a first deed of trust exists on the CGC in the original amount of $1 million payable without interest, in quarterly installments of $25,000 beginning December 1998.

The CGC has two tenant operations: (1) The St. Andrews Golf Shop that occupies approximately 4,300 square feet for golf retail sales and pays a fixed monthly rent that includes a prorated portion of maintenance and property tax expenses of $13,104 for its retail and office space. The lease is for fifteen years ending in 2012, and (2) a restaurant that features an outdoor patio overlooking the golf course and driving range with the Las Vegas "Strip" in the background. Beginning in the first quarter of 2007, restaurant lease revenue will be equal $4,160 per month. If the lease is extended the minimum rent shall increase by 4% per year and every year thereafter. The lease expired in first quarter of 2007 and the lessee exercised the option to continue operations at the CGC for an additional four-year period.

ITEM 3. LEGAL PROCEEDINGS

Except for the complaints described in the following paragraphs, the Company is not presently a party to any legal proceedings, except for routine litigation that is incidental to the Company's business.

The Company was plaintiff in a lawsuit against Western Technologies and was awarded a judgment of $660,000 in March 2003. Western Technologies had appealed the judgment to the Nevada Supreme Court (the "Court"). Western Technologies was required to and did file a bond in the amount of the judgment to date, which was approximately $1,180,000 including the judgment, interest, and attorney's fees. In October 2006, the "Court" ruled in favor of the defendant, but it wasn't until August 2007 that an agreement was reached and all parties signed a Settlement Agreement. The company received a total of $550,000 and a net after attorney's fees of $300,000, which was used to finish repairs on the facility and for some upgrades.

On May 31, 2005, Sierra SportService, Inc. the Company's tenant, who operated the restaurant in CGC, ceased operations. Sierra SportService filed a notice of default pertaining to the restaurant concession agreement and against all guarantors of that agreement. A settlement was reached on November 18, 2005 for a total amount of $800,000, of which the AASP paid $700,000 and the remaining $100,000 was paid by AAGC, which is 65% owned by the Company. The funds used to make these payments were borrowed from ANR, LLC, an entity owned by Andre K. Agassi and Perry Craig Rogers.

In December 2005, the Company commenced an arbitration proceeding before the American Arbitration Association against Urban Land of Nevada ("Urban Land") seeking reimbursement of the $800,000 paid in settlement of the Sierra SportService matter plus fees and costs pursuant to the terms of the Company's agreements with Urban Land which owns the property on which the CGC is located. Urban Land filed a counterclaim against the Company seeking to recover damages related to back rent allegedly owed by Company of approximately $600,000. In addition, Urban land claims the Company misused an alleged $880,000 settlement related to construction defects lawsuits. An arbitrator has been appointed in the American Arbitration Association and arbitration is scheduled for July 2008.

Urban land has also filed another lawsuit against the Company and claims against other parties in the arbitration proceeding. The claims against the Company remain essentially identical to the claims above. The other parties include, among others, Ronald S. Boreta, the President of the Company; Vaso Boreta, Chairman of the Board of the Company; and Boreta Enterprise, Ltd., a principal shareholder of the Company. The other party claims allege that the Company and others defrauded otherwise injured Urban Land in connection with Urban Land entering into certain agreements in which the Company is a party. The Company has filed a motion to dismiss against the plaintiff's claims in this lawsuit but the Court provided the plaintiff with a limited amount of discovery. The discovery process began in 2007 and depositions were taken in September. The hearing before the American Arbitration Association is scheduled for July 2008.

On February 10, 2006, Urban Land filed a notice of default on the CGC ground lease claiming that certain repairs to the property had not been performed or documented. The Company filed a lawsuit in the Eighth Judical District Court of Clark County Nevada to prevent Urban Land from declaring the Company in default of its lease. The claims in the notice of default have been added to the above arbitration proceeding. A Summary Judgment was awarded to the Company in February 2008 in this proceeding.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

MARKET INFORMATION. The Company's common stock is traded in the over-the-counter market and is quoted on the OTC Bulletin Board under the symbol AASP. The following table sets forth the high and low sales prices of the common stock for the periods indicated. The quotations reflect inter-dealer prices, without retail markup, markdown or commission and may not represent actual transactions.

	HIGH	LOW
Year Ended December 31, 2007:		
First Quarter	$0.40	$0.17
Second Quarter	$0.40	$0.25
Third Quarter	$0.29	$0.16
Fourth Quarter	$0.69	$0.17
Year Ended December 31, 2006:		
First Quarter	$0.47	$0.25
Second Quarter	$0.33	$0.18
Third Quarter	$0.25	$0.19
Fourth Quarter	$1.85	$0.17

HOLDERS. The number of holders of record of the Company's $.001 par value common stock at February 28, 2007 was approximately 1,040. This does not include approximately 1,000 shareholders who hold stock in their accounts at broker/dealers.

DIVIDENDS. Holders of common stock are entitled to receive such dividends as may be declared by the Company's Board of Directors. No dividends have been paid with respect to the Company's common stock and no dividends are expected to be paid in the foreseeable future. It is the present policy of the Board of Directors to retain all earnings to provide for the growth of the Company. Payment of cash dividends in the future will depend, among other things, upon the Company's future earnings, requirements for capital improvements and financial condition.

SALES OF UNREGISTERED SECURITIES. There were no sales of unregistered securities during the quarter ended December 31, 2007.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following information should be read in conjunction with the Company's Consolidated Financial Statements and the Notes thereto included in this report.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). In connection with the preparation of the financial statements, we are required to make assumptions and estimates about future events that affect the reported amounts of assets, liabilities, revenue, expenses and the related disclosures. We base our assumptions and estimates on historical experience and other factors that management believes is relevant at the time our consolidated financial statements are prepared. On a periodic basis, management reviews

the accounting policies, assumptions and estimates to ensure that our financial statements are presented fairly and in accordance with GAAP. However, because future events and their effects can not be determined with certainty, actual results could differ from the estimates and assumptions, and such differences could be material.

Our significant accounting policies are discussed in Note 2, Summary of Significant Accounting Policies in the Notes to the Consolidated Financial Statements. The following accounting policies are most critical in fully understanding and evaluating our reported financial results.

Stock Based Compensation

The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 123, ("SFAS 123R"), Share Based Payment. This SFAS requires the Company to measure the cost of employee stock-based compensation awards granted based on the grant date fair value of those awards and to record the cost as compensation expense over the period during which the employee is required to perform services in exchange for the award (generally over the vesting period of the award). The Company currently does not have any options that are not fully vested.

Leasehold Improvements and Equipment

Leasehold improvements and equipment are stated at cost and are depreciated or amortized using the straight-line basis over the lesser of the lease term (including renewal periods, when the Company has both the intent and ability to extend the lease) or the useful lives of the assets, generally 3 to 15 years.

Revenues

The Company primarily earns revenue from golf course green fees, driving range ball rentals and golf and cart rentals which are recognized when received as payments for the services provided. Lease and sponsorship revenues are recognized as appropriate when earned.

RECENT ACCOUNTING PRONOUNCEMENTS

In September 2006, the FASB issued FASB Statement No. 157, "Fair Value Measurements" (SFAS 157). The standard provides guidance for using fair value to measure assets and liabilities. The standard also responds to investors' requests for expanded information about the extent to which companies measure assets and liabilities at fair value, the information used to measure fair value, and the effect of fair value measurements on earnings. The standard applies whenever other standards require or permit assets or liabilities to be measured at fair value. The standard does not expand the use of fair value in any new circumstances. SFAS 157 must be adopted prospectively as of the beginning of the year it is initially applied. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Company is currently evaluating the impact this standard will have on its consolidated financial statements.

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" (SFAS 159). SFAS 159 allows entities the option to measure eligible financial instruments at fair value as of specified dates. Such election, which may be applied on an instrument by

instrument basis, is typically irrevocable once elected. SFAS 159 is effective for fiscal years beginning after November 15, 2007, and early application is allowed under certain circumstances. The Company does not expect the adoption of SFAS 159 to have a material impact on its consolidated financial statements.

In December 2007, the FASB issued SFAS No. 141 (revised 2007), "Business Combinations" (SFAS 141R) which replaces SFAS No. 141. SFAS 141R retains the purchase method of accounting for acquisitions, but requires a number of changes, including changes in the way assets and liabilities are recognized in the purchase accounting. It also changes the recognition of assets acquired and liabilities assumed arising from contingencies, requires the capitalization of in-process research and development at fair value, and requires the expensing of acquisition-related costs as incurred. SFAS 141R is effective for the Company beginning January 1, 2009 and will apply prospectively to business combinations completed on or after that date. The Company does not expect the adoption of SFAS 141R to have a material impact on its consolidated financial statements.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB 51" (SFAS 160) which changes the accounting and reporting for minority interests. Minority interests will be recharacterized as noncontrolling interests and will be reported as a component of equity separate from the parent's equity, and purchases or sales of equity interests that do not result in a change in control will be accounted for as equity transactions. In addition, net income attributable to the noncontrolling interest will be included in consolidated net income on the face of the income statement and, upon a loss of control, the interest sold, as well as any interest retained, will be recorded at fair value with any gain or loss recognized in earnings. SFAS No. 160 is effective for the Company beginning January 1, 2009 and will apply prospectively, except for the presentation and disclosure requirements, which will apply retrospectively. The Company does not expect the adoption of SFAS 160 to have a material impact on its consolidated financial statements.

OVERVIEW

The Company's operations consist of the management and operation of the CGC. The CGC includes the Divine Nine par 3 golf course fully lighted for night golf, a 110-tee two-tiered driving range, a 20,000 square foot clubhouse which includes the Callaway Golf fitting center and Pro Shop and two tenants, the Saint Andrews Golf Shop retail store and a restaurant.

The CGC has an ideal location at the end of the "Las Vegas Strip" and near the international airport; however, much of the land immediately adjacent to the CGC has not yet been developed.

The Town Square project which opened in November 2007 is expected to result in increased revenues for the golf center. The Town Square is a 1.5 million square foot super regional lifestyle center with a mix of retail, dining and office space that is being developed across the street from the CGC. In addition, the continued aggressive level of growth at the south end of the Las Vegas strip is expected to draw more local and tourist business to the golf center.

RESULTS OF OPERATIONS - YEAR ENDED DECEMBER 31, 2007 VERSUS YEAR ENDED

DECEMBER 31, 2006.

REVENUES. Revenues of the Callaway Golf Center ("CGC") for 2007 increased 1.4% or $30,679 to $2,238,658 compared to $2,207,979 in 2006. Golf course green fees increased by $32,477 to $688,057 in 2007 compared to $655,580 in 2006 due to a mild and very active first and second quarter. Driving range revenue was flat year over year with an increase of $997 for 2007. Golf club rentals increased slightly to $110,458 in 2007 compared to $104,451 in 2006. Golf lesson fees decreased to $196,572 in 2007 as compared to $222,286 in 2006. This was due to a loss of several golf professionals at the beginning of 2007 and an unseasonably hot summer. Tenant income increased by $9,760 to $207,008 in 2007 compared to $197,248 in 2006. This is due to the restaurant being open for the full year in 2007.

COST OF REVENUES. Costs of revenues increased by 7.4% or $44,171 to $641,934 in 2007 compared to $597,763 in 2006. Payroll costs increased $24,096 in 2007 due to more employees electing benefits in 2007. Other cost of goods, mainly comprised of driving range supplies like golf balls and miscellaneous supplies, increased by $23,205 to $84,707 in 2007 compared to $61,502 in 2006.

SELLING, GENERAL AND ADMINISTRATIVE ("SG&A"). SG&A expenses consist principally of administrative payroll, rent, professional fees and other corporate costs. These expenses increased by 1.6% or $32,898 to $2,099,458 in 2007 from $2,066,560 in 2006. Occupancy expense increased by $49,315 from $773,508 in 2006 to $822,823 in 2007. This increase was related to an increase in rent due to the lease agreement and an increase in utilities as those costs continue to rise. Salaries decreased by $44,814 due to a change in the method of allocating salaries among the Company and certain related entities for administrative tasks. Other operating expenses increased by $62,593 as a result of an increase in legal expenses of $73,244 for the arbitration proceeding with Urban Land and the settlement of Western Technologies discussed in Item 3 - Legal Proceedings of this report.

DEPRECIATION AND AMORTIZATION. Depreciation and amortization increased 10.2% to $82,442 in 2007 compared to $74,842 in 2006 due to adding several new fixed assets in 2007.

OTHER INCOME AND INTEREST EXPENSE. Interest expense increased slightly by $36,723 to $541,270 in 2007 compared to $504,547 in 2006 due to the issuance of additional notes payable to related parties. Other income in 2007 includes $300,000 from the settlement with Western Technologies discussed in Item 3 - Legal Proceedings of this report.

NET LOSS. In 2007, the net loss was $825,476 as compared to a loss of $887,475 in 2006. This reduction in the net loss was due to the receipt of proceeds from the settlement agreement from Western Technologies in 2007.

LIQUIDITY AND CAPITAL RESOURCES

Working capital needs have been helped by favorable payment terms and conditions included in our notes payable to related parties. Management believes that additional notes could be negotiated, if necessary, with similar payment terms and conditions.

The Company has various notes payable to related parties (ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS). In December 2007, three

notes totaling $110,000 and related interest of $102,788 were to mature but

the maturity dates were extended until June 30, 2008. In December 2006, four notes totaling $220,000 and related interest of $223,651 were to mature but the maturity dates were extended until March 31, 2007. This extension has also been extended until June 30, 2008.

In 2007 and 2006, the Company's cash flows used in investing activities consisted of cash expenditures of approximately $117,000 and $41,300 for capital asset additions. The proceeds of loans from related parties of approximately $121,876 and $216,522, net of current year repayments, constitutes substantially all of the Company's financing cash activities.

We believe that continued development of the south strip directly adjacent the property will continue to result in increased revenues.

Nevertheless, for reasons described below and in Note 1.d. to the consolidated financial statements, in its report dated August 6, 2008 the Company's independent auditors have expressed substantial doubt as to the Company's ability to continue as a going concern.

As of December 31, 2007, the Company had a working capital deficit of $8,470,008 as compared to a working capital deficit of $2,874,740 at December 31, 2006. The increase in the working capital deficit is primarily due to the operating losses experienced during 2007. The Company received funds from related parties to cover the deficiency. New notes were issued to the related parties in connection with these loans.

AASP management believes that its continuing operations may not be sufficient to fund operating cash needs and debt service requirements over at least the next 12 months. As such, management plans on seeking other sources of funding as needed, which may include Company officers or directors or other related parties. In addition, management continues to analyze all operational and administrative costs of the Company and has made and will continue to make the necessary cost reductions as appropriate.

Management continues to seek out financing to help fund working capital needs of the Company. In this regard, management believes that additional borrowings against the CGC could be arranged although there can be no assurance that the Company would be successful in securing such financing or with terms acceptable to the Company.

Among its alternative courses of action, management of the Company may seek out and pursue a business combination transaction with an existing private business enterprise that might have a desire to take advantage of the Company's status as a public corporation. There is no assurance that the Company will acquire a favorable business opportunity through a business combination. In addition, even if the Company becomes involved in such a business opportunity, there is no assurance that it would generate revenues or profits, or that the market price of the Company's common stock would be increased thereby.

There are no planned material capital expenditures in 2008.

FORWARD LOOKING STATEMENTS

Certain information included in this annual report contains statements that are forward-looking, such as statements relating to plans for future

expansion and other business development activities, as well as other capital spending, financing sources, the effects of regulations and competition. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future and, accordingly, such results may differ from those expressed in any forward-looking statements by or on behalf of the Company. These risks and uncertainties include, but are not limited to, those relating to dependence on existing management, leverage and debt service (including sensitivity to fluctuations in interest rates), domestic or global economic conditions (including sensitivity to fluctuations in foreign currencies), changes in federal or state tax laws or the administration of such laws, changes in regulations and application for licenses and approvals under applicable jurisdictional laws and regulations.

ITEM 7. FINANCIAL STATEMENTS.

The consolidated financial statements are set forth on pages F-1 through F-16 hereto.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

On April 17, 2006, Piercy Bowler Taylor and Kern ("PBTK") notified the Company that it would decline to stand for reappointment as the Company's independent registered public accounting firm, effective immediately.

PBTK performed audits of the Company's consolidated financial statements for the fiscal years ended December 31, 2005 and 2004. PBTK's reports did not contain an adverse opinion or disclaimer of opinion. However, PBTK's reports did include an explanatory paragraph relating to the Company's ability to continue as a going concern.

During the fiscal years ended December 31, 2005 and 2004 and through April 17, 2006, (i) there have been no disagreements with PBTK on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreement(s), if not resolved to PBTK's satisfaction, would have caused PBTK to make reference to the subject matter of the disagreement(s) in connection with its reports for such year, and (ii) there were no "reportable events" as such term is defined in Item 304(a)(1)(iv) of Regulation S-B.

On May 10, 2006, the Company engaged the accounting firm of L.L. Bradford & Company, LLC ("L.L. Bradford") to serve as the Company's independent registered public accounting firm. Through May 10, 2006, neither the Company nor anyone on its behalf consulted with L.L. Bradford with respect to the application of accounting principles to a specific completed or contemplated transaction, or the type of audit opinion that might be rendered on the Company's financial statements, or any other matter or reportable event as set forth in Item 304 of Regulation S-B.

ITEM 8A(T). CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

As of December 31, 2007, under the supervision and with the participation

of the Company's Chief Executive Officer and Principal Financial Officer, management has evaluated the effectiveness of the design and operations of the Company's disclosure controls and procedures. Based on that evaluation, the Chief Executive Officer and Principal Financial Officer concluded that the Company's disclosure controls and procedures were effective as of December 31, 2007.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in the Securities Exchange Act of 1934 Rule 13a-15(f).

Our Chief Executive Officer and Chief Financial Officer conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO Framework"). Based on our evaluation under the COSO Framework, our management concluded that our internal control over financial reporting was not effective as of December 31, 2007 relating to procedures in accounting for debt forgiveness from a related party and rent expense in relation to the Company's land lease. The debt forgiveness was originally recorded as other income from the extinguishment of debt from related parties which resulted in an adjustment to correctly record the debt extinguishment as a capital contribution. Additionally, the Company determined that it had not correctly accounted for its land lease in accordance with the Statement of Financial Accounting Standards No. 13 - Accounting for Leases ("SFAS 13"). SFAS 13 provides that operating leases with fixed rent escalations should be recognized on a straight-line basis over the lease term.

Management believes that the financial statements included in this report fairly present in all material respects our financial condition, results of operations and cash flows for the period presented. In addition we are working to identify and implement corrective actions, where required and improve our internal controls.

This annual report does not include an attestation report of the Company's independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this annual report.

Changes in Internal Control over Financial Reporting

There were no changes in internal control over financial reporting that occurred during the fourth quarter of the fiscal year covered by this report that have materially affected, or are reasonably likely to affect, the Company's internal control over financial reporting.

ITEM 8B. OTHER INFORMATION

None

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT.

The Directors and Executive Officers of the Company are as follows:

NAME	AGE	POSITIONS AND OFFICES HELD
Ronald S. Boreta	45	President, Chief Executive Officer, Treasurer, Secretary and Director
Vaso Boreta	73	Chairman of the Board of Directors
Robert R. Rosburg	80	Director
William Kilmer	67	Director

Except for the fact that Vaso Boreta and Ronald Boreta are father and son, respectively, there is no family relationship between any Director or Officer of the Company.

The Company does not currently have an audit committee or an "audit committee financial expert" because it is not legally required to have one and due to the limited size of the Company's operations, it is not deemed necessary. The Company presently has no compensation or nominating committee.

All Directors hold office until the next Annual Meeting of Shareholders.

Officers of the Company are elected annually by, and serve at the discretion of, the Board of Directors.

The following sets forth biographical information as to the business experience of each officer and director of the Company for at least the past five years.

RONALD S. BORETA has served as President of the Company since 1992, Chief Executive Officer (Principal Executive Officer) since August 1994, Principal Financial Officer since February 2004, and a Director since its inception in 1984. The Company has employed him since its inception in March 1984, with the exception of a 6-month period in 1985 when he was employed by a franchisee of the Company located in San Francisco, California. Prior to his employment by the Company, Mr. Boreta was an assistant golf professional at San Jose Municipal Golf Course in San Jose, California, and had worked for two years in the areas of sales and warehousing activities with a golf discount store in South San Francisco, California. Mr. Boreta devotes 90% of his time to the business of the Company.

VASO BORETA has served as Chairman of the Board of Directors since August 1994, and has been an Officer and Director of the Company since its formation in 1984. In 1974, Mr. Boreta first opened a specialty business named "Las Vegas Discount Golf & Tennis," which retailed golf and tennis equipment and accessories. He was one of the first retailers to offer pro-line golf merchandise at a discount. He also developed a major mail order catalog sales program from his original store. Mr. Boreta continues to operate his original

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store, which has been moved to a new location near the corner of Flamingo and Paradise roads in Las Vegas. Mr. Boreta devotes approximately ten percent of his time to the business of the Company.

ROBERT R. ROSBURG has served as a Director of the Company since August 1994. Mr. Rosburg has been a professional golfer since 1953. From 1953 to 1974 he was active on the Professional Golf Association tours, and since 1974

he has played professionally on a limited basis. Since 1975 he has been a sportscaster on ABC Sports golf tournament telecasts. Since 1985 he has also been the Director of Golf for Rams Hill Country Club in Borrego Springs, California. Mr. Rosburg received a Bachelor's Degree in Humanities from Stanford University in 1948.

WILLIAM KILMER has served as a Director of the Company since August 1994. Mr. Kilmer is a retired professional football player, having played from 1961 to 1978 for the San Francisco Forty-Niners, the New Orleans Saints and the Washington Redskins. Since 1978, he has toured as a public speaker and also has served as a television analyst. Mr. Kilmer received a Bachelor's Degree in Physical Education from the University of California at Los Angeles.

SECTION 16(A) BENEFICIAL REPORTING COMPLIANCE

Based solely on a review of Forms 3 and 4 and amendments thereto furnished to the Company during its most recent fiscal year, and Forms 5 and amendments thereto furnished to the Company with respect to its most recent fiscal year and certain written representations, no persons who were either a director, officer, beneficial owner of more than ten percent of the Company's common stock, failed to file on a timely basis reports required by Section 16(a) of the Exchange Act during the most recent fiscal year.

CODE OF ETHICS

The Board of Directors adopted a Code of Ethics on March 26, 2008. The Code of Ethics is attached as Exhibit 14 to this report.

ITEM 11. EXECUTIVE COMPENSATION.

The following table sets forth information concerning the compensation received for services rendered in all capacities to the Company for the year ended December 31, 2007 by the Company's President. The Company has no other executive officers.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compen- sation ($)	Change in Pension Value and Non-qualified Deferred Com- sation Earnings ($)	All Other Compen- sation ($)	Total ($)
Ronald S. Boreta - President	2006	$120,000	0	0	0	0	0	$37,086 (1)	$157,086
	2007	$120,000	0	0	0	0	0	$26,872 (1)	$146,086

(1) Represents amounts paid for country club memberships for Ronald S. Boreta, and an automobile and related auto expenses for his personal use. For 2006, these amounts were $12,336 for club memberships and $24,750 for an automobile. For 2007, these amounts were $9,223 for club memberships and $17,649 for an automobile.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

There were no outstanding equity awards held by executive officers at December 31, 2007.

COMPENSATION OF DIRECTORS

Directors who are not employees of the Company do not receive any fees for meetings that they attend, but they are entitled to reimbursement for reasonable expenses incurred while attending such meetings. In October 2006, William Kilmer and Robert Rosburg each received 34,000 shares for their prior services as directors. During 2007, no compensation was paid to the Company's directors for their services in that capacity.

EMPLOYMENT AGREEMENTS

Effective August 1, 1994, the Company entered into an employment agreement with Ronald S. Boreta, the Company's President and Chief Executive Officer, pursuant to which he receives a base salary of $100,000 per year plus annual increases as determined by the Board of Directors. His salary was increased to $120,000 beginning the year ended December 31, 1996. The employment agreement is automatically extended for additional one-year periods unless 60 days' notice of the intention not to extend is given by either party. Ronald S. Boreta also receives the use of an automobile, for which the Company pays all expenses, and full medical and dental coverage. The Company also pays

all dues and expenses for membership at a local country club at which Ronald S. Boreta entertains business contacts for the Company. Ronald S. Boreta has agreed that for a period of three years from the

termination of his employment agreement that he will not engage in a trade or business similar to that of the Company.

SUPPLEMENTAL RETIREMENT PLAN

In November 1996, the Company and its majority shareholder, SPEN established a Supplemental Retirement Plan, pursuant to which certain employees selected by the Company's Chief Executive Officer received benefits based on the amount of compensation elected to be deferred by the employee and the amount of contributions made on behalf of the employee by the Company.

For 2001, the Company made or accrued contributions to the Supplemental Retirement Plan on behalf of Ronald S. Boreta (the President of the Company) in the amount of $3,000. Contributions to this plan ceased in 2002 due to cash flow constraints.

1998 STOCK INCENTIVE PLAN

During October 1998, the Board of Directors approved, subject to stockholder approval, the 1998 Stock Incentive Plan (the "Plan"), and the Company's shareholders approved the Plan in December 1998.

The purpose of the Plan is to advance the interests of the Company and its subsidiary by enhancing their ability to attract and retain employees and other persons or entities who are in a position to make significant contributions to the success of the Company and its subsidiary, through ownership of shares of stock of the Company and cash incentives. The Plan is intended to accomplish these goals by enabling the Company to grant awards in the form of options, stock appreciation rights, restricted stock or unrestricted stock awards, deferred stock awards, or performance awards (in cash or stock), other stock-based awards, or combinations thereof, all as more fully described below. Up to 750,000 shares of stock may be issued under the Plan.

GENERAL

The Plan is administered, and awards are granted, by the Company's Board. Key employees of the Company and its subsidiary and other persons or entities, not employees of the Company and its subsidiary, who are in a position to make a significant contribution to the success of the Company or its subsidiary are eligible to receive awards under the Plan. In addition, individuals who have accepted offers of employment from the Company and who the Company reasonably believes will be key employees upon commencing employment with the Company are eligible to receive awards under the Plan.

STOCK OPTIONS. The exercise price of an incentive stock option granted under the Plan or an option intended to qualify for the performance-based compensation exception under Section 162(m) of the Code may not be less than 100% of the fair market value of the stock at the time of grant. The exercise price of a non-incentive stock option granted under the Plan is determined by the Board. Options granted under the Plan will expire and terminate not later than 10 years from the date of grant. The exercise price may be paid in cash or by check, bank draft or money order, payable to the order of the Company. Subject to certain additional limitations, the Board may also permit the exercise price to be paid with Stock, a promissory note, an undertaking by a broker to deliver promptly to the Company sufficient funds to pay the exercise price, or a combination of the foregoing.

STOCK APPRECIATION RIGHTS. Stock appreciation rights ("SAR") may be granted either alone or in tandem with stock option grants. Each SAR entitles

the holder on exercise to receive an amount in cash or stock or a combination thereof (such form to be determined by the Board) determined in whole or in part by reference to appreciation in the fair market value of a share of stock. SAR may be based solely on appreciation in the fair market value of stock or on a comparison of such appreciation with some other measure of market growth. The data at which such appreciation or other measure is determined shall be the exercise date unless the Board specifies another date. If an SAR is granted in tandem with an option, the SAR will be exercisable only to the extent the option is exercisable. To the extent the option is exercised, the accompanying SAR will cease to be exercisable, and vice versa. An SAR not granted in tandem with an option will become exercisable at such time or times, and on such conditions, as the Board may specify.

On February 16, 1999, the Board approved an award to Ronald S. Boreta, President of the Company, of SAR equal to 125,000 shares independent of any stock option under the Company's 1998 Stock Incentive Plan. The base value of the SAR shall be equal to $6 per share; however, no SAR may be exercised unless and until the market price of the Company's common stock equals or exceeds $10 per share. Amounts to be paid under this agreement are solely in cash and are not to exceed $500,000. The SAR expires on October 26, 2008.

RESTRICTED AND UNRESTRICTED STOCK AWARDS: DEFERRED STOCK. The Plan provides for awards of nontransferable shares of restricted stock subject to forfeiture ("Restricted Stock"), as well as awards of unrestricted shares of stock. Except as otherwise determined by the Board, shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated until the end of the applicable restriction period and the satisfaction of any other conditions or restrictions established by the Board. Other awards under the Plan may also be settled with Restricted Stock. The Plan also provides for deferred grants entitling the recipient to receive shares of stock in the future at such times and on such conditions as the Board may specify.

OTHER STOCK-BASED AWARDS. The Board may grant other types of awards under which stock is or may in the future be acquired. Such awards may include debt securities convertible into or exchangeable for shares of stock upon such conditions, including attainment of performance goals, as the Board may determine.

PERFORMANCE AWARDS. The Plan provides that at the time any stock options, SAR, stock awards (including restricted stock, unrestricted stock or deferred stock) or other stock-based awards are granted, the Board may impose the additional condition that performance goals must be met prior to the participant's realization of any vesting, payment or benefit under the award. In addition, the Board may make awards entitling the participant to receive an amount in cash upon attainment of specified performance goals.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The following table sets forth, as of April 7, 2008, the stock ownership of each person known by the Company to be the beneficial owner of five percent or more of the Company's common stock, each Officer and Director individually, and all Directors and Officers of the Company as a group. Except as noted, each person has sole voting and investment power with respect to the shares shown.

AMOUNT AND

NAME AND ADDRESS OF BENEFICIAL OWNERS	NATURE OF BENEFICIAL OWNERSHIP	PERCENT OF CLASS
Ronald S. Boreta 6730 South Las Vegas Blvd. Las Vegas, Nevada 89119	650,484 (1)	18.6%
ASI Group LLC (5) c/o Agassi Enterprises, Inc. Suite 750 3960 Howard Hughes Parkway Las Vegas, NV 89109	637,044 (6)	18.2%
John Boreta 6730 South Las Vegas Blvd. Las Vegas, Nevada 89119	500,439 (2)	14.3%
Boreta Enterprises, Ltd. 6730 South Las Vegas Blvd. Las Vegas, Nevada 89119	360,784 (4)	10.3%
Vaso Boreta 6730 South Las Vegas Blvd. Las Vegas, Nevada 89119	3,853 (3)	0.1%
Robert R. Rosburg 49-425 Avenida Club La Quinta La Quinta, CA 92253	35,383	--
William Kilmer 1853 Monte Carlo Way Coral Springs, FL 33071	35,383	--
All Directors and Officers as a Group (4 persons)	725,103 (7)	20.7%

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(1) Includes 402,229 shares held directly and 248,255 shares which represents Ronald Boreta's share of the Common Stock held by Boreta Enterprises Ltd.

(2) Includes 391,735 shares held directly, and 108,704 shares which represents John Boreta's share of the Common Stock held by Boreta Enterprises Ltd.

(3) Includes 28 shares held directly, and 3,825 shares which represents Vaso Boreta's share of the Common Stock held by Boreta Enterprises Ltd.

(4) Direct ownership of shares held by Boreta Enterprise Ltd., a limited liability company owned by Vaso, Ronald and John Boreta. Boreta Enterprises Ltd. percentage ownership is as follows:

Ronald S. Boreta	68.81%
John Boreta	30.13%
Vaso Boreta	1.06%

(5) ASI Group LLC is a Nevada limited liability company whose members are Andre K. Agassi and Perry Craig Rogers.

(6) All shares are owned directly.

(7) Includes shares beneficially held by the four named Directors and executive officers.

EQUITY COMPENSATION PLAN INFORMATION

The following table summarizes share and exercise price information about the Company's equity compensation plans as of December 31, 2007:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	-0-	--	750,000
Equity compensation plans not approved by security holders	--	--	--
Total	-0-	--	750,000

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

The Company provides administrative/accounting support for (a) The Company Chairman's two wholly-owned golf retail stores, both named Las Vegas Discount Golf and Tennis (the "Paradise Store" and "Rainbow Store"), b) three golf retail stores, two of which are named Saint Andrews Golf Shop ("SAGS") and the other is a Las Vegas Discount Golf and Tennis ("District Store"), owned by the Company's President and his brother, and (c) SPEN until February 2005. One of the SAGS stores is the retail tenant in the CGC. Administrative/ accounting payroll and employee benefits are allocated based on an annual review of the personnel time expended for each entity. Amounts allocated to these related parties by the Company approximated $55,000 and $47,500 in 2006 and 2005, respectively.

The Company has various notes payable to the Paradise Store. These notes are due in varying amounts on December 1 each year through year 2008. These notes bear interest at 10% per annum and are secured by the assets of the

Company. The note payable and accrued interest payable balance at December 31, 2007 was $3,363,473 and $2,532,420, respectively. In December 2007, three notes totaling $110,000 and the related party interest of $102,788 were to mature but an extension was granted until June 30, 2008. The notes will continue to accrue interest at 10%. In December 2006, four notes totaling $220,000 and the related party interest of $223,651 were to mature but the maturity dates were extended until March 31, 2007 and these notes will continue to accrue interest at 10% per annum. These notes were also extended until June 30, 2008. In December 2005, Vaso Boreta, Chairman of the Board and owner of the Paradise Store, forgave the current note balance due then including the related interest totaling $617,690, and also agreed to not accelerate the maturities of the remaining notes due to these defaults.

In 2004, BE Holdings 1, LLC, which is owned by Vaso Boreta, Chairman of the Board, advanced the Company $100,000 to fund operations. This note accrues interest at 10% per annum and is payable out of available cash flows, if any.

In 2005, SAGS loaned the Company approximately $445,000, to fund operations, of which approximately $390,000 is due prior to December 31, 2005 and $55,000 is payable out of available cash flows, if any. Interest accrues at 10% per annum.

Also in 2005, ANR, LLC ("ANR"), advanced the Company $800,000, to complete the settlement of action involving Sierra SportService Inc. ANR is owned by Andre K. Agassi and Perry Craig Rogers. Messrs. Agassi and Rogers are also owners of ASI Group LLC, which is a principal shareholder of the Company. The promissory notes representing these obligations are due on demand and are personally guaranteed by Ronald S. Boreta, the Company's President. Interest accrues at 5% per annum and the note including related interest is payable on demand.

In 2006, SAGS loaned the Company approximately $140,000, to fund operations and of this amount $75,000 was repaid during the year. Interest accrues at 10% per annum on these notes. SAGS purchased a new telephone system for the Company, the other SAGS store and the three Las Vegas Discount and Tennis stores. The Company recorded a loan from SAGS for its portion of the telephone system of $26,533 in November 2006 and this loan accrues interest at 10% per annum. In addition in December 2006, the "District Store" loaned $50,000 to the company for operations and interest accrues at 10% per annum.

In 2007, SAGS loaned the company approximately $76,000, to fund operations. The District Store loaned $135,000 to the company for operations. Interest accrues at 10% per annum on these notes.

The Company's Board of Directors believes that the terms of the above transactions were on terms no less favorable to the Company than if the transactions were with unrelated third parties.

ITEM 13. EXHIBITS

EXHIBIT NUMBER	DESCRIPTION	LOCATION
2	Agreement for the Purchase and Sale of Assets, as amended	Incorporated by reference to Exhibit 10 to the Registrant's Current Report on Form 8-K dated February 26, 1997

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3.1	Restated Articles of Incorporation	Incorporated by reference to Exhibit 3.1 to the Registrant's Form SB-2 Registration Statement (No. 33-84024)
3.2	Certificate of Amendment to Articles of Incorporation	Incorporated by reference to Exhibit 3.2 to the Registrant's Form SB-2 Registration Statement No. 33-84024)
3.3	Revised Bylaws	Incorporated by reference to Exhibit 3.3 to the Registrant's Form SB-2 Registration Statement (No. 33-84024)
3.4	Certificate of Amendment Articles of Incorporation Series A Convertible Preferred	Incorporated by reference to Exhibit 3.4 to the Registrant's Annual report on Form 10-KSB for the year ended December 31, 1998
3.5	Certificate of Designation Series B Convertible Preferred	Incorporated by reference to Exhibit 3.5 to the Registrant's Annual Report on Form 10-KSB for the year ended December 31, 1998
3.6	Certificate of Amendment to Articles of Incorporation - Name change	Incorporated by reference to Exhibit 3.6 to the Registrant's Annual Report on Form 10-KSB for the year ended December 31, 1998
10.1	Employment Agreement with Ronald S. Boreta	Incorporated by reference to Exhibit 10.1 to the Registrant's Form SB-2 Registration Statement (No. 33-84024)
10.2	Stock Option Plan	Incorporated by reference to Exhibit 10.2 to the Registrant's Form SB-2 Registration Statement (No. 33-84024)
10.3	Promissory Note to Vaso Boreta	Incorporated by reference to Exhibit 10.11 to the Registrant's Form SB-2 Registration Statement (No. 33-84024)
10.4	Lease Agreement between Urban Land of Nevada and All-American Golf Center, LLC	Incorporated by reference to Exhibit 10.17 to the Registrant's Form SB-2 Registration Statement (No. 33-84024)
10.5	Operating Agreement for All-American Golf, LLC, a limited liability Company	Incorporated by reference to Exhibit 10.18 to the Registrant's Form SB-2 Registration Statement (No. 33-84024)
10.6	Lease and Concession Agreement with Sportservice Corporation	Incorporated by reference to Exhibit 10.20 to the Registrant's Form SB-2 Registration Statement (No. 33-84024)

10.7	Promissory Note of All-American SportPark, Inc. for $3 million payable to Callaway Golf Company	Incorporated by reference to Exhibit 10.23 to the Registrant's Annual Report on Form 10-KSB for the year ended December 31, 1998
10.8	Guaranty of Note to Callaway Golf Company	Incorporated by reference to Exhibit 10.24 to the Registrant's Annual Report on Form 10-KSB for the year ended December 31, 1998
10.9	Forbearance Agreement dated March 18, 1998 with Callaway Golf Company	Incorporated by reference to Exhibit 10.25 to the Registrant's Annual Report on Form 10-KSB for the year ended December 31, 1998
10.10	Promissory Note to Saint Andrews Golf, Ltd.	Incorporated by reference to Exhibit 10.10 to the Registrant's Annual Report on Form 10-KSB for the year ended December 31, 2005
10.11	Promissory Note to BE Holdings I, LLC	Incorporated by reference to Exhibit 10.11 to the Registrant's Annual Report on Form 10-KSB for the year ended December 31, 2005
10.12	Promissory Notes to BE District, LLC and Saint Andrews Golf Shop Ltd. during 2007	Filed herewith electronically
14	Code of Ethics	Filed herewith electronically
21	Subsidiaries of the Registrant	Incorporated by reference to Exhibit 21 to the Registrant's Form SB-2 Registration Statement (No. 33-84024)
23.1	Consent of L.L. Bradford & Company, LLC	Filed herewith electronically
31	Certification of Chief Executive Officer and Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith electronically
32	Certification of Chief Executive Officer and Principal Financial Officer Pursuant to Section 18 U.S.C. Section 1350	Filed herewith electronically

ITEM 14. PRINCIPAL ACCOUNTANTS' FEES AND SERVICES.

AUDIT FEES

The aggregate fees billed for each of the last two fiscal years ended December 31, 2007 and 2006 by LL Bradford for professional services rendered for the audit of the Company's annual financial statements and review of financial statements included in the Company's quarterly reports on Form 10-QSB were $36,000 and $36,000, respectively.

AUDIT RELATED FEES

None.

TAX FEES

The aggregate fees billed for tax services rendered by L.L. Bradford tax compliance and tax advice for the two fiscal years ended December 31, 2007 and 2006, were $5,000 and $5,000, respectively.

ALL OTHER FEES

None.

AUDIT COMMITTEE PRE-APPROVAL POLICY

Under provisions of the Sarbanes-Oxley Act of 2002, the Company's principal accountant may not be engaged to provide non-audit services that are prohibited by law or regulation to be provided by it, and the Board of Directors (which serves as the Company's audit committee) must pre-approve the engagement of the Company's principal accountant to provide audit and permissible non-audit services. The Company's Board has not established any policies or procedures other than those required by applicable laws and regulations.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders
All-American SportPark, Inc
Las Vegas, Nevada

We have audited the accompanying consolidated balance sheet of All-American SportPark, Inc and Subsidiary (the Company) as of December 31, 2007 and 2006, and the related consolidated statements of operations, stockholders' deficit, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of All-American SportPark, Inc and Subsidiary as of December 31, 2007 and 2006, and the results of its activities and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1d to the consolidated financial statements, the Company's current liabilities exceed current assets and has incurred recurring losses, all of which raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regards to these matters are also described in Note 1d. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ L.L. Bradford & Company, LLC

L.L. Bradford & Company, LLC
April 11, 2008
Las Vegas, Nevada

ALL-AMERICAN SPORTPARK, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2007 AND 2006

ASSETS

	2007	2006
Current assets:		
Cash	$ -	$ 44,914
Accounts receivable	5,667	5,446
Prepaid expenses and other	5,473	4,345
	11,140	54,705
Leasehold improvements and equipment, net	972,127	937,501
Other assets	-	-
	$ 983,267	$ 992,206

ALL-AMERICAN SPORTPARK, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2007 AND 2006
(CONTINUED)

LIABILITIES AND SHAREHOLDERS' EQUITY DEFICIENCY

	2007	2006
Current liabilities:		
Bank Overdraft	$ 53,473	$ -
Current portion of notes payable to related parties	5,205,504	1,966,156
Current portion of other long-term debt	71,558	87,866
Interest payable to related parties	2,957,454	594,486
Accounts payable and accrued expenses	193,159	280,940
	8,481,148	2,929,448
Notes payable to related parties, net of current portion	121,035	3,361,963
Other long-term debt, net of current portion	-	71,558
Interest payable to related parties	31,666	1,902,300
Due to related parties	1,011,952	944,391
Deferred income	-	6,667
Deferred rent liability	681,887	644,659
	10,327,688	9,860,986
Minority interest in subsidiary	-	-
Shareholders' equity deficiency:		
Series B Convertible Preferred Stock, $.001 par value, no shares issued and outstanding	-	-
Common Stock, $.001 par value, 10,000,000 shares authorized, 3,502,000 and 3,502,000 shares issued and outstanding at December 31, 2007 and 2006, respectively	3,502	3,502
Additional paid-in capital	13,677,008	13,327,173
Deficit	(23,024,931)	(22,199,455)
	(9,344,421)	(8,868,780)
	$ 983,267	$ 992,206

The accompanying notes are an integral part of these consolidated financial statements.

ALL-AMERICAN SPORTPARK, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
Revenues	$ 2,238,658	$ 2,207,979
Cost of revenues	641,934	597,763
Gross profit	1,596,724	1,610,216
Operating expenses:		
Selling, general and administrative	2,099,458	2,066,560
Depreciation and amortization	82,442	74,828
Total operating expenses	2,181,900	2,141,388
Operating loss	(585,176)	(531,172)
Interest expense, net	(541,270)	(504,547)
Gain on Extinguishment of Debt	-	(11,033)
Other income loss	300,970	(812)
Loss before minority interest	(825,476)	(1,047,564)
Minority interest in loss of subsidiary	-	-
Net loss	$ (825,476)	$(1,047,564)
NET LOSS PER SHARE:		
Basic and diluted net loss per share	$ (0.24)	$ (0.30)

The accompanying notes are an integral part of these consolidated financial statements.

ALL-AMERICAN SPORTPARK, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY DEFICIENCY
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	COMMON STOCK	ADDITIONAL PAID-IN CAPITAL	DEFICIT	TOTAL
Balances, January 1, 2006	$ 3,400	$13,306,875	$(21,151,901)	$(7,841,626)
Stock issuance	102	20,298		20,400
Net loss			(1,047,554)	(1,047,554)
Balances, December 31, 2006	$ 3,502	$13,327,173	$(22,199,455)	$(8,868,780)
Capital contribution in the form of debt extinguishment		349,835		349,835
Net loss			(825,476)	(825,476)
Balances, December 31, 2007	$ 3,502	$13,677,008	$(23,024,931)	$(9,344,421)

The accompanying notes are an integral part of these consolidated financial statements.

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ALL-AMERICAN SPORTPARK, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (825,476)	$(1,047,554)
Adjustment to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	82,442	74,828
Bad debts	-	11,033
Stock based compensation	-	20,400
Increase in operating (assets) and liabilities:		
Accounts receivable	(221)	(2,782)
Prepaid expenses and other assets	(1,128)	23,017
Accounts payable and accrued expenses	(87,781)	57,603
Interest payable to related parties	492,334	480,964
Decrease in deferred income	(6,667)	6,667
Increase in deferred rent liability	37,228	48,175
Net cash used in operating activities	(309,269)	(327,648)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of capital assets	(117,068)	(41,319)
Proceeds from sale of stock	-	113,967
Net cash provided by (used in) investing activities	(117,068)	(72,648)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from bank overdraft	$ 53,473	$ -
Increase in due to related parties	501,396	224,185
Proceeds of loan from related parties	121,876	216,522
Principal payments on notes payable related parties	(207,456)	(75,000)
Principal payments on other notes payable	(87,866)	(79,957)
Net cash provided by financing activities	381,423	285,750
NET INCREASE IN CASH	(44,914)	30,750
Cash, beginning of year	44,914	14,164
Cash, end of year	$ -	$ 44,914
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	$ 12,134	$ 20,043
SCHEDULE OF NON-CASH FINANCING ACTIVITY:		
Capital contributions in the form of debt extinguishment	$ 349,835	$ -

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The accompanying notes are an integral part of these consolidated financial statements.

ALL-AMERICAN SPORTPARK, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATIONAL STRUCTURE AND BASIS OF PRESENTATION

a. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements of All-American SportPark, Inc. ("AASP"), include the accounts of AASP and its 65%-owned subsidiary, All-American Golf Center, Inc. ("AAGC"), collectively the "Company". Urban Land of Nevada, Inc. ("Urban Land") owns the remaining 35% of AAGC. All significant intercompany accounts and transactions have been eliminated. The Company's business operations consists solely of the Callaway Golf Center ("CGC") are included in AAGC.

b. BUSINESS ACTIVITIES

The CGC includes the Divine Nine par 3 golf course fully lighted for night golf, a 110-tee two-tiered driving range, a 20,000 square foot clubhouse which includes the Callaway Golf fitting center and two tenants: the St. Andrews Golf Shop retail store, and a restaurant.

Because our business activities are not structured on the basis of different services provided, the above activities are reviewed, evaluated and reported as a single reportable segment. The Company is based in and operates solely in Las Vegas, Nevada, and does not receive revenues from other geographic areas although its tourist customers come from elsewhere. No one customer of the Company comprises more than 10% of the Company's revenues.

c. CONCENTRATIONS OF RISK

The Company has implemented various strategies to market the CGC to Las Vegas tourists and local residents. Should attendance levels at the CGC not meet expectations in the short-term, management believes existing cash balances would not be sufficient to fund operating expenses and debt service requirements for at least the next 12 months.

d. GOING CONCERN MATTERS

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As shown in the accompanying consolidated financial statements, for 2007 and 2006, the Company had net loss of $825,476 and $1,047,564, respectively. As of December 31, 2007, the Company had a working capital deficit of $8,470,008 and a shareholders' equity deficiency of $9,344,421.

AASP management believes that its continuing operations may not be sufficient to fund operating cash needs and debt service requirements over at least the next 12 months. As such, management plans on seeking other sources of funding including the restructuring of current debt as needed, which may include Company officers or directors and/or other related parties. In addition, management continues to analyze all operational and administrative costs of the Company and has made and will continue to make the necessary cost

reductions as appropriate. The inability to build attendance to profitable levels beyond a 12-month period may require the Company to seek additional

debt, restructure existing debt or equity financing to meet its obligations as they come due. There is no assurance that the Company would be successful in securing such debt or equity financing in amounts or with terms acceptable to the Company.

Nevertheless, management continues to seek out financing to help fund working capital needs of the Company. In this regard, management believes that additional borrowings against the CGC could be arranged although there can be no assurance that the Company would be successful in securing such financing or with terms acceptable to the Company.

Among its alternative courses of action, management of the Company may seek out and pursue a business combination transaction with an existing private business enterprise that might have a desire to take advantage of the Company's status as a public corporation. There is no assurance that the Company will acquire a favorable business opportunity through a business combination. In addition, even if the Company becomes involved in such a business opportunity, there is no assurance that it would generate revenues or profits, or that the market price of the Company's common stock would be increased thereby.

The consolidated financial statements do not include any adjustments relating to the recoverability of assets and the classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

e. ESTIMATES USED IN THE PREPARATION OF FINANCIAL STATEMENTS

Preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that may require revision in future periods.

f. CORRECTION OF AN ERROR - PRIOR PERIOD ADJUSTMENTS

On March 10, 2008, the President and Principal Financial and Accounting Officer of All-American SportPark, Inc. (the "Company") concluded that the previously issued financial statements contained in the Company's Annual Report on Form 10-KSB for the year ended December 31, 2006, and its Quarterly Reports on Form 10-QSB for the quarters ended March 31, 2007; June 30, 2007 and September 30, 2007 should not be relied upon because of the accounting errors contained therein. In particular the Company had determined that it had not correctly accounted for its land lease in accordance with Statement of Financial Accounting Standards No. 13 - Accounting for Leases ("SFAS 13"). SFAS 13 provides that operating leases with fixed rent escalations should be recognized on a straight-line basis over the lease term.

Amendments have been filed to restate the previously issued financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. STOCK BASED COMPENSATION

In December 2004, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 123 (revised 2004),

("SFAS 123R"), Share-Based Payment. This statement replaces SFAS 123, Accounting for Stock-Based Compensation, and supersedes Accounting Principles Board's Opinion No. 25 ("ABP 25"), Accounting for Stock Issued to Employees. The Company implemented "SFAS 123R" as of December 31, 2005 as required by the standard. SFAS 123R requires the Company to measure the cost of employee

stock-based compensation awards granted based on the grant date fair value of those awards and to record that cost as compensation expense over the period during which the employee is required to perform services in exchange for the award (generally over the vesting period of the award). Since all the Company's outstanding employee stock options are all fully vested and none fall under Accounting Principles Board Opinion No. 25, the adoption of SFAS 123R's fair value method did not have any impact on the Company's financial statements with regard to currently outstanding options.

b. LEASEHOLD IMPROVEMENTS AND EQUIPMENT

Leasehold improvements and equipment (Note 5) are stated at cost. Depreciation and amortization is provided for on a straight-line basis over the lesser of the lease term (including renewal periods, when the Company has both the intent and ability to extend the lease) or the following estimated useful lives of the assets:

Furniture and equipment	3-10 years
Leasehold improvements	15-25 years

c. ADVERTISING

The Company expenses advertising costs as incurred. Advertising costs charged to continuing operations amounted to $35,200 and $28,200 in 2007 and 2006, respectively.

d. REVENUES

Lease and sponsorship revenues are recognized as appropriate when earned. Substantially all other revenues including golf course green fees, driving range ball rentals and golf cart rentals, are recognized when received as they are payments for services provided on the same day.

e. COST OF REVENUES

Cost of revenues is primarily comprised of golf course and driving range employee payroll and benefits, operating supplies (e.g., driving range golf balls and golf course score-cards, etc.), and credit card/check processing fees.

f. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses consist principally of management, accounting and other administrative employee payroll and benefits, land lease expense, utilities, landscape maintenance costs, and other expenses (e.g., office supplies, marketing/advertising, and professional fees, etc.).

g. IMPAIRMENT OF LONG-LIVED ASSETS

Long-lived assets, including property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the long-lived asset may not be recoverable. If the long-lived asset or group of assets is considered to be impaired, an impairment charge is recognized for the amount by which the carrying amount of the asset

or group of assets exceeds its fair value. Long-lived assets to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell. Long-lived assets were evaluated for possible impairment and determined not to be impaired as of December 31, 2007.

h. LEGAL DEFENSE COSTS

The Company does not accrue for estimated future legal and related defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but rather, records such as period costs when the services are rendered.

i. Recent Accounting Policies

In September 2006, the FASB issued FASB Statement No. 157, "Fair Value Measurements" (SFAS 157). The standard provides guidance for using fair value to measure assets and liabilities. The standard also responds to investors' requests for expanded information about the extent to which companies measure assets and liabilities at fair value, the information used to measure fair value, and the effect of fair value measurements on earnings. The standard applies whenever other standards require or permit assets or liabilities to be measured at fair value. The standard does not expand the use of fair value in any new circumstances. SFAS 157 must be adopted prospectively as of the beginning of the year it is initially applied. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Company is currently evaluating the impact this standard will have on its consolidated financial statements.

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" (SFAS 159). SFAS 159 allows entities the option to measure eligible financial instruments at fair value as of specified dates. Such election, which may be applied on an instrument by instrument basis, is typically irrevocable once elected. SFAS 159 is effective for fiscal years beginning after November 15, 2007, and early application is allowed under certain circumstances.

The Company does not expect the adoption of SFAS 159 to have a material impact on its consolidated financial statements.

In December 2007, the FASB issued SFAS No. 141 (revised 2007), "Business Combinations" (SFAS 141R) which replaces SFAS No. 141. SFAS 141R retains the purchase method of accounting for acquisitions, but requires a number of changes, including changes in the way assets and liabilities are recognized in the purchase accounting. It also changes the recognition of assets acquired and liabilities assumed arising from contingencies, requires the capitalization of in-process research and development at fair value, and requires the expensing of acquisition-related costs as incurred. SFAS 141R is effective for the Company beginning January 1, 2009 and will apply prospectively to business combinations completed on or after that date. The Company does not expect the adoption of SFAS 141R to have a material impact on its consolidated financial statements.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB 51" (SFAS 160) which changes the accounting and reporting for minority interests. Minority interests will be recharacterized as noncontrolling interests and will be reported as a component of equity separate from the parent's equity, and purchases or sales of equity interests that do not result in a change in

control will be accounted for as equity transactions. In addition, net income attributable to the noncontrolling interest will be included in consolidated net income on the face of the income statement and, upon a loss of control, the interest sold, as well as any interest retained, will be recorded at fair

value with any gain or loss recognized in earnings. SFAS No. 160 is effective for the Company beginning January 1, 2009 and will apply prospectively, except for the presentation and disclosure requirements, which will apply retrospectively. The Company does not expect the adoption of SFAS 160 to have a material impact on its consolidated financial statements.

3. LOSS PER SHARE

Loss per share is computed by dividing reported net loss by the weighted average number of common shares outstanding during the period. Common equivalent shares are not used to compute a diluted loss per share because to do so would be anti-dilutive for the period ending December 31, 2007 and 2006. The weighted-average number of common shares used in the calculation of basic loss per share was 3,502,000 and 3,502,000 in 2007 and 2006.

4. RELATED PARTY TRANSACTIONS

The Company provides administrative/accounting support for (a) two golf retail stores wholly-owned by the Company's Chairman, both named Las Vegas Discount Golf and Tennis (the "Paradise Store" and "Rainbow Store"), b) three golf retail stores, two of which are named Saint Andrews Golf Shop ("SAGS")and the other is a Las Vegas Discount Golf and Tennis ("District Store"), owned by the Company's President and his brother, and (c) Sports Entertainment Enterprises, Inc. until February 2005. One of the SAGS stores is the retail tenant in the CGC. Administrative/accounting payroll and employee benefits are allocated based on an annual review of the personnel time expended for each entity. Amounts allocated to these related parties by the Company approximated $93,000 and $55,000 in 2007 and 2006, respectively.

The Company has various notes payable to the Paradise Store. These notes are due in varying amounts on December 1 each year through year 2008. The notes bear interest at 10% per annum and are secured by the assets of the Company. The note payable and accrued interest payable balances at December 31, 2007, were $3,363,473 and $2,532,420 respectively. Eric, do you want me to add 2006 interest and note payable? Currently I am just showing 2007. In December 2007, three notes totaling $110,000 with related party interest of $102,788 were to mature, but an extension was granted until June 30, 2008. The interest will continue to accrue at 10%. In December 2006, four notes totaling $220,000 and the related interest of $245,651 were to mature but the maturity dates were extended until March 31, 2007 and these notes will continue to accrue interest at 10% per annum. These notes were also extended to June 30, 2008.

Also in 2004, BE Holdings 1, LLC, which is owned by Vaso Boreta, Chairman of the Board, advanced the Company $100,000 to fund operations. This note accrues interest at 10% per annum and is payable only out of available cash flows, if any.

In 2007, SAGS loaned the company approximately $76,000, to fund operations. The "District Store" loaned $135,000 to the company for operations. Interest accrues at 10% per annum on these notes.

In 2006, SAGS loaned the Company approximately $140,000 to fund operations, of which the entire balance is due prior to December 31, 2007 and interest accrued at 10% per annum. The Company repaid $75,000 of these loans in August

of 2006. In 2005, SAGS loaned the Company approximately $445,000 to fund operations, of which approximately $390,000 is due prior to December 31, 2006, and an additional $55,000 is payable only out of available cash flows, if any. These notes remain outstanding as of December 31, 2007. Interest continues to

accrue at 10% per annum. In December 2006, "District Store" loaned $50,000 to the company for operations and interest accrues at 10% per annum.

Also in 2005, ANR, LLC ("ANR"), advanced the Company $800,000, to complete the settlement of action involving Sierra SportService Inc. Andre K. Agassi and Perry Craig Rogers own ANR. Messrs. Agassi and Rogers are also owners of ASI Group LLC, which is a principal shareholder of the Company. The promissory notes representing these obligations are personally guaranteed by Ronald S. Boreta, the Company's President. Interest accrues at 5% per annum, and the notes, including related interest, are payable on demand. The interest payable as of December 31, 2007 is $84,250

Aggregate maturities of related party notes and the related accrued interest payable for the five years subsequent to December 31, 2007, are as follows:

2008	8,162,958
2009	--
2010	--
2011	--
Thereafter	152,701
	$ 8,315,659

At December 31, 2007, the Company has no loans or other obligations with restrictive debt or similar covenants.

5. LEASEHOLD IMPROVEMENTS AND EQUIPMENT

Leasehold improvements and equipment included the following as of December 31:

	2007	2006
Building	$ 252,866	$ 252,866
Land improvements	540,098	450,390
Furniture and equipment	278,233	257,174
Signs	208,688	208,688
Other leasehold improvements	332,700	326,400
Other	40,179	40,179
	1,652,764	1,535,697
Less accumulated depreciation and amortization	(680,638)	(598,196)
	$ 972,126	$ 937,501

6. OTHER LONG-TERM DEBT

The Company has outstanding a promissory note payable to an unrelated party,

due in quarterly installments of $25,000 through September 2008 without interest. This note has been discounted to reflect its present value.

Aggregate maturities of this obligation subsequent to December 31, 2007, are as follows:

2008	71,558
Balance, which is net of unamortized discount of $3,442	$ 71,558

7. LEASES

The land underlying the CGC is leased under an operating lease that expires in 2012 and has two five-year renewal options. In March 2006, the company exercised the first of two options, extending the lease to 2018. Also, the lease has a provision for contingent rent to be paid by AAGC upon reaching certain levels of gross revenues. The Company recognizes the minimum rental expense on a straight-line basis over the term of the lease.

The Company is obligated under various other non-cancelable operating leases for equipment that expire over the next five years.

At December 31, 2007, minimum future lease payments under non-cancelable operating leases are as follows:

2008	509,695
2009	509,695
2010	502,954
2011	481,673
Thereafter	521,812
Total	$2,525,829

Total rent expense for all operating leases was $486,060 for 2007 and $520,326 for 2006.

8. INCOME TAXES

Income tax expense (benefit) consists of the following:

	2007	2006
Current	$ (280,662)	$ (355,837)
Deferred	280,662	355,837
	$ -	$ -

The components of the deferred tax asset (liability) consisted of the following at December 31:

	2007	2006
Deferred tax liabilities:		
Temporary differences related to:		
Depreciation	$ (243,540)	$ (206,571)
Deferred tax assets:		
Net operating loss carryforward	6,846,752	6,566,090
Related party interest	1,010,379	842,645
Deferred income	-	2,267
Deferred rent liability	231,842	219,184
Other	-	-
Net deferred tax asset before valuation allowance	7,624,997	7,215,837
Valuation allowance	(7,624,997)	(7,215,837)
	$ -	$ -

As of December 31, 2007 and 2006, the Company has available for income tax purposes approximately $20.1 and $19.3 million respectively in federal net operating loss carryforwards, which may be available to offset future taxable income. These loss carryforwards expire in 2019 through 2027. The Company may be limited by Internal Revenue Code Section 382 in its ability to fully utilize its net operating loss carryforwards due to possible future ownership changes. A 100% valuation allowance has been effectively established against the net deferred tax asset since it appears more likely than not that it will not be realized.

The provision (benefit) for income taxes attributable to income (loss) from continuing operations does not differ materially from the amount computed at the federal income tax statutory rate.

9. CAPITAL STOCK, STOCK OPTIONS, AND INCENTIVES

a. CAPITAL STOCK

Urban Land has a 35% ownership interest in the Company's subsidiary, AAGC, which owns and operates the CGC. In connection with the issuance of the 35% interest in AAGC to Urban Land, the Company and Urban Land entered into a Stockholders Agreement that provides certain restrictions and rights on the AAGC shares issued to Urban Land. Urban Land is permitted to designate a non-voting observer of meetings of AAGC's board of directors. In the event of an uncured default of the CGC land lease, so long as Urban Land holds at least a 25% interest in AAGC, Urban Land will have the right to select one director of AAGC. As to matters other than the election of Directors, Urban Land has agreed to vote its shares of AAGC as designated by the Company.

There are no unusual rights or privileges related to the ownership of the Company's common stock.

In October 2006, the Company issued a total of 102,000 share of common stock to three persons in a private transaction. The shares were issued to two

members of the Company's Board of Directors and one employee in exchange for their prior services to the Company. Since the shares were issued for prior services, the Company expensed the stock issuance as director fees and bonus expense based upon on the grant date fair value of the stock issued totaling $20,400.

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b. STOCK OPTION PLANS

The Company's Board of Directors adopted an incentive stock option plan in 1994(the "1994 Plan").

In 1996, 325,000 options were granted to the Company's President under the 1994 Plan at an exercise price of $3.06, the fair market value on the grant date. These options expired unexercised in April 2001. Because of this expiration, 325,000 new options were granted to the Company's President at an exercise price of $0.055, the market value on the date of grant; these options expired in April 2006.

In April 2000, 50,000 options were granted at an exercise price of $0.8125 per share, the closing market price on the date of grant. These options expired unexercised in April 2005.

In 1998, the Board of Directors and shareholders approved the 1998 stock incentive plan (the "1998 Plan").

Pursuant to the 1998 Plan, in 1999, the Board of Directors of the Company approved an award to the President of the Company, stock appreciation rights ("SAR") equal to 125,000 shares independent of any stock option under the Plan. The base value of the SAR is $6 per share, however no SAR may be exercised unless and until the market price of the Company's common stock equals or exceeds $10 per share. Amounts to be paid under this agreement are solely in cash and are not to exceed $500,000. The SAR will expire on October 26, 2008.

In 1998, Urban Land of Nevada Inc. (Urban Land) (Note 10), the landlord of the property underlying the CGC, was granted 75,000 stock options. These options are exercisable at $4.00 per share through the year 2008. 10,000 of these options vested upon grant of the options, and 10,000 per year thereafter until fully vested.

A summary of changes in the status of the Company's outstanding stock options for the years ended December 31, 2007 and 2006 is presented below:

	2007		2006	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Beginning of year	75,000	$ 4.00	400,000	$ 4.00
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited	-	-	-	-
Expired	-	-	(325,000)	-
End of year	75,000	$ 4.00	75,000	$ 4.00
Exercisable at end of year	75,000	$ 4.00	75,000	$ 4.00

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The following table summarizes information about stock options outstanding at December 31, 2007:

	Options Outstanding			Options Exercisable	
Exercise Price	Number Outstanding	Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
$4.00	75,000	1.00	$ 4.00	75,000	$ 4.00

10. LEGAL MATTERS

The Company was plaintiff in a lawsuit against Western Technologies and was awarded a judgment of $660,000 in March 2003. Western Technologies had appealed the judgment to the Nevada Supreme Court (the "Court"). Western Technologies was required to and did file a bond in the amount of the judgment to date, which was approximately $1,180,000 including the judgment, interest, and attorney's fees. In October 2006, the "Court" ruled in favor of the defendant, but it wasn't until August 2007 that an agreement was reached and all parties signed a Settlement Agreement. The company received a total of $550,000 and a net after attorney's fees of $300,000, which was used to finish repairs on the facility and for some upgrades. The Company recorded this settlement as part of other income.

On May 31, 2005, Sierra SportService, Inc. the Company's tenant, who operated the restaurant in CGC, ceased operations. Sierra SportService filed a notice of default pertaining to the restaurant concession agreement and against all guarantors of that agreement. A settlement was reached on November 18, 2005 for a total amount of $800,000, of which the AASP paid $700,000 and the remaining $100,000 was paid by AAGC, which is 65% owned by the Company. The funds used to make these payments were borrowed from ANR, LLC, an entity owned by Andre K. Agassi and Perry Craig Rogers.

In December 2005, the Company commenced an arbitration proceeding before the American Arbitration Association against Urban Land of Nevada ("Urban Land") seeking reimbursement of the $800,000 paid in settlement of the Sierra SportService matter plus fees and costs pursuant to the terms of the Company's agreements with Urban Land which owns the property on which the CGC is located. Urban Land filed a counterclaim against the Company seeking to recover damages related to back rent allegedly owed by Company of approximately $600,000. In addition, Urban land claims the Company misused an alleged $880,000 settlement related to construction defects lawsuits. An arbitrator has been appointed in the American Arbitration Association and arbitration is scheduled for July 2008.

Urban land has also filed another lawsuit against the Company and claims against other parties in the arbitration proceeding. The claims against the Company remain essentially identical to the claims above. The other parties include, among others, Ronald S. Boreta, the President of the Company; Vaso Boreta, Chairman of the Board of the Company; and Boreta Enterprise, Ltd., a principal shareholder of the Company. The other party claims allege that the

Company and others defrauded otherwise injured Urban Land in connection with Urban Land entering into certain agreements in which the Company is a party. The Company has filed a motion to dismiss against the plaintiff's claims in this lawsuit but the Court provided the plaintiff with a limited amount of discovery. The discovery process began in 2007 and depositions were taken in September.

On February 10, 2006, Urban Land filed a notice of default on the CGC ground lease claiming that certain repairs to the property had not been performed or documented. The Company filed a lawsuit to prevent Urban Land from declaring the Company in default of its lease. These claims in the notice of default have been added in the above arbitration proceeding. A Summary Judgment was awarded to the Company in February 2008 by the Court. Urban Land has requested that the Court review the decision and a hearing on that matter is scheduled for July 14, 2008.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned thereunder duly authorized.

ALL-AMERICAN SPORTPARK, INC.

Dated: April 15, 2008

By:/s/ Ronald S. Boreta
Ronald S. Boreta, Chief Executive Officer (Principal Executive Officer and Principal Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

SIGNATURE	TITLE	DATE
/s/ Vaso Boreta Vaso Boreta	Chairman of the Board and Director	April 15, 2008
/s/ Ronald S. Boreta Ronald S. Boreta	President (Chief Executive Officer), Treasurer (Principal Financial Officer) and Director	April 15, 2008
______________________ Robert R. Rosburg	Director	
/s/ William Kilmer William Kilmer	Director	April 15, 2008