

ALL AMERICAN SPORTPARK INC
Form 10-Q
May 14, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

x QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the quarterly period ended March 31, 2015

.. TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

Commission file number 000-24970

All-American Sportpark, Inc.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

88-0203976

(I.R.S. Employer Identification No.)

6730 South Las Vegas Boulevard

Las Vegas, NV 89119

(Address of principal executive offices)

(702) 798-7777

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Accelerated filer Large accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company)
Smaller reporting company

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

The number of shares of Common Stock, \$0.001 par value, outstanding on May 12, 2015 was 4,624,123 shares.

All-American Sportpark, inc.

Form 10-Q

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PART 1 – FINANCIAL INFORMATION**Item 1 Financial Statements****All-American SportPark, Inc.****Condensed Consolidated Balance Sheets**

(Unaudited)

	March 31, 2015	December 31, 2014
Assets		
Current assets:		
Cash	\$ 52,030	\$ 2,200
Accounts receivable	5,415	3,000
Prepaid expenses and other current assets	8,998	5,737
Total current assets	66,443	10,937
Property and equipment, net of accumulated depreciation of \$756,040 and \$728,726, as of March 31, 2015 and December 31, 2014, respectively	582,589	601,164
Total Assets	\$ 649,032	\$ 612,101
Liabilities and Stockholders' Deficit		
Current liabilities:		
Cash in excess of available funds	\$ 4,172	\$ 20,018
Accounts payable and accrued expenses	536,614	531,025
Current portion of deferred revenue	150,000	75,000
Current portion of notes payable - related parties	4,314,226	4,386,056
Current portion due to related parties	1,650,794	1,617,550
Current portion of capital lease obligation	6,782	30,520
Accrued interest payable - related party	5,888,211	5,825,801
Total current liabilities	12,550,799	12,485,970
Long-term liabilities:		
Long-term portion of capital lease obligation	82,057	65,806
Deferred revenue	150,000	100,000
Deferred rent liability	593,274	604,219
Total long-term liabilities	825,331	770,025

Commitments and Contingencies

Stockholder's deficit:

Preferred stock, Series "B", \$0.001 par value, 10,000,000 shares authorized, no shares issued and outstanding as of March 31, 2015 and December 31, 2014, respectively	-	-
Common stock, \$0.001 par value, 50,000,000 shares authorized, 4,624,123 and 4,522,123 shares issued and outstanding as of March 31, 2015 and December 31, 2014, respectively	4,624	4,624
Prepaid equity-based compensation	(3,211)	(4,626)
Additional paid-in capital	14,408,270	14,408,270
Accumulated deficit	(27,587,360)	(27,450,306)
Total All-American SportPark, Inc. stockholders' deficit	(13,177,677)	(13,042,038)
Non-controlling interest in net assets of subsidiary	450,579	398,144
Total stockholders' deficit	(12,727,098)	(12,643,894)
 Total Liabilities and Stockholders' Deficit	 \$ 649,032	 \$ 612,101

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

ALL-AMERICAN SPORTPARK, INC.**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS****(Unaudited)**

	For the Three Months Ending March 31,	
	2015	2014
Revenue	\$ 520,000	\$ 571,954
Revenue - Related Party	40,950	40,950
Total Revenue	560,980	612,904
Cost of revenue	144,515	189,060
Gross profit	416,465	423,844
Expenses:		
General and administrative expenses	340,546	344,055
Depreciation and amortization	27,314	28,205
Total expenses	367,860	372,260
Net operating income (loss)	48,605	51,584
Other income (expense):		
Interest expense	(133,224)	(133,544)
Total other income (expense)	(133,224)	(133,544)
Net loss before provision for income tax	(84,619)	(81,960)
Provision for income tax expense	-	-
Net loss	(84,619)	(81,960)
Net income attributable to non-controlling interest	52,435	60,049
Net loss attributable to All-American SportPark, Inc.	\$ (137,054)	\$ (142,009)
Net loss per share - basic and fully diluted	\$ (0.02)	\$ (0.02)

Weighted average number of

common shares outstanding - basic and

fully diluted

4,624,123

4,624,123

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

ALL-AMERICAN SPORTPARK, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	For the Three Months Ended March 31,	
	2015	2014
Cash flows from operating activities		
Net loss	(\$4,619)	\$ (81,960)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization expense	27,314	28,205
Stock-based compensation	1,415	1,416
Changes in operating assets and liabilities:		
Accounts receivable	(2,415)	(7,020)
Prepaid expenses and other current assets	(3,261)	(159,521)
Cash issued in excess of available funds	(15,846)	(20,756)
Accounts payable and accrued expenses	5,589	21,047
Deferred revenue	125,000	125,000
Deferred rent liability	(10,945)	(10,945)
Accrued interest payable - related party	62,410	107,126
Net cash provided by (used in) operating activities	104,642	2,592
Cash flows from investing activities		
Purchase of property and equipment	(8,739)	(34,436)
Net cash used in investing activities	(8,739)	(34,436)
Cash flows from financing activities		
Proceeds from related parties	320,266	39,707
Repayments to related parties	(287,022)	-
Payment on capital lease obligation	(7,487)	(12,326)
Proceeds from note payable – related parties	34,720	41,100
Payments on notes payable – related parties	(106,550)	-
Net cash provided by financing activities	46,073	68,481
Net increase in cash	49,830	36,637
Cash - beginning	2,200	-
Cash - ending	\$52,030	\$ 36,637
Supplemental disclosures:		
Interest paid	\$43,926	\$ 1,673
Income taxes paid	\$ -	\$ -

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

All-American Sportpark, Inc.

Notes to Condensed Consolidated Financial Statements

(Unaudited)

Note 1 – Basis of presentation

The consolidated interim financial statements included herein, presented in accordance with United States generally accepted accounting principles and stated in US dollars, have been prepared by All-American SportPark, Inc. (the “Company”), without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading.

These statements reflect all adjustments, consisting of normal recurring adjustments, which, in the opinion of management, are necessary for fair presentation of the information contained therein. It is suggested that these consolidated interim financial statements be read in conjunction with the consolidated financial statements of the Company for the year ended December 31, 2014 and notes thereto included in the Company's Form 10-K. The Company follows the same accounting policies in the preparation of consolidated interim reports.

Results of operations for interim periods may not be indicative of annual results.

Certain reclassifications have been made in prior periods' financial statements to conform to classifications used in the current period.

Note 2 – Going concern

As of March 31, 2015, we had an accumulated deficit of \$27,587,360. In addition, the Company's current liabilities exceed its current assets by \$12,484,356 as of March 31, 2015.

The Company's 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 TMGE 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 financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

Note 3 – Recent accounting policies

The Company believes there are no new accounting pronouncements adopted but not yet effective that is relevant to the readers of our financial statements.

Note 4 – Non controlling interest

Non-controlling interest represents the minority stockholders' proportionate share of the equity of All-American Golf Center ("AAGC") which is a 51% owned subsidiary of the Company. At March 31, 2015, we owned 51% of AAGC's capital stock, representing voting control and a majority interest. Our controlling ownership interest requires that AAGC's operations be included in the Condensed Consolidated Financial Statements contained herein. The 49% equity interest that is not owned by us is shown as "Non-controlling interest in consolidated subsidiary" in the Condensed Consolidated Statements of Operations and Condensed Consolidated Balance Sheets. As of March 31, 2015, St. Andrews Golf Shop, our minority interest partner and a related party, held a \$450,579 interest in the net asset value of our subsidiary AAGC and a \$52,435 interest in the net income from operations of AAGC.

Note 5 – Related party transactions

Due to related parties

The Company's employees provide administrative/accounting support for (a) three golf retail stores, named Saint Andrews Golf Shop ("SAGS"), Las Vegas Golf and Tennis ("Boca Store") and Las Vegas Golf and Tennis Superstore ("Westside 15 Store"), owned by Ronald Boreta, the Company's President, and his brother, John Boreta, a Director of the Company. The SAGS store is the retail tenant in the TMGE.

Administrative/accounting payroll and employee benefits expenses 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 \$4,598 and \$6,131 for the three months ended March 31, 2015 and 2014, respectively. The Company records this

allocation by reducing the related expenses and allocating them to the related parties.

In addition to the administrative/accounting support provided by the Company to the above stores, the Company received funding for operations from these and various other stores owned by the Company's President and his brother, and the former Chairman. These funds helped pay for office supplies, phone charges, postages, and salaries. The net amount due to these stores totaled \$1,650,794 and \$1,617,550 as of March 31, 2015 and December 31, 2014, respectively. The amounts are non-interest bearing and due out of available cash flows of the Company. Additionally, the Company has the right to offset the administrative/accounting support against the funds received from these stores.

Both Ronald Boreta and John Boreta have continued to defer half of their monthly salaries until the Company is in a more positive financial state. The amounts deferred for the first three months of 2015 and 2014 were \$24,375 and \$24,375, respectively.

Notes and Interest Payable to Related Parties:

The Company has various notes and interest payable to the following entities as of March 31, 2015, and December 31, 2014, respectively:

	2015	2014
Various notes payable to Vaso Boreta bearing 10% per annum and due on demand (1)	\$ 3,200,149	\$ 3,200,149
Note payable to BE Holdings 1, LLC, owned by the chairman of the board, bearing 10% per annum and due on demand (2)	\$ 100,000	\$ 100,000
Various notes payable to SAGS, bearing 10% per annum and due on demand (3)	724,656	\$ 813,846
Various short term notes payable to the Westside 15 Store, bearing 10% per annum and due on demand (5)	\$ 88,921	\$ 71,561
Note payable to BE, III bearing 10% per annum and due on demand (6)	\$ 200,500	\$ 200,500
Total	\$ 4,314,226	\$ 4,386,056

- 1) Vaso Boreta is the former Chairman of the Board of the Company who passed away in October 2013
- 2) BE Holdings1. LLC is owned by Ronald Boreta and John Boreta.
- 3) Saint Andrews is owned by Ronald Boreta and John Boreta.
- 4) The Notes are in the principal amount of \$37,500 each.
- 5) The Westside 15 Store is owned by Ronald Boreta and John Boreta
- 6) BE III, LLC is owned by Ronald Boreta and John Boreta.

All maturities of related party notes payable and the related accrued interest payable as of March 31, 2015 are due and payable upon demand. At March 31, 2015, the Company has no loans or other obligations with restrictive debt or similar covenants.

On June 15, 2009, the Company entered into a “Stock Transfer Agreement” with St. Andrews Golf, Ltd. a Nevada limited liability company, which is wholly-owned by Ronald Boreta, our chief executive officer and John Boreta, a principal shareholder and now a Director of the Company. Pursuant to this agreement, we agreed to transfer a 49% interest in our wholly owned subsidiary, AAGC as a partial principal payment in the amount of \$600,000 on the Company’s outstanding loan due to St. Andrews Golf Shop, Ltd. In March 2009, the Company engaged the services of an independent third party business valuation firm, Houlihan Valuation Advisors, to determine the fair value of the business and the corresponding minority interest. Based on the Minority Value Estimate presented in connection with this appraisal, which included valuations utilizing the income, market and transaction approaches in its valuation methodology, the fair value of a 49% interest totaled \$ 600,000.

As of March 31, 2015 and December 31, 2014, accrued interest payable - related parties related to the notes payable – related parties totaled \$5,888,211 and \$5,825,801 respectively.

Lease to SAGS

The Company subleases space in the clubhouse to SAGS. Base rent includes \$13,104 per month through July 2013 with a 5% increase for each of two 5-year options to extend in July 2013 and July 2017. For the three months ending March 31, 2015 and 2014, the Company recognized rental income totaling \$40,950 and \$40,950, respectively.

Note 6 – Commitments

Lease agreements

The land underlying the TMGE is leased under an operating lease that was to initially expire in 2013 and had 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, which includes the two five year renewal options.

At March 31, 2015, minimum future lease payments under non-cancelable operating leases are as follows:

2015	\$397,380
2016	529,840
2017	543,086
Thereafter	<u>2,768,416</u>
Total	\$4,238,724

Total rent expense for this operating lease was \$132,460 and \$132,460 for the three months ended March 31, 2015 and 2014.

Capital Lease

The Company entered into a capital lease for new Club Car gas powered golf carts. The lease is 48 months in length and started on December 8, 2013. The Company pays \$2,887 a month in principal and interest expense related to the lease.

The following is a schedule by year of future minimum payments required under these lease agreements.

	Yearly Amount
2015	\$ 23,032
2016	32,082
2017	22,724
Total	\$ 88,838

Accumulated depreciation for the capital leases as of March 31, 2015 and December 31, 2014 was \$59,056 and \$50,820, respectively.

Customer Agreement

On June 19, 2009, AAGC entered into a Customer Agreement with Callaway Golf Company ("Callaway") and Saint Andrews pursuant to which Callaway has agreed to make certain cash payments and other consideration to AAGC and Saint Andrews in exchange for an exclusive marketing arrangement for the golf center operated by AAGC. Callaway

is a major golf equipment manufacturer and supplier.

On March 9, 2013, AAGC entered into an amendment to its Customer Agreement with Callaway (the "Amendment"). The Amendment provided that AAGC was to use all reasonable efforts to negotiate and enter into a non-exclusive written contract with an alternative retail branding partner. In the event that AAGC was successful in executing a written contract with an alternative retail branding partner, the Customer Agreement would terminate on June 30, 2013.

Pursuant to the terms of the Amendment, Callaway was not required to pay any marketing funds or other fees or expenses required under the Customer Agreement during the first two quarters of 2013. The Amendment also provided that Callaway could, at its option, continue to feature its products in a second position at the golf center, of which they have chosen to do, after termination of the Customer Agreement, under certain terms and conditions.

Sponsorship Agreement

On March 27, 2013, AAGC entered into a Golf Center Sponsorship Agreement (“Sponsorship Agreement”) with Taylor Made Golf Company, Inc., doing business as TaylorMade-adidas Golf Company (“TMaG”) pursuant to which the golf center operated by AAGC was to be rebranded using TaylorMade® and other TMaG trademarks.

As part of the Sponsorship Agreement, TMaG agreed to reimburse AAGC for the reasonable costs associated with the rebranding efforts, including the costs associated with the build-out of the golf center and a new performance lab (described below), up to a specified maximum amount. In addition AAGC received a payment of \$200,000 upon execution of the Sponsorship Agreement and, so long as AAGC continues to operate the golf center and comply with the terms and conditions of the Sponsorship Agreement TMaG was to make additional payments to AAGC on each of March 26, 2015 and March 26, 2015.

The Sponsorship Agreement provides that TMaG would install a performance lab at AAGC's facility that would include one nine-camera motion analysis system and one putting lab, and would provide additional services, equipment, supplies and resources for the golf center. The performance lab was installed in 2013. Phase I of the remodeling of the golf center included the entire golf shop, activities area/golf check-in and restaurant area and was completed in the first quarter of 2015. Phase II is expected to begin in the second or third quarter of 2015 and will involve remodeling the driving range area and additional construction in the golf shop.

The Sponsorship Agreement includes provisions concerning the display of TMaG merchandise, payment terms, retail sales targets and other related matters. Also, Saint Andrews Golf Shop, a tenant of AAGC which is owned by Ronald Boreta, the Company's President, and John Boreta, a Director of the Company, will receive a quarterly rebate based on the wholesale price of the TMaG merchandise purchased at the golf center. In addition, provided that the Las Vegas Golf and Tennis stores owned by Ronald Boreta and John Boreta maintain TMaG as their premier vendor at its locations, TMaG will pay such stores a quarterly rebate based on the wholesale price of the TMaG merchandise purchased at those locations.

The initial term of the Sponsorship Agreement is for five years. AAGC and TMaG may mutually agree in writing to extend the Sponsorship Agreement for an additional four year period; provided that the option to renew the Agreement shall be determined by the parties not later than ninety (90) days prior to the end of the initial term and shall be consistent with the AAGC's lease on its golf center property.

Note 7 – Stockholders' deficit

Preferred stock

As of March 31, 2015, we had no preferred shares issued and outstanding.

Common stock

As of March 31, 2015, we had 4,624,123 shares of our \$0.001 par value common stock issued and outstanding.

Equity-based compensation

On May 24, 2013, the Company granted 68,000 shares of restricted common stock to one director and one employee for services. In accordance with the terms of the grant, the shares will vest in full at the end of two years from the date of grant for the director. The restricted common stock granted to the employee will vest in full at the end of three years from the date of grant. The Company has recorded prepaid stock-based compensation of \$3,211 representing the estimated fair value on the date of grant, and will amortize the fair market value of the shares to compensation expense ratably over the two and three year vesting periods.

Note 8 – Subsequent Events

On March 30, 2015 the Company received a payment under the TMaG agreement as disclosed in Note 6 – Commitments.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

This document contains “forward-looking statements.” All statements other than statements of historical fact are “forward-looking statements” for purposes of federal and state securities laws, including, but not limited to, any projections of earnings, revenue or other financial items; any statements of the plans, strategies and objections of management for future operations; any statements concerning proposed new services or developments; any statements regarding future economic conditions or performance; any statements or belief; and any statements of assumptions underlying any of the foregoing.

Forward-looking statements may include the words “may,” “could,” “estimate,” “intend,” “continue,” “believe,” “expect” or “anticipate” or other similar words. These forward-looking statements present our estimates and assumptions only as of the date of this report. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the dates on which they are made. We do not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the dates they are made. You should, however, consult further disclosures we make in future filings of our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and inherent risks and uncertainties. The factors affecting these risks and uncertainties include, but are not limited to:

- increased competitive pressures from existing competitors and new entrants;
- deterioration in general or regional economic conditions;
- adverse state or federal legislation or regulation that increases the costs of compliance, or adverse findings by a regulator with respect to existing operations;
- loss of customers or sales weakness;
- inability to achieve future sales levels or other operating results;
- the inability of management to effectively implement our strategies and business plans; and
- the other risks and uncertainties detailed in this report.

Overview of Current Operations

On June 19, 2009, AAGC entered into a Customer Agreement with Callaway Golf Company (“Callaway”) and Saint Andrews pursuant to which Callaway agreed to make certain cash payments and other consideration to AAGC and Saint Andrews in exchange for an exclusive marketing arrangement for the Callaway Golf Center operated by AAGC. Callaway is a major golf equipment manufacturer and supplier. Saint Andrews subleases space at the Callaway Golf Center and operates a golf equipment store at the Callaway Golf Center.

The Customer Agreement with Callaway provided that Callaway would provide Saint Andrews with \$250,000 annual advertising contribution in the form of golf related products. In addition, Saint Andrews was given an opportunity to earn additional credits upon reaching a sales threshold.

In connection with the signing of the Customer Agreement, AAGC received several concessions to help in the operation of the business, upgrading certain areas, and remodel of some portions of the AAGC facility. Callaway also provided staff uniforms, range golf balls and rental golf equipment for AAGC’s use at the Callaway Golf Center. Both AAGC and Saint Andrews agreed to exclusively sell only Callaway golf products at the Callaway Golf Center for the term of the Customer Agreement.

On March 9, 2013, AAGC entered into an amendment to its Customer Agreement with Callaway (the “Amendment”). The effective date of the Amendment was January 20, 2013. The Amendment provided that AAGC was to use all reasonable efforts to negotiate and enter into a non-exclusive written contract with an alternate retail branding partner. In the event that AAGC was successful in executing a written contract with an alternative retail branding partner, the Customer Agreement was to terminate on June 30, 2013. In the event that an agreement with an alternative retail branding partner was not entered into by June 30, 2013, the Customer Agreement was to terminate on that date but AAGC would have the right to continue to feature its products in a second position at the TaylorMade Golf Experience after termination of Customer Agreement, under certain terms and conditions.

On March 27, 2013, AAGC entered into a Golf Center Sponsorship Agreement with Taylor Made Golf Company, Inc., doing business as TaylorMade-Adidas Golf Company (“TMaG”) pursuant to which the golf center operated by AAGC will be rebranded using TaylorMade® and other TMaG trademarks.

As part of the Sponsorship Agreement, TMaG has agreed to reimburse AAGC for the reasonable costs associated with the rebranding efforts, including the costs associated with the build-out of the golf center and a new performance lab (described below), up to a specified maximum amount. In addition, AAGC received a payment of \$200,000 within a few days of signing the Sponsorship Agreement and, so long as AAGC continues to operate the golf center and comply with the terms and conditions of the Agreement TMaG was to make additional payments to AAGC on each of March 26, 2015 and March 26, 2015. The last payment, in the amount of \$100,000, was received on April 3, 2015. The Company will recognize these payments as revenue on a straight-line basis over the term of the agreement.

The Sponsorship Agreement provides that TMaG would install a performance lab at AAGC's facility that would include one nine-camera motion analysis system and one putting lab, and would provide additional services, equipment, supplies and resources for the golf center. The performance lab was installed in 2013. Phase I of the remodeling of the golf center included the entire golf shop, activities area/golf check-in and restaurant area and was completed in the first quarter of 2015. Phase II is expected to begin in the second or third quarter of 2015 and will involve remodeling the driving range area and additional construction in the golf shop.

The Sponsorship Agreement includes provisions concerning the display of TMaG merchandise, payment terms, retail sales targets and other related matters. Also, Saint Andrews Golf Shop, a tenant of AAGC which is owned by Ronald Boreta, the Company's President, and John Boreta, a Director of the Company, will receive a quarterly rebate based on the wholesale price of the TMaG merchandise purchased at the golf center. In addition, provided that the Las Vegas Golf and Tennis stores owned by Ronald Boreta and John Boreta maintain TMaG as its premier vendor at its locations, TMaG will pay such stores a quarterly rebate based on the wholesale price of the TMaG Merchandise purchased at those locations.

The initial term of the Sponsorship Agreement is for five years. AAGC and TMaG may mutually agree in writing to extend the Agreement for an additional four year period; provided that the option to renew the Sponsorship Agreement shall be determined by the parties not later than ninety (90) days prior to the end of the initial term and shall be consistent with the AAGC's lease on its golf center property.

On January 25, 2011, The 305 Group leased the restaurant at the TaylorMade Golf Experience. They renamed the restaurant The Upper Deck Grill and Sports Lounge. The tenant remodeled the entire restaurant space and opened to the public on April 28, 2011. They offer fresh made foods for the restaurant and bar. In 2014 the restaurant was unable to make appropriate lease payments and the lease was terminated and a new lease was entered into effective March 1, 2014 that places the restaurant on a month to month lease at a rate of \$3,320 a month plus percentage rent when certain sale amounts are reached. There is to be a 4% increase in the base rent each year.

Results of Operations for the three months ended March 31, 2015 and 2014 compared.

INCOME:

Revenue

Our revenue for the three months ended March 31, 2015 was \$520,030 compared to \$571,954 in the three months ended March 31, 2014, a decrease of \$51,924, or 9.08%. The decrease in revenue was due to fewer special events taking place in the first quarter of 2015 as compared to 2014. Revenue-Related Party for the three months ended March 31, 2015 was \$40,950, compared to \$40,950 in 2014.

Cost of Sales/Gross Profit Percentage of Sales

Cost of sales currently consists mainly of payroll and benefits expenses of the AAGC staff, and operating supplies. Our cost of sales for the three months ended March 31, 2015 was \$144,515, a decrease of \$44,545 or 23.56% from \$189,060 for the three month period ended March 31, 2014. The decrease is attributed to fewer large expenses in 2015. Such expenses include range equipment and accessories and golf course equipment and accessories.

Gross profit as a percentage of sales increased to 74.24%, for the three months ended March 31, 2015. Gross profit as a percentage of sales was 69.15% for the three months ended March 31, 2014. The increase in gross profit is due to the factors discussed above.

EXPENSES:

General and Administrative Expenses

General and administrative expenses for the three months ended March 31, 2015 were \$340,546, a decrease of \$3,509 or 1.02%, from \$344,055 for the three months ended March 31, 2014. Expenses were slightly down over the prior year due to management's continued effort to reduce expenses in all areas.

Depreciation and amortization expenses for the three months ended March 31, 2015 were \$27,314 a decrease of \$891, or 3.16% from \$28,205 for the three months ended March 31, 2014. This expense is virtually unchanged from the prior year.

Total Expenses

Our overall operating expenses decreased from \$372,260 for the three months ended March 31, 2014 to \$367,860 in 2015. The decrease in total expenses was \$4,400 or 1.18 %. This is due to management monitoring all areas of expense and working to keep expenses within their budgets.

Net Income (Loss) from Operations

We had net income from operations of \$48,605 for the three months ended March 31, 2015 as compared to net loss from operations of \$51,584 for the three months ended March 31, 2014 a decrease of \$2,979 or 5.78%.

Interest Expense

Our interest expense decreased by 0.24% or \$320 from \$133,544 for the three months ended March 31, 2014 to \$133,224 for the three months ended March 31, 2015.

Net Loss

The net loss before non-controlling interest for the three months ended March 31, 2015 was \$84,619 as compared to \$81,960 for the same period in 2014. The decrease of \$2,659 or 3.24% is due to a decrease in expenses and other expenses.

The net income attributable to non-controlling interest for the second quarter of 2015 was \$52,435 as compared to \$60,049 for the same period in 2014. That resulted in net loss attributable to All-American Sport Park of \$137,054 for 2015 as compared to \$142,009 for 2014.

Liquidity and Capital Resources

A critical component of our operating plan impacting our continued existence is the ability to obtain additional capital through additional equity and/or debt financing. We have partnered with TaylorMade/adidas Golf Company ("TMaG") to create an updated facility with a new name and brand. This is expected to help us in generating positive internal operating cash flow.

The following table summarizes our current assets, liabilities, and working capital at March 31, 2015 compared to December 31, 2014.

	March 31,		Increase / (Decrease)	
	2015	December 31, 2014	\$	%
Current Assets	\$66,443	\$10,937	\$55,506	507.51%
Current Liabilities	12,550,799	12,485,970	(64,829)	(0.52%)
Working Capital Deficit	\$12,484,356	\$12,475,033		

Internal and External Sources of Liquidity

Cash Flow. Since inception, we have primarily financed our cash flow requirements through related party debt transactions. If that source of funding is eliminated it may have a material, adverse effect on our operations. We are currently operating at a loss but with positive cash flow because of deferring related party payables and interest payments. Though this has allowed us to currently minimize the deferral of our payables, we continue to depend on this source of financing. Should we lose our ability to defer those payables, without a return to profitability, our cash resources will be limited.

Satisfaction of our cash obligations for the next 12 months.

As of March 31, 2015, our cash balance was \$52,030. Because our cash flow has been good in the first quarter of 2015, we are working on paying down some debt and also providing some equipment upgrade that will keep the repair expenses down, as our current equipment is aging.

Given our operating history, predictions of future operating results are difficult to make. Thus, our prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their various stages of commercial viability. Such risks include, but are not limited to, an evolving business model and the management of growth. To address these risks we, among other things, plan to continue to modify our business plan, implement and execute our marketing strategy, develop and upgrade our facilities in a response to our competitor's developments.

Going Concern

The financial statements included in this filing have been prepared in conformity with generally accepted accounting principles that contemplate the continuance of the Company as a going concern. Management intends to use borrowings and security sales to mitigate the effects of its cash position, however no assurance can be given that debt or equity financing, if and when required will be available. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the Company be unable to continue existence.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results or operations, liquidity, capital expenditures or capital resources that is material to investors.

Critical Accounting Policies and Estimates

Stock-based Compensation: In accordance with accounting standards concerning Stock-based Compensation, the Company accounts for all compensation related to stock, options or warrants using a fair value based method in which compensation cost is measured at the grant date based on the value of the award and is recognized over the service period. Stock issued for compensation is valued on the date of the related agreement and using the market price of the stock.

Related party transactions: In accordance with accounting standards concerning related party transactions, there now are established requirements for related party disclosures and the policy provides guidance for the disclosures of transactions between related parties.

Subsequent events: In accordance with accounting standards concerning subsequent events, states that a company is not required to disclose the date through with subsequent events have been evaluated. The adoption of this ASU did not have a material impact on our consolidated financial statements.

Recent Accounting Developments

The Company believes there are no additional new accounting guidance adopted but not yet effective that is relevant to the readers of our financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Principal Financial Officer to allow timely decisions regarding required financial disclosure.

As of the end of the period covered by this report, the Company's management carried out an evaluation, under the supervision of and with the participation of the Chief Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15 and 15d-15 under the Exchange Act). Based upon that evaluation, the Company's Chief Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report, to provide reasonable assurance that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, completely and accurately, within the time periods specified in SEC rules and forms.

Changes in Internal Control over Financial Reporting

There were no changes in internal control over financial reporting that occurred during the quarter ended March 31, 2015 that have materially affected, or are reasonably likely to affect, the Company's internal control over financial reporting.

PART II--OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

There are no legal proceedings in which the Company is involved at this time.

ITEM 1A. RISK FACTORS.

Not required

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

We did not have any unregistered sales of equity securities during the quarter ended March 31, 2015.

We did not repurchase any of our equity securities during the quarter ended March 31, 2015.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS.

Exhibit number	Exhibit description	Filed herewith	Incorporated by reference Period Form ending	Exhibit Filing No. date
31.1	Certification of Chief Executive and Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	X		
32.1	Certification of Chief Executive and Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	X		

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ALL-AMERICAN SPORTPARK, INC.

(Registrant)

Date: May 14, 2015

Boreta

Officer,

as

By: /s/ Ronals

Ronald Boreta, President, Chief Executive

and Treasurer (On behalf of the Registrant and

Principal Financial Officer)