

Continental Country Club, Inc.
Income Statement
for the Month of Oct, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 122,789	\$ 122,971	\$ 109,548	12.1%
Golf Income	81,744	80,450	78,828	3.7%
Other Income	202	250	470	-57.0%
Total Revenues	\$ 204,734	\$ 203,671	\$ 188,846	8.4%
Expenses:				
Flagstaff Golf Maintenance Company	42,242	45,209	47,633	-11.3%
Golf Course Reclaimed Water	5,736	4,400	3,541	62.0%
Golf Cart Lease	-	7,144	7,630	-100.0%
Cost of Goods Sold Golf	6,364	3,600	5,613	13.4%
Wyndham Maintenance & Other Payments	3,500	8,450	8,750	-60.0%
Lake Elaine	358	7,915	17,761	-98.0%
Walnut Canyon Lakes Park	83	5,240	8,644	-99.0%
Employee Compensation & Benefits	44,303	42,241	36,802	20.4%
Building, Equipment & Grounds	16,281	4,987	13,473	20.8%
Utilities	12,625	12,083	15,015	-15.9%
Legal & Consulting	5,410	8,167	5,323	1.6%
Property Insurance & Taxes	6,630	6,357	6,814	-2.7%
Depreciation & Amortization	16,754	16,607	16,364	2.4%
Merchant Services & Bank Fees	2,388	1,800	6,139	-61.1%
Advertising & Website Costs	3,972	1,495	1,263	214.5%
All Other Expenses	3,247	3,125	3,196	1.6%
Total Expenses	\$ 169,893	\$ 178,820	\$ 203,961	-16.7%
Earnings Before Interest & Taxes	34,841	24,851	(15,115)	330.5%
Interest Expense	3,783	6,400	6,191	-38.9%
Pre-tax Income/(Loss)	\$ 31,058	\$ 18,451	\$ (21,307)	245.8%

Continental Country Club, Inc.
Income Statement
Year to Date Oct, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 1,339,503	\$ 1,300,886	\$ 1,146,225	16.9%
Golf Income	1,065,428	1,122,091	987,863	7.9%
Other Income	10,586	2,850	21,796	-51.4%
Total Revenues	\$ 2,415,517	\$ 2,425,827	\$ 2,155,884	12.0%
Expenses:				
Flagstaff Golf Maintenance Company	393,841	412,892	390,879	0.8%
Golf Course Reclaimed Water	76,599	98,580	65,711	16.6%
Golf Cart Lease	47,343	57,000	54,973	-13.9%
Cost of Goods Sold Golf	62,262	60,000	51,511	20.9%
Wyndham Maintenance & Other Payments	78,290	91,700	99,069	-21.0%
Lake Elaine	138,813	210,450	158,600	-12.5%
Walnut Canyon Lakes Park	57,396	58,000	53,257	7.8%
Employee Compensation & Benefits	478,443	438,454	337,212	41.9%
Building, Equipment & Grounds	144,316	83,775	122,196	18.1%
Utilities	137,883	137,730	136,501	1.0%
Legal & Consulting	121,234	101,615	41,402	192.8%
Property Insurance & Taxes	65,997	63,310	65,805	0.3%
Depreciation & Amortization	167,541	166,070	163,635	2.4%
Merchant Services & Bank Fees	42,431	33,000	33,940	25.0%
Advertising & Website Costs	56,659	30,710	39,550	43.3%
All Other Expenses	43,053	37,236	44,593	-3.5%
Total Expenses	\$ 2,112,099	\$ 2,080,522	\$ 1,858,834	13.6%
Earnings Before Interest & Taxes	303,418	345,305	297,050	-2.1%
Interest Expense	58,996	64,000	63,759	-7.5%
Pre-tax Income/(Loss)	\$ 244,422	\$ 281,305	\$ 233,291	-4.8%

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Month of Oct, 2016

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	1,225	-	10,500	-88.3%
High Country Card	-	7,800	-	#DIV/0!
Green Fees	41,354	43,000	35,284	17.2%
Cart Fees	18,361	11,000	15,266	20.3%
Driving Range Income	9,368	10,700	9,476	-1.1%
Golf Shop Sales	8,888	6,000	6,877	29.2%
Pre & Post Season Income	-	-	-	#DIV/0!
Other Golf Income	2,547	1,950	1,426	78.6%
Total Revenues	\$ 81,744	\$ 80,450	\$ 78,829	3.70%
Expenses:				
FGMC Expenses	42,242	45,209	47,633	-11.3%
Golf Course Reclaimed Water	5,736	4,400	3,541	62.0%
Golf Cart Lease	-	7,144	7,630	-100.0%
Cost of Good Sold Golf	6,364	3,600	5,613	13.4%
Employee Compensation & Benefits	15,857	18,408	18,732	-15.3%
Building, Equipment & Grounds	165	125	681	-75.7%
Utilities	4,397	3,055	4,087	7.6%
Consulting Fees	2,000	2,885	3,481	-42.5%
Property Insurance & Taxes	1,992	1,999	2,030	-1.9%
Depreciation and Amortization	11,256	11,330	11,199	0.5%
Interest Expense	3,784	6,400	6,191	-38.9%
Merchant Services & Bank fees	2,338	1,200	2,132	9.7%
Advertising & Website Costs	1,031	850	1,045	-1.3%
All Other Expenses	232	1,375	1,416	-83.6%
Total Expenses	\$ 97,396	\$ 107,980	\$ 115,411	-15.6%
Net Income	(15,652)	(27,530)	(36,582)	-57.2%
Less Depreciation	11,256	11,330	11,199	0.5%
Cash Flow	(4,396)	(16,200)	(25,383)	-82.7%
Less Interest	3784	6400	6191	-38.9%
Operating Income	(612)	(9,800)	(19,192)	-96.8%
Number of Participants	2016	Budget	2015	%Inc/Dec
Number of Rounds	1647	1643	1599	3.0%
Cart Rentals	1438	1387	1035	38.9%
Practice Facility	1079	1188	1180	-8.6%
Average Dollar Per Round				
Green & Cart Fees	36.26	32.87	31.61	14.7%
Practice Facility	8.68	9.01	8.03	8.1%
Gross Profit on Golf Shop Sales	28%	40%	18%	54.5%

Continental Country Club, Inc.

Income Statement - Golf Business Unit

Year to Date Oct, 2016

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	41,661	42,273	50,266	-17.1%
High Country Card	36,377	42,904	32,472	12.0%
Green Fees	506,309	545,500	458,211	10.5%
Cart Fees	208,881	218,000	203,713	2.5%
Driving Range Income	119,114	137,000	125,616	-5.2%
Golf Shop Sales	89,944	100,000	73,647	22.1%
Pre & Post Season Income	42,923	-	21,919	95.8%
Other Golf Income	20,217	36,414	22,019	-8.2%
Total Revenues	\$ 1,065,427	\$ 1,122,091	\$ 987,863	7.85%
Expenses:				
FGMC Expenses	393,841	412,892	390,879	0.8%
Golf Course Reclaimed Water	76,599	98,580	65,711	16.6%
Golf Cart Lease	47,343	57,000	54,973	-13.9%
Cost of Good Sold Golf	62,262	60,000	51,511	20.9%
Employee Compensation & Benefits	197,239	188,497	181,039	8.9%
Building, Equipment & Grounds	54,491	22,350	39,546	37.8%
Utilities	45,698	43,340	40,099	14.0%
Consulting Fees	25,305	28,850	28,907	-12.5%
Property Insurance & Taxes	19,920	19,990	20,300	-1.9%
Depreciation and Amortization	112,560	113,300	111,986	0.5%
Interest Expense	58,996	64,000	63,642	-7.3%
Merchant Services & Bank fees	31,061	16,800	17,707	75.4%
Advertising & Website Costs	32,024	22,925	26,008	23.1%
All Other Expenses	12,019	17,871	17,220	-30.2%
Total Expenses	\$ 1,169,356	\$ 1,166,395	\$ 1,109,528	5.4%
Net Income	(103,930)	(44,304)	(121,665)	-14.6%
Less Depreciation	112,560	113,300	111,986	0.5%
Cash Flow	\$ 8,630	\$ 68,996	\$ (9,679)	-189.2%
Less Interest	58996	64000	63642	-7.3%
Operating Income	\$ 67,626	\$ 132,996	\$ 53,963	25.3%
Number of Participants	2016	Budget	2015	%Inc/Dec
Number of Rounds	16855	17500	15740	7.1%
Cart Rentals	15286	14419	13405	14.0%
Practice Facility	13769	15222	13920	-1.1%
Average Dollar Per Round				
Green & Cart Fees	42.43	43.63	42.05	0.9%
Practice Facility	8.65	9.00	9.02	-4.1%
Gross Profit on Golf Shop Sales	31%	40%	30%	2.4%

Continental Country Club, Inc.
Income Statement - Small Business Units
October, 2016

Tennis				
MTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 202	\$ 250	\$ 470	-57.0%
Expenses:				
Total Tennis Expenses	118	245	309	-62.0%
Earnings Before Interest & Taxes	<u>\$ 85</u>	<u>\$ 5</u>	<u>\$ 161</u>	<u>-47.43%</u>

YTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 10,586	\$ 2,850	\$ 21,796	-51.4%
Expenses:				
Total Tennis Expenses	4,521	5,780	9,115	-50.4%
Earnings Before Interest & Taxes	<u>\$ 6,065</u>	<u>\$ (2,930)</u>	<u>\$ 12,681</u>	<u>-52.17%</u>

Legal & Consulting Fees Detail				
MTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 3,410	\$ 867	\$ 2,827	20.6%
Accounting & Review	-	-	-	0.0%
Consulting (Lake Elaine Project)	-	4,500	-	0.0%
Consulting (OB Sports)	2,000	2,800	2,496	-19.9%
Total Legal & Consulting Expenses	<u>\$ 5,410</u>	<u>\$ 8,167</u>	<u>\$ 5,323</u>	<u>1.6%</u>

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 34,397	\$ 16,333	\$ 8,463	306.4%
Accounting & Review	8,225	8,550	8,150	0.9%
Consulting (Lake Elaine Project)	52,253	48,732	2,500	1990.1%
Consulting (OB Sports)	21,273	28,000	22,290	-4.6%
Total Legal & Consulting Expenses	<u>\$ 116,148</u>	<u>\$ 101,615</u>	<u>\$ 41,403</u>	<u>180.5%</u>

Continental Country Club, Inc.
Income Statement - Lakes
October, 2016

Lake Elaine

MTD Expenses	Actual	Budget	Prior Year	%Inc/Dec To Prior Yr
Irrigation and lake water	\$ -	\$ 4,000	\$ 8,597	-100.0%
Utilities	308	900	1,028	-70.0%
Maintenance contract labor	-	725	389	-100.0%
Fish	-	-	2,645	-100.0%
Chemicals	-	2,250	5,052	-100.0%
Equipment repairs	-	-	-	#DIV/0!
Other Expenses	50	40	50	0.0%
Total Expenses	\$ 358	\$ 7,915	\$ 17,761	-98.0%

YTD Expenses	Actual	Budget	Prior Year	%Inc/Dec To Prior Yr
Irrigation and lake water	\$ 94,597	\$ 170,050	\$ 117,467	-19.5%
Utilities	7,728	9,000	8,514	-9.2%
Maintenance contract labor	5,615	8,750	14,387	-61.0%
Fish	5,195	10,000	8,048	-35.4%
Chemicals	15,703	11,250	9,217	70.4%
Equipment repairs	9,475	1,000	466	1932.3%
Other Expenses	500	400	500	0.0%
Total Expenses	\$ 138,813	\$ 210,450	\$ 158,600	-12.5%

Walnut Canyon Lakes

MTD Expenses	Actual	Budget	Prior Year	%Inc/Dec To Prior Yr
Irrigation and lake water	\$ (1,095)	\$ 500	\$ 614	-278.4%
Utilities	1,128	800	1,240	-9.1%
Maintenance contract labor	-	3,400	4,863	-100.0%
Fish	-	-	1,135	-100.0%
Chemicals	-	500	635	-100.0%
Equipment repairs	-	-	107	-100.0%
Other Expenses	50	40	50	0.0%
Total Expenses	\$ 83	\$ 5,240	\$ 8,644	-99.0%

YTD Expenses	Actual	Budget	Prior Year	%Inc/Dec To Prior Yr
Irrigation and lake water	\$ 9,072	\$ 14,800	\$ 12,203	-25.7%
Utilities	9,299	6,200	6,710	38.6%
Maintenance contract labor	24,040	27,500	26,865	-10.5%
Fish	3,196	5,000	2,498	28.0%
Chemicals	9,946	3,500	2,873	246.2%
Equipment repairs	1,343	600	1,609	-16.5%
Other Expenses	500	400	500	0.0%
Total Expenses	\$ 57,396	\$ 58,000	\$ 53,257	7.8%

Continental Country Club, Inc.
Statement of Cash Flows
Month to date Oct, 2016

	<u>Actual</u>	<u>Prior Year</u>
Cash Flow from Operations:		
Operating Income	\$ 31,058	\$ (21,307)
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	16,754	16,364
Receivables - (Up)/Down	(103,070)	(53,383)
Inventory - (Up)/Down	4,285	2,168
Prepaid Expenses - (Up)/Down	2,885	2,922
Payables - Up/(Down)	(3,074)	(6,210)
Accrued Expenses - Up/(Down)	<u>9,262</u>	<u>(6,455)</u>
Net Cash Flow from Operations	\$ (41,900)	\$ (65,900)
Investing Cash Flows:		
Purchase of Capital Equipment (Net)	-	(23,698)
Investment in FGMC	258	(9,177)
Other Investing Cash Flows		
Investing Cash Flow	\$ 258	\$ (32,875)
Financing Cash Flows:		
Advance on Bank Line of Credit		
Payment on Bank Line of Credit		
Release of LE Restricted Funds		
Payment on Capital Lease		
Payment of Bank Term Loan	<u>(7,119)</u>	<u>(6,039)</u>
Financing Cash Flow	\$ (7,119)	\$ (6,039)
Net Change in Cash	\$ (48,761)	\$ (104,814)
Cash at Beginning of Period	\$ 337,904	\$ 202,581
Cash at End of Period	\$ 289,143	\$ 97,767
Cash Flow Increase/Decrease	\$ 191,376	196%

Continental Country Club, Inc.
Statement of Cash Flows
YTD Total

	2016	2015
	<u>YTD</u>	<u>YTD</u>
Cash Flow from Operations:		
Operating Income	\$ 244,422	\$ 233,291
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	167,541	163,635
Receivables - (Up)/Down	(249,237)	(207,906)
Inventory - (Up)/Down	(1,344)	(13,786)
Prepaid Expenses - (Up)/Down	(25,936)	5,839
Payables - Up/(Down)	16,074	(69,891)
Accrued Expenses - Up/(Down)	<u>48,252</u>	<u>74,903</u>
Net Cash Flow from Operations	\$ 199,772	\$ 186,085
Investing Cash Flows:		
Purchase of Capital Equipment (Net)	(125,345)	(140,762)
Investment in FGMC	(21,550)	(11,523)
Other Investing Cash Flows	<u>-</u>	<u>-</u>
Investing Cash Flow	\$ (146,895)	\$ (152,285)
Financing Cash Flows:		
Advance on Bank Line of Credit		-
Payment on Bank Line of Credit		-
Release of Restricted Funds		-
Payment of Bank Term Loan	<u>(71,554)</u>	<u>(58,660)</u>
Financing Cash Flow	\$ (71,554)	\$ (58,660)
Net Change in Cash	\$ (18,677)	\$ (24,860)
Cash at Beginning of Period	\$ 277,685	\$ 111,507
Cash at End of Period	\$ 259,009	\$ 86,647
Cash Flow Increase/Decrease	\$ 172,361	199%

Continental Country Club Capital Investment Breakdown

<u>October</u>	<u>2016</u> <u>YTD</u>	<u>2016</u> <u>Budget</u>	<u>Notes</u>
Purchase of Capital Equipment (Net) Equipment			
Bob Cat	14,250	15,000	
John Deere Pro Gater	8,000		
Aerators LE/WCL	26,781		2nd portion approved 2015
Signs/ Street entry		12,500	
Hot Water Heater	5,495	-	
Total Equipment Investments	<u>\$ 54,526</u>	<u>\$ 27,500</u>	
Parking Improvement			
Parking Lot	11,000	10,000	
Total Parking Improvements	<u>\$ 11,000</u>	<u>\$ 10,000</u>	
Pool Improvements			
Pool House upgrade	1,783	4,000	partition walls
Total Pool Improvements	<u>\$ 1,783</u>	<u>\$ 4,000</u>	
Building Upgrades			
Fitness Room		4,400	
Carpet	4,423	-	admin carpet
Total Building Upgrades	<u>\$ 4,423</u>	<u>\$ 4,400</u>	
Golf			
15th Tee Box	8,447	11,000	
Carpet	6,256	5,500	
Cart Path	15,500	9,000	
Total Golf	<u>\$ 30,203</u>	<u>\$ 25,500</u>	
FGMC Investment			
Capital Lease	20,146	15,600	
Equipment	24,412	25,000	
FGMC Total	<u>\$ 44,558</u>	<u>\$ 40,600</u>	
Total Purchase of Capital	<u>\$ 146,493</u>	<u>\$ 112,000</u>	

Continental Country Club

Balance Sheet

October 2016

ASSETS

Current Assets

Petty Cash	1,550.00
National Bank Checking	150.00
Sunwest Bank CD	88,879.08
Chase- Credit Card Account	(278.33)
Sunwest Bank Checking	49,746.75
Sunwest Bank Savings	235,880.87
Receivables	48,926.97
Golf Shop Inventory	37,123.44

TOTAL Current Assets

461,978.78

Fixed Assets

Land & Buildings	5,101,411.64
Accum. Deprec.- Buildings	(3,697,531.88)
Pools	100,319.47
Accum. Deprec.- Pools	(34,195.40)
Office Equipment	42,096.48
Accum. Deprec.- Office Equip.	(38,621.35)
Equipment	424,881.55
Accum. Deprec.- Equipment	(305,064.43)
A/D-Other	5,000.00
Golf Course Improvements	64,241.42
Leasehold Improvements - Other	(5,000.00)

TOTAL Fixed Assets

1,657,537.50

Other Assets

Lake Elaine Acct - Bank One (Restricted)	156,176.58
Note Receivable - Oakmont	306.67
Pre-Paid	37,164.85
Capital Investment - FGMC	233,704.00
Note Receivable - LT portion	89,521.74
Note Receivable -CP-Contra	(306.67)
Deferred Tax Asset	30,000.00
Orig. fees and pts - Irrig loan	29,000.00
Accumulated Amortization	(29,000.00)
Right to Repurchase License	218.26
Closing Costs - Irrig Loan	31,467.00
Acc. Amortization - Closing Costs	(15,995.90)

TOTAL Other Assets

562,256.53

TOTAL ASSETS

2,681,772.81

LIABILITIES

Current Liabilities

Trade Payables	76,413.11
Tree Donation Program	2,162.00
Tennis Improvement	3,145.48

Pickleball Improvement	6,628.61	
Handicap Fees Payable	120.00	
Advance Deposit	4,500.00	
Accrued expenses Reclaimed water	37,138.57	
Accrued Expenses - FGMC	50,155.32	
Payable to Wyndham (Pool)	36,244.61	
Current Portion - LTD	(73,638.59)	
Current portion - note payable	73,638.59	
Payroll Liabilities	11,689.63	
Tax Liabilities	(3,151.50)	
Deferred Income	197,436.50	
Other Current Liabilities	8,305.75	
TOTAL Current Liabilities		<hr/> 430,788.08
Long-Term Liabilities		
Future Maintenance- Lake Elaine	156,176.58	
Note Payable - Sunwest Bank	1,052,638.55	
Obligation to Repurchase License	218.26	
TOTAL Long-Term Liabilities		<hr/> 1,209,033.39
TOTAL LIABILITIES		<hr/> 1,639,821.47
	CAPITAL	
Capital Reserves	132,242.00	
Contributed Capital	2,556,498.00	
Fund Balance, Prior Periods	(1,891,210.60)	
Year-to-Date Earnings	244,421.94	
TOTAL CAPITAL		<hr/> 1,041,951.34
TOTAL LIABILITIES & CAPITAL		<hr/> 2,681,772.81