

Continental Country Club, Inc.
Income Statement
for the Month of June, 2015

| | <u>Actual</u> | <u>Budget</u> | <u>Prior Year</u> | <u>%Inc/Dec to Prior Yr</u> |
|---|-------------------|-------------------|-------------------|---------------------------------|
| Revenues: | | | | |
| Membership Income | \$ 141,124 | \$ 128,095 | \$ 112,063 | 25.9% |
| Golf Income | 159,366 | 181,709 | 146,408 | 8.9% |
| Other Income | <u>2,351</u> | <u>100</u> | <u>1,863</u> | <u>26.2%</u> |
| Total Revenues | \$ 302,841 | \$ 309,904 | \$ 260,334 | 16.3% |
| Expenses: | | | | |
| Employee Compensation & Benefits | 37,398 | 43,386 | 37,671 | -0.7% |
| Utilities | 18,132 | 19,833 | 18,621 | -2.6% |
| FGMC Expenses | 44,355 | 50,500 | 51,384 | -13.7% |
| Golf Course Water | 15,006 | 26,600 | 23,367 | -35.8% |
| Maintenance Service and Materials | 19,646 | 17,297 | 13,881 | 41.5% |
| Lake Elaine | 18,998 | 14,245 | 7,045 | 169.7% |
| Walnut Canyon Lakes Park | 9,543 | 7,085 | 4,904 | 94.6% |
| Depreciation and Amortization | 16,364 | 16,372 | 16,364 | 0.0% |
| All Other Costs | <u>39,473</u> | <u>42,934</u> | <u>31,629</u> | <u>24.8%</u> |
| Total Expenses | \$ 218,915 | \$ 238,252 | \$ 204,866 | 6.9% |
| Earnings Before Interest & Taxes | 83,926 | 71,652 | 55,468 | 51.3% |
| Interest Expense | <u>5,230</u> | <u>6,800</u> | <u>5,904</u> | <u>-11.4%</u> |
| Pre-tax Income/(Loss) | \$ 78,696 | \$ 64,852 | \$ 49,564 | 58.8% |

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Prepared By: Kristy Noble

Continental Country Club, Inc.
Income Statement
Year to Date June, 2015

| | <u>Actual</u> | <u>Budget</u> | <u>Prior Year</u> | <u>%Inc/Dec to Prior Yr</u> |
|---|---------------------|---------------------|---------------------|---------------------------------|
| Revenues: | | | | |
| Membership Income | \$ 676,096 | \$ 695,045 | \$ 606,531 | 11.5% |
| Golf Income | 396,303 | 413,342 | 332,935 | 19.0% |
| Other Income | <u>10,391</u> | <u>2,300</u> | <u>10,054</u> | <u>3.4%</u> |
| Total Revenues | \$ 1,082,790 | \$ 1,110,687 | \$ 949,520 | 14.0% |
| Expenses: | | | | |
| Employee Compensation & Benefits | | | | |
| Utilities | 172,172 | 207,374 | 189,258 | -9.0% |
| FGMC Expenses | 65,806 | 79,419 | 71,195 | -7.6% |
| Golf Course Water | 212,199 | 237,700 | 239,673 | -11.5% |
| Maintenance Service and Materials | 37,124 | 63,877 | 52,597 | -29.4% |
| Lake Elaine | 140,026 | 127,002 | 86,447 | 62.0% |
| Walnut Canyon Lakes Park | 98,589 | 94,305 | 97,450 | 1.2% |
| Depreciation and Amortization | 25,062 | 26,540 | 19,059 | 31.5% |
| All Other Costs | 98,181 | 98,232 | 98,181 | 0.0% |
| | <u>176,611</u> | <u>215,461</u> | <u>147,613</u> | <u>19.6%</u> |
| Total Expenses | \$ 1,025,770 | \$ 1,149,910 | \$ 1,001,473 | 2.4% |
| Earnings Before Interest & Taxes | 57,020 | (39,223) | (51,953) | -209.8% |
| Interest Expense | 38,268 | 40,800 | 43,016 | -11.0% |
| Pre-tax Income/(Loss) | \$ 18,752 | \$ (80,023) | \$ (94,969) | -119.7% |

July 10, 2015

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Prepared By: Kristy Noble

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Month of June, 2015

| | <u>Actual</u> | <u>Budget</u> | <u>Prior Year</u> | <u>%Inc/Dec to Prior Yr</u> |
|--|-------------------|-------------------|-------------------|---------------------------------|
| Revenues: | | | | |
| Membership Income | \$ - | \$ - | - | 0.0% |
| High Country Card | \$ 5,676 | \$ - | - | 0.0% |
| Green Fees | 84,474 | 109,313 | 86,954 | -2.9% |
| Cart Fees | 35,105 | 33,787 | 25,536 | 37.5% |
| Tournament Fees | - | - | - | 0.0% |
| Driving Range Income | 18,850 | 22,000 | 11,708 | 61.0% |
| Golf Shop Sales | 10,604 | 15,000 | 21,934 | -51.7% |
| Other Golf Income | 4,657 | 1,609 | 276 | 1587.3% |
| Total Revenues | \$ 159,366 | \$ 181,709 | \$ 146,408 | 8.85% |
| Expenses: | | | | |
| Employee Compensation & Benefits | 22,232 | 22,759 | 20,991 | 5.9% |
| FGMC Expenses | 44,355 | 50,500 | 51,384 | -13.7% |
| Irrigation Water | 15,006 | 26,600 | 23,367 | -35.8% |
| Utilities | 5,777 | 6,983 | 6,311 | -8.5% |
| Golf Shop COGS | 5,924 | 10,000 | 6,218 | -4.7% |
| Golf Cart Lease Expense | 6,763 | 6,764 | 6,763 | 0.0% |
| Depreciation and Amortization | 11,199 | 11,205 | 11,199 | 0.0% |
| All Other Expenses | 17,796 | 16,472 | 13,813 | 28.8% |
| Total Expenses | \$ 129,052 | \$ 151,283 | \$ 140,046 | -7.85% |
| Earnings | 30,314 | 30,426 | 6,362 | 576.46% |
| Interest & Depreciation Cost | 16,429 | 18,005 | 18,103 | -9.25% |
| Earnings Less Interest & Depreciation | \$ 46,743 | \$ 48,431 | \$ 24,465 | 291.06% |
| Revenue Per Round # | | | | |
| Green Fees | Actual 32.45 | Budget 30.00 | Prior Year 43.43 | -25% |
| Cart Fees | 2603 2002 | | | |
| Golf Shop Sales | 2318 1814 | 17.00 | 14.08 | 8% |
| Gross Profit on Golf Shop Sales | 1041 762 | 18.75 | 28.78 | -65% |
| | 56% | 67% | 28% | 97% |

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Prepared By: Kristy Noble

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Year to Date June, 2015

| | <u>Actual</u> | <u>Budget</u> | <u>Prior Year</u> | <u>%Inc/Dec to Prior Yr</u> |
|--|---------------------|---------------------|---------------------|---------------------------------|
| Revenues: | | | | |
| Membership Income | \$ 39,766 | \$ 34,000 | \$ 34,543 | 15.1% |
| High Country Card | 28,050 | - | - | 100.0% |
| Green Fees | 150,029 | 179,709 | 149,010 | 0.7% |
| Cart Fees | 70,441 | 52,991 | 42,876 | 64.3% |
| Tournament Fees | - | - | - | 0.0% |
| Driving Range Income | 49,320 | 36,300 | 46,327 | 6.5% |
| Golf Shop Sales | 28,551 | 42,000 | 28,913 | -1.3% |
| Pre Season and Other Golf Income | 30,146 | 68,342 | 31,266 | -3.6% |
| Total Revenues | \$ 396,303 | \$ 413,342 | \$ 332,935 | 19.03% |
| Expenses: | | | | |
| Employee Compensation & Benefits | 92,749 | 97,972 | 86,383 | 7.4% |
| FGMC Expenses | 212,199 | 237,700 | 239,673 | -11.5% |
| Irrigation Water | 37,124 | 63,877 | 52,597 | -29.4% |
| Utilities | 21,808 | 25,189 | 22,485 | -3.0% |
| Golf Shop COGS | 29,300 | 38,450 | 28,952 | 1.2% |
| Golf Cart Lease Expense | 27,053 | 27,056 | 27,053 | 0.0% |
| Depreciation and Amortization | 67,191 | 67,230 | 67,190 | 0.0% |
| All Other Expenses | 123,342 | 116,594 | 80,340 | 53.5% |
| Total Expenses | \$ 610,766 | \$ 674,068 | \$ 604,673 | 1.01% |
| Earnings | (214,463) | (260,726) | (271,738) | 21.08% |
| Interest & Depreciation Cost | 105,459 | 74,030 | 108,174 | 2.5% |
| Earnings Less Interest & Depreciation | \$ (109,004) | \$ (186,696) | \$ (163,564) | 33.36% |
| Revenue Per Round # | | | | |
| Green Fees | 2015 5030 | 2014 4105 | Prior Year 36.30 | -17.8% |
| Cart Fees | 4438 | 2926 | 14.65 | 8.3% |
| Golf Shop Sales | 2062 | 1784 | 16.21 | -15% |
| Gross Profit on Golf Shop Sales | 102.62% | 91.55% | 100.13% | -2% |

July 10, 2015

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Prepared By: Kristy Noble

Continental Country Club, Inc.
Income Statement - Small Business Units
Month of June, 2015

| Tennis | | | | |
|---|-----------------|-----------------|-------------------|---------------------------------|
| MTD | <u>Actual</u> | <u>Budget</u> | <u>Prior Year</u> | <u>%Inc/Dec To Prior Yr</u> |
| Revenues: | | | | |
| Tennis Revenues | \$ 2,351 | \$ 100 | \$ 1,313 | 79.0% |
| Total Revenues | \$ 2,351 | \$ 100 | \$ 1,313 | 79% |
| Expenses: | | | | |
| All Expenses | 846 | 505 | 401 | 110.9% |
| Total Expenses | \$ 846 | \$ 505 | \$ 401 | 111% |
| Earnings Before Interest & Tax | \$ 1,505 | \$ (405) | \$ 912 | 65% |

| YTD | <u>Actual</u> | <u>Budget</u> | <u>Prior Year</u> | <u>%Inc/Dec To Prior Yr</u> |
|---|------------------|-----------------|-------------------|---------------------------------|
| Revenues: | | | | |
| Tennis Revenues | \$ 10,391 | \$ 2,300 | \$ 7,849 | 32.4% |
| Total Revenues | \$ 10,391 | \$ 2,300 | \$ 7,849 | 32% |
| Expenses: | | | | |
| All Expenses | 2,157 | 2,765 | 3,738 | -42.3% |
| Total Expenses | \$ 2,157 | \$ 2,765 | \$ 3,738 | -42% |
| Earnings Before Interest & Tax | \$ 8,234 | \$ (465) | \$ 4,111 | 100% |

Continental Country Club, Inc.
Statement of Cash Flows
Month to date June, 2015

| | <u>Actual</u> | <u>Prior Year</u> |
|---|-------------------|-------------------|
| Cash Flow from Operations: | | |
| Operating Income | \$ 78,696 | \$ 49,564 |
| Adjustments to Reconcile Operating Income to Cash Flow: | | |
| Depreciation & Amortization | 16,364 | 16,364 |
| Receivables - (Up)/Down | (81,701) | (77,556) |
| Inventory - (Up)/Down | (7,822) | 4,683 |
| Prepaid Expenses - (Up)/Down | (1,458) | 194 |
| Payables - Up/(Down) | (21,286) | 1,605 |
| Accrued Expenses - Up/(Down) | <u>57,314</u> | <u>46,861</u> |
| Net Cash Flow from Operations | \$ 40,107 | \$ 41,715 |
| Investing Cash Flows: | | |
| Purchase of Capital Equipment (Net) | - | - |
| Investment in FGMC | - | - |
| Other Investing Cash Flows | <u>(8,603)</u> | <u>-</u> |
| Investing Cash Flow | \$ (8,603) | \$ - |
| 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>-</u> | <u>(5,327)</u> |
| Financing Cash Flow | \$ - | \$ (5,327) |
| Net Change in Cash | \$ 31,504 | \$ 36,388 |
| Cash at Beginning of Period | \$ 133,361 | \$ 12,185 |
| Cash at End of Period | \$ 164,864 | \$ 48,573 |
| Cash Flow Increase/Decrease | \$ 116,292 | 239% |

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

| | 2015 | | 2014 |
|---|--------------------|-----------|----------------------|
| | <u>YTD</u> | | <u>Actual</u> |
| Cash Flow from Operations: | | | |
| Operating Income | \$ 18,752 | \$ | (94,969) |
| Adjustments to Reconcile Operating Income to Cash Flow: | | | |
| Depreciation & Amortization | 98,181 | | 98,181 |
| Receivables - (Up)/Down | 41,077 | | 98,744 |
| Inventory - (Up)/Down | (18,977) | | (10,523) |
| Prepaid Expenses - (Up)/Down | (3,227) | | (17,477) |
| Payables - Up/(Down) | (47,395) | | (71,136) |
| Accrued Expenses - Up/(Down) | 58,024 | | 93,699 |
| Net Cash Flow from Operations | \$ 146,435 | \$ | 96,519 |
| Investing Cash Flows: | | | |
| Purchase of Capital Equipment (Net) | (51,549) | | (2,470) |
| Investment in FGMC | - | | (16,214) |
| Other Investing Cash Flows | - | | - |
| Investing Cash Flow | \$ (51,549) | \$ | (18,684) |
| Financing Cash Flows: | | | |
| Advance on Bank Line of Credit | - | | - |
| Payment on Bank Line of Credit | - | | (35,000) |
| Release of Restricted Funds | - | | - |
| Payment of Bank Term Loan | (41,530) | | (32,397) |
| Financing Cash Flow | \$ (41,530) | \$ | (67,397) |
| Net Change in Cash | \$ 53,356 | \$ | 10,438 |
| Cash at Beginning of Period | \$ 111,507 | \$ | 38,135 |
| Cash at End of Period | \$ 164,864 | \$ | 48,573 |
| Cash Flow Increase/Decrease | \$ 116,291 | | |

Continental Country Club

Balance Sheet

June 2015

| ASSETS | | |
|--|----------------|--------------|
| Current Assets | | |
| Petty Cash | | |
| Sunwest Bank CD | 1,550.00 | |
| Chase- Credit Card Account | 88,675.40 | |
| Sunwest Bank Checking | 92,209.27 | |
| Sunwest Bank Savings | 34,449.04 | |
| Receivables | 37,003.12 | |
| Golf Shop Receivables | (51,330.60) | |
| Allowance for doubtful A/R | 17,846.14 | |
| Golf Shop Inventory | (3,000.00) | |
| | 42,791.97 | |
| TOTAL Current Assets | | 260,194.34 |
| Fixed Assets | | |
| Land | | |
| Reclaimed Water Line | 443,618.81 | |
| Accum. Depr. - Reclaimed Water Line | 147,703.08 | |
| Irrigation System | (147,703.08) | |
| Buildings | 1,462,014.30 | |
| Building Remodel | 1,590,465.55 | |
| Parking Lot Paving | 1,312,417.02 | |
| Tennis Courts Improvements | 203,226.00 | |
| Accum. Depr. - Improvements | 62,695.98 | |
| Accum. Deprec. - Club House | (1,067,590.30) | |
| Accum. Dep. - Irrigation System | (1,567,132.18) | |
| Pools | (883,300.42) | |
| Accum. Deprec. - Pools | 35,324.86 | |
| Office Equipment | (28,553.82) | |
| Accum. Deprec. - Office Equip. | 42,096.48 | |
| Equipment | (36,745.19) | |
| Accum. Deprec. - Equipment | 346,145.79 | |
| A/D-Other | (267,364.67) | |
| Golf Course Improvements | 5,000.00 | |
| Leasehold Improvements - Other | 40,294.86 | |
| | (5,000.00) | |
| TOTAL Fixed Assets | | 1,687,613.07 |
| Other Assets | | |
| Lake Elaine Acct - Bank One (Restricted) | | |
| Note Receivable - Oakmont | 156,093.33 | |
| Pre-Paid Insurance | 400.08 | |
| Capital Investment - FGMC | 18,420.40 | |
| Note Receivable - LT portion | 214,898.00 | |
| Note Receivable -CP-Contra | 88,565.96 | |
| Deferred Tax Asset | (400.08) | |
| Orig. fees and pts - Irrig loan | 54,000.00 | |
| Accumulated Amortization | 29,000.00 | |
| Right to Repurchase License | (29,000.00) | |
| Closing Costs - Irrig Loan | 1,356.04 | |
| Acc. Amortization - Closing Costs | 31,467.00 | |
| | (11,800.22) | |

| | | | |
|----------------------------------|--------------------|--------------|---------------------|
| TOTAL Other Assets | | | |
| TOTAL ASSETS | | | <u>553,000.51</u> |
| | | | <u>2,500,807.92</u> |
| | LIABILITIES | | |
| Current Liabilities | | | |
| Trade Payables | | | |
| Golf League Assessment | 68,472.79 | | |
| Tennis Improvement | 7,864.82 | | |
| Handicap Fees Payable | 3,145.48 | | |
| Advance Deposit | 480.00 | | |
| Accrued expenses Reclaimed water | 4,500.00 | | |
| Accrued Expenses - FGMC | 53,953.56 | | |
| Current Portion - LTD | 21,374.21 | | |
| Current portion - note payable | (70,510.96) | | |
| Salaries Payable | 69,154.92 | | |
| Federal Tax Withheld | 17,062.78 | | |
| State Tax Withheld | (784.13) | | |
| FICA | (277.62) | | |
| SUTA | (2,252.60) | | |
| State Income Tax Payable | 44.64 | | |
| Real Estate Tax | 50.00 | | |
| Lot Assessment Accrual | 14,250.00 | | |
| Gift Cards | 349,132.00 | | |
| | 425.10 | | |
| TOTAL Current Liabilities | | | |
| Long-Term Liabilities | | | 536,084.99 |
| Future Maintenance- Lake Elaine | | 156,093.33 | |
| Note Payable - Sunwest Bank | | 1,159,595.62 | |
| Obligation to Repurchase License | | 1,356.04 | |
| TOTAL Long-Term Liabilities | | | |
| TOTAL LIABILITIES | | | <u>1,317,044.99</u> |
| | | | 1,853,129.98 |
| | CAPITAL | | |
| Capital Reserves | | | |
| Contributed Capital | 132,242.00 | | |
| Fund Balance, Prior Periods | 2,556,498.00 | | |
| Year-to-Date Earnings | (2,065,457.79) | | |
| | 24,395.73 | | |
| TOTAL CAPITAL | | | <u>647,677.94</u> |
| TOTAL LIABILITIES & CAPITAL | | | <u>2,500,807.92</u> |