

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
<b>Revenues:</b>				
Membership Income	\$ 159,279	\$ 134,071	\$ 141,124	12.9%
Golf Income	190,758	177,799	159,366	19.7%
Other Income	2,599	100	2,321	12.0%
<b>Total Revenues</b>	<b>\$ 352,636</b>	<b>\$ 311,970</b>	<b>\$ 302,811</b>	<b>16.5%</b>
<b>Expenses:</b>				
Flagstaff Golf Maintenance Company	49,028	47,869	44,355	10.5%
Golf Course Reclaimed Water	20,996	27,500	15,006	39.9%
Golf Cart Lease	6,763	7,364	6,763	0.0%
Cost of Goods Sold Golf	8,848	9,756	6,191	42.9%
Wyndham Maintenance & Other Payments	3,500	9,650	10,805	-67.6%
Lake Elaine	15,995	15,815	18,998	-15.8%
Walnut Canyon Lakes Park	10,494	8,090	9,543	10.0%
Employee Compensation & Benefits	63,993	49,782	37,398	71.1%
Building, Equipment & Grounds	25,788	6,012	12,285	109.9%
Utilities	19,704	18,588	18,817	4.7%
Legal & Consulting	2,350	9,167	3,881	-39.4%
Property Insurance & Taxes	6,327	6,357	6,814	-7.1%
Depreciation & Amortization	16,754	16,607	16,364	2.4%
Merchant Services & Bank Fees	3,555	4,000	4,068	-12.6%
Advertising & Website Costs	5,986	2,695	3,075	94.7%
All Other Expenses	5,762	3,720	4,554	26.5%
<b>Total Expenses</b>	<b>\$ 265,845</b>	<b>\$ 242,972</b>	<b>\$ 218,917</b>	<b>21.4%</b>
<b>Earnings Before Interest &amp; Taxes</b>	<b>86,791</b>	<b>68,998</b>	<b>83,894</b>	<b>3.5%</b>
Interest Expense	6,123	6,400	5,230	17.1%
<b>Pre-tax Income/(Loss)</b>	<b>\$ 80,668</b>	<b>\$ 62,598</b>	<b>\$ 78,664</b>	<b>2.5%</b>

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
<b>Revenues:</b>				
Membership Income	\$ 810,771	\$ 791,502	\$ 676,096	19.9%
Golf Income	465,876	453,558	396,303	17.6%
Other Income	8,865	2,300	10,391	-14.7%
<b>Total Revenues</b>	<b>\$ 1,285,512</b>	<b>\$ 1,247,360</b>	<b>\$ 1,082,790</b>	<b>18.7%</b>
<b>Expenses:</b>				
Flagstaff Golf Maintenance Company	226,007	238,590	212,199	6.5%
Golf Course Reclaimed Water	44,909	69,430	37,124	21.0%
Golf Cart Lease	27,053	27,656	27,053	0.0%
Cost of Goods Sold Golf	22,595	21,612	18,071	25.0%
Wyndham Maintenance & Other Payments	48,241	54,300	66,841	-27.8%
Lake Elaine	76,614	153,190	98,589	-22.3%
Walnut Canyon Lakes Park	32,071	33,190	25,062	28.0%
Employee Compensation & Benefits	250,044	246,411	175,330	42.6%
Building, Equipment & Grounds	84,580	61,802	55,219	53.2%
Utilities	77,049	77,278	69,801	10.4%
Legal & Consulting	79,567	63,099	25,913	207.1%
Property Insurance & Taxes	39,477	37,882	38,549	2.4%
Depreciation & Amortization	100,525	99,642	98,181	2.4%
Merchant Services & Bank Fees	13,084	18,900	16,112	-18.8%
Advertising & Website Costs	35,410	20,025	22,066	60.5%
All Other Expenses	23,979	21,465	27,692	-13.4%
<b>Total Expenses</b>	<b>\$ 1,181,204</b>	<b>\$ 1,244,472</b>	<b>\$ 1,013,801</b>	<b>16.5%</b>
<b>Earnings Before Interest &amp; Taxes</b>	<b>104,309</b>	<b>2,888</b>	<b>68,989</b>	<b>51.2%</b>
Interest Expense	36,663	38,400	38,268	4.2%
<b>Pre-tax Income/(Loss)</b>	<b>\$ 67,646</b>	<b>\$ (35,512)</b>	<b>\$ 30,721</b>	<b>120.2%</b>

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

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
<b>Revenues:</b>				
Golf Member Income	500	-	-	0.0%
High Country Card	8,071	7,000	5,676	42.2%
Green Fees	103,090	89,799	84,474	22.0%
Cart Fees	38,970	38,000	35,105	11.0%
Driving Range Income	23,906	21,890	18,850	26.8%
Golf Shop Sales	13,818	16,260	10,604	30.3%
Pre & Post Season Income	-	-	-	0.0%
Other Golf Income	2,404	4,850	4,657	-48.4%
<b>Total Revenues</b>	<b>\$ 190,758</b>	<b>\$ 177,799</b>	<b>\$ 159,366</b>	<b>19.70%</b>
<b>Expenses:</b>				
FGMC Expenses	49,028	47,869	44,355	10.5%
Golf Course Reclaimed Water	20,996	27,500	15,006	39.9%
Golf Cart Lease	6,763	7,364	6,763	0.0%
Cost of Good Sold Golf	8,848	9,756	6,191	42.9%
Employee Compensation & Benefits	26,802	23,961	22,232	20.6%
Building, Equipment & Grounds	11,040	-	127	8590.1%
Utilities	6,957	6,465	6,023	15.5%
Consulting Fees	2,000	2,885	2,316	-13.6%
Property Insurance & Taxes	1,992	1,999	2,030	-1.9%
Depreciation and Amortization	11,256	11,330	11,199	0.5%
Interest Expense	6,123	6,400	5,230	17.1%
Merchant Services & Bank fees	3,111	3,000	3,718	-16.3%
Advertising & Website Costs	4,048	2,130	2,590	56.3%
All Other Expenses	1,436	1,685	1,271	13.0%
<b>Total Expenses</b>	<b>\$ 160,400</b>	<b>\$ 152,344</b>	<b>\$ 129,052</b>	<b>24.3%</b>
<b>Net Income</b>	<b>30,358</b>	<b>25,455</b>	<b>30,314</b>	<b>0.1%</b>
Less Depreciation	11,256	11,330	11,199	0.5%
<b>Cash Flow</b>	<b>\$ 41,614</b>	<b>\$ 36,785</b>	<b>\$ 41,513</b>	<b>0.2%</b>
Less Interest	6,123	6,400	5,230	17.1%
<b>Operating Income</b>	<b>\$ 47,737</b>	<b>\$ 43,185</b>	<b>\$ 46,743</b>	<b>2.1%</b>
<b>Number of Participants</b>	<b>2016</b>	<b>Budget</b>	<b>2015</b>	<b>%Inc/Dec</b>
Number of Rounds	2900	2976	2964	-2.2%
Cart Rentals	2606	2454	2318	12.4%
Practice Facility	2038	2432	1992	2.3%
<b>Average Dollar Per Round</b>				
Green & Cart Fees	48.99	42.94	40.34	21.4%
Practice Facility	11.73	9.00	9.46	24.0%
Gross Profit on Golf Shop Sales	36%	40%	42%	-13.6%

**Continental Country Club, Inc.**  
**Income Statement - Golf Business Unit**  
**Year to Date Jun, 2016**

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
<b>Revenues:</b>				
Golf Member Income	40,090	42,273	39,766	0.8%
High Country Card	31,178	30,682	28,050	11.2%
Green Fees	178,919	203,527	150,029	19.3%
Cart Fees	78,028	80,000	70,441	10.8%
Driving Range Income	54,611	52,211	49,320	10.7%
Golf Shop Sales	31,981	36,020	28,551	12.0%
Pre & Post Season Income	42,923	-	23,034	86.3%
Other Golf Income	8,146	8,845	7,112	14.5%
<b>Total Revenues</b>	<b>\$ 465,876</b>	<b>\$ 453,558</b>	<b>\$ 396,303</b>	<b>17.56%</b>
<b>Expenses:</b>				
FGMC Expenses	226,007	238,590	212,199	6.5%
Golf Course Reclaimed Water	44,909	69,430	37,124	21.0%
Golf Cart Lease	27,053	27,656	27,053	0.0%
Cost of Good Sold Golf	22,595	21,612	18,071	25.0%
Employee Compensation & Benefits	103,808	97,426	95,318	8.9%
Building, Equipment & Grounds	38,520	21,875	19,985	92.7%
Utilities	25,098	25,680	23,384	7.3%
Consulting Fees	13,039	17,310	12,926	0.9%
Property Insurance & Taxes	11,952	11,994	12,180	-1.9%
Depreciation and Amortization	67,536	67,980	67,191	0.5%
Interest Expense	36,663	38,400	38,150	-3.9%
Merchant Services & Bank fees	7,906	7,400	7,282	8.6%
Advertising & Website Costs	18,936	15,425	15,354	23.3%
All Other Expenses	6,560	11,140	12,549	-47.7%
<b>Total Expenses</b>	<b>\$ 650,581</b>	<b>\$ 671,918</b>	<b>\$ 598,767</b>	<b>8.7%</b>
<b>Net Income</b>	<b>(184,706)</b>	<b>(218,360)</b>	<b>(202,464)</b>	<b>8.8%</b>
Less Depreciation	67,536	67,980	67,191	0.5%
<b>Cash Flow</b>	<b>\$ (117,170)</b>	<b>\$ (150,380)</b>	<b>\$ (135,272)</b>	<b>13.4%</b>
Less Interest	36663	38400	38150	-3.9%
<b>Operating Income</b>	<b>\$ (80,507)</b>	<b>\$ (111,980)</b>	<b>\$ (97,122)</b>	<b>17.1%</b>
<b>Number of Participants</b>	<b>2016</b>	<b>Budget</b>	<b>2015</b>	<b>%Inc/Dec</b>
Number of Rounds	5588	5781	5756	-2.9%
Cart Rentals	5235	4763	4491	16.6%
Practice Facility	5521	5801	5151	7.2%
<b>Average Dollar Per Round</b>				
Green & Cart Fees	45.98	49.04	38.30	20.0%
Practice Facility	9.89	9.00	9.57	3.3%
Gross Profit on Golf Shop Sales	29%	40%	37%	-20.0%

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

	Tennis			
MTD	Actual	Budget	Prior Year	%Inc/Dec To Prior Yr
<b>Revenues:</b>				
Total Tennis Revenues	\$ 2,599	\$ 100	\$ 2,351	10.6%
<b>Expenses:</b>				
Total Tennis Expenses	170	410	846	-79.9%
<b>Earnings Before Interest &amp; Taxes</b>	<u>\$ 2,429</u>	<u>\$ (310)</u>	<u>\$ 1,505</u>	<u>61.39%</u>
<b>YTD</b>				
<b>Revenues:</b>	<b>Actual</b>	<b>Budget</b>	<b>Prior Year</b>	<b>%Inc/Dec To Prior Yr</b>
Total Tennis Revenues	\$ 8,865	\$ 2,300	\$ 10,391	-14.7%
<b>Expenses:</b>				
Total Tennis Expenses	2,350	4,100	2,157	9.0%
<b>Earnings Before Interest &amp; Taxes</b>	<u>\$ 6,515</u>	<u>\$ (1,800)</u>	<u>\$ 8,234</u>	<u>-20.88%</u>

**Legal & Consulting Fees Detail**

MTD Expenses	Actual	Budget	Prior Year	%Inc/Dec To Prior Yr
Attorney & Legal Fees	\$ 350	\$ 867	\$ 1,565	-77.6%
Accounting & Review	-	-	-	0.0%
Consulting (Lake Elaine Project)	-	5,500	-	0.0%
Consulting (OB Sports)	2,000	2,800	2,316	-13.6%
<b>Total Legal &amp; Consulting Expenses</b>	<u>\$ 2,350</u>	<u>\$ 9,167</u>	<u>\$ 3,881</u>	<u>-39.4%</u>
<b>YTD Expenses</b>				
Attorney & Legal Fees	\$ 13,220	\$ 10,367	\$ 5,187	154.9%
Accounting & Review	7,925	8,200	7,800	1.6%
Consulting (Lake Elaine Project)	45,383	27,732	1	4538200.0%
Consulting (OB Sports)	13,039	16,800	12,926	0.9%
<b>Total Legal &amp; Consulting Expenses</b>	<u>\$ 79,567</u>	<u>\$ 63,099</u>	<u>\$ 25,914</u>	<u>207.0%</u>

**Continental Country Club, Inc.**  
**Income Statement - Lakes**  
**June, 2016**

Lake Elaine

<b>MTD Expenses</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 8,201	\$ 11,800	\$ 12,616	-35.0%
Utilities	932	1,000	903	3.3%
Maintenance contract labor	5,000	725	4,235	18.1%
Fish	-	-	-	0.0%
Chemicals	1,811	2,250	1,195	51.6%
Equipment repairs	-	-	-	0.0%
Other Expenses	50	40	50	0.0%
<b>Total Expenses</b>	<b><u>\$ 15,995</u></b>	<b><u>\$ 15,815</u></b>	<b><u>\$ 18,998</u></b>	<b><u>-15.8%</u></b>

<b>YTD Expenses</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 50,194	\$ 126,750	\$ 72,975	-31.2%
Utilities	4,870	5,100	4,754	2.5%
Maintenance contract labor	5,225	3,850	12,768	-59.1%
Fish	5,195	10,000	5,403	-3.8%
Chemicals	8,629	6,750	2,389	261.2%
Equipment repairs	2,200	500	1	219900.0%
Other Expenses	300	240	300	0.0%
<b>Total Expenses</b>	<b><u>\$ 76,614</u></b>	<b><u>\$ 153,190</u></b>	<b><u>\$ 98,590</u></b>	<b><u>-22.3%</u></b>

Walnut Canyon Lakes

<b>MTD Expenses</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 1,286	\$ 3,000	\$ 4,101	-68.6%
Utilities	1,085	900	838	29.5%
Maintenance contract labor	3,941	3,400	4,294	-8.2%
Fish	-	-	-	0.0%
Chemicals	4,132	750	1	413100.0%
Equipment repairs	-	-	261	-100.0%
Other Expenses	50	40	50	0.0%
<b>Total Expenses</b>	<b><u>\$ 10,494</u></b>	<b><u>\$ 8,090</u></b>	<b><u>\$ 9,544</u></b>	<b><u>10.0%</u></b>

<b>YTD Expenses</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 7,570	\$ 8,800	\$ 8,993	-15.8%
Utilities	4,215	2,700	2,508	68.0%
Maintenance contract labor	12,138	13,900	10,294	17.9%
Fish	1,896	5,000	1,363	39.2%
Chemicals	4,703	2,250	1,344	250.0%
Equipment repairs	1,249	300	261	378.7%
Other Expenses	300	240	300	0.0%
<b>Total Expenses</b>	<b><u>\$ 32,071</u></b>	<b><u>\$ 33,190</u></b>	<b><u>\$ 25,062</u></b>	<b><u>28.0%</u></b>

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

<u>June</u>	2016	2015
	<u>YTD</u>	<u>YTD</u>
<b>Cash Flow from Operations:</b>		
Operating Income	\$ 67,646	\$ 30,721
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	100,525	98,181
Receivables - (Up)/Down	127,387	41,077
Inventory - (Up)/Down	(20,128)	(18,977)
Prepaid Expenses - (Up)/Down	(35,565)	(3,227)
Payables - Up/(Down)	7,982	(47,395)
Accrued Expenses - Up/(Down)	31,673	46,056
<b>Net Cash Flow from Operations</b>	<b>\$ 279,520</b>	<b>\$ 146,436</b>
<b>Investing Cash Flows:</b>		
Purchase of Capital Equipment (Net)	(100,152)	(51,549)
Investment in FGMC	(36,421)	-
Other Investing Cash Flows	-	-
<b>Investing Cash Flow</b>	<b>\$ (136,573)</b>	<b>\$ (51,549)</b>
<b>Financing Cash Flows:</b>		
Advance on Bank Line of Credit	-	-
Payment on Bank Line of Credit	-	-
Release of Restricted Funds	-	-
Payment of Bank Term Loan	(36,719)	(41,530)
<b>Financing Cash Flow</b>	<b>\$ (36,719)</b>	<b>\$ (41,530)</b>
<b>Net Change in Cash</b>	<b>\$ 106,229</b>	<b>\$ 53,357</b>
Cash at Beginning of Period	\$ 277,685	\$ 111,507
Cash at End of Period	\$ 383,914	\$ 164,864
Cash Flow Inc/Dec over prior year	\$ 219,050	133%

## Continental Country Club Capital Investment Breakdown

<u>June</u>	2016	2016	Notes
Purchase of Capital Equipment (Net)	<u>YTD</u>	<u>Budget</u>	<u>Notes</u>
<b>Equipment</b>			
Bob Cat	14,250	15,000	
John Deere Pro Gater	8,000		
Signs/ Street entry	-	12,500	
Aerators LE/WCL	26,781		2nd portion approved 2015
Hot Water Heater	5,495	-	
<b>Total Equipment Investments</b>	<b><u>\$ 54,526</u></b>	<b><u>\$ 27,500</u></b>	
<b>Parking Improvement</b>			
Parking Lot	11,000	10,000	
<b>Total Parking Improvements</b>	<b><u>\$ 11,000</u></b>	<b><u>\$ 10,000</u></b>	
<b>Pool Improvements</b>			
Pool House upgrade	-	4,000	
<b>Total Pool Improvements</b>	<b><u>\$ -</u></b>	<b><u>\$ 4,000</u></b>	
<b>Building Upgrades</b>			
Fitness Room	-	4,400	
Carpet	4,423	-	admin carpet
<b>Total Building Upgrades</b>	<b><u>\$ 4,423</u></b>	<b><u>\$ 4,400</u></b>	
<b>Golf</b>			
15th Tee Box	8,447	11,000	
Carpet	6,256	5,500	
Cart Path	15,500	9,000	
<b>Total Golf</b>	<b><u>\$ 30,203</u></b>	<b><u>\$ 25,500</u></b>	
<b>FGMC Investment</b>			
Capital Lease	12,009	15,600	
Equipment	24,412	25,000	
<b>FGMC Total</b>	<b><u>\$ 36,421</u></b>	<b><u>\$ 40,600</u></b>	
<b>Total Purchase of Capital</b>	<b><u>\$ 136,572</u></b>	<b><u>\$ 112,000</u></b>	



# Continental Country Club

## Balance Sheet

June 2016

### ASSETS

Current Assets	
Petty Cash	1,550.00
Sunwest Bank CD	88,879.08
Chase- Credit Card Account	18,640.61
Sunwest Bank Checking	179,368.68
Sunwest Bank Savings	184,055.31
Receivables	45,623.10
Golf Shop Inventory	55,907.09
<b>TOTAL Current Assets</b>	<b>574,023.87</b>

### Fixed Assets

Land & Buildings	5,099,628.64
Accum. Deprec.- Buildings	(3,652,675.08)
Pools	100,319.47
Accum. Deprec.- Pools	(32,270.64)
Office Equipment	42,096.48
Accum. Deprec.- Office Equip.	(38,227.07)
Equipment	424,881.55
Accum. Deprec.- Equipment	(295,472.75)
A/D-Other	5,000.00
Golf Course Improvements	64,241.42
Leasehold Improvements - Other	(5,000.00)
<b>TOTAL Fixed Assets</b>	<b>1,712,522.02</b>

### Other Assets

Lake Elaine Acct - Bank One (Restricted)	156,155.63
Note Receivable - Oakmont	306.67
Pre-Paid	46,794.55
Capital Investment - FGMC	234,775.10
Note Receivable - LT portion	89,625.74
Note Receivable - CP-Contra	(306.67)
Deferred Tax Asset	34,000.00
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	(14,946.98)

TOTAL Other Assets

578,089.30

TOTAL ASSETS

2,864,635.19

### LIABILITIES

Current Liabilities	
Trade Payables	68,136.02
Golf League Assessment	7,899.82
Tree Donation Program	2,353.00
Tennis Improvement	3,145.48

Pickleball Improvement	5,730.00	
Handicap Fees Payable	390.00	
Advance Deposit	4,500.00	
Accrued expenses Reclaimed water	6,291.38	
Accrued Expenses - FGMC	29,321.84	
Payable to Wyndham (Pool)	36,244.61	
Current Portion - LTD	(73,638.59)	
Current portion - note payable	73,638.59	
Payroll Liabilities	10,248.45	
Tax Liabilities	15,410.46	
Deferred Income	570,757.00	
Other Current Liabilities	3,083.57	
<b>TOTAL Current Liabilities</b>		<b>763,511.63</b>
<b>Long-Term Liabilities</b>		
Future Maintenance- Lake Elaine	156,155.63	
Note Payable - Sunwest Bank	1,087,473.84	
Obligation to Repurchase License	218.26	
<b>TOTAL Long-Term Liabilities</b>		<b>1,243,847.73</b>
<b>TOTAL LIABILITIES</b>		<b>2,007,359.36</b>
		<b>CAPITAL</b>
Capital Reserves	132,242.00	
Contributed Capital	2,556,498.00	
Fund Balance, Prior Periods	(1,899,110.42)	
Year-to-Date Earnings	67,646.25	
<b>TOTAL CAPITAL</b>		<b>857,275.83</b>
<b>TOTAL LIABILITIES &amp; CAPITAL</b>		<b>2,864,635.19</b>