

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 146,284	\$ 139,671	\$ 120,342	21.6%
Golf Income	110,312	161,962	103,835	6.2%
Other Income	956	100	2,830	-66.2%
Total Revenues	\$ 257,552	\$ 301,733	\$ 227,007	13.5%
Expenses:				
Flagstaff Golf Maintenance Company	47,611	46,348	38,022	25.2%
Golf Course Reclaimed Water	10,043	19,900	9,382	7.0%
Golf Cart Lease	6,763	6,764	6,763	0.0%
Cost of Goods Sold Golf	8,032	9,036	498	1513.4%
Wyndham Maintenance & Other Payments	9,663	9,650	11,912	-18.9%
Lake Elaine	14,828	24,815	10,880	36.3%
Wainut Canyon Lakes Park	7,629	7,990	9,307	-18.0%
Employee Compensation & Benefits	49,747	50,339	36,814	35.1%
Building, Equipment & Grounds	15,019	13,462	20,655	-27.3%
Utilities	13,034	14,833	14,306	-8.9%
Legal & Consulting	33,616	9,167	588	5613.3%
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	2,130	2,800	3,608	-41.0%
Advertising & Website Costs	8,970	4,105	10,146	-11.6%
All Other Expenses	5,220	2,865	3,097	68.6%
Total Expenses	\$ 255,690	\$ 245,038	\$ 199,157	28.4%
Earnings Before Interest & Taxes	1,862	56,695	27,850	-93.3%
Interest Expense	5,960	6,400	7,000	14.9%
Pre-tax Income/(Loss)	\$ (4,098)	\$ 50,295	\$ 20,850	-119.7%

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>% Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 651,492	\$ 657,430	\$ 534,972	21.8%
Golf Income	275,118	275,759	236,936	16.1%
Other Income	6,266	2,200	8,370	-25.1%
Total Revenues	\$ 932,877	\$ 935,389	\$ 780,278	19.6%
Expenses:				
Flagstaff Golf Maintenance Company	176,979	190,721	167,844	5.4%
Golf Course Reclaimed Water	23,913	41,930	22,118	8.1%
Golf Cart Lease	20,290	20,292	20,290	0.0%
Cost of Goods Sold Golf	13,748	11,856	11,880	15.7%
Wyndham Maintenance & Other Payments	44,741	44,650	56,036	-20.2%
Lake Elaine	60,619	137,375	79,591	-23.8%
Walnut Canyon Lakes Park	21,576	25,100	15,519	39.0%
Employee Compensation & Benefits	186,051	196,629	137,937	34.9%
Building, Equipment & Grounds	58,845	55,790	45,934	28.1%
Utilities	57,345	58,690	51,307	11.8%
Legal & Consulting	77,217	53,932	22,032	250.5%
Property Insurance & Taxes	33,190	31,525	31,735	4.6%
Depreciation & Amortization	83,771	83,035	81,818	2.4%
Merchant Services & Bank Fees	9,529	14,900	12,044	-20.9%
Advertising & Website Costs	28,826	17,330	19,102	50.9%
All Other Expenses	18,720	17,745	19,999	-6.4%
Total Expenses	\$ 915,359	\$ 1,001,500	\$ 795,185	15.1%
Earnings Before Interest & Taxes	17,518	(66,111)	(14,907)	217.5%
Interest Expense	30,539	32,000	33,037	-7.6%
Pre-tax Income/(Loss)	\$ (13,021)	\$ (98,111)	\$ (47,944)	72.8%

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

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	11,845	11,682	11,682	0.0%
High Country Card	47,123	89,104	43,068	1.4%
Green Fees	23,198	26,000	21,288	9.4%
Cart Fees	16,461	17,321	17,486	9.0%
Driving Range Income	9,715	15,060	9,359	-5.9%
Golf Shop Sales	1,969	2,795	0	3.8%
Pre & Post Season Income	-	-	952	-100.0%
Other Golf Income	-	-	-	106.8%
Total Revenues	\$ 110,312	\$ 161,962	\$ 103,835	6.24%
Expenses:				
FGMC Expenses	47,611	46,348	38,022	25.2%
Golf Course Reclaimed Water	10,043	19,900	9,382	7.0%
Golf Cart Lease	6,763	6,764	6,763	0.0%
Cost of Good Sold Golf	8,032	9,036	498	1513.4%
Employee Compensation & Benefits	25,840	24,518	22,827	13.2%
Building, Equipment & Grounds	4,612	100	11,409	-59.6%
Utilities	4,537	5,855	4,328	4.8%
Consulting Fees	2,070	2,885	232	792.8%
Property Insurance & Taxes	1,992	1,999	2,030	-1.9%
Depreciation and Amortization	11,256	11,330	11,199	0.5%
Interest Expense	5,960	6,400	7,000	-14.9%
Merchant Services & Bank fees	1,448	1,800	1,179	22.8%
Advertising & Website Costs	2,482	2,615	7,222	-65.6%
All Other Expenses	1,719	1,595	2,024	-15.1%
Total Expenses	\$ 134,366	\$ 141,145	\$ 124,114	8.3%
Net Income	(24,054)	20,817	(20,279)	18.6%
Less Depreciation	11,256	11,330	11,199	0.5%
Cash Flow	(12,798)	\$ 32,147	(9,081)	40.9%
Less Interest	5960	6400	7000	-14.9%
Operating Income	(6,839)	\$ 38,547	(2,081)	228.7%
Number of Participants	2016	Budget	2015	%Inc/Dec
Number of Rounds	1608	1827	1814	-11.4%
Cart Rentals	1580	1546	1410	12.1%
Practice Facility	1763	1925	1715	2.8%
Average Dollar Per Round				
Green & Cart Fees	43.73	63.00	35.48	23.3%
Practice Facility	9.34	9.00	10.20	-8.4%
Gross Profit on Golf Shop Sales	17%	40%	95%	-81.7%

Continental Country Club, Inc.

Income Statement - Golf Business Unit

Year to Date May, 2016

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	38,590	42,273	39,766	-3.0%
High Country Card	23,107	23,682	22,374	3.3%
Green Fees	75,829	113,728	65,555	15.7%
Cart Fees	39,058	42,000	35,336	10.5%
Driving Range Income	30,705	30,321	30,470	0.8%
Golf Shop Sales	18,164	19,760	13,038	39.3%
Pre & Post Season Income	42,923	-	23,034	86.3%
Other Golf Income	6,743	3,995	7,363	-8.4%
Total Revenues	\$ 275,119	\$ 275,759	\$ 236,936	16.11%
Expenses:				
FGMC Expenses	176,979	190,721	167,844	5.4%
Golf Course Reclaimed Water	23,913	41,930	22,118	8.1%
Golf Cart Lease	20,290	20,292	20,290	0.0%
Cost of Good Sold Golf	13,748	11,856	11,880	15.7%
Employee Compensation & Benefits	77,186	73,466	73,086	5.6%
Building, Equipment & Grounds Utilities	27,480	21,875	24,506	12.1%
Consulting Fees	18,140	19,215	17,360	4.5%
Property Insurance & Taxes	11,039	14,425	10,610	4.0%
Depreciation and Amortization	9,960	9,995	10,150	-1.9%
Interest Expense	56,280	56,650	55,993	0.5%
Merchant Services & Bank fees	30,539	32,000	32,920	-7.2%
Advertising & Website Costs	3,794	4,400	3,564	6.5%
All Other Expenses	11,822	13,295	12,764	-7.4%
	8,011	9,455	6,629	20.8%
Total Expenses	\$ 489,181	\$ 519,575	\$ 469,714	4.1%
Net Income	(214,063)	(243,816)	(232,778)	-8.0%
Less Depreciation	56,280	56,650	55,993	0.5%
Cash Flow	(157,783)	(187,166)	(176,785)	-10.7%
Less Interest	30539	32000	32920	-7.2%
Operating Income	(127,244)	(155,166)	(143,865)	-11.6%
Number of Participants	2016	Budget	2015	%Inc/Dec
Number of Rounds	2688	2805	2792	-3.7%
Cart Rentals	2629	2309	2173	21.0%
Practice Facility	3483	3369	3159	10.3%
Average Dollar Per Round				
Green & Cart Fees	42.74	55.52	36.14	18.3%
Practice Facility	8.82	9.00	9.65	-8.6%
Gross Profit on Golf Shop Sales	24%	40%	9%	173.7%

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

Tennis				
MTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 956	\$ 100	\$ 2,500	-61.8%
Expenses:				
Total Tennis Expenses	956	595	642	48.9%
Earnings Before Interest & Taxes	<u>\$ (0)</u>	<u>\$ (495)</u>	<u>\$ 1,858</u>	<u>-100.02%</u>

YTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 6,266	\$ 2,200	\$ 8,040	-22.1%
Expenses:				
Total Tennis Expenses	2,180	3,690	1,311	66.2%
Earnings Before Interest & Taxes	<u>\$ 4,086</u>	<u>\$ (1,490)</u>	<u>\$ 6,729</u>	<u>-39.27%</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	\$ 1,825	\$ 867	\$ 357	411.8%
Accounting & Review	-	-	1	-100.0%
Consulting (Lake Elaine Project)	29,722	5,500	1	2972050.0%
Consulting (OB Sports)	2,070	2,800	232	792.8%
Total Legal & Consulting Expenses	<u>\$ 33,616</u>	<u>\$ 9,167</u>	<u>\$ 590</u>	<u>5593.9%</u>

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 12,869	\$ 9,500	\$ 3,622	255.3%
Accounting & Review	7,925	8,200	7,800	1.6%
Consulting (Lake Elaine Project)	45,383	22,232	1	4538200.0%
Consulting (OB Sports)	11,039	14,000	10,610	4.0%
Total Legal & Consulting Expenses	<u>\$ 77,217</u>	<u>\$ 53,932</u>	<u>\$ 22,033</u>	<u>250.5%</u>

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

Lake Elaine

MTD Expenses

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 7,789	\$ 20,900	\$ 10,052	-22.5%
Utilities	863	900	779	10.8%
Maintenance contract labor	-	725	0	-100.0%
Fish	-	-	0	-100.0%
Chemicals	6,126	2,250	0	61259900.0%
Equipment repairs	-	-	0	-100.0%
Other Expenses	50	40	50	0.0%
Total Expenses	\$ 14,828	\$ 24,815	\$ 10,880	36.3%

YTD Expenses

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 41,992	\$ 114,950	\$ 60,359	-30.4%
Utilities	3,938	4,100	3,851	2.3%
Maintenance contract labor	225	3,125	8,533	-97.4%
Fish	5,195	10,000	5,403	-3.8%
Chemicals	6,818	4,500	1,195	470.7%
Equipment repairs	2,200	500	0	21999900.0%
Other Expenses	250	200	250	0.0%
Total Expenses	\$ 60,619	\$ 137,375	\$ 79,591	-23.8%

Walnut Canyon Lakes

MTD Expenses

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 3,856	\$ 3,000	\$ 4,773	-19.2%
Utilities	674	800	776	-13.1%
Maintenance contract labor	3,049	3,400	3,000	1.6%
Fish	-	-	0	-100.0%
Chemicals	-	750	709	-100.0%
Equipment repairs	-	-	0	-100.0%
Other Expenses	50	40	50	0.0%
Total Expenses	\$ 7,629	\$ 7,990	\$ 9,307	-18.0%

YTD Expenses

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 6,285	\$ 5,800	\$ 4,892	28.5%
Utilities	3,130	1,800	1,670	87.4%
Maintenance contract labor	8,196	10,500	6,000	36.6%
Fish	1,896	5,000	1,363	39.2%
Chemicals	571	1,500	1,344	-57.5%
Equipment repairs	1,249	300	0	12486500.0%
Other Expenses	250	200	250	0.0%
Total Expenses	\$ 21,576	\$ 25,100	\$ 15,519	39.0%

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

<u>May</u>	<u>2016</u> <u>YTD</u>	<u>2015</u> <u>YTD</u>
Cash Flow from Operations:		
Operating Income	\$ (13,021)	\$ (47,944)
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	83,771	81,818
Receivables - (Up)/Down	238,932	122,778
Inventory - (Up)/Down	(21,870)	(11,155)
Prepaid Expenses - (Up)/Down	(34,340)	(1,819)
Payables - Up/(Down)	14,142	(33,109)
Accrued Expenses - Up/(Down)	4,794	(11,239)
Net Cash Flow from Operations	\$ 272,407	\$ 99,330
Investing Cash Flows:		
Purchase of Capital Equipment (Net)	(92,151)	(19,777)
Investment in FGMC	(34,405)	-
Other Investing Cash Flows	-	(23,169)
Investing Cash Flow	\$ (126,556)	\$ (42,946)
Financing Cash Flows:		
Advance on Bank Line of Credit	-	-
Payment on Bank Line of Credit	-	-
Release of Restricted Funds	-	-
Payment of Bank Term Loan	(30,612)	(41,530)
Financing Cash Flow	\$ (30,612)	\$ (41,530)
Net Change in Cash	\$ 115,239	\$ 14,854
Cash at Beginning of Period	\$ 277,685	\$ 111,507
Cash at End of Period	\$ 392,924	\$ 126,361
Cash Flow Increase/Decrease	\$ 266,563	211%

Continental Country Club Capital Investment Breakdown

<u>May</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	
Signs/ Street entry	-	12,500	
Aerators LE/WCL	26,781		2nd portion approved 2015
Hot Water Heater	5,495	-	
Total Equipment Investments	<u>\$ 46,526</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	-	4,000	
Total Pool Improvements	<u>\$ -</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	9,993	15,600	
Equipment	24,412	25,000	
FGMC Total	<u>\$ 34,405</u>	<u>\$ 40,600</u>	
Total Purchase of Capital	<u>\$ 126,556</u>	<u>\$ 112,000</u>	

Continental Country Club

Balance Sheet

May 2016

ASSETS

Current Assets

Petty Cash	1,550.00
Sunwest Bank CD	88,879.08
Chase- Credit Card Account	69,277.01
Sunwest Bank Checking	138,064.12
Sunwest Bank Savings	184,033.63
Receivables	26,085.81
Golf Shop Receivables	10,434.26
Allowance for doubtful A/R	(3,000.00)
Employee Receivables	495.84
Golf Shop Inventory	57,648.90

TOTAL Current Assets

573,468.65

Fixed Assets

Land	443,618.81
Reclaimed Water Line	147,703.08
Accum. Depr. - Reclaimed Water Line	(147,703.08)
Irrigation System	1,462,014.30
Buildings	1,590,465.55
Building Remodel	1,326,608.00
Parking Lot Paving	214,226.00
Tennis Courts Improvements	62,695.98
Accum. Depr. - Improvements	(1,122,836.42)
Accum. Deprec.- Club House	(1,568,315.01)
Accum. Dep. - Irrigation System	(950,309.45)
Pools	100,319.47
Accum. Deprec.- Pools	(31,789.45)
Office Equipment	42,096.48
Accum. Deprec.- Office Equip.	(38,128.50)
Equipment	416,881.55
Accum. Deprec.- Equipment	(293,074.83)
A/D-Other	5,000.00
Golf Course Improvements	64,241.42
Leasehold Improvements - Other	(5,000.00)

TOTAL Fixed Assets

1,718,713.90

Other Assets

Lake Elaine Acct - Bank One (Restricted)	156,150.52
Note Receivable - Oakmont	306.67
Pre-Paid Insurance	45,569.30
Capital Investment - FGMC	235,058.32
Note Receivable - LT portion	89,651.74
Note Receivable -CP-Contra	(306.67)
Deferred Tax Asset	35,000.00
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	(14,684.75)	
TOTAL Other Assets		578,430.39
TOTAL ASSETS		<u>2,870,612.94</u>
LIABILITIES		
Current Liabilities		
Trade Payables	77,423.77	
Golf League Assessment	7,899.82	
Tree Donation Program	2,353.00	
Tennis Improvement	3,145.48	
Pickleball Improvement	3,295.00	
CAMP DONATIONS/SCHOLARSHIPS	75.00	
Handicap Fees Payable	250.00	
Advance Deposit	4,500.00	
Accrued expenses Reclaimed water	(24,459.94)	
Accrued Expenses - FGMC	27,293.47	
Payable to Wyndham (Pool)	36,244.61	
Current Portion - LTD	(73,638.59)	
Current portion - note payable	73,638.59	
Salaries Payable	938.10	
Federal Tax Withheld	(1,064.57)	
State Tax Withheld	(446.90)	
FICA	(2,833.08)	
FUTA	176.70	
SUTA	23,842.14	
Supplemental Ins. (AFLAC)	(26.60)	
State Income Tax Payable	50.00	
Real Estate Tax	13,169.46	
Lot Assessment Accrual	670,694.00	
Rain Checks	20.47	
Gift Cards	1,515.28	
TOTAL Current Liabilities		844,055.21
Long-Term Liabilities		
Future Maintenance- Lake Elaine	156,150.52	
Note Payable - Sunwest Bank	1,093,580.64	
Obligation to Repurchase License	218.26	
TOTAL Long-Term Liabilities		1,249,949.42
TOTAL LIABILITIES		<u>2,094,004.63</u>
CAPITAL		
Capital Reserves	132,242.00	
Contributed Capital	2,556,498.00	
Fund Balance, Prior Periods	(1,899,110.42)	
Year-to-Date Earnings	(13,021.27)	
TOTAL CAPITAL		776,608.31
TOTAL LIABILITIES & CAPITAL		<u>2,870,612.94</u>