

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 134,936	\$ 131,071	\$ 118,463	13.9%
Golf Income	171,204	208,255	182,360	-6.1%
Other Income	421	100	10,220	-95.9%
Total Revenues	\$ 306,561	\$ 339,426	\$ 311,043	-1.4%
Expenses:				
Flagstaff Golf Maintenance Company	41,621	43,667	42,096	-1.1%
Golf Course Reclaimed Water	3,742	7,700	7,350	-49.1%
Golf Cart Lease	6,763	7,400	6,763	0.0%
Cost of Goods Sold Golf	10,664	13,596	11,184	-4.6%
Wyndham Maintenance & Other Payments	12,564	9,650	13,135	-4.3%
Lake Elaine	9,936	9,265	9,195	8.1%
Walnut Canyon Lakes Park	9,395	5,990	7,224	30.1%
Employee Compensation & Benefits	60,303	51,651	40,335	49.5%
Building, Equipment & Grounds	20,476	5,687	31,358	-34.7%
Utilities	15,159	15,533	15,634	-3.0%
Legal & Consulting	4,317	9,167	4,733	-8.8%
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	4,285	4,000	5,122	-16.4%
Advertising & Website Costs	9,203	2,935	6,476	42.1%
All Other Expenses	4,812	3,005	2,207	118.0%
Total Expenses	\$ 236,626	\$ 212,210	\$ 225,991	4.7%
Earnings Before Interest & Taxes	69,935	127,216	85,052	-17.8%
Interest Expense	8,720	6,400	6,461	35.0%
Pre-tax Income/(Loss)	\$ 61,215	\$ 120,816	\$ 78,590	-22.1%

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 1,090,347	\$ 1,056,944	\$ 930,374	17.2%
Golf Income	862,896	885,912	783,660	10.1%
Other Income	10,369	2,500	21,241	-51.2%
Total Revenues	\$ 1,963,612	\$ 1,945,356	\$ 1,735,275	13.2%
Expenses:				
Flagstaff Golf Maintenance Company	312,523	325,442	298,138	4.8%
Golf Course Reclaimed Water	63,402	87,030	53,756	17.9%
Golf Cart Lease	40,580	42,456	40,580	0.0%
Cost of Goods Sold Golf	46,108	46,584	37,264	23.7%
Wyndham Maintenance & Other Payments	65,045	73,600	91,291	-28.7%
Lake Elaine	118,410	189,770	121,291	-2.4%
Walnut Canyon Lakes Park	52,087	46,570	37,427	39.2%
Employee Compensation & Benefits	374,532	348,400	254,635	47.1%
Building, Equipment & Grounds	115,014	73,376	102,626	12.1%
Utilities	110,015	109,769	106,893	2.9%
Legal & Consulting	93,109	81,432	33,402	178.7%
Property Insurance & Taxes	52,737	50,596	52,177	1.1%
Depreciation & Amortization	134,033	132,856	130,908	2.4%
Merchant Services & Bank Fees	36,409	28,400	25,011	45.6%
Advertising & Website Costs	51,896	26,300	33,854	53.3%
All Other Expenses	34,620	29,425	31,624	9.5%
Total Expenses	\$ 1,700,518	\$ 1,692,006	\$ 1,450,875	-17.2%
Earnings Before Interest & Taxes	263,093	253,350	284,400	-7.5%
Interest Expense	51,276	51,200	51,022	0.5%
Pre-tax Income/(Loss)	\$ 211,817	\$ 202,150	\$ 233,378	-9.2%

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

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr #DIV/0!
Revenues:				
Golf Member Income	346	-	-	
High Country Card	1,131	1,386	1,386	-18.4%
Green Fees	94,321	106,386	99,733	-5.4%
Cart Fees	39,620	44,000	41,511	-4.6%
Driving Range Income	19,260	26,675	23,655	-18.6%
Golf Shop Sales	14,521	22,660	14,969	-3.0%
Pre & Post Season Income	-	-	-	0.0%
Other Golf Income	2,004	7,148	1,106	81.2%
Total Revenues	\$ 171,204	\$ 208,255	\$ 182,360	-6.12%
Expenses:				
FGMC Expenses	41,621	43,667	42,096	-1.1%
Golf Course Reclaimed Water	3,742	7,700	7,350	-49.1%
Golf Cart Lease	6,763	7,400	6,763	0.0%
Cost of Good Sold Golf	10,664	13,596	11,184	-4.6%
Employee Compensation & Benefits	25,317	24,442	21,322	18.7%
Building, Equipment & Grounds	5,680	225	13,947	-59.3%
Utilities	4,738	4,860	4,986	-5.0%
Consulting Fees	2,079	2,885	2,233	-6.9%
Property Insurance & Taxes	1,992	1,999	2,030	-1.9%
Depreciation and Amortization	11,256	11,330	11,199	0.5%
Interest Expense	8,720	6,400	6,461	35.0%
Merchant Services & Bank fees	4,235	3,000	3,572	18.5%
Advertising & Website Costs	8,541	2,100	3,341	155.6%
All Other Expenses	6,825	2,145	1,749	290.2%
Total Expenses	\$ 142,173	\$ 131,749	\$ 138,234	2.8%
Net Income	29,032	76,506	44,126	-34.2%
Less Depreciation	11,256	11,330	11,199	0.5%
Cash Flow	\$ 40,288	\$ 87,836	\$ 55,325	-27.2%
Less Interest	8720	6400	6461	35.0%
Operating Income	\$ 49,008	\$ 94,236	\$ 61,786	-20.7%
Number of Participants				
	2016	Budget	2015	%Inc/Dec
Number of Rounds	2828	3536	3172	-10.8%
Cart Rentals	2656	2934	2798	-5.1%
Practice Facility	2180	2964	2662	-18.1%
Average Dollar Per Round				
Green & Cart Fees	47.36	42.53	44.53	6.4%
Practice Facility	8.83	9.00	8.89	-0.6%
Gross Profit on Golf Shop Sales	27%	40%	25%	5.0%

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

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	40,436	42,273	39,766	1.7%
High Country Card	36,377	34,906	32,274	12.7%
Green Fees	398,474	422,182	358,076	11.3%
Cart Fees	165,922	172,000	157,169	5.6%
Driving Range Income	97,150	105,639	98,708	-1.6%
Golf Shop Sales	64,776	77,640	55,748	16.2%
Pre & Post Season Income	42,923	-	21,919	95.8%
Other Golf Income	16,836	31,272	19,999	-15.8%
Total Revenues	\$ 862,894	\$ 885,912	\$ 783,659	10.11%
Expenses:				
FGMC Expenses	312,523	325,442	298,138	4.8%
Golf Course Reclaimed Water	63,402	87,030	53,756	17.9%
Golf Cart Lease	40,580	42,456	40,580	0.0%
Cost of Good Sold Golf	46,108	46,584	37,264	23.7%
Employee Compensation & Benefits	159,854	147,273	141,423	13.0%
Building, Equipment & Grounds	46,292	22,225	44,106	5.0%
Utilities	36,528	35,280	34,060	7.2%
Consulting Fees	17,201	23,080	17,599	-2.3%
Property Insurance & Taxes	15,936	15,992	16,240	-1.9%
Depreciation and Amortization	90,048	90,640	89,588	0.5%
Interest Expense	51,276	51,200	51,022	0.5%
Merchant Services & Bank fees	25,159	13,400	13,737	83.2%
Advertising & Website Costs	30,576	19,975	21,212	44.1%
All Other Expenses	16,613	14,930	11,416	45.5%
Total Expenses	\$ 952,094	\$ 935,507	\$ 870,140	9.4%
Net Income	(89,200)	(49,595)	(86,481)	3.1%
Less Depreciation	90,048	90,640	89,588	0.5%
Cash Flow	\$ 848	\$ 41,045	\$ 3,107	-72.7%
Less Interest	51276	51200	51022	0.5%
Operating Income	\$ 52,124	\$ 92,245	\$ 54,130	-3.7%
Number of Participants	2016	Budget	2015	%Inc/Dec
Number of Rounds	11810	13095	11866	-0.5%
Cart Rentals	11121	10897	10271	8.3%
Practice Facility	10204	11738	10726	-4.9%
Average Dollar Per Round				
Green & Cart Fees	47.79	45.37	43.42	10.1%
Practice Facility	9.52	9.00	9.20	3.5%
Gross Profit on Golf Shop Sales	29%	40%	33%	-13.1%

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

Tennis				
MTD	Actual	Budget	Prior Year	%Inc/Dec To Prior Yr
Revenues:				
Total Tennis Revenues	\$ 421	\$ 100	\$ 10,220	-95.9%
Expenses:				
Total Tennis Expenses	845	345	3,998	-78.9%
Earnings Before Interest & Taxes	<u>\$ (424)</u>	<u>\$ (245)</u>	<u>\$ 6,222</u>	<u>-106.82%</u>
YTD				
Revenues:				
Total Tennis Revenues	\$ 10,369	\$ 2,500	\$ 21,241	-51.2%
Expenses:				
Total Tennis Expenses	4,175	5,290	8,377	-50.2%
Earnings Before Interest & Taxes	<u>\$ 6,194</u>	<u>\$ (2,790)</u>	<u>\$ 12,864</u>	<u>-51.85%</u>

Legal & Consulting Fees Detail				
MTD Expenses	Actual	Budget	Prior Year	%Inc/Dec To Prior Yr
Attorney & Legal Fees	\$ 1,938	\$ 867	\$ 1	193749.0%
Accounting & Review	300	-	1	29900.0%
Consulting (Lake Elaine Project)	-	5,500	2,500	-100.0%
Consulting (OB Sports)	2,079	2,800	2,233	-6.9%
Total Legal & Consulting Expenses	<u>\$ 4,317</u>	<u>\$ 9,167</u>	<u>\$ 4,735</u>	<u>-8.8%</u>

YTD Expenses	Actual	Budget	Prior Year	%Inc/Dec To Prior Yr
Attorney & Legal Fees	\$ 21,845	\$ 12,100	\$ 5,503	297.0%
Accounting & Review	8,225	8,200	7,800	5.4%
Consulting (Lake Elaine Project)	45,838	38,732	2,500	1733.5%
Consulting (OB Sports)	17,201	22,400	17,599	-2.3%
Total Legal & Consulting Expenses	<u>\$ 93,109</u>	<u>\$ 81,432</u>	<u>\$ 33,402</u>	<u>178.7%</u>

Continental Country Club, Inc.
Income Statement - Lakes
August, 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	\$ 5,087	\$ 5,000	\$ 7,762	-34.5%
Utilities	934	1,000	802	16.5%
Maintenance contract labor	2,500	725	1	249900.0%
Fish	-	-	1	-100.0%
Chemicals	1,365	2,250	582	134.6%
Equipment repairs	-	250	1	-100.0%
Other Expenses	50	40	50	0.0%
Total Expenses	<u>\$ 9,936</u>	<u>\$ 9,265</u>	<u>\$ 9,198</u>	<u>8.0%</u>

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 80,178	\$ 157,050	\$ 92,038	-12.9%
Utilities	6,934	7,100	6,516	6.4%
Maintenance contract labor	2,725	5,300	12,768	-78.7%
Fish	5,195	10,000	5,403	-3.8%
Chemicals	15,703	9,000	4,166	277.0%
Equipment repairs	7,275	1,000	1	727400.0%
Other Expenses	400	320	400	0.0%
Total Expenses	<u>\$ 118,410</u>	<u>\$ 189,770</u>	<u>\$ 121,292</u>	<u>-2.4%</u>

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	\$ 810	\$ 1,500	\$ 1	80933.0%
Utilities	1,347	900	913	47.5%
Maintenance contract labor	5,092	3,400	4,761	6.9%
Fish	1,300	-	1	129899.0%
Chemicals	702	-	259	170.6%
Equipment repairs	95	150	1,241	-92.4%
Other Expenses	50	40	50	0.0%
Total Expenses	<u>\$ 9,395</u>	<u>\$ 5,990</u>	<u>\$ 7,226</u>	<u>30.0%</u>

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 9,812	\$ 13,300	\$ 8,742	12.2%
Utilities	6,900	4,400	4,180	65.1%
Maintenance contract labor	20,230	20,700	19,002	6.5%
Fish	3,196	5,000	1,363	134.6%
Chemicals	9,946	2,250	2,238	344.4%
Equipment repairs	1,604	600	1,502	6.8%
Other Expenses	400	320	400	0.0%
Total Expenses	<u>\$ 52,087</u>	<u>\$ 46,570</u>	<u>\$ 37,427</u>	<u>39.2%</u>

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

<u>August</u>	2016 <u>YTD</u>	2015 <u>YTD</u>
Cash Flow from Operations:		
Operating Income	\$ 211,817	\$ 233,378
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	134,033	130,908
Receivables - (Up)/Down	(38,215)	(75,566)
Inventory - (Up)/Down	(10,174)	(21,192)
Prepaid Expenses - (Up)/Down	(40,552)	(5)
Payables - Up/(Down)	(7,178)	(46,458)
Accrued Expenses - Up/(Down)	66,386	45,792
Net Cash Flow from Operations	\$ 316,117	\$ 266,857
Investing Cash Flows:		
Purchase of Capital Equipment (Net)	(101,935)	(52,069)
Investment in FGMC	(40,473)	-
Other Investing Cash Flows	-	-
Investing Cash Flow	\$ (142,408)	\$ (52,069)
Financing Cash Flows:		
Advance on Bank Line of Credit	-	-
Payment on Bank Line of Credit	-	-
Release of Restricted Funds	-	-
Payment of Bank Term Loan	(64,435)	(46,819)
Financing Cash Flow	\$ (64,435)	\$ (46,819)
Net Change in Cash	\$ 109,274	\$ 167,969
Cash at Beginning of Period	\$ 277,685	\$ 111,507
Cash at End of Period	\$ 386,959	\$ 279,476
Cash Flow Increase/Decrease	\$ 107,483	38%

Continental Country Club Capital Investment Breakdown

<u>August</u>	2016	2016	<u>Notes</u>
<u>Equipment</u>	<u>YTD</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		
Signs/ Street entry	-	12,500	
Aerators LEM/CL	26,781		2nd portion approved 2015
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	16,060	15,600	
Equipment	24,412	25,000	
FGMC Total	<u>\$ 40,472</u>	<u>\$ 40,600</u>	
Total Purchase of Capital	<u>\$ 142,406</u>	<u>\$ 112,000</u>	

Continental Country Club

Balance Sheet

August 2016

	ASSETS	
Current Assets		
Petty Cash	1,550.00	
Sunwest Bank CD	88,879.08	
Chase- Credit Card Account	176,403.92	
Sunwest Bank Checking	33,191.91	
Sunwest Bank Savings	219,455.31	
Receivables	21,527.84	
Golf Shop Receivables	6,323.63	
Allowance for doubtful A/R	(3,000.00)	
Employee Receivables	278.91	
Golf Shop Inventory	45,953.70	
TOTAL Current Assets	590,564.30	
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	1,328,391.00	
Parking Lot Paving	214,226.00	
Tennis Courts Improvements	62,695.98	
Accum. Depr. - Improvements	(1,137,881.24)	
Accum. Deprec. - Club House	(1,568,637.60)	
Accum. Dep. - Irrigation System	(968,584.64)	
Pools	100,319.47	
Accum. Deprec. - Pools	(33,233.02)	
Office Equipment	42,096.48	
Accum. Deprec. - Office Equip.	(38,424.21)	
Equipment	424,881.55	
Accum. Deprec. - Equipment	(300,268.59)	
A/D-Other	5,000.00	
Golf Course Improvements	64,241.42	
Leasehold Improvements - Other	(5,000.00)	
TOTAL Fixed Assets	1,685,921.26	
Other Assets		
Lake Elaine Acct - Bank One (Restricted)	156,166.19	
Note Receivable - Oakmont	306.67	
Pre-Paid Insurance	49,245.05	
Capital Investment - FGMC	234,227.16	
Note Receivable - LT portion	89,573.74	
Note Receivable -CP-Contra	(306.67)	
Deferred Tax Asset	32,000.00	
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	(15,471.44)	
TOTAL Other Assets		<u>577,425.96</u>
TOTAL ASSETS		<u>2,853,911.52</u>
LIABILITIES		
Current Liabilities		
Trade Payables	43,778.86	
Golf League Assessment	7,899.82	
Tree Donation Program	2,162.00	
Tennis Improvement	3,145.48	
Pickleball Improvement	6,568.61	
Handicap Fees Payable	75.00	
Advance Deposit	4,500.00	
Accrued expenses Reclaimed water	34,839.22	
Accrued Expenses - FGMC	45,837.31	
Payable to Wyncham (Pool)	36,244.61	
Current Portion - LTD	(73,638.59)	
Current portion - note payable	73,638.59	
Salaries Payable	19,871.19	
State Tax Withheld	3.77	
FICA	18.96	
FUTA	252.23	
SUTA	1,772.56	
State Income Tax Payable	50.00	
Real Estate Tax	19,742.46	
Lot Assessment Accrual	397,310.50	
Rain Checks	1,417.44	
Gift Cards	3,095.53	
TOTAL Current Liabilities		<u>628,585.55</u>
Long-Term Liabilities		
Future Maintenance- Lake Elaine	156,166.19	
Note Payable - Sunwest Bank	1,066,724.42	
Obligation to Repurchase License	218.26	
TOTAL Long-Term Liabilities		<u>1,223,108.87</u>
TOTAL LIABILITIES		<u>1,851,694.42</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	212,587.52	
TOTAL CAPITAL		<u>1,002,217.10</u>
TOTAL LIABILITIES & CAPITAL		<u>2,853,911.52</u>