

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 143,540	\$ 134,371	\$ 135,844	5.7%
Golf Income	225,815	224,099	204,998	10.2%
Other Income	1,083	100	630	71.9%
Total Revenues	\$ 370,438	\$ 358,570	\$ 341,472	8.5%
Expenses:				
Flagstaff Golf Maintenance Company	44,895	43,184	43,843	2.4%
Golf Course Reclaimed Water	14,750	9,900	9,282	58.9%
Golf Cart Lease	6,763	7,400	6,763	0.0%
Cost of Goods Sold Golf	12,665	11,376	8,009	58.1%
Wyndham Maintenance & Other Payments	4,240	9,650	11,315	-62.5%
Lake Elaine	31,860	27,315	13,506	135.9%
Walnut Canyon Lakes Park	10,621	7,390	5,140	106.6%
Employee Compensation & Benefits	64,470	50,337	43,843	47.0%
Building, Equipment & Grounds	9,673	5,887	13,048	-25.9%
Utilities	17,807	16,958	18,248	-2.4%
Legal & Consulting	9,225	9,167	2,756	234.7%
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	5,267	5,500	3,776	39.5%
Advertising & Website Costs	6,364	3,340	5,016	26.9%
All Other Expenses	5,058	4,955	3,271	54.6%
Total Expenses	\$ 267,042	\$ 235,323	\$ 210,996	26.6%
Earnings Before Interest & Taxes	103,396	123,247	130,476	20.8%
Interest Expense	5,894	6,400	6,411	-8.1%
Pre-tax Income/(Loss)	\$ 97,502	\$ 116,847	\$ 124,065	-21.4%

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 954,311	\$ 925,873	\$ 811,911	17.5%
Golf Income	691,691	677,657	601,300	15.0%
Other Income	9,948	2,400	11,021	-9.7%
Total Revenues	\$ 1,655,950	\$ 1,605,930	\$ 1,424,232	16.3%
Expenses:				
Flagstaff Golf Maintenance Company	270,902	281,775	256,041	5.8%
Golf Course Reclaimed Water	59,659	79,330	46,505	28.3%
Golf Cart Lease	33,816	35,056	33,816	0.0%
Cost of Goods Sold Golf	35,260	32,988	26,080	35.2%
Wyndham Maintenance & Other Payments	52,481	63,950	78,156	-32.9%
Lake Elaine	108,474	180,505	112,095	-3.2%
Walnut Canyon Lakes Park	42,692	40,580	30,202	41.4%
Employee Compensation & Benefits	314,479	296,748	217,458	44.6%
Building, Equipment & Grounds	94,288	67,689	71,268	32.3%
Utilities	94,856	94,236	88,468	7.2%
Legal & Consulting	88,792	72,265	28,669	209.7%
Property Insurance & Taxes	46,107	44,239	45,363	1.6%
Depreciation & Amortization	117,279	116,249	114,545	2.4%
Merchant Services & Bank Fees	18,351	24,400	19,888	-7.7%
Advertising & Website Costs	41,774	23,365	27,378	52.6%
All Other Expenses	29,037	26,420	28,836	0.7%
Total Expenses	\$ 1,448,246	\$ 1,479,795	\$ 1,224,767	18.2%
Earnings Before Interest & Taxes	207,704	126,135	199,465	4.1%
Interest Expense	42,556	44,800	44,678	4.7%
Pre-tax Income/(Loss)	\$ 165,148	\$ 81,335	\$ 154,787	6.7%

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

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	-	-	-	0.0%
High Country Card	4,068	2,838	2,838	43.3%
Green Fees	125,234	112,269	108,314	15.6%
Cart Fees	48,274	48,000	45,217	6.8%
Driving Range Income	23,279	26,753	25,733	-9.5%
Golf Shop Sales	18,274	18,960	12,229	49.4%
Pre & Post Season Income	-	-	-	0.0%
Other Golf Income	6,686	15,279	10,669	-37.3%
Total Revenues	\$ 225,815	\$ 224,099	\$ 205,000	10.15%
Expenses:				
FGMC Expenses	44,895	43,184	43,843	2.4%
Golf Course Reclaimed Water	14,750	9,900	9,282	58.9%
Golf Cart Lease	6,763	7,400	6,763	0.0%
Cost of Good Sold Golf	12,665	11,376	8,009	58.1%
Employee Compensation & Benefits	30,978	25,404	26,202	18.2%
Building, Equipment & Grounds	2,090	125	5,233	-60.1%
Utilities	6,693	4,740	5,558	20.4%
Consulting Fees	2,083	2,885	2,440	-14.7%
Property Insurance & Taxes	1,992	1,999	2,030	-1.9%
Depreciation and Amortization	11,256	11,330	11,199	0.5%
Interest Expense	5,894	6,400	6,411	-8.1%
Merchant Services & Bank fees	3,245	3,000	2,882	12.6%
Advertising & Website Costs	4,648	2,450	2,516	84.7%
All Other Expenses	765	1,645	775	-1.3%
Total Expenses	\$ 148,717	\$ 131,838	\$ 133,143	11.7%
Net Income	77,098	92,261	71,857	7.3%
Less Depreciation	11,256	11,330	11,199	0.5%
Cash Flow	\$ 88,355	\$ 103,591	\$ 83,056	6.4%
Less Interest	5894	6400	6411	-8.1%
Operating Income	\$ 94,248	\$ 109,991	\$ 89,466	5.3%
Number of Participants	2016	Budget	2015	%Inc/Dec
Number of Rounds	3484	3778	3657	-4.7%
Cart Rentals	3230	3200	3035	6.4%
Practice Facility	2503	2973	2962	-15.5%
Average Dollar Per Round				
Green & Cart Fees	49.80	42.42	41.98	18.6%
Practice Facility	9.30	9.00	8.69	7.1%
Gross Profit on Golf Shop Sales	31%	40%	35%	-11.0%

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

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	40,090	42,273	39,766	0.8%
High Country Card	35,246	33,520	30,888	14.1%
Green Fees	304,153	315,796	258,343	17.7%
Cart Fees	126,302	128,000	115,658	9.2%
Driving Range Income	77,890	78,964	75,053	3.8%
Golf Shop Sales	50,255	54,980	40,779	23.2%
Pre & Post Season Income	42,923	-	21,919	95.8%
Other Golf Income	14,832	24,124	18,893	-21.5%
Total Revenues	\$ 691,691	\$ 677,657	\$ 601,299	15.03%
Expenses:				
FGMC Expenses	270,902	281,775	256,041	5.8%
Golf Course Reclaimed Water	59,659	79,330	46,505	28.3%
Golf Cart Lease	33,816	35,056	33,816	0.0%
Cost of Good Sold Golf	35,260	32,988	26,080	35.2%
Employee Compensation & Benefits	134,786	122,830	120,101	12.2%
Building, Equipment & Grounds	40,610	22,000	30,159	34.7%
Utilities	31,791	30,420	28,942	9.8%
Consulting Fees	15,122	20,195	15,366	-1.6%
Property Insurance & Taxes	13,944	13,993	14,210	-1.9%
Depreciation and Amortization	78,792	79,310	78,390	0.5%
Interest Expense	42,556	44,800	44,561	-4.5%
Merchant Services & Bank fees	12,619	10,400	10,164	24.2%
Advertising & Website Costs	21,116	17,875	17,871	18.2%
All Other Expenses	7,324	12,785	9,701	-24.5%
Total Expenses	\$ 798,298	\$ 803,757	\$ 731,906	9.1%
Net Income	(106,607)	(126,100)	(130,607)	18.4%
Less Depreciation	78,792	79,310	78,390	0.5%
Cash Flow	\$ (27,815)	\$ (46,790)	\$ (52,218)	46.7%
Less Interest	42556	44800	44561	4.5%
Operating Income	\$ 14,742	\$ (1,990)	\$ (7,656)	292.5%
Number of Participants	2016	Budget	2015	%Inc/Dec
Number of Rounds	9072	9559	9413	3.6%
Cart Rentals	8465	7963	8526	-0.7%
Practice Facility	8024	8774	8113	-1.1%
Average Dollar Per Round				
Green & Cart Fees	47.45	46.43	39.73	19.4%
Practice Facility	9.71	9.00	9.25	4.9%
Gross Profit on Golf Shop Sales	30%	40%	36%	17.2%

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

Tennis				
MTD	Actual	Budget	Prior Year	%/Inc/Dec To Prior Yr
Revenues:				
Total Tennis Revenues	\$ 1,083	\$ 100	\$ 630	71.9%
Expenses:				
Total Tennis Expenses	979	845	2,222	-55.9%
Earnings Before Interest & Taxes	<u>\$ 104</u>	<u>\$ (745)</u>	<u>\$ (1,592)</u>	<u>106.5%</u>

YTD	Actual	Budget	Prior Year	%/Inc/Dec To Prior Yr
Revenues:				
Total Tennis Revenues	\$ 9,948	\$ 2,400	\$ 11,021	-9.7%
Expenses:				
Total Tennis Expenses	3,329	4,945	4,379	-24.0%
Earnings Before Interest & Taxes	<u>\$ 5,619</u>	<u>\$ (2,545)</u>	<u>\$ 6,641</u>	<u>-0.3%</u>

Legal & Consulting Fees Detail

MTD Expenses	Actual	Budget	Prior Year	%/Inc/Dec To Prior Yr
Attorney & Legal Fees	\$ 7,143	\$ 867	\$ 316	2158.9%
Accounting & Review	-	-	-	0.0%
Consulting (Lake Elaine Project)	-	5,500	-	0.0%
Consulting (OB Sports)	2,083	2,800	2,440	-14.7%
Total Legal & Consulting Expenses	<u>\$ 9,225</u>	<u>\$ 9,167</u>	<u>\$ 2,756</u>	<u>234.7%</u>

YTD Expenses	Actual	Budget	Prior Year	%/Inc/Dec To Prior Yr
Attorney & Legal Fees	\$ 19,907	\$ 11,233	\$ 5,503	261.7%
Accounting & Review	7,925	8,200	7,800	1.6%
Consulting (Lake Elaine Project)	45,838	33,232	1	4583700.0%
Consulting (OB Sports)	15,122	19,600	15,366	-1.6%
Total Legal & Consulting Expenses	<u>\$ 88,792</u>	<u>\$ 72,265</u>	<u>\$ 28,670</u>	<u>209.7%</u>

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

Lake Elaine			
MTD Expenses	Actual	Budget	Prior Year
Irrigation and lake water	\$ 24,897	\$ 25,300	\$ 11,301
Utilities	1,129	1,000	960
Maintenance contract labor	-	725	-
Fish	-	-	-
Chemicals	5,709	-	1,195
Equipment repairs	75	250	1
Other Expenses	50	40	50
Total Expenses	\$ 31,860	\$ 27,315	\$ 13,507
			135.9%

YTD Expenses	Actual	Budget	Prior Year	%Inc/Dec To Prior Yr
Irrigation and lake water	\$ 75,091	\$ 152,050	\$ 84,276	-10.9%
Utilities	6,000	6,100	5,714	5.0%
Maintenance contract labor	225	4,575	12,768	-98.2%
Fish	5,195	10,000	5,403	-3.8%
Chemicals	14,338	6,750	3,584	300.1%
Equipment repairs	7,275	750	1	727359.0%
Other Expenses	350	280	350	0.0%
Total Expenses	\$ 108,474	\$ 180,505	\$ 112,096	-3.2%

Walnut Canyon Lakes

MTD Expenses	Actual	Budget	Prior Year	%Inc/Dec To Prior Yr
Irrigation and lake water	\$ 1,431	\$ 3,000	\$ 1	142985.0%
Utilities	1,338	800	759	76.3%
Maintenance contract labor	3,000	3,400	3,696	-18.8%
Fish	-	-	-	0.0%
Chemicals	4,541	-	635	615.1%
Equipment repairs	261	150	1	26003.0%
Other Expenses	50	40	50	0.0%
Total Expenses	\$ 10,621	\$ 7,390	\$ 5,142	106.6%

YTD Expenses	Actual	Budget	Prior Year	%Inc/Dec To Prior Yr
Irrigation and lake water	\$ 9,001	\$ 11,800	\$ 8,742	3.0%
Utilities	5,553	3,500	3,267	70.0%
Maintenance contract labor	15,138	17,300	14,241	6.3%
Fish	1,896	5,000	1,363	39.2%
Chemicals	9,244	2,250	1,979	367.2%
Equipment repairs	1,510	450	261	478.8%
Other Expenses	350	280	350	0.0%
Total Expenses	\$ 42,692	\$ 40,580	\$ 30,202	41.4%

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

	2016 <u>YTD</u>	2015 <u>YTD</u>
Cash Flow from Operations:		
Operating Income	\$ 165,148	\$ 154,787
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	117,279	114,545
Receivables - (Up)/Down	54,913	(1,169)
Inventory - (Up)/Down	(16,631)	(24,151)
Prepaid Expenses - (Up)/Down	(36,791)	(1,641)
Payables - Up/(Down)	(12,634)	(35,185)
Accrued Expenses - Up/(Down)	104,074	42,117
Net Cash Flow from Operations	\$ 375,358	\$ 249,303
Investing Cash Flows:		
Purchase of Capital Equipment (Net)	(101,934)	(51,549)
Investment in FGMC	(38,444)	-
Other Investing Cash Flows	-	-
Investing Cash Flow	\$ (140,378)	\$ (51,549)
Financing Cash Flows:		
Advance on Bank Line of Credit	-	-
Payment on Bank Line of Credit	-	-
Release of Restricted Funds	-	-
Payment of Bank Term Loan	(40,055)	(41,050)
Financing Cash Flow	\$ (40,055)	\$ (41,050)
Net Change in Cash	\$ 194,925	\$ 156,704
Cash at Beginning of Period	\$ 277,685	\$ 111,507
Cash at End of Period	\$ 472,611	\$ 268,211
Cash Flow Inc/Dec over prior year	\$ 204,400	76%

Continental Country Club Capital Investment Breakdown

<u>June</u>	<u>2016</u>	<u>2016</u>	<u>Notes</u>
<u>Equipment</u>	<u>YTD</u>	<u>Budget</u>	<u>Notes</u>
Purchase of Capital Equipment (Net)			
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		
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	14,032	15,600	
Equipment	24,412	25,000	
FGMC Total	<u>\$ 38,444</u>	<u>\$ 40,600</u>	
Total Purchase of Capital	<u>\$ 140,378</u>	<u>\$ 112,000</u>	

Aug 10, 2016

Continental Country Club

Balance Sheet

July 2016

	ASSETS	
Current Assets		
Petty Cash	1,550.00	
Sunwest Bank CD	88,879.08	
Chase - Credit Card Account	31,437.26	
Sunwest Bank Checking	232,169.01	
Sunwest Bank Savings	207,455.31	
Receivables	44,587.99	
Golf Shop Inventory	52,409.81	
TOTAL Current Assets	658,488.46	
Fixed Assets		
Land & Buildings	5,101,411.64	
Accum. Deprec. - Buildings	(3,663,889.28)	
Pools	100,319.47	
Accum. Deprec. - Pools	(32,751.83)	
Office Equipment	42,096.48	
Accum. Deprec. - Office Equip. Equipment	(38,325.64)	
Accum. Deprec. - Equipment	424,881.55	
A/D-Other	(297,870.67)	
Golf Course Improvements	5,000.00	
Leasehold Improvements - Other	64,241.42	
	(5,000.00)	
TOTAL Fixed Assets	1,700,113.14	
Other Assets		
Lake Elaine Acct - Bank One (Restricted)	156,160.57	
Note Receivable - Oakmont	306.67	
Pre-Paid	48,019.80	
Capital Investment - FGMC	234,498.04	
Note Receivable - LI portion	89,599.74	
Note Receivable - CP-Contra	(306.67)	
Deferred Tax Asset	33,000.00	
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	(15,209.21)	
TOTAL Other Assets	577,754.20	
TOTAL ASSETS	2,936,355.80	
LIABILITIES		
Current Liabilities		
Trade Payables	47,869.62	
Golf League Assessment	7,899.82	
Tree Donation Program	2,153.00	
Tennis Improvement	3,145.48	

Pickleball Improvement	6,470.00	
Handicap Fees Payable	40.00	
Advance Deposit	4,500.00	
Accrued expenses Reclaimed water	44,924.52	
Accrued Expenses - FGMC	49,216.77	
Payable to Wyrndham (Pool)	36,244.61	
Current Portion - LTD	(73,638.59)	
Current portion - note payable	73,638.59	
Payroll Liabilities	22,524.98	
Tax Liabilities	17,601.46	
Deferred Income	497,247.50	
Other Current Liabilities	4,224.08	
TOTAL Current Liabilities		744,061.84
Long-Term Liabilities		
Future Maintenance- Lake Elaine	156,160.57	
Note Payable - Sunwest Bank	1,081,137.54	
Obligation to Repurchase License	218.26	
TOTAL Long-Term Liabilities		1,237,516.37
TOTAL LIABILITIES		1,981,578.21
CAPITAL		
Capital Reserves	132,242.00	
Contributed Capital	2,556,498.00	
Fund Balance, Prior Periods	(1,899,110.42)	
Year-to-Date Earnings	165,148.01	
TOTAL CAPITAL		954,777.59
TOTAL LIABILITIES & CAPITAL		2,936,355.80