

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 121,391	\$ 123,371	\$ 106,397	14.1%
Golf Income	3,518	-	4,394	-19.9%
Other Income	-	-	-	#DIV/0!
Total Revenues	\$ 124,910	\$ 123,371	\$ 110,791	12.7%
Expenses:				
Flagstaff Golf Maintenance Company	35,351	27,729	31,836	11.0%
Golf Course Reclaimed Water	-	-	-	#DIV/0!
Golf Cart Lease	-	-	-	#DIV/0!
Cost of Goods Sold Golf	2,898	-	(71)	-4181.6%
Wyndham Maintenance & Other Payments	13,413	8,450	9,295	44.3%
Lake Elaine	589	1,065	4,133	-85.7%
Walnut Canyon Lakes Park	1,166	640	4,209	-72.3%
Employee Compensation & Benefits	41,129	37,443	44,099	-6.7%
Building, Equipment & Grounds	9,569	4,762	1,156	727.8%
Utilities	10,588	13,593	12,471	-15.1%
Legal & Consulting	42,903	28,169	18,004	138.3%
Property Insurance & Taxes	6,893	6,357	8,687	-20.6%
Depreciation & Amortization	16,754	16,607	16,364	2.4%
Merchant Services & Bank Fees	1,408	2,800	790	78.1%
Advertising & Website Costs	2,869	1,345	327	777.2%
All Other Expenses	4,615	3,555	2,467	87.1%
Total Expenses	\$ 190,144	\$ 152,515	\$ 153,766	23.7%
Earnings Before Interest & Taxes	(65,234)	(29,144)	(42,975)	-51.8%
Interest Expense	3,884	6,400	6,125	-36.6%
Pre-tax Income/(Loss)	\$ (69,118)	\$ (35,544)	\$ (49,100)	40.8%

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 1,579,066	\$ 1,545,053	\$ 1,368,109	15.4%
Golf Income	1,093,804	1,122,091	1,005,017	8.8%
Other Income	10,706	2,850	21,973	-51.3%
Total Revenues	\$ 2,683,576	\$ 2,669,994	\$ 2,395,099	12.0%
Expenses:				
Flagstaff Golf Maintenance Company	458,548	470,790	452,639	1.3%
Golf Course Reclaimed Water	78,918	100,010	65,738	20.0%
Golf Cart Lease	47,482	57,000	54,973	-13.6%
Cost of Goods Sold Golf	67,844	60,000	53,968	25.7%
Wyndham Maintenance & Other Payments	96,251	108,600	126,301	-23.8%
Lake Elaine	139,886	213,080	168,372	-16.9%
Walnut Canyon Lakes Park	59,532	59,280	59,258	0.5%
Employee Compensation & Benefits	566,272	514,624	408,292	38.7%
Building, Equipment & Grounds	161,978	93,499	128,176	26.4%
Utilities	158,630	162,376	158,653	0.0%
Legal & Consulting	167,611	137,951	63,803	162.7%
Property Insurance & Taxes	79,520	76,024	81,306	-2.2%
Depreciation & Amortization	201,049	199,284	200,737	0.2%
Merchant Services & Bank Fees	45,681	39,000	36,965	23.6%
Advertising & Website Costs	64,913	33,225	39,013	66.4%
All Other Expenses	50,440	43,316	54,261	-7.0%
Total Expenses	\$ 2,444,557	\$ 2,368,059	\$ 2,152,457	13.6%
Earnings Before Interest & Taxes	239,019	301,935	242,642	-1.5%
Interest Expense	66,615	76,800	76,245	12.6%
Pre-tax Income/(Loss)	\$ 172,404	\$ 225,135	\$ 166,397	3.6%

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

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	-	-	3,500	-100.0%
High Country Card	-	-	-	#DIV/0!
Green Fees	-	-	-	#DIV/0!
Cart Fees	-	-	-	#DIV/0!
Driving Range Income	-	-	-	#DIV/0!
Golf Shop Sales	3,455	-	-	#DIV/0!
Pre & Post Season Income	63	-	861	-92.7%
Other Golf Income	-	-	33	-100.0%
Total Revenues	\$ 3,518	\$ -	\$ 4,394	-19.93%
Expenses:				
FGMC Expenses	35,351	27,729	31,836	11.0%
Golf Course Reclaimed Water	-	-	-	#DIV/0!
Golf Cart Lease	-	-	-	#DIV/0!
Cost of Good Sold Golf	2,898	-	(71)	-4181.6%
Employee Compensation & Benefits	11,957	12,722	12,096	-1.1%
Building, Equipment & Grounds	880	-	-	#DIV/0!
Utilities	2,964	2,720	2,768	7.1%
Consulting Fees	18,250	24,285	16,851	8.3%
Property Insurance & Taxes	1,992	1,999	2,406	-17.2%
Depreciation and Amortization	11,256	11,330	15,574	-27.7%
Interest Expense	3,884	6,400	6,230	-37.7%
Merchant Services & Bank fees	1,343	300	4	37508.1%
Advertising & Website Costs	1,130	395	202	459.1%
All Other Expenses	2,166	95	232	834.9%
Total Expenses	\$ 94,071	\$ 87,975	\$ 88,127	6.7%
Net Income	(90,553)	(87,975)	(83,733)	8.1%
Less Depreciation	11,256	11,330	15,574	-27.7%
Cash Flow	\$ (79,297)	\$ (76,645)	\$ (68,159)	16.3%
Less Interest	3884	6400	6230	-37.7%
Operating Income	\$ (75,413)	\$ (70,245)	\$ (61,929)	21.8%
Number of Participants				
	2016	Budget	2015	%Inc/Dec
Number of Rounds	-1	0	0	#DIV/0!
Cart Rentals	-1	0	0	#DIV/0!
Practice Facility	0	0	0	#DIV/0!
Average Dollar Per Round				
Green & Cart Fees	-	#DIV/0!	#DIV/0!	#DIV/0!
Practice Facility	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Gross Profit on Golf Shop Sales	16%	#DIV/0!	#DIV/0!	#DIV/0!

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

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	41,661	42,273	53,766	-22.5%
High Country Card	36,377	42,904	32,472	12.0%
Green Fees	506,309	545,500	458,211	10.5%
Cart Fees	208,881	218,000	203,713	2.5%
Driving Range Income	119,114	137,000	125,616	-5.2%
Golf Shop Sales	97,467	100,000	77,323	26.1%
Pre & Post Season Income	63,777	-	31,897	99.9%
Other Golf Income	20,217	36,414	22,019	-8.2%
Total Revenues	\$ 1,093,803	\$ 1,122,091	\$ 1,005,017	8.83%
Expenses:				
FGMC Expenses	458,548	470,790	452,639	1.3%
Golf Course Reclaimed Water	78,918	100,010	65,738	20.0%
Golf Cart Lease	47,482	57,000	54,973	-13.6%
Cost of Good Sold Golf	67,844	60,000	53,968	25.7%
Employee Compensation & Benefits	226,596	215,225	210,285	7.8%
Building, Equipment & Grounds	53,569	22,350	39,561	35.4%
Utilities	52,466	49,015	49,488	6.0%
Consulting Fees	44,887	56,020	41,336	8.6%
Property Insurance & Taxes	23,904	23,988	24,736	-3.4%
Depreciation and Amortization	135,072	135,960	138,758	-2.7%
Interest Expense	66,615	76,800	76,128	-12.5%
Merchant Services & Bank fees	34,175	17,800	18,355	86.2%
Advertising & Website Costs	35,798	23,595	23,309	53.6%
All Other Expenses	14,195	19,341	19,662	-27.8%
Total Expenses	\$ 1,340,071	\$ 1,327,894	\$ 1,268,937	5.6%
Net Income	(246,268)	(205,803)	(263,920)	6.7%
Less Depreciation	135,072	135,960	138,758	-2.7%
Cash Flow	\$ (111,196)	\$ (69,843)	\$ (125,162)	11.2%
Less Interest	66615	76800	76128	12.5%
Operating Income	\$ (44,580)	\$ 6,957	\$ (49,034)	9.1%
Number of Participants	2016	Budget	2015	%Inc/Dec
Number of Rounds	17465	17500	15740	11.0%
Cart Rentals	15822	14419	13405	18.0%
Practice Facility	14173	15222	13920	1.8%
Average Dollar Per Round				
Green & Cart Fees	40.95	43.63	42.05	-2.6%
Practice Facility	8.40	9.00	9.02	-6.9%
Gross Profit on Golf Shop Sales	30%	40%	30%	0.6%

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

<u>Tennis</u>				
MTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$	-	-	#DIV/0!
Expenses:				
Total Tennis Expenses	80	245	80	-0.2%
Earnings Before Interest & Taxes	\$ (80)	\$ (245)	\$ (80)	0.2%

YTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 10,706	\$ 2,850	\$ 21,973	-51.3%
Expenses:				
Total Tennis Expenses	4,682	6,270	9,425	-50.3%
Earnings Before Interest & Taxes	\$ 6,024	\$ (3,420)	\$ 12,548	-52.0%

<u>Legal & Consulting Fees Detail</u>				
MTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 1,860	\$ 867	\$ 1,153	61.3%
Accounting & Review	-	-	-	#DIV/0!
Consulting (Lake Elaine Project)	22,794	4,500	-	#DIV/0!
Consulting (OB Sports)	18,250	24,200	16,851	8.3%
Total Legal & Consulting Expenses	\$ 42,903	\$ 29,567	\$ 18,004	138.3%

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 41,630	\$ 18,067	\$ 11,817	252.3%
Accounting & Review	8,225	8,550	8,150	0.9%
Consulting (Lake Elaine Project)	75,047	57,732	2,500	2901.9%
Consulting (OB Sports)	42,418	55,000	41,336	2.6%
Total Legal & Consulting Expenses	\$ 167,319	\$ 139,349	\$ 63,803	162.2%

**Continental Country Club, Inc.
Income Statement - Lakes
December, 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	\$	-	\$ 3,299	-100.0%
Utilities	289	800	784	-63.1%
Maintenance contract labor	250	225	-	#DIV/0!
Fish		-	-	#DIV/0!
Chemicals		-	-	#DIV/0!
Equipment repairs		-	-	#DIV/0!
Other Expenses	50	40	50	0.0%
Total Expenses	\$ 589	\$ 1,065	\$ 4,133	-85.7%

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 94,764	\$ 170,050	\$ 125,595	-24.5%
Utilities	8,284	10,600	10,058	-17.6%
Maintenance contract labor	10,865	9,700	14,387	-24.5%
Fish	5,195	10,000	8,048	-35.4%
Chemicals	15,703	11,250	9,217	70.4%
Equipment repairs	4,475	1,000	466	859.8%
Other Expenses	600	480	600	0.0%
Total Expenses	\$ 139,886	\$ 213,080	\$ 168,372	-16.9%

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	\$ 7	-	\$ 624	-98.9%
Utilities	1,109	200	1,033	7.3%
Maintenance contract labor		400	2,501	-100.0%
Fish		-	-	#DIV/0!
Chemicals		-	-	#DIV/0!
Equipment repairs		-	-	#DIV/0!
Other Expenses	50	40	50	0.0%
Total Expenses	\$ 1,166	\$ 640	\$ 4,209	-72.3%

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 9,789	\$ 14,800	\$ 13,342	-26.6%
Utilities	10,618	6,600	8,659	22.6%
Maintenance contract labor	24,040	28,300	29,678	-19.0%
Fish	3,196	5,000	2,498	28.0%
Chemicals	9,946	3,500	2,873	246.2%
Equipment repairs	1,343	600	1,609	-16.5%
Other Expenses	600	480	600	0.0%
Total Expenses	\$ 59,532	\$ 59,280	\$ 59,258	0.5%

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

<u>November</u>	2016 <u>YTD</u>	2015 <u>YTD</u>
Cash Flow from Operations:		
Operating Income	\$ 172,404	\$ 166,397
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	201,049	200,737
Receivables - (Up)/Down	5,975	53,207
Inventory - (Up)/Down	1,902	(11,965)
Prepaid Expenses - (Up)/Down	(53,961)	3,914
Payables - Up/(Down)	(22,821)	(56,137)
Accrued Expenses - Up/(Down)	<u>(5,914)</u>	<u>36,738</u>
Net Cash Flow from Operations	\$ 298,634	\$ 392,891
Investing Cash Flows:		
Purchase of Capital Equipment (Net)	(54,526)	(140,753)
Investment in FGMC	(48,652)	(15,432)
Other Investing Cash Flows	(55,293)	
Investing Cash Flow	\$ (158,471)	(156,185)
Financing Cash Flows:		
Advance on Bank Line of Credit	-	-
Payment on Bank Line of Credit	-	-
Release of Restricted Funds	-	-
Payment of Bank Term Loan	<u>(85,740)</u>	<u>(70,528)</u>
Financing Cash Flow	\$ (85,740)	(70,528)
Net Change in Cash	\$ 54,424	166,178
Cash at Beginning of Period	\$ 277,685	111,507
Cash at End of Period	\$ 332,109	277,685
Cash Flow Inc/Dec over prior year	\$ 54,424	20%

**Continental Country Club
Capital Investment Breakdown**

<u>December</u>	<u>2016</u>	<u>2016</u>	<u>Notes</u>
	<u>YTD</u>	<u>Budget</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 LE/WCL	26,781		2nd portion approved 2015
Hot Water Heater	5,495	-	
Total Equipment Investments	\$ 54,526	\$ 27,500	
Parking Improvement			
Parking Lot	11,000	10,000	
Total Parking Improvements	\$ 11,000	\$ 10,000	
Pool Improvements			
Pool House upgrade	1,783	4,000	partion walls
Total Pool Improvements	\$ 1,783	\$ 4,000	
Building Upgrades			
Fitness Room	-	4,400	
Carpet	4,423	-	admin carpet
Fireplace	2,885		
Lobby ceiling	2,000		
Fitness Room Ceiling	3,000		
Total Building Upgrades	\$ 12,308	\$ 4,400	
Golf			
15th Tee Box	8,447	11,000	
Carpet	6,256	5,500	
Cart Path	15,500	9,000	
Total Golf	\$ 30,203	\$ 25,500	
FGMC Investment			
Capital Lease	24,248	15,600	
Equipment	24,412	25,000	
FGMC Total	\$ 48,660	\$ 40,600	
Total Purchase of Capital	\$ 158,480	\$ 112,000	

Continental Country Club

Balance Sheet

December 2016

ASSETS

Current Assets		
Petty Cash	869.87	
National Bank Checking	1,388.50	
Sunwest Bank CD	88,879.08	
Chase- Credit Card Account	65,028.25	
Sunwest Bank Checking	70,495.84	
Sunwest Bank Savings	237,109.27	
Receivables	787,509.89	
Golf Shop Receivables	6,005.96	
Allowance for doubtful A/R	(3,000.00)	
Employee Receivables	123.96	
Deposits in Transit	339.84	
Golf Shop Inventory	33,877.63	
TOTAL Current Assets		1,288,628.09
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	1,336,276.02	
Parking Lot Paving	214,226.00	
Tennis Courts Improvements	62,695.98	
Accum. Depr. - Improvements	(1,157,941.00)	
Accum. Deprec.- Club House	(1,569,067.72)	
Accum. Dep. - Irrigation System	(992,951.56)	
Pools	100,319.47	
Accum. Deprec.- Pools	(35,157.78)	
Office Equipment	46,105.88	
Accum. Deprec.- Office Equip.	(38,818.49)	
Equipment	424,881.55	
Accum. Deprec.- Equipment	(309,860.27)	
A/D-Other	5,000.00	
Golf Course Improvements	64,241.42	
Leasehold Improvements - Other	(5,000.00)	
TOTAL Fixed Assets		1,641,048.16
Other Assets		
Lake Elaine Acct - Bank One (Restricted)	156,186.80	
Note Receivable - Oakmont	306.67	
Pre-Paid Insurance	65,190.23	
Pre-paid Reclaimed Water	(9,441.39)	
Capital Investment - FGMC	233,205.76	
Note Receivable - LT portion	89,469.74	
Note Receivable -CP-Contra	(306.67)	
Deferred Tax Asset	28,000.00	
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	(16,520.36)
TOTAL Other Assets	577,776.04
TOTAL ASSETS	3,507,452.29

LIABILITIES

Current Liabilities	
Trade Payables	54,177.65
Tree Donation Program	2,162.00
Tennis Improvement	3,145.48
Pickleball Improvement	6,628.61
Handicap Fees Payable	645.00
Advance Deposit	4,500.00
Accrued expenses Reclaimed water	2,176.88
Accrued Expenses - FGMC	38,863.23
Payable to Wyndham (Pool)	36,244.61
Current Portion - LTD	(73,638.59)
Current portion - note payable	73,638.59
Salaries Payable	7,455.27
FICA	23.78
FUTA	441.84
SUTA	794.98
Health Insurance	1,133.21
Real Estate Tax	2,191.00
Lot Assessment Accrual	1,178,722.50
Golf Shop Credits	3,500.00
Rain Checks	1,154.01
Gift Cards	3,494.51
TOTAL Current Liabilities	1,347,454.56

Long-Term Liabilities	
Future Maintenance- Lake Elaine	156,186.80
Note Payable - Sunwest Bank	1,038,452.71
Obligation to Repurchase License	218.26
TOTAL Long-Term Liabilities	1,194,857.77
TOTAL LIABILITIES	2,542,312.33

CAPITAL

Capital Reserves	132,242.00
Contributed Capital	2,556,498.00
Fund Balance, Prior Periods	(1,891,210.60)
Year-to-Date Earnings	167,610.56
TOTAL CAPITAL	965,139.96
TOTAL LIABILITIES & CAPITAL	3,507,452.29