

Continental Country Club, Inc.
Income Statement
for the Month of Jun, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 155,092	\$ 169,925	\$ 159,279	-2.6%
Golf Income	184,827	204,386	190,758	-3.1%
Other Income	960	-	2,599	-63.1%
Total Revenues	\$ 340,879	\$ 374,311	\$ 352,636	-3.3%
Expenses:				
Flagstaff Golf Maintenance Company	58,231	47,875	49,028	18.8%
Golf Course Reclaimed Water	30,651	21,450	20,996	46.0%
Golf Cart Lease	6,438	6,837	6,763	-4.8%
Cost of Goods Sold Golf	3,517	10,406	8,848	-60.2%
Wyndham Maintenance & Other Payments	8,456	10,115	3,500	141.6%
Lake Elaine	451	50	15,995	-97.2%
Walnut Canyon Lakes Park	6,977	12,550	10,494	-33.5%
Employee Compensation & Benefits	65,419	62,079	63,993	2.2%
Building, Equipment & Grounds	23,294	11,936	25,788	-9.7%
Utilities	19,581	17,884	19,704	-0.6%
Legal & Consulting	56,235	29,100	2,350	2293.0%
Property Insurance & Taxes	8,372	6,409	6,327	32.3%
Depreciation & Amortization	16,754	16,640	16,754	0.0%
Merchant Services & Bank Fees	6,217	5,000	3,555	74.9%
Advertising & Website Costs	3,369	5,040	5,986	-43.7%
All Other Expenses	6,506	5,631	5,762	12.9%
Total Expenses	\$ 320,466	\$ 269,002	\$ 265,845	20.5%
Earnings Before Interest & Taxes	20,413	105,309	86,791	-76.5%
Interest Expense	3,500	3,553	6,123	-42.8%
Pre-tax Income/(Loss)	\$ 16,913	\$ 101,756	\$ 80,668	-79.0%

Continental Country Club, Inc.
Income Statement
Year to Date Jun, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 842,249	\$ 823,215	\$ 810,771	3.9%
Golf Income	493,986	497,312	465,876	6.0%
Other Income	6,701	-	8,865	-24.4%
Total Revenues	\$ 1,342,937	\$ 1,320,527	\$ 1,285,512	4.5%
Expenses:				
Flagstaff Golf Maintenance Company	244,468	238,601	226,007	8.2%
Golf Course Reclaimed Water	63,721	45,870	44,909	41.9%
Golf Cart Lease	19,439	20,511	27,053	-28.1%
Cost of Goods Sold Golf	23,940	33,238	22,595	6.0%
Wyndham Maintenance & Other Payments	52,161	59,210	48,241	8.1%
Lake Elaine	2,274	2,525	76,614	-97.0%
Walnut Canyon Lakes Park	28,325	44,325	32,071	-11.7%
Employee Compensation & Benefits	311,901	306,365	250,044	24.7%
Building, Equipment & Grounds	89,593	89,930	84,580	5.9%
Utilities	97,170	76,283	77,049	26.1%
Legal & Consulting	169,645	173,825	79,567	113.2%
Property Insurance & Taxes	43,596	38,454	39,477	10.4%
Depreciation & Amortization	100,525	99,840	100,525	0.0%
Merchant Services & Bank Fees	23,450	22,000	13,084	79.2%
Advertising & Website Costs	25,135	25,119	35,410	-29.0%
All Other Expenses	34,791	29,753	23,979	45.1%
Total Expenses	\$ 1,330,133	\$ 1,305,849	\$ 1,181,204	12.6%
Earnings Before Interest & Taxes	12,804	14,678	104,309	-87.7%
Interest Expense	21,788	21,706	36,663	40.6%
Pre-tax Income/(Loss)	\$ (8,984)	\$ (7,028)	\$ 67,646	-113.3%

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Month of Jun, 2017

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	4,922	4,700	500	0.0%
High Country Card	6,192	8,500	8,071	-23.3%
Green Fees	95,658	104,125	103,090	-7.2%
Cart Fees	40,240	44,430	38,970	3.3%
Driving Range Income	25,573	23,455	23,906	7.0%
Golf Shop Sales	9,927	15,676	13,818	-28.2%
Pre & Post Season Income	-	-	-	0.0%
Other Golf Income	2,314	3,500	2,404	-3.7%
Total Revenues	\$ 184,827	\$ 204,386	\$ 190,758	-3.11%
Expenses:				
FGMC Expenses	58,231	47,875	49,028	18.8%
Golf Course Reclaimed Water	30,651	21,450	20,996	46.0%
Golf Cart Lease	6,438	6,837	6,763	-4.8%
Cost of Good Sold Golf	3,517	10,406	8,848	-60.2%
Employee Compensation & Benefits	24,363	27,005	26,802	-9.1%
Building, Equipment & Grounds	459	400	11,040	-95.8%
Utilities	6,824	6,236	6,957	-1.9%
Consulting Fees	2,072	3,080	2,000	3.6%
Property Insurance & Taxes	1,992	2,032	1,992	0.0%
Depreciation and Amortization	11,256	11,340	11,256	0.0%
Interest Expense	3,500	3,553	6,123	-42.8%
Merchant Services & Bank fees	3,113	4,000	3,111	0.0%
Advertising & Website Costs	2,424	3,880	4,048	-40.1%
All Other Expenses	1,816	3,006	1,436	26.5%
Total Expenses	\$ 156,654	\$ 151,100	\$ 160,400	-2.3%
Net Income	28,173	53,286	30,358	-7.2%
Less Depreciation	11,256	11,340	11,256	0.0%
Cash Flow	\$ 39,429	\$ 64,626	\$ 41,614	-5.3%
Less Interest	3500	3553	6123	-42.8%
Operating Income	\$ 42,929	\$ 68,179	\$ 47,737	-10.1%
Number of Participants	2017	Budget	2016	%Inc/Dec
Number of Rounds	2734	2948	2952	-7.4%
Cart Rentals	2564		2606	-1.6%
Practice Facility	1924		2038	-5.6%
Average Dollar Per Round				
Green & Cart Fees	49.71	50.39	48.12	3.3%
Practice Facility	13.29	#DIV/0!	11.73	13.3%
Gross Profit on Golf Shop Sales	65%	34%	36%	79.5%

Continental Country Club, Inc.

Income Statement - Golf Business Unit

Year to Date Jun, 2017

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	66,442	53,601	40,090	65.7%
High Country Card	27,131	32,500	31,178	-13.0%
Green Fees	183,308	194,131	178,919	2.5%
Cart Fees	78,979	98,423	78,028	1.2%
Driving Range Income	54,949	59,425	54,611	0.6%
Golf Shop Sales	36,126	47,731	31,981	13.0%
Pre & Post Season Income	38,177	-	42,923	-11.1%
Other Golf Income	8,874	11,502	8,146	8.9%
Total Revenues	\$ 493,986	\$ 497,313	\$ 465,876	6.03%
Expenses:				
FGMC Expenses	244,468	238,601	226,007	8.2%
Golf Course Reclaimed Water	63,721	45,870	44,909	41.9%
Golf Cart Lease	19,439	20,511	27,053	-28.1%
Cost of Good Sold Golf	23,940	33,238	22,595	6.0%
Employee Compensation & Benefits	109,667	115,332	103,808	5.6%
Building, Equipment & Grounds	6,124	16,900	38,520	-84.1%
Utilities	27,086	23,391	25,098	7.9%
Consulting Fees	12,434	18,240	13,039	-4.6%
Property Insurance & Taxes	11,952	12,192	11,952	0.0%
Depreciation and Amortization	67,536	68,040	67,536	0.0%
Interest Expense	21,788	21,706	36,663	-40.6%
Merchant Services & Bank fees	13,676	10,500	7,906	73.0%
Advertising & Website Costs	14,554	15,434	18,936	-23.1%
All Other Expenses	8,286	16,383	6,560	26.3%
Total Expenses	\$ 644,672	\$ 656,338	\$ 650,581	-0.9%
Net Income	(150,685)	(159,025)	(184,706)	18.4%
Less Depreciation	67,536	68,040	67,536	0.0%
Cash Flow	\$(83,149)	\$(90,985)	\$(117,170)	29.0%
Less Interest	21788	21706	36663	-40.6%
Operating Income	\$(61,361)	\$(69,279)	\$(80,507)	23.8%
Number of Participants	2017	Budget	2016	%Inc/Dec
Number of Rounds	6436	6854	6750	-4.7%
Cart Rentals	5680	5902	6245	-9.0%
Practice Facility	5902	5902	6548	-9.9%
Average Dollar Per Round	40.75	42.68	38.07	7.1%
Green & Cart Fees	9.31	#DIV/0!	8.34	11.6%
Practice Facility	34%	30%	29%	14.9%
Gross Profit on Golf Shop Sales				

**Continental Country Club, Inc.
Income Statement - Small Business Units
June, 2017**

Tennis					
MTD					
		Actual	Budget	Prior Year	%In/Dec To Prior Yr
Revenues:	Total Tennis Revenues	\$ 960	\$ -	\$ 2,599	-63.1%
Expenses:	Total Tennis Expenses	736	980	170	331.9%
	Earnings Before Interest & Taxes	\$ 224	\$ (980)	\$ 2,429	-90.78%
YTD					
Revenues:	Total Tennis Revenues	\$ 6,701	\$ -	\$ 8,865	-24.4%
Expenses:	Total Tennis Expenses	2,620	6,680	2,350	11.5%
	Earnings Before Interest & Taxes	\$ 4,081	\$ (6,680)	\$ 6,515	-37.35%

Legal & Consulting Fees Detail					
MTD Expenses					
		Actual	Budget	Prior Year	%In/Dec To Prior Yr
	Attorney & Legal Fees	\$ 52,163	\$ 5,500	\$ 350	14803.7%
	Accounting & Review	1,000	-	-	0.0%
	Consulting (Lake Elaine Project)	1,000	20,000	-	0.0%
	Consulting (OB Sports)	2,072	2,600	2,000	3.6%
	Total Legal & Consulting Expenses	\$ 56,235	\$ 28,100	\$ 2,350	2293.0%

YTD Expenses					
		Actual	Budget	Prior Year	%In/Dec To Prior Yr
	Attorney & Legal Fees	\$ 112,419	\$ 24,300	\$ 13,220	750.4%
	Accounting & Review	6,000	7,925	7,925	-24.3%
	Consulting (Lake Elaine Project)	38,544	120,000	45,383	-15.1%
	Consulting (OB Sports)	12,434	15,600	13,039	-4.6%
	Total Legal & Consulting Expenses	\$ 169,398	\$ 167,825	\$ 79,567	112.9%

**Continental Country Club, Inc.
Income Statement - Lakes
June, 2017**

Lake Elaine

	Actual	Budget	Prior Year	%In/Dec To Prior Yr
MTD Expenses	\$ 451	\$ 50	\$ 15,995	-97.2%
Irrigation and lake water	-	-	8,201	-100.0%
Utilities	401	-	932	-57.0%
Maintenance contract labor	-	-	5,000	-100.0%
Fish	-	-	-	0.0%
Chemicals	-	-	1,811	-100.0%
Equipment repairs	-	-	-	0.0%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 451	\$ 50	\$ 15,995	-97.2%

	Actual	Budget	Prior Year	%In/Dec To Prior Yr
YTD Expenses	\$ 2,274	\$ 2,525	\$ 76,614	-97.0%
Irrigation and lake water	-	2,000	50,194	-100.0%
Utilities	1,974	-	4,870	-59.5%
Maintenance contract labor	-	225	5,225	-100.0%
Fish	-	-	5,195	-100.0%
Chemicals	-	300	8,629	-100.0%
Equipment repairs	-	-	2,200	-100.0%
Other Expenses	300	-	300	0.0%
Total Expenses	\$ 2,274	\$ 2,525	\$ 76,614	-97.0%

Walnut Canyon Lakes

	Actual	Budget	Prior Year	%In/Dec To Prior Yr
MTD Expenses	\$ 6,977	\$ 12,550	\$ 10,494	-33.5%
Irrigation and lake water	-	1,500	1,286	-100.0%
Utilities	3,927	3,500	1,085	261.9%
Maintenance contract labor	3,000	3,000	3,941	-23.9%
Fish	-	-	-	0.0%
Chemicals	-	4,500	4,132	-100.0%
Equipment repairs	-	-	-	#DIV/0!
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 6,977	\$ 12,550	\$ 10,494	-33.5%

	Actual	Budget	Prior Year	%In/Dec To Prior Yr
YTD Expenses	\$ 28,325	\$ 44,325	\$ 32,071	-11.7%
Irrigation and lake water	-	10,800	7,570	-100.0%
Utilities	19,025	4,500	4,215	351.4%
Maintenance contract labor	9,000	13,725	12,138	-25.9%
Fish	-	-	1,896	-100.0%
Chemicals	-	1,500	4,703	-100.0%
Equipment repairs	-	-	1,249	-100.0%
Other Expenses	300	13,800	300	0.0%
Total Expenses	\$ 28,325	\$ 44,325	\$ 32,071	-11.7%

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

<u>June</u>	<u>2017</u>	<u>2016</u>
	YTD	YTD
Cash Flow from Operations:		
Operating Income	\$ (8,984)	\$ 67,646
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	100,525	100,525
Receivables - (Up)/Down	84,961	127,387
Inventory - (Up)/Down	(25,522)	(20,128)
Prepaid Expenses - (Up)/Down	30,954	(35,565)
Payables - Up/(Down)	38,847	7,982
Accrued Expenses - Up/(Down)	63,423	31,673
Net Cash Flow from Operations	\$ 284,203	\$ 279,520
Investing Cash Flows:		
Purchase of Capital Equipment (Net)	(70,175)	(100,152)
Investment in FGMC	(12,269)	(36,421)
Other Investing Cash Flows	(1,347)	-
Investing Cash Flow	\$ (83,792)	\$ (136,573)
Financing Cash Flows:		
Advance on Bank Line of Credit	-	-
Payment on Bank Line of Credit	-	-
Release of Restricted Funds	-	-
Payment of Bank Term Loan	(36,226)	(36,719)
Financing Cash Flow	\$ (36,226)	\$ (36,719)
Net Change in Cash	\$ 164,186	\$ 106,229
Cash at Beginning of Period	\$ 462,562	\$ 277,685
Cash at End of Period	\$ 626,748	\$ 383,914
Cash Flow Inc/Dec over prior year	\$ 242,834	63%

**Continental Country Club
Capital Investment Breakdown**

<u>June</u>	<u>YTD</u> 2017	<u>Budget</u> 2017	<u>Notes</u>
Purchase of Capital Equipment (Net)			
Treadmill	500	3,000	
Total Equipment Investments	\$ 500	\$ 3,000	
Pool Improvements			
Pool improvements	25,241	18,000	
Total Pool Improvements	\$ 25,241	\$ 18,000	
Building Upgrades			
Maintenance Shack floor	5,291	5,000	
Fitness center remodel	8,655	12,000	
Lobby ceiling	1,036		
Conference Room	847	-	
Total Building Upgrades	\$ 15,829	\$ 17,000	
Golf			
Cart Path	29,952	15,000	
Total Golf	\$ 29,952	\$ 15,000	
FGMC Investment			
Capital Lease	12,269	30,000	
Equipment			
FGMC Total	\$ 12,269	\$ 30,000	
Total Purchase of Capital			
	\$ 83,792	\$ 83,000	

Continental Country Club, Inc.

Balance Sheet

June 2017

ASSETS

Current Assets

Petty Cash	2,240.00	
Sunwest Bank CD	89,102.28	
Chase- Credit Card Account	65,030.39	
Sunwest Bank Checking	193,603.34	
Sunwest Bank Savings	276,772.29	
Receivables	89,274.38	
Golf Shop Receivables	13,336.41	
Allowance for doubtful A/R	(3,000.00)	
Employee Receivables	31.37	
Deposits in Transit	(170.00)	
Golf Shop Inventory	60,021.19	
TOTAL Current Assets		786,241.65

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	1,351,257.48				
Parking Lot Paving	214,226.00				
Tennis Courts Improvements	62,695.98				
Accum. Depr. - Improvements	(1,188,030.64)				
Accum. Depr.- Club House	(1,569,712.90)				
Accum. Dep. - Irrigation System	(1,029,501.94)				
Pools	125,560.88				
Accum. Depr.- Pools	(38,044.92)				
Office Equipment	46,953.31				
Accum. Depr.- Office Equip.	(39,409.91)				
Equipment	425,381.55				
Accum. Depr.- Equipment	(324,247.79)				
A/D-Other	5,000.00				
Golf Course Improvements	94,193.89				
Leasehold Improvements - Other	(5,000.00)		TOTAL Fixed Assets		1,627,419.65
TOTAL Fixed Assets		1,627,419.65			

Other Assets

Lake Elaine Acct - Bank One (Restricted)	156,217.80	
Note Receivable - Oakmont	306.67	
Pre-Paid Insurance	60,153.29	
Pre-Paid Reclaimed Water	(40,410.27)	
Capital Investment - FGMC	235,678.62	
Note Receivable - LT portion	89,313.74	
Note Receivable - CP-Contra	(306.67)	
Deferred Tax Asset	22,000.00	
Orig. fees and pts - Irrig loan	29,000.00	
Accumulated Amortization	(29,000.00)	

2,950,206.00

TOTAL LIABILITIES & CAPITAL

954,530.69

TOTAL CAPITAL

132,242.00
2,556,498.00
(1,725,225.06)
(8,984.25)

Capital Reserves
Contributed Capital
Fund Balance, Prior Periods
Year-to-Date Earnings

CAPITAL

1,995,675.31

TOTAL LIABILITIES

1,158,662.93

TOTAL Long-Term Liabilities

156,217.80
1,002,226.87
218.26

Long-Term Liabilities
Future Maintenance- Lake Elaine
Note Payable - Sunwest Bank
Obligation to Repurchase License

837,012.38

TOTAL Current Liabilities

87,522.62
2,162.00
3,145.48
12,653.61
960.00
4,500.00
11,524.95
63,331.70
17,494.61
(73,638.59)
73,638.59
11,072.08
2,177.81
641.97
3,576.38
1,249.42
3,790.74
(858.30)
(106.56)
97.76
13,146.00
16,938.29
578,397.50
(749.00)
376.11
3,967.21

Current Liabilities
Trade Payables
Tree Donation Program
Tennis Improvement
Pickleball Improvement
Handicap Fees Payable
Advance Deposit
Accrued expenses Reclaimed water
Accrued Expenses - FGMC
Payable to Wyncham (Pool)
Current Portion - LTD
Current portion - note payable
Salaries Payable
Federal Tax Withheld
State Tax Withheld
FICA
FUTA
SUTA
Health Insurance
Dental Insurance
Supplemental Ins. (AFLAC)
Real Estate Tax
Sales Tax
Lot Assessment Accrual
Golf Shop Credits
Rain Checks
Gift Cards

LIABILITIES

2,950,206.00

TOTAL ASSETS

536,544.70

TOTAL Other Assets

218.26
31,467.00
(18,093.74)

Right to Repurchase License
Closing Costs - Irrig Loan
Acc. Amortization - Closing Costs