

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
<b>Revenues:</b>				
Membership Income	\$ 131,257	\$ 137,450	\$ 134,936	-2.7%
Golf Income	196,467	205,794	171,204	14.8%
Other Income	70	-	421	-83.4%
<b>Total Revenues</b>	<b>\$ 327,794</b>	<b>\$ 343,244</b>	<b>\$ 306,561</b>	<b>6.9%</b>
<b>Expenses:</b>				
Flagstaff Golf Maintenance Company	46,307	43,670	41,621	11.3%
Golf Course Reclaimed Water	9,868	5,500	3,742	163.7%
Golf Cart Lease	6,438	6,837	6,763	-4.8%
Cost of Goods Sold Golf	14,121	11,436	9,894	42.7%
Wyndham Maintenance & Other Payments	4,228	10,115	12,564	-66.4%
Lake Elaine	3,435	2,550	9,936	-65.4%
Walnut Canyon Lakes Park	11,499	8,000	9,395	22.4%
Employee Compensation & Benefits	63,903	65,791	60,303	6.0%
Building, Equipment & Grounds	13,423	10,901	20,476	-34.4%
Utilities	16,553	14,853	15,159	9.2%
Legal & Consulting	21,307	36,000	4,317	393.5%
Property Insurance & Taxes	6,869	6,409	6,630	3.6%
Depreciation & Amortization	16,754	16,640	16,754	0.0%
Merchant Services & Bank Fees	1,355	5,000	4,285	-68.4%
Advertising & Website Costs	4,923	5,805	9,203	-46.5%
All Other Expenses	4,482	4,006	5,583	-19.7%
<b>Total Expenses</b>	<b>\$ 245,463</b>	<b>\$ 253,513</b>	<b>\$ 236,626</b>	<b>3.7%</b>
<b>Earnings Before Interest &amp; Taxes</b>	<b>82,331</b>	<b>89,731</b>	<b>69,935</b>	<b>17.7%</b>
Interest Expense	3,647	3,501	8,720	-58.2%
<b>Pre-tax Income/(Loss)</b>	<b>\$ 78,685</b>	<b>\$ 86,230</b>	<b>\$ 61,215</b>	<b>28.5%</b>

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
<b>Revenues:</b>				
Membership Income	\$ 1,110,720	\$ 1,112,510	\$ 1,090,347	1.9%
Golf Income	892,400	930,512	862,896	3.4%
Other Income	7,736	-	10,369	<u>-25.4%</u>
<b>Total Revenues</b>	<b>\$ 2,010,856</b>	<b>\$ 2,043,022</b>	<b>\$ 1,963,612</b>	<b>2.4%</b>
<b>Expenses:</b>				
Flagstaff Golf Maintenance Company	331,842	325,457	312,523	6.2%
Golf Course Reclaimed Water	82,039	66,330	63,402	29.4%
Golf Cart Lease	32,315	34,185	40,580	-20.4%
Cost of Goods Sold Golf	46,678	56,524	45,338	3.0%
Wyndham Maintenance & Other Payments	64,845	79,440	65,045	-0.3%
Lake Elaine	6,279	5,125	118,410	-94.7%
Walnut Canyon Lakes Park	48,328	62,575	52,087	-7.2%
Employee Compensation & Benefits	438,693	434,399	374,532	17.1%
Building, Equipment & Grounds	122,095	111,665	115,014	6.2%
Utilities	128,066	110,094	110,015	16.4%
Legal & Consulting	225,575	238,925	93,109	142.3%
Property Insurance & Taxes	55,233	51,272	52,737	4.7%
Depreciation & Amortization	134,033	133,120	134,033	0.0%
Merchant Services & Bank Fees	33,027	33,000	36,409	-9.3%
Advertising & Website Costs	33,777	36,889	51,896	-34.9%
All Other Expenses	54,191	38,715	34,620	<u>56.5%</u>
<b>Total Expenses</b>	<b>\$ 1,837,015</b>	<b>\$ 1,817,715</b>	<b>\$ 1,699,748</b>	<b>8.1%</b>
<b>Earnings Before Interest &amp; Taxes</b>	<b>173,841</b>	<b>225,307</b>	<b>263,864</b>	<b>-34.1%</b>
Interest Expense	28,785	28,734	51,276	-43.9%
<b>Pre-tax Income/(Loss)</b>	<b>\$ 145,056</b>	<b>\$ 196,573</b>	<b>\$ 212,588</b>	<b>-31.8%</b>

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

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
<b>Revenues:</b>				
Golf Member Income	-	-	346	-100.0%
High Country Card	774	1,300	1,131	-31.6%
Green Fees	101,756	110,174	94,321	7.9%
Cart Fees	49,071	47,430	39,620	23.9%
Driving Range Income	23,201	26,080	19,260	20.5%
Golf Shop Sales	18,892	19,060	14,521	30.1%
Pre & Post Season Income	-	-	-	0.0%
Other Golf Income	2,773	1,750	2,004	38.3%
<b>Total Revenues</b>	<b>\$ 196,467</b>	<b>\$ 205,794</b>	<b>\$ 171,204</b>	<b>14.76%</b>
<b>Expenses:</b>				
FGMC Expenses	46,307	43,670	41,621	11.3%
Golf Course Reclaimed Water	9,868	5,500	3,742	163.7%
Golf Cart Lease	6,438	6,837	6,763	-4.8%
Cost of Good Sold Golf	14,121	11,436	9,894	42.7%
Employee Compensation & Benefits	22,217	28,064	25,317	-12.2%
Building, Equipment & Grounds	1,237	400	9,153	-86.5%
Utilities	7,881	5,181	4,738	66.3%
Consulting Fees	2,075	2,990	2,079	-0.2%
Property Insurance & Taxes	1,992	2,032	1,992	0.0%
Depreciation and Amortization	11,256	11,340	11,256	0.0%
Interest Expense	3,647	3,501	8,720	-58.2%
Merchant Services & Bank fees	2,632	4,000	4,235	-37.9%
Advertising & Website Costs	3,696	3,230	8,541	-56.7%
All Other Expenses	363	2,456	3,352	-89.2%
<b>Total Expenses</b>	<b>\$ 133,727</b>	<b>\$ 130,637</b>	<b>\$ 141,402</b>	<b>-5.4%</b>
<b>Net Income</b>	<b>62,740</b>	<b>75,157</b>	<b>29,802</b>	<b>110.5%</b>
Less Depreciation	11,256	11,340	11,256	0.0%
<b>Cash Flow</b>	<b>\$ 73,996</b>	<b>\$ 86,497</b>	<b>\$ 41,058</b>	<b>80.2%</b>
Less Interest	3647	3501	8720	-58.2%
<b>Operating Income</b>	<b>\$ 77,642</b>	<b>\$ 89,998</b>	<b>\$ 49,778</b>	<b>56.0%</b>
<b>Number of Participants</b>	<b>2017</b>	<b>Budget</b>	<b>2016</b>	<b>%Inc/Dec</b>
Number of Rounds	3158	2812	2812	12.3%
Cart Rentals	3097		2656	16.6%
Practice Facility	2422		2180	11.1%
<b>Average Dollar Per Round</b>				
Green & Cart Fees	47.76	56.05	47.63	0.3%
Practice Facility	9.58	#DIV/0!	8.83	8.4%
Gross Profit on Golf Shop Sales	25%	40%	32%	-20.7%

# Continental Country Club, Inc.

## Income Statement - Golf Business Unit

### Year to Date Aug, 2017

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
<b>Revenues:</b>				
Golf Member Income	66,442	53,601	40,436	64.3%
High Country Card	29,741	36,400	36,377	-18.2%
Green Fees	399,513	426,282	398,474	0.3%
Cart Fees	178,173	200,283	165,922	7.4%
Driving Range Income	97,583	110,705	97,150	0.4%
Golf Shop Sales	68,555	86,540	64,776	5.8%
Pre & Post Season Income	38,177	-	42,923	-11.1%
Other Golf Income	14,216	16,702	16,836	-15.6%
<b>Total Revenues</b>	<b>\$ 892,400</b>	<b>\$ 930,513</b>	<b>\$ 862,894</b>	<b>3.42%</b>
<b>Expenses:</b>				
FGMC Expenses	331,842	325,457	312,523	6.2%
Golf Course Reclaimed Water	82,039	66,330	63,402	29.4%
Golf Cart Lease	32,315	34,185	40,580	-20.4%
Cost of Good Sold Golf	46,678	56,524	45,338	3.0%
Employee Compensation & Benefits	156,608	170,944	159,854	-2.0%
Building, Equipment & Grounds	12,151	17,700	46,292	-73.8%
Utilities	37,110	35,938	36,528	1.6%
Consulting Fees	16,581	24,310	17,201	-3.6%
Property Insurance & Taxes	15,936	16,256	15,936	0.0%
Depreciation and Amortization	90,048	90,720	90,048	0.0%
Interest Expense	28,785	28,734	51,276	-43.9%
Merchant Services & Bank fees	21,618	19,500	25,159	-14.1%
Advertising & Website Costs	20,590	23,469	30,576	-32.7%
All Other Expenses	15,320	20,945	16,613	-7.8%
<b>Total Expenses</b>	<b>\$ 907,619</b>	<b>\$ 931,012</b>	<b>\$ 951,324</b>	<b>-4.6%</b>
<b>Net Income</b>	<b>(15,219)</b>	<b>(499)</b>	<b>(88,430)</b>	<b>-82.8%</b>
Less Depreciation	90,048	90,720	90,048	0.0%
<b>Cash Flow</b>	<b>\$ 74,829</b>	<b>\$ 90,221</b>	<b>\$ 1,618</b>	<b>4523.6%</b>
Less Interest	28785	28734	51276	-43.9%
<b>Operating Income</b>	<b>\$ 103,614</b>	<b>\$ 118,955</b>	<b>\$ 52,894</b>	<b>95.9%</b>
<b>Number of Participants</b>	<b>2017</b>	<b>Budget</b>	<b>2016</b>	<b>%Inc/Dec</b>
Number of Rounds	12941	12991	13114	-1.3%
Cart Rentals	12111		12131	-0.2%
Practice Facility	10439		11231	-7.1%
<b>Average Dollar Per Round</b>				
Green & Cart Fees	44.64	48.23	43.04	3.7%
Practice Facility	9.35	#DIV/0!	8.65	8.1%
Gross Profit on Golf Shop Sales	32%	35%	30%	6.3%

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

<b>Tennis</b>				
<b>MTD</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
<b>Revenues:</b>				
Total Tennis Revenues	\$ 70	\$ -	\$ 421	-83.4%
<b>Expenses:</b>				
Total Tennis Expenses	2,439	890	845	188.4%
<b>Earnings Before Interest &amp; Taxes</b>	<u>\$ (2,369)</u>	<u>\$ (890)</u>	<u>\$ (424)</u>	<u>458.06%</u>

<b>YTD</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
<b>Revenues:</b>				
Total Tennis Revenues	\$ 7,736	\$ -	\$ 10,369	-25.4%
<b>Expenses:</b>				
Total Tennis Expenses	6,538	8,550	4,175	56.6%
<b>Earnings Before Interest &amp; Taxes</b>	<u>\$ 1,198</u>	<u>\$ (8,550)</u>	<u>\$ 6,194</u>	<u>-80.65%</u>

<b>Legal &amp; Consulting Fees Detail</b>				
<b>MTD Expenses</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 9,153	\$ 12,100	\$ 1,938	372.1%
Accounting & Review	1,000	300	300	233.3%
Consulting (Lake Elaine Project)	9,080	20,000	-	#DIV/0!
Consulting (OB Sports)	2,075	2,600	2,079	-0.2%
<b>Total Legal &amp; Consulting Expenses</b>	<u>\$ 21,307</u>	<u>\$ 35,000</u>	<u>\$ 4,317</u>	<u>393.5%</u>

<b>YTD Expenses</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 143,371	\$ 41,900	\$ 21,845	556.3%
Accounting & Review	8,000	8,225	8,225	-2.7%
Consulting (Lake Elaine Project)	57,624	160,000	45,838	25.7%
Consulting (OB Sports)	16,581	20,800	17,201	-3.6%
<b>Total Legal &amp; Consulting Expenses</b>	<u>\$ 225,575</u>	<u>\$ 230,925</u>	<u>\$ 93,109</u>	<u>142.3%</u>

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

**Lake Elaine**

<b>MTD Expenses</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ -	\$ -	\$ 5,087	-100.0%
Utilities	113	-	934	-87.9%
Maintenance contract labor	2,500	2,500	2,500	0.0%
Fish	-	-	-	#DIV/0!
Chemicals	772	-	1,365	-43.4%
Equipment repairs	-	-	-	#DIV/0!
Other Expenses	50	50	50	0.0%
<b>Total Expenses</b>	<b>\$ 3,435</b>	<b>\$ 2,550</b>	<b>\$ 9,936</b>	<b>-65.4%</b>

<b>YTD Expenses</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 19	\$ 2,000	\$ 80,178	-100.0%
Utilities	2,588	-	6,934	-62.7%
Maintenance contract labor	2,500	2,725	2,725	-8.3%
Fish	-	-	5,195	-100.0%
Chemicals	772	400	15,703	-95.1%
Equipment repairs	-	-	7,275	-100.0%
Other Expenses	400	-	400	0.0%
<b>Total Expenses</b>	<b>\$ 6,279</b>	<b>\$ 5,125</b>	<b>\$ 118,410</b>	<b>-94.7%</b>

**Walnut Canyon Lakes**

<b>MTD Expenses</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ -	\$ 1,200	\$ 810	-100.0%
Utilities	-	1,500	1,347	-100.0%
Maintenance contract labor	6,310	3,000	5,092	23.9%
Fish	2,999	1,500	1,300	130.7%
Chemicals	1,545	750	702	120.1%
Equipment repairs	595	-	95	529.5%
Other Expenses	50	50	50	0.0%
<b>Total Expenses</b>	<b>\$ 11,499</b>	<b>\$ 8,000</b>	<b>\$ 9,395</b>	<b>22.4%</b>

<b>YTD Expenses</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 13,900	\$ 13,200	\$ 9,812	41.7%
Utilities	8,468	7,500	6,900	22.7%
Maintenance contract labor	18,310	19,725	20,230	-9.5%
Fish	2,999	3,000	3,196	-6.2%
Chemicals	1,545	11,250	9,946	-84.5%
Equipment repairs	2,705	7,500	1,604	68.6%
Other Expenses	400	400	400	0.0%
<b>Total Expenses</b>	<b>\$ 48,328</b>	<b>\$ 62,575</b>	<b>\$ 52,087</b>	<b>-7.2%</b>

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

<u>August</u>	<u>2017</u> <u>YTD</u>	<u>2016</u> <u>YTD</u>
<b>Cash Flow from Operations:</b>		
Operating Income	\$ 145,056	\$ 212,588
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	134,033	134,033
Receivables - (Up)/Down	(28,464)	(25,287)
Inventory - (Up)/Down	(18,646)	(10,174)
Prepaid Expenses - (Up)/Down	7,563	(38,016)
Payables - Up/(Down)	57,034	(745)
Accrued Expenses - Up/(Down)	5,509	80,392
<b>Net Cash Flow from Operations</b>	<b>\$ 302,085</b>	<b>\$ 352,790</b>
<b>Investing Cash Flows:</b>		
Purchase of Capital Equipment (Net)	(92,924)	(101,935)
Investment in FGMC	(24,324)	(40,473)
Other Investing Cash Flows	(1,612)	-
<b>Investing Cash Flow</b>	<b>\$ (118,860)</b>	<b>\$ (142,408)</b>
<b>Financing Cash Flows:</b>		
Advance on Bank Line of Credit	-	-
Payment on Bank Line of Credit	-	-
Release of Restricted Funds	-	-
Payment of Bank Term Loan	(47,534)	(57,468)
<b>Financing Cash Flow</b>	<b>\$ (47,534)</b>	<b>\$ (57,468)</b>
<b>Net Change in Cash</b>	<b>\$ 135,691</b>	<b>\$ 152,914</b>
<b>Cash at Beginning of Period</b>	<b>\$ 458,756</b>	<b>\$ 366,564</b>
<b>Cash at End of Period</b>	<b>\$ 594,447</b>	<b>\$ 519,479</b>
<b>Cash Flow Increase/Decrease</b>	<b>\$ 74,969</b>	<b>14%</b>

## Continental Country Club Capital Investment Breakdown

<u>August</u>	<u>2017</u> <u>YTD</u>	<u>2017</u> <u>Budget</u>
<b>Purchase of Capital Equipment (Net) Equipment</b>		
Treadmill/Equipment	1,613	3,000
<b>Total Equipment Investments</b>	<b><u>\$ 1,613</u></b>	<b><u>\$ 3,000</u></b>
<b>Irrigation System</b>		
WCL Irrigation Repairs	19,840	-
<b>Total Irrigation System Improvements</b>	<b><u>\$ 19,840</u></b>	<b><u>\$ -</u></b>
<b>Pool Improvements</b>		
Pool improvements	25,241	18,000
<b>Total Pool Improvements</b>	<b><u>\$ 25,241</u></b>	<b><u>\$ 18,000</u></b>
<b>Building Upgrades</b>		
Maintenance Shack floor	5,291	5,000
Fitness center remodel	11,563	12,000
Lobby ceiling	1,036	
Conference Room	-	-
<b>Total Building Upgrades</b>	<b><u>\$ 17,890</u></b>	<b><u>\$ 17,000</u></b>
<b>Golf</b>		
Cart Path	29,952	15,000
<b>Total Golf</b>	<b><u>\$ 29,952</u></b>	<b><u>\$ 15,000</u></b>
<b>FGMC Investment</b>		
Capital Lease Equipment	24,324	30,000
<b>FGMC Total</b>	<b><u>\$ 24,324</u></b>	<b><u>\$ 30,000</u></b>
<b>Total Purchase of Capital</b>	<b><u>\$ 118,861</u></b>	<b><u>\$ 83,000</u></b>

**Continental Country Club  
Capital Investment Breakdown**

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**Notes**

# Continental Country Club, Inc.

## Balance Sheet

August 2017

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### ASSETS

#### Current Assets

Petty Cash	2,240.00
Sunwest Bank CD	89,362.57
Chase- Credit Card Account	36,670.44
Sunwest Bank Checking	167,802.38
Sunwest Bank Savings	298,372.29
Receivables	40,537.70
Golf Shop Receivables	1,220.48
Allowance for doubtful A/R	(3,000.00)
Employee Receivables	170.82
Deposits in Transit	(170.00)
Deposits	(275.00)
Golf Shop Inventory	53,144.48

#### TOTAL Current Assets

686,076.16

#### Fixed Assets

Land	443,618.81
Reclaimed Water Line	147,703.08
Accum. Depr. - Reclaimed Water Line	(147,703.08)
Irrigation System	1,481,854.15
Buildings	1,590,465.55
Building Remodel	1,354,165.98
Parking Lot Paving	214,226.00
Tennis Courts Improvements	62,695.98
Accum. Depr. - Improvements	(1,201,567.77)
Accum. Deprec.- Club House	(1,569,927.96)
Accum. Dep. - Irrigation System	(1,041,685.40)
Pools	125,560.88
Accum. Deprec.- Pools	(39,007.30)
Office Equipment	46,105.88
Accum. Deprec.- Office Equip.	(39,654.78)
Equipment	431,494.32
Accum. Deprec.- Equipment	(335,516.63)
A/D-Other	5,000.00
Golf Course Improvements	94,193.89
Leasehold Improvements - Other	(5,000.00)

#### TOTAL Fixed Assets

1,617,021.60

#### Other Assets

Lake Elaine Acct - Bank One (Restricted)	156,228.36
Note Receivable - Oakmont	325.59
Pre-Paid Insurance	20,886.08
Capital Investment - FGMC	229,014.13
Note Receivable - LT portion	89,267.07
Note Receivable -CP-Contra	(325.59)
Deferred Tax Asset	22,000.00
Orig. fees and pts - Irrig loan	29,000.00
Accumulated Amortization	(29,000.00)

Right to Repurchase License	524.93	
Closing Costs - Irrig Loan	31,467.00	
Acc. Amortization - Closing Costs	(18,618.20)	
TOTAL Other Assets		<u>530,769.37</u>
TOTAL ASSETS		<u>2,833,867.13</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade Payables	97,388.39	
Tree Donation Program	2,162.00	
Tennis Improvement	3,145.48	
Pickleball Improvement	13,688.61	
Handicap Fees Payable	575.00	
Advance Deposit	3,000.00	
Accrued expenses Reclaimed water	37,599.41	
Accrued Expenses - FGMC	35,742.21	
Payable to Wyndham (Pool)	17,494.61	
Current Portion - LTD	(78,854.90)	
Current portion - note payable	78,854.90	
Salaries Payable	19,778.65	
Accrued Compensated Absence	6,594.04	
FUTA	729.08	
SUTA	2,839.09	
Health Insurance	(1,024.24)	
Dental Insurance	(105.09)	
Supplemental Ins. (AFLAC)	97.76	
State Income Tax Payable	50.00	
Real Estate Tax	17,528.00	
Sales Tax	17,868.36	
Lot Assessment Accrual	403,813.50	
Golf Shop Credits	(749.00)	
Rain Checks	3,563.97	
Gift Cards	1,503.24	
TOTAL Current Liabilities		<u>683,283.07</u>
<b>Long-Term Liabilities</b>		
Future Maintenance- Lake Elaine	156,228.36	
Note Payable - Sunwest Bank	990,918.46	
Obligation to Repurchase License	524.93	
TOTAL Long-Term Liabilities		<u>1,147,671.75</u>
TOTAL LIABILITIES		<u>1,830,954.82</u>
<b>CAPITAL</b>		
Capital Reserves	132,242.00	
Contributed Capital	2,556,498.00	
Fund Balance, Prior Periods	(1,830,883.79)	
Year-to-Date Earnings	145,056.10	
TOTAL CAPITAL		<u>1,002,912.31</u>
TOTAL LIABILITIES & CAPITAL		<u>2,833,867.13</u>