

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 133,445	\$ 122,380	\$ 126,368	5.6%
Golf Income	144,490	156,100	120,788	19.6%
Other Income	250	-	15	1566.7%
Total Revenues	\$ 278,185	\$ 278,480	\$ 247,171	12.5%
Expenses:				
Flagstaff Golf Maintenance Company	39,355	42,245	39,076	0.7%
Golf Course Reclaimed Water	13,121	7,150	7,461	75.9%
Golf Cart Lease	6,438	6,837	6,763	-4.8%
Cost of Goods Sold Golf	8,990	4,663	10,560	-14.9%
Wyndham Maintenance & Other Payments	4,478	10,115	9,745	-54.0%
Lake Elaine	7,607	50	20,045	-62.1%
Walnut Canyon Lakes Park	11,813	5,300	5,226	126.0%
Employee Compensation & Benefits	51,219	54,956	59,608	-14.1%
Building, Equipment & Grounds	9,595	8,456	13,021	-26.3%
Utilities	18,745	14,863	15,242	23.0%
Legal & Consulting	46,824	26,700	22,715	106.1%
Property Insurance & Taxes	6,703	6,409	6,630	1.1%
Depreciation & Amortization	16,754	16,640	16,754	0.0%
Merchant Services & Bank Fees	1,839	4,500	3,634	-49.4%
Advertising & Website Costs	(1,785)	6,115	791	-325.5%
All Other Expenses	5,342	4,026	5,593	-4.5%
Total Expenses	\$ 247,037	\$ 219,025	\$ 242,865	1.7%
Earnings Before Interest & Taxes	31,148	59,455	4,306	623.4%
Interest Expense	3,622	3,475	3,936	-8.0%
Pre-tax Income/(Loss)	\$ 27,526	\$ 55,980	\$ 370	7335.3%

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 1,244,166	\$ 1,234,890	\$ 1,216,715	2.3%
Golf Income	1,036,890	1,086,612	983,684	5.4%
Other Income	7,986	-	10,384	-23.1%
Total Revenues	\$ 2,289,041	\$ 2,321,502	\$ 2,210,783	3.5%
Expenses:				
Flagstaff Golf Maintenance Company	371,196	367,702	351,598	5.6%
Golf Course Reclaimed Water	95,160	73,480	70,863	34.3%
Golf Cart Lease	38,752	41,022	47,343	-18.1%
Cost of Goods Sold Golf	55,667	61,187	55,898	-0.4%
Wyndham Maintenance & Other Payments	69,323	89,555	74,790	-7.3%
Lake Elaine	13,886	5,175	138,455	-90.0%
Walnut Canyon Lakes Park	60,140	67,875	57,313	4.9%
Employee Compensation & Benefits	489,912	489,355	434,140	12.8%
Building, Equipment & Grounds	131,690	120,121	128,035	2.9%
Utilities	146,810	124,957	125,258	17.2%
Legal & Consulting	272,399	265,625	115,824	135.2%
Property Insurance & Taxes	61,936	57,681	59,367	4.3%
Depreciation & Amortization	150,787	149,760	150,787	0.0%
Merchant Services & Bank Fees	34,866	37,500	40,042	-12.9%
Advertising & Website Costs	31,993	43,004	52,687	-39.3%
All Other Expenses	59,533	42,741	40,213	48.0%
Total Expenses	\$ 2,084,052	\$ 2,036,740	\$ 1,942,613	7.3%
Earnings Before Interest & Taxes	204,989	284,762	268,170	-23.6%
Interest Expense	32,407	32,209	55,212	-41.3%
Pre-tax Income/(Loss)	\$ 172,583	\$ 252,553	\$ 212,958	-19.0%

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

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr #DIV/0!
Revenues:				
Golf Member Income	-	900	-	
High Country Card	30		-	
Green Fees	78,569	87,102	66,481	18.2%
Cart Fees	37,756	37,080	24,598	53.5%
Driving Range Income	13,638	21,191	12,596	8.3%
Golf Shop Sales	13,896	8,272	16,280	-14.6%
Pre & Post Season Income	-	-	-	
Other Golf Income	602	1,555	834	-27.8%
Total Revenues	\$ 144,490	\$ 156,100	\$ 120,788	19.62%
Expenses:				
FGMC Expenses	39,355	42,245	39,076	0.7%
Golf Course Reclaimed Water	13,121	7,150	7,461	75.9%
Golf Cart Lease	6,438	6,837	6,763	-4.8%
Cost of Good Sold Golf	8,990	4,663	10,560	-14.9%
Employee Compensation & Benefits	21,258	24,330	21,528	-1.3%
Building, Equipment & Grounds	(869)	400	6,126	-114.2%
Utilities	6,031	4,631	4,773	26.4%
Consulting Fees	2,075	2,990	2,073	0.1%
Property Insurance & Taxes	1,992	2,032	1,992	0.0%
Depreciation and Amortization	11,256	11,340	11,256	0.0%
Interest Expense	3,622	3,475	3,936	-8.0%
Merchant Services & Bank fees	600	3,500	3,564	-83.2%
Advertising & Website Costs	1,364	5,130	417	227.0%
All Other Expenses	3,057	1,906	1,111	175.1%
Total Expenses	\$ 118,288	\$ 120,629	\$ 120,635	-1.9%
Net Income	26,201	35,471	154	16959.3%
Less Depreciation	11,256	11,340	11,256	0.0%
Cash Flow	\$ 37,457	\$ 46,811	\$ 11,410	228.3%
Less Interest	3622	3475	3936	-8.0%
Operating Income	\$ 41,079	\$ 50,286	\$ 15,345	167.7%
Number of Participants	2017	Budget	2016	%Inc/Dec
Number of Rounds	2353	2031	2126	10.7%
Cart Rentals	2348		1717	36.8%
Practice Facility	1557		1459	6.7%
Average Dollar Per Round				
Green & Cart Fees	49.44	61.14	42.84	15.4%
Practice Facility	8.76	#DIV/0!	8.63	1.5%
Gross Profit on Golf Shop Sales	35%	44%	35%	0.5%

Continental Country Club, Inc.

Income Statement - Golf Business Unit

Year to Date September, 2017

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	66,442	53,601	40,436	64.3%
High Country Card	29,771	37,300	36,377	-18.2%
Green Fees	478,082	513,384	464,955	2.8%
Cart Fees	215,928	237,363	190,520	13.3%
Driving Range Income	111,220	131,896	109,746	1.3%
Golf Shop Sales	82,451	94,812	81,056	1.7%
Pre & Post Season Income	38,177	-	42,293	-9.7%
Other Golf Income	14,818	18,257	18,301	-19.0%
Total Revenues	\$ 1,036,890	\$ 1,086,613	\$ 983,684	5.41%
Expenses:				
FGMC Expenses	371,196	367,702	351,598	5.6%
Golf Course Reclaimed Water	95,160	73,480	70,863	34.3%
Golf Cart Lease	38,752	41,022	47,343	-18.1%
Cost of Good Sold Golf	55,667	61,187	55,898	-0.4%
Employee Compensation & Benefits	177,865	195,274	181,381	-8.9%
Building, Equipment & Grounds Utilities	11,282	18,100	55,889	-79.8%
Consulting Fees	43,141	40,569	41,301	4.5%
Property Insurance & Taxes	18,655	27,300	21,742	-14.2%
Depreciation and Amortization	17,928	18,288	17,928	0.0%
Interest Expense	101,304	102,060	101,304	0.0%
Merchant Services & Bank fees	32,407	32,209	55,212	-41.3%
Advertising & Website Costs	22,218	23,000	28,722	-22.6%
All Other Expenses	21,953	28,599	30,992	-29.2%
	18,377	22,851	11,788	55.9%
Total Expenses	\$ 1,025,907	\$ 1,051,641	\$ 1,071,960	-4.3%
Net Income	10,983	34,972	(88,277)	-112.4%
Less Depreciation	101,304	102,060	101,304	0.0%
Cash Flow	112,287	\$ 137,032	\$ 13,027	761.9%
Less Interest	32,407	32,209	55,212	-41.3%
Operating Income	\$ 144,693	\$ 169,241	\$ 68,239	112.0%
Number of Participants	2017	Budget	2016	%Inc/Dec
Number of Rounds	15294	15022	15240	0.4%
Cart Rentals	14459		13848	4.4%
Practice Facility	11996		12690	-5.5%
Average Dollar Per Round				
Green & Cart Fees	45.38	49.98	43.01	5.5%
Practice Facility	9.27	#DIV/0!	8.65	7.2%
Gross Profit on Golf Shop Sales	32%	35%	31%	4.7%

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

Tennis				
MTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 250	\$ -	\$ 15	1566.7%
Expenses:				
Total Tennis Expenses	331	390	229	44.6%
Earnings Before Interest & Taxes	\$ (81)	\$ (390)	\$ (214)	<u>-62.04%</u>
YTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 7,986	\$ -	\$ 10,384	-23.1%
Expenses:				
Total Tennis Expenses	6,869	8,940	4,404	56.0%
Earnings Before Interest & Taxes	\$ 1,117	\$ (8,940)	\$ 5,980	<u>-81.32%</u>

Legal & Consulting Fees Detail				
MTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 33,249	\$ 3,100	\$ 14,228	133.7%
Accounting & Review	11,500	-	-	#DIV/0!
Consulting (Lake Elaine Project)	-	20,000	6,415	-100.0%
Consulting (OB Sports)	2,075	2,600	2,073	0.1%
Total Legal & Consulting Expenses	\$ 46,824	\$ 25,700	\$ 22,715	<u>106.1%</u>
YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 176,620	\$ 45,000	\$ 30,988	470.0%
Accounting & Review	19,500	8,225	8,225	137.1%
Consulting (Lake Elaine Project)	57,624	180,000	57,338	0.5%
Consulting (OB Sports)	18,655	23,400	19,273	-3.2%
Total Legal & Consulting Expenses	\$ 272,399	\$ 256,625	\$ 115,824	<u>135.2%</u>

Continental Country Club, Inc.
Income Statement - Lakes
September, 2017

Lake Elaine

MTD Expenses				%Inc/Dec
	Actual	Budget	Prior Year	To Prior Yr
Irrigation and lake water	\$ -	\$ -	\$ 14,419	-100.0%
Utilities	1,026	-	486	111.1%
Maintenance contract labor	-	-	2,890	-100.0%
Fish	-	-	-	#DIV/0!
Chemicals	1,205	-	-	#DIV/0!
Equipment repairs	5,326	-	2,200	142.1%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 7,607	\$ 50	\$ 20,045	-62.1%

YTD Expenses				%Inc/Dec
	Actual	Budget	Prior Year	To Prior Yr
Irrigation and lake water	\$ -	\$ 2,000	\$ 94,597	-100.0%
Utilities	3,633	-	7,420	-51.0%
Maintenance contract labor	2,500	2,725	5,615	-55.5%
Fish	-	-	5,195	-100.0%
Chemicals	1,977	-	15,703	-87.4%
Equipment repairs	5,326	-	9,475	-43.8%
Other Expenses	450	450	450	0.0%
Total Expenses	\$ 13,886	\$ 5,175	\$ 138,455	-90.0%

Walnut Canyon Lakes

MTD Expenses				%Inc/Dec
	Actual	Budget	Prior Year	To Prior Yr
Irrigation and lake water	\$ 3,798	\$ -	\$ -	#DIV/0!
Utilities	2,555	2,250	1,272	100.9%
Maintenance contract labor	3,000	3,000	3,810	-21.3%
Fish	-	-	-	#DIV/0!
Chemicals	2,410	-	-	#DIV/0!
Equipment repairs	-	-	95	-100.0%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 11,813	\$ 5,300	\$ 5,226	126.0%

YTD Expenses				%Inc/Dec
	Actual	Budget	Prior Year	To Prior Yr
Irrigation and lake water	\$ 17,698	\$ 13,950	\$ 10,167	74.1%
Utilities	11,023	9,000	8,171	34.9%
Maintenance contract labor	21,310	22,725	24,040	-11.4%
Fish	2,999	3,000	3,196	-6.2%
Chemicals	3,955	11,250	9,946	-60.2%
Equipment repairs	2,705	7,500	1,343	101.4%
Other Expenses	450	450	450	0.0%
Total Expenses	\$ 60,140	\$ 67,875	\$ 57,313	4.9%

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

<u>September</u>	<u>2017</u> <u>YTD</u>	<u>2016</u> <u>YTD</u>
Cash Flow from Operations:		
Operating Income	\$ 172,583	\$ 212,958
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	150,787	150,787
Receivables - (Up)/Down	(136,535)	(143,792)
Inventory - (Up)/Down	(13,784)	(5,630)
Prepaid Expenses - (Up)/Down	10,405	(39,239)
Payables - Up/(Down)	29,309	33,290
Accrued Expenses - Up/(Down)	5,589	62,691
Net Cash Flow from Operations	\$ 218,353	\$ 271,065
Investing Cash Flows:		
Purchase of Capital Equipment (Net)	(93,966)	(47,409)
Investment in FGMC	(28,371)	(42,508)
Other Investing Cash Flows	(1,463)	(54,526)
Investing Cash Flow	\$ (123,800)	\$ (144,443)
Financing Cash Flows:		
Advance on Bank Line of Credit		
Payment on Bank Line of Credit		
Release of Restricted Funds		
Payment of Bank Term Loan	(54,815)	(64,435)
Financing Cash Flow	\$ (54,815)	\$ (64,435)
Net Change in Cash	\$ 39,738	\$ 62,187
Cash at Beginning of Period	\$ 458,756	\$ 366,564
Cash at End of Period	\$ 498,495	\$ 428,752
Cash Flow Increase/Decrease	\$ 69,743	16%

Continental Country Club Capital Investment Breakdown

<u>September</u>	<u>2017</u> <u>YTD</u>	<u>2017</u> <u>Budget</u>
Purchase of Capital Equipment (Net) Equipment		
Treadmill/Equipment	1,463	3,000
Total Equipment Investments	<u>\$ 1,463</u>	<u>\$ 3,000</u>
Irrigation System		
WCL Irrigation Repairs	19,840	-
Total Irrigation System Improvements	<u>\$ 19,840</u>	<u>\$ -</u>
Pool Improvements		
Pool improvements	25,241	18,000
Total Pool Improvements	<u>\$ 25,241</u>	<u>\$ 18,000</u>
Building Upgrades		
Maintenance Shack floor	5,291	5,000
Fitness center remodel	12,605	12,000
Lobby ceiling	1,036	
Conference Room	-	-
Total Building Upgrades	<u>\$ 18,932</u>	<u>\$ 17,000</u>
Golf		
Cart Path	29,952	15,000
Total Golf	<u>\$ 29,952</u>	<u>\$ 15,000</u>
FGMC Investment		
Capital Lease Equipment	28,371	30,000
FGMC Total	<u>\$ 28,371</u>	<u>\$ 30,000</u>
Total Purchase of Capital	<u>\$ 123,800</u>	<u>\$ 83,000</u>

Continental Country Club, Inc.

Balance Sheet

September 2017

ASSETS

Current Assets

Petty Cash	2,140.00
Sunwest Bank CD	89,362.57
Chase- Credit Card Account	27,730.76
Sunwest Bank Checking	66,453.25
Sunwest Bank Savings	312,807.93
Receivables	45,065.61
Golf Shop Receivables	4,826.40
Allowance for doubtful A/R	(3,000.00)
Employee Receivables	170.82
Deposits in Transit	(170.00)
Deposits	(275.00)
Golf Shop Inventory	48,283.04

TOTAL Current Assets

593,395.38

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	1,355,208.14
Parking Lot Paving	214,226.00
Tennis Courts Improvements	62,695.98
Accum. Depr. - Improvements	(1,206,582.71)
Accum. Deprec. - Club House	(1,570,035.49)
Accum. Dep. - Irrigation System	(1,047,777.13)
Pools	125,560.88
Accum. Deprec. - Pools	(39,488.49)
Office Equipment	46,105.88
Accum. Deprec. - Office Equip.	(39,753.35)
Equipment	431,344.32
Accum. Deprec. - Equipment	(337,914.55)
A/D-Other	5,000.00
Golf Course Improvements	94,193.89
Leasehold Improvements - Other	(5,000.00)

TOTAL Fixed Assets

1,603,721.88

Other Assets

Lake Elaine Acct - Bank One (Restricted)	156,233.30
Note Receivable - Oakmont	325.59
Pre-Paid Insurance	18,043.25
Capital Investment - FGMC	230,761.41
Note Receivable - LT portion	89,241.07
Note Receivable -CP-Contra	(325.59)
Deferred Tax Asset	21,000.00
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	(18,880.43)	
TOTAL Other Assets		<u>528,390.53</u>
TOTAL ASSETS		<u>2,725,507.79</u>

LIABILITIES

Current Liabilities		
Trade Payables	69,582.81	
Tree Donation Program	2,162.00	
Tennis Improvement	3,145.48	
Pickleball Improvement	13,708.61	
Handicap Fees Payable	525.00	
Advance Deposit	3,000.00	
Accrued expenses Reclaimed water	47,494.48	
Accrued Expenses - FGMC	40,150.08	
Payable to Wyndham (Pool)	17,494.61	
Current Portion - LTD	(78,854.90)	
Current portion - note payable	78,854.90	
Salaries Payable	19,909.61	
Accrued Compensated Absence	6,594.04	
Federal Tax Withheld	116.74	
State Tax Withheld	26.56	
FICA	150.50	
FUTA	813.43	
SUTA	3,416.93	
Health Insurance	(1,024.24)	
Dental Insurance	(105.09)	
Supplemental Ins. (AFLAC)	97.76	
Real Estate Tax	6,362.73	
Sales Tax	13,342.07	
Lot Assessment Accrual	303,876.50	
Golf Shop Credits	(569.00)	
Rain Checks	3,090.39	
Gift Cards	1,311.31	
TOTAL Current Liabilities		<u>554,673.31</u>
Long-Term Liabilities		
Future Maintenance- Lake Elaine	156,233.30	
Note Payable - Sunwest Bank	983,637.49	
Obligation to Repurchase License	524.93	
TOTAL Long-Term Liabilities		<u>1,140,395.72</u>
TOTAL LIABILITIES		<u>1,695,069.03</u>

CAPITAL

Capital Reserves	132,242.00	
Contributed Capital	2,556,498.00	
Fund Balance, Prior Periods	(1,830,883.79)	
Year-to-Date Earnings	172,582.55	
TOTAL CAPITAL		<u>1,030,438.76</u>
TOTAL LIABILITIES & CAPITAL		<u>2,725,507.79</u>