

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
<b>Revenues:</b>				
Membership Income	\$ 138,314	\$ 120,380	\$ 122,789	12.6%
Golf Income	66,765	89,177	81,744	-18.3%
Other Income	366	-	202	81.2%
<b>Total Revenues</b>	<b>\$ 205,445</b>	<b>\$ 209,557</b>	<b>\$ 204,734</b>	<b>0.3%</b>
<b>Expenses:</b>				
Flagstaff Golf Maintenance Company	39,708	45,315	42,242	-6.0%
Golf Course Reclaimed Water	12,569	4,400	5,736	119.1%
Golf Cart Lease	6,438	6,837	-	#DIV/0!
Cost of Goods Sold Golf	7,018	816	6,364	10.3%
Wyndham Maintenance & Other Payments	4,488	10,115	3,500	28.2%
Lake Elaine	1,568	50	358	338.1%
Wainut Canyon Lakes Park	12,755	5,050	83	15308.9%
Employee Compensation & Benefits	45,859	50,276	44,303	3.5%
Building, Equipment & Grounds	9,117	11,340	16,281	-44.0%
Utilities	14,865	13,828	12,625	17.7%
Legal & Consulting	9,682	26,700	5,410	79.0%
Property Insurance & Taxes	6,689	6,409	6,630	0.9%
Depreciation & Amortization	16,754	16,640	16,754	0.0%
Merchant Services & Bank Fees	2,771	4,000	2,388	16.0%
Advertising & Website Costs	3,155	2,385	3,972	-20.6%
All Other Expenses	1,195	3,106	3,247	-63.2%
<b>Total Expenses</b>	<b>\$ 194,630</b>	<b>\$ 207,267</b>	<b>\$ 169,893</b>	<b>14.6%</b>
<b>Earnings Before Interest &amp; Taxes</b>	<b>10,815</b>	<b>2,290</b>	<b>34,841</b>	<b>69.0%</b>
Interest Expense	3,477	3,448	3,783	-8.1%
<b>Pre-tax Income/(Loss)</b>	<b>\$ 7,337</b>	<b>\$ (1,158)</b>	<b>\$ 31,058</b>	<b>76.4%</b>

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
<b>Revenues:</b>				
Membership Income	\$ 1,382,480	\$ 1,355,270	\$ 1,339,503	3.2%
Golf Income	1,103,654	1,175,789	1,065,428	3.6%
Other Income	8,352	-	10,586	-21.1%
<b>Total Revenues</b>	<b>\$ 2,494,486</b>	<b>\$ 2,531,059</b>	<b>\$ 2,415,517</b>	<b>3.3%</b>
<b>Expenses:</b>				
Flagstaff Golf Maintenance Company	410,904	413,017	393,841	4.3%
Golf Course Reclaimed Water	107,729	77,880	76,599	40.6%
Golf Cart Lease	45,190	47,859	47,343	-4.5%
Cost of Goods Sold Golf	62,685	62,003	62,262	0.7%
Wyndham Maintenance & Other Payments	73,810	99,670	78,290	-5.7%
Lake Elaine	15,454	5,225	138,813	-88.9%
Walnut Canyon Lakes Park	72,896	72,925	57,396	27.0%
Employee Compensation & Benefits	535,771	539,631	478,443	12.0%
Building, Equipment & Grounds	140,807	131,461	144,316	-2.4%
Utilities	161,675	138,785	137,883	17.3%
Legal & Consulting	282,081	292,325	121,234	132.7%
Property Insurance & Taxes	68,625	64,090	65,997	4.0%
Depreciation & Amortization	167,541	166,400	167,541	0.0%
Merchant Services & Bank Fees	37,637	41,500	42,431	-11.3%
Advertising & Website Costs	35,148	45,389	56,659	-38.0%
All Other Expenses	60,728	45,847	43,053	41.1%
<b>Total Expenses</b>	<b>\$ 2,278,682</b>	<b>\$ 2,244,007</b>	<b>\$ 2,112,099</b>	<b>7.9%</b>
<b>Earnings Before Interest &amp; Taxes</b>	<b>215,804</b>	<b>287,052</b>	<b>303,418</b>	<b>28.9%</b>
Interest Expense	35,884	35,657	58,996	-39.2%
<b>Pre-tax Income/(Loss)</b>	<b>\$ 179,920</b>	<b>\$ 251,395</b>	<b>\$ 244,422</b>	<b>26.4%</b>

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
<b>Revenues:</b>				
Golf Member Income	-	-	1,225	-100.0%
High Country Card	-	-	-	#DIV/0!
Green Fees	34,296	55,571	41,354	-17.1%
Cart Fees	15,770	14,070	18,361	-14.1%
Driving Range Income	7,471	12,170	9,368	-20.3%
Golf Shop Sales	8,276	5,526	8,888	-6.9%
Pre & Post Season Income	-	-	-	#VALUE!
Other Golf Income	953	1,840	2,547	-62.6%
<b>Total Revenues</b>	<b>\$ 66,765 \$</b>	<b>\$ 89,177 \$</b>	<b>\$ 81,744</b>	<b>-18.32%</b>
<b>Expenses:</b>				
FGMC Expenses	39,708	45,315	42,242	-6.0%
Golf Course Reclaimed Water	12,569	4,400	5,736	119.1%
Golf Cart Lease	6,438	6,837	-	#DIV/0!
Cost of Good Sold Golf	7,018	816	6,364	10.3%
Employee Compensation & Benefits	15,575	18,651	15,857	-1.8%
Building, Equipment & Grounds	123	900	165	-25.7%
Utilities	5,371	4,921	4,397	22.1%
Consulting Fees	2,075	2,990	2,000	3.7%
Property Insurance & Taxes	1,992	2,032	1,992	0.0%
Depreciation and Amortization	11,256	11,340	11,256	0.0%
Interest Expense	3,477	3,448	3,784	-8.1%
Merchant Services & Bank fees	1,416	3,000	2,338	-39.5%
Advertising & Website Costs	2,157	1,510	1,031	109.2%
All Other Expenses	373	2,081	232	61.1%
<b>Total Expenses</b>	<b>\$ 109,547 \$</b>	<b>\$ 108,241 \$</b>	<b>\$ 97,396</b>	<b>12.5%</b>
<b>Net Income</b>	<b>(42,783)</b>	<b>(19,064)</b>	<b>(15,652)</b>	<b>173.3%</b>
Less Depreciation	11,256	11,340	11,256	0.0%
<b>Cash Flow</b>	<b>(31,527)</b>	<b>(7,724)</b>	<b>(4,396)</b>	<b>617.2%</b>
Less Interest	3477	3448	3784	-8.1%
<b>Operating Income</b>	<b>(28,049)</b>	<b>(4,276)</b>	<b>(612)</b>	<b>4482.9%</b>
<b>Number of Participants</b>	<b>2017</b>	<b>Budget</b>	<b>2016</b>	<b>%Inc/Dec</b>
Number of Rounds	1259	1866	1647	-23.6%
Cart Rentals	1015	-	1438	-29.4%
Practice Facility	875	-	1079	-18.9%
<b>Average Dollar Per Round</b>				
Green & Cart Fees	39.77	37.32	36.26	9.7%
Practice Facility	8.54	#DIV/0!	8.68	-1.7%
Gross Profit on Golf Shop Sales	15%	85%	28%	-46.5%

**Continental Country Club, Inc.**  
**Income Statement - Golf Business Unit**  
**Year to Date October 2017**

	Actual	Budget	Prior Year	%/Inc/Dec to Prior Yr
<b>Revenues:</b>				
Golf Member Income	66,442	53,601	41,661	59.5%
High Country Card	29,771	37,300	36,377	-18.2%
Green Fees	525,617	568,955	506,309	3.8%
Cart Fees	244,545	251,433	208,881	17.1%
Driving Range Income	129,276	144,066	119,114	8.5%
Golf Shop Sales	90,727	100,338	89,944	0.9%
Pre & Post Season Income	-	-	42,923	-100.0%
Other Golf Income	17,277	20,097	20,217	-14.5%
<b>Total Revenues</b>	<b>\$ 1,103,654</b>	<b>\$ 1,175,790</b>	<b>\$ 1,065,426</b>	<b>3.59%</b>
<b>Expenses:</b>				
FGMC Expenses	410,904	413,017	393,841	4.3%
Golf Course Reclaimed Water	107,729	77,880	76,599	40.6%
Golf Cart Lease	45,190	47,859	47,343	-4.5%
Cost of Good Sold Golf	62,685	62,262	62,262	0.7%
Employee Compensation & Benefits	193,441	213,924	197,239	-1.9%
Building, Equipment & Grounds	11,405	19,000	54,491	-79.1%
Utilities	48,512	45,490	45,698	6.2%
Consulting Fees	20,730	30,290	25,305	-18.1%
Property Insurance & Taxes	19,920	20,320	19,920	0.0%
Depreciation and Amortization	112,560	113,400	112,560	0.0%
Interest Expense	35,884	35,657	58,996	-39.2%
Merchant Services & Bank fees	23,634	26,000	31,061	-23.9%
Advertising & Website Costs	24,110	30,109	32,024	-24.7%
All Other Expenses	18,750	24,932	12,019	56.0%
<b>Total Expenses</b>	<b>\$ 1,135,454</b>	<b>\$ 1,159,881</b>	<b>\$ 1,169,356</b>	<b>-2.9%</b>
<b>Net Income</b>	<b>(31,800)</b>	<b>15,909</b>	<b>(103,930)</b>	<b>-69.4%</b>
Less Depreciation	112,560	113,400	112,560	0.0%
<b>Cash Flow</b>	<b>\$ 80,760</b>	<b>\$ 129,309</b>	<b>\$ 8,630</b>	<b>835.8%</b>
Less Interest	35884	35657	58996	-39.2%
<b>Operating Income</b>	<b>\$ 116,644</b>	<b>\$ 164,966</b>	<b>\$ 67,626</b>	<b>72.5%</b>
<b>Number of Participants</b>	<b>2017</b>	<b>Budget</b>	<b>2016</b>	<b>%Inc/Dec</b>
Number of Rounds	16583	16888	16887	-2.0%
Cart Rentals	15474	15286	15286	1.2%
Practice Facility	12871	12871	13769	-6.5%
<b>Average Dollar Per Round</b>				
Green & Cart Fees	46.53	48.58	42.35	9.9%
Practice Facility	10.04	#DIV/0!	8.65	16.1%
Gross Profit on Golf Shop Sales	31%	38%	31%	0.4%

**Continental Country Club, Inc.**  
**Income Statement - Small Business Units**  
**for the Month of Oct, 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	\$ 366	\$ -	\$ 202	81.2%
<b>Expenses:</b>				
Total Tennis Expenses	236	390	118	101.0%
<b>Earnings Before Interest &amp; Taxes</b>	<b>\$ 130</b>	<b>\$ (390)</b>	<b>\$ 85</b>	<b>53.66%</b>

<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	\$ 8,352	\$ -	\$ 10,586	-21.1%
<b>Expenses:</b>				
Total Tennis Expenses	7,105	9,330	4,521	57.1%
<b>Earnings Before Interest &amp; Taxes</b>	<b>\$ 1,247</b>	<b>\$ (9,330)</b>	<b>\$ 6,065</b>	<b>-79.44%</b>

<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	\$ 6,608	\$ 3,100	\$ 3,410	93.8%
Accounting & Review	1,000	-	-	0.0%
Consulting (Lake Elaine Project)	-	20,000	-	0.0%
Consulting (OB Sports)	2,075	2,600	2,000	3.7%
<b>Total Legal &amp; Consulting Expenses</b>	<b>\$ 9,682</b>	<b>\$ 25,700</b>	<b>\$ 5,410</b>	<b>79.0%</b>
<b>YTD Expenses</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 183,227	\$ 48,100	\$ 34,397	432.7%
Accounting & Review	20,500	8,225	8,225	149.2%
Consulting (Lake Elaine Project)	57,624	200,000	52,253	10.3%
Consulting (OB Sports)	20,730	26,000	21,273	-2.6%
<b>Total Legal &amp; Consulting Expenses</b>	<b>\$ 282,081</b>	<b>\$ 282,325</b>	<b>\$ 116,148</b>	<b>142.9%</b>

**Continental Country Club, Inc.**  
**Income Statement - Lakes**  
**for the Month of Oct, 2017**

**Lake Elaine**

<b>MTD Expenses</b>	<b>Actual</b>	<b>Budget</b>	<b>Prior Year</b>	<b>%Inc/Dec To Prior Yr</b>
Irrigation and lake water	\$ -	\$ -	\$ -	#DIV/0!
Utilities	547	-	308	77.6%
Maintenance contract labor	-	-	-	#DIV/0!
Fish	-	-	-	#DIV/0!
Chemicals	971	-	-	#DIV/0!
Equipment repairs	-	-	-	#DIV/0!
Other Expenses	50	50	50	0.0%
<b>Total Expenses</b>	<b>\$ 1,568</b>	<b>\$ 50</b>	<b>\$ 358</b>	<b>338.1%</b>

<b>YTD Expenses</b>	<b>Actual</b>	<b>Budget</b>	<b>Prior Year</b>	<b>%Inc/Dec To Prior Yr</b>
Irrigation and lake water	\$ -	\$ -	\$ 94,597	-100.0%
Utilities	4,180	-	7,728	-45.9%
Maintenance contract labor	2,500	2,725	5,615	-55.5%
Fish	-	-	5,195	-100.0%
Chemicals	2,948	-	15,703	-81.2%
Equipment repairs	5,326	2,000	9,475	-43.8%
Other Expenses	500	500	500	0.0%
<b>Total Expenses</b>	<b>\$ 15,454</b>	<b>\$ 5,225</b>	<b>\$ 138,813</b>	<b>-88.9%</b>

**Walnut Canyon Lakes**

<b>MTD Expenses</b>	<b>Actual</b>	<b>Budget</b>	<b>Prior Year</b>	<b>%Inc/Dec To Prior Yr</b>
Irrigation and lake water	\$ 2,404	\$ 750	\$ (1,095)	-319.6%
Utilities	1,184	500	1,128	5.0%
Maintenance contract labor	3,810	3,000	-	#DIV/0!
Fish	-	-	-	#DIV/0!
Chemicals	1,942	750	-	#DIV/0!
Equipment repairs	3,365	-	-	#DIV/0!
Other Expenses	50	50	50	0.0%
<b>Total Expenses</b>	<b>\$ 12,755</b>	<b>\$ 5,050</b>	<b>\$ 83</b>	<b>15308.9%</b>

<b>YTD Expenses</b>	<b>Actual</b>	<b>Budget</b>	<b>Prior Year</b>	<b>%Inc/Dec To Prior Yr</b>
Irrigation and lake water	\$ 20,103	\$ 14,700	\$ 9,072	121.6%
Utilities	12,207	9,500	9,299	31.3%
Maintenance contract labor	25,120	25,725	24,040	4.5%
Fish	2,999	3,000	3,196	-6.2%
Chemicals	5,897	12,000	9,946	-40.7%
Equipment repairs	6,070	7,500	1,343	351.9%
Other Expenses	500	500	500	0.0%
<b>Total Expenses</b>	<b>\$ 72,896</b>	<b>\$ 72,925</b>	<b>\$ 57,396</b>	<b>27.0%</b>

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

	<b>2017</b>	<b>2016</b>
	<b><u>YTD</u></b>	<b><u>YTD</u></b>
<b>Cash Flow from Operations:</b>		
Operating Income	\$ 179,920	\$ 244,422
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	167,541	167,541
Receivables - (Up)/Down	(215,766)	(249,237)
Inventory - (Up)/Down	(8,836)	(1,344)
Prepaid Expenses - (Up)/Down	11,668	(25,936)
Payables - Up/(Down)	83,322	16,074
Accrued Expenses - Up/(Down)	7,941	48,252
<b>Net Cash Flow from Operations</b>	<b>\$ 225,791</b>	<b>\$ 199,772</b>
<b>Investing Cash Flows:</b>		
Purchase of Capital Equipment (Net)	(95,765)	(125,345)
Investment in FGMC	(32,512)	(21,550)
Other Investing Cash Flows	(1,463)	-
<b>Investing Cash Flow</b>	<b>\$ (129,740)</b>	<b>\$ (146,895)</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	(62,240)	(71,554)
<b>Financing Cash Flow</b>	<b>\$ (62,240)</b>	<b>\$ (71,554)</b>
<b>Net Change in Cash</b>	<b>\$ 33,810</b>	<b>\$ (18,677)</b>
<b>Cash at Beginning of Period</b>	<b>\$ 458,756</b>	<b>\$ 277,685</b>
<b>Cash at End of Period</b>	<b>\$ 492,566</b>	<b>\$ 259,009</b>
<b>Cash Flow Increase/Decrease</b>	<b>\$ 233,558</b>	<b>90%</b>

**Continental Country Club, Inc.**  
**Capital Investment Breakdown**  
**YTD Total**

<u>October</u>	<u>2017</u> <u>YTD</u>	<u>2017</u> <u>Budget</u>
<b>Purchase of Capital Equipment (Net)</b>		
<b>Equipment</b>		
Treadmill/Equipment	1,463	3,000
<b>Total Equipment Investments</b>	<b><u>\$ 1,463</u></b>	<b><u>\$ 3,000</u></b>
<b>Irrigation System</b>		
WCL Irrigation Repairs	21,639	-
<b>Total Irrigation System Improvements</b>	<b><u>\$ 21,639</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	12,605	12,000
Lobby ceiling	1,036	
Conference Room	-	-
<b>Total Building Upgrades</b>	<b><u>\$ 18,932</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	32,512	30,000
<b>FGMC Total</b>	<b><u>\$ 32,512</u></b>	<b><u>\$ 30,000</u></b>
<b>Total Purchase of Capital</b>	<b><u>\$ 129,740</u></b>	<b><u>\$ 83,000</u></b>



# Continental Country Club, Inc.

## Balance Sheet

October 2017

---

### ASSETS

#### Current Assets

Petty Cash	2,140.00
Sunwest Bank CD	89,362.57
Chase- Credit Card Account	9,868.33
Sunwest Bank Checking	77,368.27
Sunwest Bank Savings	331,807.93
Receivables	26,242.83
Golf Shop Receivables	2,807.11
Allowance for doubtful A/R	(3,000.00)
Deposits in Transit	240.91
Deposits	(550.00)
Golf Shop Inventory	43,334.32

#### TOTAL Current Assets

---

579,622.27

#### Fixed Assets

Land	443,618.81
Reclaimed Water Line	147,703.08
Accum. Depr. - Reclaimed Water Line	(147,703.08)
Irrigation System	1,483,653.51
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	(1,211,597.65)
Accum. Deprec.- Club House	(1,570,143.02)
Accum. Dep. - Irrigation System	(1,053,868.86)
Pools	125,560.88
Accum. Deprec.- Pools	(39,969.68)
Office Equipment	46,105.88
Accum. Deprec.- Office Equip.	(39,851.92)
Equipment	431,344.32
Accum. Deprec.- Equipment	(340,312.47)
A/D-Other	5,000.00
Golf Course Improvements	94,193.89
Leasehold Improvements - Other	(5,000.00)

#### TOTAL Fixed Assets

---

1,591,329.36

#### Other Assets

Lake Elaine Acct - Bank One (Restricted)	156,238.75
Note Receivable - Oakmont	325.59
Pre-Paid Insurance	16,780.42
Capital Investment - FGMC	232,602.08
Note Receivable - LT portion	89,215.07
Note Receivable -CP-Contra	(325.59)
Deferred Tax Asset	20,000.00
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	(19,142.66)	
TOTAL Other Assets		<u>527,685.59</u>
TOTAL ASSETS		<u>2,698,637.22</u>
<b>LIABILITIES</b>		
Current Liabilities		
Trade Payables	139,712.05	
Tree Donation Program	2,162.00	
Tennis Improvement	3,145.48	
Pickleball Improvement	13,708.61	
Handicap Fees Payable	560.00	
Advance Deposit	3,000.00	
Accrued expenses Reclaimed water	57,171.78	
Accrued Expenses - FGMC	39,858.28	
Payable to Wyndham (Pool)	17,494.61	
Current Portion - LTD	(78,854.90)	
Current portion - note payable	78,854.90	
Salaries Payable	21,739.12	
Accrued Compensated Absence	6,594.04	
Federal Tax Withheld	116.74	
State Tax Withheld	26.56	
FICA	150.50	
FUTA	490.54	
SUTA	1,195.53	
Health Insurance	(1,190.18)	
Dental Insurance	(122.17)	
Supplemental Ins. (AFLAC)	97.76	
Real Estate Tax	8,990.95	
Sales Tax	6,255.55	
Lot Assessment Accrual	203,939.50	
Golf Shop Credits	(569.00)	
Rain Checks	2,595.12	
Gift Cards	761.96	
TOTAL Current Liabilities		<u>527,885.33</u>
Long-Term Liabilities		
Future Maintenance- Lake Elaine	156,238.75	
Note Payable - Sunwest Bank	976,212.25	
Obligation to Repurchase License	524.93	
TOTAL Long-Term Liabilities		<u>1,132,975.93</u>
TOTAL LIABILITIES		<u>1,660,861.26</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	179,919.75	
TOTAL CAPITAL		<u>1,037,775.96</u>
TOTAL LIABILITIES & CAPITAL		<u>2,698,637.22</u>