

**Continental Country Club, Inc.**  
**Income Statement**  
**for the Month of June 2018**

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
<b>Revenues:</b>				
Membership Income	\$ 169,588	\$ 168,457	\$ 155,092	9.3%
Golf Income	205,047	189,150	184,827	10.9%
Other Income	<u>2,407</u>	<u>1,000</u>	<u>960</u>	<u>150.7%</u>
<b>Total Revenues</b>	<b>\$ 377,041</b>	<b>\$ 358,607</b>	<b>\$ 340,879</b>	<b>10.6%</b>
<b>Expenses:</b>				
Flagstaff Golf Maintenance Company	47,022	48,552	58,231	-19.2%
Golf Course Reclaimed Water	32,100	34,982	30,651	4.7%
Golf Cart Lease	6,438	6,450	6,438	0.0%
Cost of Goods Sold Golf	10,565	6,000	3,517	200.4%
Wyndham Maintenance & Other Payments	5,200	7,500	8,456	-38.5%
Lake Elaine	310	33,299	451	-31.2%
Walnut Canyon Lakes Park	12,042	11,400	6,977	72.6%
Employee Compensation & Benefits	62,919	65,983	65,419	-3.8%
Building, Equipment & Grounds	14,589	16,635	23,294	-37.4%
Utilities	17,186	17,659	19,581	-12.2%
Legal & Consulting	11,270	14,000	56,235	-80.0%
Property Insurance & Taxes	5,830	5,826	8,372	-30.4%
Depreciation & Amortization	16,754	17,725	16,754	0.0%
Merchant Services & Bank Fees	4,744	4,700	6,217	-23.7%
Advertising & Website Costs	4,935	7,331	3,369	46.5%
All Other Expenses	<u>3,754</u>	<u>3,350</u>	<u>6,506</u>	<u>-42.3%</u>
<b>Total Expenses</b>	<b>\$ 255,659</b>	<b>\$ 301,392</b>	<b>\$ 320,466</b>	<b>-20.2%</b>
<b>Earnings Before Interest &amp; Taxes</b>	<b>121,382</b>	<b>57,215</b>	<b>20,413</b>	<b>494.6%</b>
Interest Expense	3,376	3,235	3,500	-3.5%
<b>Pre-tax Income/(Loss)</b>	<b>\$ 118,007</b>	<b>\$ 53,980</b>	<b>\$ 16,913</b>	<b>597.7%</b>

**Continental Country Club, Inc.**  
**Income Statement**  
**Year to Date June 2018**

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
<b>Revenues:</b>				
Membership Income	\$ 894,272	\$ 884,092	\$ 842,249	6.2%
Golf Income	521,116	498,050	493,986	5.5%
Other Income	8,985	6,000	6,701	34.1%
<b>Total Revenues</b>	<b>\$ 1,424,373</b>	<b>\$ 1,388,142</b>	<b>\$ 1,342,937</b>	<b>6.1%</b>
<b>Expenses:</b>				
Flagstaff Golf Maintenance Company	241,616	249,053	244,468	-1.2%
Golf Course Reclaimed Water	82,871	70,237	63,721	30.1%
Golf Cart Lease	19,314	19,350	19,439	-0.6%
Cost of Goods Sold Golf	30,845	26,820	23,940	28.8%
Wyndham Maintenance & Other Payments	26,744	41,000	52,161	-48.7%
Lake Elaine	4,306	112,794	2,274	89.4%
Walnut Canyon Lakes Park	43,291	43,950	28,325	52.8%
Employee Compensation & Benefits	287,878	332,076	311,901	-7.7%
Building, Equipment & Grounds	74,702	103,230	89,593	-16.6%
Utilities	83,013	99,574	97,170	-14.6%
Legal & Consulting	138,428	96,000	169,645	-18.4%
Property Insurance & Taxes	34,960	34,956	43,596	-19.8%
Depreciation & Amortization	100,525	106,350	100,525	0.0%
Merchant Services & Bank Fees	19,293	15,800	23,450	-17.7%
Advertising & Website Costs	39,493	34,316	25,135	57.1%
All Other Expenses	17,095	26,955	34,791	-50.9%
<b>Total Expenses</b>	<b>\$ 1,244,374</b>	<b>\$ 1,412,461</b>	<b>\$ 1,330,133</b>	<b>-6.4%</b>
<b>Earnings Before Interest &amp; Taxes</b>	<b>179,999</b>	<b>(24,319)</b>	<b>12,804</b>	<b>1305.9%</b>
Interest Expense	20,219	19,814	21,788	-7.2%
<b>Pre-tax Income/(Loss)</b>	<b>\$ 159,780</b>	<b>\$ (44,133)</b>	<b>\$ (8,984)</b>	<b>-1878.4%</b>

**Confidental Country Club, Inc.**  
**Income Statement - Golf Business Unit**  
**Month of June 2018**

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
<b>Revenues:</b>				
Golf Member Income	11,323	4,700	4,922	130.0%
Peaks Pass Card	6,732	2,800	6,192	8.7%
Green Fees	96,402	100,000	95,658	0.8%
Cart Fees	46,557	45,000	40,240	15.7%
Driving Range Income	19,369	15,000	17,573	10.2%
Golf Shop Sales	14,721	10,000	9,927	48.3%
Pre & Post Season Income	-	-	-	#DIV/0!
Other Golf Income	9,943	11,650	10,314	-3.6%
<b>Total Revenues</b>	<b>\$ 205,047</b>	<b>\$ 189,150</b>	<b>\$ 184,827</b>	<b>10.94%</b>
<b>Expenses:</b>				
FGMC Expenses	47,022	48,552	58,231	-19.2%
Golf Course Reclaimed Water	32,100	34,982	30,651	4.7%
Golf Cart Lease	6,438	6,450	6,438	0.0%
Cost of Good Sold Golf	10,565	6,000	3,517	200.4%
Employee Compensation & Benefits	25,552	25,764	24,363	4.9%
Building, Equipment & Grounds	87	1,730	459	-81.0%
Utilities	6,707	4,835	6,824	-1.7%
Consulting Fees	-	480	2,072	-100.0%
Property Insurance & Taxes	1,875	1,875	1,992	-5.9%
Depreciation and Amortization	11,256	11,305	11,256	0.0%
Interest Expense	3,376	3,235	3,500	-3.5%
Merchant Services & Bank fees	3,820	3,600	3,113	22.7%
Advertising & Website Costs	3,538	6,406	2,424	46.0%
All Other Expenses	708	1,500	1,816	-61.0%
<b>Total Expenses</b>	<b>\$ 153,045</b>	<b>\$ 156,714</b>	<b>\$ 156,655</b>	<b>-2.3%</b>
<b>Net Income</b>	<b>52,002</b>	<b>32,436</b>	<b>28,172</b>	<b>84.6%</b>
Less Depreciation	11,256	11,305	11,256	0.0%
<b>Cash Flow</b>	<b>\$ 63,258</b>	<b>\$ 43,741</b>	<b>\$ 39,428</b>	<b>60.4%</b>
Less Interest	3376	3235	3500	-3.5%
<b>Operating Income</b>	<b>\$ 66,634</b>	<b>\$ 46,976</b>	<b>\$ 42,928</b>	<b>55.2%</b>
<b>Number of Participants</b>		<b>Budget</b>	<b>2017</b>	<b>%Inc/Dec</b>
Number of Rounds	3356	2774	3010	11.5%
Cart Rentals	2803	2635	2564	9.3%
Practice Facility	2113	2462	1924	9.8%
<b>Average Dollar Per Round</b>				
Green & Cart Fees	42.60	52.27	45.15	-5.6%
Practice Facility	9.17	6.09	9.13	0.4%
<b>Gross Profit on Golf Shop Sales</b>	<b>28%</b>	<b>40%</b>	<b>65%</b>	<b>-56.3%</b>

# Continental Country Club, Inc.

## Income Statement - Golf Business Unit

### Year to Date June 2018

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
<b>Revenues:</b>				
Golf Member Income	103,608	72,400	66,442	55.9%
Peaks Pass Card	22,859	25,700	27,131	-15.7%
Green Fees	176,943	186,000	183,308	-3.5%
Cart Fees	98,285	86,000	78,979	24.4%
Driving Range Income	44,068	46,000	46,949	-6.1%
Golf Shop Sales	42,120	34,700	36,126	16.6%
Pre & Post Season Income	18,891	28,900	38,177	-50.5%
Other Golf Income	14,343	18,350	16,874	-15.0%
<b>Total Revenues</b>	<b>\$ 521,116</b>	<b>\$ 498,050</b>	<b>\$ 493,986</b>	<b>5.49%</b>
<b>Expenses:</b>				
FGMC Expenses	241,616	249,053	244,468	-1.2%
Golf Course Reclaimed Water	82,871	70,237	63,721	30.1%
Golf Cart Lease	19,314	19,350	19,439	-0.6%
Cost of Good Sold Golf	30,845	26,820	23,940	28.8%
Employee Compensation & Benefits	89,174	99,027	109,667	-18.7%
Building, Equipment & Grounds	8,486	13,940	6,124	38.6%
Utilities	27,396	28,930	27,086	1.1%
Consulting Fees	(73)	2,640	12,434	-100.6%
Property Insurance & Taxes	11,250	11,250	11,952	-5.9%
Depreciation and Amortization	67,536	67,830	67,536	0.0%
Interest Expense	20,219	19,814	21,788	-7.2%
Merchant Services & Bank fees	10,470	9,200	13,676	-23.4%
Advertising & Website Costs	28,536	26,286	14,554	96.1%
All Other Expenses	3,059	6,810	8,286	-63.1%
<b>Total Expenses</b>	<b>\$ 640,700</b>	<b>\$ 651,187</b>	<b>\$ 644,671</b>	<b>-0.6%</b>
<b>Net Income</b>	<b>(119,584)</b>	<b>(153,137)</b>	<b>(150,685)</b>	<b>-20.6%</b>
Less Depreciation	67,536	67,830	67,536	0.0%
<b>Cash Flow</b>	<b>(52,048)</b>	<b>(85,307)</b>	<b>(83,149)</b>	<b>-37.4%</b>
Less Interest	20219	19814	21788	-7.2%
<b>Operating Income</b>	<b>(31,829)</b>	<b>(65,493)</b>	<b>(61,361)</b>	<b>-48.1%</b>
<b>Number of Participants</b>	<b>2018</b>	<b>Budget</b>	<b>2017</b>	<b>%Inc/Dec</b>
Number of Rounds	7460	6660	7197	3.7%
Cart Rentals	6089	5996	5860	3.9%
Practice Facility	5772	7552	5902	-2.2%
<b>Average Dollar Per Round</b>				
Green & Cart Fees	36.89	40.84	36.44	1.2%
Practice Facility	7.63	6.09	7.95	-4.0%
<b>Gross Profit on Golf Shop Sales</b>	<b>27%</b>	<b>23%</b>	<b>34%</b>	<b>-20.6%</b>

**Continental Country Club, Inc.**  
**Income Statement - Small Business Units**  
**June 2018**

<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	\$ 2,407	\$ 1,000	\$ 960	150.7%
<b>Expenses:</b>				
Total Tennis Expenses	1,342	1,230	736	82.3%
<b>Earnings Before Interest &amp; Taxes</b>	<u>\$ 1,065</u>	<u>\$ (230)</u>	<u>\$ 224</u>	<u>375.9%</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	\$ 8,985	\$ 6,000	\$ 6,701	34.1%
<b>Expenses:</b>				
Total Tennis Expenses	2,111	3,030	2,620	-19.4%
<b>Earnings Before Interest &amp; Taxes</b>	<u>\$ 6,874</u>	<u>\$ 2,970</u>	<u>\$ 4,081</u>	<u>68.4%</u>

<b>Legal &amp; Consulting Fees Detail</b>				
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<b>MTD Expenses</b>	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 9,554	\$ 13,000	\$ 52,163	-81.7%
Accounting & Review	1,716	-	1,000	71.6%
Consulting (Lake Elaine Project)	-	-	1,000	-100.0%
Consulting (OB Sports)	-	-	2,072	-100.0%
<b>Total Legal &amp; Consulting Expenses</b>	<u>\$ 11,270</u>	<u>\$ 13,000</u>	<u>\$ 56,235</u>	<u>-80.0%</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	\$ 124,596	\$ 78,000	\$ 112,419	10.8%
Accounting & Review	13,905	18,000	6,000	131.8%
Consulting (Lake Elaine Project)	-	-	38,544	-100.0%
Consulting (OB Sports)	(73)	-	12,434	-100.6%
<b>Total Legal &amp; Consulting Expenses</b>	<u>\$ 138,428</u>	<u>\$ 96,000</u>	<u>\$ 169,398</u>	<u>-18.3%</u>

**Continental Country Club, Inc.**  
**Income Statement - Lakes**  
**June 2018**

**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	\$ -	\$ -	\$ -	#DIV/0!
Utilities	260	315	401	-35.0%
Contract Labor/Consulting	-	32,334	-	0.0%
Fish	-	-	-	0.0%
Chemicals	-	600	-	0.0%
Equipment repairs	-	-	-	0.0%
Other Expenses	50	50	50	0.0%
<b>Total Expenses</b>	<b>\$ 310</b>	<b>\$ 33,299</b>	<b>\$ 451</b>	<b>31.2%</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	\$ -	\$ -	\$ -	#DIV/0!
Utilities	1,471	1,890	1,974	-25.5%
Contract Labor/Consulting	2,535	107,004	-	0.0%
Fish	-	-	-	0.0%
Chemicals	-	3,600	-	0.0%
Equipment repairs	-	-	-	0.0%
Other Expenses	300	300	300	0.0%
<b>Total Expenses</b>	<b>\$ 4,306</b>	<b>\$ 112,794</b>	<b>\$ 2,274</b>	<b>-89.4%</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	\$ 5,276	\$ 3,300	\$ -	#DIV/0!
Utilities	1,441	1,250	3,927	-63.3%
Maintenance contract labor	3,000	3,600	3,000	0.0%
Fish	679	-	-	0.0%
Chemicals	872	1,200	-	0.0%
Equipment repairs	725	2,000	-	#DIV/0!
Other Expenses	50	50	50	0.0%
<b>Total Expenses</b>	<b>\$ 12,042</b>	<b>\$ 11,400</b>	<b>\$ 6,977</b>	<b>-72.6%</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	\$ 19,638	\$ 10,650	\$ -	#DIV/0!
Utilities	6,914	7,500	19,025	-63.7%
Maintenance contract labor	9,000	10,800	9,000	0.0%
Fish	3,219	1,500	-	0.0%
Chemicals	3,016	7,200	-	0.0%
Equipment repairs	1,203	6,000	-	#DIV/0!
Other Expenses	300	300	300	0.0%
<b>Total Expenses</b>	<b>\$ 43,291</b>	<b>\$ 43,950</b>	<b>\$ 28,325</b>	<b>-52.8%</b>

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

**YTD thru June 2018**

**YTD Total**

**CASH FROM OPERATIONS**

Pre-tax Income/(loss)	<b>\$ 159,780</b>
 Operating Activities	
Depreciation and amortization	\$ 100,525
Receivables - (increase)/decrease	\$ 56,184
Inventory - (increase)/decrease	\$ (29,731)
Prepaid Expenses - (increase)/decrease	\$ 18,584
Accounts Payable - increase/ (decrease)	\$ (25,754)
Accrued Expenses - increase/ (decrease)	\$ (10,338)
<b>Net Cash Flow from Operations</b>	<b>\$ 269,250</b>
 Investing Cash Flow	
Contributions to Capital Reserve - Transfers	\$ (72,270)
Contributions to Capital Reserve - HOA	\$ -
Capital Expenditures - Due From Capital	\$ -
Payment of Long-Term Debt	\$ (45,198)
 <b>CASH APPLIED TO INVESTING ACTIVITIES</b>	 <b>\$(117,468)</b>
<b>NET CHANGE IN CASH</b>	<b>\$ 151,782</b>
<b>CASH DECEMBER 31, 2017</b>	<b>\$ 458,142</b>
<b>Cash Operations at End of Period</b>	<b>\$ 609,924</b>

**CAPITAL RESERVES**

<b>Balance at January 1, 2018</b>	<b>\$ 107,839</b>
Additions	
Transfer fees	\$ 72,000
HOA contributions	\$ -
Interest income	\$ 270
Reductions	
Capital expenditures - CCC	\$ (34,964)
Capital expenditures - FGMC	\$ (44,370)
<b>Reserve Cash at End of Period</b>	<b>\$ 100,776</b>

<b>TOTAL COMBINED OPERATIONS/RESERVE</b>	<b>\$ 710,700</b>
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## Continental Country Club Capital Investment Breakdown

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<u>June</u>	<u>2018</u> <u>YTD</u>	<u>2018</u> <u>Budget</u>	<u>Notes</u>
<b>Purchase of Capital Equipment (Net)</b>			
<b>Irrigation System</b>			
Walnut Canyon Irrigation Repairs	3,221		
<b>Total Irrigation Improvements</b>	<b><u>\$ 3,221</u></b>	<b><u>\$ -</u></b>	
<b>Equipment</b>			
Treadmill	3,800		
<b>Total Equipment Investments</b>	<b><u>\$ 3,800</u></b>	<b><u>\$ -</u></b>	
<b>Pool Improvements</b>			
Pool improvements	10,469		
<b>Total Pool Improvements</b>	<b><u>\$ 10,469</u></b>	<b><u>\$ -</u></b>	
<b>Building Upgrades</b>			
Upstairs Meeting Rooms/Lobby	6,080	5,500	
Oakmont Patio	<del>6,080</del>	<del>-</del>	
<b>Total Building Upgrades</b>	<b><u>\$ 12,160</u></b>	<b><u>\$ 5,500</u></b>	
<b>Golf</b>			
Repair tee boxes	5,314	15,000	
<b>Total Golf</b>	<b><u>\$ 5,314</u></b>	<b><u>\$ 15,000</u></b>	
<b>FGMC Investment</b>			
Capital Lease	24,855	35,000	
Equipment - Backhoe	19,515	15,000	
<b>FGMC Total</b>	<b><u>\$ 44,370</u></b>	<b><u>\$ 50,000</u></b>	
<b>Total Purchase of Capital</b>	<b><u><u>\$ 79,334</u></u></b>	<b><u><u>\$ 70,500</u></u></b>	



Continental Country Club, Inc. - Month Ended June 2018

ASSETS

	<u>2018</u>	<u>2017</u>
<b>Current assets</b>		
Cash and cash equivalents	\$ 558,900	\$ 640,923
Assessments and trade receivables, net	75,004	99,611
Note receivable, current portion	346	326
Employee advances	-	31
Inventory	66,426	60,021
Prepaid expenses	8,904	(2,676)
<b>Total current assets</b>	<u>709,580</u>	<u>798,236</u>
<b>Property and equipment</b>		
Land	443,619	443,619
Buildings	1,590,466	1,590,466
Equipment	479,922	430,382
Improvements	3,497,837	3,462,652
Office equipment	46,106	46,953
	6,057,949	5,974,071
Less: accumulated depreciation	<u>(4,534,529)</u>	<u>(4,351,679)</u>
<b>Net property and equipment</b>	<u>1,523,420</u>	<u>1,622,392</u>
<b>Other assets</b>		
Restricted cash - Capital Reserves	180,110	-
Certificate of deposit - Lake Elaine improvements and maintenance	156,280	156,218
Investment in FGMC	244,603	225,563
Deferred income tax asset	26,000	24,000
Lease receivable	-	-
Deposits	-	-
Loan fees, net of accumulated amortization of \$48,667 and \$45,520	10,227	13,373
Note receivable, long-term portion	88,648	88,993
Liquor license	-	-
Right to repurchase license	851	525
<b>Total other assets</b>	<u>706,718</u>	<u>508,672</u>
<b>Total assets</b>	<u>\$ 2,939,717</u>	<u>\$ 2,929,300</u>

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*Continental Country Club, Inc. - Month Ended June 2018*

**LIABILITIES AND MEMBERS' EQUITY**

	<b>2018</b>	<b>2017</b>
<b>Current liabilities</b>		
Accounts payable	\$ 75,089	\$ 105,504
Accrued expenses	194,291	234,558
Deferred lot assessments	573,426	578,398
Bank line of credit	-	-
Current portion of note payable	91,272	78,855
Current portion of capital lease payable	-	-
<b>Total current liabilities</b>	<b>934,078</b>	<b>997,314</b>
<b>Long-term liabilities</b>		
Note payable, net of current portion	825,415	923,372
Lake Elaine improvements and maintenance	156,280	156,218
Advance deposit	3,000	3,000
Deferred revenue	-	-
Obligation to repurchase license	851	525
Capital lease payable, net of current portion	-	-
<b>Total long-term liabilities</b>	<b>985,545</b>	<b>1,083,115</b>
<b>Total liabilities</b>	<b>1,919,623</b>	<b>2,080,428</b>
<b>Members' equity</b>		
Undesignated	839,984	848,872
Restricted for future repairs and replacements	180,110	-
<b>Total members' equity</b>	<b>1,020,094</b>	<b>848,872</b>
<b>Total liabilities and members' equity</b>	<b>\$ 2,939,717</b>	<b>\$ 2,929,300</b>

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