

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 133,824	\$ 147,017	\$ 131,257	2.0%
Golf Income	178,298	205,075	196,467	-9.2%
Other Income	421	500	70	501.4%
Total Revenues	\$ 312,543	\$ 352,592	\$ 327,794	-4.7%
Expenses:				
Flagstaff Golf Maintenance Company	51,046	48,823	46,307	10.2%
Golf Course Reclaimed Water	11,878	12,432	9,868	20.4%
Golf Cart Lease	6,438	6,450	6,438	0.0%
Cost of Goods Sold Golf	11,977	12,000	14,121	-15.2%
Wyndham Maintenance & Other Payments	5,700	7,500	4,228	34.8%
Lake Elaine	284	36,299	3,435	-91.7%
Walnut Canyon Lakes Park	8,304	12,900	11,499	-27.8%
Employee Compensation & Benefits	65,811	70,105	63,903	3.0%
Building, Equipment & Grounds	10,624	15,055	13,423	-20.9%
Utilities	14,874	19,409	16,553	-10.1%
Legal & Consulting	16,140	14,300	21,307	-24.2%
Property Insurance & Taxes	5,826	5,826	6,869	-15.2%
Depreciation & Amortization	16,754	17,725	16,754	0.0%
Merchant Services & Bank Fees	3,826	4,900	1,355	182.4%
Advertising & Website Costs	3,444	5,206	4,923	-30.0%
All Other Expenses	2,784	3,800	4,482	-37.9%
Total Expenses	\$ 235,709	\$ 292,730	\$ 245,463	-4.0%
Earnings Before Interest & Taxes	76,834	59,862	82,331	-6.7%
Interest Expense	3,319	3,181	3,647	-9.0%
Pre-tax Income/(Loss)	\$ 73,515	\$ 56,681	\$ 78,685	-6.6%

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 1,170,691	\$ 1,177,586	\$ 1,110,720	5.4%
Golf Income	897,205	912,825	892,400	0.5%
Other Income	10,375	7,750	7,736	34.1%
Total Revenues	\$ 2,078,271	\$ 2,098,161	\$ 2,010,856	3.4%
Expenses:				
Flagstaff Golf Maintenance Company	344,344	347,098	331,842	3.8%
Golf Course Reclaimed Water	110,789	94,002	82,039	35.0%
Golf Cart Lease	32,190	32,250	32,315	-0.4%
Cost of Goods Sold Golf	55,518	47,820	46,678	18.9%
Wyndham Maintenance & Other Payments	37,644	56,000	64,845	-41.9%
Lake Elaine	4,893	182,392	6,279	-22.1%
Walnut Canyon Lakes Park	61,721	68,250	48,328	27.7%
Employee Compensation & Benefits	425,566	471,177	438,693	-3.0%
Building, Equipment & Grounds	103,462	133,820	122,095	-15.3%
Utilities	115,687	136,567	128,066	-9.7%
Legal & Consulting	163,985	124,300	225,575	-27.3%
Property Insurance & Taxes	45,867	46,608	55,233	-17.0%
Depreciation & Amortization	134,033	141,800	134,033	0.0%
Merchant Services & Bank Fees	28,168	26,400	33,027	-14.7%
Advertising & Website Costs	49,930	45,623	33,777	47.8%
All Other Expenses	22,235	33,505	54,191	-59.0%
Total Expenses	\$ 1,736,032	\$ 1,987,612	\$ 1,837,015	-5.5%
Earnings Before Interest & Taxes	342,239	110,549	173,841	96.9%
Interest Expense	26,776	26,203	28,785	-7.0%
Pre-tax Income/(Loss)	\$ 315,463	\$ 84,346	\$ 145,056	117.5%

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Month of August 2018

	Actual	Budget	Prior Year	%/Inc/Dec to Prior Yr #DIV/0!
Revenues:				
Golf Member Income	1,881	2,000	774	143.0%
Peaks Pass Card	91,082	105,000	101,756	-10.5%
Green Fees	46,498	51,000	49,071	-5.2%
Cart Fees	20,390	24,000	23,201	-12.1%
Driving Range Income	16,658	20,000	18,892	-11.8%
Golf Shop Sales	1,790	3,075	2,773	#DIV/0!
Pre & Post Season Income				
Other Golf Income				-35.4%
Total Revenues	\$ 178,298	\$ 205,075	\$ 196,467	-9.25%
Expenses:				
FGMC Expenses	51,046	48,823	46,307	10.2%
Golf Course Reclaimed Water	11,878	12,432	9,868	20.4%
Golf Cart Lease	6,438	6,450	6,438	0.0%
Cost of Good Sold Golf	11,977	12,000	14,121	-15.2%
Employee Compensation & Benefits	27,430	27,072	22,217	23.5%
Building, Equipment & Grounds	190	1,840	1,237	-84.7%
Utilities	4,655	4,885	7,881	-40.9%
Consulting Fees	390	390	2,075	-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	3,319	3,181	3,647	-9.0%
Merchant Services & Bank fees	3,470	3,800	2,632	31.9%
Advertising & Website Costs	278	3,981	3,696	-92.5%
All Other Expenses	281	800	363	-22.5%
Total Expenses	\$ 134,091	\$ 138,834	\$ 133,728	0.3%
Net Income	44,207	66,241	62,739	-29.5%
Less Depreciation	11,256	11,305	11,256	0.0%
Cash Flow	\$ 55,463	\$ 77,546	\$ 73,995	-25.0%
Less Interest	3319	3181	3647	-9.0%
Operating Income	\$ 58,782	\$ 80,727	\$ 77,642	-24.3%
Number of Participants	2018	Budget	2017	%Inc/Dec
Number of Rounds	3251	3198	3158	2.9%
Cart Rentals	2855	3158	3097	-7.8%
Practice Facility	2289	3100	2422	-5.5%
Average Dollar Per Round				
Green & Cart Fees	42.32	48.78	47.76	-11.4%
Practice Facility	8.91	7.74	9.58	-7.0%
Gross Profit on Golf Shop Sales	28%	40%	25%	11.3%

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Year to Date August 2018

	Actual	Budget	Prior Year	%/Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	104,646	72,400	66,442	57.5%
Peaks Pass Card	27,314	30,100	29,741	-8.2%
Green Fees	368,482	408,000	399,513	-7.8%
Cart Fees	196,171	188,000	178,173	10.1%
Driving Range Income	85,111	99,000	97,583	-12.8%
Golf Shop Sales	76,375	69,700	68,555	11.4%
Pre & Post Season Income	18,891	28,900	38,177	-50.5%
Other Golf Income	20,216	16,725	14,216	42.2%
Total Revenues	\$ 897,205	\$ 912,825	\$ 892,400	0.54%
Expenses:				
FGMC Expenses	344,344	347,098	331,842	3.8%
Golf Course Reclaimed Water	110,789	94,002	82,039	35.0%
Golf Cart Lease	32,190	32,250	32,315	-0.4%
Cost of Good Sold Golf	55,518	47,820	46,678	18.9%
Employee Compensation & Benefits	150,554	153,914	156,608	-3.9%
Building, Equipment & Grounds	12,451	18,010	12,151	2.5%
Utilities	38,350	38,675	37,110	3.3%
Consulting Fees	(73)	3,510	16,581	-100.4%
Property Insurance & Taxes	15,000	15,000	15,936	-5.9%
Depreciation and Amortization	90,048	90,440	90,048	0.0%
Interest Expense	26,776	26,203	28,785	-7.0%
Merchant Services & Bank fees	18,377	17,600	21,618	-15.0%
Advertising & Website Costs	35,102	35,143	20,590	70.5%
All Other Expenses	4,110	8,360	15,320	-73.2%
Total Expenses	\$ 933,536	\$ 928,025	\$ 907,621	2.9%
Net Income	(36,330)	(15,200)	(15,221)	138.7%
Less Depreciation	90,048	90,440	90,048	0.0%
Cash Flow	\$ 53,718	\$ 75,240	\$ 74,827	-28.2%
Less Interest	26,776	26,203	28,785	-7.0%
Operating Income	\$ 80,493	\$ 101,443	\$ 103,612	-22.3%
Number of Participants	2018	Budget	2017	%Inc/Dec
Number of Rounds	13405	13245	12898	3.9%
Cart Rentals	12061	12411	12111	-0.4%
Practice Facility	10448	13361	10439	0.1%
Average Dollar Per Round				
Green & Cart Fees	42.12	45.00	44.79	-6.0%
Practice Facility	8.15	7.41	9.35	-12.9%
Gross Profit on Golf Shop Sales	27%	31%	32%	-14.4%

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

Tennis				
MTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 421	\$ 500	\$ 70	501.4%
Expenses:				
Total Tennis Expenses	1,811	1,140	2,439	-25.8%
Earnings Before Interest & Taxes	<u>\$ (1,390)</u>	<u>\$ (640)</u>	<u>\$ (2,369)</u>	<u>-41.3%</u>

YTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 10,375	\$ 7,750	\$ 7,736	34.1%
Expenses:				
Total Tennis Expenses	5,009	5,400	6,538	-23.4%
Earnings Before Interest & Taxes	<u>\$ 5,366</u>	<u>\$ 2,350</u>	<u>\$ 1,198</u>	<u>347.8%</u>

Legal & Consulting Fees Detail				
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MTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 15,140	\$ 14,000	\$ 9,153	65.4%
Accounting & Review	1,000	300	1,000	0.0%
Consulting (Lake Elaine Project)	-	-	9,080	-100.0%
Consulting (OB Sports)	-	-	2,075	-100.0%
Total Legal & Consulting Expenses	<u>\$ 16,140</u>	<u>\$ 14,300</u>	<u>\$ 21,307</u>	<u>-24.2%</u>

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 147,408	\$ 106,000	\$ 143,371	2.8%
Accounting & Review	16,650	18,300	8,000	108.1%
Consulting (Lake Elaine Project)	-	-	57,624	-100.0%
Consulting (OB Sports)	(73)	-	16,581	-100.4%
Total Legal & Consulting Expenses	<u>\$ 163,985</u>	<u>\$ 124,300</u>	<u>\$ 225,575</u>	<u>-27.3%</u>

Continental Country Club, Inc.
Income Statement - Lakes
August 2018

Lake Elaine

MTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ -	\$ -	\$ -	#DIV/0!
Utilities	234	315	113	107.4%
Contract Labor/Consulting	-	35,334	2,500	0.0%
Fish	-	-	-	0.0%
Chemicals	-	600	772	0.0%
Equipment repairs	-	-	-	0.0%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 284	\$ 36,299	\$ 3,435	91.7%

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ -	\$ -	\$ 19	-100.0%
Utilities	1,958	2,520	2,588	-24.3%
Contract Labor/Consulting	2,535	174,672	2,500	0.0%
Fish	-	-	-	0.0%
Chemicals	-	4,800	772	0.0%
Equipment repairs	-	-	-	0.0%
Other Expenses	400	400	400	0.0%
Total Expenses	\$ 4,893	\$ 182,392	\$ 6,279	22.1%

Walnut Canyon Lakes

MTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 2,567	\$ 3,300	\$ -	#DIV/0!
Utilities	1,329	1,250	-	#DIV/0!
Maintenance contract labor	3,000	3,600	6,310	0.0%
Fish	-	1,500	2,999	0.0%
Chemicals	1,358	1,200	1,545	0.0%
Equipment repairs	-	2,000	595	-100.0%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 8,304	\$ 12,900	\$ 11,499	27.8%

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 25,349	\$ 17,250	\$ 13,900	82.4%
Utilities	9,503	10,000	8,468	12.2%
Maintenance contract labor	17,182	18,000	18,310	-6.2%
Fish	3,219	3,000	2,999	0.0%
Chemicals	4,374	9,600	1,545	0.0%
Equipment repairs	1,694	10,000	2,705	-37.4%
Other Expenses	400	400	400	0.0%
Total Expenses	\$ 61,721	\$ 68,250	\$ 48,328	-27.7%

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

YTD thru August 2018

CASH FROM OPERATIONS

Pre-tax Income/(loss) **\$ 315,463**

Operating Activities

Depreciation and amortization \$ 134,033
Receivables - (increase)/decrease \$ (98,545)
Inventory - (increase)/decrease \$ (22,063)
Prepaid Expenses - (increase)/decrease \$ 22,113
Accounts Payable - increase/ (decrease) \$ (73,902)
Accrued Expenses - increase/ (decrease) \$ 78,294

Net Cash Flow from Operations **\$ 355,393**

Investing Cash Flow

Contributions to Capital Reserve - Transfers \$ (101,318)
Contributions to Capital Reserve - HOA \$ -
Capital Expenditures - Due From Capital \$ (100,005)
Payment of Long-Term Debt \$ (60,446)

CASH APPLIED TO INVESTING ACTIVITIES **\$ (261,769)**

NET CHANGE IN CASH **\$ 93,624**

CASH DECEMBER 31, 2017 **\$ 458,142**

Cash Operations at End of Period **\$ 551,766**

CAPITAL RESERVES

Balance at January 1, 2018 **\$ 107,839**

Additions

Transfer fees \$ 101,000
HOA contributions \$ -
Interest income \$ 318

Reductions

Capital expenditures - CCC \$ -
Capital expenditures - FGMC \$ -

Reserve Cash at End of Period **\$ 209,157**

TOTAL COMBINED OPERATIONS/RESERVE **\$ 760,923**

Continental Country Club, Inc.
Capital Investment Breakdown

<u>August</u>	<u>2018</u> <u>YTD</u>	<u>2018</u> <u>Budget</u>	<u>Notes</u>
Purchase of Capital Equipment (Net)			
Irrigation System			
Walnut Canyon Irrigation Repairs	6,905		
CCC Pum #11709	8,810		
Total Irrigation Improvements	\$ 15,715	\$ -	
Equipment			
Treadmill	3,800		
Total Equipment Investments	\$ 3,800	\$ -	
Pool Improvements			
Pool improvements	10,469		
Total Pool Improvements	\$ 10,469	\$ -	
Building Upgrades			
Upstairs Meeting Rooms/Lobby	6,080	5,500	
Oakmont Patio	6,080	-	
Total Building Upgrades	\$ 12,160	\$ 5,500	
Golf			
Repair tee boxes	5,314	15,000	
Total Golf	\$ 5,314	\$ 15,000	
FGMC Investment			
Capital Lease	33,033	35,000	
Equipment - Backhoe	19,515	15,000	
FGMC Total	\$ 52,547	\$ 50,000	
Total Purchase of Capital	\$ 100,005	\$ 70,500	

Continental Country Club, Inc. - Month Ended August 2018

ASSETS

	<u>2018</u>	<u>2017</u>
Current assets		
Cash and cash equivalents	\$ 551,766	\$ 612,703
Assessments and trade receivables, net	55,408	38,758
Note receivable, current portion	346	326
Employee advances	-	-
Inventory	58,758	53,144
Prepaid expenses	5,375	20,612
Total current assets	<u>671,653</u>	<u>725,543</u>
Property and equipment		
Land	443,619	443,619
Buildings	1,590,466	1,590,466
Equipment	479,922	431,494
Improvements	3,510,331	3,485,400
Office equipment	46,106	46,106
	6,070,443	5,997,085
Less: accumulated depreciation	<u>(4,562,913)</u>	<u>(4,380,063)</u>
Net property and equipment	<u>1,507,530</u>	<u>1,617,022</u>
Other assets		
Restricted cash - Capital Reserves	209,158	-
Certificate of deposit - Lake Elaine improvements and maintenance	156,291	156,228
Investment in FGMC	248,180	229,014
Deferred income tax asset	24,000	22,000
Lease receivable	-	-
Deposits	-	-
Loan fees, net of accumulated amortization of \$48,667 and \$45,520	9,702	12,849
Note receivable, long-term portion	88,596	88,941
Liquor license	-	-
Right to repurchase license	851	525
Total other assets	<u>736,777</u>	<u>509,558</u>
Total assets	<u>\$ 2,915,960</u>	<u>\$ 2,852,122</u>
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Continental Country Club, Inc. - Month Ended August 2018

LIABILITIES AND MEMBERS' EQUITY

	<u>2018</u>	<u>2017</u>
Current liabilities		
Accounts payable	\$ 47,995	\$ 115,643
Accrued expenses	231,508	179,081
Deferred lot assessments	399,102	403,814
Bank line of credit	-	-
Current portion of note payable	91,272	78,855
Current portion of capital lease payable	-	-
Total current liabilities	<u>769,876</u>	<u>777,393</u>
Long-term liabilities		
Note payable, net of current portion	810,167	912,064
Lake Elaine improvements and maintenance	156,291	156,228
Advance deposit	3,000	3,000
Deferred revenue	-	-
Obligation to repurchase license	851	525
Capital lease payable, net of current portion	-	-
Total long-term liabilities	<u>970,308</u>	<u>1,071,817</u>
Total liabilities	<u>1,740,184</u>	<u>1,849,210</u>
Members' equity		
Undesignated	966,619	1,002,912
Restricted for future repairs and replacements	209,158	-
Total members' equity	<u>1,175,777</u>	<u>1,002,912</u>
Total liabilities and members' equity	<u>\$ 2,915,960</u>	<u>\$ 2,852,122</u>

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