

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 152,812	\$ 125,412	\$ 138,314	10.5%
Golf Income	48,480	84,530	66,765	-27.4%
Other Income	(19)	-	366	-105.2%
Total Revenues	\$ 201,273	\$ 209,942	\$ 205,445	-2.0%
Expenses:				
Flagstaff Golf Maintenance Company	35,133	50,533	39,708	-11.5%
Golf Course Reclaimed Water	1,340	5,500	12,569	-89.3%
Golf Cart Lease	6,438	6,450	6,438	0.0%
Cost of Goods Sold Golf	5,118	4,632	7,018	-27.1%
Wyndham Maintenance & Other Payments	4,200	6,500	4,488	-6.4%
Lake Elaine	287	33,299	1,568	-81.7%
Walnut Canyon Lakes Park	7,548	9,400	12,755	-40.8%
Employee Compensation & Benefits	51,115	54,248	45,859	11.5%
Building, Equipment & Grounds	19,559	12,055	9,117	-114.5%
Utilities	12,216	15,299	14,865	-17.8%
Legal & Consulting	21,046	14,000	9,682	117.4%
Property Insurance & Taxes	6,982	5,826	6,689	4.4%
Depreciation & Amortization	16,754	17,725	16,754	0.0%
Merchant Services & Bank Fees	1,165	4,100	2,771	-58.0%
Advertising & Website Costs	11,682	3,746	3,155	270.3%
All Other Expenses	2,992	2,500	1,195	150.5%
Total Expenses	\$ 203,575	\$ 245,813	\$ 194,630	4.6%
Earnings Before Interest & Taxes	(2,302)	(35,871)	10,815	-121.3%
Interest Expense	3,158	3,126	3,477	-9.2%
Pre-tax Income/(Loss)	\$ (5,460)	\$ (38,997)	\$ 7,337	-174.4%

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>% Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 1,461,427	\$ 1,443,760	\$ 1,382,480	5.7%
Golf Income	1,093,355	1,145,780	1,103,654	-0.9%
Other Income	11,148	8,000	8,352	33.5%
Total Revenues	\$ 2,565,930	\$ 2,597,540	\$ 2,494,486	2.9%
Expenses:				
Flagstaff Golf Maintenance Company	420,210	440,842	410,904	2.3%
Golf Course Reclaimed Water	125,832	115,784	107,729	16.8%
Golf Cart Lease	45,065	45,150	45,190	-0.3%
Cost of Goods Sold Golf	73,247	60,852	62,685	16.8%
Wyndham Maintenance & Other Payments	46,544	69,000	73,810	-36.9%
Lake Elaine	11,266	248,990	15,454	-27.1%
Walnut Canyon Lakes Park	78,421	88,050	72,896	7.6%
Employee Compensation & Benefits	538,762	581,327	535,771	0.6%
Building, Equipment & Grounds	133,181	160,730	140,807	-5.4%
Utilities	146,169	170,325	161,675	-9.6%
Legal & Consulting	193,361	152,300	282,081	-31.5%
Property Insurance & Taxes	58,676	58,260	68,625	-14.5%
Depreciation & Amortization	167,541	177,250	167,541	0.0%
Merchant Services & Bank Fees	32,122	35,100	37,637	-14.7%
Advertising & Website Costs	69,942	54,595	35,148	99.0%
All Other Expenses	29,587	38,905	60,728	-51.3%
Total Expenses	\$ 2,169,926	\$ 2,497,460	\$ 2,278,682	-4.8%
Earnings Before Interest & Taxes	396,004	100,080	215,804	83.5%
Interest Expense	33,225	32,482	35,884	-7.4%
Pre-tax Income/(Loss)	\$ 362,778	\$ 67,598	\$ 179,920	101.6%

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

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr #DIV/0!
Revenues:				
Golf Member Income	-	-	-	
Peaks Pass Card	-	-	-	
Green Fees	26,784	45,000	34,296	-21.9%
Cart Fees	12,249	17,800	15,770	-22.3%
Driving Range Income	6,613	12,170	7,471	-11.5%
Golf Shop Sales	6,592	7,720	8,276	-20.3%
Pre & Post Season Income	-	-	-	
Other Golf Income	(3,755)	1,840	953	-494.5%
Total Revenues	\$ 48,480	\$ 84,530	\$ 66,765	-27.39%
Expenses:				
FGMC Expenses	35,133	50,533	39,708	-11.5%
Golf Course Reclaimed Water	1,340	5,500	12,569	-89.3%
Golf Cart Lease	6,438	6,450	6,438	0.0%
Cost of Good Sold Golf	5,118	4,632	7,018	-27.1%
Employee Compensation & Benefits	16,982	14,883	15,575	9.0%
Building, Equipment & Grounds	212	1,040	123	73.0%
Utilities	3,718	4,675	5,371	-30.8%
Consulting Fees	-	390	2,075	-100.0%
Property Insurance & Taxes	2,909	1,875	1,992	46.0%
Depreciation and Amortization	11,256	11,305	11,256	0.0%
Interest Expense	3,158	3,126	3,477	-9.2%
Merchant Services & Bank fees	993	3,000	1,416	-29.8%
Advertising & Website Costs	2,830	2,521	2,157	31.2%
All Other Expenses	585	875	373	56.8%
Total Expenses	\$ 90,672	\$ 110,805	\$ 109,548	-17.2%
Net Income	(42,192)	(26,275)	(42,783)	-1.4%
Less Depreciation	11,256	11,305	11,256	0.0%
Cash Flow	(30,936)	(14,970)	(31,527)	-1.9%
Less Interest	3158	3126	3477	-9.2%
Operating Income	(27,778)	(11,844)	(28,050)	-1.0%
Number of Participants				
Number of Rounds	980	1339	2017	%Inc/Dec
Cart Rentals	728	1038	1259	-22.2%
Practice Facility	750	1120	1015	-23.3%
Average Dollar Per Round	39.83	46.90	875	-14.3%
Green & Cart Fees	8.82	10.87	39.77	0.2%
Practice Facility	22%	40%	8.54	3.3%
Gross Profit on Golf Shop Sales	15%	47.1%	15%	47.1%

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Year to Date October 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	28,205	30,100	29,771	-5.3%
Green Fees	465,385	533,000	512,377	-9.2%
Cart Fees	245,144	240,800	231,698	5.8%
Driving Range Income	107,395	127,170	118,691	-9.5%
Golf Shop Sales	99,926	91,420	90,727	10.1%
Pre & Post Season Income	18,891	28,900	38,177	-50.5%
Other Golf Income	23,764	21,990	15,771	50.7%
Total Revenues	\$ 1,093,355	\$ 1,145,780	\$ 1,103,654	-0.93%
Expenses:				
FGMC Expenses	420,210	440,842	410,904	2.3%
Golf Course Reclaimed Water	125,832	115,784	107,729	16.8%
Golf Cart Lease	45,065	45,150	45,190	-0.3%
Cost of Good Sold Golf	73,247	60,852	62,685	16.8%
Employee Compensation & Benefits	190,313	189,730	193,441	-1.6%
Building, Equipment & Grounds	12,750	19,590	11,405	11.8%
Utilities	47,588	48,185	48,512	-1.9%
Consulting Fees	(73)	4,290	20,730	-100.3%
Property Insurance & Taxes	19,784	18,750	19,920	-0.7%
Depreciation and Amortization	112,560	113,050	112,560	0.0%
Interest Expense	33,225	32,482	35,884	-7.4%
Merchant Services & Bank fees	21,965	24,100	23,634	-7.1%
Advertising & Website Costs	45,319	41,925	24,110	88.0%
All Other Expenses	5,775	10,235	18,750	-69.2%
Total Expenses	\$ 1,153,561	\$ 1,164,965	\$ 1,135,454	1.6%
Net Income	(60,206)	(19,185)	(31,799)	89.3%
Less Depreciation	112,560	113,050	112,560	0.0%
Cash Flow	\$ 52,354	\$ 93,865	\$ 80,761	-35.2%
Less Interest	33225	32482	35884	-7.4%
Operating Income	\$ 85,579	\$ 126,347	\$ 116,645	-26.6%
Number of Participants	2018	Budget	2017	%Inc/Dec
Number of Rounds	16795	16937	16510	1.7%
Cart Rentals	14982	15843	15474	-3.2%
Practice Facility	13055	16473	12871	1.4%
Average Dollar Per Round				
Green & Cart Fees	42.31	45.69	45.07	-6.1%
Practice Facility	8.23	7.72	9.22	-10.8%
Gross Profit on Golf Shop Sales	27%	33%	31%	-13.6%

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

Tennis				
MTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ (19)	\$ -	\$ 366	-105.2%
Expenses:				
Total Tennis Expenses	87	190	236	-63.1%
Earnings Before Interest & Taxes	<u>\$ (106)</u>	<u>\$ (190)</u>	<u>\$ 130</u>	<u>-181.8%</u>

YTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 11,148	\$ 8,000	\$ 8,352	33.5%
Expenses:				
Total Tennis Expenses	5,684	5,780	7,105	-20.0%
Earnings Before Interest & Taxes	<u>\$ 5,465</u>	<u>\$ 2,220</u>	<u>\$ 1,247</u>	<u>338.3%</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	\$ 20,046	\$ 14,000	\$ 6,608	203.4%
Accounting & Review	1,000	-	1,000	0.0%
Consulting (Lake Elaine Project)	-	-	-	#DIV/0!
Consulting (OB Sports)	-	-	2,075	-100.0%
Total Legal & Consulting Expenses	<u>\$ 21,046</u>	<u>\$ 14,000</u>	<u>\$ 9,682</u>	<u>117.4%</u>

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 174,784	\$ 134,000	\$ 183,227	-4.6%
Accounting & Review	18,650	18,300	20,500	-9.0%
Consulting (Lake Elaine Project)	-	-	57,624	-100.0%
Consulting (OB Sports)	(73)	-	20,730	-100.3%
Total Legal & Consulting Expenses	<u>\$ 193,361</u>	<u>\$ 152,300</u>	<u>\$ 282,081</u>	<u>-31.5%</u>

Continental Country Club, Inc.
Income Statement - Lakes
October 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	237	315	547	-56.7%
Contract Labor/Consulting	-	-32,334	-	0.0%
Fish	-	-	-	0.0%
Chemicals	-	600	971	0.0%
Equipment repairs	-	-	-	0.0%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 287	\$ 33,299	\$ 1,568	81.7%

YTD 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	2,451	3,150	4,180	-41.4%
Contract Labor/Consulting	6,115	239,340	2,500	0.0%
Fish	-	-	-	0.0%
Chemicals	-	6,000	2,948	0.0%
Equipment repairs	2,200	-	5,326	0.0%
Other Expenses	500	500	500	0.0%
Total Expenses	\$ 11,266	\$ 248,990	\$ 15,454	27.1%

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	\$ -	\$ 3,300	\$ 2,404	-100.0%
Utilities	1,089	1,250	1,184	-8.0%
Maintenance contract labor	4,206	3,600	3,810	0.0%
Fish	-	-	-	0.0%
Chemicals	2,203	1,200	1,942	0.0%
Equipment repairs	-	-	3,365	-100.0%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 7,548	\$ 9,400	\$ 12,755	40.8%

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 28,154	\$ 23,850	\$ 20,103	40.1%
Utilities	11,882	12,500	12,207	-2.7%
Maintenance contract labor	24,388	26,200	25,120	-2.9%
Fish	3,219	3,000	2,999	0.0%
Chemicals	8,291	12,000	5,897	0.0%
Equipment repairs	1,987	10,000	6,070	-67.3%
Other Expenses	500	500	500	0.0%
Total Expenses	\$ 78,421	\$ 88,050	\$ 72,896	-7.6%

Continental Country Club, Inc.
Statement of Cash Flows

YTD Total

YTD thru October 2018

CASH FROM OPERATIONS

Pre-tax Income/(loss) **\$ 362,778**

Operating Activities

Depreciation and amortization \$ 167,541
 Receivables - (increase)/decrease \$ (282,752)
 Inventory - (increase)/decrease \$ (10,280)
 Prepaid Expenses - (increase)/decrease \$ 22,130
 Accounts Payable - increase/ (decrease) \$ (60,133)
 Accrued Expenses - increase/ (decrease) \$ 33,645

Net Cash Flow from Operations **\$ 232,929**

Investing Cash Flow

Contributions to Capital Reserve - Transfers \$ (134,371)
 Contributions to Capital Reserve - HOA \$ -
 Capital Expenditures - Due From Capital \$ (126,398)
 Payment of Long-Term Debt \$ (75,802)

CASH APPLIED TO INVESTING ACTIVITIES **\$ (336,571)**

NET CHANGE IN CASH **\$ (103,641)**

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

Cash Operations at End of Period **\$ 354,501**

CAPITAL RESERVES

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

Additions

Transfer fees \$ 134,000
 HOA contributions \$ -
 Interest income \$ 371

Reductions

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

Reserve Cash at End of Period **\$ 242,210**

TOTAL COMBINED OPERATIONS/RESERVE **\$ 596,710**

Continental Country Club, Inc.
Capital Investment Breakdown

<u>October</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	6,728		
Total Equipment Investments	\$ 6,728	\$ -	
Pool Improvements			
Pool improvements	10,469		
Total Pool Improvements	\$ 10,469	\$ -	
Building Upgrades			
Upstairs Meeting Rooms/Lobby	6,080	5,500	
Oakmont Patio	21,080	-	
Total Building Upgrades	\$ 27,160	\$ 5,500	
Golf			
Repair tee boxes	5,314	15,000	
Total Golf	\$ 5,314	\$ 15,000	
FGMC Investment			
Capital Lease	41,497	35,000	
Equipment - Backhoe	19,515	15,000	
FGMC Total	\$ 61,012	\$ 50,000	
Total Purchase of Capital	\$ 126,398	\$ 70,500	

Continental Country Club, Inc. - Month Ended October 2018

ASSETS

	<u>2018</u>	<u>2017</u>
Current assets		
Cash and cash equivalents	\$ 354,501	\$ 510,547
Assessments and trade receivables, net	39,098	26,050
Note receivable, current portion	346	326
Employee advances	-	-
Inventory	46,975	43,334
Prepaid expenses	5,358	16,471
Total current assets	<u>446,279</u>	<u>596,728</u>
Property and equipment		
Land	443,619	443,619
Buildings	1,590,466	1,590,466
Equipment	482,850	431,344
Improvements	3,525,331	3,488,241
Office equipment	46,106	46,106
	6,088,371	5,999,776
Less: accumulated depreciation	<u>(4,591,297)</u>	<u>(4,408,447)</u>
Net property and equipment	<u>1,497,075</u>	<u>1,591,329</u>
Other assets		
Restricted cash - Capital Reserves	242,210	-
Certificate of deposit - Lake Elaine improvements and maintenance	156,301	156,239
Investment in FGMC	252,045	232,602
Deferred income tax asset	22,000	20,000
Lease receivable	-	-
Deposits	-	-
Loan fees, net of accumulated amortization of \$48,667 and \$45,520	9,178	12,324
Note receivable, long-term portion	88,544	88,889
Liquor license	-	-
Right to repurchase license	851	525
Total other assets	<u>771,128</u>	<u>510,580</u>
Total assets	<u>\$ 2,714,482</u>	<u>\$ 2,698,637</u>

Continental Country Club, Inc. - Month Ended October 2018

LIABILITIES AND MEMBERS' EQUITY

	<u>2018</u>	<u>2017</u>
Current liabilities		
Accounts payable	\$ 61,763	\$ 139,712
Accrued expenses	184,807	181,234
Deferred lot assessments	198,586	203,940
Bank line of credit	-	-
Current portion of note payable	91,272	78,855
Current portion of capital lease payable	-	-
Total current liabilities	<u>536,427</u>	<u>603,740</u>
Long-term liabilities		
Note payable, net of current portion	794,811	897,357
Lake Elaine improvements and maintenance	156,301	156,239
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>954,962</u>	<u>1,057,121</u>
Total liabilities	<u>1,491,389</u>	<u>1,660,861</u>
Members' equity		
Undesignated	980,882	1,037,776
Restricted for future repairs and replacements	242,210	-
Total members' equity	<u>1,223,092</u>	<u>1,037,776</u>
Total liabilities and members' equity	<u>\$ 2,714,482</u>	<u>\$ 2,698,637</u>