

Continental Country Club, Inc.
Income Statement
for the Month of Feb, 2016

(15)

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	122,111	123,671	103,426	18.1%
Golf Income	487	-	1,164	-58.1%
Other Income	1,190	1,000	2,780	-57.2%
Total Revenues	\$ 123,789	\$ 124,671	\$ 107,370	15.3%
Expenses:				
Flagstaff Golf Maintenance Company	27,101	27,048	24,412	11.0%
Golf Course Reclaimed Water	-	660	166	-100.0%
Golf Cart Lease	-	-	-	0.0%
Cost of Goods Sold Golf	246	-	296	-17.0%
Wyndham Maintenance & Other Payments	8,645	8,450	11,028	-21.6%
Lake Elaine	8,341	48,615	14,908	-44.1%
Walnut Canyon Lakes Park	4,617	8,140	1,584	191.6%
Employee Compensation & Benefits	28,371	30,190	19,358	46.6%
Building, Equipment & Grounds	9,327	4,462	2,628	254.9%
Utilities	9,247	9,848	6,751	37.0%
Legal & Consulting	5,548	10,366	1,673	231.7%
Property Insurance & Taxes	6,630	6,357	6,814	-2.7%
Depreciation & Amortization	1,382	16,607	16,364	0.0%
Merchant Services & Bank Fees	7,289	3,500	2,953	-53.2%
Advertising & Website Costs	3,854	2,600	626	1063.9%
All Other Expenses	-	3,035	2,675	44.1%
Total Expenses	\$ 136,962	\$ 179,878	\$ 112,234	22.0%
Earnings Before Interest & Taxes	(13,174)	(55,207)	(4,864)	-170.8%
Interest Expense	6,262	6,400	6,658	-6.0%
Pre-tax Income/(Loss)	\$ (19,435)	\$ (61,607)	\$ (11,522)	-68.7%

Continental Country Club, Inc.
Income Statement
Year to Date Feb, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 253,992	\$ 255,517	\$ 208,395	21.9%
Golf Income	45,532	42,273	1,371	3221.6%
Other Income	3,685	1,500	2,780	32.6%
Total Revenues	\$ 303,209	\$ 299,290	\$ 212,546	42.7%
Expenses:				
Flagstaff Golf Maintenance Company	51,481	56,640	52,429	-1.8%
Golf Course Reclaimed Water	-	660	166	-100.0%
Golf Cart Lease	-	-	-	0.0%
Cost of Goods Sold Golf	246	-	296	-17.0%
Wyndham Maintenance & Other Payments	17,916	16,900	16,056	11.6%
Lake Elaine	17,325	70,230	26,236	-34.0%
Walnut Canyon Lakes Park	7,363	8,780	1,949	277.7%
Employee Compensation & Benefits	57,578	61,782	35,659	61.5%
Building, Equipment & Grounds	19,415	9,124	5,561	249.1%
Utilities	21,064	20,116	16,202	30.0%
Legal & Consulting	24,159	18,533	8,023	201.1%
Property Insurance & Taxes	13,260	12,454	11,057	19.9%
Depreciation & Amortization	32,727	33,214	32,727	0.0%
Merchant Services & Bank Fees	2,651	7,600	6,368	-58.4%
Advertising & Website Costs	11,350	4,460	832	1264.4%
All Other Expenses	5,311	5,985	4,392	20.9%
Total Expenses	\$ 281,844	\$ 326,478	\$ 217,952	29.3%
Earnings Before Interest & Taxes	21,365	(27,188)	(5,407)	495.2%
Interest Expense	12,558	12,800	13,463	-6.7%
Pre-tax Income/(Loss)	\$ 8,806	\$ (39,988)	\$ (18,869)	146.7%

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**Continental Country Club, Inc.
Income Statement - Golf Business Unit
Month of Feb, 2016**

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	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	-	-	-	0.0%
High Country Card	-	-	-	0.0%
Green Fees	-	-	-	0.0%
Cart Fees	-	-	-	0.0%
Driving Range Income	-	-	-	0.0%
Golf Shop Sales	366	-	214	71.3%
Pre & Post Season Income	121	-	932	-87.0%
Other Golf Income	-	-	-	0.0%
Total Revenues	\$ 487	\$ -	\$ 1,146	-57.48%
Expenses:				
FGMC Expenses	27,101	27,048	24,412	11.0%
Golf Course Reclaimed Water	-	660	166	-100.0%
Golf Cart Lease	-	-	-	0.0%
Cost of Good Sold Golf	246	-	296	-17.0%
Employee Compensation & Benefits	8,306	7,290	6,865	21.0%
Building, Equipment & Grounds	4,624	85	800	478.0%
Utilities	1,686	2,795	2,137	-21.1%
Consulting Fees	2,774	2,800	2,000	38.7%
Property Insurance & Taxes	1,992	1,999	2,030	-1.9%
Depreciation and Amortization	11,199	11,330	11,199	0.0%
Interest Expense	6,262	6,400	6,658	-6.0%
Merchant Services & Bank fees	143	500	159	-10.2%
Advertising & Website Costs	2,228	2,100	525	324.3%
All Other Expenses	3,596	1,575	82	4264.8%
Total Expenses	\$ 70,155	\$ 64,582	\$ 57,329	22.37%
Net Income	(69,668)	(64,582)	(56,183)	224.00%
Less Depreciation	11,199	11,330	11,199	0.00%
Cash Flow	\$ (58,469)	\$ (53,252)	\$ (44,985)	229.98%
Less Interest	6262	6400	6658	-5.95%
Operating Income	\$ (52,208)	\$ (46,852)	\$ (38,327)	136.22%
Number of Participants	2016	Budget	2015	%Inc/Dec
Number of Rounds				0.0%
Cart Rentals				0.0%
Practice Facility				0.0%
Average Dollar Per Round				
Green & Cart Fees	-	-	-	0.0%
Practice Facility	33%	0%	-38%	0.0%
Gross Profit on Golf Shop Sales				-185.9%

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Year to Date Feb, 2016

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	45,045	42,273	1	4504400.0%
High Country Card	99	-	-	0.0%
Green Fees	-	-	-	0.0%
Cart Fees	-	-	-	0.0%
Driving Range Income	-	-	-	0.0%
Golf Shop Sales	366	-	248	47.7%
Pre & Post Season Income	22	-	1,123	-98.1%
Other Golf Income	-	-	-	0.0%
Total Revenues	\$ 45,532	\$ 42,273	1,372	3218.67%
Expenses:				
FG/MC Expenses	51,481	56,640	52,429	-1.8%
Golf Course Reclaimed Water	-	660	166	-100.0%
Golf Cart Lease	-	-	-	0.0%
Cost of Good Sold Golf	246	-	296	-17.0%
Employee Compensation & Benefits	17,087	16,305	11,257	51.8%
Building, Equipment & Grounds	7,033	170	800	779.1%
Utilities	6,078	5,585	5,990	1.5%
Consulting Fees	4,969	5,600	4,000	24.2%
Property Insurance & Taxes	3,984	3,988	4,060	-1.9%
Depreciation and Amortization	22,397	22,660	22,397	0.0%
Interest Expense	12,558	12,800	13,345	-5.9%
Merchant Services & Bank fees	143	600	361	-60.4%
Advertising & Website Costs	5,859	3,700	623	840.5%
All Other Expenses	3,570	1,625	82	4233.3%
Total Expenses	\$ 135,406	\$ 130,343	115,806	16.92%
Net Income	(89,873)	(88,070)	(114,434)	178.54%
Less Depreciation	22,397	22,660	22,397	0.0%
Cash Flow	(67,476)	(65,410)	(92,037)	173.31%
Less Interest	12,558	12,800	13,345	-5.9%
Operating Income	(54,918)	(52,610)	(78,692)	69.79%
Number of Participants	2016	Budget	2015	%Inc/Dec
Number of Rounds				0.0%
Cart Rentals				0.0%
Practice Facility				0.0%
Average Dollar Per Round				0.0%
Green & Cart Fees				0.0%

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Continental Country Club, Inc.
Income Statement - Small Business Units
Month of Feb, 2016

Tennis				
MTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 1,190	\$ 1,000	\$ 2,780	-57.2%
Expenses:				
Total Tennis Expenses	229	295	80	185.8%
Earnings Before Interest & Taxes	<u>\$ 961</u>	<u>\$ 705</u>	<u>\$ 2,700</u>	<u>-64.41%</u>

YTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 3,685	\$ 1,500	\$ 2,780	32.6%
Expenses:				
Total Tennis Expenses	458	530	160	186.3%
Earnings Before Interest & Taxes	<u>\$ 3,227</u>	<u>\$ 970</u>	<u>\$ 2,620</u>	<u>23.17%</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	\$ 44	\$ 2,000	\$ 1,598	-97.2%
Accounting & Review	2,730	2,200	75	3540.5%
Consulting (Lake Elaine Project)	-	3,336	-	0.0%
Consulting (OB Sports)	2,774	2,800	2,000	38.7%
Total Legal & Consulting Expenses	<u>\$ 5,548</u>	<u>\$ 10,336</u>	<u>\$ 3,673</u>	<u>51.1%</u>

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 344	\$ 4,000	\$ 1,948	-82.3%
Accounting & Review	2,730	2,600	75	3540.0%
Consulting (Lake Elaine Project)	16,117	6,333	1	1611550.0%
Consulting (OB Sports)	4,969	5,600	4,000	24.2%
Total Legal & Consulting Expenses	<u>\$ 24,159</u>	<u>\$ 18,533</u>	<u>\$ 6,024</u>	<u>301.1%</u>

Continental Country Club, Inc.
Income Statement - Lakes
Month of Feb, 2016

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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	\$ 7,518	\$ 37,100	\$ 7,625	-1.4%
Utilities	773	750	727	6.3%
Maintenance contract labor	-	725	1,104	-100.0%
Fish	-	10,000	5,403	-100.0%
Chemicals	-	-	-	0.0%
Equipment repairs	-	-	-	0.0%
Other Expenses	50	40	50	0.0%
Total Expenses	\$ 8,341	\$ 48,615	\$ 14,908	-44.1%

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 15,703	\$ 57,650	\$ 17,387	-9.7%
Utilities	1,522	1,550	1,480	2.8%
Maintenance contract labor	-	950	1,867	-100.0%
Fish	-	10,000	5,403	-100.0%
Chemicals	-	-	-	0.0%
Equipment repairs	-	-	-	0.0%
Other Expenses	100	80	100	0.0%
Total Expenses	\$ 17,325	\$ 70,230	\$ 26,237	-34.0%

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	\$ 2,429	\$ -	\$ 1	242779.0%
Utilities	1,012	200	171	492.1%
Maintenance contract labor	-	2,900	-	0.0%
Fish	-	5,000	1,363	-100.0%
Chemicals	-	-	-	0.0%
Equipment repairs	1,126	-	1	112516.0%
Other Expenses	50	40	50	0.0%
Total Expenses	\$ 4,617	\$ 8,140	\$ 1,586	191.1%

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 2,429	\$ -	\$ 120	1924.2%
Utilities	1,911	400	367	420.7%
Maintenance contract labor	1,675	3,300	1	167400.0%
Fish	-	5,000	1,363	-100.0%
Chemicals	-	-	-	0.0%
Equipment repairs	1,249	-	1	124800.0%
Other Expenses	100	80	100	0.0%
Total Expenses	\$ 7,364	\$ 8,780	\$ 1,952	277.3%

Continental Country Club, Inc.
Statement of Cash Flows
Month to date Feb, 2016

(21)

	<u>Actual</u>	<u>Prior Year</u>
Cash Flow from Operations:		
Operating Income	\$ (19,435)	\$ (11,522)
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	9,247	6,751
Receivables - (Up)/Down	35,248	(10,762)
Inventory - (Up)/Down	2,849	296
Prepaid Expenses - (Up)/Down	(26,762)	(29,575)
Payables - Up/(Down)	5,551	41,820
Accrued Expenses - Up/(Down)	<u>18,357</u>	<u>3,751</u>
Net Cash Flow from Operations	\$ 25,054	\$ 759
Investing Cash Flows:		
Purchase of Capital Equipment (Net)	(21,282)	(2,625)
Investment in FGMC	(1,986)	-
Other Investing Cash Flows	<u>-</u>	<u>-</u>
Investing Cash Flow	\$ (23,269)	\$ (2,625)
Financing Cash Flows:		
Advance on Bank Line of Credit	-	-
Payment on Bank Line of Credit	-	-
Release of LE Restricted Funds	-	-
Payment on Capital Lease	-	-
Payment of Bank Term Loan	<u>(5,969)</u>	<u>(5,573)</u>
Financing Cash Flow	\$ (5,969)	\$ (5,573)
Net Change in Cash	\$ (4,183)	\$ (7,439)
Cash at Beginning of Period	\$ 755,765	\$ 452,170
Cash at End of Period	\$ 751,582	\$ 444,731
Cash Flow Increase/Decrease	\$ 306,851	69%

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

(22)

	<u>2016</u> <u>YTD</u>	<u>2015</u> <u>YTD</u>
Cash Flow from Operations:		
Operating Income	\$ -	\$ -
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	19,415	5,561
Receivables - (Up)/Down	454,617	377,458
Inventory - (Up)/Down	2,849	296
Prepaid Expenses - (Up)/Down	(33,245)	(44,192)
Payables - Up/(Down)	32,085	11,131
Accrued Expenses - Up/(Down)	35,365	(2,074)
Net Cash Flow from Operations	\$ 511,085	\$ 348,180
Investing Cash Flows:		
Purchase of Capital Equipment (Net)	(21,282)	(2,625)
Investment in FGMC	(3,979)	-
Other Investing Cash Flows	-	-
Investing Cash Flow	\$ (25,261)	\$ (2,625)
Financing Cash Flows:		
Advance on Bank Line of Credit	-	-
Payment on Bank Line of Credit	-	-
Release of Restricted Funds	-	-
Payment of Bank Term Loan	(11,902)	(11,115)
Financing Cash Flow	\$ (11,902)	\$ (11,115)
Net Change in Cash	\$ 473,922	\$ 334,440
Cash at Beginning of Period	\$ 277,685	\$ 111,507
Cash at End of Period	\$ 751,607	\$ 445,947
Cash Flow Increase/Decrease	\$ 305,660	69%

Continental Country Club Capital Investment Breakdown

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	<u>2016</u> <u>YTD</u>	<u>2016</u> <u>Budget</u>	<u>Notes</u>
Purchase of Capital Equipment (Net) Equipment			
Bob Cat	14,250	15,000	
Signs/ Street entry		12,500	
Hot Water Heater	5,495	-	Per BR approved by BOD
Total Equipment Investments	<u>\$ 19,745</u>	<u>\$ 27,500</u>	
Parking Improvement			
Parking Lot		10,000	
Total Parking Improvements	<u>\$ -</u>	<u>\$ 10,000</u>	
Pool Improvements			
Pool House upgrade		4,000	
Total Pool Improvements	<u>\$ -</u>	<u>\$ 4,000</u>	
Building Upgrades			
Fitness Room		4,400	
Carpet	7,032	-	Per BR approved by BOD
Total Building Upgrades	<u>\$ 7,032</u>	<u>\$ 4,400</u>	
Golf			
15th Tee Box		3,000	
Carpet		5,500	
Cart Path		9,000	
Total Golf	<u>\$ -</u>	<u>\$ 17,500</u>	
FGMC Investment			
Capital Lease		15,600	
Equipment		25,000	
FGMC Total	<u>\$ -</u>	<u>\$ 40,600</u>	
Total Purchase of Capital	<u>\$ 26,777</u>	<u>\$ 104,000</u>	

Continental Country Club

Balance Sheet

(24)

February 2016

ASSETS

Current Assets		
Petty Cash	1,300	
Sunwest Bank CD	88,879	
Chase- Credit Card Account	157,548	
Sunwest Bank Checking	430,342	
Sunwest Bank Savings	162,417	
Receivables	119,882	
Golf Shop Inventory	32,931	
TOTAL Current Assets	993,299	
Fixed Assets		
Land & Buildings	5,081,470	
Accum. Deprec.- Buildings	(3,607,846)	
Pools	100,319	
Accum. Deprec.- Pools	(29,660)	
Office Equipment	42,096	
Accum. Deprec.- Office Equip.	(37,932)	
Equipment	384,605	
Accum. Deprec.- Equipment	(285,659)	
A/D-Other	5,000	
Golf Course Improvements	40,295	
Leasehold Improvements - Other	(5,000)	
TOTAL Fixed Assets	1,687,688	
Other Assets		
Lake Elaine Acct - Bank One (Restricted)	156,135	
Note Receivable - Oakmont	400	
Pre-Paids	44,475	
Capital Investment - FGMC	215,908	
Note Receivable - LT portion	88,358	
Note Receivable -CP-Contra	(400)	
Deferred Tax Asset	46,000	
Orig. fees and pts - Irrig loan	29,000	
Accumulated Amortization	(29,000)	
Right to Repurchase License	1,356	
Closing Costs - Irrig Loan	31,467	
Acc. Amortization - Closing Costs	(13,898)	
TOTAL Other Assets	569,801	
TOTAL ASSETS	3,250,788	

LIABILITIES

Current Liabilities	
Trade Payables	88,830
Golf League Assessment	7,900
Tree Donation Program	2,153
Tennis Improvement	3,145

Handicap Fees Payable	70	
Advance Deposit	4,500	
Accrued Expenses - FGMC	35,960	
Payable to Wyndham (Pool)	36,245	
Current Portion - LTD	(70,511)	
Current portion - note payable	69,155	
Payroll Liabilities	9,518	
Tax Liabilities	6,646	
Deferred Income	972,245	
Other Current Liabilities	255	
TOTAL Current Liabilities		1,166,111
Long-Term Liabilities		
Future Maintenance- Lake Blaine	156,135	
Note Payable - Sunwest Bank	1,112,290	
Obligation to Repurchase License	1,356	
TOTAL Long-Term Liabilities		1,269,781
TOTAL LIABILITIES		2,435,892
CAPITAL		
Capital Reserves	132,242	
Contributed Capital	2,556,498	
Fund Balance, Prior Periods	(1,882,650)	
Year-to-Date Earnings	8,806	
TOTAL CAPITAL		814,896
TOTAL LIABILITIES & CAPITAL		3,250,788

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