

# Santa Rosa Golf & Beach Club

## Executive Summary

### Unaudited Financial Results – YTD 5-31-2018

Date Prepared: 6/15/2018

#### Summary

- YTD Total Revenue was \$1,129,022 which is \$40,130 less than Budgeted and \$3,810 less than the Prior Year.
- YTD Golf Revenue (exclusive of dues) was \$337,745 which is \$16,423 more than Budgeted and \$22,636 more than the Prior Year.
- YTD Vue Revenue (exclusive of dues) was \$458,707 which is \$63,908 less than Budgeted and \$58,723 less than the Prior Year.
- YTD Dues and Intiation Fees collected were \$332,570 which is \$7,355 more than Budgeted and \$32,277 more than the Prior Year.
- YTD Total Gross Profit was \$905,051 which is \$75,660 less than Budgeted and \$48,897 less than the Prior Year.
- YTD Total Payroll was \$374,404 which is \$6,558 more than budgeted and \$3,142 less than the Prior Year.
- YTD Total Operating Expenses were \$420,216 which is \$35,108 less than budgeted but \$8,446 more than the Prior Year.
- YTD EBITDA was \$110,431 which is \$47,110 less than budgeted and \$54,201 less than the Prior Year.
- Net Income (after Depreciation, Amortization and Interest Expense) was \$60,708 which is \$31,833 less than Budgeted and \$32,964 less than Prior Year.
- Cash Balance at 5/31/18 was \$1,174,504 (including a Cash Reserve of \$500,000) compared to a Cash Balance at 5/31/17 of \$1,175,056.
- Loan Balances at 5/31/18 were \$380,106 compared to balances of \$720,825 at 5/31/17. A decrease of \$340,719. Year to Date Interest expense was \$4,351 less than last year.
- Current Ratio is 168% vs. 146% last year.
- Current Ratio without considering Deferred Revenue is 239% vs. 187% last year.
- Debt to Equity Ratio is 9% vs. 20% last year
- Gross Profit % is 80% vs. 84% last year.
- EBITDA to Total Revenue is 10% vs. 15% last year

In the mean-time, the Finance Committee will make every effort to pay down our existing debt, so when we take on new debt for these projects the balance will be lower than the 60% of equity limitation as stipulated in the By-laws.

I would like to thank all the Non-Finance Committee Board Members (Bob, Mike and Edith) for attending the Finance Committee meeting on Friday. Their input was very helpful.

Thank you.

**Santa Rosa Golf and Beach Club**  
**Summary Financial Report-Unaudited**

As of May 31, 2018

Date prepared 5/09/2018

	YTD Budget as of		YTD 5/31/2017	Variance Actual vs. Budget	% Inc over budget	Variance 2018 vs. 2017	% Inc over 2017
	YTD 5/31/2018	5/31/2018					

**Balance Sheet Comparison**

Operating Cash in Bank	\$ 674,504		\$ 1,175,056			\$ (500,552)	-42.60%
Cash Reserve Fund	\$ 500,000		\$ -			\$ 500,000	100.00%
Cash & Accounts Receivable	\$ 1,480,481		\$ 1,434,067			\$ 46,414	3.24%
Current Assets	\$ 1,743,168		\$ 1,694,773			\$ 48,395	2.86%
Total Assets	\$ 5,767,865		\$ 5,577,475			\$ 190,390	3.41%
Payables and Accrued Payroll	\$ 509,240		\$ 609,162			\$ (99,922)	-16.40%
Deferred Revenue	\$ 525,341		\$ 553,510			\$ (28,169)	-5.09%
Current Liabilities	\$ 1,034,581		\$ 1,162,672			\$ (128,091)	-11.02%
Loan and Equipment Balances	\$ 380,106		\$ 720,825			\$ (340,719)	-47.27%
Total Liabilities	\$ 1,414,687		\$ 1,883,497			\$ (468,810)	-24.89%
Total Equity	\$ 4,353,179		\$ 3,693,978			\$ 659,201	17.85%

**Income Statement Comparison**

Total Revenue	\$ 1,129,022	\$ 1,169,152	\$ 1,132,832	\$ (40,130)	-3.43%	\$ (3,810)	-0.34%
Cost of Sales	\$ 223,971	\$ 188,441	\$ 178,884	\$ 35,530	18.85%	\$ 45,087	25.20%
Gross Profit	\$ 905,051	\$ 980,711	\$ 953,948	\$ (75,660)	-7.71%	\$ (48,897)	-5.13%
Payroll	\$ 374,404	\$ 367,846	\$ 377,546	\$ 6,558	1.78%	\$ (3,142)	-0.83%
Operating Expenses	\$ 420,216	\$ 455,324	\$ 411,770	\$ (35,108)	-7.71%	\$ 8,446	2.05%
Earnings before Interest, Depreciation & Taxes (EBITDA)	\$ 110,431	\$ 157,541	\$ 164,632	\$ (47,110)	-29.90%	\$ (54,201)	-32.92%
Interest Expense	\$ 2,085	\$ 7,000	\$ 6,436	\$ (4,915)	-70.21%	\$ (4,351)	-67.60%
Depreciation and Amortization	\$ 45,638	\$ 56,000	\$ 62,524	\$ (10,362)	-18.50%	\$ (16,886)	-27.01%
Net Income	\$ 62,708	\$ 94,541	\$ 95,672	\$ (31,833)	-33.67%	\$ (32,964)	-34.46%
Less YTD Principal Payments Made	\$ 19,894	\$ 19,894	\$ 223,348	\$ -	0.00%	\$ (203,454)	-91.09%
Cashflow after Debt Payments	\$ 88,452	\$ 130,647	\$ (65,152)	\$ (42,195)	-32.30%	\$ 153,604	-235.76%

**Key Operating Ratios**

Quick Ratio	143%		123%
Current Ratio	168%		146%
Current Ratio w/o Deferred Revenue	239%		187%
Debt to Equity	32%		51%
Debt to Asset	25%		34%
Gross Profit %	80%	84%	84%
Payroll to Revenue	33%	31%	33%
Operating Expense to Revenue	37%	39%	36%
EBITDA to Revenue	10%	13%	15%

**Santa Rosa Golf and Beach Club**  
**Statement of Cash Flows Forecast**  
**FYE 3/31/19**

	<u>4/30/2018</u>	<u>5/31/2018</u>	<u>YTD Total</u>
<b>Cash flows from operating activities</b>			
Net income (loss)	\$ 48,128	\$ 14,580	\$ 62,708
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation & amortization	22,819	22,819	\$ 45,638
Changes in operating assets and liabilities:			
(Increase) decrease in			
Receivables	12,525	(9,508)	\$ 3,017
Inventories	(10,451)	13,849	\$ 3,398
Prepaid expenses	13,566	(20,843)	\$ (7,277)
Deposits	-		\$ -
Increase (decrease) in			
Accounts payable	96,493	59,395	\$ 155,888
Accrued liabilities	5,427	(79,612)	\$ (74,185)
Deferred revenues	(69,391)	(62,648)	\$ (132,039)
	<u>119,116</u>	<u>(61,967)</u>	<u>\$ 57,148</u>
<b>Net cash provided by (used in) operating activities</b>			
<b>Cash flows from investing activities</b>			
Purchases of property and equipment	(20,923)	(24,367)	\$ (45,290)
	<u>(20,923)</u>	<u>(24,367)</u>	<u>\$ (45,290)</u>
<b>Net cash provided by (used in) investing activities</b>			
<b>Cash flows from financing activities</b>			
Proceeds from long-term debt	-	-	\$ -
Payments on long-term debt	(9,422)	(10,471)	\$ (19,893)
Issuance of equity memberships	3,000	1,500	\$ 4,500
Equity membership payouts	-	1,500	\$ 1,500
	<u>(6,422)</u>	<u>(7,471)</u>	<u>\$ (13,893)</u>
<b>Net cash provided by (used in) financing activities</b>			
<b>Net change in cash</b>	<b>91,771</b>	<b>(93,806)</b>	<b>(2,035)</b>
<b>Cash at beginning of period</b>	<b>\$ 1,176,538</b>	<b>\$ 1,268,308</b>	<b>1,176,538</b>
<b>Cash at end of period</b>	<b><u>\$ 1,268,308</u></b>	<b><u>\$ 1,174,503</u></b>	<b><u>\$ 1,174,503</u></b>