



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Cutty's Okoboji Resort Club
Spirit Lake, Iowa

Opinion

We have audited the accompanying financial statements of Cutty's Okoboji Resort Club (the Club), an Iowa nonprofit organization, which comprise the statements of financial position as of September 30, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Club as of September 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Club and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Club's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Club's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Club's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Statement of Activities Budget and Actual (Unaudited) is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The actual portion of the Statement of Activities Budget and Actual (Unaudited) information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Abdo
Minneapolis, Minnesota
Need Date

Cutty's Okoboji Resort Club
 Spirit Lake, Iowa
 Statements of Financial Position
 September 30, 2024 and 2023

	2024	2023
Assets		
Current Assets		
Undesignated		
Cash and cash equivalents	\$ 40,546	\$ 165,202
Designated		
Capital improvement funds		
Cash and cash equivalents	455,346	343,844
Certificates of deposits	15,836	15,217
Deluxe marketing funds		
Cash and cash equivalents	26,310	27,084
Certificates of deposits	59,873	57,035
Interest receivable	195	175
Resort dues receivable, net of allowance for allowance for credit losses of \$3,617,000 and \$3,298,000 for 2024 and 2023, respectively	298,148	287,653
Other receivables	445	506
Prepaid expenses	119,924	95,079
Resale inventory	24,801	29,657
Ownerships for resale, net of valuation allowance of \$89,900 and \$90,400 for 2024 and 2023, respectively	144,974	143,991
Total Current Assets	1,186,398	1,165,443
Property and Equipment		
Land and improvements	2,352,254	2,337,349
Buildings and improvements	1,765,785	1,731,330
Equipment	1,573,814	1,571,497
Total Property and Equipment	5,691,853	5,640,176
Less: Accumulated depreciation	(3,380,672)	(3,207,799)
Net Property and Equipment	2,311,181	2,432,377
Total Assets	\$ 3,497,579	\$ 3,597,820
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 31,824	\$ 36,144
Prepaid dues	1,112	1,112
Payroll tax and sales tax payable	13,938	13,836
Accrued wages	39,623	35,570
Accrued paid time off	57,620	52,669
Accrued property taxes	64,433	50,545
Unearned income	887,726	840,352
Total Liabilities	1,096,276	1,030,228
Net Assets		
Without donor restriction		
Board designated (Note 5)	557,365	443,180
Operating	1,843,938	2,124,412
Total Net Assets	2,401,303	2,567,592
Total Liabilities and Net Assets	\$ 3,497,579	\$ 3,597,820

**CUTTY'S OKOBOJI RESORT CLUB
OPERATING STATEMENTS & BUDGETS
FOR PERIODS ENDING SEPT. 30**

REVENUE	2025 BUDGET	2024 BUDGET	2023 BUDGET	2022 BUDGET	2024 ACTUAL	2023 ACTUAL	2022 ACTUAL
RESORT CLUB DUES	\$ 1,236,000	\$ 1,182,000	\$ 1,182,000	\$ 1,105,000	\$ 1,235,476	\$ 1,166,392	\$ 1,121,097
DUES FOR IMPROVEMENTS	230,000	234,000	234,000	227,000	230,729	214,329	218,251
ROOM RECEIPTS	452,000	438,000	410,000	402,500	419,688	401,108	390,840
SITE RENTALS/UTILITY USAGE	321,000	405,000	300,000	285,000	296,835	287,875	270,839
SEASONAL & STORAGE RENT	409,000	327,900	306,000	293,000	325,650	312,865	293,503
SNACKBAR RECEIPTS	110,000	116,000	110,000	130,000	106,593	113,772	91,717
GROCERY, STORE & PROPANE	110,000	117,000	115,000	97,000	99,293	116,650	113,670
ACTIVITY RECEIPTS	5,000	5,000	7,000	7,000	3,508	4,540	3,392
PARKING PERMITS/FINES	1,000	1,000	1,000	1,000	352	595	1,076
RAFFLE/PAVERS/DONATIONS	5,000	-	-	-	3,539	-	-
EQUIP. RENT & COIN GAMES	11,000	11,000	11,000	10,000	9,622	10,416	10,866
TRANSFERS & SECURE KEYS	35,000	38,000	42,000	42,000	32,291	38,170	40,601
SERVICE FEES & MISC	46,000	28,000	28,000	25,000	28,842	28,510	26,683
WEBSITE RESV TRANS FEES	10,000	-	-	-	7,808	-	-
INTEREST INCOME	18,000	14,000	14,000	18,000	18,148	15,174	9,995
MARKETING/OTHER	-	-	-	-	-	-	-
GAIN ON DISPOSAL OF ASSETS	-	-	-	-	-	250	500
VOLUNTEER SERVICE	-	-	-	-	21,440	27,647	23,375
GROSS REVENUE	\$ 2,999,000	\$ 2,916,900	\$ 2,760,000	\$ 2,642,500	\$ 2,839,814	\$ 2,738,293	\$ 2,616,405
OPERATING EXPENSES							
FOOD PURCHASES	\$ 95,000	\$ 95,000	\$ 90,000	\$ 90,000	100,667	\$ 99,701	\$ 80,788
STORE PURCHASES	40,000	55,000	60,000	60,000	44,060	56,202	52,409
OFFICE WAGES	300,000	290,000	270,000	250,000	290,498	288,009	246,245
MAINTENANCE/RANGER WAGES	330,000	340,000	350,000	340,000	312,245	323,515	340,991
HOUSEKEEPING WAGES	175,000	150,000	140,000	120,000	172,705	145,116	123,445
FOOD SERVICE WAGES	70,000	70,000	80,000	140,000	75,507	56,596	54,997
ACTIVITY WAGES	50,000	50,000	50,000	57,000	33,970	36,734	32,141
PAYROLL TAXES	74,000	72,000	71,000	74,000	70,991	68,208	65,216
EMPLOYEE INSURANCE	75,000	75,000	80,000	80,000	71,800	69,317	75,940
EMPLOYEE IRA PLAN	10,000	10,000	13,000	15,000	9,214	9,238	11,516
EMPLOYEE PTO PLAN	5,000	5,000	5,000	5,000	4,951	5,498	(8,949)
GROUP ACTIVITIES	5,000	7,000	10,000	10,000	4,630	4,748	12,711
GROUP ENTERTAINMENT	5,000	7,000	7,000	7,000	1,400	4,611	6,748
LODGE SUPPLIES & MAINT.	55,000	60,000	60,000	60,000	51,173	52,336	56,319
POOL SUPPLIES & MAINT.	20,000	30,000	20,000	20,000	18,873	24,589	23,460
GROUNDS MAINTENANCE	100,000	110,000	95,000	87,000	104,474	113,222	95,064
OFFICE, POST., PRGTG. & PARKING	15,000	13,500	13,000	13,000	17,388	15,484	16,437
CC & BANK SERVICE FEES	70,000	50,000	44,500	38,000	67,312	49,099	40,419
DEPRECIATION	265,000	225,000	217,000	215,000	258,915	227,649	216,834
GENERAL INSURANCE	180,000	120,000	112,000	100,000	151,854	117,760	111,393
PROPERTY TAXES & LICENSE	138,000	109,000	107,000	107,000	136,167	110,020	105,954
PROFESSIONAL FEES	20,000	20,000	12,000	12,000	15,345	15,255	11,802
UTILITIES	550,000	578,000	483,500	418,000	545,829	482,399	445,701
WEBSITE EXPENSE	28,000	20,000	-	-	56,794	11,740	28,749
STAFF/VOLUNTEER EXP./TRAINING	5,000	8,000	10,000	6,000	5,297	5,518	14,940
DUES ALLOW.-WRITEOFFS	350,000	300,000	290,000	290,000	354,823	367,662	286,858
MARKETING/SALES	2,000	2,000	10,000	10,000	1,075	1,145	6,063
LOSS-DISPOSAL OF ASSETS	-	-	2,000	2,000	7,207	-	-
VOLUNTEER SERVICE	-	-	-	-	21,440	27,647	23,375
OWNERSHIP VALUATION ADJ	-	-	-	-	(500)	-	(600)
TOTAL DISBURSEMENTS	\$ 3,032,000	\$ 2,871,500	\$ 2,702,000	\$ 2,626,000	\$ 3,006,104	\$ 2,789,018	\$ 2,576,966
NET INCOME (LOSS)	\$ (33,000)	\$ 45,400	\$ 58,000	\$ 16,500	\$ (166,290)	\$ (50,725)	\$ 39,439