

# Clare Golf and Country Club Limited

## Balance Sheet

1

(Unaudited)

**December 31, 2013** **2013** **2012**

### ASSETS

Current

Receivables	\$ 2,444	\$ 7,328
Inventories	21,348	20,576
Prepaid expenses	9,106	8,064
	<b>32,898</b>	<b>35,968</b>

Capital Assets (Note 2)	<b>1,152,898</b>	<b>1,140,362</b>
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	<b>\$ 1,185,796</b>	<b>\$ 1,176,330</b>
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### LIABILITIES

Current

Bank indebtedness	\$ 100,698	\$ 85,551
Payables and accruals	24,016	21,626
Long term debt payable within one year (Note 4)	41,178	29,978
	<b>165,892</b>	<b>137,155</b>

Deferred revenue	<b>40,296</b>	<b>52,218</b>
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Long term debt (Note 4)	<b>62,918</b>	<b>74,355</b>
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	<b>269,106</b>	<b>263,728</b>
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### SHAREHOLDER'S EQUITY

Capital stock	<b>183,400</b>	<b>181,400</b>
Contributed surplus	<b>400,741</b>	<b>382,741</b>
Retained earnings	<b>332,549</b>	<b>348,461</b>
	<b>916,690</b>	<b>912,602</b>

	<b>\$ 1,185,796</b>	<b>\$ 1,176,330</b>
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See accompanying notes.

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

# Clare Golf and Country Club Limited

## Statement of Income and Retained Earnings

2

(Unaudited)

Year Ended December 31, 2013	2013	2012
Sales		
Pro Shop	\$ 53,160	\$ 70,153
Canteen - dry	147,010	154,130
Canteen - wet	45,024	49,720
<b>Total Sales</b>	<b>245,194</b>	<b>274,003</b>
Cost of good sold		
Inventory, beginning of year	20,576	22,381
Purchases	152,326	167,355
	<b>172,902</b>	<b>189,736</b>
Inventory, end of year	(21,348)	(20,576)
<b>Total cost of goods sold</b>	<b>151,554</b>	<b>169,160</b>
<b>Gross profit</b>	<b>93,640</b>	<b>104,843</b>
Other income		
Memberships	143,008	152,627
Green fees	75,917	85,030
Golf car rentals	54,484	54,847
Tournament income	31,060	30,492
Equipment and machine rental	-	16,517
Driving range	13,115	13,421
Golf car fees and storage fees	14,612	14,507
Club and cart rental	2,222	2,010
Club care	6,000	6,230
Special projects contributions (Ladies Club)	3,000	4,000
Miscellaneous	7,985	9,846
Corporate donations	7,392	7,902
Practice range sponsorship	11,000	-
	<b>369,795</b>	<b>397,429</b>
Income before overhead expenses and depreciation	463,435	502,272
Overhead expenses (Page 4)	(444,492)	(465,649)
Income before depreciation	18,943	36,623
Depreciation	(34,855)	(35,294)
Net (loss) income	(15,912)	1,329
Retained earnings, beginning of year	348,461	347,132
Retained earnings, end of year	\$ 332,549	\$ 348,461

# Clare Golf and Country Club Limited

## Statement of Cash Flow

3

(Unaudited)

Year Ended December 31, 2013	2013	2012
<b>Operating Activities</b>		
Net (loss) income	\$ (15,912)	\$ 1,329
Depreciation	34,855	35,294
	<b>18,943</b>	<b>36,623</b>
Change in non-cash working capital accounts related to operations (Note 3)	5,460	754
<b>Cash provided by operations</b>	<b>24,403</b>	<b>37,377</b>
<b>Financing Activities</b>		
Long term debt	30,000	19,765
Decrease in long-term debt	(30,237)	(28,834)
Issuance of capital stock	2,000	-
Increase in contributed surplus	18,000	-
Deferred revenue	(11,922)	40,773
<b>Cash (used) provided by financing activities</b>	<b>7,841</b>	<b>31,704</b>
<b>Investing Activities</b>		
Purchase of capital assets	(47,391)	(66,624)
<b>Cash used in investing activities</b>	<b>(47,391)</b>	<b>(66,624)</b>
<b>Change in bank indebtedness during the year</b>	<b>(15,147)</b>	<b>2,457</b>
Bank indebtedness, beginning of year	(85,551)	(88,008)
<b>Bank indebtedness, end of year</b>	<b>\$ (100,698)</b>	<b>\$ (85,551)</b>

# Clare Golf and Country Club Limited

## Schedule of Overhead Expenses

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(Unaudited)

Year Ended December 31, 2013	2013	2012
Advertising	\$ 6,609	\$ 4,068
Dues and fees	20,678	19,771
Employee benefits	20,375	21,633
Heating and lighting	18,696	20,186
Insurance	8,835	8,139
Interest and bank charges	4,233	3,698
Interest on long tem debt	3,841	6,731
Junior Division	1,035	1,125
Lease - equipment	19,662	21,993
Office expenses	2,894	3,997
Pro Shop expenses	1,527	944
Repairs and maintenance - buildings	18,957	20,846
Repairs and maintenance - course	45,577	51,505
Repairs and maintenance - equipment	8,358	8,290
Repairs and maintenance - golf cars	2,336	3,160
Shareholders' meeting expense	694	709
Taxes	14,424	14,339
Telephone	5,673	5,899
Travel	222	761
Trophies	1,039	568
Wages	238,827	247,287
	<b>\$ 444,492</b>	<b>\$ 465,649</b>

# Clare Golf and Country Club Limited

## Notes to Financial Statements

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(Unaudited)

Year Ended December 31, 2013

### 1. Significant accounting policies

#### *Inventories*

Inventories are valued at the lower of cost and net realizable value with cost determined on a first-in, first-out basis.

#### *Capital assets*

Capital assets are carried out at cost and depreciated as follows:

Buildings	5% declining balance
Equipment	20% declining balance
Golf cars	20% declining balance
Motor vehicles	30% declining balance

### 2. Capital assets

	2013			2012
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Land	\$ 21,796	\$ -	\$ 21,796	\$ 21,796
Golf course	742,067	-	742,067	694,676
Buildings	720,791	396,911	323,880	340,926
Equipment	498,978	480,854	18,124	22,656
Golf cars	184,308	149,989	34,319	42,148
Motor Vehicles	24,198	11,486	12,712	18,160
	\$ 2,192,138	\$ 1,039,240	\$ 1,152,898	\$ 1,140,362

### 3.

Change in non-cash working capital	2013	2012
Receivables	\$ 4,884	\$ (3,132)
Inventories	(772)	1,805
Prepaid expenses	(1,042)	1,120
Payables and accruals	2,390	961
	\$ 5,460	\$ 754

# Clare Golf and Country Club Limited

## Notes to Financial Statements

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(Unaudited)

Year Ended December 31, 2013

4.

<b>Long term debt</b>	<b>2013</b>	<b>2012</b>
<i>Caisse Populaire de Clare</i>		
Term loan with interest rate fixed at 4.64%, maturing July 2015, repayable in annual instalments of \$16,700	\$ 32,897	\$ 49,597
Term loan with interest rate fixed at 4.64%, maturing July 2016, repayable in annual instalments of \$9,846	27,412	37,259
Term loan with interest rate fixed at 5.95%, maturing March 2017, repayable in monthly instalments of \$386	13,787	17,477
Term loan with interest rate fixed at 4.75%, maturing December 2016, repayable in annual instalments of \$10,000	30,000	-
	<b>104,096</b>	104,333
Less: Amount payable within one year	<b>(41,178)</b>	<b>(29,978)</b>
	<b>\$ 62,918</b>	\$ 74,355

Principal payments required annually over the next five years are as follows:

2014 - \$41,178; 2015 - \$40,675; 2016 - \$22,242; 2017 - NIL; 2018 - NIL

## 5. Obligations under Capital Leases

***Lease on Jacobsen LF3400***

Amount owing	\$7,350
Monthly payment	\$1,225
Number of payments remaining	6
Purchase Option	\$1

***Lease on Toro Groundsmaster 3500***

Amount owing	\$26,568
Monthly payment	\$1,476
Number of payments remaining	18
Purchase Option	\$1

***Lease on Jacobson Greens King IV***

Amount owing	\$8,154
Monthly payment	\$453
Number of payments remaining	18
Purchase Option	\$1