

Clare Golf and Country Club Limited

Balance Sheet

1

(Unaudited)

December 31, 2014	2014	2013
ASSETS		
Current		
Receivables	\$ 8,081	\$ 2,444
Inventories	20,107	21,348
Prepaid expenses	8,257	9,106
	<u>36,445</u>	<u>32,898</u>
Capital Assets (Note 2)	1,218,358	1,152,898
	<u>\$ 1,254,803</u>	<u>\$ 1,185,796</u>

LIABILITIES

Current		
Bank indebtedness	\$ 117,422	\$ 100,698
Payables and accruals	32,318	24,016
Long term debt payable within one year (Note 4)	14,000	41,178
	<u>163,740</u>	<u>165,892</u>
Deferred revenue	57,541	40,296
Long term debt (Note 4)	125,483	62,918
	<u>346,764</u>	<u>269,106</u>

SHAREHOLDER'S EQUITY

Capital stock	183,900	183,400
Contributed surplus	400,741	400,741
Retained earnings	323,398	332,549
	<u>908,039</u>	<u>916,690</u>
	<u>\$ 1,254,803</u>	<u>\$ 1,185,796</u>

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, 2014	2014	2013
Sales		
Pro Shop	\$ 55,698	\$ 53,160
Canteen - dry	163,464	147,010
Canteen - wet	49,851	45,024
Total Sales	269,013	245,194
Cost of good sold		
Inventory, beginning of year	21,348	20,576
Purchases	152,506	152,326
	173,854	172,902
Inventory, end of year	-20,107	-21,348
Total cost of goods sold	153,747	151,554
Gross profit	115,266	93,640
Other income		
Memberships	144,770	143,008
Green fees	52,529	75,917
Golf car rentals	65,192	54,484
Tournament income	27,186	31,060
Equipment and machine rental	4,380	-
Driving range	13,898	13,115
Golf car fees and storage fees	17,915	14,612
Club and cart rental	1,905	2,222
Club care	5,577	6,000
Special projects contributions (Ladies Club)	2,500	3,000
Miscellaneous	1,590	2,585
Corporate donations	7,335	7,392
Practice range sponsorship	11,000	11,000
Tee Sign Revenue	5,400	5,400
	361,177	369,795
Income before overhead expenses and depreciation	476,443	463,435
Overhead expenses (Page 4)	-455,098	-444,492
Income before depreciation	21,345	18,943
Depreciation	-30,496	-34,855
Net loss	-9,151	-15,912
Retained earnings, beginning of year	332,549	348,461
Retained earnings, end of year	\$ 323,398	\$ 332,549

Clare Golf and Country Club Limited

Statement of Cash Flow

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(Unaudited)

Year Ended December 31, 2014	2014	2013
Operating Activities		
Net loss	\$ -9,151	\$ -15,912
Depreciation	30,496	34,855
	21,345	18,943
Change in non-cash working capital accounts related to operations (Note 3)	4,755	5,460
Cash provided by operations	26,100	24,403
Financing Activities		
Long term debt	36,250	30,000
Decrease in long-term debt	-863	-30,237
Issuance of capital stock	500	2,000
Increase in contributed surplus	-	18,000
Deferred revenue	17,245	-11,922
Cash (used) provided by financing activities	53,132	7,841
Investing Activities		
Purchase of capital assets	-95,956	-47,391
Cash used in investing activities	-95,956	-47,391
Change in bank indebtedness during the year	-16,724	-15,147
Bank indebtedness, beginning of year	-100,698	-85,551
Bank indebtedness, end of year	\$ -117,422	\$ -100,698

Clare Golf and Country Club Limited

Schedule of Overhead Expenses

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(Unaudited)

Year Ended December 31, 2014	2014	2013
Advertising	\$ 5,535	\$ 6,609
Dues and fees	20,868	20,678
Employee benefits	20,826	20,375
Heating and lighting	17,894	18,696
Insurance	8,830	8,835
Interest and bank charges	3,271	4,233
Interest on long term debt	4,923	3,841
Junior Division	1,000	1,035
Lease - equipment	18,924	19,662
Office expenses	4,191	2,894
Pro Shop expenses	1,010	1,527
Repairs and maintenance - buildings	14,132	18,957
Repairs and maintenance - course	43,223	45,577
Repairs and maintenance - equipment	8,103	8,358
Repairs and maintenance - golf cars	2,018	2,336
Shareholders' meeting expense	619	694
Taxes	14,614	14,424
Telephone	4,274	5,673
Travel	-	222
Trophies	539	1,039
Wages	260,304	238,827
	\$ 455,098	\$ 444,492

Clare Golf and Country Club Limited

Notes to Financial Statements

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(Unaudited)

Year Ended December 31, 2014

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

	2014			2013
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Land	\$ 21,796	\$ -	\$ 21,796	\$ 21,796
Golf course	755,441	-	755,441	742,067
Buildings	795,376	413,106	382,270	323,880
Equipment	506,975	484,477	22,498	18,124
Golf cars	184,308	156,853	27,455	34,319
Motor Vehicles	24,198	15,300	8,898	12,712
	\$ 2,288,094	\$ 1,069,736	\$ 1,218,358	\$ 1,152,898

3.

Change in non-cash working capital	2014	2013
Receivables	\$ -5,637	\$ 4,884
Inventories	1,241	-772
Prepaid expenses	849	-1,042
Payables and accruals	8,302	2,390
	\$ 4,755	\$ 5,460

Clare Golf and Country Club Limited

Notes to Financial Statements

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(Unaudited)

Year Ended December 31, 2014

4.

Long term debt	2014	2013
Caisse Populaire de Clare		
Term loan with interest rate fixed at 4.64%, maturing July 2015, repayable in annual instalments of \$16,700	\$ -	\$ 32,897
Term loan with interest rate fixed at 4.64%, maturing July 2016, repayable in annual instalments of \$9,846	-	27,412
Term loan with interest rate fixed at 5.95%, maturing March 2017, repayable in monthly instalments of \$386	-	13,787
Term load with interest rate fixed at 4.75%, maturing December 2016, repayable in annual instalments of \$10,000	-	30,000
Term loan with variable interest rate of prime plus 1.5%, maturing April 2024, repayable in annual instalments of \$14,000	139,483	-
	139,483	104,096
Less: Amount payable within one year	-14,000	-41,178
	\$ 125,483	\$ 62,918

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

2015 - \$14,000 ; 2016 - \$14,000 ; 2017 - \$14,000 ; 2018 - \$14,000 ; 2019 - \$14,000

5. Obligations under Capital Leases

Lease on Toro Groundsmaster 3500

Amount owing	\$17,712
Monthly payment	\$1,476
Number of payments remaining	12
Purchase Option	\$1

Lease on Jacobson Greens King IV

Amount owing	\$5,436
Monthly payment	\$453
Number of payments remaining	12
Purchase Option	\$1