

CLARE GOLF & COUNTRY CLUB LIMITED

Financial Statements

Year Ended December 31, 2018

CLARE GOLF & COUNTRY CLUB LIMITED

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Year Ended December 31, 2018

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CLARE GOLF & COUNTRY CLUB LIMITED
Statement of Loss and Retained Earnings
Year Ended December 31, 2018

	2018	2017
TRADE SALES		
Pro shop	\$ 36,069	\$ 32,053
Canteen - dry	124,641	118,967
Canteen - wet	38,296	31,649
	<u>199,006</u>	<u>182,669</u>
COST OF GOODS SOLD		
Opening Inventory	22,802	22,595
Purchases	115,504	101,422
	<u>138,306</u>	<u>124,017</u>
Closing Inventory	(22,343)	(22,388)
	<u>115,963</u>	<u>101,629</u>
GROSS PROFIT	83,043	81,040
EXPENSES (Schedule 1)	442,057	418,993
OTHER INCOME		
Memberships	131,534	134,341
Green fees	68,312	66,699
Golf car rentals	50,120	48,430
Tournament income	22,899	31,826
Driving range	10,712	12,008
Golf car fees and storage fees	24,438	25,188
Golf car advertising	1,645	756
Club and cart rental	1,100	1,046
Club care	4,450	4,170
Ladies club donation	2,284	1,460
Miscellaneous	8,538	3,508
Corporate donations	11,902	12,749
Tee sign revenue	6,000	5,400
	<u>343,934</u>	<u>347,581</u>
NET INCOME (LOSS)	(15,080)	9,628
RETAINED EARNINGS - BEGINNING OF YEAR	<u>339,112</u>	<u>329,484</u>
RETAINED EARNINGS - END OF YEAR	\$ 324,032	\$ 339,112

CLARE GOLF & COUNTRY CLUB LIMITED**Balance Sheet****December 31, 2018**

	2018	2017
ASSETS		
CURRENT		
Accounts receivable	\$ 5,808	\$ 12,448
Inventory	22,320	22,388
Prepaid expenses	9,369	8,896
	<u>37,497</u>	43,732
PROPERTY, PLANT AND EQUIPMENT <i>(Note 1)</i>	<u>1,139,095</u>	1,153,771
	<u>\$ 1,176,592</u>	<u>\$ 1,197,503</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT		
Bank indebtedness	\$ 85,207	\$ 73,800
Accounts payable	15,179	15,210
Callable debt due in one year <i>(Note 3)</i>	14,000	14,000
	<u>114,386</u>	103,010
Callable debt due thereafter <i>(Note 3)</i>	83,483	97,483
	<u>197,869</u>	200,493
DEFERRED INCOME	<u>66,052</u>	69,259
	<u>263,921</u>	269,752
SHAREHOLDERS' EQUITY		
Share capital	187,900	187,900
Contributed surplus	400,739	400,739
Retained earnings	324,032	339,112
	<u>912,671</u>	927,751
	<u>\$ 1,176,592</u>	<u>\$ 1,197,503</u>

ON BEHALF OF THE BOARD_____
*Director*_____
Director

CLARE GOLF & COUNTRY CLUB LIMITED**Statement of Cash Flow****Year Ended December 31, 2018**

	2018	2017
OPERATING ACTIVITIES		
Net income (loss)	\$ (15,080)	\$ 9,628
Item not affecting cash:		
Amortization of property, plant and equipment	<u>23,278</u>	24,948
	<u>8,198</u>	34,576
Changes in non-cash working capital:		
Accounts receivable	6,640	(11,102)
Inventory	68	90
Accounts payable	(30)	(11,181)
Prepaid expenses	<u>(473)</u>	(149)
	<u>6,205</u>	(22,342)
Cash flow from operating activities	<u>14,403</u>	12,234
INVESTING ACTIVITY		
Purchase of property, plant and equipment	<u>(8,602)</u>	-
FINANCING ACTIVITIES		
Deferred revenue	(3,208)	42,306
Repayment of callable debt	(14,000)	(14,000)
Issuance of capital stock	<u>-</u>	1,000
Cash flow from (used by) financing activities	<u>(17,208)</u>	29,306
INCREASE (DECREASE) IN CASH FLOW	(11,407)	41,540
Deficiency - beginning of year	<u>(73,800)</u>	(115,340)
DEFICIENCY - END OF YEAR (Note 2)	<u>\$ (85,207)</u>	<u>\$ (73,800)</u>

CLARE GOLF & COUNTRY CLUB LIMITED**Notes to Financial Statements****Year Ended December 31, 2018****1. PROPERTY, PLANT AND EQUIPMENT**

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Land	\$ 797,388	\$ -	\$ 797,388	\$ 797,388
Buildings	795,376	484,007	311,369	327,757
Equipment	513,577	498,421	15,156	11,518
Motor vehicles	24,198	22,061	2,137	3,052
Golf cars	186,308	173,263	13,045	14,056
	<u>\$ 2,316,847</u>	<u>\$ 1,177,752</u>	<u>\$ 1,139,095</u>	<u>\$ 1,153,771</u>

2. BANK INDEBTEDNESS

	2018	2017
Bank indebtedness	<u>\$ (85,207)</u>	<u>\$ (73,800)</u>

The Company has a Caisse Populaire de Clare Demand Operating Line of Credit bearing interest at Credit Union's prime interest rate plus .50% with an authorized limited of \$140,000 of which \$50,919 is unused at year end.

3. CALLABLE DEBT

	2018	2017
Caisse Populaire de Clare demand loan bearing interest at Prime plus 1.50% per month, repayable in annual principal payments of \$14,000. The loan matures on May 31, 2025.	\$ 97,483	\$ 111,483
Principal due in one year	<u>(14,000)</u>	<u>(14,000)</u>
	<u>\$ 83,483</u>	<u>\$ 97,483</u>

Principal repayment terms are approximately:

2019	\$ 14,000
2020	14,000
2021	14,000
2022	14,000
2023	14,000
Thereafter	<u>27,483</u>
	<u>\$ 97,483</u>

CLARE GOLF & COUNTRY CLUB LIMITED

Notes to Financial Statements

Year Ended December 31, 2018

4. LEASE COMMITMENTS

The company leases four (4) Yamaha Golf Cars under a long term lease that expires on May 01, 2021. Under the lease, the company is required to pay 6 monthly payments of \$506 from May to October each year. The golf cars have a purchase option of \$1,500 per car (\$6,000 total).

CLARE GOLF & COUNTRY CLUB LIMITED**Expenses
(Schedule 1)****Year Ended December 31, 2018**

	2018	2017
Advertising and promotion	\$ 3,154	\$ 3,937
Amortization	23,278	24,948
Dues & fees	8,360	8,613
Employee benefits	19,559	17,148
Insurance	10,864	10,589
Interest and bank charges	7,559	10,874
Interest on long term debt	5,268	5,199
Office	3,427	2,427
Pro shop expenses	339	804
Property taxes	15,538	15,446
Golf car leases <i>(Note 4)</i>	3,036	3,036
Repairs & maintenance - buildings	17,321	9,803
Repairs & maintenance - course	48,389	41,737
Repairs & maintenance - equipment	11,635	9,120
Repairs & maintenance - golf cars	3,690	3,744
Salaries and wages	244,705	235,305
Telephone	3,459	3,463
Travel	234	930
Trophies	386	321
Utilities	11,856	11,549
	\$ 442,057	\$ 418,993