

# **GABRIOLA GOLF & COUNTRY CLUB**

## **FINANCIAL STATEMENTS**

(Unaudited - See Notice to Reader)

**SEPTEMBER 30, 2009**

# GABRIOLA GOLF & COUNTRY CLUB

SEPTEMBER 30, 2009

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## **GABRIOLA GOLF & COUNTRY CLUB**

### **NOTICE TO READER**

On the basis of information provided by management, I have compiled the statement of financial position of Gabriola Golf & Country Club as at September 30, 2009 and the statements of operations and changes in net assets for the year then ended.

I have not performed an audit or a review engagement in respect of these financial statements and, accordingly, I express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Gabriola, B C  
November 18, 2009

CERTIFIED GENERAL ACCOUNTANT

# GABRIOLA GOLF & COUNTRY CLUB

## STATEMENT OF FINANCIAL POSITION (Unaudited - See Notice to Reader)

AS AT SEPTEMBER 30, 2009

### ASSETS

	2009	2008
<b>CURRENT</b>		
Cash	\$ 54,690	\$ 22,839
Accounts receivable	14,455	11,996
Inventory	18,395	17,929
Prepaid expenses	5,420	4,742
	92,960	57,506
<b>CAPITAL ASSETS (Note 3)</b>	200,848	205,650
	\$ 293,808	\$ 263,156

### APPROVED ON BEHALF OF THE MEMBERS:

\_\_\_\_\_ Chairman

\_\_\_\_\_ Treasurer

The accompanying notes are an integral part of these financial statements

# GABRIOLA GOLF & COUNTRY CLUB

## STATEMENT OF FINANCIAL POSITION (Unaudited - See Notice to Reader)

AS AT SEPTEMBER 30, 2009

### LIABILITIES

	2009	2008
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 32,097	\$ 38,561
Sales taxes payable	6,285	2,853
Payroll liabilities	3,958	3,795
Prepaid membership dues	70,481	63,670
Current portion long term debt	2,135	4,114
	114,956	112,993
<b>LONG TERM DEBT (Note 4)</b>	-	2,135
	-	2,135
	114,956	115,128
<b>NET ASSETS</b>		
<b>INVESTMENT IN CAPITAL ASSETS (Note 5)</b>	198,713	199,401
<b>RESTRICTED FUNDS (Note 6)</b>	15,778	10,998
<b>UNRESTRICTED FUNDS (DEFICIT)</b>	(35,639)	(62,371)
	178,852	148,028
	\$ 293,808	\$ 263,156

The accompanying notes are an integral part of these financial statements

# GABRIOLA GOLF & COUNTRY CLUB

## STATEMENT OF OPERATIONS

(Unaudited - See Notice to Reader)

### FOR THE YEAR ENDED SEPTEMBER 30, 2009

		2009	%	2008	%
<b>SALES</b>					
Food and beverages	\$	52,751	37.96	\$ 46,854	37.21
Golf supplies		6,431	4.63	7,508	5.96
Liquor		79,766	57.41	71,549	56.83
		138,948	100.00	125,911	100.00
<b>COST OF SALES</b>					
		69,786	50.22	64,384	51.13
<b>GROSS PROFIT</b>					
		69,162	49.78	61,527	48.87
<b>OTHER REVENUES (Schedule 1)</b>					
		271,854	79.72	262,083	80.99
<b>TOTAL REVENUES</b>					
		341,016	100.00	323,610	100.00
<b>EXPENSES</b>					
Accounting and legal	40.03	5,219	1.53	6,787	2.10
Advertising	40.04	2,435	0.71	4,961	1.53
Amortization	40.05	19,247	5.64	18,881	5.83
Clubhouse maintenance	40.07	12,245	3.59	13,463	4.16
Course maintenance	40.08	25,432	7.46	24,658	7.62
Insurance	40.09	6,102	1.79	5,574	1.72
Interest and bank charges	40.21	9,115	2.67	7,287	2.25
Licences & memberships	40.11	2,454	0.72	7,850	2.43
Office and miscellaneous	40.12	4,604	1.35	5,059	1.56
Power cart expenses	40.13	1,593	0.47	1,096	0.34
Property lease	40.14	58,550	17.17	58,686	18.13
Property taxes	40.15	5,936	1.74	5,885	1.82
Social events	40.16	-	-	292	0.09
Telephone	40.17	1,152	0.34	2,238	0.69
Travel	40.18	166	0.05	664	0.21
Utilities	40.19	13,656	4.00	17,714	5.47
Wages and benefits	40.02	142,287	41.72	156,607	48.39
		310,193	90.96	337,702	104.35
<b>SURPLUS (DEFICIT)</b>					
	\$	30,823		\$ (14,092)	

The accompanying notes are an integral part of these financial statements

# GABRIOLA GOLF & COUNTRY CLUB

## STATEMENT OF CHANGES IN NET ASSETS (Unaudited - See Notice to Reader)

### FOR THE YEAR ENDED SEPTEMBER 30, 2009

	2009	2008
<b>UNRESTRICTED FUNDS (DEFICIT),</b> beginning of year	\$ (62,370)	\$ (53,267)
<b>EXCESS (DEFICIT) OF REVENUE OVER</b> <b>EXPENDITURES</b>	30,823	(14,092)
	(31,547)	(67,359)
<b>INTERFUND TRANSFER</b>	(4,092)	4,988
<b>UNRESTRICTED FUNDS (DEFICIT), end</b> of year	(35,639)	(62,371)
<b>CAPITAL ASSETS (Note 5)</b>	198,713	199,401
<b>RESTRICTED FUNDS (Note 6)</b>	15,778	10,998
<b>NET ASSETS</b>	\$ 178,852	\$ 148,028

The accompanying notes are an integral part of these financial statements

# GABRIOLA GOLF & COUNTRY CLUB

## NOTES TO THE FINANCIAL STATEMENTS

(Unaudited - See Notice to Reader)

SEPTEMBER 30, 2009

### 1. NATURE OF BUSINESS

The Gabriola Golf and Country Club is a Society incorporated under the laws of British Columbia. It was established to maintain and conduct a golf course, clubhouse and other recreational conveniences for the pleasure, accomodation and enjoyment of members and their guests. The Society is exempt from income tax as a non profit organization.

### 2. SUMMARY OF ACCOUNTING POLICIES

(a) The association reports its activities on the fund accounting basis and follows the deferred method of recognition of externally designated contributions which matches the revenue to the related expenditure.

(b) **Inventory**

Inventory is recorded at the lower of cost and net realizable value.

(c) **Other Accounting Policies**

Contributed capital assets are recorded at fair value and the donated portion shown as a deferred contribution. The latter is taken into revenue at the same rate as the asset is amortized.

Contributed material and services are not recorded in the financial statements.

Pledges receivable are recorded when received.

(d) **Capital Assets**

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Driving range	- 20% straight line
Furniture & office equipment	- 10% straight line
Fairways & greens	- 0.5% straight line
Maintenance equipment	- 10% straight line
Buildings	- 5.0% straight line
Rental equipment	- 20% straight line

Additions during the year are amortized at one-half their normal rate and no amortization is taken in the year of disposition.

(e) **Other Revenue Recognition Points**

The cut-off date for donations is the same as the cut-off date for receipts issued in a year, and is based on the postage date on the envelope for mail, or the date the donation is received.

Legacies, or bequests are recorded when received.

The accompanying notes are an integral part of these financial statements



# GABRIOLA GOLF & COUNTRY CLUB

## NOTES TO THE FINANCIAL STATEMENTS

(Unaudited - See Notice to Reader)

**SEPTEMBER 30, 2009**

### 3. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2009	Net 2008
Fairways and greens	\$ 311,803	\$ 183,175	\$ 128,628	\$ 136,423
Driving range	6,719	6,719	-	-
Furniture and office equipment	59,261	46,354	12,907	14,842
Rental equipment	30,899	30,499	400	559
Maintenance equipment	182,020	139,306	42,714	35,139
Buildings	139,719	123,520	16,199	18,687
	<b>\$ 730,421</b>	<b>\$ 529,573</b>	<b>\$ 200,848</b>	<b>\$ 205,650</b>

### 4. LONG TERM DEBT

	2009	2008
Operating loan for the purchase of a Kubota tractor, amortized over 5 years at a rate of 5% compounded semi-annually. Semi-annual payments of \$ 2,187.97 are required in March and September of each year.	\$ 2,135	\$ 6,249
	2,135	6,249
Less portion included in current liabilities	(2,135)	(4,114)
	<b>\$ -</b>	<b>\$ 2,135</b>

The accompanying notes are an integral part of these financial statements

# GABRIOLA GOLF & COUNTRY CLUB

## NOTES TO THE FINANCIAL STATEMENTS

(Unaudited - See Notice to Reader)

**SEPTEMBER 30, 2009**

### 5. NET ASSETS INVESTED IN CAPITAL ASSETS

	2009	2008
Net capital assets, beginning of the year	\$ 199,401	\$ 212,726
Transfer amortization from operating fund	(19,247)	(18,881)
Transfer capital assets purchased from operating fund	14,445	1,640
Add debt repaid to purchase of capital assets	4,114	3,916
	\$ 198,713	\$ 199,401

### 6. RESTRICTED FUNDS

	2009	2008
<p>The Society's lease requires that all initiation fees received by the Society be placed into a capital account to be used only for capital expenditures subject to the approval of the lessor.</p>		
Capital improvement fund - initiation fees, opening balance	\$ 1,822	\$ (4,402)
Transfer current year fees received from operating fund	9,370	10,600
Transfer capital expenditures to operating fund	(4,114)	(4,376)
	7,078	1,822
<p>The Society's lessor donated \$12,791 in the current year to be placed into a capital account to be used only for capital expenditures subject to the approval of the lessor. The donation will be \$12,500 for 2009.</p>		
Capital improvement fund - Lessor, opening balance	\$ 9,176	\$ 7,064
Transfer current year donation from operating fund	12,792	12,792
Transfer current year expenditures to operating fund	(13,268)	(10,679)
	8,700	9,176
Restricted funds, ending balance	\$ 15,778	\$ 10,998

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# GABRIOLA GOLF & COUNTRY CLUB

## NOTES TO THE FINANCIAL STATEMENTS

(Unaudited - See Notice to Reader)

SEPTEMBER 30, 2009

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### 7. COMMITMENTS

In 1998 the Society entered into a lease of lands on which the golf course is situated. The lease covers a term of twenty-one years with an option to renew for a further twenty-one years at the end of the term. The major terms and conditions are eligible for review every seven years at the option of either the lessor or the lessee. The lease requires that annual rental be paid in the amount of 18% of certain gross revenue. The land reverts to the lessor upon expiration of the lease.

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# GABRIOLA GOLF & COUNTRY CLUB

## NOTES TO THE FINANCIAL STATEMENTS (Unaudited - See Notice to Reader)

SEPTEMBER 30, 2009

### SCHEDULE 1

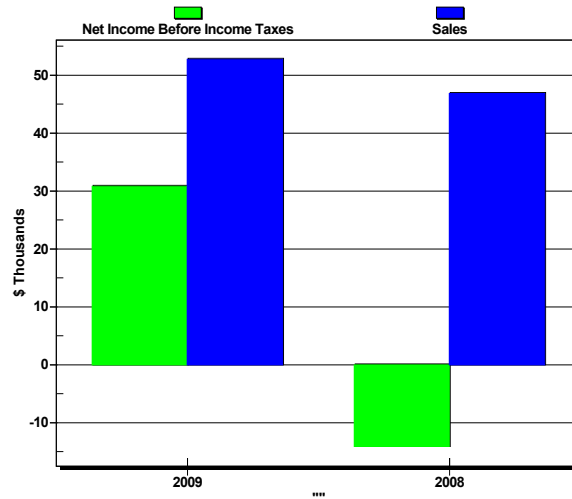
#### OTHER REVENUES

	2009	2008
Commissions and Miscellaneous	\$ 565	\$ 5,018
Donations and Grants	23,011	16,256
Green Fees	83,741	81,672
Hall, Equipment Rentals and Driving Range	34,364	35,795
Initiation Fees	9,370	10,600
Membership Fees	120,803	112,269
Special Levy	-	473
	\$ 271,854	\$ 262,083

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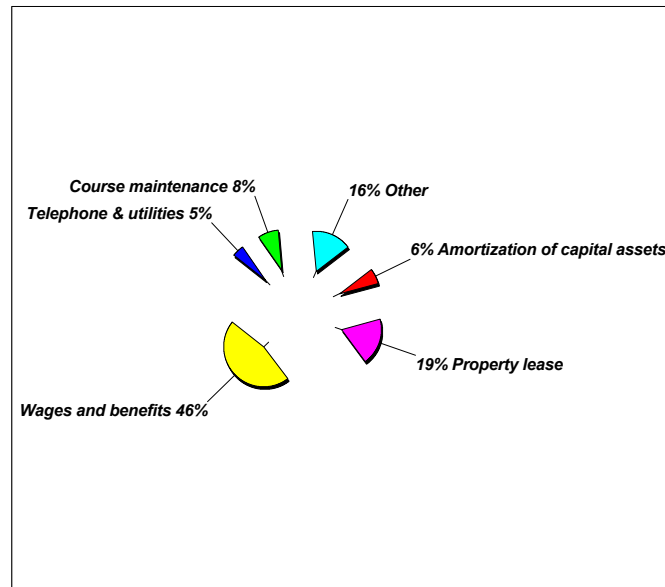
# GABRIOLA GOLF & COUNTRY CLUB

## Financial Highlights



## Expenses

Current Year



The accompanying notes are an integral part of these financial statements