

**Big Cedar Point Golf and Country
Club
Financial Statements
For the Year Ended November 30, 2024**

Big Cedar Point Golf and Country Club
Financial Statements
For the Year Ended November 30, 2024

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Independent Practitioner's Review Engagement Report

To the shareholders of Big Cedar Point Golf & Country Club

We have reviewed the accompanying financial statements of Big Cedar Point Golf & Country Club that comprise the statement of financial position as at November 30, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Big Cedar Point Golf & Country Club as at November 30, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Barrie, Ontario
March 6, 2025

Big Cedar Point Golf and Country Club Statement of Financial Position

November 30	2024	2023
Assets		
Current		
Cash	\$ 13,788	\$ 156,147
Short-term investments (Note 2)	483,489	411,826
Accounts receivable	37,207	802
Inventories (Note 3)	18,969	23,248
Prepaid expenses	1,371	5,000
	554,824	597,023
Long-term investments (Note 2)	103,236	-
Tangible capital assets (Note 4)	603,292	644,023
	\$ 1,261,352	\$ 1,241,046
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 32,491	\$ 51,201
Government remittance payable	20,410	17,502
Unearned revenue	5,300	27,577
Current portion of obligations under capital lease (Note 5)	4,179	10,151
	62,380	106,431
Long-term debt (Note 6)	740,500	705,250
Obligations under capital lease (Note 5)	10,353	10,034
Deferred capital contributions related to tangible capital assets (Note 7)	9,845	10,461
	823,078	832,176
Net assets		
Unrestricted	398,674	369,170
Share capital (Note 8)	39,600	39,700
	438,274	408,870
	\$ 1,261,352	\$ 1,241,046

The accompanying notes are an integral part of these financial statements.

Big Cedar Point Golf and Country Club Statement of Changes in Net Assets

For the year ended November 30	Unrestricted	2024 Total	2023 Total
Balance, beginning of the year	\$ 369,170	\$ 369,170	\$ 387,225
Excess (deficiency) of revenue over expenses	29,504	29,504	(18,055)
Balance, end of the year	\$ 398,674	\$ 398,674	\$ 369,170

The accompanying notes are an integral part of these financial statements.

Big Cedar Point Golf and Country Club Statement of Operations

For the year ended November 30	2024	2023
Revenue		
Annual dues	\$ 337,992	\$ 262,255
Concession	117,795	83,200
Green fees	252,775	210,817
Lounge	234,050	222,678
Pro shop	13,495	12,503
Rentals	105,027	100,468
Tournaments and events	16,939	21,572
Simulator	36,498	28,937
	<u>1,114,571</u>	<u>942,430</u>
Expenses		
Amortization of tangible capital assets	63,747	64,459
Bad debt	-	733
Bookkeeping	5,606	8,508
Concession	69,587	57,506
Employee benefits	7,229	11,374
Equipment leasing	22,986	21,034
Events	1,405	1,837
Green fees	11,787	-
Insurance	22,241	20,099
Interest on long-term debt	427	2,873
Lounge	97,229	96,908
Maintenance - clubhouse, grounds	8,748	11,284
Maintenance - course	95,929	68,848
Maintenance - equipment	23,355	14,886
Office	46,464	43,827
Pro shop	16,882	12,975
Professional fees	30,206	10,895
Property taxes	11,209	8,641
Telephone	7,740	1,100
Travel	2,678	4,193
Utilities	15,161	18,663
Wages	515,522	452,578
	<u>1,076,138</u>	<u>933,221</u>
Excess of revenue over expenses before other income (expenses)	<u>38,433</u>	<u>9,209</u>
Other income (expenses)		
Interest on GIC	24,899	11,869
Interest on BCA loan	(35,427)	(45,723)
Other	1,599	6,590
	<u>(8,929)</u>	<u>(27,264)</u>
Excess (deficiency) of revenue over expenses	<u>\$ 29,504</u>	<u>\$ (18,055)</u>

The accompanying notes are an integral part of these financial statements.

Big Cedar Point Golf and Country Club Statement of Cash Flows

For the year ended November 30	2024	2023
Cash flows from operating activities		
Excess (deficiency) of revenue over expenses before taxes	\$ 29,504	\$ (18,055)
Items not affecting cash:		
Amortization of tangible capital assets	63,747	64,459
Amortization of deferred contributions	(616)	(616)
Gain on disposal of tangible capital assets	-	(9,522)
	92,635	36,266
Changes in non-cash working capital:		
Accounts receivable	(36,405)	10,557
Inventories	4,279	(1,579)
Prepaid expenses	3,629	3,117
Accounts payable and accrued liabilities	(18,710)	26,896
Government remittance payable	2,908	3,702
Unearned revenue	(22,277)	(23,752)
Increase in accrued interest on BCA loan	35,250	45,723
	61,309	100,930
Cash flows from investing activities		
Purchase of tangible capital assets	(23,016)	(73,318)
Increase in investments	(174,899)	(411,826)
Asset held in trust	-	548,574
	(197,915)	63,430
Cash flows from financing activities		
Repayment of obligations under capital lease	(5,653)	(7,770)
Redemption of shares	(100)	(300)
Option contract price	-	(25,000)
Repayment of CEBA loan	-	(40,000)
	(5,753)	(73,070)
Net (decrease) increase in cash	(142,359)	91,290
Cash, beginning of the year	156,147	64,857
Cash, end of the year	\$ 13,788	\$ 156,147

The accompanying notes are an integral part of these financial statements.

Big Cedar Point Golf and Country Club

Notes to Financial Statements

November 30, 2024

1. Significant Accounting Policies

Nature and Purpose of Organization	Big Cedar Point Golf and Country Club Limited (the "Club") was incorporated on October 24, 1931 to carry on the pastime of golfing without purpose or gain for its shareholders. The Charter states the Directors shall serve without compensation and that any profits or other accretions to the Club be used in promoting its objectives. The Club is subject to income taxes under the Income Tax Act.
Basis of Accounting	The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations (ASNPO).
Revenue Recognition	<p>The Club follows the deferral method of accounting for contributions.</p> <p>Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.</p> <p>Membership revenue is taken into operations in the period in which it is earned. Memberships paid in advance are deferred until the golfing season commences.</p> <p>Interest revenue is recognized when earned.</p> <p>All other revenue is recognized when earned and there is reasonable assurance of collection.</p>

Big Cedar Point Golf and Country Club

Notes to Financial Statements

November 30, 2024

1. Significant Accounting Policies (continued)

Financial Instruments

Financial instruments are recorded at fair value at initial recognition.

In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in operations. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

The Club's financial instruments comprise cash and short-term investments which is recorded at fair value and accounts receivable, accounts payable and accrued liabilities, government remittances payable, long-term debt and obligations under capital lease which are recorded at amortized cost.

Big Cedar Point Golf and Country Club

Notes to Financial Statements

November 30, 2024

1. Significant Accounting Policies (continued)

Tangible Capital Assets Purchased tangible capital assets are stated at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution, unless fair value is not determinable in which case contributed tangible capital assets are recorded at nominal value at the date of contribution. Contributed tangible capital assets are subsequently amortized. Expenditures for repairs and maintenance are expensed as incurred. Betterments that extend the useful life of the tangible capital asset are capitalized.

Amortization based on the estimated useful life of the asset is calculated as follows:

	Method	Rate
Building	Straight-line	25 years
Easement	Straight-line	21 years
Parking lot	Declining balance	8%
Irrigation	Declining balance	15%
Furniture and fixtures	Declining balance	20%
Computer equipment	Declining balance	30%
Equipment	Declining balance	30%
Motor vehicles	Declining balance	30%
Simulator trackman	Declining balance	20%
Equipment under capital lease obligations	Declining balance	30%

The Club regularly reviews its tangible capital assets to eliminate obsolete items. Government grants are treated as a reduction on property, plant and equipment cost.

Impairment of Long-Lived Assets The Club tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Inventories Inventories are stated at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis.

Big Cedar Point Golf and Country Club

Notes to Financial Statements

November 30, 2024

1. Significant Accounting Policies (continued)

Leases

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a capital lease. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of the lease. Assets recorded under capital leases are amortized on a straight-line basis over the term of the lease, which is the estimated useful life of the assets.

All other leases are accounted for as operating leases wherein rental payments are expensed on a straight line basis.

Income Taxes

The Club uses the income taxes payable method of accounting for income taxes. Under this method, the Club reports as an expense (income) of the period only the cost (benefit) of current income taxes determined in accordance with the rules established by taxation authorities.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The principal estimates used in the preparation of these financial statements are the fair values of financial instruments. Actual results could differ from management's best estimates as additional information becomes available in the future.

Big Cedar Point Golf and Country Club Notes to Financial Statements

November 30, 2024

2. Investments

	2024	2023
Short-term Investments:		
Guaranteed Investment Certificate, Toronto Dominion Bank, 4.20%, matured December 19, 2023	\$ -	\$ 100,000
Guaranteed Investment Certificate, Canadian Western Bank, 4.68%, matured March 25, 2024	-	100,000
Guaranteed Investment Certificate, Equitable Bank, 4.71%, matured March 25, 2024	-	100,000
Guaranteed Investment Certificate, Laurentian Bank, 4.70%, matured March 25, 2024	-	100,000
Guaranteed Investment Certificate, Toronto Dominion Bank, 5.05%, maturing January 15, 2025	103,100	-
Guaranteed Investment Certificate, Canadian Western Bank, 5.10%, maturing April 1, 2025	100,000	-
Guaranteed Investment Certificate, Laurentian Bank, 5.11%, maturing April 1, 2025	114,000	-
Guaranteed Investment Certificate, Toronto Dominion Bank, 3.35%, maturing April 24, 2025	75,000	-
Guaranteed Investment Certificate, Toronto Dominion Bank, 3.90%, maturing October 10, 2025	77,204	-
Cash	420	-
Accrued interest	13,765	11,826
	\$ 483,489	\$ 411,826
Long-term Investment:		
Guaranteed Investment Certificate, Bank of Canada, 4.86%, matured April 1, 2026	\$ 100,000	\$ -
Accrued interest	3,236	-
	\$ 103,236	\$ -

The carrying value plus accrued interest of the investments approximates market value as at November 30, 2024

Big Cedar Point Golf and Country Club Notes to Financial Statements

November 30, 2024

3. Inventories

Inventories on hand at year end consists of the following:

	2024	2023
Beverage	\$ 5,083	\$ 8,030
Pro Shop	4,673	7,543
Outdoor Supplies	5,000	5,000
Concessions	4,213	2,675
	\$ 18,969	\$ 23,248

Inventory expensed during the year amounted to \$184,341 (2023 - \$169,432).

4. Tangible Capital Assets

	2024		2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 9,881	\$ -	\$ 9,881	\$ -
Course improvements	265,121	-	265,121	-
Buildings	796,763	571,775	785,453	539,974
Equipment	482,457	466,152	478,378	460,038
Irrigation	122,100	117,996	122,100	117,145
Simulator trackman	59,331	34,913	59,035	28,808
Furniture and fixtures	59,389	49,908	53,009	47,475
Parking lot	60,988	39,388	60,988	34,652
Easement	4,379	4,379	4,379	4,379
Computer equipment	951	262	-	-
Equipment under capital lease	63,648	36,943	63,648	25,498
	\$ 1,925,008	\$ 1,321,716	\$ 1,901,992	\$ 1,257,969
		\$ 603,292		\$ 644,023

During the year, tangible capital assets were acquired at an aggregate cost of \$23,016 (2023 - \$121,619) of which \$23,016 (2023 - \$73,318) was paid in cash and \$NIL (2023 - \$48,301) was financed via a capital lease.

Big Cedar Point Golf and Country Club Notes to Financial Statements

November 30, 2024

5. Capital Lease Obligations

	2024	2023
Obligations under equipment lease, interest at 5.0%, blended monthly payments \$802, 6 months on and 6 months off, maturing August 2027	\$ 14,532	\$ 18,917
Obligations under equipment lease, interest at 4.75%, blended monthly payments of \$237, matured October 2024 and is secured by equipment with net book value of \$2,634.	-	1,268
Current portion	14,532 (4,179)	20,185 (10,151)
	\$ 10,353	\$ 10,034

Future minimum lease payments under the capital leases for subsequent years are as follows:

2025	\$	4,812	
2026		4,812	
2027		5,517	
		15,141	
Less: imputed interest		(609)	
		\$ 14,532	

Big Cedar Point Golf and Country Club Notes to Financial Statements

November 30, 2024

6. Long-Term Debt

	2024	2023
BCA Loan, interest at 5% per annum compounded and capitalized annually, secured by collateral security charge over the golf course.	\$ 650,000	\$ 650,000
Accrued interest	90,500	55,250
	\$ 740,500	\$ 705,250

The Big Cedar Association ("BCA") was established to raise funds for the Club. The BCA is incorporated as a not-for-profit corporation under the Canada Not-for-Profit Corporations Act.

The Club entered into the above loan agreement with the BCA in August 30, 2022. The loan was executed along with the agreement to provide BCA an option to purchase the real property and building located at 1590 Houston Avenue, Innisfil, Ontario and all of the chattels, fixtures, equipment, assets, property used by the Club ("optioned property") continuing in perpetuity.

The option may only be exercised upon occurrence of any one of the following:

- (i) the Club repays the indebtedness,
- (ii) the Club, by its Board approves to accept an offer to purchase the optioned property, or
- (iii) a triggering event under the terms of the agreement occurs

The Club is permitted under the loan agreement to repay the loan and accrued interest at any time after November 30, 2026. The BCA becomes entitled to demand repayment of the loan and accrued interest only in the event of default as defined in the loan agreement.

7. Deferred Capital Contributions Related to Tangible Capital Assets

	2024	2023
Beginning balance, deferred contribution	\$ 10,461	\$ 11,077
Less: amounts recognized as revenue in the year	(616)	(616)
Ending balance	\$ 9,845	\$ 10,461

Big Cedar Point Golf and Country Club Notes to Financial Statements

November 30, 2024

8. Share Capital

	<u>2024</u>	<u>2023</u>
Issued and outstanding shares:		
396 (2023 - 397) common shares, voting, with stated value of \$100 per share, redeemable at \$100	<u>\$ 39,600</u>	<u>\$ 39,700</u>

During the year, there was a redemption of one (2023 - three) shares for \$100 (2023 - \$300).

9. Financial Instruments

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Club is exposed to credit risk from customers. In order to reduce its credit risk, the Club reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Club has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the Club will encounter difficulty in meeting its obligations associated with financial liabilities. The Club is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, and accounts payable.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In seeking to minimize the risks from interest rate fluctuations, the Club manages exposure through its normal operating and financing activities. The Club is exposed to interest rate risk primarily through its fixed interest rates on the BCA loan and the GICs.

There have not been any changes in the risk from prior year.

Big Cedar Point Golf and Country Club Notes to Financial Statements

November 30, 2024

10. Comparative Amounts

Certain comparative amounts presented in the financial statements have been reclassified to conform to the current year's presentation.
