

**TURNER VALLEY GOLF
AND COUNTRY CLUB**

FINANCIAL STATEMENTS

December 31, 2020

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December 31, 2020

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of
Turner Valley Golf and Country Club

We have reviewed the accompanying financial statements of Turner Valley Golf and Country Club that comprise the statement of financial position as at December 31, 2020, 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 and directors' Responsibility for the Financial Statements

Management and directors are 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 and directors determine 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.

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT, continued

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 Turner Valley Golf and Country Club as at December 31, 2020, 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.

High River, Alberta
April 7, 2021

TRANSCEND LLP

Chartered Professional Accountants



TURNER VALLEY GOLF AND COUNTRY CLUB

STATEMENT OF OPERATIONS

Year ended December 31, 2020

| | 2020 | 2019 |
|---|-------------------|---------------------|
| REVENUES | | |
| Pro shop operations, Schedule 1 | \$ 1,149,837 | \$ 1,100,339 |
| Administration operations, Schedule 2 | 541,452 | 510,054 |
| Food and beverage operations, Schedule 3 | 406,461 | 525,538 |
| Course and grounds operations, Schedule 4 | 5,994 | 1,646 |
| | <u>2,103,744</u> | <u>2,137,577</u> |
| COST OF SALES | | |
| Pro shop operations, Schedule 1 | 192,812 | 237,086 |
| Food and beverage operations, Schedule 3 | 164,217 | 216,417 |
| | <u>357,029</u> | <u>453,503</u> |
| GROSS PROFIT | <u>1,746,715</u> | <u>1,684,074</u> |
| EXPENDITURES | | |
| Pro shop operations, Schedule 1 | 224,533 | 209,705 |
| Administration operations, Schedule 2 | 502,597 | 525,669 |
| Food and beverage operations, Schedule 3 | 217,742 | 277,586 |
| Course and grounds operations, Schedule 4 | 505,482 | 535,300 |
| | <u>1,450,354</u> | <u>1,548,260</u> |
| EXCESS OF REVENUES OVER EXPENDITURES FROM OPERATIONS | <u>296,361</u> | <u>135,814</u> |
| OTHER INCOME (EXPENSES) | | |
| Wage subsidy | 128,632 | - |
| Debt forgiveness | 10,000 | - |
| Gain (loss) on sale of property, plant and equipment | (17,649) | - |
| Administration operations, Schedule 2 | (49,400) | - |
| Amortization | (254,416) | (271,465) |
| Gift certificate write off after 5 year period | - | 7,461 |
| | <u>(182,833)</u> | <u>(264,004)</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>\$ 113,528</u> | <u>\$ (128,190)</u> |

The accompanying notes form an integral part of the financial statements

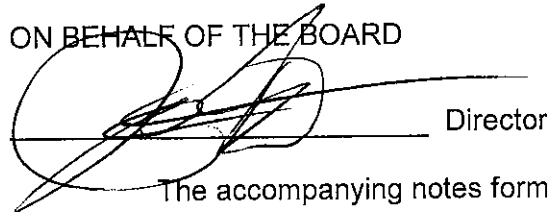
TURNER VALLEY GOLF AND COUNTRY CLUB

STATEMENT OF FINANCIAL POSITION

December 31, 2020

| | 2020 | 2019 |
|--|--------------|--------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 170,313 | \$ 2,187 |
| Accounts receivable (Note 3) | 75,406 | 13,367 |
| Inventory (Note 4) | 66,905 | 94,442 |
| Prepaid expenses | 15,486 | 43,206 |
| | 328,110 | 153,202 |
| PROPERTY, PLANT AND EQUIPMENT (Note 5) | 1,791,422 | 1,708,691 |
| | \$ 2,119,532 | \$ 1,861,893 |

ON BEHALF OF THE BOARD


Director

The accompanying notes form an integral part of the financial statements

TURNER VALLEY GOLF AND COUNTRY CLUB

STATEMENT OF FINANCIAL POSITION, continued

December 31, 2020

| | 2020 | 2019 |
|---|---------------------|---------------------|
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued liabilities | \$ 57,627 | \$ 77,672 |
| Salaries payable | 5,910 | 1,784 |
| Deferred revenue (Note 6) | 105,602 | 114,945 |
| Loan payable (Note 7) | 30,000 | - |
| Bank loan (Note 8) | - | 434,464 |
| Due to government agencies | 1,474 | 269 |
| Current portion of long-term debt | 60,000 | 585,802 |
| Current portion of capital lease obligation | 95,118 | 206,487 |
| | <u>355,731</u> | <u>1,421,423</u> |
| LONG-TERM DEBT (Note 9) | 840,000 | - |
| CAPITAL LEASE OBLIGATION (Note 10) | <u>410,676</u> | <u>44,173</u> |
| | <u>1,606,407</u> | <u>1,465,596</u> |
| SHARE CAPITAL (Note 11) | | |
| 310 common voting shares | 93,000 | 89,700 |
| NET ASSETS | <u>420,125</u> | <u>306,597</u> |
| | <u>513,125</u> | <u>396,297</u> |
| | <u>\$ 2,119,532</u> | <u>\$ 1,861,893</u> |

The accompanying notes form an integral part of the financial statements

TURNER VALLEY GOLF AND COUNTRY CLUB

STATEMENT OF CHANGES IN NET ASSETS

Year ended December 31, 2020

| | 2020 | 2019 |
|---|------------|------------|
| NET ASSETS, BEGINNING OF YEAR | \$ 306,597 | \$ 434,787 |
| Excess (deficiency) of revenues over expenditures | 113,528 | (128,190) |
| NET ASSETS, END OF YEAR | \$ 420,125 | \$ 306,597 |

The accompanying notes form an integral part of the financial statements

TURNER VALLEY GOLF AND COUNTRY CLUB

STATEMENT OF CASH FLOWS

Year ended December 31, 2020

| | 2020 | 2019 |
|---|-------------------|------------------|
| OPERATING ACTIVITIES | | |
| Excess (deficiency) of revenues over expenditures | \$ 113,528 | \$ (128,190) |
| Adjustments for | | |
| Amortization | 254,416 | 271,465 |
| Loss on sale of property, plant and equipment | 17,649 | - |
| | <u>385,593</u> | <u>143,275</u> |
| Change in non-cash working capital items | | |
| Decrease (increase) in accounts receivable | (62,039) | 3,659 |
| Decrease (increase) in inventory | 27,537 | (2,061) |
| Decrease (increase) in prepaid expenses | 27,720 | (21,022) |
| Increase (decrease) in accounts payable and accrued liabilities | (20,043) | (10,318) |
| Increase in salaries payable | 4,126 | 1,004 |
| Increase (decrease) in deferred revenue | (9,343) | (15,695) |
| Increase in loan payable | 30,000 | - |
| Increase (decrease) in grant advance | - | (26,530) |
| Increase (decrease) in due to government agencies | 1,205 | (2,028) |
| | <u>384,756</u> | <u>70,284</u> |
| INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (545,598) | (132,612) |
| Proceeds on disposal of property, plant and equipment | 190,800 | - |
| | <u>(354,798)</u> | <u>(132,612)</u> |
| FINANCING ACTIVITIES | | |
| Bank loan | (434,464) | 134,464 |
| Repayment of long-term debt | - | (53,255) |
| Proceeds of long-term debt | 314,198 | - |
| Repayment of capital lease obligation | (211,887) | (14,329) |
| Proceeds of capital lease obligation | 467,021 | - |
| Issuance (redemption) of share capital | 3,300 | (8,400) |
| | <u>138,168</u> | <u>58,480</u> |
| INCREASE (DECREASE) IN CASH | 168,126 | (3,848) |
| CASH, BEGINNING OF YEAR | 2,187 | 6,035 |
| CASH, END OF YEAR (Note 2) | \$ 170,313 | \$ 2,187 |

The accompanying notes form an integral part of the financial statements

TURNER VALLEY GOLF AND COUNTRY CLUB

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

1. DESCRIPTION OF OPERATIONS

Turner Valley Golf and Country Club was registered as a not for profit organization on February 24, 1971. The Club is dedicated to the promotion of leisure sports and community activities through the operating of a golf course.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Club applies the Canadian accounting standards for not-for-profit organizations.

REVENUE RECOGNITION

Government assistance for operating expenses received as a result of the Government of Canada COVID response programs is recognized as revenue in the period to which it relates.

Revenue is recognized for members' fees when they become due. Other revenue, including Pro Shop and Food & Beverage, is recognized when a sale has been completed or a service has been provided. Payment is due at the time of sale for non-members. Members may charge the sale to their account.

INCOME TAXES

The Club is exempt from income taxes as per paragraph 149(1)(l) of the Income Tax Act of Canada.

CASH AND CASH EQUIVALENTS

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date. The Club's position through the year will fluctuate from having cash on deposit to an overdraft position.

INVENTORY

Inventory is valued at the lower of cost and net realizable value. Cost is determined using the weighted average method.

DEFERRED REVENUE

Deferred revenue represents fees received in advance. Membership and admission fees for new members are recognized as revenue when the member is admitted into membership.

TURNER VALLEY GOLF AND COUNTRY CLUB

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recorded at cost. The Club provides for amortization using the straight-line method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. One half of the year's amortization is recorded in the year of acquisition. No amortization is recorded in the year of disposal. The annual amortization rates are as follows:

| | |
|---------------------------------|-----|
| Buildings | 5% |
| Roads & parking | 7% |
| Clubhouse furniture & equipment | 15% |
| Computer equipment | 20% |
| Computer software | 20% |
| Course machinery & equipment | 15% |
| Irrigation equipment | 5% |
| Asset under capital lease | 15% |
| Course improvements | 4% |

Grants received for the purpose of purchasing assets are recognized in the year that the asset is available for use. Grants are recorded net of the cost of the asset purchased in the year.

The estimated useful lives of assets are reviewed by management and its directors and adjusted if necessary.

LEASES

Leases are classified as either capital or operating leases. Leases that transfer substantially all of the benefits and inherent risks of ownership of property to the Club are accounted for as capital leases. At the time a capital lease is entered into, an asset is recorded together with its related long-term obligation to reflect the acquisition and financing. Equipment recorded under capital leases is amortized on the same basis as described above. Payments under operating leases are expensed as incurred.

FUND ACCOUNTING DEFERRED

The Club follows the deferral method of accounting for contributions which could include grants or donations.

Restricted contributions, if received, are recognized as revenue in the year in which the related expenses are made. Unrestricted contributions, if received, are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

TURNER VALLEY GOLF AND COUNTRY CLUB

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

MEASUREMENT UNCERTAINTY

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 revenues and expenses during the period. Significant areas requiring the use of estimates include: inventory, amortization and valuation of long lived assets. Inventory is evaluated for slow moving or obsolete items and is written down when necessary. Amortization is reviewed to ensure property and equipment are being amortized on a consistent and reasonable basis. Actual results may differ from management's best estimates as additional information becomes available in the future.

FINANCIAL INSTRUMENTS

(i) Measurement of financial instruments

The Club initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. Amounts due to and from related parties are measured at the exchange amount, being the amount agreed upon by the related parties.

The Club subsequently measures its financial assets and financial liabilities at amortized cost, except for derivatives and equity securities quoted in an active market, which are subsequently measured at fair value. Forward exchange contracts and interest rate swaps that are not hedging items are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, capital lease obligations and long-term debt.

(ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income.

TURNER VALLEY GOLF AND COUNTRY CLUB

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

3. ACCOUNTS RECEIVABLE

Included in accounts receivable is the amount of \$37,761 representing wage subsidy receivable under the Government of Canada COVID response programs.

4. INVENTORY

| | 2020 | 2019 |
|-------------------|------------------|------------------|
| Pro Shop | \$ 61,226 | \$ 87,207 |
| Food and beverage | 5,679 | 7,235 |
| | <u>\$ 66,905</u> | <u>\$ 94,442</u> |

5. PROPERTY, PLANT AND EQUIPMENT

| | Cost | Accumulated amortization | 2020 Net book value | 2019 Net book value |
|------------------------------------|---------------------|-----------------------------|---------------------------|---------------------------|
| Land | \$ 230,323 | \$ - | \$ 230,323 | \$ 230,323 |
| Buildings | 2,257,556 | 1,849,438 | 408,118 | 439,586 |
| Roads & parking | 205,774 | 197,026 | 8,748 | 9,871 |
| Clubhouse furniture & equipment | 519,849 | 509,891 | 9,958 | 20,671 |
| Course improvements | 2,848,056 | 2,308,825 | 539,231 | 613,339 |
| Computer equipment | 53,531 | 34,677 | 18,854 | 4,603 |
| Computer software | 28,919 | 28,919 | - | 1,050 |
| Course machinery & equipment | 666,060 | 636,141 | 29,919 | 51,844 |
| Irrigation equipment | 466,174 | 437,875 | 28,299 | 30,214 |
| | <u>7,276,242</u> | <u>6,002,792</u> | <u>1,273,450</u> | <u>1,401,501</u> |
| Asset under capital lease | 888,971 | 370,999 | 517,972 | 307,190 |
| | <u>\$ 8,165,213</u> | <u>\$ 6,373,791</u> | <u>\$ 1,791,422</u> | <u>\$ 1,708,691</u> |

TURNER VALLEY GOLF AND COUNTRY CLUB

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

6. DEFERRED REVENUE

Deferred revenue consists of the golf club membership/dues for the 2021 season sold at a discounted rate and gift certificates for restaurant and pro shop.

| | 2020 | 2019 |
|------------------------|-------------------|-------------------|
| Annual dues | \$ 59,265 | \$ 60,069 |
| Prepaid memberships | 13,705 | 23,849 |
| Gift certificates | 22,073 | 19,691 |
| Other deferred revenue | 10,559 | 11,336 |
| | <u>\$ 105,602</u> | <u>\$ 114,945</u> |

7. LOAN PAYABLE

Canada Emergency Business Account (CEBA) - The Club received \$40,000 under the Government of Canada COVID response programs. 25% of the loan is eligible for loan forgiveness, of up to \$10,000, if it is fully repaid on or before December 31, 2022. As at the year end date the \$10,000 has been included in other income. If the loan balance is not repaid by December 31, 2022, the remaining balance plus the previous forgivable portion converts to a 3-year term loan with a 5% fixed interest rate per annum. Interest only payments will required on a monthly basis with the outstanding principal due in full by December 31, 2025.

8. BANK LOAN

A bank loan has been authorized by the bank to a maximum of \$250,000 (2019 - \$450,000) and bears interest at the bank's prime lending rate plus 1 % (2019 - 1.0%). The effective interest rate at year end was 3.45%. This facility is secured by the same general security agreement mentioned in Note 7. At year end \$0 had been utilized (2019 - \$434,464). In addition to the bank loan the Club holds a credit card with a \$20,000 limit of which \$2,685 was utilized at year end (2019 - \$3,950), interest rate is 16.99% if not paid in full monthly however the club pays the MasterCard in full each month to avoid the interest.

TURNER VALLEY GOLF AND COUNTRY CLUB

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

9. LONG-TERM DEBT

| | 2020 | 2019 |
|---|------------|------------|
| Demand Mortgage - annual principal payments of \$60,000 plus interest at a fixed interest rate of 3.80%. Matures June 1, 2025. Secured by a first charge mortgage authorized up to \$2,000,000 over buildings, land and improvements plus a general security agreement providing a first charge on all present and after-acquired assets. The net book value of the secured assets is \$1,147,418 (2019 - \$1,208,656). | \$ 900,000 | \$ 585,802 |
| Less current portion | 60,000 | 585,802 |
| Due beyond one year | \$ 840,000 | \$ - |

The Club is required to maintain a debt to equity ratio of no greater than 3:1, a current ratio of no less than 1.25:1, and annual debt service coverage ratio of no less than 1.00:1. The Club is in compliance with these covenants as of the balance sheet date

Estimated principal repayments per the agreement are as follows:

| | |
|------------------|-------------------|
| 2021 | \$ 60,000 |
| 2022 | 60,000 |
| 2023 | 60,000 |
| 2024 | 60,000 |
| 2025 | 60,000 |
| Subsequent years | 600,000 |
| | <u>\$ 900,000</u> |

10. CAPITAL LEASE OBLIGATION

| | 2020 | 2019 |
|--|------------|-----------|
| Capital lease contract. Payable in monthly payments of \$13,925 including interest at 5.637% May 1 - November 1 each year until July 2025. The net book value of secured assets is \$440,518. Accrued interest included in accounts payable. | \$ 440,229 | \$ - |
| Capital lease contract. Payable in monthly payments of \$2,788 including interest at 8.00% May 1 - October 1 of each year until October 2023. The net book value of the secured assets is \$53,967 (2019 - \$64,412). Accrued interest included in accounts payable. | 44,173 | 56,696 |
| Carried forward | \$ 484,402 | \$ 56,696 |

TURNER VALLEY GOLF AND COUNTRY CLUB

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

10. CAPITAL LEASE OBLIGATION, continued

| | 2020 | 2019 |
|--|------------|-----------|
| Carried forward | \$ 484,402 | \$ 56,696 |
| Capital lease contract. Payable in monthly payments of \$1,950 including interest at 5.29% May 1 - October 1 until October 2020. As at the balance sheet date, the buy out option of \$21,392 plus interest will be exercised and represents the amount owing. The net book value of the assets secured is \$23,488 (2019 - \$34,328). Accrued interest included in accounts payable. | 21,392 | 31,702 |
| Capital lease contract paid in full in the year. | - | 162,262 |
| | 505,794 | 250,660 |
| Less current portion | 95,118 | 206,487 |
| Due beyond one year | \$ 410,676 | \$ 44,173 |
| Estimated principal repayments are as follows: | | |
| 2021 | \$ 95,118 | |
| 2022 | 78,227 | |
| 2023 | 82,409 | |
| 2024 | 70,869 | |
| 2025 | 179,171 | |
| | \$ 505,794 | |

11. SHARE CAPITAL

| | 2020 | 2019 |
|------------------------------------|-----------|-----------|
| Issued 310 common voting shares | \$ 93,000 | \$ 89,700 |
| Changes in share capital | | |
| | Number | Amount |
| Balance December 31, 2019 | 299 | \$ 89,700 |
| Redeemed | (20) | (6,000) |
| Suspended | (2) | (600) |
| Issued | 33 | 9,900 |
| Balance December 31, 2020 | 310 | \$ 93,000 |

TURNER VALLEY GOLF AND COUNTRY CLUB

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

12. COVID-19

Events have occurred as a result of the COVID-19 (coronavirus) pandemic that have caused economic uncertainty. The duration and impact of the COVID-19 pandemic on operations of the Club, as well as the effectiveness of government responses, remain unclear at this time.

13. CONTINGENT LIABILITY

The Club is contingently liable to repay the forgivable portion of the Canada Emergency Business Account (CEBA) if it does not meet the terms of the loan agreement. The likelihood of any liability under this agreement cannot be reasonably determined and as such no liability has been accrued in these financial statements.

14. FINANCIAL INSTRUMENTS

The Club is exposed to various financial risks through transactions in financial instruments. The following provides helpful information in assessing the extent of the Company's exposure to these risks.

(a) FAIR VALUE

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. The fair value of long-term financial liabilities approximates their carrying value based on the presumption that the Club is a going concern and thus expects to fully repay the outstanding amounts. There has been no change from the risk exposure in 2019.

(b) 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's main credit risk relates to its accounts receivable \$37,645 (2019 - \$13,367). The Club reduces this risk by performing credit evaluations on its customers on a continuous basis; granting credit upon a review of the credit history of the applicant and creating an allowance for bad debts when applicable. The Club maintains strict credit policies and limits in respect to counterparties. In the opinion of management the credit risk exposure to the Club is low and is not material. There has been no change from the risk exposure in 2019.

TURNER VALLEY GOLF AND COUNTRY CLUB

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

14. FINANCIAL INSTRUMENTS, continued

(c) LIQUIDITY RISK

Liquidity risk is the risk that the Club will encounter difficulty in meeting obligations associated with financial liabilities. The Club is exposed to this risk mainly in respect of its bank indebtedness, accounts payable and accrued liabilities, various long-term debt agreements, obligations under capital leases and operating lease commitments. The club reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; maintains an adequate line of credit to repay trade creditors and repays long term debt interest and principal as they become due. In the opinion of management the liquidity risk exposure to the Club is low and is not material. There has been no change from the risk exposure in 2019.

(d) 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. The Club is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-rate financial instruments subject the Club to a fair value risk, while the floating-rate financial instruments subject the Club to a cash flow risk. The Club has interest rate exposure on its bank indebtedness, which is variable based on the bank's prime rates. This exposure may have an effect on its earnings in future periods. The Club reduces its exposure to interest rate risk by regularly monitoring published bank prime interest rates which have been relatively stable over the period presented. The Club does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management the interest rate risk exposure to the Club is low and is not material. There has been no change from the risk exposure in 2019.

TURNER VALLEY GOLF AND COUNTRY CLUB**SCHEDULE OF PRO SHOP OPERATIONS**

Year ended December 31, 2020

| | 2020 | 2019 |
|---|-------------------|-------------------|
| SALES | | |
| Green fees and tournaments | \$ 656,203 | \$ 534,055 |
| Pro shop sales | 236,660 | 292,388 |
| Rental | 230,401 | 242,224 |
| Driving range | 26,573 | 31,672 |
| | <u>1,149,837</u> | <u>1,100,339</u> |
| COST OF SALES | | |
| Cost of goods | <u>192,812</u> | <u>237,086</u> |
| GROSS PROFIT | <u>957,025</u> | <u>863,253</u> |
| EXPENDITURES | | |
| Advertising and promotion | 3,363 | 4,808 |
| Insurance | - | 195 |
| Labour | 162,327 | 172,012 |
| Lease and rental | 8,126 | 1,649 |
| Lesson expense | 720 | 6,036 |
| Office | 3,628 | 4,979 |
| Professional development and memberships | 3,736 | 3,735 |
| Rental | 17,827 | 550 |
| Repairs and maintenance | 7,994 | 1,314 |
| Supplies | 16,812 | 14,427 |
| | <u>224,533</u> | <u>209,705</u> |
| EXCESS OF REVENUES OVER EXPENDITURES | <u>\$ 732,492</u> | <u>\$ 653,548</u> |

TURNER VALLEY GOLF AND COUNTRY CLUB**SCHEDULE OF ADMINISTRATION OPERATIONS**

Year ended December 31, 2020

| | 2020 | 2019 |
|--|--------------------|--------------------|
| REVENUE | | |
| Member dues | \$ 502,511 | \$ 473,759 |
| Advertising | 26,000 | 20,435 |
| Other | 5,199 | 7,686 |
| Share fee | 4,037 | 2,794 |
| Rental | 3,705 | 5,380 |
| | <u>541,452</u> | <u>510,054</u> |
| EXPENDITURES | | |
| Labour | 113,295 | 141,813 |
| Advertising and promotion | 8,504 | 20,269 |
| Carbon levy | 7 | 1,200 |
| IT network expenses | 33,391 | 18,995 |
| Insurance | 46,354 | 41,785 |
| Interest and bank charges | 45,386 | 46,821 |
| Interest on Long-Term Debt | 27,533 | 21,107 |
| Interest on capital leases | 18,102 | 15,480 |
| Office | 4,677 | 11,710 |
| Permits and licenses | 231 | 407 |
| Professional development and memberships | 14,101 | 12,885 |
| Professional fees | 30,486 | 22,065 |
| Property taxes | 78,248 | 79,129 |
| Rental | 4,133 | 4,376 |
| Repairs and maintenance | 17,389 | 20,343 |
| Supplies | 7,860 | 10,247 |
| Telephone | 17,456 | 16,162 |
| Utilities | 35,444 | 40,875 |
| | <u>502,597</u> | <u>525,669</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER EXPENSES | 38,855 | (15,615) |
| OTHER EXPENSES | | |
| Cart lease termination | 49,400 | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | \$ (10,545) | \$ (15,615) |

TURNER VALLEY GOLF AND COUNTRY CLUB**SCHEDULE OF FOOD AND BEVERAGE OPERATIONS**

Year ended December 31, 2020

| | 2020 | 2019 |
|---|------------|------------|
| SALES | | |
| Sales | \$ 406,461 | \$ 525,538 |
| COST OF SALES | | |
| Cost of goods | 164,217 | 216,417 |
| GROSS PROFIT | 242,244 | 309,121 |
| EXPENDITURES | | |
| Labour | 195,294 | 251,507 |
| Office | 2,891 | 3,128 |
| Rental | - | 1,660 |
| Repairs and maintenance | 7,829 | 6,420 |
| Supplies | 11,728 | 14,871 |
| | 217,742 | 277,586 |
| EXCESS OF REVENUES OVER EXPENDITURES | \$ 24,502 | \$ 31,535 |

TURNER VALLEY GOLF AND COUNTRY CLUB**SCHEDULE OF COURSE AND GROUNDS OPERATIONS**

Year ended December 31, 2020

| | 2020 | 2019 |
|--|---------------------|---------------------|
| REVENUE | \$ 5,994 | \$ 1,646 |
| EXPENDITURES | | |
| Fertilizer | 38,072 | 51,394 |
| Fuel | 23,276 | 18,561 |
| Labour | 340,715 | 357,980 |
| Lease and rental | 3,891 | 3,849 |
| Office | 617 | 1,887 |
| Professional development and memberships | 3,702 | 2,495 |
| Repairs and maintenance | 35,772 | 40,948 |
| Supplies | 21,456 | 18,437 |
| Utilities | 37,981 | 39,749 |
| | 505,482 | 535,300 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | \$ (499,488) | \$ (533,654) |