

**MISSISSIPPI GOLF CLUB**  
**FINANCIAL STATEMENTS**  
**(Prepared without Audit)**  
**DECEMBER 31, 2024**

Independent Practitioner's Review Engagement Report

Statement of Financial Position

Statement of Operations

Statement of Changes in Net Assets

Statement of Cash Flows

Notes to the Financial Statements



CHARTERED  
PROFESSIONAL  
ACCOUNTANTS

# KELLY HUIBERS McNEELY

P R O F E S S I O N A L C O R P O R A T I O N

## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Shareholders of Mississippi Golf Club

We have reviewed the accompanying financial statements of Mississippi Golf Club that comprise the statement of financial position as at December 31, 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.

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## 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 Mississippi Golf Club as at December 31, 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.

*Kelly Huibers McNeely*  
*Professional Corporation*

Carleton Place, Ontario  
March 24, 2025

Authorized to practise public accounting by  
The Chartered Professional Accountants of Ontario

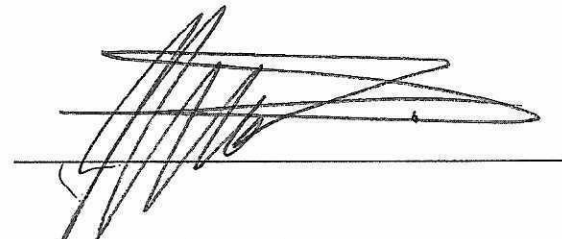
**MISSISSIPPI GOLF CLUB**  
**STATEMENT OF FINANCIAL POSITION**  
**(Prepared without Audit)**

**As at December 31, 2024**

	2024	2023
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 260,978	\$ 414,767
Non-cashable GICs	570,200	416,400
Accounts receivable	396	1,554
HST receivable	14,696	16,575
Inventory	7,726	7,542
Prepaid expenses	<u>37,015</u>	<u>45,579</u>
	891,011	902,417
 CAPITAL ASSETS (note 2)	 2,153,553	 2,002,887
	<u><u>\$ 3,044,564</u></u>	<u><u>\$ 2,905,304</u></u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 40,840	\$ 50,920
Government payables	-	5,245
Deferred revenue (note 4)	130,842	183,836
Scheduled repayments or renewals of long-term debt (note 5)	<u>51,000</u>	<u>89,000</u>
Current liabilities before callable debt	222,682	329,001
Callable debt (note 5)	<u>17,329</u>	<u>21,640</u>
	240,011	350,641
 LONG-TERM DEBT (note 5)	 <u>833,965</u>	 <u>883,580</u>
	1,073,976	1,234,221
 NET ASSETS	 1,970,588	 1,671,083
	<u><u>\$ 3,044,564</u></u>	<u><u>\$ 2,905,304</u></u>

APPROVED ON BEHALF OF THE BOARD:

Chris St. Germain



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

# MISSISSIPPI GOLF CLUB

## STATEMENT OF OPERATIONS (Prepared without Audit)

For the year ended December 31, 2024

	2024	2023
REVENUE		
Memberships	\$ 851,686	\$ 825,680
Green fees	488,423	401,083
Bar sales	327,108	293,170
Golf cart rental	216,548	191,642
Advertising, donation and miscellaneous	123,505	26,326
	<u>2,007,270</u>	<u>1,737,901</u>
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES		
Wages and employee benefits	682,279	594,893
Greens	397,419	379,576
House	110,552	86,950
Bar purchases	136,858	119,154
Property taxes	19,960	19,530
Insurance	34,808	25,997
Membership fee reductions (note 7)	11,525	12,880
Accounting	25,313	22,750
Match committee	14,876	15,082
Printing, postage and supplies	23,595	16,403
Advertising	5,937	8,573
Mortgage interest - long-term	52,253	54,872
Interest on capital leases	-	458
Golf carts	21,752	22,820
Interest and bank charges	30,486	27,735
Professional fees	9,098	23,930
	<u>1,576,711</u>	<u>1,431,603</u>
REVENUE FROM OPERATIONS	430,559	306,298
Amortization	(208,926)	(187,150)
Investment income	41,147	38,212
Carbon Canada rebate	13,951	-
Gain on disposal of capital assets	12,774	3,925
Forgiven portion of CEBA loan	10,000	-
NET REVENUE	<u>\$ 299,505</u>	<u>\$ 161,285</u>

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

**MISSISSIPPI GOLF CLUB**

**STATEMENT OF CHANGES IN NET ASSETS**  
(Prepared without Audit)

**For the year ended December 31, 2024**

	Unrestricted General	Internally Restricted Capital Reserve	Invested in Capital Assets (note 6)	<b>Total 2024</b>	<b>Total 2023</b>
Balance, beginning of year	\$ 358,938	\$ 263,478	\$ 1,048,667	\$ 1,671,083	\$ 1,509,798
Net revenue (expenditures)	248,939	145,080	(94,514)	299,505	161,285
Investment in capital assets (note 6b)	(245,180)	(51,926)	297,106	-	-
Balance, end of year	<b>\$ 362,697</b>	<b>\$ 356,632</b>	<b>\$ 1,251,259</b>	<b>\$ 1,970,588</b>	<b>\$ 1,671,083</b>

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

# MISSISSIPPI GOLF CLUB

## STATEMENT OF CASH FLOWS (Prepared without Audit)

For the year ended December 31, 2024

	2024	2023
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Net revenue	\$ 299,505	\$ 161,285
Items not affecting cash:		
Amortization	208,926	187,150
Gain on disposal of capital assets	(12,774)	(3,925)
Forgiven portion of CEBA loan	(10,000)	-
Net change in non-cash working capital items:		
Accounts receivable	1,158	416
HST receivable	1,879	14,009
Inventory	(184)	(568)
Prepaid expenses	8,564	(30,988)
Accounts payable and accrued liabilities	(10,080)	18,714
Government payables	(5,245)	(4,607)
Deferred revenue	(52,994)	31,828
	<u>428,755</u>	<u>373,314</u>
INVESTING ACTIVITIES		
Purchases non-cashable GICs, net	(153,800)	(416,400)
Purchase of capital assets	(367,818)	(164,104)
Proceeds on disposal of capital assets	21,000	3,925
	<u>(500,618)</u>	<u>(576,579)</u>
FINANCING ACTIVITIES		
Repayment of long-term debt	(81,926)	(60,262)
Repayment of capital lease obligations	-	(6,682)
	<u>(81,926)</u>	<u>(66,944)</u>
NET CHANGE IN CASH	(153,789)	(270,209)
CASH - BEGINNING OF YEAR	414,767	684,976
CASH - END OF YEAR	<u>\$ 260,978</u>	<u>\$ 414,767</u>
CASH CONSISTS OF:		
Cash	\$ 210,778	\$ 110,267
Cashable GIC	50,200	304,500

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

# MISSISSIPPI GOLF CLUB

## NOTES TO THE FINANCIAL STATEMENTS (Prepared without Audit)

DECEMBER 31, 2024

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### NATURE OF OPERATIONS

The Club was incorporated under the laws of Ontario in 1919 and filed a *Certificate of Continuance* in 2023 to continue operating as a not-for-profit golf and country club in accordance with the *Ontario Not-for-Profit Corporations Act, 2010*. The Club is a recreational organization that is exempt from income taxes under S.149(1)(l) of the Income Tax Act.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The principal accounting policies of the Club are summarized as follows:

#### Revenue Recognition

Revenue is recognized on the date goods or services are provided and collectibility can be reasonably assured.

Membership fees are recognized as revenue in the year that membership to the Club is provided.

Capital equipment assessments included in membership fees are allocated to the capital reserve fund. This fund is internally restricted by the Club for future capital purposes.

Interest income is recognized when earned.

#### Cash and Cash Equivalents

The Club considers cash and cash equivalents to be highly liquid investments with original maturities of three months or less.

#### Guaranteed Investment Certificates

The GICs are carried at cost plus accrued interest, which approximates fair market value.



# MISSISSIPPI GOLF CLUB

## NOTES TO THE FINANCIAL STATEMENTS (Prepared without Audit)

DECEMBER 31, 2024

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Inventory

The Club values its bar inventory at the lesser of cost and net realizable value. Cost is determined on a first-in, first-out basis.

#### Leases

Leases entered into, that transfer substantially all the benefits and risks associated with ownership, are recorded as the acquisition of capital assets and the incurrence of an obligation. The asset is amortized in a manner consistent with assets owned by the Club, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

#### Accounting Estimates

In preparing the Club's financial statements, Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expense during the year. Actual amounts could differ from these estimates.

#### Capital Assets

Capital assets are stated at cost. Amortization is provided on current purchases at half-rate. When capital assets are disposed of, the related profit or loss is included in current operations. Amortization is calculated using the declining balance method at the following annual rates:

Buildings	-	5%
Course construction and water system	-	5%
Computers	-	30%
Furniture and fixtures	-	20%
Machinery and equipment	-	20% - 30%
Parking lot	-	8%
Patio expansion	-	30%
Powered golf carts	-	20%
Computer software	-	100%
Satellite tower	-	20%

**MISSISSIPPI GOLF CLUB**

**NOTES TO THE FINANCIAL STATEMENTS**  
**(Prepared without Audit)**

**DECEMBER 31, 2024**

**2. CAPITAL ASSETS**

	Cost	Accumulated Amortization	2024 Net Book Value	2023 Net Book Value
Land	\$ 65,169	\$ -	\$ 65,169	\$ 65,169
Buildings	1,245,438	862,185	383,253	398,496
Course construction and water system	1,641,954	556,184	1,085,770	1,138,775
Computers	44,662	41,493	3,169	4,528
Furniture and fixtures	124,256	67,744	56,512	38,842
Machinery and equipment	1,528,697	1,103,586	425,111	221,000
Parking lot	73,703	63,595	10,108	10,987
Patio expansion	29,011	28,452	559	884
Powered golf carts	377,901	254,045	123,856	124,148
Computer software	28,705	28,705	-	-
Satellite tower	4,280	4,234	46	58
	<b>\$ 5,163,776</b>	<b>\$ 3,010,223</b>	<b>\$ 2,153,553</b>	<b>\$ 2,002,887</b>

**3. BANK INDEBTEDNESS**

The Club has available a revolving credit facility at BMO with a limit of \$100,000 at prime plus 0.5%, secured by the property of the Club. As at year end, this credit facility was not used.

**4. DEFERRED REVENUE**

Deferred revenue represents amounts received from Members and prospective Members as a deposit against future membership fees.

# MISSISSIPPI GOLF CLUB

## NOTES TO THE FINANCIAL STATEMENTS (Prepared without Audit)

DECEMBER 31, 2024

### 5. LONG-TERM DEBT

	2024	2023
Bank of Montreal (BMO) mortgage repayable \$8,322 per month including interest at 5.74%, secured by property held by the Club, due for renewal in May 2027.	\$ 884,965	\$ 932,580
Members' loans, non-interest bearing in lieu of membership fees, payable on demand.	17,329	21,640
Canada Emergency Business Account loan (CEBA), repaid \$30,000 in January 2024 and the remaining \$10,000 was forgiven at that time.	-	40,000
	902,294	994,220
Less:		
- BMO principal due within 12 months	51,000	89,000
- Callable debt	17,329	21,640
	\$ 833,965	\$ 883,580

The Members' loans are due on demand, however there are no scheduled repayments that are due in the next five years. Therefore, Management expects that the principal portion of long-term debt that will come due is approximately as follows:

2025	-	\$ 51,000
2026	-	54,000
2027	-	57,200
2028	-	722,765

#### Bank Covenants

The Club is fully compliant with all non-financial borrowing covenants contained in the Bank of Montreal loan agreement; and there are no financial covenants.

MISSISSIPPI GOLF CLUB

NOTES TO THE FINANCIAL STATEMENTS  
(Prepared without Audit)

DECEMBER 31, 2024

6. INVESTED IN CAPITAL ASSETS

(a) Net assets invested in capital assets at December 31

	2024	2023
Capital assets	\$ 2,153,553	\$ 2,002,887
Less: Long-term debt (excluding CEBA loan)	(902,294)	(954,220)
	<u>\$ 1,251,259</u>	<u>\$ 1,048,667</u>

(b) Investment in capital assets during the year

	2024	2023
Total capital assets acquired	\$ 367,818	\$ 164,104
Less: donated capital asset	(114,412)	(12,925)
NBV of assets sold	(8,226)	-
Repayment of capital lease obligations	-	6,682
Repayment of long-term debt (excluding CEBA loan)	51,926	60,262
	<u>\$ 297,106</u>	<u>\$ 218,123</u>

7. MEMBERSHIP FEE REDUCTIONS

Members who have made loans to the Club have received reduced membership fees and will continue to pay reduced membership fees until they leave the Club. The loans from Members resulted in membership fee reductions of \$11,525 (2023 - \$12,880). The fee reductions are reflected on the accompanying financial statements by an increase in membership fee income and a corresponding expense of the same amount.

**MISSISSIPPI GOLF CLUB**

**NOTES TO THE FINANCIAL STATEMENTS**  
**(Prepared without Audit)**

**DECEMBER 31, 2024**

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**8. FINANCIAL INSTRUMENTS**

The Club's financial instruments consist of cash, non-cashable GICs, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is Management's opinion that the fair value of these instruments is not materially different than their cost and that the Club is not exposed to significant interest rate, currency or credit risk.

The Club holds cashable and non-cashable GICs that bear interest between 4.40% and 5.40% and mature in 2025 and 2026.