Golf Canada is fully committed to fostering a safe sport environment for golf.

All golf enthusiasts deserve to participate and compete in an environment free from harassment, abuse or discrimination, regardless of gender identity or expression, race, religion, language, age and ability.

Together with the PGA of Canada as proud signatories of the Responsible Coaching Movement pledge, Golf Canada supports the need for training and education platforms as well as enhanced policies and compliance procedures.

Golf Canada is also proud to implement Respect Group training across our organization including mandatory Respect in the Workplace for all staff and corporate volunteers; Respect in Sport for all coaches and support staff and Respect in Sport for Parents for parents of National Team athletes). These exceptional modules provide the base training and education for our broader organization. In addition, an Ethics Commissioner has been appointed with a mechanism for internal and external access and we have the following safe sport policies in place:

- Recognition and Prevention of Harassment and Violence Policy
- Recognition and Prevention of Abuse Policy
- Whistleblower Policy
- Volunteer and Staff Screening Policy
- Code of Ethics
- Player Code of Conduct
- Parent/Spectator Code of Conduct Golf

Golf Canada is fully aligned with the important work of Sport Canada in this critical issue and encourage all those connected with our sport – athletes, parents, coaches, staff, volunteers and club representatives – to maintain an open dialogue to ensure a safe and supportive environment, without exception, across the Canadian golf landscape.
Presidents

1896 Hon. George A. Drummond, Royal Montreal GC, Dixie (QC) 1941
1897 W.E. Hamilton, Quebec GC, Quebec (QC) 1942
1898 Col. George A. Sweany, Toronto GC, Toronto (ON) 1943
1899 Lt.-Col. T.T. Irwin, Royal Ottawa GC, Aylmer (Ont) 1945
1900 W.W. Watson, Royal Montreal GC, Dixie (QC) 1947
1901 Col. George A. Sweany, Toronto GC, Toronto (ON) 1948
1902 G.H. Balfour, Royal Montreal GC, Dixie (QC) 1948
1903 R.G. Creer, Hamilton GC, Alicant (ON) 1949
1904 Fayette Brown, Royal Montreal GC, Dixie (QC) 1949
1905 D.R. Wilkie, Toronto GC, Toronto (ON) 1950
1906 Hon. George Perley, Royal Ottawa GC, Aylmer (Ont) 1951
1907 A.W. Austin, London GC, Alicant (ON) 1952
1908 Dr. R.F. Rutten, Royal Montreal GC, Dixie (QC) 1953
1909 Col. George A. Sweany, Toronto GC, Toronto (ON) 1954
1910 A.W. Austin, London GC, Alicant (ON) 1955
1911 Hon. Justice G.F. Orde, Royal Ottawa GC, Aylmer (Ont) 1956
1912 J.T. McCcall, Royal Montreal GC, Dixie (QC) 1957
1913 A.R. Campbell, Toronto GC, Toronto (ON) 1958
1914 C.E. Read, Royal Ottawa Ayaer, Alicant (Ont) 1959
1915-19 R.A. Rolph, Lambton GC, London (ON) 1960
1916 D.R. Brown, Beaconsfield GC, Montreal (QC) 1961
1917 Paul Myler, Hamilton GC, Alicant (ON) 1962
1919 George S. Lyon, Lambton GC, London (ON) 1964
1920 S.B. Gundy, Rosedale GC, Toronto (ON) 1965
1921 W.E. Matthews, Royal Ottawa GC, Aylmer (Ont) 1966
1922 C.A. Bogert, Toronto GC, Toronto (ON) 1967
1923 W.W. Walker, Royal Montreal GC, Dixie (QC) 1968
1924 Major W.D. Wilson, Hamilton GC, Alicant (Ont) 1969
1925 C.W. Jackson, Mississaugua GC, Mississauga (ON) 1970
1926-30 Alfred Collyer, Knowlton GC, Knowlton (QC) 1971
1927 W.H. Plant, Mississaugua GC&CC, Mississauga (Ont) 1972
1928 W.H. Charles, St. Charles GC, Vancouver (BC) 1973
1929 George H. Forster, Beaconsfield GC, Montreal (QC) 1974
1930 E.C. Gould, Bradford GC, Bradford (Ont) 1975
1931 R.G. Jacobson, Elmhurst GC, Mississauga (Ont) 1976
1932 J. I. Rankin, Beaconsfield GC, Montreal (QC) 1977
1934 J. Ernest Bird, Le Club Laval-sur-le-Lac, Laval (QC) 1979
1935 John T. McCall, Royal Montreal GC, Dixie (QC) 1980

GOLFA CANADA STAFF (as of December 31, 2019)

Executive Team

Laurence Applebaum Chief Executive Officer
Garrett Ball Chief Financial Officer / Ethics Commissioner
Alison Richmond Senior Director, Human Resources & Administration
John Sibley Chief Commercial Officer
Jeff Thompson Chief Sport Officer

Finance & Administration

Garrett Ball Chief Financial Officer / Ethics Commissioner
Tracy Paradis Executive Assistant to the CEO / Board of Directors
Alison Richmond Senior Director, Human Resources & Administration
Danielle Sfarazz Mana, Human Resources
Nathalie Henein Director, Finance
Lauren Skynner Senior Director, Accounting
Victoria MacNeill Coordinator, Accounting
O’Neal Taylor Senior Manager, Information Technology
Meggan Gardner Director, Heritage Services
Kinda Jazeh Administrative Assistant / Front Desk

Golf Services & Sport Programs

Jeff Thompson Chief Sport Officer
Dave Stockton Director, Golf Services
Blair Airight Regional Director, Golf Services, Western Canada
Jeffrey Hutt Regional Director, Golf Services, Atlantic Canada
Ryan Logan Regional Director, Golf Services, Ontario
Taylor Stevenson Senior Manager, Golf Services
Brian Doherty Senior Coordinator, Golf Services
Hannah Elliott Coordinator, Golf Services
Matt Mueller Coordinator, Golf Services
Shau Hall Senior Manager, Handicap & Course Rating
Adam Helmer Director, Rules, Competitions & Amateur Status
Dan Hyatt Manager, Rules & Competitions
Adam Cine Coordinator, Rules & Competitions
Akash Patel Coordinator, Rules & Competitions
Adam Markar Senior Manager, Grow the Game
Kelly Damburg Manager, Grow the Game
Nathalie Mihalek Coordinator, Grow the Game
Tristan Mullally Head Coach, Men’s Amateur & Young Pro Squads

Robert Ratcliffe Head Coach, Junior Boys Squad
Matt Wilson Director, Next Generation Performance
Emily Phoenix Manager, High Performance Sport

Professional Championships

Bryan Crawford Tournament Director, RBC Canadian Open
Mary Beth McKenna Assistant Tournament Director, RBC Canadian Open
Ryan Paul Tournament Director, CP Women’s Open
Brian Newton Operations Manager, Professional Championship

Commercial

John Sibley Chief Commercial Officer
Craig Sharp Senior Director, Partnerships
Whitney Gorges Manager, Partnerships
Jamie Diplock Senior Director, Sales
Michael Evans Director, Sales CP Women’s Open
Dave Kay Director, Sales RBC Canadian Open

Golf Canada Foundation

Martin Barnard CEO, Golf Canada Foundation
Joelle Efford Senior Director, Development
Alley Jarvis Coordinator, Scholarship Program & Events

2019 Annual Report 3
HONORARY LIFE GOVERNORS
Past Presidents of both Golf Canada and the (former) Canadian Ladies Golf Association.

COMMITTEES

Standing Committees
Audit & Risk
Rob MacDonald, Chair, MB
Gordon Campbell, ON
Tom Forrestell, ON
Jason Hammerschmidt, ON
Dale Jackson, BC
David McCarthy, ON
Leo Perri, ON
Kent Rodgers, NS
Laura Small, SK
Garrett Ball, Staff Rep, ON

Compensation
Liz Hoffman, Chair, ON
Charlie Beaulieu, QC
Leslie Dunning, AB
Dale Jackson, BC
Laurence Applebaum, Staff Rep, ON

Governance
Susan MacKinnon, Chair, AB
Paul Beaudry, AB
Peter Boronkay, BC
Diane Drury, QC
Patrick Kelly, BC
Stephen Norris, AB
Marcel Paul Raymond, QC
Laura Small, SK
Steve Wedgwood, NL
Garrett Ball, Staff Rep, ON

Human Resources
David Atkinson, Chair, BC
Glenn Babcock, ON
Roger Beach, ON
Paul Beaudry, AB
Shirley d'Entremont, NS
Diane Drury, QC
Rob MacDonald, MB
Don Potts, AB
Dan Sabourin, BC
Danielle Sternzetta, Staff Rep, ON

Investment
Adam Daifallah, Chair, QC
David Atkinson, BC
Roger Beach, ON
Peter Boronkay, BC
Gordon Campbell, ON
Kelly Roberts, ON
Robin Roopchan, ON
Wendy S Dent, NSW
Rose Yu, ON
Garrett Ball, Staff Rep, ON

Handicap & Course Rating
Herb Schlottet, Chair, AB
Allison Chisholm, NB
Bob Heath, ON
Kathy Hill, ON
Bill MacMillan, NS
Judy Setton, SK
Richard Smith, SK
Nancy Spineti Delle-Donne, QC
Karen Vanzella, BC
Shaun Hall, Staff Rep, ON

Nominating
Paul McLean, Chair, ON
Roland Deveau, NS
Leslie Dunning, AB
Nick Marrone, ON
Vince Mariani, MB
Pat Thompson, BC
Laurence Applebaum, Staff Rep, ON

Rules & Amateur Status
Diane Barabé, Chair, QC
Tom Forrestell, ON
Brian Lee, SK
Jack McDonald, BC
Dan Sabourin, BC
Jean Stone-Séguin, ON
Susan White, BC
Bruce Watson, NL
Tom Zarski, AB
Adam Helmer, Staff Rep, ON

Operating Committees
Amateur Competitions
Rob Laing, Chair, BC
Helen Banning, ON
Diane Barabé, QC
Allison Chisholm, NB
Rebecca Lee-Bentham, ON
Herb Schlottet, AB
Paul Schofield, QC
Susan White, BC
Steven Young, AB
Adam Helmer, Staff Rep, ON

CGGHF Selection Committee
Sandra Post (Honoured Member), Chair, ON
Harry Brotchie, MB
Graham Cooke (Honoured Member), QC
Warren Crosbie, ON
Ted Fletcher, QC
Tiffany Gordon, AB
Tom McCarthy, NS
Garry McKay, ON
Deborah Pyne, BC
Cathy Shelker, ON
Meggan Gardner, Staff Rep, ON

Sport
Doug Roxburgh, Chair, BC
Matt Allen, ON
Adam Chamberlain, NB
Patrice Clement, QC
Glenn Cundari, ON
Stephen Norris, AB
Pat Thompson, BC
Nicole Vandermade, ON
Jeff Thompson, Staff Rep, ON
Golf Canada took great strides forward in 2019 and together with our Board of Directors, I am proud of those notable achievements both on and off the golf course. Many of those 2019 successes are a result of strong collaboration and a push to be innovative in how Golf Canada’s staff and volunteers carried out our responsibilities as the National Sport Federation.

Financial accountability remains a priority for Golf Canada and we are extremely pleased with the strong year-over-year operating results in 2019 as outlined in our enclosed financial statements. I commend CEO Laurence Applebaum as well as the management team and staff for their diligent efforts and innovative activities to strengthen the financial standing of the organization.

In 2019, Canada’s rising star Brooke Henderson won two LPGA Tour events – her nine professional victories setting a new record in Canadian golf surpassing the great Sandra Post, George Knudson and Mike Weir. She came to Magna Golf Club looking to defend her historic CP Women’s Open title and despite inspiring near record crowds, fell just shy of our eventual champion and world no. 1, Jin Young Ko.

Our new June date for the RBC Canadian Open was a tremendous boost for our national championship, capped by an incredible final round of 61 by our champion, Rory McIlroy. Adam Hadwin led a spirited charge of Canadians into contention, finishing sixth as one of four Canadians inside the top-30.

With the support of our coaching and sport sciences team, Team Canada athletes achieved strong results at every level of competition. Thanks to our generous host clubs for their support of Golf Canada championships – including our two National Open Championships, our National Amateur Championships, regional Future Links junior events and international competitions such as the World Junior Girls Championship – all remain points of pride for the organization.

The Modernization of the Rules of Golf was a strong success in 2019 across the international golf community and I am proud of the many officials and volunteers who earned certification or took part in Rules education. The global golf community will turn our collective attention in 2020 to an effective roll-out of the new World Handicap System, another powerful example of the golf federations looking at opportunities to innovate our great sport.

Together with the great work of the Provincial Golf Associations, Golf Canada has converted nearly 100% of our member clubs to the new Gold membership, introducing a suite of value-add benefits to our membership offering. We are focusing considerable effort and resources to grow our base of golfers, especially looking to drive increased relevance among the mass of public recreational players across Canada. The financial lift of a growing membership base will allow Golf Canada and our provincial partners to better support golf services, develop more athletes from a position of strength and drive deeper junior golf programming to get more kids involved in the sport.

I want to express a special thank to the thousands of volunteers and PGA of Canada professionals who support the game at the club and in communities across Canada. My thanks as well to the club managers, course owners and superintendents for their continued collaboration with Golf Canada. That appreciation extends to our many domestic and international partners as well as corporate supporters who have aligned their respective brands with Golf Canada.

In 2020, Golf Canada will proudly celebrate our 125th anniversary, a signature milestone that will be celebrated with our many Canadian and international stakeholders. I want to thank our member clubs who have contributed to our proud history and put their trust in Golf Canada to make important strides to advance the great sport of golf in Canada.

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Charlie Beaulieu
President
Golf Canada
CEO REPORT

In 2019, Golf Canada made a conscious change in how we operate key areas of the business.

The catalyst for this transformational change was our new four year strategic plan—a roadmap for operational, competitive and commercial success that outlines the critical priorities of our business. It is a plan supported by a sound organizational structure and a commitment to ensuring a sport environment rooted in fun, excellence, inclusion, respect and accountability both on and off the golf course.

The impact of change was felt during our National Open Championships which collectively set a combined attendance record in excess of 175,000 spectators. As outlined in the enclosed financial statements, Golf Canada reported one of our most successful years—an increase of $1.8M over 2018 with a surplus primarily attributed to the success of our professional championships.

A new chapter for the RBC Canadian Open included an increased purse and a date change to early June. Global star Rory McIlroy made his first-ever visit to Canada and etched his name in Canadian golf history. Introducing the two-night RBCx Music concert series was extremely successful, as was the Youth Initiative, the Fare Way food experience and the continued evolution of The Rink—all institutional elements of our Open moving forward.

Brooke Henderson continues to be the preeminent force in Canadian golf. She has impacted excitement around the CP Women’s Open which drew 96 of the top 100 players in the world. Although ceding her title to world no. 1 Jin Young Ko, Brooke’s two LPGA Tour wins in 2019 – and nine total – gave her the most professional wins by a Canadian. At 21, she is a global star, the face of the game in this country and one of the most dynamic and inspiring athletes in Canada.

Brooke isn’t alone in leading a Canadian charge on the world stage. Corey Conners’ first win on the PGA TOUR and Adam Hadwin’s President’s Cup appearance are two of the many examples. The strength of Canadian golf is also reflected in the continued success of Team Canada including the great play of our 18 Junior, Amateur and Young Pro Squads supported by world class coaching and sport science. A point of pride is the 43 wins across various professional tours by Young Pro Squad members and graduates since 2014.

In collaboration with provincial, national and international partners, Golf Canada is committed to providing resources and services to drive value and growth to our entire membership. With 100 per cent of our 1,432 member facilities rolled over to the new Gold membership, our go-to-market strategy is focused on increasing engagement with public players and facilities and delivering robust tools and services to enhance the value proposition of our membership.

Sport programs are impacting the accessibility of the game with nearly 1,100 grow golf initiatives conducted in 2019. Future Links programming was conducted in 623 facilities, a Youth on Course pilot program in Alberta will see provincial expansion, 924 mobile clinics and 127 junior skills challenges brought the sport to more than 106,000 youth and Golf in Schools is offered in more than 4,028 schools nationally. Management has identified growth and innovation across our junior and grassroots activities as a priority for 2020 and beyond.

Golf Canada was also proud to join the global golf community in the transformational roll-out of the new Modernized Rules of Golf. Similar collaboration will culminate with the 2020 integration and education around the new World Handicap System. Both will have a significant impact on the game and governance going forward.

Our national amateur competitions are supporting development at the highest level. My sincere congratulations and appreciation go out to the 39 individual, team and interprovincial champions, as well as our proud host member clubs and the thousands of volunteers who give their time in support of golf in their community.
Golf Canada is aligned with Sport Canada in fostering a safe sport environment for golf. All golf enthusiasts deserve to participate and compete in an environment free from harassment, abuse or discrimination, regardless of gender, race, religion, language, age or ability. Our organization is signatory of the Responsible Coaching Movement pledge and have implemented Respect Group training for staff, volunteers, coaches, support staff, parents and athletes. Golf Canada is also a proud signatory of the R&A’s global Women and Golf Charter to provide opportunities and advancement with our CP Women’s Leadership Summit and the World Junior Girls Championship as two shining examples of our growing commitment.

Total revenues grew by 23% thanks to the deepened investment of core partners such RBC, CP, Audi, Acushnet, Steam Whistle, Levelwear, Avis, Hilton and many others who aligned their premium brands with Golf Canada. We are also appreciative of support from the Golf Canada Foundation, which contributed more than $1.5M in grants to support high performance, grassroots programming, post-secondary scholarships and sport development initiatives. We are also encouraged by the continued collaboration with domestic and international partners such as the R&A, USGA, PGA TOUR, LPGA Tour and the International Golf Federation.

Together with our Board of Directors and staff, Golf Canada is shifting the business culture of our organization—enacting changes to strategies and process that support our vision to be a world leader in golf.

Laurence Applebaum
Chief Executive Officer
Golf Canada
175,000 spectators
National Open Championships set a combined attendance record

**Rory McIlroy**
Shoots 61 in final round to win the 2019 RBC Canadian Open

**Jin Young Ko**
Sets tournament scoring record with a total of -26 to capture 2019 CP Women's Open

**Brooke Henderson**
Wins 2 LPGA Tour events to set the new record (9) for professional tour victories by a Canadian

Canadians competed in the 2019 CP Women’s Open at Magna Golf Club

Canadians competed in the 2019 RBC Canadian Open at Hamilton Golf & Country Club

Before I answer any questions, I must inform you that the image contains copyrighted material. Using the material as-is without attribution could infringe on copyright laws. If you need the information for a specific purpose, please ensure you have the legal right to use it.
13,600 Participants

$6.8 Million Raised to date in support of breast cancer research

21,637 Facebook likes @GolfCanada

15+ Million number of page views on golfcanada.ca

12,400 Instagram followers @TheGolfCanada

35,500 Twitter followers @GolfCanada

176 Events conducted nationally

13,600 Participants

$6.8 Million Raised to date in support of breast cancer research

271,012 Golf Canada members

1,432 Member facilities

2,799 Competitors at Golf Canada Competitions

166 Nationally certified referees

19 Countries represented at the World Junior Girls Championship

19 Countries represented at the Canadian Men’s and Women’s Amateur Championships (combined)

246,245 Canadians track an official Handicap

7.3+ Million Scores posted via the Golf Canada Score Centre

$1.55 Million Awarded through funding from the Golf Canada Foundation

281 New schools adopted into Future Links Golf in Schools

623 Golf facilities registered

4,028 Total schools

483,360 Students participating annually

601 PGA of Canada professionals delivered programming

106,000 Juniors participated in programming

51 Newly trained Community Golf Coaches

924 Mobile clinics

223 In-school visits conducted by PGA of Canada professionals

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223 In-school visits conducted by PGA of Canada professionals
RBC CANADIAN OPEN CHAMPION
Hamilton Golf & Country Club
Hamilton, ON
June 3-9, 2019
Rory McIlroy

CANADIAN UNIVERSITY/COLLEGE CHAMPIONSHIP
FireRock Golf Club
Komoka, ON | May 28-31

TEAM: University of British Columbia Thunderbirds
MEDALLIST: Charles Fitzsimmons (Western Mustangs)

CANADIAN JUNIOR GIRLS CHAMPIONSHIP
Lethbridge Country Club
Lethbridge, AB | July 30-August 2

TEAM: University of British Columbia Thunderbirds
MEDALLIST: Sarah Dunning (University of Guelph Gryphons)

CHAMPION (JUNIOR & JUVENILE): Emily Zhu (Richmond Hill, ON)
INTER-PROVINCIAL: British Columbia

CANADIAN JUNIOR BOYS CHAMPIONSHIP
Covered Bridge Golf & Country Club
Hartland, NB | August 12-15

TEAM: University of British Columbia Thunderbirds
MEDALLIST: Sarah Dunning (University of Guelph Gryphons)

CHAMPION: Christopher Vandette (Beaconsfield, QC)
JUVENILE: Luke DeGobbo (Fort Hill, ON)
INTER-PROVINCIAL: Québec

106TH CANADIAN WOMEN’S AMATEUR CHAMPIONSHIP
Red Deer Golf & Country Club
Red Deer, AB | July 23-26

CHAMPION: Brianna Navarrosa (San Diego, CA)
INTER-PROVINCIAL: Ontario

116TH CANADIAN MEN’S AMATEUR CHAMPIONSHIP
Glen Arbour Golf Course & The Links at Brunello
Hammonds Plains/Timberlea, NS | August 5-8

CHAMPION: William Buhl (Fairhope, AL)
INTER-PROVINCIAL: Ontario

CANADIAN JUNIOR BOYS CHAMPIONSHIP
Covered Bridge Golf & Country Club
Hartland, NB | August 12-15

TEAM: University of British Columbia Thunderbirds
MEDALLIST: Sarah Dunning (University of Guelph Gryphons)

CHAMPION: Christopher Vandette (Beaconsfield, QC)
JUVENILE: Luke DeGobbo (Fort Hill, ON)
INTER-PROVINCIAL: Québec
CP WOMEN'S OPEN CHAMPION
Magna Golf Club
Aurora, ON
August 19-25, 2019
Jin Young Ko

CANADIAN WOMEN'S MID-AMATEUR & SENIOR CHAMPIONSHIP
Osoyoos Golf Club (Park Meadows)
Osoyoos, BC | August 18-20

CHAMPION (MID-AMATEUR/MID-MASTER/SENIOR): Judith Kyriakis (Thornhill, ON)
SUPER SENIOR: Jackie Little (Procter, BC)
INTER-PROVINCIAL: Ontario

CANADIAN MEN'S MID-AMATEUR CHAMPIONSHIP
Summit Golf Club
Richmond Hill, ON | August 20-23

CHAMPION: Joseph Deraney (Belden, MS)
MID-MASTER: Derek Meinhart (Mattoon, IL)
INTER-PROVINCIAL: Ontario

CANADIAN MEN'S SENIOR CHAMPIONSHIP
Cedar Brae Golf Club
Toronto, ON | September 10-13

CHAMPION: Gene Elliott (West Des Moines, IA)
SUPER SENIOR: Lars Melander (Oakville, ON)
INTER-PROVINCIAL: Alberta

ASTOR TROPHY
Royal Colwood Golf Club
Victoria, BC | August 28-September 1

CHAMPION: New Zealand

WORLD JUNIOR GIRLS CHAMPIONSHIP
Angus Glen Golf Club
Markham, ON | September 24-27

TEAM: Republic of Korea
MEDALLIST: Atthaya Thitikul (Thailand)

FUTURE LINKS FALL SERIES EAST CHAMPIONSHIP
Club de golf Lachute (Parcours 1)
Lachute, QC | September 20-22

BOYS: Jean-Philippe Parr (St-Célestin, QC)
GIRLS: Erin Kim (Toronto, ON)

FUTURE LINKS FALL SERIES WEST CHAMPIONSHIP
Crown Isle Resort & Golf Community
Courtenay, BC | September 27-29

BOYS: Ashton McCulloch (Kingston, ON)
GIRLS: Luna Lu (Burnaby, BC)

PACIFIC CHAMPIONSHIP
Pitt Meadows Golf Club
Pitt Meadows, BC | May 10-12
Boys: Michael Crisologo (Richmond, BC)
Girls: Lauren Kim (Surrey, BC)

ONTARIO CHAMPIONSHIP
Tangle Creek Golf & Country Club
Thornton, ON | May 24-26
Boys: Tristan Renaud (Sudbury, ON)
Girls: Angela Arora (Surrey, BC)

WESTERN CHAMPIONSHIP
Wolf Creek Golf Resort (Links)
Ponoka, AB | May 31-June 2
Boys: Tommy McKenzie (Calgary, AB)
Girls: Annabelle Ackroyd (Calgary, AB)

QUÉBEC CHAMPIONSHIP
Club de golf Les Boisés de Joly
Joly, QC | June 7-9
Boys: Eric (Joohyung) Byun (Richmond Hill, ON)
Girls: Brooke Rivers (Brampton, ON)

PRAIRIE CHAMPIONSHIP
Deer Park Golf Course
Yorkton, SK | June 14-16
Boys: Josh Nagy (Saskatoon, SK)
Girls: Hyeji Yang (Langley, BC)

ATLANTIC CHAMPIONSHIP
Covered Bridge Golf & Country Club
Hartland, NB | July 16-18
Boys: Malik Dao (Notre-Dame-de-l'Île-Perrot, QC)
Girls: Isabella Ferguson (Ottawa, ON)

CANADIAN WOMEN'S MID-AMATEUR & SENIOR CHAMPIONSHIP
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Victoria, BC | August 28-September 1

CHAMPION: New Zealand

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Angus Glen Golf Club
Markham, ON | September 24-27

TEAM: Republic of Korea
MEDALLIST: Atthaya Thitikul (Thailand)

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Lachute, QC | September 20-22

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GIRLS: Erin Kim (Toronto, ON)

FUTURE LINKS FALL SERIES WEST CHAMPIONSHIP
Crown Isle Resort & Golf Community
Courtenay, BC | September 27-29

BOYS: Ashton McCulloch (Kingston, ON)
GIRLS: Luna Lu (Burnaby, BC)

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Pitt Meadows Golf Club
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Boys: Michael Crisologo (Richmond, BC)
Girls: Lauren Kim (Surrey, BC)

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Girls: Angela Arora (Surrey, BC)

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Ponoka, AB | May 31-June 2
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QUÉBEC CHAMPIONSHIP
Club de golf Les Boisés de Joly
Joly, QC | June 7-9
Boys: Eric (Joohyung) Byun (Richmond Hill, ON)
Girls: Brooke Rivers (Brampton, ON)

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Deer Park Golf Course
Yorkton, SK | June 14-16
Boys: Josh Nagy (Saskatoon, SK)
Girls: Hyeji Yang (Langley, BC)

ATLANTIC CHAMPIONSHIP
Covered Bridge Golf & Country Club
Hartland, NB | July 16-18
Boys: Malik Dao (Notre-Dame-de-l'Île-Perrot, QC)
Girls: Isabella Ferguson (Ottawa, ON)
2019 TEAM CANADA

YOUNG PRO SQUAD

Jared du Toit
Kimberley, BC

Hugo Bernard
Mont-Saint-Hilaire, QC

Taylor Pendrith
Richmond Hill, ON

Stuart Macdonald
Vancouver, BC

Brittany Marchand
Orangeville, ON

Anne-Catherine Tanguay
Quebec City, QC

Maddie Szeryk
London, ON

Augusta James
Bath, ON

Jennifer Ha
Calgary, AB

Jaclyn Lee
Calgary, AB

NATIONAL SQUAD

Joey Savoie
La Prairie, QC

Chris Crisologo
Richmond, BC

Josh Whalen
Napanee, ON

Brendan MacDougall
Calgary, AB

Brigitte Thibault
Rosemère, QC

JUNIOR SQUAD

Laurent Desmarchais
Longueuil, QC

Christopher Vandette
Beaconsfield, QC

Jeevan Sihota
Victoria, BC

Olivier Ménard
Salaberry-de-Valleyfield, QC

Kai Iguchi
Banff, AB

Céleste Dao
Notre-Dame-de-l’Île-Perrot, QC

Ellie Szeryk
London, ON

Emily Zhu
Richmond Hill, ON

Sarah Beqaj
Toronto, ON

Monet Chun
Richmond Hill, ON
FINANCIAL ANALYSIS

The organization is proud to report that all financial metrics and objectives for Golf Canada were achieved in 2019 as management continued its strategy to make demonstrable improvements in the organization’s financial viability and strength. At the October 31, 2019 conclusion of the fiscal year, a $250K reduction in the annual Net Operating Deficit compared to 2018 was achieved. Golf Canada has now recognized three consecutive years of improvement in this key financial metric and a multi-million-dollar improvement since 2014.

ANNUAL NET OPERATING DEFICIT
(IN THOUSANDS)

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>-$2,453</td>
<td>-$1,703</td>
<td>-$1,051</td>
<td>-$1,376</td>
<td>-$700</td>
<td>-$450</td>
</tr>
</tbody>
</table>

Management and the Board of Directors upholds a Financial Mandate which requires that the Net Operating Deficit be reduced to breakeven by 2022 and the organization is well-positioned to achieve this target. This strategy will help to increase the use of our investment portfolio capital for long-term strategic initiatives and provide security if volatility in global capital markets affects annual investment income. Golf Canada’s investment portfolio was valued at $25.1M as at October 31, 2019 (2018 - $24.2M) and will increase once the proceeds from the sale of the Golf Canada Calgary Centre are invested into the active portfolio.

INVESTMENT PORTFOLIO VALUE
(IN THOUSANDS)

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>$25,661</td>
<td>$23,201</td>
<td>$23,946</td>
<td>$24,568</td>
<td>$24,170</td>
<td>$25,093</td>
</tr>
</tbody>
</table>

Golf Canada recognized a surplus of $826K for the year (2018 – net deficiency of $982K), an increase of $1.8M compared to 2018. This surplus was primarily generated as a result of the success of Golf Canada's professional championships and $1.9M (2018 - $16K) in net investment income, despite a one-time extraordinary loss ($484K) on the sale of the Golf Canada Calgary Centre.

We are proud to highlight the following additional successes from 2019:

- New partners including Hilton Canada, Avis Canada and Foresight Sports joined our collection of brand marketing partners during the year;
- New funding has been secured from Sport Canada to implement initiatives focused on improving gender equity and safe sport in golf; and
- Total revenue of Golf Canada grew by 23% and now exceeds $50M when combined with our partners at the Golf Canada Foundation who issued $1.56M in grants and scholarships in 2019.

TOTAL REVENUE OF GOLF CANADA
(IN THOUSANDS)

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>$33,671</td>
<td>$36,121</td>
<td>$37,214</td>
<td>$38,563</td>
<td>$39,824</td>
<td>$48,930</td>
</tr>
</tbody>
</table>

Further details on all major aspects of Golf Canada’s core operations are outlined below.

MEMBER SERVICES

In 2019, the organization set out to convert 100% of the remaining facilities into our enhanced membership model which is ripe with benefits for both the facility and golfers. New benefits from our partners at Avis and Hilton were added to enhance the individual member benefit. Management remains particularly proud of the incident protection member benefit introduced in 2017 which can support an individual Gold member with up to $6,000 on an annual basis for incident protection. In 2019, Golf Canada proudly paid out 316 claims totalling $182K (2018 - $115K on 189 claims) under this benefit to our members.

A targeted digital campaign to grow the number of public player members was initiated which yielded a 43% increase compared to 2018. Strong collaboration with our Provincial Association partners helped increase full-paid membership to 271,000 (2018 – 269,000) across 1,432 member-facilities (2018 – 1,390).

Inclusive of new costs for implementation of the World Handicap System and the enhanced member benefits, an increase of $435K was invested in Member Services in 2019. Management will continue to review our long-term pricing and benefit strategy to help ensure the net contribution of membership is a healthy contributor to support programs, amateur competitions and golf services. Primarily due to the increased public player growth, Golf Canada was able to increase the net contribution from Member Services by $150K compared to 2018.

After an allocation of program support expenses, the total gross revenues generated from Member dues ($5.1M) were apportioned to strategic priorities of Golf Canada, against the net excess expenses as follows: 60% on Golf Services (including membership benefits, Handicap and Course Rating, Rules and Heritage); 5% on Sport: Participation programs (Future Links, including Golf in Schools); 11% on Sport: High-performance (Team Canada and Next Generation athletes); 6% on Amateur Championships; 5% on Commercial activities (marketing, digital, and communications); and 13% on Relationships (contributions to other organizations, advocacy, safe sport and gender equity, and administration).

HOW ARE YOUR DUES USED?

- **Relationships**: 5%
- **Commercial**: 6%
- **Amateur Championships**: 11%
- **Sport: High Performance**: 5%
- **Sport Participation**: 13%
- **Golf Services**: 60%
SPORT – PARTICIPATION PROGRAMS

In 2019, Youth on Course, an element of the Future Links strategy was piloted in Alberta which delivers access to golf at a nominal cost through subsidies paid to participating member-facilities. A total of 1,087 grow golf initiatives (active Future Links sites, National Junior Golf Development Centres, Golf for the Cure, Get Linked, Girls Club, Learn to Play, and the Junior Skills Challenge) were conducted in 2019 (2018 – 1,056). As at October 31, 2019, 4,028 (2018 – 3,720) schools are participating in the Golf in Schools program across the country.

Golf Canada’s continued investment towards Golf in Schools and Get Linked would not be possible without the continued support of corporate partners, particularly Acura, Cobra Puma Golf, Provincial Associations, ClubLink, the Canadian Seniors Golf Association and the Golf Canada Foundation. Finally, Golf Fore the Cure presented by Subaru, was hosted at 176 facilities (2018 – 173) with over 12,000 female participants, collectively donated $395K to our charitable recipients — the Canadian Cancer Society and the Quebec Breast Cancer Foundation. Since the inception of this program, $6.8M has been contributed to the related charities.

SPORT – HIGH PERFORMANCE

The program’s increased investment in 2019 provided Golf Canada with the opportunity to increase the number of athletes in the program and expand the delivery of the National Training Centre at Bear Mountain Resort in Victoria, B.C.

This investment also supported the development of eighteen (18) athletes on Golf Canada’s national men’s and women’s Junior and Amateur Squads. The Young Pro Squad supported 10 (2018 – 8) up and coming athletes with financial, coaching, and other resources who have recently turned professional to help them with their transition. In addition to these teams, Golf Canada continues to increase its annual investment in Next Generation athletes and initiatives. Golf Canada was especially pleased that among the many athlete successes in 2019, a historic moment in Canadian golf took place when Team Canada took home the bronze medal in the mixed team event at the Pan Am Games—the first-ever medal for Canada at the Pan Am Games. In addition, Brigitte Thibault (Rosemére, Que.) proudly represented Golf Canada at the inaugural Augusta National Women’s Amateur Championship.

AMATEUR CHAMPIONSHIPS

This strategic pillar includes the operation of Golf Canada’s eight national amateur competitions, the World Junior Girls Championship, the Future Links, Driven by Acura Junior Championships and several USGA amateur qualifiers. In 2019, costs increased by 11% compared to 2018, primarily as a result due to Golf Canada’s rotational duty to conduct the Astor Trophy international competition at Royal Colwood, in Victoria, B.C.

PROFESSIONAL CHAMPIONSHIPS

In 2019, Golf Canada’s professional championships set a combined record attendance, peaking at over 175,000 spectators over the course of the two weeks for Canada’s National Men’s and Women’s Open Championship. The 2019 RBC Canadian Open was overwhelmingly successful with many positive factors to highlight. The City of Hamilton and the host club, Hamilton Golf and Country Club were tremendous partners. Fans flocked onsite during the new tournament date in early June and were treated to an array of food, art and music experiences in addition to the golf competition that was eventually won by PGA TOUR Player of the Year, Rory McIlroy. Florida Georgia Line and the Glorious Sons headlined onsite concerts; the Fare Way food initiative was introduced to fans; and nearly 2,000 students and teachers attended the Youth Initiative Days on Monday and Wednesday. The tournament’s success was acknowledged by the PGA TOUR and recognized as a finalist for the Tournament of the Year award.

The 2019 CP Women’s Open returned to the Greater Toronto Area for the first time since 2001 and culminated in a spectacular final pairing of Brooke Henderson and world number one, Jin Young Ko. The latter would take home her first CP Women’s Open trophy by defeating the defending champion and crowd favourite Brooke Henderson in front of approximately 43,500 fans. The CP Has Heart campaign raised $2.45M in support of Sick Kids Foundation and other children’s health agencies which now aggregates to $11M in support of children’s heart health since CP began their title sponsorship in 2014.

On the basis of the commercial success of both events, the aggregate surplus of the RBC Canadian Open and CP Women’s Open increased by $585K compared to 2018 and management is extremely proud of the continued financial improvement since 2014.

NET SURPLUS – PROFESSIONAL CHAMPIONSHIPS

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>($)</td>
<td>($11)</td>
<td>$84</td>
<td>$472</td>
<td>$411</td>
<td>$538</td>
<td>$1,123</td>
</tr>
</tbody>
</table>

GOLF CANADA CALGARY CENTRE

In early 2019, Management and the Board of Directors made a strategic decision to divest the organization of the Golf Canada Calgary Centre. Originally acquired in 2002, the facility provided an opportunity to test and run golf development programs; provide access for Calgary-based schools and high-performance athletes from Alberta; and increased Western-Canada brand awareness for Golf Canada. With the organization having since developed the National Junior Golf Development Centres certification program and based on a new 2020-2023 Strategic Plan, the organization determined that it was no longer a strategic fit to own and operate the facility.

Management conducted a thorough process identifying several potential buyers for the facility. On October 31, 2019, the organization executed the sale of the Golf Canada Calgary Centre for net proceeds of $958,551 ($1,000,000 less working capital adjustments), which were received upon closing. The proceeds were reinvested into Golf Canada’s investment portfolio in Q3 of 2020. All assets of the Golf Canada Calgary Centre were sold, and the property lease was transferred to the purchaser who plans to maintain the existing use, operations and enhance the facility with exciting new technology. After writing off the remaining net book value of the assets, the loss on disposal amounted to $484K. Golf Canada may share in a portion of the business profits of the purchaser’s operation through 2022 and such revenues will be recorded in the Statement of Revenues and Expenses at the time that such business profits are certain.

Management is pleased to report that all existing staff at the Golf Canada Calgary Centre remained with the purchaser under new employment or contracts and the organization extends our gratitude for their dedicated service through the transition.

DIVERSITY AND INCLUSION, SAFE SPORT AND GENDER EQUITY

Golf Canada is fully committed to fostering a safe sport environment for golf. In 2017, the organization launched a framework which led to several new and enhanced policies surrounding safe sport practices (both in the workplace and in competition). This framework remains fluid as we continue to impact all facets of the organization’s strategies surrounding these important topics: diversity and inclusion, safe sport, and gender equity.

In 2020, the organization will launch a national safe sport toolkit that will be made available to all member facilities which will include best practices, policies, resources, and information to assist them in executing safe sport practices at the facility-level.

As at October 31, 2019, the organization’s employee demographics was 37% female and 63% male (compared to our membership demographic of 24% female and 76% male) and specific initiatives are planned in 2020 to enhance our female workforce. Several staff will participate in women in leadership training, be active in the evolution of our CP Women’s Open Leadership Summit, and all will become members in the Women in Sports and Events (Toronto Chapter).

Management is committed to ensuring that diversity and inclusion, safe sport, and gender equity are not simply buzz words within the organization. Golf Canada is fully aligned with the important work of Sport Canada in this critical issue and encourage all those connected with our sport – athletes, parents, coaches, staff, volunteers and club representatives – to maintain an open dialogue to ensure safe and supportive environment without exception, across the Canadian golf landscape.

INVESTMENTS

In 2019, Management and the Investment Committee centralized the management of the investment portfolio to just one manager – RBC Wealth Management - PH&N Investment Counsel, after a public request for proposal process was completed. As a result, nearly all assets that were held in 2018 were liquidated in favour of an institutional-based portfolio.
The investment income from the portfolio continues to be used and relied upon to contribute to the delivery of our various programs and services. Management has identified the need to reduce dependency on investment income to help achieve Golf Canada’s desired annual operating results – breakeven or better. Despite the significant transition that is nearly complete as of October 31, 2019, the organization recognized a return of 8.3% for the year (2018 – 0.36%) which resulted in a $1.9M increase in net investment income compared to 2018. We expect volatility but cannot predict the timing thereof, therefore, Golf Canada maintains a conservative portfolio mix with an average return target of 6%, net of fees.

One component of the Financial Mandate set by the Board of Directors states that Golf Canada must maintain a minimum market value of $25M in assets, consisting of the investment portfolio, the Golf Canada Calgary Centre and any other income producing assets, of which $10M must be in liquid holdings. As at October 31, 2019, the investment portfolio balance itself was $25.1M (compared to $24.6M in 2018) and the organization will reinvest the $1M proceeds from the sale of the Golf Canada Calgary Centre in Q1 2020. Management is committed to ensuring the restrictions remain satisfied going forward while also strengthening Golf Canada’s fiscal responsibility and developing a strategy for long-term use of the growing portfolio balance.

PRINCIPAL RISKS OF THE CORPORATION

Golf Canada’s ability to deliver on the facets of our strategic plan may be affected by risks and uncertainties. Management has implemented procedures to identify and manage significant brand reputation, operational, regulatory and financial risks.

The following section describes the principal immediate risks and uncertainties that have been identified that could have a material and adverse effect on the organization’s financial mandate:

- A significant decrease in perceived lack of value in membership with Golf Canada or that our membership benefits do not resonate with facilities and their members
- The loss of a major title sponsor, particularly Canadian Pacific Railway, the Royal Bank of Canada, or Acura (for the Future Links, driven by Acura program). Alternatively, our authority as host organization of the LPGA Tour and PGA TOUR events is withdrawn by either professional body
- A natural disaster at the Golf Canada head office, professional championship host club, or significant security crisis at any event or national championship
- Reliance on investment income in managing Golf Canada’s annual budget when significant volatility in global investment markets could arise
- Lack of strategic success or financial results that fall materially short of budget and/or the Board of Director’s Financial Mandate

The Audit & Risk Committee completes an annual review with management to ensure that appropriate risk mitigation processes are in place to maximize utility of Golf Canada’s resources with an acceptable level of risk inherent in our operations. The principal risks above may differ from year to year; however, management ensures that appropriate mitigation activities remain in place.

FINANCIAL OUTLOOK

A new strategic plan for Golf Canada was launched in 2019 which sets forth a path for the organization through 2023. From a financial perspective, the organization remains committed to reducing the Net Operating Deficit to nil by 2022, before amortization and investment income. This will provide additional capital in Golf Canada’s investment portfolio which will be used to support the priorities inherent in the long-term strategic plan. In addition, the added growth and sustainability will provide comfort that the component of our Financial Mandate requiring at least $25M in investments will be achievable without compromising programming or services.

Management continues to engage with ClubLink and the Town of Oakville as well as several other golf clubs and municipalities about the future home of Golf Canada’s headquarters. Management remains objective and impartial to the long-term future of Glen Abbey Golf Club but must continue our due diligence by engaging municipalities and prospective facilities about opportunities for partnership with our future head office and the Canadian Golf Hall of Fame. Management expects that by the end of 2020, this strategy will be definitive, including the long-term financing strategy for this capital investment.

Golf Canada is demonstrating with the help of our Provincial Association partners that the revised membership model has sparked interest and garnered acceptance amongst member facilities across Canada. A great portion of the past few years has been spent ensuring a smooth transition of member facilities to the new suite of benefits. Management remains optimistic on converting potential Golf Canada members among the vast number of avid public players included amongst Canada’s 5.7M golfer population. In 2019, the organization executed a dedicated digital strategy focused on public player acquisition that led to an increase of 43% in those members to 22,000. In 2020, investment in this strategy will increase by nearly 150% compared to our pilot in 2019. Along with new benefits from partners such as Avis and Hilton, Management strongly believes that the enhanced public player program will ultimately increase participation, connection and revenues nationally.

Robert MacDonald FCPA, FCA
Director and Chair, Audit & Risk Management Committee

Garrett Ball CPA, CA
Chief Financial Officer and Ethics Commissioner

December 13, 2019
Independent Auditor’s Report

To the Members of Golf Canada,

Opinion
We have audited the financial statements of Golf Canada (the “Corporation”), which comprise the statement of financial position as at October 31, 2019, and the statement of revenue and expenses, changes in net assets, and cash flows for the year then ended, and a summary of significant account policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at October 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for non-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.

In preparing the financial statements, management is responsible for assessing the Corporation’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
Auditor’s Responsibilities for the Audit of the Financial Statements (Continued)
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants
Burlington, Ontario
December 13, 2019
Statement of Financial Position

As at October 31

<table>
<thead>
<tr>
<th>Assets</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$ 1,574,827</td>
<td>$ -</td>
</tr>
<tr>
<td>Accounts Receivable and Prepaid Expenses</td>
<td>5,517,490</td>
<td>6,258,942</td>
</tr>
<tr>
<td>Receivable from the Golf Canada Foundation (Note 13)</td>
<td>1,620,478</td>
<td>1,127,926</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>$ 8,712,795</td>
<td>$ 7,386,868</td>
</tr>
<tr>
<td>Investments (Note 3)</td>
<td>25,093,289</td>
<td>24,170,063</td>
</tr>
<tr>
<td>Capital Assets (Note 4)</td>
<td>131,789</td>
<td>1,627,629</td>
</tr>
<tr>
<td>Intangible Assets (Note 5)</td>
<td>112,901</td>
<td>169,351</td>
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<tr>
<td>Collections</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$ 34,050,775</td>
<td>$ 33,353,912</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank Indebtedness</td>
<td>$ -</td>
<td>$ 157,167</td>
</tr>
<tr>
<td>Bank Facility (Note 6)</td>
<td>850,000</td>
<td>1,260,000</td>
</tr>
<tr>
<td>Accounts Payable and Accrued Liabilities</td>
<td>5,462,741</td>
<td>5,206,267</td>
</tr>
<tr>
<td>Deferred Revenue</td>
<td>865,185</td>
<td>683,376</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>7,177,926</td>
<td>7,306,810</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating</td>
<td>26,872,849</td>
<td>26,047,102</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>$ 34,050,775</td>
<td>$ 33,353,912</td>
</tr>
</tbody>
</table>

Commitments (Note 10)
Contingencies (Note 12)

(See accompanying notes to financial statements)

On behalf of the Board of Directors:

Robert MacDonald, FCPA, FCA,
Director and Audit and Risk Management Committee Chair

Charlie Beaulieu
President
Statement of Changes in Net Assets

Year ended October 31

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, beginning of year</td>
<td>$26,047,102</td>
<td>$27,028,914</td>
</tr>
<tr>
<td>Adoption of New Accounting Standard (Note 2 (b))</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Restated balance, beginning of year</td>
<td>$26,047,102</td>
<td>$27,028,915</td>
</tr>
<tr>
<td>Excess / (Deficiency) of Revenues over Expenses</td>
<td>825,747</td>
<td>(981,813)</td>
</tr>
<tr>
<td>Balance, end of year</td>
<td>$26,872,849</td>
<td>$26,047,102</td>
</tr>
</tbody>
</table>

(See accompanying notes to financial statements)
## Statement of Revenues and Expenses

**Year ended October 31**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Member Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member Services</td>
<td>$5,118,713</td>
<td>$2,414,263</td>
<td>$2,704,450</td>
<td>$4,526,941</td>
<td>$1,979,262</td>
<td>$2,547,679</td>
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<tr>
<td><strong>Program Revenues and Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sport - Participation</td>
<td>1,329,655</td>
<td>1,352,082</td>
<td>(22,427)</td>
<td>1,346,153</td>
<td>1,337,831</td>
<td>8,322</td>
</tr>
<tr>
<td>Sport - Performance</td>
<td>2,030,300</td>
<td>1,729,723</td>
<td>300,577</td>
<td>1,777,410</td>
<td>1,806,891</td>
<td>(29,481)</td>
</tr>
<tr>
<td>Amateur Championships</td>
<td>921,770</td>
<td>1,222,580</td>
<td>(300,810)</td>
<td>854,378</td>
<td>1,097,741</td>
<td>(243,363)</td>
</tr>
<tr>
<td>Golf Services and Digital</td>
<td>507,321</td>
<td>505,198</td>
<td>2,123</td>
<td>348,825</td>
<td>385,120</td>
<td>(36,295)</td>
</tr>
<tr>
<td><strong>Total Program Revenues and Expenses</strong></td>
<td>$4,789,046</td>
<td>$4,809,583</td>
<td>(20,537)</td>
<td>$4,326,766</td>
<td>$4,627,583</td>
<td>(290,817)</td>
</tr>
<tr>
<td><strong>Program Support Revenues and Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>-</td>
<td>1,370,896</td>
<td>(1,370,896)</td>
<td>-</td>
<td>1,090,052</td>
<td>(1,090,052)</td>
</tr>
<tr>
<td>Administration and Overhead (Note 9)</td>
<td>67,000</td>
<td>3,160,167</td>
<td>(3,093,167)</td>
<td>67,000</td>
<td>2,508,622</td>
<td>(2,441,622)</td>
</tr>
<tr>
<td><strong>Total Program Support Revenues and Expenses</strong></td>
<td>67,000</td>
<td>4,531,063</td>
<td>(4,464,063)</td>
<td>67,000</td>
<td>3,598,674</td>
<td>(3,531,674)</td>
</tr>
<tr>
<td><strong>Total Member Services, Program Revenues and Expenses</strong></td>
<td>$9,974,759</td>
<td>$11,754,909</td>
<td>(1,780,150)</td>
<td>$8,920,707</td>
<td>$10,205,519</td>
<td>(1,284,812)</td>
</tr>
<tr>
<td><strong>Other Operations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional Championships</td>
<td>35,418,964</td>
<td>34,296,287</td>
<td>1,122,697</td>
<td>29,278,667</td>
<td>28,740,671</td>
<td>537,996</td>
</tr>
<tr>
<td>Golf Canada Calgary Centre</td>
<td>1,531,899</td>
<td>1,324,175</td>
<td>207,724</td>
<td>1,534,898</td>
<td>1,487,965</td>
<td>46,933</td>
</tr>
<tr>
<td><strong>Total Other Operations Revenues and Expenses</strong></td>
<td>$36,950,883</td>
<td>$35,620,462</td>
<td>$1,330,421</td>
<td>$30,813,565</td>
<td>$30,228,636</td>
<td>584,929</td>
</tr>
<tr>
<td><strong>Net Operating Results</strong></td>
<td>$46,925,642</td>
<td>$47,375,371</td>
<td>(449,729)</td>
<td>$39,734,272</td>
<td>$40,434,155</td>
<td>(699,883)</td>
</tr>
<tr>
<td>Loss on Disposal of Golf Canada Calgary Centre (Note 7)</td>
<td>-</td>
<td>483,751</td>
<td>(483,751)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Investment Income (Note 3)</strong></td>
<td>2,004,031</td>
<td>79,761</td>
<td>1,924,270</td>
<td>89,461</td>
<td>73,198</td>
<td>16,263</td>
</tr>
<tr>
<td><strong>Amortization</strong></td>
<td>-</td>
<td>165,043</td>
<td>(165,043)</td>
<td>-</td>
<td>298,193</td>
<td>(298,193)</td>
</tr>
<tr>
<td><strong>Excess / (Deficiency) of Revenues over Expenses</strong></td>
<td>$48,929,673</td>
<td>$48,103,926</td>
<td>$825,747</td>
<td>$39,823,733</td>
<td>$40,805,546</td>
<td>(981,813)</td>
</tr>
</tbody>
</table>

Sport Canada Funding (Note 8)
Golf Canada Foundation (Note 13)

(See accompanying notes to financial statements)
## Statement of Cash Flows

**Year ended October 31**

### Increase / (Decrease) in Cash

<table>
<thead>
<tr>
<th>Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess / (Deficiency) of Revenues over Expenses</td>
<td>$ 825,747</td>
<td>$(981,813)</td>
</tr>
<tr>
<td>Loss on Disposal of Golf Canada Calgary Centre <em>(Note 7)</em></td>
<td>483,751</td>
<td>-</td>
</tr>
<tr>
<td>Amortization of Capital Assets</td>
<td>108,593</td>
<td>217,963</td>
</tr>
<tr>
<td>Amortization of Intangible Assets</td>
<td>56,450</td>
<td>80,229</td>
</tr>
<tr>
<td><strong>(Increase) / Decrease in Fair Value of Investments</strong></td>
<td>$(1,473,761)</td>
<td>525,105</td>
</tr>
<tr>
<td></td>
<td>780</td>
<td>$(158,516)</td>
</tr>
<tr>
<td>Net Change in Non-cash Working Capital Components Relating to Operations</td>
<td>687,183</td>
<td>409,505</td>
</tr>
<tr>
<td></td>
<td>687,963</td>
<td>250,989</td>
</tr>
<tr>
<td><strong>Financing activity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Repayment) / Use of Bank Facilities (net)</td>
<td>$(410,000)</td>
<td>760,000</td>
</tr>
<tr>
<td><strong>Investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Redemption of Investments</td>
<td>21,779,610</td>
<td>2,305,325</td>
</tr>
<tr>
<td>Purchase of Investments</td>
<td>$(21,229,075)</td>
<td>(2,432,190)</td>
</tr>
<tr>
<td><strong>Net Proceeds on Disposal of Golf Canada Calgary Centre (Note 7)</strong></td>
<td>958,551</td>
<td>-</td>
</tr>
<tr>
<td>Purchase of Capital Assets</td>
<td>$(55,055)</td>
<td>(112,895)</td>
</tr>
<tr>
<td>Purchase of Intangible Assets</td>
<td>-</td>
<td>$(17,786)</td>
</tr>
<tr>
<td></td>
<td>1,454,031</td>
<td>(257,546)</td>
</tr>
<tr>
<td>Decrease in Bank Indebtedness / Increase in Cash, During the Year</td>
<td>1,731,994</td>
<td>753,443</td>
</tr>
<tr>
<td>Bank Indebtedness, Beginning of Year</td>
<td>$(157,167)</td>
<td>(910,610)</td>
</tr>
<tr>
<td><strong>Cash / (Bank Indebtedness), End of Year</strong></td>
<td>$ 1,574,827</td>
<td>$(157,167)</td>
</tr>
</tbody>
</table>

(See accompanying notes to financial statements)
Notes to Financial Statements

As at October 31, 2019

1. Nature of Operations
The Royal Canadian Golf Association, operating as Golf Canada (the Corporation), is incorporated without share capital under the laws of Canada and is a Registered Canadian Amateur Athletic Association under the Income Tax Act (Canada). Golf Canada is the National Sport Federation and governing body for golf in Canada as designated by the Government of Canada (Sport Canada). The Corporation is exempt from income tax and is a registered charity in accordance with the Income Tax Act (Canada).

2. Summary of Significant Accounting Policies
   (a) Basis of presentation
   These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Accounting standards for not-for-profit organizations require entities to select policies appropriate for their circumstances from choices provided in the specific standards in Part III of the CPA Canada Standards and Guidance.

   Each member of the Board of Directors of Golf Canada is also a member of the Golf Canada Foundation (the Foundation), a separate Registered Canadian Amateur Athletic Association that is exempt from income tax in Canada under the Income Tax Act (Canada). The Foundation’s mandate is to raise and grant funds for the advancement of golf in Canada. The Foundation’s results are not consolidated in these financial statements but have been disclosed in Note 13.

   (b) Impact of changes in accounting standards
   Section 4441 – Collections held by not-for-profit organizations was released by CPA Canada effective for annual financial statements relating to fiscal years beginning on or after January 1, 2019. Management has elected to adopt this section early which requires the Corporation to record the value of the Corporation’s collection held at cost or nominal value. The related policy is disclosed in Note 2 (g).

   The impact of adopting this standard was accounted for retrospectively, with the adjustment recorded to the Statement of Changes in Net Assets on November 1, 2017.

   (c) Use of estimates
   In preparing the 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 the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates as additional information becomes available in the future.

   Estimates and assumptions are used when accounting for items such as write-down of capital and intangible assets, determination of useful lives of capital and intangible assets, and accrued liabilities.

   (d) Financial instruments
   The Corporation initially measures its financial assets and liabilities at fair value when acquired or issued. Subsequently, all financial instruments are measured at fair value, amortized cost, or cost, less impairment with subsequent changes in fair value recognized in the Statement of Revenues and Expenses.

   Transaction costs on acquisition, sale or issue of financial instruments subsequently measured at fair value are expensed as incurred. Financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or redemption.
Notes to Financial Statements

As at October 31, 2019

2. Summary of Significant Accounting Policies (Continued)

Financial assets and liabilities measured at amortized cost include cash, accounts receivable, receivable from the Golf Canada Foundation, bank indebtedness, bank facility, accounts payable and accrued liabilities, and Investments are measured at fair value where quoted prices are available from active markets. Investments that do not have a quoted value in an active market are recognized at cost, less impairment. Investment income includes interest, dividends, realized gains/(losses), and net change in unrealized gains/(losses) for the year, less counsel and custodian fees.

(e) Capital assets and amortization

Rates and bases of amortization applied to amortize the cost less estimated salvage value of capital assets over their estimated useful lives are as follows:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer Equipment</td>
<td>50%, declining balance</td>
</tr>
<tr>
<td>Leasehold Improvements</td>
<td>Straight line over the term of the lease</td>
</tr>
<tr>
<td>Furniture and Equipment</td>
<td>25%, declining balance</td>
</tr>
<tr>
<td>Golf Canada Calgary Centre (Note 7)</td>
<td>Straight line over remaining years of the lease options</td>
</tr>
</tbody>
</table>

(f) Intangible assets and amortization

Intangible assets are initially recognized and measured at cost. Intangible assets with finite useful lives are amortized over their useful lives. The amortization methods and estimated useful lives of intangible assets are as follows:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Website and Score Centre™ Development</td>
<td>33%, declining balance</td>
</tr>
<tr>
<td>Customer Relationship Management System</td>
<td>33%, declining balance</td>
</tr>
</tbody>
</table>

(g) Collections

The Canadian Golf Hall of Fame and Museum’s collection of archives and assets are owned and curated by Golf Canada. The accumulated value of the entire collection is unknown and cannot be reasonably determined. The Corporation’s collections are capitalized in the Statement of Financial Position at a nominal value and are not subject to amortization. For purchased items, the difference between the purchase price and nominal value is expensed in the period the items are acquired.

(h) Revenue recognition

Golf Canada follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Grants are recognized in revenue in the period for which the related expenses are incurred. Deferred revenue represents ticket and volunteer registration revenues relating to professional tournaments which have been received but not earned. Deferred revenue also includes cash received from government agencies for specified expenses and activities that will be incurred in the following fiscal year. Membership dues are recognized as revenue as fees become due. All other revenue is recognized upon completion of the particular tournament or event.

(i) Donated services

The work of Golf Canada is dependent on the services of many volunteers at amateur and professional events as well as governance Councils and Committees. Since these services are not normally purchased by Golf Canada and because of the difficulty of determining their fair value, donated services are not recorded in the Statement of Revenues and Expenses.
2. Summary of Significant Accounting Policies (Continued)

(j) Impairment of long-lived assets
When long-lived assets no longer have any long-term service potential to the Corporation, the excess of its net carrying amount over any residual value is recognized as an expense in the Statement of Revenue and Expenses.

(k) Foreign currency translation
Foreign currency accounts are translated to Canadian dollars as follows:
- At the transaction date, each asset, liability, revenue or expense is translated to Canadian dollars using the exchange rate in effect at that date.
- At October 31, monetary assets are translated into Canadian dollars using the exchange rate in effect at that date.

The resulting foreign exchange gains and losses are recorded in the Statement of Revenues and Expenses.

(l) Financial instruments risk management
(i) Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for another party failing to discharge its obligation. The Corporation is subject to credit risk through its receivables. Credit risk is minimized by dealing primarily with companies with strong financial positions. Golf Canada maintains provisions for potential credit losses and any such losses to date have been within management’s expectations. There have been no changes in this risk from the prior year.

(ii) Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Corporation conducts certain business in U.S. dollars and maintains a U.S. dollar bank account. At the statement of financial position date, Golf Canada held U.S. cash of $147,066 (2018 - $152,913) and had $nil (2018 - $229,985) in outstanding U.S. receivables.

(iii) 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 Corporation is subject to interest rate risk through its bank facility (Note 6) debt that bear interest based on the lender’s prime rate, which may vary from time to time. Golf Canada manages this risk by investing in a diversified portfolio of assets in accordance with the Investment Policy Statement. There have been no changes in this risk from the prior year.

(iv) Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Corporation is exposed to market fluctuations through its investments quoted in active markets. Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in those market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the markets. The Investment Committee controls risk management of the portfolio by engaging external professional investment advisors and establishing risk guidelines to ensure that appropriate diversification exists, guided by the Investment Policy Statement. There have been no changes in this risk from the prior year.
2. Summary of Significant Accounting Policies (Continued)

(v) Liquidity risk
Liquidity risk is the risk that the Corporation will encounter difficulty in meeting its obligations associated
with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity
requirements, Golf Canada will not have sufficient funds to settle a transaction on the due date; will be
forced to sell financial assets at a value, which is less than what they are worth; or may be unable to
settle or recover a financial asset. Golf Canada is exposed to this risk mainly in respect of its accounts
payable and accrued liabilities, bank facility and commitments. Golf Canada manages this risk by
maintaining a portion of its invested assets in liquid holdings.

3. Investments

(i) Financial Mandate
The Board upholds a Financial Mandate with the objective for the Corporation to operate on at least a
breakeven basis, after amortization and investment income, and maintain a minimum market value of
$25,000,000 in the portfolio of which a minimum of $10,000,000 must be in liquid holdings. In 2018, the
Board enhanced the Financial Mandate by requiring that the Corporation is to operate on a breakeven
basis, before amortization and investment income by 2022. The Financial Mandate was met for the
year ended, October 31, 2019.

(ii) Governance
The investment objectives and portfolio mix are in accordance with Golf Canada’s Investment Policy
Statement approved by the Board. A copy of the Corporation’s Investment Policy Statement is made
publicly available on our external website, www.golfcanada.ca. The Investment Committee and
management obtain input on a regular basis from Golf Canada’s professional advisors in making
decisions relating to the portfolio. The portfolio’s assets include a diversified mix of short-term
instruments, income, equity, and alternative investment funds. The mandate of the Investment
Committee includes a review of the portfolio holdings on a regular basis. As at October 31, the assets
of the portfolio were measured as follows:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments Measured at Fair Value</td>
<td>$23,618,906</td>
<td>$22,639,906</td>
</tr>
<tr>
<td>Investments Measured at Cost, Less Impairment</td>
<td>1,474,383</td>
<td>1,530,457</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$25,093,289</strong></td>
<td><strong>$24,170,063</strong></td>
</tr>
</tbody>
</table>

(iii) Investment Income
Investment income recognized in the Statement of Revenues and Expenses include the following:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributions</td>
<td>$530,270</td>
<td>$614,566</td>
</tr>
<tr>
<td>Increase / (Decrease) in Fair Value of Investments</td>
<td>1,473,761</td>
<td>(525,105)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,004,031</strong></td>
<td><strong>$89,461</strong></td>
</tr>
</tbody>
</table>

Expenses recognized in the Statement of Revenues and Expenses include professional fees paid to
the Corporation’s professional investment advisors.
Notes to Financial Statements

4. Capital Assets

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Accumulated Amortization</th>
<th>Net Book Value</th>
<th>Net Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer Equipment</td>
<td>$746,892</td>
<td>$663,645</td>
<td>$83,247</td>
<td>$85,311</td>
</tr>
<tr>
<td>Leasehold Improvements</td>
<td>184,482</td>
<td>184,482</td>
<td>-</td>
<td>271,825</td>
</tr>
<tr>
<td>Furniture and Equipment</td>
<td>282,176</td>
<td>233,634</td>
<td>48,542</td>
<td>107,834</td>
</tr>
<tr>
<td>Golf Canada Calgary Centre</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,162,659</td>
</tr>
<tr>
<td></td>
<td>$1,213,550</td>
<td>$1,081,761</td>
<td>$131,789</td>
<td>$1,627,629</td>
</tr>
</tbody>
</table>

5. Intangible Assets

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Website and Score Centre™ Development</td>
<td>$385,110</td>
<td>$290,315</td>
</tr>
<tr>
<td>Customer Relationship Management System</td>
<td>96,520</td>
<td>78,414</td>
</tr>
<tr>
<td></td>
<td>$481,630</td>
<td>$368,729</td>
</tr>
</tbody>
</table>

6. Bank Facility

As at October 31, 2019, the Corporation has a revolving demand facility of $2,000,000. As security, Golf Canada has pledged a portion (14%; 2018 – 14%) of the investment portfolio against the facility. $850,000 of this facility was drawn on as at October 31, 2019 (2018 - $1,260,000). The facility is due upon demand and bears interest at a rate of bank prime plus 0.75%, which equates to 4.70% at October 31, 2019 (2018 – 4.70%). As at October 31, 2019, the Corporation is compliant with all conditions and general covenants of the facility.

7. Disposal of the Golf Canada Calgary Centre

On October 31, 2019, the Corporation executed the sale of the Golf Canada Calgary Centre for net proceeds of $958,551 ($1,000,000 less working capital adjustments), which were received upon closing. All assets of the Golf Canada Calgary Centre were sold, and the property lease was transferred to the Purchaser (Note 12). The loss on disposal amounted to $483,751 is recorded in the Statement of Revenues and Expenses.

The purchaser will license the Golf Canada name and intellectual property on a short-term basis, continuing to operate all facets of the operation while planning to enhance the facility with their proprietary software in the future. All existing staff at the Golf Canada Calgary Centre remained with the purchaser under new employment or contract. Golf Canada may share in a portion of the business profits of the purchaser’s operation through 2022 and such revenues will be recorded in the Statement of Revenues and Expenses at the time that such business profits are certain.
Notes to Financial Statements

As at October 31, 2019

8. Sport Canada Funding
As the National Sport Federation (NSF) for golf in Canada, the Corporation receives funding from the Government of Canada through Sport Canada’s Sport Support Program to enhance and advance the Canadian Sport Policy. Funding is aimed at developing our athletes and coaches at the highest international levels; providing sound technically based golf programming for all golfers; increasing the number of Canadians from all segments of society involved in golf; and advancing Canadian interests and values in Canada and abroad.

Funding is granted on the basis of eligible expenditures that are incurred to contribute to the achievement of the objectives of the Canadian Sport Policy. Funding is provided annually throughout Sport Canada’s fiscal year (April 1 to March 31).

Management estimates the amount of eligible expenses that are incurred during the Corporation’s fiscal year and recognizes revenue from Sport Canada’s fiscal funding on a pro-rata accrual basis. Revenue has been allocated to Program Revenues and Expenses on a pro-rata basis of total eligible expenditures. During the Corporation’s fiscal year, a total of $832,250 (2018 - $862,250) was recognized from Sport Canada.

9. Allocation of Administration and Overhead Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building and IT Systems, Network and Applications</td>
<td>$906,040</td>
<td>$912,211</td>
</tr>
<tr>
<td>Salaries, Benefits and Travel</td>
<td>1,445,447</td>
<td>1,357,402</td>
</tr>
<tr>
<td>Strategic Planning and Transitional Costs</td>
<td>609,025</td>
<td>22,363</td>
</tr>
<tr>
<td>Professional Fees, Insurance, and Bank Fees</td>
<td>329,988</td>
<td>323,574</td>
</tr>
<tr>
<td>Conferences and Meetings</td>
<td>356,285</td>
<td>273,333</td>
</tr>
<tr>
<td>Postage, Courier and Other Costs</td>
<td>123,859</td>
<td>121,205</td>
</tr>
<tr>
<td>Net Tax Rebates, Recoveries and Donations</td>
<td>(183,977)</td>
<td>(102,826)</td>
</tr>
<tr>
<td><strong>Total Administration and Overhead Expenses</strong></td>
<td>3,586,667</td>
<td>2,907,262</td>
</tr>
<tr>
<td>Allocation to Professional Championships</td>
<td>(426,500)</td>
<td>(398,640)</td>
</tr>
<tr>
<td><strong>Net Administration and Overhead Expenses</strong></td>
<td>$3,160,167</td>
<td>$2,508,622</td>
</tr>
</tbody>
</table>

During the year, Golf Canada incurred approximately $95,000 (2018 - $74,000) of administration and overhead expenses, on behalf of the Golf Canada Foundation. These expenses have not been charged to the Golf Canada Foundation.

10. Commitments
The Corporation has entered into agreements to lease office and storage space, and office equipment to various dates through 2024. Minimum annual payments under these lease agreements in aggregate and for the next five years are due as follows:
Notes to Financial Statements

As at October 31, 2019

10. Commitments (Continued)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$443,558</td>
</tr>
<tr>
<td>2021</td>
<td>84,791</td>
</tr>
<tr>
<td>2022</td>
<td>15,278</td>
</tr>
<tr>
<td>2023</td>
<td>15,278</td>
</tr>
<tr>
<td>2024</td>
<td>4,982</td>
</tr>
<tr>
<td>Total</td>
<td>$563,887</td>
</tr>
</tbody>
</table>

11. Employee Pension Plan

As part of its employee compensation plan, the Corporation offers a registered defined contribution pension plan for eligible employees. Through this defined contribution plan, the Corporation makes matching contributions of 6%, up to a maximum of $3,500, on behalf of each eligible employee. During the year, the Corporation contributed $144,146 (2018 - $137,144) on behalf of its eligible employees.

The Corporation has no obligation in excess of the contributions discussed above, as it does not have any defined benefit retirement plans, nor does it provide any post-retirement medical benefits.

12. Contingencies

(i) Legal Matters

From time to time, the Corporation may be named as a defendant in claims that arise in the ordinary course of business. Although it is difficult to predict the outcome of any such legal actions or claims, based on current knowledge and consultation with legal counsel, management does not expect the outcome of any of these matters, individually or in aggregate, to have a material adverse effect on the Corporation's financial position. Should any uninsured losses result from the resolution of open claims, such losses will be charged to Statement of Revenues and Expenses in the year of resolution.

(ii) Property lease – Golf Canada Calgary Centre

Upon execution of the disposal of the Golf Canada Calgary Centre (Note 7), the Corporation transferred the property lease to the Purchaser. If the Purchaser defaults on their obligations of the lease with the landlord in the initial 5-year term, ending October 31, 2024, Golf Canada may be liable for unfulfilled obligations to the Landlord. Management does not expect the Purchaser to default on their obligations and a liability amount cannot be reasonably estimated at October 31, 2019. Should any loss result from the default of the purchaser occur during the initial lease term, such losses will be charged to the Statement of Revenues and Expenses in the year of default.

13. Golf Canada Foundation

The Foundation was established to raise and grant funds for the advancement of golf in Canada. The Foundation delivers this mandate through Scholarships and Grants. During fiscal 2019, the Foundation awarded a total of $1,556,000 in scholarships and grants (2018 - $1,306,000).
Notes to Financial Statements

13. Golf Canada Foundation (Continued)

Foundation results have not been consolidated in Golf Canada’s Financial Statements. The only significant difference between the accounting policies followed by Golf Canada and the Foundation is that the Foundation follows the Restricted Fund method for accounting for contributions and Golf Canada follows the Deferral method. A summary of the audited financial statements of the Foundation as at October 31 and for the years then ended are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Position</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Assets</td>
<td>$3,510,866</td>
<td>$2,894,750</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>1,843,569</td>
<td>1,445,379</td>
</tr>
<tr>
<td>Total Net Assets</td>
<td>$1,667,297</td>
<td>$1,449,371</td>
</tr>
<tr>
<td><strong>Results of Operations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$2,542,158</td>
<td>$2,301,335</td>
</tr>
<tr>
<td>Gain / (Loss) on Fair Value of Investments</td>
<td>126,584</td>
<td>(30,915)</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>2,450,816</td>
<td>2,080,751</td>
</tr>
<tr>
<td>Excess of Revenues over Expenses</td>
<td>$217,926</td>
<td>$189,669</td>
</tr>
<tr>
<td><strong>Cash Flows</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash from / (used in) Operations</td>
<td>$353,416</td>
<td>$(682,177)</td>
</tr>
<tr>
<td>Cash used in Investing Activity</td>
<td>(41,035)</td>
<td>(32,735)</td>
</tr>
<tr>
<td>Cash from Financing Activity</td>
<td>180,863</td>
<td>190,845</td>
</tr>
<tr>
<td>Increase / (Decrease) in Cash</td>
<td>$493,245</td>
<td>$(524,067)</td>
</tr>
</tbody>
</table>

The Receivable from the Golf Canada Foundation is non-interest bearing, has no specific repayment terms, and is settled on a periodic basis. Transactions between the two entities consist of reimbursement of expenses paid on behalf of the Foundation, grants paid to support Golf Canada programming, and licensing of assets. A total of $1,071,445 (2018 - $808,085) has been recorded in the Statement of Revenue and Expenses as revenue from the Foundation. These transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed upon by the related parties.

14. Comparative Figures

Certain of the comparative figures included in these financial statements have been reclassified to conform to the presentation adopted for the current year.