

Tara Golf and Country Club, Inc.

Financial Statements

December 31, 2022 and 2021

CONTENTS

| | <u>Page</u> |
|---|-------------|
| INDEPENDENT AUDITOR'S REPORT | - |
| FINANCIAL STATEMENTS: | |
| Balance Sheets | 1 |
| Statements of Revenues and Expenses | 2 |
| Statements of Changes in Members' Equity | 3 |
| Statements of Cash Flows | 4 |
| Notes to Financial Statements | 5-11 |
| SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS | 12 |



CAVANAUGH & CO, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Tara Golf and Country Club, Inc.

Opinion

We have audited the accompanying financial statements of Tara Golf and Country Club, Inc., which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of revenues, expenses, and changes in fund balances and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tara Golf and Country Club, Inc. as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 required to be independent of Tara Golf and Country Club, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Tara Golf and Country Club, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

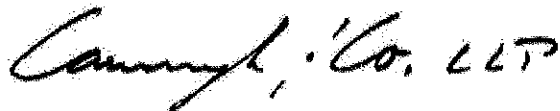
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 Tara Golf and Country Club, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Tara Golf and Country Club, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on future major repairs and replacements is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Tara Golf and Country Club, Inc.'s management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



Sarasota, Florida

March 30, 2023

Tara Golf and Country Club, Inc.

Balance Sheets

December 31, 2022 and 2021

ASSETS

| | 2022 | 2021 |
|-------------------------------------|---------------|------------|
| Current assets: | | |
| Cash and cash equivalents | \$ 617,885 | 943,905 |
| Designated cash | 4,379,834 | 4,195,929 |
| Member assessments receivable, net | 226,100 | 144,576 |
| Inventory | 200,119 | 141,704 |
| Prepaid expenses and other | 297,159 | 211,027 |
| Total current assets | 5,721,097 | 5,637,141 |
| Property and equipment, net | 7,954,196 | 8,069,696 |
| Operating lease right-to-use assets | 217,695 | - |
| Deposits | 4,164 | 4,164 |
| Total assets | \$ 13,897,152 | 13,711,001 |

LIABILITIES AND MEMBERS' EQUITY

| | | |
|---|---------------|------------|
| Current liabilities: | | |
| Current portion of long-term debt | \$ 580,021 | 561,218 |
| Accounts payable | 129,530 | 102,802 |
| Accrued expenses | 275,728 | 257,080 |
| Deferred revenue | 472,798 | 437,312 |
| Operating lease liability, current portion | 108,635 | - |
| Other current liabilities | 53,553 | 239,654 |
| Total current liabilities | 1,620,265 | 1,598,066 |
| Long-term debt, net of current portion | 3,643,083 | 4,218,742 |
| Operating lease liability, net of current portion | 109,060 | - |
| Total liabilities | 5,372,408 | 5,816,808 |
| Members' equity: | | |
| Designated | 4,259,271 | 4,216,402 |
| Undesignated | 4,265,473 | 3,677,791 |
| Total members' equity | 8,524,744 | 7,894,193 |
| Total liabilities and members' equity | \$ 13,897,152 | 13,711,001 |

See accompanying notes to financial statements.

Tara Golf and Country Club, Inc.

Statements of Revenues and Expenses
Years Ended December 31, 2022 and 2021

| | 2022 | 2021 |
|---|-------------------|----------------|
| Revenues: | | |
| Member assessments | \$ 4,427,112 | 4,264,710 |
| Administrative fees | 23,900 | 20,000 |
| Food sales | 1,098,284 | 736,529 |
| Beverage sales | 338,642 | 253,253 |
| Merchandise sales | 212,485 | 168,944 |
| Cart fees | 676,634 | 610,156 |
| Green fees and other golf revenue | 544,476 | 410,915 |
| Interest | 23,187 | 16,919 |
| Unspent minimum | 187,909 | 13,700 |
| PPP loan forgiveness | - | 625,300 |
| Other | 56,200 | 76,511 |
| Total revenues | 7,588,829 | 7,196,937 |
| Expenses: | | |
| Food and beverage | 2,128,855 | 1,612,477 |
| Golf course maintenance | 1,525,953 | 1,370,909 |
| Golf operations | 760,976 | 658,633 |
| Pool and tennis | 36,321 | 40,692 |
| Clubhouse and administrative | 1,490,687 | 1,407,056 |
| Insurance | 218,534 | 186,507 |
| Maintenance | 242,779 | 210,307 |
| Other taxes | 11,722 | 11,681 |
| Loss on disposal of assets | 20,663 | 5,718 |
| Depreciation | 786,808 | 799,153 |
| Total expenses | 7,223,298 | 6,303,133 |
| Excess of revenues over expenses | \$ 365,531 | 893,804 |

See accompanying notes to financial statements.

Tara Golf and Country Club, Inc.

Statements of Changes in Members' Equity
Years Ended December 31, 2022 and 2021

| | <u>2022</u> | <u>2021</u> |
|-------------------------------------|---------------------|------------------|
| Members' equity - beginning of year | \$ 7,894,193 | 6,735,609 |
| Capital assessments | 265,020 | 264,780 |
| Excess of revenues over expenses | <u>365,531</u> | <u>893,804</u> |
| Members' equity - end of year | <u>\$ 8,524,744</u> | <u>7,894,193</u> |

See accompanying notes to financial statements.

Tara Golf and Country Club, Inc.

Statements of Cash Flows
Years Ended December 31, 2022 and 2021

| | 2022 | 2021 |
|--|---------------------|--------------------|
| Cash flows from operating activities: | | |
| Member assessments collected | \$ 4,357,074 | 4,288,738 |
| Interest received | 23,187 | 16,919 |
| Other income received | 3,138,530 | 2,290,008 |
| PPP loan forgiveness | - | 625,300 |
| Cash paid for operating expenses | <u>(6,672,737)</u> | <u>(5,359,950)</u> |
| Cash flows from operating activities | <u>846,054</u> | <u>1,861,015</u> |
| Cash flows from investing activities: | | |
| Purchases of property and equipment | <u>(691,971)</u> | <u>(388,497)</u> |
| Cash flows from investing activities | <u>(691,971)</u> | <u>(388,497)</u> |
| Cash flows from financing activities: | | |
| Members' contributions | 265,020 | 264,780 |
| Repayment of long term debt | <u>(561,218)</u> | <u>(542,973)</u> |
| Cash flows from financing activities | <u>(296,198)</u> | <u>(278,193)</u> |
| Net (decrease) increase in cash and cash equivalents | (142,115) | 1,194,325 |
| Cash and cash equivalents at beginning of year | <u>5,139,834</u> | <u>3,945,509</u> |
| Cash and cash equivalents at end of year | <u>\$ 4,997,719</u> | <u>5,139,834</u> |
| Reconciliation of excess of revenues over expenses to cash flows from operating activities: | | |
| Excess of revenues over expenses | \$ 365,531 | 893,804 |
| Adjustments to reconcile deficiency of revenues over expenses to cash flows from operating activities: | | |
| Depreciation | 786,808 | 799,153 |
| Amortization | 4,362 | 4,362 |
| Bad debts | 24,000 | 24,000 |
| Loss on disposal of assets | 20,663 | 5,718 |
| (Increase) decrease in: | | |
| Member assessments receivable | (105,524) | 23,235 |
| Inventory | (58,415) | 26,748 |
| Prepaid expenses and other | (86,132) | (15,575) |
| Increase (decrease) in: | | |
| Accounts payable | 26,728 | (91,607) |
| Accrued expenses | 18,648 | 34,008 |
| Deferred revenue | 35,486 | 793 |
| Other current liabilities | <u>(186,101)</u> | <u>156,376</u> |
| Total adjustments | <u>480,523</u> | <u>967,211</u> |
| Cash flows from operating activities | <u>\$ 846,054</u> | <u>1,861,015</u> |
| Supplementary cash flow information | | |
| Cash paid for interest | <u>\$ 150,422</u> | <u>168,615</u> |

See accompanying notes to financial statements.

Tara Golf and Country Club, Inc.

Notes to Financial Statements December 31, 2022 and 2021

Note 1 – Organization and Summary of Significant Accounting Policies:

Organization

Tara Golf & Country Club, Inc. (the "Club"), a member-owned private club and umbrella Club, was incorporated as "a corporation not-for-profit" under laws of the State of Florida in November 1988. The purpose of the Club is to operate and maintain the Tara Golf & Country Club common areas and recreational amenities for the benefit of its members.

Accounting estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition

Member assessments are recognized as revenue on a pro rata basis over the period covered by the billing. Nonrefundable capital assessments and membership contributions are recognized as a component of member's equity when received.

Cash and cash equivalents

For purposes of reporting cash flows, the Club considers all money market funds and highly liquid investments with an original maturity of three months or less to be cash equivalents.

Risk concentration

The Club maintains its cash in bank deposit accounts which, at times may exceed federally insured limits. The Club has not experienced any losses on such accounts. The Club believes it is not exposed to any significant risk on cash and cash equivalents.

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market. Inventories consist of food, beverage and merchandise held for sale.

Commonly owned assets

The Club capitalizes, at cost, the purchases of commonly owned assets, such as, property and equipment, land improvements and buildings.

Tara Golf and Country Club, Inc.

Notes to Financial Statements – Continued
December 31, 2022 and 2021

Note 1 – Organization and Summary of Significant Accounting Policies – Continued:

Accounts receivable

Accounts receivables are carried at the original amount charged less an estimate made for uncollectible receivables, if any, based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. At December 31, 2022 and 2021 the allowance for doubtful accounts was \$93,249 and \$69,887, respectively. Accounts receivables are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. Liens are placed on uncollected assessments as allowed by law. An account receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 30 days. Interest is charged on accounts receivable that are outstanding for more than 30 days and is recognized as it is charged. 90 days after the receivable due date, the member will be suspended and not permitted to use the club facilities until reinstatement.

Property and equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of 3 to 39 years, as follows:

| | <u>Years</u> |
|-----------------------------------|--------------|
| Land improvements | 3-30 |
| Buildings and improvements | 3-39 |
| Golf course equipment | 4-25 |
| Furniture, fixtures and equipment | 3-20 |

Income taxes

The Internal Revenue Service has exempted the Club from federal income taxes under Section 501(c)(7) of the Internal Revenue Code. The Tax Reform Act of 1969 imposed a corporate income tax on the “unrelated business taxable income” of an otherwise tax-exempt organization. Provision for any applicable federal and state income taxes has been made in the accompanying statement of revenues and expenses.

Management has evaluated the effect of an accounting standard relating to accounting for uncertainty in income taxes. Management has determined that the Club had no uncertain income tax positions that could have a significant effect on the financial statements for the years ended December 31, 2021 and 2022. The Club's federal income tax returns are subject to examination, generally for three years after the federal income tax returns were filed.

Recent Pronouncements

In February 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2016-2, Leases (Topic 842) which required lessees to recognize on the balance sheet the assets and liabilities for the rights and obligations created by leases with terms of more than twelve months. The Club adopted this standard in 2022 using a modified retrospective approach whereby the new standard was applied to all existing leases as of the effective date without restating comparative prior periods. The effect of this new standard increased total assets and liabilities by approximately \$326,000 upon adoption.

Tara Golf and Country Club, Inc.

Notes to Financial Statements – Continued
December 31, 2022 and 2021

Note 2 – Board Designated Funds:

The activity of the Board designated funds for the year ended December 31, 2022 is as follows:

| | Replacement Fund | Capital Purchases Fund | Contingency Fund | Ponds and Wall | Insurance Fund | Total Funds |
|--|---------------------|------------------------------|---------------------|-------------------|-------------------|------------------|
| Balance, December 31, 2021 | \$ 2,782,841 | (4,231) | 815,185 | 73,140 | 549,467 | 4,216,402 |
| Additions | | | | | | |
| Board allocation from operating funds | 244,021 | 50,777 | 40,000 | 23,979 | - | 358,777 |
| Interest income | 19,738 | - | - | 467 | 2,982 | 23,187 |
| Capital contributions | 265,020 | - | - | - | - | 265,020 |
| | <u>528,779</u> | <u>50,777</u> | <u>40,000</u> | <u>24,447</u> | <u>2,982</u> | <u>646,984</u> |
| Deductions: | | | | | | |
| Capital expenditures | 508,684 | 71,958 | 109,720 | 13,753 | - | 704,115 |
| Repair/other expenditures | - | - | - | - | - | - |
| | <u>508,684</u> | <u>71,958</u> | <u>109,720</u> | <u>13,753</u> | <u>-</u> | <u>704,115</u> |
| Transfers In (out) | - | 258,641 | (158,641) | - | - | 100,000 |
| Balance, December 31, 2022 | <u>\$ 2,802,936</u> | <u>233,229</u> | <u>586,824</u> | <u>83,834</u> | <u>552,449</u> | <u>4,259,271</u> |

The activity of the Board designated funds for the year ended December 31, 2021 is as follows:

| | Replacement Fund | Capital Purchases Fund | Contingency Fund | Ponds and Wall | Insurance Fund | Total Funds |
|--|---------------------|------------------------------|---------------------|-------------------|-------------------|------------------|
| Balance, December 31, 2020 | \$ 2,342,078 | (13,213) | 151,805 | 67,789 | 546,790 | 3,095,249 |
| Additions | | | | | | |
| Board allocation from operating funds | 275,135 | - | 31,119 | 18,865 | - | 325,119 |
| Interest income | 13,894 | - | - | 350 | 2,677 | 16,921 |
| Capital contributions | 264,780 | - | - | - | - | 264,780 |
| | <u>553,809</u> | <u>-</u> | <u>31,119</u> | <u>19,215</u> | <u>2,677</u> | <u>606,820</u> |
| Deductions: | | | | | | |
| Capital expenditures | 108,274 | 146,871 | 116,214 | 13,864 | - | 385,223 |
| Repair/other expenditures | 4,772 | 3,527 | - | - | - | 8,299 |
| | <u>113,046</u> | <u>150,398</u> | <u>116,214</u> | <u>13,864</u> | <u>-</u> | <u>393,522</u> |
| Transfers In (out) | - | 159,380 | 748,475 | - | - | 907,855 |
| Balance, December 31, 2021 | <u>\$ 2,782,841</u> | <u>(4,231)</u> | <u>815,185</u> | <u>73,140</u> | <u>549,467</u> | <u>4,216,402</u> |

Tara Golf and Country Club, Inc.

Notes to Financial Statements – Continued
December 31, 2022 and 2021

Note 2 – Board Designated Funds – Continued:

Generally, Board designated funds are not available to fund routine operating expenses without the approval of the Board of Directors. The designated cash balance was \$4,379,834 and \$4,195,929 at December 31, 2022 and 2021, respectively.

Note 3 – Inventories:

Inventories consist of the following:

| | 2022 | 2021 |
|-----------------|------------|---------|
| Pro Shop | \$ 136,981 | 83,447 |
| Restaurant | 63,138 | 58,257 |
| Total inventory | \$ 200,119 | 141,704 |

Note 4 – Property and Equipment:

The major classifications of property and equipment as of December 31, 2022 and 2021 are summarized as follows:

| | 2022 | 2021 |
|-----------------------------------|--------------|------------|
| Land and land improvements | \$ 5,091,218 | 5,083,989 |
| Buildings and improvement | 7,459,116 | 7,085,758 |
| Golf course equipment | 2,720,397 | 2,677,961 |
| Furniture, fixtures and equipment | 2,165,147 | 2,123,605 |
| Total property and equipment | 17,435,878 | 16,971,313 |
| Less accumulated depreciation | 9,481,682 | 8,901,617 |
| Total net property and equipment | \$ 7,954,196 | 8,069,696 |

Note 5 – Deferred Revenue:

All Club members are billed a monthly assessment in advance. Included in deferred revenue as of December 31 is the subsequent year's assessments collected in advance.

Note 6 – Members' Equity:

The Club's Umbrella Declaration of Covenants, Conditions and Restrictions allows for a total of 800 Class A and 300 Class B memberships, with the following rights and restrictions:

Class A: Class A members have full rights and privileges in the golf course, clubhouse and recreational facilities. The 2022 and 2021 annual assessments were \$5,311 for Class A members.

Class B: Class B members have full privileges with respect to the clubhouse, recreational facilities and all other common property. Class B members may use the golf course on a space available basis and are required to pay greens fees and other user charges. The 2022 and 2021 annual assessments were \$2,588 for Class B members.

Tara Golf and Country Club, Inc.

Notes to Financial Statements – Continued
December 31, 2022 and 2021

Note 6 – Members' Equity – Continued:

There were 766 golf memberships outstanding as of December 31, 2022 and 2021 and 108 social memberships outstanding. There were 149 residences that are not members of the country club. Membership commences upon acquisition, and terminates upon the sale or transfer, of an owner's interest in a lot or parcel.

The 149 nonmember residents, along with the Class A and B members are responsible for maintaining the perimeter wall and ponds within the neighborhood and were assessed \$138 in 2022 and 2021. This amount was included in the assessment for both A and B members discussed in Note 5 above.

Note 7 – Future Major Repairs and Replacements:

Florida Statutes do not require that the Club set aside funds for future major repairs and replacements although the board of directors has elected to designate monies to be used for this purpose. Designated funds are accounted for separately and generally are not available for expenditures for normal operations.

The Board is funding for major repairs and replacements over the estimated remaining useful lives of the components based on estimates of current replacement costs and considering amounts previously accumulated in the replacement fund. In 2020, the Board of Directors had a study done by a third party to estimate current replacement costs and remaining useful lives of various components of common property. These estimates have been modified by management and have been incorporated into funding formulas for budgeting purposes. Accordingly, the Board committed to fund \$478,000 for major repairs and replacements for the year ended December 31, 2022. The Board has elected and voted to annually review the replacement fund requirement to determine the adequacy of the annual funding.

Funds are being accumulated based on estimates of future needs for repairs and replacements of common property components. Actual expenditures may vary from the estimated future expenditures and variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Club has the right to increase regular assessments, pass special assessments, subject to membership approval, or delay major repairs and replacements until funds are available.

Note 8 – Note Payable:

The Club entered into an \$8,411,646 loan agreement with a bank located in Miami, Florida. The loan matures in full in August 2029 and original terms called for monthly payments of \$63,310 including interest at 4.9%. The loan was modified in November 2020 and the interest rate lowered to 3.3% and monthly payment to \$59,303 with a provision that the Club must maintain an average monthly deposit balance with the bank of \$2.6 million. The loan is collateralized by the assignment of member assessments. The balance sheet reports loan payable net of loan costs that are being amortized over the life of the loan. These costs were \$30,017 and \$34,379, net of accumulated amortization, for the years ended December 31, 2022 and 2021, respectively.

Tara Golf and Country Club, Inc.

Notes to Financial Statements – Continued
December 31, 2022 and 2021

Note 8 – Note Payable – Continued:

Minimum future payments by year are as follows:

| | |
|-----------------------|---------------------|
| 2023 | \$ 580,021 |
| 2024 | 598,216 |
| 2025 | 618,877 |
| 2026 | 639,904 |
| 2027 | 661,646 |
| Thereafter | <u>1,154,457</u> |
| Total | 4,253,121 |
| Less: Loan costs | (30,017) |
| Less: Current portion | <u>(580,021)</u> |
| Total | <u>\$ 3,643,083</u> |

Note 9 – Leases:

The Club adopted ASU 2016-02, Leases in 2022, which resulted in the recognition of operating leases on the balance sheet in 2022 and forward. The Club determines if a contract contains a lease at inception and recognizes operating lease right-of-use assets and operating lease liabilities based on the present value of future minimum lease payments at the commencement date of the lease. The Club applied a risk-free rate to its operating leases. Lease expense is recognized on a straight-line basis over the lease term.

The Club's operating leases are for golf carts and related GPS systems. Terms of the lease call for monthly payments of \$9,108 through December 2024.

Total lease expense was \$139,008 for 2022 and \$135,710 for 2021.

Minimum future payments by year are as follows:

| | |
|-----------------------------------|-------------------|
| 2023 | \$ 109,386 |
| 2024 | <u>109,386</u> |
| Total | 218,772 |
| Less interest | <u>(1,077)</u> |
| Total operating lease liabilities | <u>\$ 217,695</u> |

Note 10 – Pension:

The Club provides a 401(k) pension plan for its employees. An employee is eligible if they are at least 21 years of age, completed 1,000 hours of service and has been employed for at least 12 months. The Club will match 100% of the first 3% and 50% of the next 2% of the employee's annual contribution. Pension expense was \$67,400 and \$58,133 for the years ended December 31, 2022 and 2021, respectively.

Tara Golf and Country Club, Inc.

Notes to Financial Statements – Continued
December 31, 2022 and 2021

Note 11 – Hurricane Ian:

On September 28, 2022, Hurricane Ian made landfall in Southwest Florida causing considerable damage throughout the State of Florida. Common properties of the Association were damaged as a result of this storm. The Association has estimated costs due to Hurricane Ian to be approximately \$104,243 which include cost of cleanup and debris removal, repairs to common property, and loss of revenue due to shut down of the restaurant and golf course. The Association received a check from the insurance company in January 2023 for \$14,609.

Note 12 – Subsequent Events:

Other subsequent events have been evaluated through March 30, 2023, which is the date the financial statements were available to be issued.