



# **SANS SOUCI AND COPPERHEAD ASSOCIATION**

## **FINANCIAL STATEMENTS**

Unaudited - See Review Engagement Report

**DECEMBER 31, 2020**



## SANS SOUCI AND COPPERHEAD ASSOCIATION

DECEMBER 31, 2020

### CONTENTS

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	Page
<b>INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	2
Statement of Changes in Fund Balances	3
Statement of Operations	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 10



## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of

### **Sans Souci And Copperhead Association**

We have reviewed the accompanying financial statements of Sans Souci And Copperhead Association that comprise the statement of financial position as at December 31, 2020, and the related statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

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

### **Practitioner's Responsibility**

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

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

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

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, the financial position of Sans Souci And Copperhead Association as at December 31, 2020 and the statements of operations, changes in fund balances and cash flows and cash flows for the year ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Kreston gta*

**July 29, 2021**  
**Markham, Ontario**

**Kreston GTA LLP**  
**Licensed Public Accountants**

**SANS SOUCI AND COPPERHEAD ASSOCIATION**


**STATEMENT OF FINANCIAL POSITION**


Unaudited - See Review Engagement Report

**AS AT DECEMBER 31, 2020**

	Notes	2020	2019
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash		\$ 33,397	\$ 14,076
Term deposits	3	107,059	105,440
Prepaid expenses		8,653	8,435
		<b>149,109</b>	<b>127,951</b>
<b>Long Term Assets</b>			
Land and buildings	4	265,001	265,001
		<b>\$ 414,110</b>	<b>\$ 392,952</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities		\$ 5,614	\$ 6,274
Deferred revenues		-	2,180
		<b>5,614</b>	<b>8,454</b>
<b>Fund Balances</b>			
Operating fund		302,761	290,578
Community centre fund		71,919	64,503
Contingency fund		33,816	29,417
		<b>408,496</b>	<b>384,498</b>
		<b>\$ 414,110</b>	<b>\$ 392,952</b>

**Approved on Behalf of the Board**

 Eric Armour \_\_\_\_\_ Director

 Alan Stratton \_\_\_\_\_ Director

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

**SANS SOUCI AND COPPERHEAD ASSOCIATION**

**STATEMENT OF CHANGES IN FUND BALANCES**

Unaudited - See Review Engagement Report

**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Operating Fund	Community Centre Fund	Contingency Fund	2020	2019
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 290,578	\$ 64,503	\$ 29,417	\$384,498	\$ 442,311
Excess of revenues over expenses	12,183	7,416	4,399	23,998	(57,813)
<b>BALANCE, END OF YEAR</b>	\$ 302,761	\$ 71,919	\$ 33,816	\$ 408,496	\$ 384,498

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



## SANS SOUCI AND COPPERHEAD ASSOCIATION

### STATEMENT OF OPERATIONS

Unaudited - See Review Engagement Report

**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Operating Fund	Community Centre Fund (Note 2)	Contingency Fund (Note 2)	Total 2020	Total 2019
<b>REVENUES</b>					
Membership dues	\$ 67,127	\$ -	\$ -	\$ 67,127	\$ 68,194
Sail camp	-	-	-	-	15,961
Tennis operating contributions	13,000	-	-	13,000	13,000
Fund specific donations	-	6,144	4,052	10,196	11,521
Day camp	-	-	-	-	7,138
Other lease payments	8,200	-	-	8,200	6,000
Tennis-community contributions	3,005	-	-	3,005	2,985
Advertising	1,700	-	-	1,700	2,605
Interest income	140	1,272	347	1,759	2,028
Sponsorships and donations	500	-	-	36,500	2,000
Merchandise and other	1,089	-	-	1,089	1,171
	<b>94,761</b>	<b>7,416</b>	<b>4,399</b>	<b>142,576</b>	<b>132,603</b>
<b>EXPENSES</b>					
Property	42,662	-	-	42,662	118,991
GBA dues and mailings	22,394	-	-	22,394	22,945
General and administrative	15,649	-	-	15,649	16,073
Sail camp	-	-	-	-	15,615
Day camp	-	-	-	-	9,274
Regatta	-	-	-	-	7,058
Other activities	1,873	-	-	1,873	460
	<b>82,578</b>	<b>-</b>	<b>-</b>	<b>82,578</b>	<b>190,416</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 12,183</b>	<b>\$ 7,416</b>	<b>\$ 4,399</b>	<b>\$ 23,998</b>	<b>\$ (57,813)</b>

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



## SANS SOUCI AND COPPERHEAD ASSOCIATION

### STATEMENT OF CASH FLOWS

Unaudited - See Review Engagement Report

FOR THE YEAR ENDED DECEMBER 31, 2020

	2020	2019
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 23,998	\$ (57,813)
<b>Changes in non-cash working capital balances</b>		
Term deposits, net	(1,619)	(1,775)
Prepaid and other assets	(218)	(1,933)
Due to programs	(2,180)	2,180
Accounts payable and accrued liabilities	(660)	1,879
Net change in non-cash working capital balances	(4,677)	351
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	19,321	(57,462)
<b>CASH, BEGINNING OF YEAR</b>	14,076	71,538
<b>CASH, END OF YEAR</b>	\$ 33,397	\$ 14,076

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

## **SANS SOUCI AND COPPERHEAD ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS**

Unaudited - See Review Engagement Report

**DECEMBER 31, 2020**

#### **PURPOSE OF ORGANIZATION**

The Sans Souci and Copperhead Association (the "Association") is an Ontario corporation without share capital incorporated on January 26, 1927 and is exempt from the payment of income taxes in Canada. The purpose of the Association is to represent and protect the interests of its members who are residents in the Sans Souci area within the Township of the Archipelago. In carrying out this mandate the Board of Directors of the Association liaises with all levels of government and other groups. The Association also maintains property at Sans Souci for the use and enjoyment of its members.

#### **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook and include the following significant accounting policies:

##### **Revenue Recognition**

The Association follows the deferred method of accounting for contributions.

Revenues from contributions, membership and annual dues and fundraising activities are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collectability is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Revenue from investments is recognized when earned.

Revenue from rentals is recognized according to the terms of the lease and when collectability is reasonably assured.

Revenue from merchandise sales is recognized at the point of sale.

Revenue from advertising is recognized when earned and when collectability is reasonably assured.

Revenue from services is recognized when the service is provided and when collectability is reasonably assured.

##### **Capital Assets**

Capital assets are recorded at cost less accumulated amortization. The majority of the cost represents land as described in note 4, and as such is not amortized but tested for impairment if indicators of impairment exist.





## **SANS SOUCI AND COPPERHEAD ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS**

Unaudited - See Review Engagement Report

**DECEMBER 31, 2020**

#### **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **Use of Estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date and the reported amount of revenues and expenses for the period. Actual results could differ from these estimates. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known. Significant financial statement items that require the use of estimates include accrued liabilities.

##### **Financial Instruments Measurement**

The Association initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include cash and term deposits. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

##### **Contributed Services**

In its day-to-day operations, the Association uses the services of many volunteers. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

#### **2. DESCRIPTION OF FUNDS**

##### **Operating Fund**

Assets, liabilities, revenues and expenses related to the day to day operations of the Association are reported in the Operating Fund.

##### **Community Centre Fund**

The Community Centre Fund is to provide capital for improvements to the Association's infrastructure located on its property at Frying Pan Island. This includes the periodic rehabilitation, renewal and/or replacement of docks, decks, buildings and other infrastructure. It excludes repairs and maintenance expenditures that are funded out of the general operating fund. These funds have been donated directly to the Association by its members and are separate from the funds raised for a new building that are held by the Township of the Archipelago (see Note 6).

## SANS SOUCI AND COPPERHEAD ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS

Unaudited - See Review Engagement Report

DECEMBER 31, 2020

#### 2. DESCRIPTION OF FUNDS (Continued)

##### Contingency Fund

The Contingency Fund consists of voluntary contributions from members. It is used for legal, political and other non-recurring expenses.

#### 3. TERM DEPOSITS

The term deposits represent Guaranteed Investment Certificates ("GICs") held with TD Canada Trust which bear interest rates between .50% to .90% and terms ranging from 12 to 14 months. These GICs are held for each fund as follows:

	2020	2019
Operating Fund, no restrictions on use	\$ 26,485	\$ 26,051
Contingency Fund	27,419	27,138
Community Centre Fund	53,155	52,251
	<b>\$ 107,059</b>	<b>\$ 105,440</b>

#### 4. CAPITAL ASSETS

Land and buildings as at December 31, 2020 and 2019 are as follows:

Land	\$	265,000
Other land, buildings and docks		1
	<b>\$</b>	<b>265,001</b>

## **SANS SOUCI AND COPPERHEAD ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS**

Unaudited - See Review Engagement Report

**DECEMBER 31, 2020**

#### **5. FINANCIAL INSTRUMENTS**

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at the reporting date, December 31, 2020.

##### **Interest rate risk**

The term deposits are not exposed to any significant interest rate risk. The interest rate obtained by the Association moves from .50% to .90% depending on the length of the investment.

##### **Other risks**

It is management's opinion that the Association is not exposed to significant market, foreign currency or liquidity risks arising from these financial instruments. The extent of the Associations' exposure to risk did not change during the year.

#### **6. BUILDING FUND**

The Association is considering constructing a new building on its property. A committee has been set up to gauge support for this project and to collect pledges. The goal is to raise approximately \$1 million, with \$700,000 to be used for construction and the balance of \$300,000 to be a fund for future maintenance costs. As this building is to be used as a community centre, the Association is working with the Township of the Archipelago (the "Township") and the American Fund for Charities to obtain charitable receipts for donors. The project would require final approval by the Board of the Association after the funds have been raised or committed and before construction can begin. The Township will have to ensure the funds they hold are being used for community purposes before they will transfer them to the Association.

As at December 31, 2020, \$72,254 (2019 - \$72,254) was held by the Township.

#### **7. SPORT COURT**

In 2018, the Association entered into a contract with Chantler Barging Ltd. to construct two multi-purpose sport courts on its property at Frying Pan Island. A total of \$192,228 had been collected on the Association's behalf by the Township of the Archipelago through which the funds were donated by members of the community for this project. As at December 31, 2018, the sport courts were completed leaving a balance of \$2,863 (2019 - \$4,218) to be used against expenses related to the courts.



## **SANS SOUCI AND COPPERHEAD ASSOCIATION**

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**DECEMBER 31, 2020**

#### **8. IMPACT OF COVID-19**

During the year, the Covid-19 pandemic and the corresponding emergency measures implemented by the federal and provincial governments has resulted in the suspension of some of the Associations operating activities. While the state of the Covid-19 situation is improving, the continued uncertainty of its outcome and duration has made it not possible to estimate its impact on the Association's operations or financial results. Although an estimate of potential loss in revenues cannot be made, management believes that the Organization has sufficient capital to continue as a going concern.