

**SANS SOUCI AND COPPERHEAD
ASSOCIATION**

FINANCIAL STATEMENTS

Unaudited - See Review Engagement Report

DECEMBER 31, 2021

SANS SOUCI AND COPPERHEAD ASSOCIATION

DECEMBER 31, 2021

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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, 2021, 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, 2021 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

June 8, 2022
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, 2021

	Notes	2021	2020
ASSETS			
Current Assets			
Cash		\$ 57,046	\$ 33,397
Term deposits	3	107,606	107,059
Accounts receivable		456	-
Prepaid expenses		8,825	8,653
		173,933	149,109
Long Term Assets			
Land and buildings	4	265,001	265,001
		\$ 438,934	\$ 414,110
LIABILITIES AND FUND BALANCES			
Current Liabilities			
Accounts payable and accrued liabilities		\$ 5,318	\$ 5,614
Fund Balances			
Operating fund		321,218	302,761
Community centre fund		74,974	71,919
Contingency fund		37,424	33,816
		433,616	408,496
		\$ 438,934	\$ 414,110

Approved on Behalf of the Board

_____ Director

_____ 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, 2021

	Operating Fund	Community Centre Fund	Contingency Fund	2021	2020
BALANCE, BEGINNING OF YEAR	\$ 302,761	\$ 71,919	\$ 33,816	\$408,496	\$ 384,498
Excess of revenues over expenses	18,457	3,055	3,608	25,120	23,998
BALANCE, END OF YEAR	\$ 321,218	\$ 74,974	\$ 37,424	\$ 433,616	\$ 408,496

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, 2021

	Operating Fund	Community Centre Fund (Note 2)	Contingency Fund (Note 2)	Total 2021	Total 2020
REVENUES					
Membership dues	\$ 69,000	\$ -	\$ -	\$ 69,000	\$ 67,127
Sail camp	13,080	-	-	13,080	-
Tennis operating contributions	12,000	-	-	12,000	13,000
Fund specific donations	-	2,765	3,495	6,260	10,196
Day camp	3,600	-	-	3,600	-
Other lease payments	6,000	-	-	6,000	8,200
Tennis-community contributions	3,016	-	-	3,016	3,005
Advertising	2,500	-	-	2,500	1,700
Interest income	255	290	113	658	1,759
Government grant	9,047	-	-	9,047	-
Merchandise and other	792	-	-	792	1,089
Sponsorships and donations	\$ -	-	-	-	500
Rental income from Brand cottage	6,400	-	-	6,400	-
	125,690	3,055	3,608	132,353	106,576
EXPENSES					
Property	49,244	-	-	49,244	42,662
GBA dues and mailings	23,071	-	-	23,071	22,394
General and administrative	16,947	-	-	16,947	15,649
Sail camp	12,298	-	-	12,298	-
Day camp	2,050	-	-	2,050	-
Other activities	1,123	-	-	1,123	1,873
Directory	2,500	-	-	2,500	-
	107,233	-	-	107,233	82,578
EXCESS OF REVENUES OVER EXPENSES					
	\$ 18,457	\$ 3,055	\$ 3,608	\$ 25,120	\$ 23,998

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, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 25,120	\$ 23,998
Changes in non-cash working capital balances		
Accounts receivable	(456)	-
Term deposits, net	(547)	(1,619)
Prepaid and other assets	(172)	(218)
Due to programs	-	(2,180)
Accounts payable and accrued liabilities	(296)	(660)
Net change in non-cash working capital balances	(1,471)	(4,677)
NET CASH PROVIDED BY OPERATING ACTIVITIES	23,649	19,321
CASH, BEGINNING OF YEAR	33,397	14,076
CASH, END OF YEAR	\$ 57,046	\$ 33,397

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

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NOTES TO THE FINANCIAL STATEMENTS

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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 owns property on Frying Pan Island 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.

Government grants are recognized when received or receivable if the amount can be estimated and collection 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

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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).

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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 .20% to .50% and terms ranging from 12 to 14 months. These GICs are held for each fund as follows:

	2021	2020
Operating Fund, no restrictions on use	\$ 26,629	\$ 26,485
Contingency Fund	27,532	27,419
Community Centre Fund	53,445	53,155
	\$ 107,606	\$ 107,059

4. CAPITAL ASSETS

Land and buildings as at December 31, 2021 and 2020 are as follows:

Land	\$ 265,000
Other land, buildings and docks	1
	\$ 265,001

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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, 2021.

Interest rate risk

The term deposits are not exposed to any significant interest rate risk. The interest rate obtained by the Association moves from .20% to .50% 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 \$1.5 million, with \$1.2 million 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, 2021, \$64,344 (2020 - \$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 (2020 - \$2,863) to be used against expenses related to the courts.

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8. IMPACT OF COVID-19

During the year, the Covid-19 pandemic and the corresponding emergency measures implemented by the federal and provincial governments 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 future 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.