

**SANS SOUCI AND COPPERHEAD
ASSOCIATION**

FINANCIAL STATEMENTS

Unaudited - See Review Engagement Report

DECEMBER 31, 2023

SANS SOUCI AND COPPERHEAD ASSOCIATION

DECEMBER 31, 2023

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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, 2023, 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, 2023 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.

May 16, 2024
Markham, Ontario

Kreston GTA

Kreston GTA LLP
Licensed Public Accountants

SANS SOUCI AND COPPERHEAD ASSOCIATION

STATEMENT OF FINANCIAL POSITION

Unaudited - See Review Engagement Report

AS AT DECEMBER 31, 2023

	Notes	2023	2022
ASSETS			
Current Assets			
Cash		\$ 21,495	\$ 97,649
Term deposits	3	536,268	80,422
Accounts receivable		7,776	19,372
Inventory		1,708	2,031
Prepaid expenses		10,347	14,897
		577,594	214,371
Long Term Assets			
Land and buildings	4	503,790	265,001
		\$ 1,081,384	\$ 479,372
LIABILITIES AND FUND BALANCES			
Current Liabilities			
Accounts payable and accrued liabilities		\$ 7,484	\$ 23,420
Deferred revenues		3,650	1,725
		11,134	25,145
Fund Balances			
Operating fund		339,103	322,879
Community centre fund		102,167	78,713
Contingency fund		43,644	40,635
Facilities Revitalization Fund		560,768	-
Dock Fund		24,568	12,000
		1,070,250	454,227
		\$ 1,081,384	\$ 479,372

Approved on Behalf of the Board



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, 2023

	Operating Fund	Community Centre Fund	Contingency Fund	Facilities Revitalization Fund	Dock fund	2023	2022
BALANCE, BEGINNING OF YEAR	\$ 322,879	\$ 78,713	\$ 40,635	\$ -	\$ 12,000	\$454,227	\$ 433,616
Excess of revenues over expenses	37,224	8,454	3,009	560,768	6,568	616,023	20,611
Interfund transfer (Note 7)	(21,000)	15,000	-	-	6,000	-	-
BALANCE, END OF YEAR	\$ 339,103	\$ 102,167	\$ 43,644	\$ 560,768	\$ 24,568	\$1,070,250	\$ 454,227

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, 2023

	Operating Fund	Community Centre Fund (Note 2)	Contingency Fund (Note 2)	Facilities Revitalization Fund (Note 2)	Dock fund (Note 2)	Total 2023	Total 2022
REVENUES							
Fund specific donations	\$ -	\$ 4,898	\$ 1,340	\$ 320,000	\$ 568	\$ 326,806	\$ 12,602
Donation released by the Township (Note 6)	-	-	-	238,789	-	238,789	-
Membership dues	81,606	-	-	-	-	81,606	68,791
Sail camp	17,705	-	-	-	-	17,705	20,025
Rental income from Brand cottage	14,150	-	-	-	-	14,150	8,000
Interest income	4,091	3,556	1,669	1,979	-	11,295	831
Day camp	11,200	-	-	-	-	11,200	9,605
Tennis operating contributions	10,000	-	-	-	-	10,000	10,000
Government grant	9,982	-	-	-	-	9,982	9,529
Tennis-community contributions	3,327	-	-	-	6,000	9,327	3,176
Advertising and sponsorships	8,150	-	-	-	-	8,150	8,835
Other lease income	6,672	-	-	-	-	6,672	6,672
Merchandise and other	3,360	-	-	-	-	3,360	1,051
	170,243	8,454	3,009	560,768	6,568	749,042	159,117
EXPENSES							
Property operations	32,116	-	-	-	-	32,116	43,174
GBA dues and mailings	25,293	-	-	-	-	25,293	24,376
General and administrative	31,735	-	-	-	-	31,735	17,340
Sail camp	16,456	-	-	-	-	16,456	20,494
Day camp	12,634	-	-	-	-	12,634	9,873
Directory	6,734	-	-	-	-	6,734	5,650
Regatta	4,646	-	-	-	-	4,646	3,913
Other activities	3,405	-	-	-	-	3,405	-
Deck construction cost	-	-	-	-	-	-	13,686
	133,019	-	-	-	-	133,019	138,506
EXCESS OF REVENUES OVER EXPENSES							
	\$ 37,224	\$ 8,454	\$ 3,009	\$ 560,768	\$ 6,568	\$ 616,023	\$ 20,611

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, 2023

	2023	2022
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 616,023	\$ 20,611
Changes in non-cash working capital balances		
Accounts receivable	11,595	(18,916)
Term deposits, net	(455,845)	27,184
Prepaid and other assets	4,550	(6,072)
Accounts payable and accrued liabilities	(15,937)	18,102
Deferred revenues	1,925	1,725
Inventory	324	(2,031)
NET CASH PROVIDED BY OPERATING ACTIVITIES	162,635	40,603
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(238,789)	-
(DECREASE) INCREASE IN CASH	(76,154)	40,603
CASH, BEGINNING OF YEAR	97,649	57,046
CASH, END OF YEAR	\$ 21,495	\$ 97,649

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

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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 restricted 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, accounts receivable 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.

SANS SOUCI AND COPPERHEAD ASSOCIATION

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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.

Dock Fund

The dock fund was created for the sole purpose of funding the rehabilitation, and replacement of the dock infrastructure to maintain it in a state of good repair. It may also fund potential future expansion of the docking capacity.

Facilities Revitalization Fund

The Facilities Revitalization Fund consists of the contributions and expenses related to the Facilities Revitalization Plan (“the Plan”), for which the Association has undertaken a fundraising campaign in support of planned improvements, repairs and maintenance of existing buildings as well as plans for the construction of a new community centre building. The goal is to raise approximately \$2 million from members to carry out the Plan in phases. Phase I of the Plan involves the renovation of the Schoolhouse building, which commenced in the year ending December 31, 2023. Phase II of the Plan involves the construction of a new community centre building, the final plans for which will require the approval of final plans by the Association’s Board of Directors before construction may commence.

Contributions made directly to the Association are held in guaranteed investment certificates. The Association has an agreement with the Township of the Archipelago (“the Township”) whereby it collects donations on behalf of the Association to be disbursed on eligible expenses (see Note 6). Contributions received through the Township are recognized by the Association when the Township disburses the funds, and a corresponding asset is recorded by the Association.

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3. TERM DEPOSITS

The term deposits represent Guaranteed Investment Certificates ("GICs") held with Scotiabank which bear interest rates between 4.75% to 6.05% and terms ranging from 2 to 14 months. These GICs are held for each fund as follows:

	2023	2022
Operating Fund, no restrictions on use	\$ 74,591	\$ 26,734
Contingency Fund	42,828	-
Community Centre Fund	84,302	53,688
Facilities Revitalization Fund	321,979	-
Dock Fund	12,568	-
	\$ 536,268	\$ 80,422

4. LAND AND BUILDINGS

Land and buildings as at December 31, 2023 and 2022 are as follows:

	2023	2022
Land	265,000	265,000
Building improvements	238,789	-
Other land, buildings and docks		
	\$ 503,790	\$ 265,001

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, 2023.

Interest rate risk

The term deposits are not exposed to any significant interest rate risk. The interest rate obtained by the Association moves from 4.75% to 6.05% 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.

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6. FACILITIES REVITALIZATION PLAN FUNDS AT THE TOWNSHIP OF ARCHIPELAGO

The Township of the Archipelago collects donations towards the Facilities Revitalization Plan (see Note 2). The funds are held in interest-bearing accounts, term deposits and/or guaranteed investment certificates in accordance with the Township's investment policy. The Township disburses funds when eligible expenses are approved by the Association in accordance with the Plan.

As at December 31, 2023, \$508,175 (2022 - \$147,389) was held by the Township in the support of facilities revitalization plan. The changes in the funds held by the Township is as follows:

	2023	2022
Opening balance	\$ 147,389	\$ 154,169
Donations received during the year	591,137	-
Expenses paid during the year	(232,009)	(6,780)
Interest	1,658	-
Closing balance	\$ 508,175	\$ 147,389

7. INTERFUND TRANSFERS

During the year, the board of directors approved an allocation from the Operating fund to the Dock fund and community centre fund in the amount of \$6,000 and \$15,000, respectively.