

**SANS SOUCI AND COPPERHEAD  
ASSOCIATION**

**FINANCIAL STATEMENTS**

Unaudited - See Review Engagement Report  
**DECEMBER 31, 2022**

**SANS SOUCI AND COPPERHEAD ASSOCIATION**

**DECEMBER 31, 2022**

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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, 2022, 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, 2022 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.

A handwritten signature in blue ink that reads 'Kreston GTA'.

**May 18, 2023**  
**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, 2022**

	Notes	2022	2021
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash		\$ 97,649	\$ 57,046
Term deposits	3	80,422	107,606
Accounts receivable		19,372	456
Inventory		2,031	-
Prepaid expenses		14,897	8,825
		<b>214,371</b>	<b>173,933</b>
<b>Long Term Assets</b>			
Land and buildings	4	265,001	265,001
		<b>\$ 479,372</b>	<b>\$ 438,934</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities		\$ 23,420	\$ 5,318
Deferred revenues		1,725	-
		<b>25,145</b>	<b>5,318</b>
<b>Fund Balances</b>			
Operating fund		322,879	321,218
Community centre fund		78,713	74,974
Contingency fund		40,635	37,424
Dock Fund		12,000	-
		<b>454,227</b>	<b>433,616</b>
		<b>\$ 479,372</b>	<b>\$ 438,934</b>

**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, 2022**

	Operating Fund	Community Centre Fund	Contingency Fund	Dock Fund	2022	2021
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 321,218	\$ 74,974	\$ 37,424	\$ -	\$ 433,616	\$ 408,496
Excess of revenues over expenses	7,661	3,739	3,211	6,000	20,611	25,120
Interfund transfer (Note 8)	(6,000)	-	-	6,000	-	-
<b>BALANCE, END OF YEAR</b>	\$ 322,879	\$ 78,713	\$ 40,635	\$ 12,000	\$ 454,227	\$ 433,616

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, 2022**

	Operating Fund	Community Centre Fund (Note 2)	Contingency Fund (Note 2)	Dock Fund (Note 2)	Total 2022	Total 2021
<b>REVENUES</b>						
Membership dues	\$ 68,791	\$ -	\$ -	\$ -	\$ 68,791	\$ 69,000
Sail camp	20,025	-	-	-	20,025	13,080
Fund specific donations	-	3,497	3,105	6,000	12,602	6,260
Tennis operating contributions	10,000	-	-	-	10,000	12,000
Day camp	9,605	-	-	-	9,605	3,600
Government grant	9,529	-	-	-	9,529	9,047
Advertising	8,835	-	-	-	8,835	2,500
Rental income from Brand cottage	8,000	-	-	-	8,000	6,400
Other lease income	6,672	-	-	-	6,672	6,000
Tennis-community contributions	3,176	-	-	-	3,176	3,016
Merchandise and other	1,051	-	-	-	1,051	792
Interest income	483	242	106	-	831	658
	<b>146,167</b>	<b>3,739</b>	<b>3,211</b>	<b>6,000</b>	<b>159,117</b>	<b>132,353</b>
<b>EXPENSES</b>						
Property operations	43,174	-	-	-	43,174	49,244
GBA dues and mailings	24,376	-	-	-	24,376	23,071
Sail camp	20,494	-	-	-	20,494	12,298
General and administrative	17,340	-	-	-	17,340	16,947
Deck construction cost	13,686	-	-	-	13,686	-
Day camp	9,873	-	-	-	9,873	2,050
Directory	5,650	-	-	-	5,650	2,500
Regatta	3,913	-	-	-	3,913	-
Other activities	-	-	-	-	-	1,123
	<b>138,506</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>138,506</b>	<b>107,233</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 7,661</b>	<b>\$ 3,739</b>	<b>\$ 3,211</b>	<b>\$ 6,000</b>	<b>\$ 20,611</b>	<b>\$ 25,120</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, 2022

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 20,611	\$ 25,120
<b>Changes in non-cash working capital balances</b>		
Accounts receivable	(18,916)	(456)
Term deposits, net	27,184	(547)
Prepaid and other assets	(6,072)	(172)
Accounts payable and accrued liabilities	18,102	(296)
Deferred revenues	1,725	-
Inventory	(2,031)	-
Net change in non-cash working capital balances	19,992	(1,471)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	40,603	23,649
<b>CASH, BEGINNING OF YEAR</b>	57,046	33,397
<b>CASH, END OF YEAR</b>	\$ 97,649	\$ 57,046

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, 2022**

### **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 Fryng 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**

Unaudited - See Review Engagement Report

**DECEMBER 31, 2022**

### **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, 2022

### 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.

### 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:

	2022	2021
Operating Fund, no restrictions on use	\$ 26,734	\$ 26,629
Contingency Fund	-	27,532
Community Centre Fund	53,688	53,445
	\$ 80,422	\$ 107,606

### 4. CAPITAL ASSETS

Land and buildings as at December 31, 2022 and 2021 are as follows:

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

# **SANS SOUCI AND COPPERHEAD ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS**

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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, 2022.

#### **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, 2022, \$147,389 (2021 - \$64,344) 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 (2021 - \$2,863) to be used against expenses related to the courts.

### **8. INTERFUND TRANSFERS**

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