

**The Sanctuary Golf Club Foundation, Inc.**

**Financial Statements**

**Year Ended September 30, 2021**

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### **Independent Accountant's Review Report**

To the Board of Directors of  
The Sanctuary Golf Club Foundation, Inc.  
Sanibel, Florida

We have reviewed the accompanying financial statements of The Sanctuary Golf Club Foundation, Inc. (the "Foundation") (a non-profit corporation), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Foundation's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

#### ***Accountant's Responsibility***

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

#### **Affiliations**

**American Institute of Certified Public Accountants ♦ Florida Institute of Certified Public Accountants**

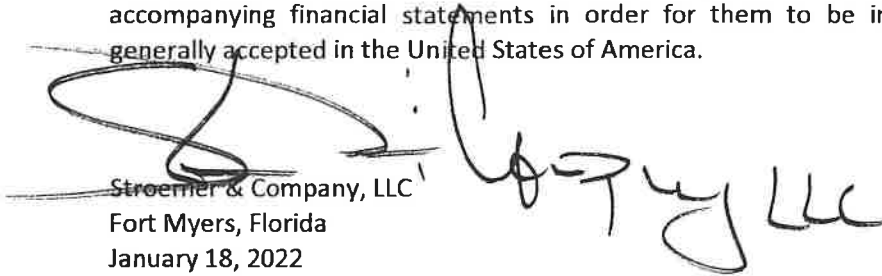
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**\*By Appointment Only**

***Accountant's Conclusion on the Financial Statements***

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

  
Stroemer & Company, LLC  
Fort Myers, Florida  
January 18, 2022

**The Sanctuary Golf Club Foundation, Inc.**  
**Statement of Financial Position**  
**September 30, 2021**

<b>Assets</b>	
Cash and cash equivalents	\$ 412,406
Prepaid expenses	2,000
<b>Total assets</b>	<b><u>\$ 414,406</u></b>
<b>Liabilities and net assets</b>	
<b>Liabilities</b>	
Grants and scholarships payable	\$ 77,263
<b>Total liabilities</b>	<u>77,263</u>
<b>Net assets</b>	
Without donor restrictions	
General fund	259,765
Board designated	68,000
Total without donor restrictions	<u>327,765</u>
With donor restrictions	9,378
<b>Total net assets</b>	<u>337,143</u>
<b>Total liabilities and net assets</b>	<b><u>\$ 414,406</u></b>

The accompanying notes are an integral part of this statement.

**The Sanctuary Golf Club Foundation, Inc.**  
**Statement of Activities**  
**For the Year Ended September 30, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and revenue</b>			
Contributions	\$ 178,126	\$ 7,250	\$ 185,376
Special event revenue, net of costs of direct donor benefit	162,332	-	162,332
Other income	118	-	118
Total support and revenue	<b>340,576</b>	<b>7,250</b>	<b>347,826</b>
<b>Net assets released from restrictions</b>	<b>7,250</b>	<b>(7,250)</b>	<b>-</b>
Total support, revenue and reclassifications	<b>347,826</b>	<b>-</b>	<b>347,826</b>
<b>Expenses</b>			
Program Services	214,244	-	214,244
Support Services	8,343	-	8,343
Total expenses	<b>222,587</b>	<b>-</b>	<b>222,587</b>
Change in net assets	<b>125,239</b>	<b>-</b>	<b>125,239</b>
Beginning fund balance at October 1, 2020	202,526	9,378	211,904
Net assets at September 30, 2021	<b>\$ 327,765</b>	<b>\$ 9,378</b>	<b>\$ 337,143</b>

The accompanying notes are an integral part of this statement.

**The Sanctuary Golf Club Foundation, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended September 30, 2021**

	<u>Program Services</u>	<u>Support Services</u>	<u>Fundraising</u>	<u>Total</u>
C.H.R	\$ 60,000	\$ -	\$ -	\$ 60,000
SGC scholarships	39,720	-	-	39,720
C.E.C.I	55,000	-	-	55,000
F.I.S.H	54,524	-	-	54,524
Lee health	5,000	-	-	5,000
Legal and professional services	-	3,500	-	3,500
Office supplies and software	-	3,343	-	3,343
QuickBooks payments/fees	-	934	-	934
Other business expenses	-	261	-	261
Bank charges and fees	-	215	-	215
Advertising and marketing	-	90	-	90
<b>Total expenses</b>	<b><u>\$ 214,244</u></b>	<b><u>\$ 8,343</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 222,587</u></b>

The accompanying notes are an integral part of this statement.

**The Sanctuary Golf Club Foundation, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended September 30, 2021**

<b>Cash flows from operating activities:</b>	
Cash collected from support and revenue	\$ 347,826
Cash paid for programs	(170,799)
<b>Net cash provided by operating activities</b>	<b>177,027</b>
<b>Net increase in cash and cash equivalents</b>	<b>177,027</b>
Cash and cash equivalents, at beginning of year	235,379
Cash and cash equivalents, at end of year	<b>\$ 412,406</b>

<b>Reconciliation of change in net assets to net cash provided by operating activities</b>	
Change in net assets	\$ 125,239
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
<b>(Increase)/decrease in assets:</b>	
Prepaid expenses	(2,000)
<b>Increase/(decrease) in liabilities:</b>	
Grants and scholarships payable	53,788
<b>Net cash provided by operating activities</b>	<b>\$ 177,027</b>

The accompanying notes are an integral part of this statement.



**The Sanctuary Golf Club Foundation, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2021**

**Note A - Summary of Significant Accounting Policies**

**1. Description of activities**

The Sanctuary Golf Club Foundation, Inc. (the "Foundation") was established under the laws of Florida on August 25, 2019, as a non-profit corporation. The mission of The Sanctuary Golf Club Foundation is to support nonprofits that positively impact the lives of people in need living and working on Sanibel and Captiva, and to provide educational opportunity grants to Sanctuary employees and their families.

**2. Basis of accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The accounting and reporting policies of the Foundation are in accordance with the accounting standards issued by the Financial Accounting Standards Board ("FASB") in the Accounting Standards Codification ("ASC").

**3. Financial statement presentation**

The Foundation prepares its financial statements in accordance with the "Not-For-Profit Entities" topic of the FASB ASC. In accordance with this topic, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

**4. Contributions**

The Foundation accounts for its contributions in accordance with the "Not-For-Profit Entities" topic of the FASB ASC. In accordance with this topic, contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions in the statement of activities.

**5. Cash and cash equivalents**

For purposes of reporting cash flows, cash and cash equivalents include cash, in demand deposit and money market funds that have immediate liquidity.

**6. Concentration of credit risk**

The Foundation maintains its cash and cash equivalent balances at financial institutions in deposit accounts, which at times may exceed federally-insured limits. The Foundation believes it is not exposed to any significant credit risk on cash.

**The Sanctuary Golf Club Foundation, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2021**

**Note A - Summary of Significant Accounting Policies (continued)**

**7. Recognition of donor restrictions**

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, or when the purpose of the restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions.

**8. Promises to give**

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Donor-restricted contributions are reported as increases in net assets with donor restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

**9. Management 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 amount of assets, 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.

**10. Income taxes**

The Internal Revenue Service has determined that the Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation is a not-for-profit Florida corporation and therefore is not subject to state income taxes. The Internal Revenue Code provides for taxation of unrelated business income under certain circumstances. The Foundation reports no unrelated business taxable income; however, such status is subject to final determination upon examination of the related tax returns by the appropriate taxing authorities.

The Foundation's tax filings are subject to audit by various taxing authorities. Certain income tax returns filed by the Foundation remain open to examination by these government agencies. The Financial Accounting Standards Board has issued guidance on accounting for uncertainty in income taxes and the Foundation adopted this guidance. The Foundation has evaluated its tax positions and any estimates utilized in its tax returns, and concluded that the Foundation has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. Interest and penalties associated with uncertain tax positions will be recognized in income tax expense, if required.

**11. Functional expenses**

The Foundation allocates its expenses on a functional basis among its various program and supporting services. Expenses that can be identified with a specific program service are allocated directly according to their natural expenditure classification. Non-direct expenses are allocated using a reasonable percentage method determined by management.

**The Sanctuary Golf Club Foundation, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2021**

**Note A - Summary of Significant Accounting Policies (continued)**

**12. Fair value of financial instruments**

The "Financial Instruments" topic of the FASB ASC clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable.

The Foundation's financial instruments consist of cash and cash equivalents, and payables. The Foundation estimates that the fair value of all financial instruments as of September 30, 2021 do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

**13. Revenue recognition**

*Revenue from Exchange Transactions:*

The Foundation recognizes revenue from these types of transactions in accordance with FASB Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The Foundation records the following exchange transaction revenue in its statement of activities for the year ended September 30, 2021.

Special Event Revenue

The Foundation conducts special events in which a portion of the proceeds paid by a donor represents payment for the direct cost of the benefits received by the donor at the event - the exchange component, and a portion represents a contribution to the Foundation. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of the benefit is measured at cost to the Foundation. The contribution component is the excess of the gross proceeds over the fair value of the benefit received by the donor. The direct costs of the special event are recorded as direct donor benefits in the statement of activities. The performance obligation is the delivery of the event. The event fee is set by the Foundation. FASB ASU 2014-09 requires the Foundation allocate the transaction price to the performance obligations. As such, the Foundation presents in the notes to the financial statements the exchange and contribution components of the gross proceeds from special events. Special event fees collected by the Foundation in advance of its delivery are initially recognized as deferred revenue and recognized as special event revenue after the delivery of the event. For special event fees received before year-end for an event that will occur after year-end, the Foundation follows AICPA guidance where the inherent contribution is conditioned on the event taking place and is therefore treated as deferred revenue along with the exchange component.

*Revenue from Non-Exchange Transactions:*

The Foundation recognizes revenue from these types of transactions in accordance with FASB ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. ASU 2018-08 applies to non-exchange transactions. The Foundation records

**The Sanctuary Golf Club Foundation, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2021**

**Note A - Summary of Significant Accounting Policies (continued)**

**Revenue recognition (continued)**

the following non-exchange transaction revenue in its statement of activities for the year ended September 30, 2021:

**Contributions**

Revenue from contributions is recognized at the time the support or contribution is made.

**Note B - Liquidity and Availability of Financial Assets**

The Foundation's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash and cash equivalents	\$ 412,406
Less amounts restricted for future use	<u>(9,378)</u>
<b>Financial assets available to meet cash needs for general expenditures within one year</b>	<b><u>\$ 403,028</u></b>

The Foundation manages its financial assets in accordance with the "Not-For-Profit Entities" topic of the FASB ASC. This topic requires that the Foundation maintains sufficient resources to meet the responsibilities of its donors. Therefore financial assets may not be available for general expenditure within one year. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

**Note C - Net Assets**

Net assets consisted of the following as of September 30, 2021:

**Without donor restrictions:**

General fund	\$ 259,765
Board designated	<u>68,000</u>
	<b><u>\$ 327,765</u></b>

The Foundation's Board of Directors established a Board designated reserve fund in light of the current pandemic. The funds are set aside to allow the Foundation to deal with unexpected pandemic emergencies that may arise.

With donor restrictions:	<u>\$ 9,378</u>
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**The Sanctuary Golf Club Foundation, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2021**

**Note D - Net Assets Released From Donor Restrictions**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors.

Net assets released from donor restrictions during the year ended September 30, 2021 were:

**Expenditure for a specific purpose and time accomplished:**

Grants and scholarships	<u><u>\$ 7,250</u></u>
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**Note E - Special Event Revenue**

Gross receipts from special events recorded by the Foundation consists of exchange transaction revenue and contribution revenue. As a result of adopting FASB ASU 2014-09, the Foundation is required to separately present components of this revenue.

Special event revenue for the year ended September 30, 2021 consisted of the following:

Contributions	\$ 162,332
Special event revenue	40,483
<b>Special event revenue gross</b>	<u><u>\$ 202,815</u></u>

**Note F - Subsequent Events**

Management has assessed subsequent events through January 18, 2022, the date on which the financial statements were available to be issued and have noted the following subsequent event:

On October 1, 2021, the Foundation changed its year-end from September 30 to December 31.