

The Sanctuary Golf Club Foundation, Inc.
Financial Statements
Year Ended September 30, 2023

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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, 2023, 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.

We are required to be independent of The Sanctuary Golf Club Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant requirements related to our review.

Affiliations

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

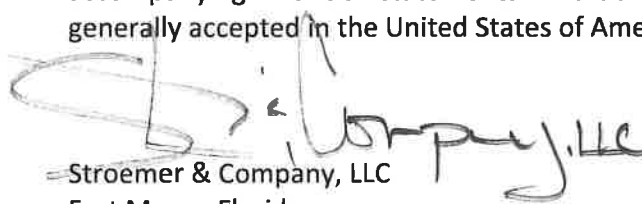
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***By Appointment Only**

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.

A handwritten signature in dark ink, appearing to read "Stroemer & Company, LLC", is written over the printed text of the company name.

Stroemer & Company, LLC

Fort Myers, Florida

March 7, 2024

The Sanctuary Golf Club Foundation, Inc.
Statement of Financial Position
September 30, 2023

Assets

Cash and cash equivalents	\$ 316,177
Prepaid expenses	2,000
Total assets	\$ 318,177

Liabilities and net assets

Liabilities

Accounts payable	\$ 1,300
Grants and scholarships payable	56,980
Payroll taxes payable	2
Total liabilities	58,282

Net assets

Without donor restrictions:

General fund	168,658
Board designated reserve	91,237
Total without donor restrictions	259,895
Total net assets	259,895
Total liabilities and net assets	\$ 318,177

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, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Contributions	\$ 384,464	\$ -	\$ 384,464
Special event revenue, net of costs of direct donor benefit	209,973	-	209,973
Other income	1,896	-	1,896
	<u>596,333</u>	<u>-</u>	<u>596,333</u>
Total support and revenue	<u>596,333</u>	<u>-</u>	<u>596,333</u>
Total support, revenue and reclassifications	<u>596,333</u>	<u>-</u>	<u>596,333</u>
Expenses			
Program Services	625,934	-	625,934
Support Services	14,138	-	14,138
	<u>640,072</u>	<u>-</u>	<u>640,072</u>
Total expenses	<u>640,072</u>	<u>-</u>	<u>640,072</u>
Change in net assets	<u>(43,739)</u>	<u>-</u>	<u>(43,739)</u>
Beginning fund balance as of October 1, 2022	303,634	-	303,634
	<u>\$ 259,895</u>	<u>\$ -</u>	<u>\$ 259,895</u>
Net assets as of September 30, 2023	<u>\$ 259,895</u>	<u>\$ -</u>	<u>\$ 259,895</u>

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, 2023

	Program Services	Support Services	Fundraising	Total
F.I.S.H	\$ 200,000	\$ -	\$ -	\$ 200,000
Emergency relief	184,638	-	-	184,638
C.E.C.I	145,633	-	-	145,633
C.H.R	50,000	-	-	50,000
The Sanibel School	40,000	-	-	40,000
SGC scholarships	5,663	-	-	5,663
Legal and professional services	-	3,500	-	3,500
Office supplies and software	-	3,227	-	3,227
Credit card processing fees	-	2,569	-	2,569
Wages	-	1,880	-	1,880
Insurance	-	1,318	-	1,318
QuickBooks payments/fees	-	842	-	842
Advertising and marketing	-	330	-	330
Other business expenses	-	301	-	301
Payroll taxes	-	146	-	146
Bank charges and fees	-	25	-	25
Total expenses	\$ 625,934	\$ 14,138	\$ -	\$ 640,072

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, 2023

Cash flows from operating activities:

Cash collected from support and revenue	\$ 604,083
Cash paid for programs	(778,338)
Net cash used in operating activities	<u>(174,255)</u>
Net change in cash and cash equivalents	<u>(174,255)</u>
Cash and cash equivalents, at beginning of year	490,432
Cash and cash equivalents, at end of year	<u><u>\$ 316,177</u></u>

Reconciliation of change in net assets to net cash used in operating activities:

Change in net assets	\$ (43,739)
Adjustments to reconcile change in net assets to net cash used in operating activities:	

(Increase) decrease in assets:

Accounts receivable	7,750
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Increase (decrease) in liabilities:

Grants and scholarships payable	(138,268)
Payroll taxes payable	2

Net cash used in operating activities	<u><u>\$ (174,255)</u></u>
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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, 2023

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 non-profit organizations that positively impact the lives of people in need living or working on Sanibel and Captiva, provide educational opportunity grants to Sanctuary employees and their families, and help employee in their time of need through the Employee Emergency Fund.

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. 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.

5. 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.

6. 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.

7. 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

The Sanctuary Golf Club Foundation, Inc.
Notes to the Financial Statements
For the Year Ended September 30, 2023

Note A - Summary of Significant Accounting Policies (continued)

Fair value of financial instruments (continued)

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, 2023 do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

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. 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.

10. 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, 2023.

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

The Sanctuary Golf Club Foundation, Inc.
Notes to the Financial Statements
For the Year Ended September 30, 2023

Note A - Summary of Significant Accounting Policies (continued)

Revenue recognition (continued)

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 following non-exchange transaction revenue in its statement of activities for the year ended September 30, 2023:

Contributions

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

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. Administrative expenses are charged by The Sanctuary Golf Club for provided administrative support throughout the fiscal year.

12. 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.

The Sanctuary Golf Club Foundation, Inc.
Notes to the Financial Statements
For the Year Ended September 30, 2023

Note A - Summary of Significant Accounting Policies (continued)

13. Advertising and marketing

Advertising and marketing costs are charged to operations in the period in which the advertisement or marketing campaign occurs. Advertising and marketing costs for the year ended September 30, 2023 was \$330.

14. 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.

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	\$ 316,177
Financial assets available to meet cash needs for general expenditures within one year	\$ 316,177

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, 2023:

Without donor restrictions:

General fund	\$ 168,658
Board designated reserve	91,237
	\$ 259,895

The Foundation's Board of Directors established a Board designated reserve fund. The funds are set aside to allow the Foundation to deal with unexpected emergencies that may arise, and for annual renewal of granted scholarships.

The Sanctuary Golf Club Foundation, Inc.
Notes to the Financial Statements
For the Year Ended September 30, 2023

Note D - 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, 2023 consisted of the following:

Contributions	\$ 221,028
Less: direct donor benefit	(11,055)
Special event revenue, net	<u>\$ 209,973</u>

Note E - Subsequent Events

Management has assessed subsequent events through March 7, 2024, the date on which the financial statements were available to be issued.