

Financial Statements of

Springside Residents' Association

Year ended December 31, 2020
(Unaudited)

Springside Residents' Association

Statement of Financial Position

As at December 31, 2020 with comparative information for 2019

(Unaudited)

(in Canadian dollars)

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
ASSETS		
Cash	23,268	16,231
Short Term Investments (Note 1)	123,706	50,466
Accounts Receivable (Note 3)	9,449	8,300
Prepays & Deposits	<u>1,479</u>	<u>1,372</u>
Total Current Assets	157,902	76,369
Long Term Investment (Note 1)	0	70,854
TOTAL ASSETS	<u><u>157,902</u></u>	<u><u>147,223</u></u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	0	4,988
Other Current Liabilities		
Accrued Payables	0	1,000
Prepaid Dues	<u>125</u>	<u>300</u>
Total Other Current Liabilities	<u>125</u>	<u>1,300</u>
Total Current Liabilities	125	6,288
Retained Earnings	140,935	127,624
Net Income (Loss)	<u>16,842</u>	<u>13,312</u>
Total Equity	<u>157,777</u>	<u>140,935</u>
TOTAL LIABILITIES & EQUITY	<u><u>157,902</u></u>	<u><u>147,223</u></u>

Springside Residents' Association

Statement of Net Income/(Loss)

Year ended December 31, 2020 with comparative information for 2019

(Unaudited)

<i>(in Canadian dollars)</i>	<u>2020</u>	<u>2019</u>
INCOME		
Annual Dues Income	76,125	76,125
Interest Income - Chq Account	19	41
Interest Income - GIC Investments (Note 1)	2,386	1,320
Legal Fee Recoveries (Note 2)	2,249	0
Late Payment Admin Fee Income	400	1,477
Total Income	<u>81,179</u>	<u>78,963</u>
EXPENSE		
Administrative Expenses		
Bank Service Charges	84	25
General Administration (Note 2)	672	4,122
Online Payment Services	2,593	2,480
Website Maintenance	45	1,335
Total Administrative Expenses	3,393	7,963
Bad Debt Expense	110	-6
Collection Expenses		
Collections Administration	68	137
Legal Fees (Note 2)	1,249	680
Total Collection Expenses	1,317	817
Community Events	0	564
Insurance	1,324	1,356
Maintenance		
Fence Maintenance	0	398
Landscape Maintenance-Contract	54,098	53,773
Landscape Projects-Extras (Note 2)	4,095	0
Total Maintenance	58,193	54,171
Professional Fees	0	788
Total Expense	<u>64,337</u>	<u>65,651</u>
NET INCOME (LOSS)	<u>16,842</u>	<u>13,312</u>

Notes to Financial Statements

(Unaudited)

1 Investments

Surplus cash was invested in June 2019 in five different GIC's. In 2020 maturing GIC's and associated interest were reinvested and are one year or less to maturity so are classified as Short Term Investments. The surplus cash has been set aside pending the outcome of a Maintenance Study on the cost to maintain the fencing within the community and Greenspace Agreement with the City of Calgary. Interest income has been accrued on the GIC Investments.

Amount	Interest Rate	Maturity Date	Redeemable
70,000	2.26%	19-Jun-21	No
25,679	0.75%	24-Sep-21	Yes
10,130	1.30%	19-Jun-21	Yes
10,130	1.30%	19-Jun-21	Yes
5,065	1.30%	19-Jun-21	Yes

2 Expenses

a. **Legal Fees** relate to costs incurred to collect outstanding amounts that are in arrears. These costs are the responsibility of the Homeowner as per the Encumbrance. In 2018, a breakdown in the relationship between the legal counsel employed by the SRA to collect fees that were in arrears and an expelled Board Member forced the SRA to pay the outstanding legal fees, (owed by homeowners), in order to recover the SRA fees already collected by the lawyer. The SRA has collected all but one legal fee for \$9,149 from a single homeowner which the SRA is actively pursuing. Legal Fee Recoveries in 2020 reflect billing of 2 years of legal fees to the homeowner, in addition to what was already owed.

b. General Administration Cost Breakdown

	2020	2019
Annual General Meeting (AGM) ¹	221	2,908
Contractor Transition Costs ²	-	840
Digital Post Mailbox	157	156
Zoom License (1 year)	105	-
Miscellaneous	189	218
	<u>\$ 672</u>	<u>\$ 4,122</u>

¹ **Annual General Meeting** - AGM was planned for April 1 2020 but was cancelled due to COVID 19. 2020 expenditures relate to Notice Printing, Envelopes and Postage in February where email was unavailable.

² **Contractor Transition Costs** - There was no reliance on Contractor in 2020

c. **2020 Landscape Projects / Extras** - Purchase of 3 large planters placed along Wentworth Drive with associated annuals and maintenance.

d. All expenditures have been expensed in the financial statements. None have been capitalized even if they may benefit more than one year. Expenses which may benefit more than one year include Landscaping Projects e.g. planting of perennials or purchase of planter pots and Fence Maintenance e.g. replacement of fence caps and painting of exterior side stucco.

3 Accounts Receivable

	Current	> 90 days	Total
2019 / 2020 Annual Fees + Late Payment Admin Fee - 1 homeowner		300	300
Legal costs - 1 homeowner ¹		9,149	9,149
TOTAL	\$ -	<u>9,449</u>	<u>9,449</u>

¹ Legal costs incurred by homeowner related to collection of annual fees over several years.

4 Accounting

The recognition, measurement, presentation and disclosure principles in these financial statements may not be in accordance with the requirements of any of the financial reporting frameworks in the CPA Canada Handbook - Accounting.