

**FINANCIAL STATEMENTS**

**STRATA VR1591**

Unaudited

**December 31, 2011**

**Strata VR1591****BALANCE SHEET**

As at December 31

Unaudited

	<b>2011</b>	<b>2010</b>
	\$	\$
<b>ASSETS</b>		
<b>Current</b>		
Cash	<b>785</b>	2,956
Cash-contingency reserve <i>[note 2]</i>	<b>16,000</b>	22,000
Accounts receivable	<b>368</b>	671
Prepaid expenses	<b>1,050</b>	1,000
	<b>18,203</b>	26,627
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>Current</b>		
Accounts payable	<b>1,400</b>	4,014
<b>Members' equity</b>		
Contingency reserve <i>[note 2]</i>	<b>16,000</b>	22,000
Operating surplus	<b>803</b>	613
	<b>16,803</b>	22,613
	<b>18,203</b>	26,627

*See accompanying notes*

**Strata VR1591****STATEMENT OF OPERATING REVENUES,  
EXPENDITURES AND SURPLUS**

Year ended December 31

Unaudited

	<b>2011</b>	<b>2010</b>
	\$	\$
<b>REVENUES</b>		
General maintenance assessments	<b>36,300</b>	36,300
Coinamatic	<b>1,369</b>	1,508
Interest income	<b>445</b>	140
	<b>38,114</b>	37,948
<b>EXPENDITURES</b>		
Accounting	<b>1,800</b>	1,800
Administration	<b>233</b>	79
Bank charges (cheques)	<b>118</b>	---
Building and grounds maintenance	<b>5,155</b>	5,185
Electricity	<b>1,279</b>	1,076
Garbage collection	<b>3,234</b>	2,782
Gas	<b>7,586</b>	7,823
Insurance	<b>6,301</b>	5,794
Maintenance supplies	<b>156</b>	107
Maintenance repairs (plus \$8,500 from contingency-re piping \$11,300)	<b>7,564</b>	3,043
Water	<b>1,998</b>	1,946
	<b>35,424</b>	29,635
Excess of revenues over operating expenditures	<b>2,690</b>	8,313
Less legal fees (quiet enjoyment agreement & by-lay amendment)	<b>-</b>	2,298
Less contingency reserve [note 2]	<b>2,500</b>	6,000
	<b>190</b>	15
Operating surplus, beginning of year	<b>613</b>	598
<b>Operating surplus, end of year</b>	<b>803</b>	613

*See accompanying notes*

## **NOTES TO FINANCIAL STATEMENTS**

December 31, 2011

Unaudited

### **1. OPERATIONS**

The strata corporation is organized for non-profit purposes and exists solely for the purpose of controlling, managing and administering the common property, facilities and assets of the corporation for the benefit of all owners.

### **2. CONTINGENCY RESERVE**

Section 117(j) of the condominium act requires that a contingency reserve fund be set up and contributed to at a rate of not less than 5% of the total annual budget, until the reserve reaches an amount that the strata council considers sufficient having regard to the type of buildings in the strata plan.

	<b>2011</b>	<b>2010</b>
	\$	\$
Balance, beginning of year	<b>22,000</b>	16,000
Annual transfer	<b>2,500</b>	6,000
	<b>24,500</b>	22,000
Repiping from basement to attic & to suites (see mtce repairs)	<b>8,500</b>	-
Balance, end of year	<b>16,000</b>	22,000

### **3. INCOME TAX**

Revenue Canada requires a strata corporation to file a corporation income tax return. However, the excess of revenue over expenditures realized by the corporation is regarded as a reduction of members contributions towards the operation of the property and not as income from the property, provided operating and reserve funds are not maintained at an unreasonably high level.

**Strata VR1591****BUDGET**

Year ended December 31

Unaudited

**2012**

\$

**REVENUES**

General maintenance assessments	36,300
Coinamatic	1,600
Interest	200
	<u>38,100</u>

**EXPENDITURES**

Accounting	1,800
Administration	150
Bank charges	---
Building and grounds maintenance	5,500
Electricity	1,400
Garbage collection	3,700
Gas	8,000
Insurance	6,700
Maintenance supplies	200
Maintenance repairs	6,150
Water	2,000
	<u>35,600</u>
Excess of revenues over expenditures	2,500
Less contingency reserve	<u>2,500</u>
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