CONDOMINIUM CORPORATION NO. 8310969

(Operating as Westmount Place)

Financial Statements

Year Ended December 31, 2020

CONDOMINIUM CORPORATION NO. 8310969

(Operating as Westmount Place)

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C&E LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Derek M. Cremers Professional Corporation
J. Scott Chomistek Professional Corporation
Hans Peter Cremers Professional Corporation

INDEPENDENT AUDITOR'S REPORT

To the Owners of Condominium Corporation No. 8310969 (Operating as Westmount Place)

Opinion

We have audited the financial statements of Condominium Corporation No. 8310969 (the Condominium Corporation), which comprise the statement of financial position as at December 31, 2020, and the statements of revenues and expenditures and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Condominium Corporation as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Condominium Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We were engaged to conduct an audit, in accordance with Canadian generally accepted auditing standards, on the financial statements prepared by the Entity's management in accordance with Canadian accounting standards for not-for-profit organizations. We were not engaged to, nor do we, provide any assurance as to whether the Entity is in compliance with all aspects of The Condominium Act, (as proclaimed on January 1, 2020) and we were not engaged to, nor do we, provide any assurance as to the adequacy of the reserve fund to cover future major expenditures and replacements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Condominium Corporation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Condominium Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Condominium Corporation's financial

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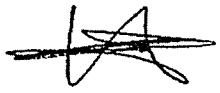
reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Condominium Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Condominium Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Condominium Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Calgary, Alberta
February 24, 2021

C&E LLP Chartered Professional Accountants

CONDOMINIUM CORPORATION NO. 8310969

(Operating as Westmount Place)

Statement of Financial Position

December 31, 2020

	Capital Replacement Reserve Fund 2020	Operating Fund 2020	**Total 2020**	Total 2019
ASSETS				
CURRENT				
Cash	$ 7,889	$ 204,082	$ **211,971**	$ 226,969
Accounts receivable	-	16,374	**16,374**	22,661
Prepaid expenses	-	92,455	**92,455**	94,320
Total Current Assets	7,889	312,911	**320,800**	343,950
INVESTMENTS *(Note 3)*	1,310,467	300,494	**1,610,961**	1,543,658
	$ 1,318,356	$ 613,405	$ **1,931,761**	$ 1,887,608
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable	$ 3,812	$ 144,845	$ **148,657**	$ 286,240
Goods and services tax payable	-	9,120	**9,120**	7,626
Holdback payables	41,984	-	**41,984**	102,133
Security deposit	-	12,125	**12,125**	12,025
Prepaid condominium fees	-	12,663	**12,663**	9,502
	45,796	178,753	**224,549**	417,526
NET ASSETS *(Notes 2, 4)*	1,272,560	434,652	**1,707,212**	1,470,082
	$ 1,318,356	$ 613,405	$ **1,931,761**	$ 1,887,608

STATEMENTS OF CLAIM *(Note 7)*

ON BEHALF OF THE BOARD

Bob Byl

Director 2021-04-23

Director

See notes to financial statements

CONDOMINIUM CORPORATION NO. 8310969

(Operating as Westmount Place)

Statement of Revenues and Expenditures and Changes in Net Assets

Year Ended December 31, 2020

	Budget 2020	Capital Replacement Reserve Fund 2020	Operating Fund 2020	Total 2020	Total 2019
REVENUE					
Condominium fees	$ 1,859,683	$ -	$ 1,857,240	$ 1,857,240	$ 1,837,700
Commercial condominium fees	328,179	-	330,623	330,623	324,300
Rental and storage	19,260	-	18,888	18,888	19,415
Interest income	5,965	31,234	1,588	32,822	29,422
Miscellaneous income	-	-	8,118	8,118	9,843
Reserve contributions	(700,000)	425,505	(425,505)	-	-
	1,513,087	456,739	1,790,952	2,247,691	2,220,680
EXPENSES *(Schedule 1)*	1,488,087	631,885	1,378,676	2,010,561	2,029,812
NET EXCESS OF REVENUE OVER EXPENSES	25,000	(175,146)	412,276	237,130	190,868
NET ASSETS - BEGINNING OF YEAR	-	1,447,706	22,376	1,470,082	1,279,213
NET ASSETS - END OF YEAR	$ 25,000	$ 1,272,560	$ 434,652	$ 1,707,212	$ 1,470,082

See notes to financial statements

CONDOMINIUM CORPORATION NO. 8310969

(Operating as Westmount Place)

Statement of Cash Flows

Year Ended December 31, 2020

	2020	2019
FUND ACTIVITIES		
Excess of revenue over expenses	**$ 237,130**	$ 190,868
Changes in non-cash working capital:		
Accounts receivable	**6,287**	(13,768)
Accounts payable	**(137,584)**	93,641
Prepaid expenses	**1,865**	(43,852)
Goods and services tax payable	**1,494**	2,468
Holdback payables	**(60,149)**	11,333
Security deposits	**100**	-
Prepaid condominium fees	**3,161**	119
	(184,826)	49,941
Cash flow from fund activities	**52,304**	240,809
INVESTING ACTIVITY		
Reserve fund investments	**(67,302)**	(428,458)
Cash flow used by investing activity	**(67,302)**	(428,458)
DECREASE IN CASH FLOW	**(14,998)**	(187,649)
Cash - beginning of year	**226,969**	414,618
CASH - END OF YEAR	**$ 211,971**	$ 226,969

See notes to financial statements

1. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Condominium Corporation is a non-profit organization and the common area assets of the condominium are owned proportionately by the owners of the units and as such are not reflected as assets in these financial statements. The purpose of the Condominium Corporation is to manage the common area assets and to maintain and provide services with respect to the day to day operations of the condominium.

The financial statements include only assets, liabilities, revenues and expenses relating to the operations of Condominium Corporation No. 8310969. The statements do not include the cost of land or buildings and the outstanding principal balances owing on mortgages, which are the responsibility of the owners.

The Condominium Corporation is a tax exempt organization for income tax purposes and has therefore made no provisions for income taxes on these financial statements.

Measurement uncertainty

When preparing financial statements according to Canadian accounting standards for not-for-profit organizations, management makes estimates and assumptions relating to:

- reported amounts of revenues and expenses
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities.

Estimates are based on a number of factors including historical experience, current events and actions that the Condominium Corporation may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ. In particular, estimates are used in accounting for certain items such as revenues, allowance for doubtful accounts and useful lives of capital assets.

Fund Accounting

The Condominium Corporation follows the restricted method of accounting for contributions.

The operating fund accounts for the condominium's operating and administrative activities.

The capital replacement reserve fund reports the fee assessments from unit owners that are to be set aside and used for future costs or major repairs or replacements.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue Recognition

The Condominium Corporation recognizes condominium fee assessments related to general operations as revenue of the operating fund as billed to the owners. Billings for the condominium fees consist of estimates of monthly charges based on approved budgets. All expenses are recognized as they are incurred.

The condominium fees related to the Capital Replacement Reserve Fund are recognized as revenue of the Capital Replacement Reserve Fund.

Investment income earned on the Reserve Fund Investments are recognized as revenue of the Capital Replacement Reserve Fund.

Contributed Services

Volunteer services contributed on behalf of the Condominium Corporation in carrying out its operating activities are not recognized in these financial statements due to the difficulty of determining their fair value.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued, with the exception of any related party transactions that are measured at the carrying amount or exchange amount, as appropriate. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income of the appropriate fund. All other financial instruments are reported as amortized cost, and tested for impairment at each reporting date. Transaction costs are recognized as an expense in the period incurred for all financial instruments subsequently measured at fair value. Financial instruments that are subsequently measured at amortized cost are adjusted by the transaction costs and financing fees that are directly attributed to their organization, issuance or assumption.

Financial assets measured at amortized cost include cash, and accounts receivable. Financial assets measured at fair value include reserve fund investments. Financial liabilities measured at amortized cost include accounts payable, and long-term debt.

Capital Replacement Reserve Fund

The Capital Replacement Reserve Fund is a fund required under the By-laws of the Condominium Property Act (Alberta) to be established and maintained for the repair or replacement of any real and personal property owned by the Condominium Corporation and the common property where such repair or replacement does not occur annually. When expenditures of a capital nature or for a major repair are incurred, they are charged against the reserve. The amount to be allocated to the Reserve Fund from operations is determined by the Board of Directors of the Condominium Corporation.

Budget

The budget figures that appear on the statement of operating income are those approved by the Board of Directors and are presented for comparison purposes only. They have not been audited or reviewed but they have been reclassified to conform to the presentation in these financial statements.

3. INVESTMENTS HELD FOR THE CAPITAL REPLACEMENT RESERVE FUND ASSETS, AT FAIR VALUE

	2020
National bank cash investment	$ 906,087
National bank fix income security and funds	404,380
	$ 1,310,467

4. ADEQUACY OF THE CAPITAL REPLACEMENT RESERVE FUND

These financial statements do not purport to show the adequacy of the capital replacement reserve fund. In determining the allocation to the Capital Replacement Reserve Fund and the adequacy of the fund balance the Board of Directors exercises judgment, principally, in the following areas:

-Obtaining an inventory of common property components that will require replacement;

-Determining the state of these components and their expected remaining useful life;

-Estimating the replacement cost at the expected time of replacement; and

-Forecasting the expected rate of return on the funds investments.

An independent reserve fund study was conducted in 2017. In the opinion of the professional reserve fund planners who completed the study, the Capital Replacement Reserve Fund should have a balance as summarized below.

	Balance Beginning of Year	Transfers from Operations	Interest Earned	Expenses Allocated to Reserve Fund	Balance End of Year
2020 Projected	$ 455,394	$ 550,000	$ 6,420	$ (680,385)	$ 331,429
2020 Actual	$ 1,447,706	$ 425,505	$ 31,232	$ (631,883)	$ 1,272,560
2020 Over(under)	$ 992,312	$ (124,495)	$ 24,812	$ 48,502	$ 941,131
2021 Projected	$ 331,429	$ 550,000	$ 6,997	$ (362,397)	$ 526,029
2022 Projected	$ 526,029	$ 552,250	$ 11,233	$ (238,692)	$ 850,820
2023 Projected	$ 850,820	$ 552,250	$ 11,067	$ (908,622)	$ 505,515
2024 Projected	$ 505,515	$ 552,250	$ 10,044	$ (342,256)	$ 725,553

The full study is available to the reader and should be examined to fully comprehend the purpose, the assumptions and the conclusions of the study.

5. FINANCIAL INSTRUMENTS

The Condominium Corporation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Condominium Corporation's risk exposure and concentration as of December 31, 2020.

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5. FINANCIAL INSTRUMENTS *(continued)*

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Condominium Corporation is exposed to this risk mainly in respect of its accounts payable.

Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Condominium Corporation is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Condominium Corporation manages exposure through its normal operating and financing activities. The Condominium Corporation is exposed to interest rate risk primarily through its reserve fund investments.

6. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

7. STATEMENTS OF CLAIM

The Condominium Corporation is involved in two separate statements of claim.

The first claim is a result of the renovation of the pool. The corporation was not satisfied with the work performance of a supplier which has given rise to a claim by that supplier.

The second claim was brought about by an owner for water damage remediation of a unit. The outcome of the claim is not determinable at this time.

CONDOMINIUM CORPORATION NO. 8310969

(Operating as Westmount Place)

Expenses *(Schedule 1)*

Year Ended December 31, 2020

	Budget 2020	Capital Replacement Reserve Fund 2020	Operating Fund 2020	Total 2020	Total 2019
OPERATING EXPENSES					
Utilities	$ 544,080	$ -	$ 503,745	$ 503,745	$ 505,548
Salaries	213,900	-	224,514	224,514	205,052
General repairs and maintenance	198,100	-	180,253	180,253	210,359
Insurance	186,157	-	147,941	147,941	167,242
Plumbing and electrical	124,500	-	117,385	117,385	135,166
Management fees	67,000	-	64,729	64,729	64,729
Janitorial	64,000	-	60,633	60,633	58,735
Elevator	25,000	-	30,524	30,524	24,735
Siding and window washing	15,000	-	14,537	14,537	9,438
Landscape and snow removal	11,500	-	8,793	8,793	9,321
Audit and legal fees	14,700	-	7,373	7,373	28,894
Office and bank charges	9,350	-	6,747	6,747	9,004
Uniforms	4,800	-	5,837	5,837	5,394
Road and parking	10,000	-	5,665	5,665	10,367
	1,488,087	-	1,378,676	1,378,676	1,443,984
CAPITAL REPLACEMENT RESERVE EXPENSES					
Deck project	-	276,121	-	276,121	28,691
Drive lane	-	122,088	-	122,088	130,675
Post tension cabling	-	73,606	-	73,606	4,043
Fire and security system	-	48,023	-	48,023	15,986
Parkade	-	44,348	-	44,348	16,905
Plumbing	-	37,428	-	37,428	51,448
Elevator	-	11,982	-	11,982	332,889
Building repairs	-	11,385	-	11,385	5,191
Main floor and residential design	-	6,904	-	6,904	-
	-	631,885	-	631,885	585,828
	$ 1,488,087	$ 631,885	$ 1,378,676	$ 2,010,561	$ 2,029,812

See notes to financial statements