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chartered professional accountants

June 29, 2016

Oxford Standard Condominium Corporation No 111
c/o Neighborhood Property Management
110 Holcroft St. W
Ingersoll, ON
N5C 2B8

Dear Lisa:

We are pleased to enclose four copies of the audited financial statements of Oxford Standard Condominium Corporation No 111 for the year ended March 31, 2016.

Upon completion of your financial statements for the year ended March 31, 2016, we wish to make the following comments and recommendations:

1. **Adjusting Journal Entries**

   A copy of the Trial Balance and the Adjusting Journal Entries have been provided in order for you to adjust your current fiscal year's opening balances. Post the adjustments to your Condo Manager data using March 31, 2016 as your posting date. Should you need assistance, this can be provided over the telephone with our staff. Agree your Condo Manager trial balance at March 31, 2016 to the enclosed Trial Balance. Please provide us with a copy of the opening trial balance at April 1, 2016 after you have posted the adjustments so we can update our files.

Should you have any questions or require further information, please do not hesitate to contact our office

Yours truly,

Micacchi Warnick & Company

Darlene Jauernig, CPA CA CFP LPA

ad

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OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111

FINANCIAL STATEMENTS
(Audited)

YEAR ENDED MARCH 31, 2016

OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111
INDEX TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

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AUDITORS' REPORT

To the Unit Owners
Oxford Standard Condominium Corporation No 111

We have audited the accompanying financial statements of Oxford Standard Condominium Corporation No 111 , which comprise the statements of financial position as at March 31, 2016, the statements of operations and changes in fund balances, reserve fund and changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also include evaluation the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2016, and its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

The prior year figures were audited by another chartered professional accountant.

Micacchi Warnick & Company

MICACCHI WARNICK & COMPANY
Professional Corporation | Chartered Professional Accountants
Authorized to practise public accounting by the Chartered Professional Accountants of Ontario

Woodstock, Ontario
June 28, 2016

OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2016
(Audited)

	Operating Fund	Reserve Fund	Total 2016	Total 2015
ASSETS				
Current				
Cash and bank (note 3)	$ 35,907	$ 85,523	$ 121,430	$ 55,682
Accounts receivable	10,398	-	10,398	8,250
	46,305	85,523	131,828	63,932
Long-term				
Reserve investments (note 3)	-	40,176	40,176	39,981
	$ 46,305	$ 125,699	$ 172,004	$ 103,913
LIABILITIES AND FUND BALANCES				
Current				
Accounts payable and accrued liabilities	$ 42,080	$ -	$ 42,080	$ 21,454
Deferred revenue	-	-	-	500
	42,080	-	42,080	21,954
Fund balances				
Unrestricted	4,225	-	4,225	16,470
Restricted	-	125,699	125,699	65,489
	4,225	125,699	129,924	81,959
	$ 46,305	$ 125,699	$ 172,004	$ 103,913

Approved on Behalf of the Board

Director

Director

OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
YEAR ENDED MARCH 31, 2016
(Audited)

	Budget 2016 (unaudited)	Total 2016	Total 2015
Revenues			
Condominium fees	$ 184,400	$ 184,800	$ 75,460
Special assessment	-	-	22,000
Interest income	400	78	58
	184,800	184,878	97,518
Expenses			
Administration	1,200	1,112	598
Audit fees	5,900	2,654	4,125
Bank charges and interest	350	780	174
Insurance	16,000	14,456	6,475
Lawn and landscaping	34,365	40,155	5,899
Legal fees	4,800	13,325	-
Management fees	11,340	11,340	4,250
Pool expenses	4,150	6,185	735
Repairs and maintenance	28,700	21,236	4,796
Reserve fund appropriation (page 4)	60,500	60,500	24,704
Snow removal	24,140	15,326	20,031
Telephone	250	523	-
Utilities	4,200	3,638	560
	195,895	191,230	72,347
Excess (deficiency) of revenue over expenses	$ (11,095)	$ (6,352)	$ 25,171
Fund balance, beginning of year		16,470	(8,701)
Transfers from reserve fund		(5,893)	-
Fund balance, end of year		$ 4,225	$ 16,470

OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111
STATEMENT OF RESERVE AND CHANGES IN FUND BALANCES
YEAR ENDED MARCH 31, 2016
(Audited)

	Total 2016	Total 2015
Income		
Reserve Fund Appropriation (page 3)	60,500	24,704
Interest earned	230	163
	60,730	24,867
Expenses		
Bank charges	-	115
Landscaping allowance	6,413	-
Reserve fund study	-	283
	6,413	398
Excess of income over expenses	54,317	24,469
Fund balance, beginning of year	65,489	41,020
Transfers to operating fund	5,893	-
Fund balance, end of year	$ 125,699	$ 65,489

OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2016
(Audited)

	2016	2015
Cash flows from operating activities		
Excess (deficiency) of revenues over expenses - operating fund	$ (6,352)	$ 25,171
Excess (deficiency) of additions over deductions - reserve fund	54,317	24,469
	47,965	49,640
Changes in working capital components		
Accounts receivable	(2,148)	(7,900)
Prepaid expenses	-	7,042
Accounts payable and accrued liabilities	20,626	4,164
Deferred revenue	(500)	(13,360)
Cash flows from operating activities	65,943	39,586
Cash flows from investing activities		
Purchase of marketable securities	-	(105)
Net increase in short term investments	(195)	-
Cash flows from (provided to) investing activities	(195)	(105)
Net increase in cash	65,748	39,481
Cash beginning of year	55,682	16,201
Cash end of year	$ 121,430	$ 55,682
Cash consists of:		
Cash and bank	$ 35,907	$ 38,935
Reserve cash and bank	85,523	16,747
	$ 121,430	$ 55,682

1. Organization

The corporation (known as Oxford Standard Condominium Corporation No. 111) was registered without share capital on November 4, 2014 pursuant to the Condominium Act, of Ontario.

The purpose of the corporation is to manage and maintain the common elements (as defined in the Corporation's Declaration and Bylaws) and to provide common services for the benefit of the owners of the 44 units of the building located at 615 to 695 Lansdowne Ave, Woodstock, Ontario.

2. Significant accounting policies

The accounting policies of the corporation are in accordance with Canadian Accounting Standards for Not-for-Profit Organizations. Outlined below are those policies considered particularly significant:

Fund accounting

Operating fund

The purpose of the operating fund is to manage the day to day operations of the organization, including the maintenance of common elements and the provision of common services for the benefit of the owners of the condominium.

Reserve fund

The corporation, as required by the Condominium Act, of Ontario, has established a reserve fund for financing future major repairs and replacements of the common elements. The assessments to finance major repairs and replacements are determined by using the straight-line method. Only major repairs and replacements of the common elements are charged directly to this reserve. The corporation segregates amounts accumulated for the purpose of financing future charges to the reserve fund in bank and investment accounts that must be used solely to finance such charges. Interest earned on these amounts is included in the reserve fund.

Financial instruments

The organization measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash..

Financial liabilities measured at amortized cost include accounts payables.

2. Accounting policies - continued

Common elements

The common elements of the corporation are owned proportionately by the unit owners and consequently are not reflected as assets in these financial statements.

Capital expenditures

The cost of minor capital expenditures is written off in the year incurred.

Revenue recognition

The organization follows the restricted fund method of accounting for owners' assessments.

Owners' assessments are recognized as revenue in the statement of general fund operations monthly based on the budget distributed to owners each year. Interest and other revenue are recognized as revenue of the related fund when earned.

Use of estimates

The preparation of financial statements, in conformity with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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. Significant areas requiring the use of estimates include the recognition and valuation of accounts receivable, accrued interest and investments. By their nature, these estimates are subject to measurement uncertainty and actual results could differ.

Cash and cash equivalents

The organizations policy is to disclose cash in banks as cash and cash equivalents.

Income taxes

No provision is made for income taxes as the organization qualifies as a non-profit organization which is exempt from income tax under the *Income Tax Act.*

3. Reserve cash and investments

Reserve cash and bank consists of a TD Canada Trust savings account of $85,523 with a variable interest rate of prime minus 2.66% (currently 0.04%). Reserve investment consists of a CIBC Wood Gundy investment account with a balance of $40,176 in a money market.

4. Reserve fund

Reserve for major repairs and replacements

The corporation, as required by the Condominium Act, of Ontario, has established a reserve fund for financing future major repairs and replacements of the common elements. The assessments to finance the major repairs and replacements are determined using a funding approach.

The most recent reserve fund study report prepared by Enerplan Building Consultants implemented April 10, 2014 recommended an annual contribution for the year ending March 31, 2016 of $59,386 (April 1, 2015 - $60,908). The study recommended a decrease of 2.5% for the years ending March 31, 2017 to March 31, 2018 and no increase for the years ending March 31, 2019 to March 31, 2054. Actual contributions in the current year were $60,500.

The reserve fund balance of $125,699 is higher than the balance recommended by the reserve fund study of $103,973 by $21,726 as of March 31, 2016.

5. Budget

The budgeted figures are presented for comparison purposes only and are unaudited.

Oxford Standard Condominium Corporation No 111

Year End: March 31, 2016
Trial balance

Completed by	Detail Review	General Review
AD 6/15/2016	DJ 6/17/2016	
EP Rev/Signoff	EQ Review	

Account	Prelim	Adj's	Adj	Annotation	Adj 03/15	%Chg	Map No
560000.00 Special Assessment-Operatin	0.00	0.00	0.00		(22,000.00)	(100.00)	
600000.00 Reserve Fund Study	0.00	0.00	0.00		282.50	(100.00)	
711800.00 Landscaping Allowance	6,412.75	0.00	6,412.75		0.00	0.00	
201000.00 TD Canada Trust Operating A	35,907.42	0.00	35,907.42		30,000.00	19.69	111
202000.00 Operating Cash Account-Prev	0.00	0.00	0.00		8,934.57	(100.00)	111
203000.00 TD Canada Trust Reserve	85,522.69	0.00	85,522.69		16,746.99	410.67	111
241000.00 CIBC Wood Gundy Money Ma	40,176.29	0.00	40,176.29		39,981.39	0.49	113
205000.00 AR - Miscellaneous - Insuranc	10,398.31	0.00	10,398.31		0.00	0.00	115
206000.00 Accounts Receivable	0.00	0.00	0.00		8,250.00	(100.00)	115
300000.00 Neighbourhood Property Man	(17.61)	0.00	(17.61)		0.00	0.00	215
300005.00 Union Gas	(23.73)	0.00	(23.73)		(41.91)	(43.38)	215
300006.00 James A. Smith Incorporated	(1,816.48)	0.00	(1,816.48)		(8,641.68)	(78.98)	215
300007.00 Lerner LLP Barrisers & Solicit	(13,324.80)	0.00	(13,324.80)		(4,621.25)	188.34	215
300008.00 Woodstock Hydro	(178.45)	0.00	(178.45)		0.00	0.00	215
300010.00 Atrens-Counsel Insurance Brc	(162.00)	0.00	(162.00)		0.00	0.00	215
300027.00 Service Master Restore Londo	(24,058.13)	0.00	(24,058.13)		0.00	0.00	215
400000.00 Accrued Payables	(6,584.50)	4,084.50	(2,500.00)		(8,148.56)	(69.32)	215
401000.00 Unearned Revenue	0.00	0.00	0.00		(500.00)	(100.00)	251
450000.00 Operating Fund - Opening	(10,577.45)	0.00	(10,577.45)		8,701.14	(221.56)	273.300
451000.00 Reserve Fund - Opening	(71,382.10)	0.00	(71,382.10)		(41,020.00)	74.02	273.800
670000.00 Reserve Fund Appropriation	60,500.04	0.00	60,500.04		24,704.18	144.90	278.200
500000.00 Condominium Fes	(184,800.00)	0.00	(184,800.00)		(75,460.00)	144.90	311
500100.00 Interest	(77.80)	0.00	(77.80)		(58.04)	34.05	311
540000.00 Reserve Fund Appropriation	(60,500.04)	0.00	(60,500.04)		(24,704.18)	144.90	311
550000.00 Interest Income - Reserve	(229.59)	0.00	(229.59)		(162.71)	41.10	321
630000.00 Admin Expenses	1,112.39	0.00	1,112.39		598.06	86.00	381.290
630200.00 Insurance	14,456.41	0.00	14,456.41		6,474.50	123.28	523
630100.00 Bank Charges	779.79	0.00	779.79		174.49	346.90	525.410
630700.00 Reserve Bank Charges	0.00	0.00	0.00		115.00	(100.00)	525.410
630300.00 Audit Fees	6,554.00	(3,900.00)	2,654.00		4,125.00	(35.66)	531
630600.00 Legal Fees	13,324.80	0.00	13,324.80		0.00	0.00	531.110
630400.00 Management Fees	11,340.00	0.00	11,340.00		4,250.00	166.82	531.310
610000.00 Lawn Maintenance Contract	23,410.94	0.00	23,410.94		1,672.21	1300.00	535
610100.00 Landscaping Extra	16,744.43	0.00	16,744.43		4,226.81	296.15	535
610200.00 Repairs & Maintenance	21,236.06	0.00	21,236.06		4,796.21	342.77	535
610300.00 Snow Removal	15,325.64	0.00	15,325.64		20,030.68	(23.49)	535
620000.00 Pool	6,184.78	0.00	6,184.78		734.94	741.54	535.110
620100.00 Phone	523.47	0.00	523.47		0.00	0.00	547
620200.00 Natural Gas	974.24	(44.70)	929.54		0.00	0.00	547
620300.00 Hydro/Water	2,848.23	(139.80)	2,708.43		559.66	383.94	547
	0.00	0.00	0.00		0.00	0.00	
Net Income (Loss)	43,879.46		47,963.96		49,640.69	(3.38)	

Oxford Standard Condominium Corporation No 111

751

Year End: March 31, 2016
Adjusting journal entries
Date: 4/1/2015 To 3/31/2016

Completed by	Detail Review	General Review
AD 6/15/2016	DJ 6/17/2016	
EP Rev/Signoff	**EQ Review**	

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	3/31/2016	Accrued Payables	400000.00	CC		139.80			
1	3/31/2016	Accrued Payables	400000.00	CC		44.70			
1	3/31/2016	Accrued Payables	400000.00	CC		3,900.00			
1	3/31/2016	Natural Gas	620200.00	CC			44.70		
1	3/31/2016	Hydro/Water	620300.00	CC			139.80		
1	3/31/2016	Audit Fees	630300.00	CC			3,900.00		
		To adjust accruals to actual as requested by Lisa.							Factual
						4,084.50	**4,084.50**		

Net Income (Loss) **47,963.96**