

**OXFORD STANDARD CONDOMINIUM
CORPORATION NO. 111**

**FINANCIAL STATEMENTS
(Audited)**

YEAR ENDED MARCH 31, 2020

OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111
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YEAR ENDED MARCH 31, 2020

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INDEPENDENT AUDITORS' REPORT

To the Unit Owners
Oxford Standard Condominium Corporation No 111

Opinion

We have audited the financial statements of Oxford Standard Condominium Corporation No 111 ("the Organization"), which comprise the statement of financial position as at March 31, 2020, the statement of operations and changes in fund balances, the statement of reserve and changes in fund balances and the cash flow statement 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 Organization as at March 31, 2020, and the results of operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

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

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 ASNPO, 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 Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial 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 Organization'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 Organization'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 Organization 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.



MICACCHI WARNICK & COMPANY

Professional Corporation | Chartered Professional Accountants

Authorized to practise public accounting by the Chartered Professional Accountants of Ontario

Woodstock, Ontario
October 7, 2020

OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020
(Audited)

	<u>Operating</u> <u>Fund</u>	<u>Reserve</u> <u>Fund</u>	<u>Total</u> <u>2020</u>	<u>Total</u> <u>2019</u>
ASSETS				
Current				
Cash and bank (note 3)	\$ 26,105	\$ 113,201	\$ 139,306	\$ 109,596
Short-term investments (note 4)	-	-	-	101,253
Accounts receivable	-	-	-	3,430
Prepaid expenses	<u>396</u>	<u>-</u>	<u>396</u>	<u>396</u>
	<u>26,501</u>	<u>113,201</u>	<u>139,702</u>	<u>214,675</u>
Long-term				
Reserve investments (note 5)	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,220</u>
	<u>\$ 26,501</u>	<u>\$ 113,201</u>	<u>\$ 139,702</u>	<u>\$ 255,895</u>
LIABILITIES AND FUND BALANCES				
Current				
Accounts payable and accrued liabilities	\$ 3,187	\$ -	\$ 3,187	\$ 5,126
Due to (from) other funds	<u>29,881</u>	<u>(29,881)</u>	<u>-</u>	<u>-</u>
	<u>33,068</u>	<u>(29,881)</u>	<u>3,187</u>	<u>5,126</u>
Fund balances				
Unrestricted	(6,567)	-	(6,567)	146,719
Restricted	<u>-</u>	<u>143,082</u>	<u>143,082</u>	<u>104,050</u>
	<u>(6,567)</u>	<u>143,082</u>	<u>136,515</u>	<u>250,769</u>
	<u>\$ 26,501</u>	<u>\$ 113,201</u>	<u>\$ 139,702</u>	<u>\$ 255,895</u>

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, 2020
(Audited)

	Budget <u>2020</u> (unaudited)	Total <u>2020</u>	Total <u>2019</u>
Revenues			
Condominium fees	\$ 208,560	\$ 208,560	\$ 198,000
Special assessment	-	-	616,000
Interest income	-	1,057	2,446
Less: allocation to reserve fund (page 5)	<u>(63,574)</u>	<u>(63,574)</u>	<u>(62,327)</u>
	<u>144,986</u>	<u>146,043</u>	<u>754,119</u>
Expenses			
Administration	2,000	935	1,883
Audit fees	3,000	2,825	2,825
Bank charges and interest	780	777	743
Insurance	21,808	25,951	15,498
Lawn and landscaping	42,875	44,164	38,126
Legal fees	420	1,752	2,034
Management fees	12,700	12,700	12,451
Miscellaneous/contingency	1,778	848	1,319
Pool expenses	4,000	4,678	3,312
Repairs and maintenance	30,000	17,443	31,419
Snow removal	21,000	20,699	19,291
Special assessment	-	162,520	495,796
Telephone	200	368	162
Utilities	<u>4,425</u>	<u>3,669</u>	<u>3,580</u>
	<u>144,986</u>	<u>299,329</u>	<u>628,439</u>
Excess (deficiency) of revenue over expenses	<u>\$ -</u>	(153,286)	125,680
Fund balance, beginning of year		<u>146,719</u>	<u>21,039</u>
Fund balance, end of year		<u>\$ (6,567)</u>	<u>\$ 146,719</u>

OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111
STATEMENT OF RESERVE AND CHANGES IN FUND BALANCES
YEAR ENDED MARCH 31, 2020
(Audited)

	<u>Total 2020</u>	<u>Total 2019</u>
Income		
Reserve fund appropriation (page 4)	\$ 63,574	\$ 62,327
Interest earned	<u>1,270</u>	<u>749</u>
	<u>64,844</u>	<u>63,076</u>
Expenses		
Landscaping	3,226	-
Pool house repairs	6,893	-
Skylight repairs	<u>15,693</u>	<u>7,327</u>
	<u>25,812</u>	<u>7,327</u>
Excess (deficiency) of income over expenses	39,032	55,749
Fund balance, beginning of year	<u>104,050</u>	<u>48,301</u>
Fund balance, end of year	<u>\$ 143,082</u>	<u>\$ 104,050</u>

OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2020
(Audited)

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities		
Excess (deficiency) of revenues over expenses - operating fund	\$ (153,286)	\$ 125,680
Excess (deficiency) of income over expenses- reserve fund	<u>39,032</u>	<u>55,749</u>
	(114,254)	181,429
Changes in working capital components		
Accounts receivable	3,430	(3,430)
Prepaid expenses	-	15,102
Accounts payable and accrued liabilities	<u>(1,937)</u>	<u>(15,100)</u>
Cash flows from (provided to) operating activities	<u>(112,761)</u>	<u>178,001</u>
Cash flows from investing activities		
Net decrease (increase) in reserve investments	<u>41,218</u>	<u>(484)</u>
Net increase (decrease) in cash	(71,543)	177,517
Cash beginning of year	<u>210,849</u>	<u>33,332</u>
Cash end of year	<u>\$ 139,306</u>	<u>\$ 210,849</u>
Cash consists of:		
Cash and bank	\$ 26,105	\$ 66,766
Reserve cash and bank	113,201	42,830
Short-term operating investments	<u>-</u>	<u>101,253</u>
	<u>\$ 139,306</u>	<u>\$ 210,849</u>

OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2020
(Audited)

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 701 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 initially 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 and bank, and short-term investments.

Financial liabilities measured at amortized cost include accounts payable.

OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2020
(Audited)

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 bank

Cash and bank consist of cash on hand and balances with banks.

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. Cash and bank

Cash and bank consists of a TD Canada Trust operating account and a TD Canada Trust reserve account both yielding interest at nominal rates.

4. Short-term Investments

A short-term investment from TD Canada Trust yielding interest at 1.60% matured on June 19, 2019.

5. Reserve Investments

The reserve investments with CIBC Wood Gundy held in a money market fund were transferred to the reserve fund bank account at TD Canada Trust in the current year.

OXFORD STANDARD CONDOMINIUM CORPORATION NO. 111
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2020
(Audited)

6. 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 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 1, 2018 recommended an annual contribution for the year ending March 31, 2020 of \$63,574 (March 31, 2019 - \$62,327). Actual contributions in the current year were \$63,574.

The reserve fund balance of \$143,082 is higher than the balance recommended by the reserve fund study of \$95,195 by \$47,887 as of March 31, 2020.

7. Budget

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