

**THE SPRINGBOROUGH RESIDENTS ASSOCIATION**

Financial Statements

For the Year Ended December 31, 2021

**SPRINGBOROUGH RESIDENTS ASSOCIATION**

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For the year ended December 31, 2021

**FINANCIAL STATEMENTS**

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**Springborough Residents Association**  
**Statement of Financial Position**  
**Year Ended December 31, 2021**

	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash - Unrestricted	65,426	78,806
Cash - Restricted	-	1,578
Short-term Investments - Unrestricted	22,324	-
Short-term Investments - Restricted	83,453	31,946
Accrued Interest on Investments	369	500
Accounts Receivable (Note 4)	4,605	7,130
	<u>176,178</u>	<u>119,960</u>
<b>Long-term Investments</b>		
Unrestricted	-	-
Restricted	-	42,736
	<u>-</u>	<u>42,736</u>
<b>Total Assets</b>	<b><u>176,178</u></b>	<b><u>162,696</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts Payable and Accrued Liabilities	-	-
Prepaid Annual Fees	2,410	2,940
	<u>2,410</u>	<u>2,940</u>
<b>Net Assets</b>	<u>173,768</u>	<u>159,756</u>
<b>Total Liabilities and Net Assets</b>	<b><u>176,178</u></b>	<b><u>162,696</u></b>

**Springborough Residents Association**  
**Statement of Operations**  
**Year Ended December 31, 2021**

	<b>2021</b>	<b>2020</b>
<b>Revenue</b>		
Annual Fees	71,925	71,925
Interest on Past Due Accounts	796	1,227
Collection Costs Charged to Homeowners	-	-
Investment Income	964	1,789
	<u>73,685</u>	<u>74,941</u>
<b>Expenses</b>		
Operating Expenses		
Landscaping	38,408	36,719
Pathway Snow Removal	15,936	16,276
	<u>54,344</u>	<u>52,994</u>
Administrative Expenses		
Insurance	1,345	1,212
Website	-	474
Fee Adjustments	-	-
Collection Costs and AGM	564	1,235
Pay Pal Fees	1,881	1,855
Annual General Meeting	1,156	-
Accounting and Legal	-	-
Other (Income)/Expenses	384	2,116
	<u>5,329</u>	<u>6,891</u>
	<u>59,673</u>	<u>59,885</u>
<b>Net Income/(Loss)</b>	<u><b>14,012</b></u>	<u><b>15,056</b></u>

**Springborough Residents Association**  
**Statement of Cash Flows**  
**Year Ended December 31, 2021**

	<b>2021</b>	<b>2020</b>
<b>Operating Activities</b>		
Net Income/(Loss)	14,012	18,601
Change in Non-cash Working Capital		
Accounts Receivable	(2,525)	852
Accounts Payable and Accrued Liabilities	-	-
Accrued Interest	(130)	(105)
Prepaid Annual Fees	531	(239)
Cash Flow from Operating Activities	16,137	18,093
<b>Investing Activities</b>		
Cash Flow from Investing Activities	(31,094)	(1,888)
Increase/(Decrease) in Cash	(14,958)	16,205
Cash, Beginning of Year	80,384	64,180
Cash, End of Year	65,426	80,384

Approved on behalf of the Board of Directors:

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Michael Hoffman, Director

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Bernice Thomas, Director

# SPRINGBOROUGH RESIDENTS ASSOCIATION

## Notes to the Financial Statements

For the year ended December 31, 2021

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### 1. DESCRIPTION OF OPERATIONS

The Springborough Residents Association (the "Association") is incorporated as a not-for-profit corporation under Part 9 of the *Companies Act* of the Province of Alberta, R.S. A. 1980, Chapter C-20, to operate and maintain certain lands and amenities within the residential community known as Springborough in the Springbank Hill subdivision of the City of Calgary and is bounded by 26 Avenue SW to the south, 17 Avenue SW to the north, 69 Street SW to the east and 77 Street SW to the west ("Springborough"). The Association was incorporated on January 14, 2003 and had no active operations until January 1, 2006.

The mandate of the Association is to assume responsibility for the additional operational, maintenance and replacement services at a level of services over and above the standard service provided by The City of Calgary, to the extent legally permissible, for the public utility lots, environmental reserves, municipal reserves, public walkways, road boulevards, road medians, entrance features and associated community and related signage within Springborough.

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### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and, in the opinion of the Board of Directors, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

#### a) Revenue Recognition

Association dues are recognized as income in the fiscal period to which they relate. Payments received in advance are reported as pre-paid annual fees.

#### b) Income tax

As a not-for-profit organization, the Association is not subject to income taxes under paragraph 149(1)(l) of the *Income Tax Act* (Canada), R.S.C. 1985, c.1 (5th supp.).

#### c) Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

#### d) Financial instruments

Financial assets are classified as held for trading and carried at their fair value. Unrealized gains and losses on trading assets are recognized as part of the excess of revenue over expenses. Financial liabilities are carried at cost. The fair value of these financial instruments is based on current interest rates, market values, and pricing of financial instruments with comparative terms.

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### 3. INVESTMENTS

The Association has placed funds in guaranteed investment certificates totaling \$105,777 at December 31, 2021 (\$74,682 at December 31, 2020) with maturity dates ranging from February 23, 2022 to September 14, 2022, bearing interest rates ranging from 0.20% to 1.44%.

At December 31, 2021, the Association has designated \$83,453 towards reserve funds (10% of Annual Fees plus investment interest representing an additional \$7,193 in 2021) to cover the costs of capital improvement projects that may be required in the future.

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### 4. ACCOUNTS RECEIVABLE

Accounts receivable are secured by an annual charge of \$175 for 2020 for each single detached dwelling and \$87.50 for 2020 (unchanged since 2014) for each unit within a duplex and each unit within a multi-family dwelling in Springborough per encumbrances on the properties.

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### 5. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is the Board of Director's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.