

**THE SPRINGBOROUGH RESIDENTS ASSOCIATION**

Financial Statements

For the Year Ended December 31, 2022

**SPRINGBOROUGH RESIDENTS ASSOCIATION**

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For the year ended December 31, 2022

**FINANCIAL STATEMENTS**

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Springborough Residents Association  
Statement of Financial Position  
Year Ended December 31, 2022

|  | 2022                  | 2021                  |
|--|-----------------------|-----------------------|
| <b>ASSETS</b>                            |                       |                       |
| <b>Current Assets</b>                    |                       |                       |
| Cash - Unrestricted                      | 48,088                | 65,348                |
| Cash - Restricted                        | 0                     | 0                     |
| Short-term Investments - Unrestricted    | 45,912                | 22,324                |
| Short-term Investments - Restricted      | 17,669                | 83,453                |
| Accrued Interest on Investments          | 1,404                 | 369                   |
| Accounts Receivable (Note 4)             | 7,587                 | 4,605                 |
|  | <u>120,662</u>        | <u>176,099</u>        |
| <b>Long-term Investments</b>             |                       |                       |
| Unrestricted                             | 0                     | 0                     |
| Restricted                               | 72,977                | 0                     |
|  | <u>72,977</u>         | <u>0</u>              |
| <b>Total Assets</b>                      | <b><u>193,638</u></b> | <b><u>176,099</u></b> |
| <b>LIABILITIES AND NET ASSETS</b>        |                       |                       |
| <b>Current Liabilities</b>               |                       |                       |
| Accounts Payable and Accrued Liabilities | 0                     | 0                     |
| Prepaid Annual Fees                      | 2,194                 | 2,410                 |
|  | <u>2,194</u>          | <u>2,410</u>          |
| Net Assets                               | <u>191,444</u>        | <u>173,689</u>        |
| <b>Total Liabilities and Net Assets</b>  | <b><u>193,638</u></b> | <b><u>176,099</u></b> |

Approved on behalf of the Board of Directors:

\_\_\_\_\_  
Director #1

\_\_\_\_\_  
Director #2

**Springborough Residents Association**  
**Statement of Operations**  
**Year Ended December 31, 2022**

|  | <b>2022</b>          | <b>2021</b>          |
|--|----------------------|----------------------|
| <b>Revenue</b>                         |                      |                      |
| Annual Fees                            | 71,925               | 71,925               |
| Interest on Past Due Accounts          | 503                  | 796                  |
| Collection Costs Charged to Homeowners | 0                    | 0                    |
| Investment Income                      | 1,816                | 964                  |
|  | <u>74,244</u>        | <u>73,685</u>        |
| <b>Expenses</b>                        |                      |                      |
| Operating Expenses                     |                      |                      |
| Landscaping                            | 39,400               | 38,408               |
| Pathway Snow Removal                   | 11,571               | 15,936               |
|  | <u>50,972</u>        | <u>54,344</u>        |
| Administrative Expenses                |                      |                      |
| Insurance                              | 1,480                | 1,345                |
| Website                                | 389                  | 0                    |
| Fee Adjustments                        | 0                    | 0                    |
| Collection Costs                       | 957                  | 564                  |
| Pay Pal Fees                           | 1,769                | 1,881                |
| Annual General Meeting                 | 493                  | 1,156                |
| Accounting and Legal                   | 0                    | 0                    |
| Other (Income)/Expenses                | 430                  | 384                  |
|  | <u>5,518</u>         | <u>5,329</u>         |
|  | <u>56,490</u>        | <u>59,673</u>        |
| <b>Net Income/(Loss)</b>               | <u><b>17,755</b></u> | <u><b>14,012</b></u> |

Springborough Residents Association  
Statement of Cash Flows  
Year Ended December 31, 2022

|  | 2022     | 2021     |
|--|----------|----------|
| <b>Operating Activities</b>              |          |          |
| Net Income/(Loss)                        | 17,755   | 14,012   |
| Change in Non-cash Working Capital       |          |          |
| Accounts Receivable                      | 2,982    | (2,525)  |
| Accounts Payable and Accrued Liabilities | 0        | 0        |
| Accrued Interest                         | 1,035    | (130)    |
| Prepaid Annual Fees                      | 215      | 531      |
| Cash Flow from Operating Activities      | 13,522   | 16,137   |
| <b>Investing Activities</b>              |          |          |
| Cash Flow from Investing Activities      | (30,781) | (31,094) |
| Increase/(Decrease) in Cash              | (17,259) | (14,958) |
| Cash, Beginning of Year                  | 65,348   | 80,305   |
| Cash, End of Year                        | 48,088   | 65,348   |

# SPRINGBOROUGH RESIDENTS ASSOCIATION

## Notes to the Financial Statements

For the year ended December 31, 2022

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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 \$136,558 at December 31, 2023 (\$160,561 at December 31, 2022) with maturity dates ranging from August 31, 2023 to March 15, 2024, bearing interest rates ranging from 1.98% to 3.20%.

At December 31, 2023, the Association designated \$90,666 towards reserve funds (10% of Annual Fees plus investment interest; an additional \$7,193 in 2022) 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 \$175.00 for each single detached dwelling and \$87.50 for each unit within a duplex and each unit within a multi-family dwelling in Springborough per encumbrances on the properties (unchanged since 2014).

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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.