

**Condominium Corporation No. 9811439
(operating as Darlington Arms)**

Audited Financial Statements

June 30, 2008

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AUDITOR'S REPORT

Condominium Corporation No. 9811439
(operating as Darlington Arms)

I have audited the balance sheet of Condominium Corporation No. 9811439 (operating as Darlington Arms) as at June 30, 2008 and the statements of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the condominium corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating overall financial statement presentation.

In my opinion these financial statements present fairly, in all material respects, the financial position of the condominium corporation as at June 30, 2008 and the results of operations and the changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

August 22, 2008



**Condominium Corporation No. 9811439
(operating as Darlington Arms)**

Balance Sheet

| | June 30 2008 | | | 2007 |
|--------------------------------|--------------------------|-------------------------|-------------------------|-------------------------|
| | Operating Fund | Reserve Fund | Total | Total |
| Assets | | | | |
| Current Assets | | | | |
| Cash (note 3) | \$ 11,855 | \$ 96,699 | \$108,554 | \$108,842 |
| Accounts receivable | - | - | - | 1,000 |
| Due from reserve | - | - | - | 2,048 |
| Prepaid expenses | <u>860</u> | <u>-</u> | <u>860</u> | <u>533</u> |
| | 12,715 | 96,699 | 109,414 | 112,423 |
| Liabilities | | | | |
| Accounts payable | 9,511 | - | 9,511 | 38,525 |
| Due to operating | - | - | - | 2,048 |
| Security deposits payable | <u>6,252</u> | <u>-</u> | <u>6,252</u> | <u>9,676</u> |
| | <u>15,763</u> | <u>-</u> | <u>15,763</u> | <u>50,249</u> |
| Net Assets (deficiency) | <u><u>\$(3,048)</u></u> | <u><u>\$ 96,699</u></u> | <u><u>\$ 93,651</u></u> | <u><u>\$ 62,174</u></u> |

See notes to financial statements

Approved by the Board:

_____ Director

_____ Director

**Condominium Corporation No. 9811439
(operating as Darlington Arms)**

Statement of Operating Fund Operations and Change in Operating Fund Balance

| | Budget 2008 <u>(unaudited)</u> | Year ended June 30 <u>2008</u> <u>2007</u> | |
|--|--------------------------------------|---|---------------------------|
| Revenue | | | |
| Condominium fees | \$ 165,500 | \$ 165,502 | \$ 137,626 |
| Allocation to replacement reserve (note 4) | (45,000) | (45,000) | (27,480) |
| Other income | <u>1,500</u> | <u>1,970</u> | <u>3,268</u> |
| | <u>122,000</u> | 122,472 | 113,414 |
| Expenses | | | |
| Utilities | 43,200 | 53,863 | 50,027 |
| Repairs and maintenance | 44,000 | 32,396 | 56,386 |
| Janitorial | 9,600 | 9,000 | 9,000 |
| Management fees | 8,500 | 8,356 | 8,435 |
| Insurance | 6,700 | 6,958 | 4,862 |
| Landscaping and snow removal | 4,000 | 3,747 | 4,410 |
| Office | 3,500 | 3,597 | 3,441 |
| Professional fees | <u>2,500</u> | <u>2,730</u> | <u>3,296</u> |
| | <u>122,000</u> | <u>120,647</u> | <u>139,857</u> |
| Excess (deficiency) of revenues over expenses | | 1,825 | (26,443) |
| Operating fund at beginning of year | | <u>(4,873)</u> | <u>21,570</u> |
| Operating fund (deficiency) at end of year | | <u><u>\$ (3,048)</u></u> | <u><u>\$ (4,873)</u></u> |

See notes to financial statements

**Condominium Corporation No. 9811439
(operating as Darlington Arms)**

**Statement of Capital Replacement Reserve Fund Operations and
Change in Capital Replacement Reserve Fund Balance**

| | Year ended June 30 | |
|--|--------------------|------------------|
| | <u>2008</u> | <u>2007</u> |
| Revenue | | |
| Allocation from operating fund | \$ 45,000 | \$ 27,480 |
| Other income | <u>5,507</u> | <u>3,387</u> |
| | 50,507 | 30,867 |
| Expenses | | |
| Install new carpet | 16,572 | - |
| Sealcoat parking lot | 2,544 | - |
| Painting | 1,739 | - |
| Replace fire alarm system | - | 13,680 |
| Other repairs and maintenance | - | 11,435 |
| Professional fees | - | 9,401 |
| Replace light fixtures | <u>-</u> | <u>7,565</u> |
| | <u>20,855</u> | <u>42,081</u> |
| Excess of revenues over expenses | 29,652 | (11,214) |
| Capital replacement reserve fund at beginning of year | <u>67,047</u> | <u>78,261</u> |
| Capital replacement reserve fund at end of year | <u>\$ 96,699</u> | <u>\$ 67,047</u> |

See notes to financial statements

