

**HALTON CONDOMINIUM CORPORATION NO. 372**  
**Financial Statements**  
**Year Ended December 31, 2022**

**Index to Financial Statements**  
**Year Ended December 31, 2022**

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### INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying financial statements of Halton Condominium Corporation No. 372, (the Corporation) which comprise the statement of financial position as at December 31, 2022, the statement of common revenues and common expenses, the statement of reserve fund, the statement of changes in cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, these financial statements present fairly, in all material respects, the statement of financial position of the Corporation as at December 31, 2022, the statement of common revenues and common expenses, the statement of reserve fund, and the statement of changes in cash flow for the year then ended, in accordance with Canadian Accounting Standards for Non-Profit Organizations. (ASNPO)

#### Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Corporation in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using a going concern basis of accounting unless management either intends to liquidate the Corporation or to cease its operations. Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

My 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 report that includes my opinion. Reasonable assurance is a high level of assurance, but it 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.

Independent Auditor's Report to the Members of Halton Condominium Corporation No. 372 (continued)

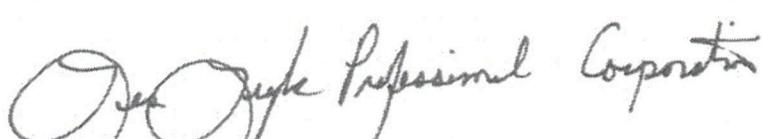
As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 Corporation'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 Corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Corporation 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.

I 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 I identify during the audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, related safeguards.

Lastly, I determined there were no material matters of significance that needed to be communicated to those charged with governance.



LES LUCYK PROFESSIONAL CORPORATION  
LES LUCYK, CPA, CA  
LICENSED PUBLIC ACCOUNTANT

Corbyville, ON  
May 31, 2023

HALTON CONDOMINIUM CORPORATION No. 372  
 Statement of Financial Position  
 December 31, 2022

	2022	2021
<b>ASSETS</b>		
<b>CURRENT</b>		
Operating cash	\$ 12,790	\$ 14,196
Accounts receivable	1,200	-
Reserve cash and investments (Note 4)	330,766	288,404
Accrued interest receivable	5,097	1,109
Prepaid expenses	90	68
	<b>\$ 349,943</b>	<b>\$ 303,777</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 4,112	\$ 3,634
Due to owners	-	380
	<b>4,112</b>	<b>4,014</b>
<b>RESERVE AND OPERATING FUNDS</b>		
Reserve Fund	335,963	289,515
Operating fund	9,868	10,248
Total Reserve and Operating Funds	<b>345,831</b>	<b>299,763</b>
	<b>\$ 349,943</b>	<b>\$ 303,777</b>

ON BEHALF OF THE BOARD

Maureen Long Director  
Shirley Director

**HALTON CONDOMINIUM CORPORATION No. 372**  
**Statement of Common Revenues and Common Expenditures**  
**Year Ended December 31, 2022**

	Budget 2022	Actual 2022	Actual 2021
<b>REVENUE</b>			
Common element assessment	\$ 144,000	\$ 144,000	\$ 136,832
Contribution to reserve fund	(75,387)	(75,387)	(73,513)
Interest and other income	-	4,212	169
<b>AVAILABLE FOR OPERATING EXPENSES</b>	<b>68,613</b>	<b>72,825</b>	<b>63,488</b>
<b>OPERATING EXPENSES</b>			
<b>ADMINISTRATIVE AND GENERAL</b>			
Property management fees	12,543	12,543	12,136
Insurance	22,020	22,017	19,483
Audit and legal	2,000	2,000	2,000
Office and miscellaneous	1,360	1,539	857
Total Administrative and General	37,923	38,099	34,476
<b>MAINTENANCE AND REPAIRS</b>			
Lawn maintenance and snow removal	16,600	16,251	15,865
General maintenance	10,100	12,847	14,627
Landscaping	2,490	4,674	3,087
Total Maintenance and Repairs	29,190	33,772	33,579
<b>UTILITIES</b>			
Hydro	1,500	1,334	1,518
Total Utilities	1,500	1,334	1,518
<b>TOTAL EXPENSES</b>	<b>68,613</b>	<b>73,205</b>	<b>69,573</b>
<b>NET(OVER)UNDER EXPENDITURE FROM OPERATIONS</b>			
	-	(380)	(6,085)
<b>OPERATING FUND, beginning of year</b>	<b>-</b>	<b>10,248</b>	<b>16,333</b>
<b>OPERATING FUND, end of year</b>	<b>\$ -</b>	<b>\$ 9,868</b>	<b>\$ 10,248</b>

## HALTON CONDOMINIUM CORPORATION No. 372

## Statement of Reserve Fund

Year Ended December 31, 2022

	2022	2021
<b>RESERVE FUND</b>		
Owners' assessment	\$ 75,387	\$ 73,513
Interest earned on reserve funds	5,377	2,053
Fences	(1,866)	-
Roof and related repairs	(15,447)	-
Waterproofing	-	(20,905)
Masonry	-	(7,729)
Windows, doors	(6,041)	(6,853)
Stair and step repairs	-	(2,147)
Sewer repair and replacement	(8,984)	-
Reserve Fund Study	(1,978)	-
 Increase in Reserve for the year	 46,448	 37,932
<b>RESERVE FUND BALANCE, beginning of year</b>	<b>289,515</b>	<b>251,583</b>
<b>RESERVE FUND BALANCE, end of year</b>	<b>\$ 335,963</b>	<b>\$ 289,515</b>

## HALTON CONDOMINIUM CORPORATION No. 372

## Statement of Cash Flows

Year Ended December 31, 2022

	2022	2021
<b>OPERATING ACTIVITIES</b>		
(Over)under expenditure from operations	\$ (380)	\$ (6,085)
Due to owners	(380)	380
Accounts receivable	(1,200)	-
Accounts payable	478	844
Accrued interest receivable	(3,988)	(1,099)
Prepaid expense	(22)	-
	<hr/>	<hr/>
Cash flow from operating activities	<hr/> <b>(5,492)</b>	<hr/> <b>(5,960)</b>
<b>RESERVE ACTIVITY</b>		
Reserve expenditures	(34,316)	(37,634)
Interest	5,377	2,053
Owners' contribution	<b>75,387</b>	<b>73,513</b>
	<hr/>	<hr/>
Cash flow from reserve activity	<hr/> <b>46,448</b>	<hr/> 37,932
<b>INCREASE IN CASH FLOW</b>	<b>40,956</b>	31,972
<b>CASH - BEGINNING OF YEAR</b>	<b>302,600</b>	270,628
<b>CASH - END OF YEAR</b>	<b>\$ 343,556</b>	<b>\$ 302,600</b>
<b>CASH CONSISTS OF:</b>		
Operating cash	\$ 12,790	\$ 14,196
Reserve cash and investments	<b>330,766</b>	288,404
	<hr/>	<hr/>
	<b>\$ 343,556</b>	<b>\$ 302,600</b>

# HALTON CONDOMINIUM CORPORATION NO. 372

## Notes to Financial Statements

Year Ended December 31, 2022

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### 1. PURPOSE OF THE CORPORATION

The Corporation was incorporated without share capital on January 8th, 2001 under 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 By-Laws) and to provide common services for the benefit of the owners of the 30 condominium units. Each unit owner is assessed for a proportionate share of common element expenses. The Corporation qualifies as a non-profit organization which is exempt from income taxes under the Income Tax Act.

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### 2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Fund accounting

The statement of reserve fund reports the portion of owners' assessments allocated to it and expenses for the major repair and replacement of the common elements of the Corporation. The basis for determining reserve fund requirements is explained in Note 5. All major repairs and replacements must be charged to the reserve fund; minor repairs and replacements must be charged to expenses in the statement of operations. 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. The statement of operating fund reports all owners' assessments, budgeted allocation of those assessments to the reserve fund and expenses related to the common elements of the Corporation.

#### Cash equivalents

Highly liquid investments with maturities of one year or less at date of purchase are considered to be cash equivalents.

#### 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.

#### Revenue Recognition

Owners' assessments are recognized as revenue in the statement of operations monthly based on the budget distributed to owners each year. Special assessments, if any, are recognized as revenue when they become payable by the owners to the Corporation. Interest and other revenue are recognized as revenue when earned.

#### Contributed Services

Directors volunteer their time to assist in the Corporation's activities. While these services benefit the Corporation considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

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HALTON CONDOMINIUM CORPORATION NO. 372  
Notes to Financial Statements  
Year Ended December 31, 2022

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4. RESERVE CASH AND INVESTMENTS

	2022	2021
Cash	\$ 60,766	\$ 138,403
Short-term investments	<u>270,000</u>	<u>150,000</u>
	<u>\$ 330,766</u>	<u>\$ 288,403</u>

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5. RESERVE FUND

The Corporation, as required by the Condominium Act, 1998 has established a reserve fund to finance future major repair and replacement of the common elements of the Corporation. The adequacy of the Reserve is based on numerous assumptions as to future events such as changes in interest rates, inflation and physical deterioration rates and therefore cannot be relied upon for accuracy. This uncertainty is partially offset by having a Reserve Fund Study completed on a regular basis as required by the Ontario Condominium Act.

The reserve fund study used for the F2022 year was a Class 2 Reserve Fund Study of December 7, 2022 and the Board advised the unit owners of their planned future funding through Form 15 of the Ontario Condominium Act on December 7, 2022. The Reserve Fund Study suggested a Fiscal 2022 contribution of \$75,387, expenditures of \$50,000, interest income of \$8,685 and an ending balance of \$323,587 to December 31, 2022. The actual reserve balance at December 31, 2022 was \$335,963 after contributions of \$75,387, expenditures of \$47,316 and interest of \$5,377. The Board of Directors has discretion to implement timing of Reserve expenditures prescribed by Reserve Fund studies.

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6. DIRECTOR REMUNERATION

No remuneration was paid to directors and officers during the year and they had no interest in any Corporate transactions.

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7. BUDGET

The unaudited budget figures presented for comparison purposes are those approved by the Board in 2021 reclassified to conform with the presentation in these financial statements.

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