

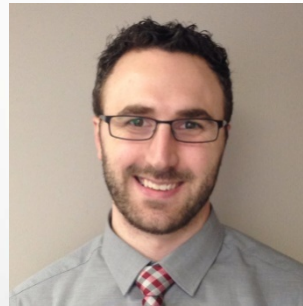


 **LARLYN**
Webinar Series
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WELCOME

HOW TO READ YOUR CONDO FINANCIAL STATEMENTS

PRESENTED BY:



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Larlyn Property Management Ltd.

WHAT CAN YOU EXPECT TO LEARN?

- Why do we need financial statements?
- What is included in my package?
- What do the tools in my package tell me?

WHY DO WE NEED FINANCIAL STATEMENTS?

They are a recurring report of the financial health of the Condominium Corporation used by a variety of stakeholders.

OWNERS:

- a record of stewardship used by owners to evaluate directors' performance
- understand the financial performance of their corporation

BOARD OF DIRECTORS:

- decision making tool to ensure they are using fees collected by owners the best way possible
- assist in making sure the Condominium Corporation is prepared appropriately for the future.

THIRD PARTIES:

- managers, potential purchasers, real estate lawyers, reserve fund study consultants, trade creditors, mortgagees, commercial lending institutions and government agencies.

WHAT IS INCLUDED IN MY PACKAGE?

Requirements as per Section 66(2) of the Condo Act :

- a) a balance sheet;
- b) a statement of general operations;
- c) a statement of changes in financial position;
- d) a statement of reserve fund operations;
- e) prescribed information relating to the reserve fund study and the operation of the reserve fund;
- f) an indication of the aggregate remuneration paid to the directors in that capacity and the aggregate remuneration paid to the officers in that capacity; and
- g) the additional statements or information that the regulations made under this Act require.

Package Components provided monthly to the Board of Directors:

- ✓ Balance sheet;
- ✓ 12 Month Income Statement
- ✓ Budget Comparison
- ✓ Collection of Working Papers and Reconciliations:
 - Reserve Fund Summary
 - Accrued Liabilities
 - Due To/From Reserve and Operating Accounts
 - Bank Reconciliation
 - Aged Payables Summary
 - Aged Accounts Receivable
- ✓ General Ledger
- ✓ Notes to the Financial Statements

WHAT IS INCLUDED IN MY PACKAGE?

- Packages are provided monthly to the Board of Directors by a specific date as outlined in the Condo Corporation's management agreement.
- Larlyn takes pride in making these tools available 24/7 through DirectorConnections.com

NOTE: The types of tools included in each package vary by the Condo Corporation's unique needs and depend on what was outlined in the management agreement.

Balance Sheet

Month, 2014

Books - Accrual

	Month, 2014
ASSETS	
CASH	
Petty Cash Fund	150.00
Operating Cash Account	141,724.44
Improvement Fund Cash	63,824.13
Reserve Cash Account	1,040,822.51
TOTAL CASH	1,246,621.08
Accounts Receivable	456.23
Due from Operating to Reserve	6,568.82
TOTAL CURRENT ASSETS	1,253,646.13
TOTAL ASSETS	1,253,646.13
LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable	10,920.87
Accrued Monthly Expenses	34,966.47
Prepaid Revenues	8,754.09
Due to Reserve from Operating	6,568.82
TOTAL CURRENT LIABILITIES	61,209.26
TOTAL LIABILITIES	61,209.26
CAPITAL	
IMPROVEMENT FUND	
Beginning Funds	63,824.13
TOTAL IMPROVEMENT FUND	63,824.13
SURPLUS (DEFICIT)	
Beginning Surplus (Deficit)	81,949.43
Current Surplus (Deficit)	-828.01
TOTAL SURPLUS (DEFICIT)	81,121.42
NET RESERVES YTD	
Beginning Reserves	862,079.69
Reserve Contributions Current Year	321,926.00
Reserve Bank Charges	-207.00
Total Reserve Expenses (see schedule)	-136,612.94
Reserve Interest Earned	10,105.68
NET RESERVES YTD	1,047,391.33
TOTAL CAPITAL	1,192,336.88
TOTAL LIABILITIES & CAPITAL	1,253,646.13

BALANCE SHEET

BALANCE SHEET

- Represents a “snapshot” of the financial position of your condominium at a specific point in time (for example, As at December 31st)
- Broken out into three major components:
 - Assets
 - Liabilities
 - Equity

$$\text{ASSETS} - \text{LIABILITIES} = \text{EQUITY}$$

It is called a “BALANCE SHEET” because when $\text{Assets} = \text{Liabilities} + \text{Equity}$, you are “balanced”

ASSETS

Positive, valuable items which include:

Petty Cash - cash kept on hand and used to make small payments

Operating Cash Account – funds available for the day to day operations

Reserve Cash Account – funds available to pay for expenses designated as Reserve Expenses

Investments – Reserve – accumulated reserve funds that have been invested for an agreed amount of time (not readily available for use)

Accrued Interest – interest earned to date on above

Prepaid Expenses – expenses paid in advance, the benefits of which will be consumed in the near term (example: insurance)

Accounts Receivable – amounts owing to the condo corporation as of reporting date but not yet received

Miscellaneous Accounts Receivable / Sundry Receivables – items earned but cash not yet received (example: laundry income)

Due from Operating – funds due to the reserve from the operating account but as of reporting date not yet transferred

LIABILITIES

Negative things owed which include things such as:

Accounts Payable — invoices received for operating expenses but as of reporting date not yet paid

Accrued Expenses — expenses that have been incurred for the reporting period but no invoices have been received as of reporting date and are unpaid (example: purchase order issued, goods/services received, invoice not received to be entered as a payable or paid)

Prepaid Condominium Fees — condominium fees paid to the Corporation in advance of their due date.

Due to Reserve — funds due to the reserve from the operating account but as of reporting date have not been transferred

EQUITY

CAPITAL

Operating Surplus (Deficit)

- Operating Surplus (assets exceed liabilities)
 - It is important to remember that this does NOT represent excess cash available. The surplus can be comprised of assets other than cash.
- Operating Deficit (liabilities exceed assets)
 - The corporation is not in a strong financial position and owes more than it can take in. The Board of Directors should seriously consider authorizing a special assessment or increasing maintenance fees to strengthen the Corporation's financial position and not deplete reserves.

Beginning Surplus (Deficit) – operating surplus or deficit since the inception of the condominium up to and including the previous year-end (often referred to as Retained Earnings)

Current Surplus (Deficit) – year to date operating results. This amount equals the Net Income under the Year to Date Actual column on the Budget Comparison Statement

EQUITY

CAPITAL

Reserve Fund

- The funds available as of reporting date to meet the requirements in accordance with the Reserve Fund Study.

Beginning Reserves — balance of the Reserve Fund as of the previous year end.

Reserve Contributions — funds transferred from the operating account to the reserve account during the current year per the current year budget.

Reserve Interest — interest earned on the funds held in the reserve bank account(s) and investments for the current year.

12 Month Income Statement

For The Period Ending March 2014
Books = Accrual

	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	Total
REVENUE													
CONDO REVENUES													
Condominium Fees	83,903	83,903	83,903	83,903	83,903	83,903	83,903	83,903	83,903	83,903	83,903		922,928
TOTAL CONDO REVENUES	83,903	83,903	83,903	83,903	83,903	83,903	83,903	83,903	83,903	83,903	83,903		922,928

OTHER INCOME

- Entry Card Income
- Fees Income
- Interest Income
- Meeting/Party/Club Income

TOTAL OTHER INCOME

FUND ACTIVITY

TOTAL REVENUE BEFORE EXPENSES

OPERATING EXPENSES

CONTRACT

- Cleaning - Contract
- Concierge - Contract
- Elevator - Contract
- HVAC - Contract
- Landscaping - Contract
- Snow Removal - Contract
- Pest Control - Contract
- Water Management Contract

TOTAL CONTRACTS

GROUNDS MAINTENANCE

- Landscaping Improvement & Landscaping Sprinkler/Irrigation

12 Month Income Statement

For The Period Ending March 2014
Books = Accrual

	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	Total
Snow Removal Extras											689		689
TOTAL GROUND MAINTENANCE	-13,138	497	4,063	1,962	1,000	16,047	2,051	565	1,013	-12,544	13,827		15,344

GENERAL MAINTENANCE

- Carpet Cleaning
- Fire Protection - Non Contract
- Garage Repairs
- Garage Cleaning
- Garage Door R & M
- General Supplies
- Lobby Flowers
- Mat Rentals
- Pest Control extras
- Plumbing R&M
- Repairs and Maintenance
- Window Cleaning

TOTAL GENERAL

MECHANICAL

- Elevator - R & M
- Elevator - Licence
- HVAC R & M

TOTAL MECHANICAL

AMENITIES & RECREATION

- Exercise Room
- Pool Expenses
- Pool Emergency - Alarm

TOTAL AMENITIES &

WAGES

12 Month Income Statement

For The Period Ending March 2014
Books = Accrual

	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	Total
Site Salaries	572	572	572	572	572	572	572	572	572	572	572		6,297
TOTAL WAGES	572	572	572	572	572	572	572	572	572	572	572		6,297
RESOURCES													
Gas	3,695	-1,005	1,144	1,313	1,200	2,647	1,762	8,009	9,510	11,633	6,878		46,786
Electricity/Power/Hydro	9,177	9,941	8,988	12,160	8,770	9,041	8,108	10,432	12,575	11,151	11,626		111,968
Water & Sewer	1,380	3,179	2,568	2,986	2,783	2,186	1,167	1,676	1,414	1,691	1,461		22,491
TOTAL RESOURCES	14,252	12,115	12,701	16,458	12,753	13,874	11,036	20,117	23,499	24,475	19,965		181,245
ADMINISTRATIVE EXPENSES													
Administrative Expense	489	195	474	38	702	933	897	176	305	563	129		4,901
Bank Charges	61	35	36	36	35	34	34	35	39	40	40		425
Insurance	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,057		22,656
Office Supplies						16				147			162
Office Telephone	455	244	739	156	386	574	225	400	421	416	437		4,453
Social Events				101			207	947					1,256
TOTAL ADMINISTRATION	3,065	2,534	3,310	2,390	3,184	3,616	3,423	3,618	2,825	3,225	2,663		33,853
PROFESSIONAL SERVICES													
Financial Audit Fees	217	217	217	217	217	217	217	409	217	217	217		2,574
Management Fees	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243		24,668
TOTAL PROFESSIONAL	2,459	2,459	2,459	2,459	2,459	2,459	2,651	2,459	2,459	2,459	2,459		27,243
FINANCIAL EXPENSES													
Reserve Allocation	29,266	29,266	29,266	29,266	29,266	29,266	29,266	29,266	29,266	29,266	29,266		321,926
TOTAL FINANCIAL EXPENSES	29,266	29,266	29,266	29,266	29,266	29,266	29,266	29,266	29,266	29,266	29,266		321,926
TOTAL OPERATING EXPENSES	62,520	79,225	90,135	83,376	78,286	97,023	75,515	86,167	96,479	71,501	106,583		926,810
NET PROFIT (LOSS)	21,614	5,077	-5,946	783	5,852	-12,891	8,683	-1,974	-12,277	12,668	-22,417		-828

12 MONTH INCOME STATEMENT

12 MONTH INCOME STATEMENT (STATEMENT OF INCOME & EXPENSES)

- Presents actual operating income and expense activity by month across a rolling 12 month period.

NET PROFIT (LOSS) =
OPERATING INCOME – OPERATING EXPENSES – FINANCIAL EXPENSES
shown on Balance Sheet as the Current Surplus (Deficit)

MTD Actual	MTD Budget	Variance	REVENUE	YTD Actual	YTD Budget	Variance	Annual Budget
CONDO REVENUES							
\$ (83,902.55)	\$ (83,902.50)	\$ 0.05	4010-0000 Condominium Fees	\$ (922,928.05)	\$ (922,927.50)	\$ 0.55	\$ (1,006,830.05)
\$ (83,902.55)	\$ (83,902.50)	\$ 0.05	TOTAL CONDO REVENUES	\$ (922,928.05)	\$ (922,927.50)	\$ 0.55	\$ (1,006,830.05)
OTHER INCOME							
\$ (50.00)	\$ -	\$ 50.00	4820-0000 Entry Card Income	\$ (50.00)	\$ -	\$ 50.00	\$ -
\$ -	\$ -	\$ -	4630-0000 Fobs Income	\$ (207.00)	\$ -	\$ 207.00	\$ -
\$ (213.38)	\$ -	\$ 213.38	4680-0000 Interest Income	\$ (2,622.26)	\$ -	\$ 2,622.26	\$ -
\$ -	\$ -	\$ -	4710-0000 Meeting/Party/Club Income	\$ (175.00)	\$ -	\$ 175.00	\$ -
\$ (263.38)	\$ -	\$ 263.38	TOTAL OTHER INCOME	\$ (3,054.26)	\$ -	\$ 3,054.26	\$ -
FUND ACTIVITY							
\$ (84,165.93)	\$ (83,902.50)	\$ 263.43	TOTAL REVENUE BEFORE EXPENSES	\$ (925,982.31)	\$ (922,927.50)	\$ 3,054.81	\$ (1,006,830.05)

MTD Actual	MTD Budget	Variance	OPERATING EXPENSES	YTD Actual	YTD Budget	Variance	Annual Budget
CONTRACT							
\$ 5,056.75	\$ 5,032.42	\$ (24.33)	6015-0000 Cleaning - Contract	\$ 55,519.92	\$ 55,356.62	\$ (163.30)	\$ 60,389.00
\$ 14,087.11	\$ 14,041.67	\$ (45.44)	6020-0000 Concierge - Contract	\$ 153,446.23	\$ 154,458.37	\$ 1,012.14	\$ 168,500.00
\$ 1,457.59	\$ 1,448.17	\$ (9.42)	6025-0000 Elevator - Contract	\$ 15,835.14	\$ 15,929.87	\$ 94.73	\$ 17,378.00
\$ 456.42	\$ 456.42	\$ -	6035-0000 HVAC - Contract	\$ 5,020.70	\$ 5,020.62	\$ (0.08)	\$ 5,477.00
\$ -	\$ -	\$ -	6040-0000 Landscaping - Contract	\$ 15,085.50	\$ 15,085.74	\$ 0.24	\$ 17,600.00
\$ 2,514.25	\$ 2,514.20	\$ (0.05)	6050-0000 Snow Removal - Contract	\$ 12,571.25	\$ 12,571.00	\$ (0.25)	\$ 12,571.00
\$ -	\$ 55.25	\$ 55.25	6060-0000 Pest Control - Contract	\$ 517.53	\$ 607.75	\$ 90.22	\$ 663.00
\$ 339.00	\$ 300.00	\$ (39.00)	6075-0010 Water Management Contract	\$ 3,729.00	\$ 3,300.00	\$ (429.00)	\$ 3,600.00

\$ 13,826.94 \$ - \$ (13,826.94) **TOTAL GROUND MAINTENANCE** \$ 15,343.89 \$ 7,769.62 \$ (7,574.27) \$ 7,769.62

GENERAL MAINTENANCE

\$ -	\$ -	\$ -	6175-0000 Carpet Cleaning	\$ 1,482.79	\$ -	\$ (1,482.79)	\$ -
\$ 1,214.74	\$ 458.33	\$ (756.41)	6225-0000 Fire Protection - Non Contract	\$ 10,137.44	\$ 5,041.63	\$ (5,095.81)	\$ 5,500.00
\$ (2,192.20)	\$ -	\$ 2,192.20	6235-0000 Garage Repairs	\$ -	\$ 750.00	\$ 750.00	\$ 1,000.00
\$ 2,192.20	\$ -	\$ (2,192.20)	6235-0010 Garage Cleaning	\$ 2,192.20	\$ 3,252.00	\$ 1,059.80	\$ 3,252.00
\$ 138.99	\$ -	\$ (138.99)	6240-0000 Garage Door R & M	\$ 952.31	\$ 937.50	\$ (14.81)	\$ 1,250.00
\$ 102.78	\$ 375.00	\$ 272.22	6260-0000 General Supplies	\$ 1,374.57	\$ 4,125.00	\$ 2,750.43	\$ 4,500.00
\$ 435.05	\$ 208.33	\$ (226.72)	6280-0000 Lobby Flowers	\$ 2,255.48	\$ 2,291.63	\$ 36.15	\$ 2,500.00
\$ 271.83	\$ 187.98	\$ (84.75)	6285-0000 Mat Rentals	\$ 2,830.35	\$ 2,057.88	\$ (772.47)	\$ 2,245.00
\$ -	\$ -	\$ -	6305-0000 Pest Control Extras	\$ 452.00	\$ 150.00	\$ (302.00)	\$ 200.00
\$ -	\$ 652.08	\$ 652.08	6310-0000 Plumbing R&M	\$ 9,336.97	\$ 7,172.88	\$ (2,164.09)	\$ 7,825.00
\$ 9,220.47	\$ 2,333.33	\$ (6,887.14)	6320-0000 Repairs and Maintenance	\$ 33,507.74	\$ 25,666.63	\$ (7,841.11)	\$ 28,000.00
\$ -	\$ -	\$ -	6360-0000 Window Cleaning	\$ 4,627.35	\$ 4,600.00	\$ (27.35)	\$ 4,600.00
\$ 11,363.86	\$ 4,214.15	\$ (7,169.71)	TOTAL GENERAL MAINTENANCE	\$ 69,149.20	\$ 66,045.15	\$ (3,104.05)	\$ 60,872.00

MECHANICAL

\$ -	\$ -	\$ -	6385-0000 Elevator - R & M	\$ 1,612.78	\$ 500.00	\$ (1,112.78)	\$ 500.00
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Elevator - Licence	\$ 120.00	\$ 495.00	\$ 375.00	\$ 495.00
HVAC R & M	\$ 1,348.56	\$ 11,916.83	\$ 10,568.07	\$ 13,000.00
TOTAL MECHANICAL	\$ 3,061.34	\$ 12,911.83	\$ 9,830.29	\$ 13,995.00

AMENITIES & RECREATION

Exercise Room	\$ 135.60	\$ -	\$ (135.60)	\$ -
Pool Expenses	\$ 6,543.18	\$ 2,960.13	\$ (3,553.05)	\$ 3,282.00
Pool Emergency - Alarm Monitoring	\$ 267.81	\$ 1,319.12	\$ 1,051.31	\$ 1,439.00
TOTAL AMENITIES & RECREATION	\$ 6,946.59	\$ 4,309.25	\$ (2,637.34)	\$ 4,701.00

WAGES

Site Salaries	\$ 6,297.39	\$ 6,297.50	\$ 0.11	\$ 6,870.00
TOTAL WAGES	\$ 6,297.39	\$ 6,297.50	\$ 0.11	\$ 6,870.00

RESOURCES

Gas	\$ 46,796.07	\$ 37,877.00	\$ (8,919.07)	\$ 40,877.00
Hydro	\$ 111,967.86	\$ 112,281.00	\$ 313.14	\$ 125,281.00
Electric	\$ 22,490.76	\$ 41,697.00	\$ 19,206.24	\$ 44,660.00
TOTAL RESOURCES	\$ 181,244.69	\$ 191,655.00	\$ 10,410.31	\$ 210,818.00

EXPENSES

Expense	\$ 4,901.26	\$ 2,750.00	\$ (2,151.26)	\$ 3,000.00
Other	\$ 425.40	\$ 365.00	\$ (60.40)	\$ 420.00
Utilities	\$ 22,655.90	\$ 22,278.63	\$ (377.27)	\$ 24,304.00
Supplies	\$ 162.35	\$ -	\$ (162.35)	\$ -
TOTAL EXPENSES	\$ 28,145.91	\$ 25,398.63	\$ (2,747.28)	\$ 27,744.00

TOTAL ADMINISTRATION

\$ 33,853.19 \$ 31,663.63 \$ (2,189.56) \$ 34,424.00

PROFESSIONAL SERVICES

Financial Audit Fees	\$ 2,574.38	\$ 2,382.38	\$ (192.00)	\$ 2,599.00
Legal Fees	\$ -	\$ 500.00	\$ 500.00	\$ 500.00
Management Fees	\$ 24,668.38	\$ 24,668.38	\$ -	\$ 26,911.00
TOTAL PROFESSIONAL SERVICES	\$ 27,242.76	\$ 27,550.76	\$ 308.00	\$ 30,010.00

FINANCIAL EXPENSES

Reserve Allocation	\$ 321,926.00	\$ 321,926.00	\$ -	\$ 351,192.00
TOTAL FINANCIAL EXPENSES	\$ 321,926.00	\$ 321,926.00	\$ -	\$ 351,192.00
TOTAL OPERATING EXPENSES	\$ 926,810.32	\$ 922,458.51	\$ (4,351.81)	\$ 1,006,829.85
NET PROFIT (LOSS)	\$ 828.01	\$ (488.69)	\$ (1,297.00)	\$ (0.45)

BUDGET COMPARISON

BUDGET COMPARISON

(STATEMENT OF INCOME & EXPENSES)

- Presents current MTD Actual (Month To Date Actual) and YTD Actual (Year to Date Actual) operating income and expenses comparing them against MTD Budget (Month to Date Budget) and YTD Budget (Year to Date Budget) which was adopted by the Board of Directors for the fiscal year.

NET PROFIT (LOSS) =
OPERATING INCOME – OPERATING EXPENSES – FINANCIAL EXPENSES
shown on Balance Sheet as the Current Surplus (Deficit)

OPERATING INCOME (Fund Activity)

Condominium Revenues — condominium fees assessed to the owners of the units based on the unit factor based on current year budget.

Other Income — additional sundry income such as fees collected for keys, fobs, cards, laundry income, social club dues, interest on operating funds, NSF fees etc.

OPERATING EXPENSES

Contract Expenses — Cleaning, Building, Mechanical, Plumbing, Grounds

Grounds Maintenance — Landscaping improvements and snow removal in addition to contract

General Maintenance — Cleaning, Repairs and improvements in addition to contract

Mechanical — Elevator, heating and other mechanical expenses in addition to contract

Amenities & Recreation — Exercise room, pool expenses, etc.

Wages — Site salaries if corporation has its own staff exclusive to the condominium which equal gross salary less deduction expenses (CPP, EI, etc) and cost of any group benefits if applicable

Resources — Utilities including Heating, Electricity, Water and Sewer, etc.

Administration & Professional — Insurance, Management Fees, Professional Fees (audit, legal), bank charges, photocopying, telephone, office supplies, etc.

FINANCIAL EXPENSES (Reserve Allocation)

ADDITIONAL TOOLS

- A collection of working papers and reconciliations are provided in addition to the Balance Sheet and Income Statements to further explain numbers presented in those reports
 - Reserve Fund Summary
 - Accrued Liabilities
 - Due To/From Reserve and Operating Accounts
 - Bank Reconciliations
 - Aged Payables Summary
 - Aged Accounts Receivable
- This list is only a sample of what may be included. Each corporations requirements are different and final package contains documents outlined in the management agreement.
- Typically include copies of various Bank Statements as well.

RESERVE FUND SUMMARY

ABC Condominium Corp
Reserve Fund Summary
 March 31, 2014

	Balance Current Period	Beginning Balance	Net Change
RESERVE FUND SCHEDULE			
3520-0000 Beginning Reserves	852,079.69	852,079.69	0.00
3540-0000 Reserve Contributions Current Year	321,926.00	292,660.00	29,266.00
3750-0000 Reserve Interest Earned	10,105.58	9,203.57	902.01
3660-0000 Reserve Bank Charges	-207.00	-184.00	-23.00
TOTAL	1,183,904.27	1,153,759.26	30,145.01
RESERVE FUND EXPENDITURES			
3680-0030 Balconies	4,090.60	0.00	4,090.60
3680-0110 Caulking	1,356.00	1,356.00	0.00
3680-0130 Common Area Furniture and Equip	15,132.56	15,132.56	0.00
3680-0190 Curbs \ Sidewalks\ Patios	2,858.90	2,858.90	0.00
3680-0210 Domestic Hot Water	8,838.52	8,838.52	0.00
3680-0230 Doors	983.10	983.10	0.00
3680-0310 Entry Systems	19,542.01	19,542.01	0.00
3680-0352 Fitness Equipment	1,990.72	1,990.72	0.00
3680-0450 Garage Door	4,045.40	4,045.40	0.00
3680-0510 HVAC Systems	3,996.47	3,996.47	0.00
3680-0530 Landscape Equipment	0.00	6,568.82	-6,568.82
3680-0550 Lighting	1,514.20	1,514.20	0.00
3680-0630 Office Furniture and Equipment	319.23	319.23	0.00
3680-0650 Other Improvements	1,553.75	1,553.75	0.00
3680-0670 Painting - Common	678.00	678.00	0.00
3680-0710 Plumbing Fixtures and Equipment	45,749.85	44,393.85	1,356.00
3680-0720 Pool	17,834.23	17,834.23	0.00
3680-0770 Roadway \ Driveways \ Asphalt	5,435.02	5,435.02	0.00
3680-0850 Windows	594.38	594.38	0.00
TOTAL RESERVE FUND EXPENDITURES	-136,512.94	-137,635.16	1,122.22
RESERVE FUND BALANCE	1,047,391.33	1,016,124.10	31,267.23
RESERVE FUND CASH SUMMARY			
1055-0000 Reserve Cash Account	1,040,822.51	1,027,669.32	13,153.19
1375-0000 Due from Operating to Reserve	6,568.82	0.00	6,568.82
2450-0000 Due to Operating from Reserve	0.00	-11,545.22	11,545.22
RESERVE FUND CASH BALANCE	1,047,391.33	1,016,124.10	31,267.23

Statement of Income and Expenses for the current reporting period and Year to Date of the Reserve Fund.

FYI: RESERVE FUND STUDY

- Information on future major repairs and replacements is provided by independent reserve analyst hired by the Condo Corporation estimating how long the components of common property will last and how much it will cost to replace.
- Common property is usually broken down into components such as roof, paving, sidewalks, etc.
- Cost of replacement per component is estimated along with how much is recommended to put aside to cover these costs.

ACCRUED LIABILITIES

ABC Condominium Corp
DETAILS OF ACCRUED LIABILITIES
 for the Month of
 March 31, 2014

G/L Account Number	Account Name	Dollar Amount	Billing Period	Number of Days	Period to Accrue	Number of Days to Accrue	Amount to Accrue
6655	Gas	7,376.36	27-Feb-14 to 28-Mar-14 <i>(above posted in April)</i>	30	27-Feb-14 to 31-Mar-14	33	8,114.00
6690	Hydro	1,187.25	5-Feb-14 to 4-Mar-14	28	5-Mar-14 to 31-Mar-14	27	1,144.85
	Hydro	9,733.62	5-Feb-14 to 5-Mar-14	29	6-Mar-14 to 31-Mar-14	26	8,726.69
6745	Water	1,479.87	5-Feb-14 to 5-Mar-14	29	5-Mar-14 to 31-Mar-14	27	1,366.67
6020	Concierge	6,174.41	16-Feb-14 to 1-Mar-14 <i>(Est invoice as last invoice included stat holiday)</i>	14	2-Mar-14 to 31-Mar-14	30	13,230.88
7760	Audit Fees	M. Grail	2013/14 @ \$216.58/mth				2,382.38
TOTAL							34,965.47

Expenses that the corporation has incurred but has not yet paid.

These do not represent payments that are past due as quite often the invoice has not yet arrived.

DUE TO/FROM RESERVE AND OPERATING ACCOUNTS

ABC Condominium Corp
SUMMARY OF DUE TO/FROM ACCOUNTS
March 31, 2014

Description	Amount
14-Mar Funds owed to Reserve as R. Koudy invoice expensed in prior year	6,568.82
<i>(transfer completed April 10, 2014)</i>	
TOTAL	<u>\$ 6,568.82</u>

This is essentially an internal Account Receivable showing amounts owed from one account to another within the corporation's ledger.

BANK RECONCILIATION

ABC Condominium Corp Operating			04/30/2014
Bank Reconciliation Report			
03/31/2014			
02722-123-456-7			
Balance Per Bank Statement as of 03/31/2014			220,794.40
Outstanding Checks			
Check date	Check number	Payee	Amount
11/08/2013	10993	nothers - Nothers	117.46
02/18/2014	11085	v0002229 - Bev Groth	146.50
03/20/2014	11122	hollandi - Hollandia Gardens Limited	276.28
03/20/2014	11123	rogers - Rogers	12.44
03/20/2014	11124	stacey - Stacey Heating and Plumbing Supplies Ltd	72.32
03/24/2014	11125	foresto - Forest City Fire Protection	216.67
03/31/2014	11126	alarmtec - Alarmtech Security System	267.81
03/31/2014	11127	boxwoods - Boxwoods Flowers	113.00
03/31/2014	11128	checclea - CHECKERS CLEANING SUPPLY	102.78
03/31/2014	11129	commiss - Commissionaires	6,708.41
03/31/2014	11130	foresto - Forest City Fire Protection	387.58
03/31/2014	11131	g&kiser - G&K Services Canada Inc.	271.83
03/31/2014	11132	hollandi - Hollandia Gardens Limited	620.88
03/31/2014	11133	lcd - LCD	889.30
03/31/2014	11134	maillou - Mailloux Painting	3,067.95
03/31/2014	11135	res_mult - Responsive Multi-Tech	225.56
03/31/2014	11136	skyline - Skyline Elevator Inc	1,457.59
03/31/2014	11137	stacey - Stacey Heating and Plumbing Supplies Ltd	234.48
03/31/2014	11138	stewart - Stewart Overhead Door Company Limited	138.99
03/31/2014	11139	technica - Technical Standards & Safety Authority	120.00
Less:	Outstanding Checks		15,245.83
	Reconciled Bank Balance		205,548.57
Balance per GL as of 03/31/2014			205,548.57
	Reconciled Balance Per G/L		205,548.57
Difference	(Reconciled Bank Balance And Reconciled Balance Per G/L)		0.00

This report compares the bank records to those tracked in the corporation's account records in order to uncover any possible discrepancies.

AGED PAYABLES SUMMARY

Payable - Aging Summary

Property=ABC AND mm/yy=03/2014 AND Age as of=03/31/2014

Property Code - Name Vendor Code - Name	Current Owed	0 - 30 Owed	31 - 60 Owed	61 - 90 Owed	Over 90 Owed
ABC Condominium Corp					
puc - London Hydro	10,920.87	10,920.87	0	0	0
Total ABC Condominium Corp	10,920.87	10,920.87	0	0	0
	10,920.87	10,920.87	0	0	0

This summary shows the relationship between a corporation's invoices and its due dates to help see whether it is current on its payments to others.

Aging schedules may also be used by creditors in evaluating whether to lend money.

Comparing Aged Payables and Receivables can assist in the prediction of cash flow.

AGED ACCOUNTS RECEIVABLE

Aged Receivables

Age As Of: 03/31/2014 Post To: 03/2014

Property	Unit	Resident	Name	Total Unpaid Charges	0-30 days	31-60 days	61-90 days	Over 90 days	Prepays	Balance
ABC	1	t0100417	John Smith	83.62	83.62	0.00	0.00	0.00	0.00	83.62
ABC	106	t0000915	Michael Jordan	0.00	0.00	0.00	0.00	0.00	-7,295.52	-7,295.52
ABC	305	t0100455	Gina Davis	0.00	0.00	0.00	0.00	0.00	-84.75	-84.75
ABC	410	t0029966	Ed Harris	155.94	155.94	0.00	0.00	0.00	0.00	155.94
ABC	503	t0100479	Al Pacino	0.00	0.00	0.00	0.00	0.00	-1,373.82	-1,373.82
ABC	504	t0100480	Jennifer Connelly	216.67	216.67	0.00	0.00	0.00	0.00	216.67
ABC Condominium Corp				456.23	456.23	0.00	0.00	0.00	-8,754.09	-8,297.86

A periodic report that categorizes a corporation's Accounts Receivable according to the length of time an invoice has been outstanding.

Aging schedules may also be used by auditors in evaluating the value of a corporation's receivables.

GENERAL LEDGER

- a complete record of financial transactions over the life of a company but usually shows only current period transactions with an opening balance equivalent to the ending balance of the previous period
- holds account information that is needed to prepare financial statements, and includes accounts for assets, liabilities, owners' equity, revenues and expenses
- typically used by corporations that employ the double-entry bookkeeping method - where each financial transaction is posted twice, as both a debit and a credit, and where each account has two columns. Because a debit in one account is offset by a credit in a different account, the sum of all debits will be equal to the sum of all credits.

NOTES TO THE FINANCIAL STATEMENTS

It is recommended based on the requirements of the Condo Act that the following information be disclosed in the notes to the financial statements:

- The date of registration of the corporation and total number of dwelling or other units;
- A description of the functions of the corporation including the name, not-for-profit status, and date of registration;
- A description of the fund accounting policies adopted by the corporation;
- Reserve fund information prescribed by the Act, including a comparison of actual reserve fund allocations and expenses to the planned amounts according to the latest Notice of Future Funding of the Reserve Fund issued to owners;
- Details of any cost sharing or reciprocal agreements (if not otherwise covered by related party transaction disclosure requirements)

This list is not intended to be exhaustive. Other disclosures may also be required. The board should carefully review the financial statements to ensure that all required disclosures are made.

QUESTIONS?

- Thank you for joining us.
- We hope this helped to clarify the information presented in the monthly Financial Statement Packages and how they can be used as decision making tools to ensure the condo corporation is **using fees collected from owners the best way possible** and it is **prepared appropriately for the future**.
- Look for a recording of this Webinar in the Client Learning Pages of our Website in the near future followed by a free, downloadable E-Book for your reference.
- As always, your Property Management Team is available to answer your questions as they arise to help you do your job better.
- We appreciate your business and value our partnership.



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