

**1135215 ALBERTA SOCIETY**  
operating as  
**ROCKY RIDGE RANCH HOMEOWNERS ASSOCIATION**

**FINANCIAL STATEMENTS**  
(Audited)

**December 31, 2010**

**1135215 ALBERTA SOCIETY**  
operating as  
**ROCKY RIDGE RANCH HOMEOWNERS ASSOCIATION**

December 31, 2010

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# **Nancy Murdoch Chartered Accountant**

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## **Independent Auditor's Report**

To the Members of the 1135215 Alberta Society o/a  
Rocky Ridge Ranch Homeowners Association

I have audited the financial statements of the 1135215 Alberta Society o/a Rocky Ridge Ranch Homeowners Association as at December 31, 2010 which include the Statement of Financial Position and the Statements of Operations, Changes in Net Assets, Cash Flows, and a summary of significant accounting policies and other explanatory notes for the year then ended.

### **Management's Responsibility**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Opinion

In my opinion, these financial statements present fairly, in all material respects, the financial position of 11325215 Alberta Society o/a Rocky Ridge Ranch Homeowners Association as at December 31, 2010 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Calgary, Alberta  
October 17, 2011



Nancy Murdoch  
Chartered Accountant



**1135215 ALBERTA SOCIETY  
o/a ROCKY RIDGE RANCH HOMEOWNERS ASSOCIATION  
STATEMENT OF FINANCIAL POSITION**

**As at December 31, 2010**

	<b>2010</b>	<b>2009</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 127,641	\$ 62,350
Internally restricted assets (Note 3)	191,810	281,698
Guaranteed investment certificates, unrestricted (Note 4)	75,000	25,600
Accounts receivable	10,229	15,816
Prepaid expenses and deposits	7,805	7,811
Goods and services tax receivable	7,205	2,117
Cash held in trust (Note 5)	27,511	32,689
	<b>447,201</b>	<b>428,081</b>
<b>Property and Equipment (Note 6)</b>	<b>269,804</b>	<b>287,054</b>
	<b>\$ 717,005</b>	<b>\$ 715,135</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accruals	\$ 28,777	\$ 23,996
Accrued encumbrance transfer fees (Note 5)	27,511	32,689
Unearned revenue	142,853	168,656
	<b>199,141</b>	<b>225,341</b>
<b>Deferred Capital Contributions (Note 7)</b>	<b>19,255</b>	<b>25,077</b>
	<b>218,396</b>	<b>250,418</b>
<b>NET ASSETS</b>		
Unrestricted	306,799	183,019
Capital reserve (Note 8)	191,810	281,698
	<b>498,609</b>	<b>464,717</b>
	<b>\$ 717,005</b>	<b>\$ 715,135</b>

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**1135215 ALBERTA SOCIETY  
o/a ROCKY RIDGE RANCH HOMEOWNERS ASSOCIATION  
STATEMENT OF CHANGES IN NET ASSETS**

**For the Year Ended December 31, 2010**

	<u>Unrestricted</u>	<u>Capital Reserve</u>	<u>2010 Totals</u>	<u>2009 Totals</u>
Balance, Beginning of the Year	\$ 183,019	281,698	464,717	429,155
Excess of Revenues over Expenses	31,770	2,122	33,892	35,562
Net Transfer from Capital Reserve (Note 8)	<u>92,010</u>	<u>(92,010)</u>	-	-
Balances, End of the Year	<u>\$ 306,799</u>	<u>191,810</u>	<u>498,609</u>	<u>464,717</u>

See Notes to the Financial Statements

**1135215 ALBERTA SOCIETY  
o/a ROCKY RIDGE RANCH HOMEOWNERS ASSOCIATION  
STATEMENT OF OPERATIONS**

**For the Year Ended December 31, 2010**

	<u>2010</u>	<u>2009</u>
<b>REVENUE</b>		
Amortization of deferred capital contributions	\$ 5,822	\$ 6,269
Interest and other	9,566	10,569
Membership fees	515,113	509,000
Program revenue	37,044	3,508
Rental income	27,943	22,618
	<u>595,488</u>	<u>551,964</u>
<b>EXPENSES</b>		
Advertising and Public Relations	657	995
Amortization	66,221	57,050
Bad debts	5,182	728
Contract work	15,910	6,992
Electronic processing fees	5,948	5,137
Insurance	9,590	9,145
Interest and bank charges	685	557
Landscaping	34,273	39,609
Office supplies	14,063	19,484
Professional fees	47,859	75,462
Program Expenses	18,441	1,101
Property taxes	18,745	15,436
Repairs and maintenance	16,275	12,763
Salaries and benefits	246,956	219,262
Security	742	1,606
Social events	2,214	3,374
Utilities	42,850	39,867
Vehicle	14,985	7,834
	<u>561,596</u>	<u>516,402</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>\$ 33,892</u>	<u>\$ 35,562</u>

See Notes to the Financial Statements

**1135215 ALBERTA SOCIETY  
o/a ROCKY RIDGE RANCH HOMEOWNERS ASSOCIATION  
STATEMENT OF CASH FLOWS**

For the Year Ended December 31, 2010

	2010	2009
<b>Cash Flows from Operating Activities</b>		
Excess of Revenue (Deficit)	\$ 33,892	\$ 35,562
Charges not requiring cash outlay:		
Amortization	66,221	57,050
Amortized Capital Contributions	(5,822)	(6,269)
Changes in non-cash operating working capital:		
Accounts receivable	5,587	10,359
Goods and services tax receivable	(5,088)	950
Prepaid expenses and deposits	6	(1,447)
Accounts payable and accruals	4,781	(20,239)
Unearned revenue	(25,803)	(8,814)
<b>Net Increase in Working Capital</b>	<b>73,774</b>	<b>67,152</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property and equipment	(48,971)	(109,561)
Net purchase of guaranteed investment certificates	(224,400)	(600)
	<b>(273,371)</b>	<b>(110,161)</b>
<b>Increase (Decrease) in Cash</b>	<b>(199,597)</b>	<b>(43,009)</b>
<b>Cash, Beginning of the Year</b>	<b>344,049</b>	<b>387,058</b>
<b>Cash, End of the Year</b>	<b>\$ 144,452</b>	<b>\$ 344,049</b>
<b>Cash consists of:</b>		
Unrestricted cash	\$ 127,641	\$ 62,350
Internally restricted T-bill savings accounts	16,810	281,698
	<b>\$ 144,451</b>	<b>\$ 344,048</b>

See Notes to the Financial Statements