

SPRINGBANK HILL HOMEOWNERS ASSOCIATION

FINANCIAL STATEMENTS

For the Year Ended December 31, 1999





MEYERS NORRIS PENNY

AUDITORS' REPORT

To the Members of The Springbank Hill Homeowners Association

We have audited the statement of financial position of The Springbank Hill Homeowners Association as at December 31, 1999 and the statement of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we 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 the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 1999 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Meyers Norris Penny
Chartered Accountants

Edmonton, Alberta
November 14, 2000

SPRINGBANK HILL HOMEOWNERS ASSOCIATION

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the Year Ended December 31, 1999

	<u>1998</u>	<u>1999</u>
REVENUE		
Fees (Note 2)	\$ 114	\$ 630
EXPENDITURES		
Office and general	<u>1</u>	<u> </u>
EXCESS OF REVENUES OVER EXPENDITURES FOR THE YEAR	113	630
NET ASSETS, BEGINNING OF YEAR	<u> </u>	<u>113</u>
NET ASSETS, END OF YEAR	\$ <u>113</u>	\$ <u>743</u>

See accompanying notes.

THE SPRINGBANK HILL HOMEOWNERS ASSOCIATION

NOTE TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 1999

1. OPERATIONS

The objectives of the association are to provide for the management, supervision and maintenance of the common amenities in the Springbank Hill subdivision. The required contributions will be established by a board of directors elected by homeowners. Operations of the Association had not commenced at year-end.

2. FEES

Revenue reflects a \$1 per lot assessment on each lot for which title was registered by December 31, 1999.

3. UNCERTAINTY DUE TO THE YEAR 2000

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems that use the digits "99" in date fields to represent something other than a date.

The effects of the Year 2000 Issue may be experienced before, on, or after January 1, 2000. If not addressed the impact on operations and financial reporting may range from minor errors to significant systems failure that could affect an entity's ability to conduct normal business operations. It is not possible to be certain that all aspects of the Year 2000 Issue affecting the entity, including those related to the efforts of customers, suppliers, or other third parties, will be fully resolved.



THE SPRINGBANK HILL HOMEOWNERS ASSOCIATION

STATEMENT OF FINANCIAL POSITION

At December 31, 1999

	<u>1998</u>	<u>1999</u>
ASSETS		
CURRENT ASSETS		
Fees receivable	\$ <u>114</u>	\$ <u>744</u>
LIABILITIES		
CURRENT LIABILITIES		
Accrued liabilities	\$ 1	\$ 1
NET ASSETS		
Unrestricted	<u>113</u>	<u>743</u>
	\$ <u>114</u>	\$ <u>744</u>

See accompanying notes.

