HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 144

FINANCIAL STATEMENTS
AUGUST 31, 2024

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 144:

Qualified Opinion

We have audited the financial statements of Halifax County Condominium Corporation No. 144 (the "Corporation"), which comprise the statement of financial position as at August 31, 2024, and the statements of general fund revenue, expenditures, and fund balance, reserve fund revenue, expenditures, and fund balance, contingency fund revenue, expenditures, and fund balance, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at August 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

As described in a prior year's auditor's report, the Corporation did not record the full amount of a special assessment levied during a prior fiscal year. The unrecorded portion of that special assessment was not corrected in the current year and continues to result in an understatement of opening reserve fund balance and opening accounts receivable in the amount of $15,525.

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

Emphasis of Matter

We were engaged to conduct an audit, in accordance with Canadian auditing standards, on the financial statements prepared by the Corporation's management in accordance with Canadian accounting standards for not-for-profit organizations. We were not engaged to, nor do we, provide any assurance as to whether the Corporation is in compliance with all aspects of the Nova Scotia Condominium Corporation Act, 1989 and we were not engaged to, nor do we, provide any assurance as to the adequacy of the Reserve Fund to cover future major repairs and replacements.

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 Canadian accounting standards for not-for-profit organizations, 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 going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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's report that includes our opinion. Reasonable assurance is a high level of assurance but 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.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.

We 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 we identify during our audit.

Belliveau Veinotte Inc

Halifax, Nova Scotia
April 1, 2026

Chartered Professional Accountants

AC Belliveau Veinotte Inc.
CHARTERED PROFESSIONAL ACCOUNTANTS

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 144

STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2024

ASSETS

	General Fund	Reserve Fund	Contingency Fund	**Total 2024**	Total 2023
Current					
Cash	$ 27,909	$ 141,736	$ -	**$ 169,645**	$ 165,213
Short term investments	-	-	4,156	**4,156**	4,035
Interfund balance	(27,242)	27,242	-	**-**	-
Prepaid expenses	16,446	-	-	**16,446**	15,157
	$ 17,113	$ 168,978	$ 4,156	**$ 190,247**	$ 184,405

LIABILITIES

Current					
Payables and accruals	$ 28,835	$ -	$ -	**$ 28,835**	$ 10,924
Deferred revenue	4,100	-	-	**4,100**	11,800
	32,935	-	-	**32,935**	22,724

FUND BALANCES

Unrestricted	(15,822)	-	-	**(15,822)**	934
Internally restricted (note 3)	-	168,978	4,156	**173,134**	160,747
	(15,822)	168,978	4,156	**157,312**	161,681
	$ 17,113	$ 168,978	$ 4,156	**$ 190,247**	$ 184,405

On Behalf of the Board

Director **Director**

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 144

STATEMENT OF GENERAL FUND REVENUE, EXPENDITURES AND FUND BALANCE
YEAR ENDED AUGUST 31, 2024

	Budget	**2024**	2023
Revenue			
Condominium fees	$ 66,000	**$ 66,000**	$ 66,000
Expenditures			
Electricity	3,435	**3,706**	3,365
General maintenance	10,079	**17,571**	13,970
Insurance	17,753	**17,867**	16,036
Interest and bank charges	18	**-**	-
Landscaping and snow removal	4,181	**3,180**	3,536
Management fees	-	**5,750**	-
Office expense	63	**500**	-
Professional fees	2,013	**2,500**	2,499
Water	5,262	**11,382**	6,439
	42,804	**62,456**	45,844
Excess of revenue over expenditures	23,196	**3,544**	20,156
General fund balance, beginning of year	934	**934**	2,879
Transfers to reserve fund	(20,300)	**(20,300)**	(22,101)
General fund balance, end of year	$ 3,830	**$ (15,822)**	$ 934

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 144

STATEMENT OF RESERVE FUND REVENUE, EXPENDITURES AND FUND BALANCE
YEAR ENDED AUGUST 31, 2024

	2024	2023
Contract repairs	**$ 8,034**	$ -
Reserve fund, beginning of year	**156,712**	134,611
Transfers from general fund	**20,300**	22,101
Reserve fund, end of year	**$ 168,978**	$ 156,712

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 144

STATEMENT OF CONTINGENCY FUND REVENUE, EXPENDITURES AND FUND BALANCE
YEAR ENDED AUGUST 31, 2024

	2024	2023
Interest revenue	**$ 121**	$ 90
Contingency fund, beginning of year	**4,035**	3,945
Contingency fund, end of year	**$ 4,156**	$ 4,035

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 144

STATEMENT OF CASH FLOWS
YEAR ENDED AUGUST 31, 2024

	2024	2023
Operating Activities		
Cash received for condominium fees	**$ 58,300**	$ 63,250
Cash received for interest	**121**	92
Cash paid for operating fund expenditures	**(45,834)**	(43,612)
Cash paid for reserve fund expenditures	**(8,034)**	-
Net cash inflow from operating activities	**4,553**	19,730
Investing Activities		
Proceeds on disposal of investment	**4,035**	3,943
Purchase of investments	**(4,156)**	(4,035)
Net cash outflow from investing activities	**(121)**	(92)
Increase in cash, during the year	**4,432**	19,638
Cash, beginning of year	**165,213**	145,575
Cash, end of year	**$ 169,645**	$ 165,213
Represented by:		
General fund cash	**$ 27,909**	$ 35,512
Reserve fund cash	**141,736**	129,701
	$ 169,645	$ 165,213

1. Purpose of the organization

The Corporation was registered without share capital on May 25, 1990 under the Nova Scotia Condominiums Act to administer the common areas of the development registered as Halifax County Condominium Corporation No. 144. Under the Income Tax Act of Canada, the Corporation qualifies as a not-for-profit organization and is exempt from income tax.

2. Significant accounting policies

(a) Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and balances with banks.

(c) Common areas

The common areas managed by the Corporation are owned proportionately by the unit owners and consequently are not reflected as assets in these financial statements.

(d) Fund accounting

The Corporation follows the restricted fund method of accounting for contributions. The general fund reports the contributions from members and the expenditures of the operations. The restricted funds are set up and used to report as per note 3. Any interfund balances are non-interest bearing with no set terms of repayment.

(e) Revenue recognition

Owners assessments are recognized as revenue in the statement of general fund revenue, expenditures and fund balance monthly based on the budget distributed to owners each year. Special assessments are recognized as revenue when they become payable by the owners to the Corporation. Interest and other revenue are recognized as revenue of the related fund when earned.

(f) Capital assets

Minor capital assets are expenses in the year they are purchased.

(g) Contributed services

Volunteer services contributed on behalf of the Corporation in carrying out its operating activities are not recognized in these financial statements due to the difficulty in determining their value.

2. Significant accounting policies (continued)

(h) Use of estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates, as additional information becomes available in the future.

(i) Financial instruments

The Corporation initially measures its financial assets and financial liabilities at fair value, adjusted by the amount of transaction costs directly attributable to the instrument. The Corporation subsequently measures all of its financial assets and financial liabilities at amortized cost. Transaction costs are amortized on the straight line basis over the term of the instrument.

3. Internally restricted funds

Contingency Fund

The Contingency Fund was established upon the initial purchase of each unit from the Declarant (developer) where each unit owner deposited with the Corporation an amount Under the provisions of the by-laws of the Corporation, the Corporation was required to create an initial contingency fund. All unit owners were to contribute two times the monthly assessment at the time the unit was purchased. The fund shall be used towards meeting the deficits and other common costs deemed necessary.

The funds of the Contingency Fund are held in an interest bearing GIC with TD Canada Trust

Reserve Fund

The Corporation, as required by the Condominium Act, 1989, has established a reserve fund for financing future major repairs and replacements of the common elements and assets of the Corporation.

The directors have used a comprehensive reserve fund study by Bluenose Engineering dated May 2019 and such other information as was available to them in evaluating the adequacy of annual contributions to the reserve fund for major repairs and maintenance. The study recommended a reserve fund balance of $141,067 on August 31, 2024. The balance at August 31, 2024 in the reserve fund is $168,978, which is $27,911 more than the recommended balance.

Recommended annual contributions over the next five years per the study are as follows:

2025	$	25,500
2026	$	26,010
2027	$	26,530
2028	$	27,061
2029	$	27,602

The Reserve is evaluated on the basis of expected repair and replacement costs and life expectancy of the common elements and assets of the Corporation. Such evaluation is based on numerous assumptions as to future events. The Condominium Act requires that the reserve fund study to be completed every five years.

The funds in the Reserve Fund are held in an interest bearing bank account with TD Canada Trust.

4. Budget information

The budget figures presented are for comparison purposes and are unaudited.

5. Financial instruments

The following are the significant risks that the Corporation is exposed to through its financial instruments:

(a) Credit risk

Credit risk is the risk that another party will fail to honour a financial obligation and will, as a result, cause a financial loss for the Corporation. The Corporation is exposed to credit risk relating to its accounts receivable balance. This risk is mitigated by the collection process afforded to the Corporation under the Nova Scotia Condominium Act.

(b) Liquidity risk

Liquidity risk is the risk that the Corporation will be unable to fulfill its obligations on a timely basis. The Corporation mitigates this risk by preparing budgets and cash forecasts in order to ensure that it has sufficient cash to fulfill its obligations.