TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2166

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020

P&Co. LLP
POLYZOTIS
CHARTERED PROFESSIONAL ACCOUNTANTS

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2166

INDEX TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020

	Page
Independent Auditor's Report	1-2
Statement of Financial Position	3
Statement of Operations and Changes in Fund Balances - Reserve Fund	4
Statement of Operations and Changes in Fund Balances - Contingency Fund	5
Statement of Operations and Changes in Fund Balances - Operating Fund	6
Statement of Cash Flows	7
Schedule of Expenses (Schedule A)	8
Notes to the Financial Statements	9-13

P&Co. LLP
POLYZOTIS
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Owners of
Toronto Standard Condominium Corporation No. 2166:

Opinion
We have audited the financial statements of Toronto Standard Condominium Corporation No. 2166 (the Corporation), which comprise the statement of financial position as at June 30, 2020, and the statements of operations and changes in fund balances of the reserve, contingency and operating funds, the statement of cash flows, the schedule of expenses, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at June 30, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion
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 opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the 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.

36 TORONTO STREET, SUITE 600, TORONTO, ONTARIO M5C 2C5
TEL: (416) 360-4310 FAX: (416) 360-0278

INDEPENDENT AUDITOR'S REPORT (continued)

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 judgment 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 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.

Polyzotis & Co. LLP

Toronto, Ontario
November 3, 2020

Chartered Professional Accountants
Licensed Public Accountants

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2166
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020

	2020	2019
ASSETS		
Current		
Cash (note 3)	$ 478,335	$ 269,634
Investments (note 3)	291,000	291,000
Accounts receivable	9,878	4,408
Accrued interest	3,359	4,473
Due from Solaris at Metrogate shared facilities (note 6)	33,912	63,802
Due from Metrogate Daycare Centre shared facilities (note 7)	-	1,469
Prepaid expenses	107,112	89,509
	923,596	724,295
Reserve		
Cash (note 3)	442,119	369,269
Investments (note 3)	2,948,951	2,653,273
Accrued interest	40,695	35,895
	3,431,765	3,058,437
	$ 4,355,361	$ 3,782,732
LIABILITIES AND FUND BALANCES		
Current		
Operating trade payables	$ 122,875	$ 129,651
Due to Metrogate Daycare Centre shared facilities (note 7)	17	-
	122,892	129,651
Reserve trade payables	4,367	25,877
	127,259	155,528
Fund balances		
Reserve fund	3,427,398	2,932,925
Contingency fund	131,350	111,610
Operating fund	669,354	582,669
	4,228,102	3,627,204
	$ 4,355,361	$ 3,782,732

On behalf of the Board:

Director

Director

See accompanying notes

PCo. LLP
POLYZOTIS
CHARTERED PROFESSIONAL ACCOUNTANTS

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2166

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
RESERVE FUND

FOR THE YEAR ENDED JUNE 30, 2020

	2020	2019
REVENUE		
Allocations from operating fund	$ 544,794	$ 531,599
Interest earned	78,148	65,278
Toronto Hydro lighting retrofit incentive rebate	-	11,216
	622,942	608,093
EXPENSES		
Guest suite repairs	9,831	-
Waste computer replacement	7,345	-
Elevator repairs	2,260	-
Other interior repairs and renovations	37,091	3,972
Mechanical repairs	29,422	27,419
Access control system repairs	29,114	14,000
Plumbing repairs	13,406	6,150
Lighting retrofit	-	68,228
Structural repairs	-	5,283
Window repairs	-	3,334
Fire system repairs	-	2,819
	128,469	131,205
EXCESS OF REVENUE OVER EXPENSES	494,473	476,888
FUND BALANCE, beginning of year	2,932,925	2,456,037
FUND BALANCE, end of year	$ 3,427,398	$ 2,932,925

See accompanying notes

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2166

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
CONTINGENCY FUND

FOR THE YEAR ENDED JUNE 30, 2020

	2020	2019
REVENUE		
Allocations from operating fund	$ 30,000	$ 65,000
EXPENSES		
Dryer and duct cleaning	10,260	10,215
EXCESS OF REVENUE OVER EXPENSES	19,740	54,785
FUND BALANCE, beginning of year	111,610	56,825
FUND BALANCE, end of year	$ 131,350	$ 111,610

See accompanying notes

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2166

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
OPERATING FUND

FOR THE YEAR ENDED JUNE 30, 2020

	2020 Budget (note 4)	2020 Actual	2019 Actual
REVENUE			
Owners' assessments	$ 2,278,891	$ 2,278,891	$ 2,278,891
Interest and sundry income	16,030	19,382	20,461
Guest suite income (net of expenses)	13,550	13,883	14,366
	2,308,471	2,312,156	2,313,718
Less allocations to:			
Reserve fund	544,794	544,794	531,599
Contingency fund	30,000	30,000	65,000
	574,794	574,794	596,599
	1,733,677	1,737,362	1,717,119
EXPENSES (Schedule A)			
Service contracts	405,552	404,182	394,500
Repairs and maintenance	116,500	77,745	73,579
On site personnel	68,040	65,448	66,127
Administrative	119,446	110,808	99,120
Shared facilities (note 6)	985,186	957,514	921,209
Metrogate Daycare Centre shared facilities (note 7)	38,953	34,980	37,484
	1,733,677	1,650,677	1,592,019
EXCESS OF REVENUE OVER EXPENSES	$ -	86,685	125,100
FUND BALANCE, beginning of year		582,669	457,569
FUND BALANCE, end of year		$ 669,354	$ 582,669

See accompanying notes

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2166

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2020

	2020	2019
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Excess of revenue over expenses		
Reserve fund	$ 494,473	$ 476,888
Contingency fund	19,740	54,785
Operating fund	86,685	125,100
	600,898	656,773
Changes in working capital:		
Accounts receivable	(5,470)	(2,312)
Due from Solaris at Metrogate shared facilities	29,890	69,285
Due from/to Metrogate Daycare Centre shared facilities	1,486	556
Prepaid expenses	(17,603)	(12,983)
Operating and reserve trade payables	(28,286)	137,854
	(19,983)	192,400
INVESTING ACTIVITIES		
Operating fund investments, net	1,114	(295,473)
Reserve fund investments, net	(300,478)	(493,011)
	(299,364)	(788,484)
INCREASE IN CASH FOR THE YEAR	281,551	60,689
CASH, beginning of year	638,903	578,214
CASH, end of year	$ 920,454	$ 638,903
Cash is comprised of:		
Operating fund cash	$ 478,335	$ 269,634
Reserve fund cash	442,119	369,269
	$ 920,454	$ 638,903

See accompanying notes

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2166

SCHEDULE OF EXPENSES

FOR THE YEAR ENDED JUNE 30, 2020

	2020 Budget (note 4)	2020 Actual	2019 Actual
SERVICE CONTRACTS			
Air conditioning and heating	$ 38,128	$ 38,128	$ 35,095
Elevator	30,748	30,636	29,743
Energy management	19,392	18,629	18,758
General maintenance	4,204	3,744	2,777
Housekeeping	110,094	110,094	108,473
Management fees	183,402	183,402	180,105
Window cleaning	19,584	19,549	19,549
	$ 405,552	$ 404,182	$ 394,500
REPAIRS AND MAINTENANCE			
Air conditioning and heating	$ 10,000	$ 7,223	$ 658
Electrical	4,500	1,780	2,144
Fire protection	9,440	4,840	9,979
General repairs and maintenance	48,960	23,672	30,915
Plumbing	19,600	19,907	7,670
Waste disposal	24,000	20,323	22,213
	$ 116,500	$ 77,745	$ 73,579
ON SITE PERSONNEL	$ 68,040	$ 65,448	$ 66,127
ADMINISTRATIVE			
Audit fees	$ 4,500	$ 4,294	$ 4,181
Consulting	4,000	2,091	4,955
Insurance	84,846	83,300	69,248
Legal	5,000	-	-
Meeting costs	7,000	7,381	7,361
Office expenses	11,600	11,504	11,064
Telephone	2,500	2,238	2,311
	$ 119,446	$ 110,808	$ 99,120
SHARED FACILITIES (note 6)	$ 985,186	$ 957,514	$ 921,209
METROGATE DAYCARE CENTRE SHARED FACILITIES (note 7)	$ 38,953	$ 34,980	$ 37,484

See accompanying notes

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2166

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020

1. NATURE OF OPERATIONS

Toronto Standard Condominium Corporation No. 2166 (the Corporation) was registered without share capital on June 24, 2011 under the provisions of the Condominium Act of Ontario. The Corporation was formed to manage and maintain, on behalf of the owners, the common elements of a condominium containing 453 residential units at 135 Village Green Square, Toronto, Ontario and known as Solaris at Metrogate Phase II. The Corporation qualifies as a non-profit organization which is exempt from income taxes under the Income Tax Act.

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) Fund accounting

Reserve fund - externally restricted

The Corporation is required by The Condominium Act of Ontario to establish a reserve fund to be used solely for the purpose of major repair and replacement of common elements and assets of the condominium.

The Corporation allocates to the reserve fund amounts that, calculated from expected repair and replacement costs and life expectancies of the common elements and assets of the Corporation, are reasonably expected to provide sufficient funds to repair and replace the common elements and assets. Revenue and costs related to such major repairs and replacements are accounted for in the Reserve fund.

Contingency fund - unrestricted

The Corporation established a contingency fund to be used at the discretion of the Directors to pay for unforeseen expenditures not provided for in the annual operating budget.

Operating fund - unrestricted

Revenue and expenses for the general operations of the Corporation are reported in the Statement of Operations and Changes in Fund Balances - Operating Fund.

c) Financial instruments

All assets and liabilities, with the exception of prepaid expenses, are financial instruments, and are initially recorded at fair market value and are subsequently recorded at amortized cost.

d) Revenue recognition

Owners' assessments are recognized as revenue based on the budget distributed to the owners each year. The Corporation recognizes revenue at the first of each month when assessments are due and collection is reasonably assured. Interest and sundry, and guest suite income are recognized as revenue of the related fund when earned.

e) 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.

f) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires the Corporation's management and Directors make estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosure of contingency assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Such estimates mainly include any required allowance for doubtful accounts, and year end accruals. Actual results could differ from these estimates. These estimates and assumptions are reviewed periodically and adjustments are reported in the year in which they become known.

g) Contributed services

Directors, committee members and owners 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.

3. CASH AND INVESTMENTS

a) Cash is interest bearing at prime minus 1.65%. The rate as at June 30, 2020 was 0.80%.

b) Investments are carried at cost, bear interest at annual rates ranging from 1.75% to 3.37% and have maturities ranging from July 2020 to May 2025.

4. BUDGET FIGURES

The budget figures are unaudited and have been taken from the budget figures prepared by management and approved by the Directors.

5. COMMITMENTS

The Corporation, in the normal course of operations, enters into a number of contracts for services all of which contain short-term cancellation clauses. Under the terms of these contracts the Corporation is committed to spend approximately $419,000 in the next fiscal year.

6. SHARED FACILITIES

The Corporation has shared common elements with T.S.C.C. No. 2151. Under a reciprocal agreement, each Corporation is responsible for its share of the costs of the Solaris at Metrogate shared facilities which includes access control, utilities, common roadways, walkways and landscaped areas.

The costs are allocated as follows:

T.S.C.C. No. 2151	48.99 %
T.S.C.C. No. 2166	51.01 %
	100.00 %

The percentage attributable to each party is based on the total number of units in each participant corporation. Separate financial statements are prepared for the shared facilities.

The balance of the reserve fund as at April 30, 2020 as reported in the audited financial statements of the shared facilities is $2,392,340 and the balance in the operating fund is $Nil. The Corporation's share of the excess of revenue over expenses for the year of $33,989 has been applied to the operating fund.

7. METROGATE DAYCARE CENTRE SHARED FACILITIES

Pursuant to an agreement with the City of Toronto, the Declarant has committed to the construction of two Daycare Centres, referred to as the Metrogate South Daycare and North Daycare Centres. These Daycare Centres will be shared proportionately between this Corporation and seven other participants upon the completion of the site development based on the number of dwellings in each participant.

The South Daycare Centre shared facilities became operational on June 24, 2011.

The participation rates in the South Daycare Centre shared facilities were at the following rates:

	July 1, 2019 to January 7, 2020	January 8, 2020 to June 30, 2020
T.S.C.C. No. 2151	22.67 %	19.09 %
T.S.C.C. No. 2166	23.45 %	19.73 %
T.S.C.C. No. 2175	3.93 %	3.31 %
T.S.C.C. No. 2259	14.91 %	12.55 %
T.S.C.C. No. 2281	16.25 %	13.68 %
T.S.C.C. No. 2566	18.79 %	15.82 %
T.S.C.C. No. 2754	- %	15.82 %
	100.00 %	100.00 %

Separate financial statements are prepared for the South Daycare Centre shared facilities.

The balance of the reserve fund as at June 30, 2020 as reported in the audited financial statements of the South Daycare Centre shared facilities is $292,494 and the balance in the operating fund is $Nil. The Corporation's share of the excess of revenue over expenses for the year of $1,000 has been applied to the operating fund.

Effective July 1, 2020 the Metrogate North Daycare Centre shared facilities commenced operations. Both daycare centres will be amalgamated for the next fiscal year.

8. UTILITIES

The cost for utilities, which includes hydro, gas and water, for T.S.C.C. No. 2151, T.S.C.C. No. 2166 and Solaris at Metrogate shared facilities are paid by the shared facilities.

Due to individual metering for utilities consumed for the common areas of the two buildings and the unit owners exclusive use, the shared facilities pays the total amount of the invoices and an independent utility monitor, Provident Energy Management Inc., recovers the cost from the unit owners.

9. RELATED PARTY TRANSACTIONS

During the year, the Directors did not receive any remuneration, and had no financial interest in any of the transactions of the Corporation.

10. RESERVE FUND

The most recent reserve fund study falls into one of the categories as prescribed by the Condominium Act of Ontario and its regulations. The study was prepared by Belanger Engineering in May 2018. The recommendations of the study have been adopted by the Directors of the Corporation.

The recommendations of the study and the actual and budgeted amounts are as follows:

	Reserve Fund Study	2020 Actual	2021 Budget
Reserve fund balance as at June 30, 2020	$ 3,497,163	$ 3,427,398	
Reserve fund expenses for the year ended June 30, 2020	$ 44,997	$ 128,469	
Contribution to reserve fund for the year ended June 30, 2021	$ 558,317		$ 558,317

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 the future events.

11. FINANCIAL INSTRUMENTS - RISK MANAGEMENT

a) Interest rate risk

Interest rate risk is the risk of potential financial loss caused by fluctuations in fair value of future cash flow of financial instruments due to changes in market interest rates. The Corporation is exposed to this risk through its interest bearing investments. The Corporation manages this risk through investing in fixed rate securities of short to medium term maturity and plans to hold the securities to maturity. There are no changes in risk exposures from the previous year.

b) Credit risk

Credit risk is the potential for financial loss should a counter party in a transaction fail to meet its obligations. The Corporation places its operating and reserve cash and investments with high quality institutions and believes it's exposure is not significant. The Corporation's credit risk from owners' assessments receivable is also not significant given the ability of the Corporation to place a lien on a unit for outstanding fees and limited financial exposure in a multi unit condominium. There are no changes in risk exposures from the previous year.

c) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligation as they become due. The Corporation manages this risk by establishing budgets and funding plans and by levying sufficient owners assessments to fund its operating expenses, debt payments and the necessary contributions to the reserve and other funds. Cash is held in an interest bearing account which provides a rate of return as well as liquidity. There are no changes in risk exposures from the previous year.

SOLARIS AT METROGATE SOUTH DAYCARE CENTRE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020

PCo. LLP
POLYZOTIS
CHARTERED PROFESSIONAL ACCOUNTANTS

SOLARIS AT METROGATE SOUTH DAYCARE CENTRE

INDEX TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020

	Page
Independent Auditor's Report	1-2
Statement of Financial Position	3
Statement of Operations and Changes in Fund Balances - Reserve Fund	4
Statement of Operations and Changes in Fund Balances - Operating Fund	5
Statement of Cash Flows	6
Schedule of Expenses (Schedule A)	7
Notes to the Financial Statements	8-12

PCo. LLP
POLYZOTIS
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Joint Committee Members of
Solaris at Metrogate South Daycare Centre:

Opinion
We have audited the financial statements of Solaris at Metrogate South Daycare Centre (the Centre), which comprise the statement of financial position as at June 30, 2020, and the statements of operations and changes in fund balances of reserve and operating funds, the statement of cash flows, the schedule of expenses, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at June 30, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion
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 Centre 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 opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the 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 Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

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

36 TORONTO STREET, SUITE 600, TORONTO, ONTARIO M5C 2C5
TEL: (416) 360-4310 FAX: (416) 360-0278

INDEPENDENT AUDITOR'S REPORT (continued)

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 judgment 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 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 Centre'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 Centre'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 Centre 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.

Polyzotis & Co. LLP

Toronto, Ontario
November 27, 2020

Chartered Professional Accountants
Licensed Public Accountants

SOLARIS AT METROGATE SOUTH DAYCARE CENTRE
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020

	2020	2019
ASSETS		
Current		
Cash (note 3)	$ 4,292	$ 9,473
Due from Participants (note 4)	2,055	-
Prepaid expenses	332	325
	6,679	9,798
Reserve		
Cash (note 3)	292,494	260,996
	$ 299,173	$ 270,794
LIABILITIES AND FUND BALANCES		
Current		
Operating trade payables	$ 4,896	$ 3,666
Due to Solaris at Metrogate Shared Facilities (note 8)	1,783	4,182
Due to Participants (note 4)	-	1,950
	6,679	9,798
Fund balances		
Reserve fund	292,494	260,996
Operating fund	-	-
	292,494	260,996
	$ 299,173	$ 270,794

Approved on behalf of Solaris at Metrogate South Daycare Centre:

Director
T.S.C.C. No. 2151

Director
T.S.C.C. No. 2166

Director
T.S.C.C. No. 2175

Director
T.S.C.C. No. 2259

Director
T.S.C.C. No. 2281

Director
T.S.C.C. No. 2566

Director
T.S.C.C. No. 2754

See accompanying notes

PCo LLP
POLYZOTIS
CHARTERED PROFESSIONAL ACCOUNTANTS

SOLARIS AT METROGATE SOUTH DAYCARE CENTRE

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
RESERVE FUND

FOR THE YEAR ENDED JUNE 30, 2020

	2020	2019
REVENUE		
Allocations from Operating fund	$ 40,595	$ 42,301
Interest earned	5,231	5,291
	45,826	47,592
EXPENSES		
Replace front entrance door	14,328	-
Landscaping repairs	-	1,514
Reserve fund study	-	396
	14,328	1,910
EXCESS OF REVENUE OVER EXPENSES	31,498	45,682
FUND BALANCE, beginning of year	260,996	215,314
FUND BALANCE, end of year	$ 292,494	$ 260,996

See accompanying notes

SOLARIS AT METROGATE SOUTH DAYCARE CENTRE

STATEMENT OF OPERATIONS CHANGES IN FUND BALANCES
OPERATING FUND

FOR THE YEAR ENDED JUNE 30, 2020

	2020 Budget (note 5)	2020 Actual	2019 Actual
REVENUE			
Participants' assessments (note 1)	$ 166,113	$ 166,113	$ 166,112
Interest and sundry income	365	228	532
	166,478	166,341	166,644
Less: Allocations to reserve fund	40,595	40,595	42,301
	125,883	125,746	124,343
EXPENSES (Schedule A)			
Service contract	85,110	82,596	82,747
Repairs and maintenance	16,093	19,745	18,199
Utilities	13,700	9,675	8,877
Administrative	10,980	9,117	8,256
	125,883	121,133	118,079
EXCESS OF REVENUE OVER EXPENSES	$ -	4,613	6,264
FUND BALANCE, beginning of year		-	-
		4,613	6,264
Less: appropriations to Participants:			
T.S.C.C. No. 2151		967	1,421
T.S.C.C. No. 2166		1,000	1,469
T.S.C.C. No. 2175		168	246
T.S.C.C. No. 2259		636	934
T.S.C.C. No. 2281		693	1,018
T.S.C.C. No. 2566		801	1,176
T.S.C.C. No. 2754		348	-
		4,613	6,264
FUND BALANCE, end of year		$ -	$ -

See accompanying notes

SOLARIS AT METROGATE SOUTH DAYCARE CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2020

	2020	2019
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Excess of revenue over expenses		
Reserve fund	$ 31,498	$ 45,682
Operating fund	4,613	6,264
Appropriations of operating fund excess of revenue over expenses to Participants	(4,613)	(6,264)
	31,498	45,682
Changes in working capital:		
Prepaid expenses	(7)	(10)
Operating trade payables	1,230	(517)
Due to Solaris at Metrogate Shared Facilities	(2,399)	(529)
Due from/to Participants	(4,005)	(9,210)
	(5,181)	(10,266)
INCREASE IN CASH FOR THE YEAR	26,317	35,416
CASH, beginning of year	270,469	235,053
CASH, end of year	$ 296,786	$ 270,469
Cash is comprised of:		
Operating fund cash	$ 4,292	$ 9,473
Reserve fund cash	292,494	260,996
	$ 296,786	$ 270,469

See accompanying notes

SOLARIS AT METROGATE SOUTH DAYCARE CENTRE

SCHEDULE OF EXPENSES

FOR THE YEAR ENDED JUNE 30, 2020

	2020 Budget (note 5)	2020 Actual	2019 Actual
SERVICE CONTRACTS			
Air conditioning and heating	$ 8,611	$ 8,611	$ 8,611
General maintenance	1,110	1,393	710
Ground maintenance	17,343	17,343	16,518
Housekeeping	11,372	8,529	11,372
Management fees	46,674	46,720	45,536
	$ 85,110	$ 82,596	$ 82,747
REPAIRS AND MAINTENANCE			
Electrical	$ 3,280	$ 4,027	$ 6,276
General repairs and maintenance	7,050	9,524	7,341
Plumbing	1,000	1,354	-
Waste disposal	4,763	4,840	4,582
	$ 16,093	$ 19,745	$ 18,199
UTILITIES (note 8)			
Gas	$ 3,000	$ 2,193	$ 428
Hydro	8,500	6,353	6,640
Water	2,200	1,129	1,809
	$ 13,700	$ 9,675	$ 8,877
ADMINISTRATIVE			
Audit	$ 2,400	$ 2,586	$ 2,373
Consulting	1,000	-	-
Insurance	4,170	4,080	3,336
Legal	1,000	-	-
Meeting costs	1,400	998	1,346
Office expenses	650	1,093	841
Telephone	360	360	360
	$ 10,980	$ 9,117	$ 8,256

See accompanying notes

SOLARIS AT METROGATE SOUTH DAYCARE CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020

1. NATURE OF OPERATIONS

Solaris at Metrogate South Daycare Centre (the Centre) was constructed in 2011 as a shared facility for the Participants of the Metrogate Condominiums community. The Participants of the Centre are Toronto Standard Condominium Corporation No. 2151 (T.S.C.C. No. 2151), Toronto Standard Condominium Corporation No. 2166 (T.S.C.C. No. 2166), Toronto Standard Condominium Corporation No. 2175 (T.S.C.C. No. 2175), Toronto Standard Condominium Corporation No. 2259 (T.S.C.C. No. 2259), Toronto Standard Condominium Corporation No. 2281 (T.S.C.C. No. 2281), Toronto Standard Condominium Corporation No. 2566 (T.S.C.C. No. 2566), Toronto Standard Condominium Corporation No. 2754 (T.S.C.C. No. 2754), and one condominium corporation to be constructed at a later date.

The costs involved in operating, maintaining, repairing and replacing the Centre are shared between the current Participants based on the number of units as follows:

	July 1, 2019 to January 7, 2020	January 8,2020 to June 30, 2020
T.S.C.C. No. 2151	22.67 %	19.09 %
T.S.C.C. No. 2166	23.45 %	19.73 %
T.S.C.C. No. 2175	3.93 %	3.31 %
T.S.C.C. No. 2259	14.91 %	12.55 %
T.S.C.C. No. 2281	16.25 %	13.68 %
T.S.C.C. No. 2566	18.79 %	15.82 %
T.S.C.C. No. 2754	- %	15.82 %
	100.00 %	100.00 %

Participants actual contributions were as follows:

	2020	2019
T.S.C.C. No. 2151	$ 34,796	$ 37,658
T.S.C.C. No. 2166	35,980	38,953
T.S.C.C. No. 2175	6,033	6,528
T.S.C.C. No. 2259	22,881	24,767
T.S.C.C. No. 2281	24,939	26,993
T.S.C.C. No. 2566	28,839	31,213
T.S.C.C. No. 2754	12,645	-
	$ 166,113	$ 166,112

The costs of the Centre will be shared between Participants in future years based on the number of units for each corporation.

Effective July 1, 2020 the Solaris at Metrogate North Daycare Centre (North Daycare) will be amalgamated within this facility. The North Daycare was constructed as an additional shared facility for the Participants of the Metrogate Condominiums community. In the next fiscal year both Day Care Centres will be amalgamated and will be referred to as the Solaris at Metrogate South and North Day Care Centres.

The participants of the Centre qualify as non-profit organizations which are exempt from income taxes under the Income Tax Act.

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) Fund accounting

Reserve fund - externally restricted

The Centre established a reserve fund to be used solely for the purpose of major repair and replacement of common elements and assets of the Centre.

The Centre allocates to the reserve fund amounts that, calculated from expected repair and replacement costs and life expectancies of the common elements and assets of the Centre, are reasonably expected to provide sufficient funds to repair and replace the common elements and assets. Revenue and costs related to such major repairs and replacements are accounted for in the Reserve fund.

Operating fund - unrestricted

Revenue and expenses for the general operations of the Centre are reported in the Statement of Operations and Fund Balances - Operating Fund.

c) Revenue recognition

Participants' assessments are recognized as revenue based on the budget distributed to the participants each year. The Centre recognizes revenue at the first of each month when assessments are due and collection is reasonably assured. Interest and sundry income are recognized as revenue of the related fund when earned.

d) Financial instruments

All assets and liabilities, with the exception of prepaid expenses, are financial instruments, and are initially recorded at fair market value and are subsequently recorded at amortized cost.

e) Common elements

The common elements of the Centre are owned proportionately by either the unit owners of the Participants or directly by the Participants and consequently are not reflected as assets in these financial statements.

f) Contributed services

Joint committee members and owners volunteer their time to assist in the Centre's activities. While these services benefit the Centre 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.

g) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management and Joint Committee Members make estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosure of contingency assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Such estimates mainly include year end accruals. Actual results could differ from these estimates. These estimates and assumptions are reviewed periodically and adjustments are reported in the year in which they become known.

3. CASH

Cash is interest bearing at prime minus 1.65%. The rate as at June 30, 2020 was 0.80%.

4. DUE TO/FROM PARTICIPANTS

	2020	2019
Due from T.S.C.C. No. 2151	$ 31	$ (1,421)
Due from T.S.C.C. No. 2166	17	(1,469)
Due from T.S.C.C. No. 2175	4	(246)
Due from T.S.C.C. No. 2259	1,494	1,130
Due from T.S.C.C. No. 2281	17	1,232
Due from T.S.C.C. No. 2566	19	(1,176)
Due from T.S.C.C. No. 2754	473	-
	$ 2,055	$ (1,950)

5. BUDGET FIGURES

The budget figures are unaudited and have been taken from the budget figures prepared by management and approved by the Joint Committee Members.

6. COMMITMENTS

The Centre, in the normal course of operations, enters into a number of contracts for services all of which contain short-term cancellation clauses. Under the terms of these contract the Centre is committed to spend approximately $156,000 in the next fiscal year.

7. RELATED PARTY TRANSACTIONS

During the year, no remuneration was paid to Joint Committee Members and officers and they had no financial interest in any of the transactions of the Centre.

8. UTILITIES

The cost for utilities, which includes hydro, gas and water are based on sub-meter readings provided by an independent utility monitor, Provident Energy Management Inc., and back charged to the Centre from the Solaris at Metrogate Shared Facilities.

9. RESERVE FUND

The most recent reserve fund study falls into one of the categories as prescribed by the Condominium Act of Ontario and its regulations. The study was prepared by Belanger Engineering in September 2018. The recommendations of this study have been adopted by the Joint Committee Members of the Centre.

The recommendations of the study and the actual and budgeted amounts are as follows:

	Reserve Fund Study	2020 Actual	2021 Budget
Reserve fund balance as at June 30, 2020	$ 293,715	$ 292,494	
Reserve fund expenses for the year ended June 30, 2020	$ 1,561	$ -	
Contribution to reserve fund for the year ended June 30, 2021	$ 41,519		$ 83,000 (*)

(*) Additional reserve fund contribution has been budgeted for the North Day Care Centre (see note 1).

The reserve is evaluated on the basis of expected repair and replacement costs and life expectancy of the common elements and assets of the Centre. Such evaluation is based on numerous assumptions as to the future events.

10. LEASE OF THE SOUTH DAYCARE CENTRE

On September 21, 2011, Metrogate Inc. (as Landlord) and Heart Beatz Cliffcrest Community Centre (as Tenant) and the City of Toronto, entered into a lease agreement for the Centre for an initial term of 25 years and subject to the tenant's and/or the City's right to renew the lease on the three separate occasions of 25 years each.

The lease is a completely gross and carefree lease to the tenant upon payment of the Minimum Rent of two dollars ($2.00) per annum.

The Centre is to be operated as a non-profit daycare centre, available to care for children from the general public, but with priority placement being given to the children of the residents of each of the Metrogate Condominiums and the children of the employees of the businesses and/or offices located on (or operated within) the Metrogate site.

11. FINANCIAL INSTRUMENTS - RISK MANAGEMENT

a) Credit risk

Credit risk is the potential for financial loss should a counter party in a transaction fail to meet its obligations. The Centre places its operating and reserve cash with high quality institutions and believes its exposure is not significant. The Centre's credit risk from Participants' assessments receivable is also not significant given the ability of the Participants to place a lien on a unit for outstanding fees and limited financial exposure in a multi unit condominium. There are no changes in risk exposures from the previous year.

b) Liquidity risk

Liquidity risk is the risk that the Centre will not be able to meet its obligation as they become due. The Centre manages this risk by establishing budgets and funding plans and by levying sufficient participants' assessments to fund its operating and reserve expenses and the necessary contributions to the reserve fund. Cash is held in an interest bearing accounts which provide a rate of return as well as liquidity. There are no changes in risk exposures from the previous year.

SOLARIS AT METROGATE SHARED FACILITIES

FINANCIAL STATEMENTS

FOR THE YEAR ENDED APRIL 30, 2020

PCo. LLP
POLYZOTIS
CHARTERED PROFESSIONAL ACCOUNTANTS

SOLARIS AT METROGATE SHARED FACILITIES

INDEX TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED APRIL 30, 2020

	Page
Independent Auditor's Report	1-2
Statement of Financial Position	3
Statement of Operations and Changes in Fund Balances - Reserve Fund	4
Statement of Operations and Changes in Fund Balances - Operating Fund	5
Statement of Cash Flows	6
Schedule of Expenses (Schedule A)	7
Notes to the Financial Statements	8-11

PCo. LLP
POLYZOTIS
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Participants of
Solaris at Metrogate Shared Facilities:

Opinion

We have audited the financial statements of Solaris at Metrogate Shared Facilities (the Shared Facilities), which comprise the statement of financial position as at April 30, 2020, and the statements of operations and changes in fund balances of the reserve and operating funds, the statement of cash flows, the schedule of expenses, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Shared Facilities as at April 30, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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 Shared Facilities 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 opinion.

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

Management is responsible for the preparation and fair presentation of the 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 Shared Facilities'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 Shared Facilities or to cease operations, or has no realistic alternative but to do so.

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

36 TORONTO STREET, SUITE 600, TORONTO, ONTARIO M5C 2C5
TEL: (416) 360-4310 FAX: (416) 360-0278

INDEPENDENT AUDITOR'S REPORT (continued)

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 judgment 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 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 Shared Facilities'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 Shared Facilities'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 Shared Facilities 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.

Polyzotis & Co. LLP

Toronto, Ontario
August 14, 2020

Chartered Professional Accountants
Licensed Public Accountants

SOLARIS AT METROGATE SHARED FACILITIES

STATEMENT OF FINANCIAL POSITION

AS AT APRIL 30, 2020

	2020	2019
ASSETS		
Current		
Cash (note 3)	$ 130,333	$ 155,202
Utilities recoverable (note 6)	161,604	92,826
Other receivables	354	2,409
Prepaid expenses	5,345	5,326
	297,636	255,763
Reserve		
Cash (note 3)	1,610,143	1,345,593
Investments (note 3)	779,500	779,500
Accrued interest	12,981	14,378
	2,402,624	2,139,471
	$ 2,700,260	$ 2,395,234
LIABILITIES AND FUND BALANCES		
Current		
Operating trade payables	$ 231,110	$ 130,504
Due to Toronto Standard Condominium Corporation No. 2151	32,561	61,337
Due to Toronto Standard Condominium Corporation No. 2166	33,965	63,922
	297,636	255,763
Reserve trade payables	10,284	-
	307,920	255,763
Fund balances		
Reserve fund	2,392,340	2,139,471
Operating fund	-	-
	2,392,340	2,139,471
	$ 2,700,260	$ 2,395,234

Approved on behalf of Solaris at Metrogate Shared Facilities:

T.S.C.C. No. 2151 Director

T.S.C.C. No. 2166 Director

See accompanying notes

PCo. LLP
POLYZOTIS
CHARTERED PROFESSIONAL ACCOUNTANTS

SOLARIS AT METROGATE SHARED FACILITIES

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
RESERVE FUND

FOR THE YEAR ENDED APRIL 30, 2020

	2020	2019
REVENUE		
Allocations from operating fund	$ 365,442	$ 354,394
Interest earned	50,785	46,603
Lighting retrofit incentive rebate	-	14,717
	416,227	415,714
EXPENSES		
Garage repairs	17,605	-
Driveway repairs	110,983	14,577
Plumbing, electrical and mechanical repairs	19,901	25,872
Recreation facilities repairs and equipment replacement	11,372	23,822
Lobby design and refurbishment	3,497	6,920
Lighting retrofit	-	101,491
Access control repairs	-	6,458
Fire control repairs	-	4,249
Reserve fund study	-	396
	163,358	183,785
EXCESS OF REVENUE OVER EXPENSES	252,869	231,929
FUND BALANCE, beginning of year	2,139,471	1,907,542
FUND BALANCE, end of year	$ 2,392,340	$ 2,139,471

See accompanying notes

SOLARIS AT METROGATE SHARED FACILITIES
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
OPERATING FUND
FOR THE YEAR ENDED APRIL 30, 2020

	2020 Budget (note 4)	2020 Actual	2019 Actual
REVENUE			
Participants' assessments			
T.S.C.C. No. 2151	$ 946,173	$ 946,173	$ 946,173
T.S.C.C. No. 2166	985,186	985,186	985,186
	1,931,359	1,931,359	1,931,359
Party room income (net of expenses)	500	4,132	2,975
Interest and sundry income	12,050	7,925	11,255
	12,550	12,057	14,230
	1,943,909	1,943,416	1,945,589
Less: allocations to reserve fund	365,442	365,442	354,394
	1,578,467	1,577,974	1,591,195
EXPENSES (Schedule A)			
Service contracts	563,661	562,261	551,002
Repairs and maintenance	114,900	109,137	111,055
Recreation facilities	28,632	32,987	27,606
Utilities	813,225	759,937	729,441
Administrative	58,049	47,019	46,668
	1,578,467	1,511,341	1,465,772
EXCESS OF REVENUE OVER EXPENSES	$ -	66,633	125,423
FUND BALANCE, beginning of year		-	-
		66,633	125,423
Less appropriations to Participants:			
T.S.C.C. No. 2151		32,644	61,445
T.S.C.C. No. 2166		33,989	63,978
		66,633	125,423
FUND BALANCE, end of year		$ -	$ -

See accompanying notes

SOLARIS AT METROGATE SHARED FACILITIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED APRIL 30, 2020

	2020	2019
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Excess of revenue over expenses (expenses over revenue)		
Reserve fund	$ 252,869	$ 231,929
Operating fund	66,633	125,423
Appropriations of operating fund surplus to Participants	(66,633)	(125,423)
	252,869	231,929
Changes in working capital:		
Utilities recoverable	(68,778)	(3,572)
Other receivables	2,055	210
Prepaid expenses	(19)	(498)
Due from/to T.S.C.C. No. 2151	(28,776)	(66,345)
Due from/to T.S.C.C. No. 2166	(29,957)	(69,118)
Operating and reserve trade payables	110,890	(52,343)
	(14,585)	(191,666)
INVESTING ACTIVITIES		
Reserve fund investments, net	1,397	(5,226)
INCREASE IN CASH FOR THE YEAR	239,681	35,037
CASH, beginning of year	1,500,795	1,465,758
CASH, end of year	$ 1,740,476	$ 1,500,795
Cash is comprised of:		
Operating fund cash	$ 130,333	$ 155,202
Reserve fund cash	1,610,143	1,345,593
	$ 1,740,476	$ 1,500,795

See accompanying notes

PCo. LLP
POLYZOTIS
CHARTERED PROFESSIONAL ACCOUNTANTS

SCHEDULE A

SOLARIS AT METROGATE SHARED FACILITIES

SCHEDULE OF EXPENSES

FOR THE YEAR ENDED APRIL 30, 2020

	2020 Budget (note 4)	2020 Actual	2019 Actual
SERVICE CONTRACTS			
Access control	$ 316,628	$ 318,380	$ 308,404
Air conditioning and heating	24,400	24,404	23,961
General maintenance	26,097	22,363	23,099
Ground maintenance	18,027	18,027	17,112
Housekeeping and superintendent	114,360	115,407	115,699
Management fees	48,817	48,343	47,395
Recreation management	15,332	15,337	15,332
	$ 563,661	$ 562,261	$ 551,002
REPAIRS AND MAINTENANCE			
Air conditioning and heating	$ 5,000	$ 8,438	$ 2,497
Electrical	15,500	9,144	7,559
Garage	18,500	19,303	13,006
General repairs and maintenance	61,900	55,020	53,782
Plumbing	14,000	17,232	11,611
Special projects (rooftop gas lines)	-	-	22,600
	$ 114,900	$ 109,137	$ 111,055
RECREATION FACILITIES	$ 28,632	$ 32,987	$ 27,606
UTILITIES (note 6)			
Gas	$ 259,622	$ 242,782	$ 258,316
Hydro	890,698	807,728	758,658
Water	422,664	453,243	426,600
Recoveries	(759,759)	(743,816)	(714,133)
	$ 813,225	$ 759,937	$ 729,441
ADMINISTRATIVE			
Audit fees	$ 3,500	$ 3,447	$ 3,418
Consulting	2,000	-	1,695
Insurance	31,049	26,695	24,839
Legal	2,000	-	-
Meeting costs	2,500	2,258	1,972
Office expenses	11,000	10,556	10,394
Telephone	6,000	4,063	4,350
	$ 58,049	$ 47,019	$ 46,668

See accompanying notes

PCo. LLP
POLYZOTIS
CHARTERED PROFESSIONAL ACCOUNTANTS

SOLARIS AT METROGATE SHARED FACILITIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED APRIL 30, 2020

1. OPERATIONS

Solaris at Metrogate Shared Facilities (the Facilities) were constructed for the exclusive use of its Participants' unit owners. The Participants of the Facilities are Toronto Standard Condominium Corporation No. 2151 (T.S.C.C. No. 2151) and Toronto Standard Condominium Corporation No. 2166 (T.S.C.C. No. 2166).

The costs involved in operating, maintaining, repairing and replacing the Facilities are shared between the Participants based on the number of units as follows:

T.S.C.C. No. 2151	48.99 %
T.S.C.C. No. 2166	51.01 %
	100.00 %

The participants of the Facilities qualify as non-profit organizations which are exempt from income taxes under the Income Tax Act.

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) Fund accounting

Reserve fund - externally restricted

The Facilities are required by The Condominium Act of Ontario to establish a reserve fund to be used solely for the purpose of major repair and replacement of common elements and assets of the Facilities.

The Facilities allocate to the reserve fund amounts that, calculated from expected repair and replacement costs and life expectancies of the common elements and assets of the Facilities, are reasonably expected to provide sufficient funds to repair and replace the common elements and assets. Revenue and costs related to such major repairs and replacements are accounted for in the Reserve fund.

Operating fund - unrestricted

Revenue and expenses for the general operations of the Facilities are reported in the Statement of Operations and Fund Balances - Operating Fund.

c) Revenue recognition

Participants' assessments are recognized as revenue based on the budget distributed to the Participants each year. The Facilities recognize revenue at the first of each month when assessments are due and collection is reasonably assured. Interest, party room and sundry income are recognized as revenue of the related fund when earned.

d) Financial instruments

All assets and liabilities, with the exception of prepaid expenses, are financial instruments, and are initially recorded at fair market value and are subsequently recorded at amortized cost.

e) Common elements

The common elements of the Facilities are owned proportionately by the unit owners of the Participants and consequently are not reflected as assets in these financial statements.

f) Contributed services

Joint Committee Members and owners volunteer their time to assist in the Facilities activities. While these services benefit the Facilities 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.

g) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management and Joint Committee Members make estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosure of contingency assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Such estimates mainly include any required allowance for doubtful accounts receivable, and year end accruals. Actual results could differ from these estimates. These estimates and assumptions are reviewed periodically and adjustments are reported in the year in which they become known.

3. CASH AND INVESTMENTS

a) Cash is interest bearing at prime minus 1.65%. The rate as at April 30, 2020 was 0.80%.

b) Investments are carried at cost, bear interest at rates from 1.97% to 3.14% and mature from June 2020 to May 2022.

4. BUDGET FIGURES

The budget amounts presented for comparison purposes only. They were approved by the Joint Committee Members and are unaudited.

5. RELATED PARTY TRANSACTION

During the year, the Joint Committee Members did not receive any remuneration, and had no interest in any of the transactions of the Facilities.

6. UTILITIES AND UTILITIES RECOVERY

Utilities, which include hydro, gas and water, for the Participants and the Facilities are paid for by the Facilities.

The Participants have individual metering for gas, hydro and water consumed by unit owners for exclusive use areas. The Facilities receive and pay the total amount of the invoices and a utility monitor, Provident Energy Management Inc., recovers the cost from the unit owners for their exclusive use areas on behalf of the Facilities.

The cost of utilities in the amount of $759,937 (2019 - $729,441) represents utilities consumed for the common areas only.

7. COMMITMENTS

a) The Facilities, in the normal course of operations, enter into a number of contracts for services all of which contain short-term cancellation clauses. The annual cost of these contracts for the next fiscal year is approximately $569,000.

b) The Facilities, represented by its Participants (T.S.C.C. No. 2151 and T.S.C.C. No. 2166) entered into a contract with Smid Construction Limited to perform front drive circle modification project for a total cost of approximately $143,000. To date $102,841 was expensed in the reserve fund in relation to this contract, with the remaining balance to be expensed in the next fiscal year.

8. RESERVE FUND

The most recent reserve fund study falls into one of the categories as prescribed by the Condominium Act of Ontario and its regulations. The study was prepared by Belanger Engineering in May 2018. The recommendations of this study have been adopted by the Joint Committee Members of the Facilities.

The recommendations of the study and the actual and budgeted amounts are as follows:

	Reserve Fund Study	2020 Actual	2021 Budget
Reserve fund balance as at April 30, 2020	$ 2,547,921	$ 2,392,340	
Reserve fund expenses for the year ended April 30, 2020	$ 41,824	$ 163,358	
Contribution to reserve fund for the year ended April 30, 2021	$ 374,787		$ 374,787

The reserve is evaluated on the basis of expected repair and replacement costs and life expectancy of the common elements and assets of the Facilities. Such evaluation is based on numerous assumptions as to the future events.

9. CONTINGENCY

A claim was filed for a slip and fall personal injury at the Shared Facilities. This claim has been referred to the insurance.

10. FINANCIAL INSTRUMENTS - RISK MANAGEMENT

a) Interest rate risk

Interest rate risk is the risk of potential financial loss caused by fluctuations in fair value of future cash flow of financial instruments due to changes in market interest rates. The Facilities are exposed to this risk through its interest bearing investments. The Facilities manage this risk through investing in fixed rate securities of short to medium term maturity and plans to hold the securities to maturity. There are no changes in risk exposures from the previous year.

b) Credit risk

Credit risk is the potential for financial loss should a counter party in a transaction fail to meet its obligations. The Facilities place its operating and reserve cash and investments with high quality institutions and believes its exposure is not significant. The Facilities' credit risk from Participants' assessments receivable is also not significant given the ability of the Participants to place a lien on a unit for outstanding fees and limited financial exposure in a multi unit condominium. There are no changes in risk exposures from the previous year.

c) Liquidity risk

Liquidity risk is the risk that the Facilities will not be able to meet its obligation as they become due. The Facilities manage this risk by establishing budgets and funding plans and by levying sufficient Participants' assessments to fund its operating expenses, debt payments and the necessary contributions to the reserve fund. Cash is held in an interest bearing account which provides a rate of return as well as liquidity. There are no changes in risk exposures from the previous year.