
**ROYAL OAK ESTATES
HOMEOWNERS ASSOCIATION**

**FINANCIAL STATEMENTS
NOVEMBER 30, 2011**

ROYAL OAK ESTATES HOMEOWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

November 30, 2011

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Royal Oak Estates Homeowners Association
Calgary, Alberta**

I have prepared an audited balance sheet of ROYAL OAK ESTATES HOMEOWNERS ASSOCIATION as at November 30, 2011 and the statement of revenue and expenses and homeowner's equity for the year then ended, from information provided by the board. It is my responsibility to express an opinion on these financial statements based on my audited preparation.

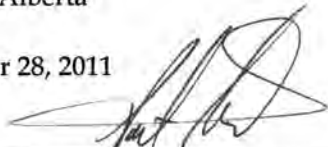
I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining evidence supporting the amounts and disclosures in the information provided by the board. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred present fairly, the financial position of Royal Oak Estates Homeowners Association as of November 30, 2011 and the results of its operations for the year ended in conformity with accounting principles generally accepted in Canada.

The Association has not estimated the remaining lives and replacements cost of property, therefore, has not presented supplementary information on future repairs and replacements.

Calgary, Alberta

December 28, 2011



PATRICIA MEDINA
Public Accountant

ROYAL OAK ESTATES HOMEOWNERS ASSOCIATION

BALANCE SHEET
November 30, 2011
(Audited)

LIABILITIES

	2011	2010
CURRENT		
Accounts payable	\$ 64,776.60	\$ 294.00

HOMEOWNERS' EQUITY

Balance October 31, 2010	\$ 3,521.38	\$ 0
Excess of Revenues over Expenses	38,259.96	3,521.38
Balance November 30, 2011	\$ 41,781.34	\$ 3,521.38

	\$ 106,557.94	\$ 3,815.38
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ROYAL OAK ESTATES HOMEOWNERS ASSOCIATION

**STATEMENT OF REVENUE AND EXPENSES
FOR THE YEAR ENDED**

November 30, 2011

(Audited)

	2011	2010
REVENUE		
City of Calgary	\$ 129,190.11	\$ 0.00
Cityland Development Gift	45,000.00	7,000.00
Interest Income	0.00	0.17
	<u>174,190.11</u>	<u>7,000.17</u>
EXPENSES		
Annual general meeting expenses	976.12	0.00
Lanscaping and snow removal	111,027.04	0.00
Insurance	4,970.25	0.00
Utilities - electricity	2,313.66	0.00
Utilities - water	12,001.79	0.00
Communication	242.80	0.00
Repairs and maintenance	3,276.38	0.00
Office supplies	157.50	472.05
Petition	0.00	2,658.44
Bank charges	164.40	54.30
Accounting	777.00	294.00
Legal	23.21	0.00
Depreciation	0.00	0.00
	<u>135,930.15</u>	<u>3,478.79</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 38,259.96</u>	<u>\$ 3,521.38</u>
Homeowner's Equity		
Beginning of the year	\$ 3,521.38	\$ 0
End of the year	<u>\$ 41,781.34</u>	<u>\$ 3,521.38</u>

ROYAL OAK ESTATES HOMEOWNERS ASSOCIATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
November 30, 2011
(Audited)

CASH FLOWS FROM OPERATING ACTIVITIES:

Excess of Revenues Over Expenses	\$ 38,259.96
Depreciation Expense	0.00
(Increase) Decrease in Assets -	
Assessments Receivable	(73,465.53)
Prepaid utilities	(1,900.00)
(Increase) Decrease in Liabilities -	
Accounts Payable	64,482.60
Income Taxes Payable	0.00
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INCREASE (DECREASE) IN CASH FROM OPERATING ACTIVITIES	27,377.03
CASH FLOWS FROM INVESTING ACTIVITIES:	
Acquisition of equipment	(5,756.10)
CASH, beginning of year	2,450.95
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CASH, end of the year	\$ 24,071.88
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ROYAL OAK ESTATES HOMEOWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

November 30, 2011

(Audited)

NOTE 1. NATURE OF ORGANIZATION:

Purpose

Royal Oak Estates Homeowners Association is a homeowners association organized as a non-profit corporation in the Province of Alberta. The Association is responsible for the operation and maintenance of the common areas of a residential real estate development for the benefit of its members.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Member Assessments

Association members are subject to annual assessments to provide funds for the Association's operating expenses, future capital acquisitions, repairs, replacements and maintenance of common areas. Accounts receivable at November 30, 2011 consist of monies due from the City of Calgary as provisions for monthly expenses for the months of September and October 2011. Any excess assessments at year end will be retained by the Association for use in future years.

Property and Equipment

Real property and common areas acquired from the developer and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the individual unit owners and not by the Association. Equipment is recorded and depreciated using the straight-line method. Current capitalized equipment consists of common area equipment. No provision has been made for depreciation of equipment and improvements at November 30, 2011.