

**METROPOLITAN TORONTO
CONDOMINIUM CORPORATION NO. 690**

*REPORT AND FINANCIAL STATEMENTS
DECEMBER 31, 2020*

INDEPENDENT AUDITORS' REPORT

*To the Owners,
Metropolitan Toronto Condominium Corporation No. 690*

Opinion

We have audited the financial statements of Metropolitan Toronto Condominium Corporation No. 690, which comprise the statement of financial position as at December 31, 2020, and the statements of reserve fund, and operating fund revenue and expenses and cash flows for the year then ended, 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 December 31, 2020 and its financial performance 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 ASNPOs, 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 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 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.

Gilman + Company LLP

Mississauga, Ontario
June 2, 2021

Chartered Professional Accountants
Licensed Public Accountants

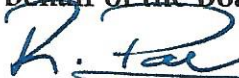
METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 690

STATEMENT OF FINANCIAL POSITION

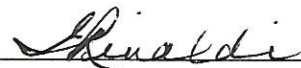
As at December 31

	2020	2019
ASSETS		
Current		
Cash and investment	\$ 209,945	\$ 114,047
Accounts receivable	38,513	12,713
Prepaid expenses	1,693	1,037
	250,151	127,797
Reserve fund cash and investments (Note 2)	1,094,025	1,332,294
	1,344,176	1,460,091
LIABILITIES		
Current		
Accounts payable and accrued liabilities	131,872	121,851
Net assets	\$ 1,212,304	\$ 1,338,240
NET ASSETS REPRESENTED BY		
Reserve fund (Note 3)	\$ 1,092,680	\$ 1,286,655
Operating fund	119,624	51,585
	\$ 1,212,304	\$ 1,338,240

On behalf of the Board



Director



Director

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 690**STATEMENT OF RESERVE FUND***For the year ended December 31*

	2020	2019
Revenue		
Appropriation from operating fund	\$ 534,934	\$ 534,934
Interest	13,874	26,819
	548,808	561,753
Expenses		
Balcony and railings	38,430	1,345
Cameras and security equipment	-	3,192
Consulting	-	21,832
Exterior wall and cladding	-	32,461
Fire equipment	-	5,129
HVAC replacements	-	4,284
Lobby renovation	-	96,845
Patio doors	5,311	8,051
Paving and catch basin	12,656	52,361
Plumbing repairs	-	5,470
Replacement of pool glass	-	128,076
Reserve fund study	3,478	11,979
Roof replacement	574,452	24,511
Solarium repairs	108,456	71,105
	742,783	466,641
Excess of revenue over expenses for the year	(193,975)	95,112
Reserve fund, beginning of year	1,286,655	1,191,543
Reserve fund, end of year	\$ 1,092,680	\$ 1,286,655

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 690**STATEMENT OF OPERATING FUND REVENUE AND EXPENSES***For the year ended December 31*

2020			
	Budget	Actual	2019
Revenue			
Owners' assessments	\$ 1,901,496	\$ 1,903,283	\$ 1,854,424
Other	1,738	2,359	3,812
	1,903,234	1,905,642	1,858,236
Less appropriation to reserve fund	534,934	534,934	534,934
	1,368,300	1,370,708	1,323,302
Expenses			
Administration (Schedule A)	155,600	142,212	158,167
Contract services (Schedule A)	210,500	199,447	200,778
Repairs and maintenance (Schedule B)	133,900	144,232	125,274
Staff	517,600	509,313	514,589
Utilities (Schedule B)	350,000	307,465	312,684
	1,367,600	1,302,669	1,311,492
Excess of revenue over expenses for the year	700	68,039	11,810
Operating fund, beginning of year	51,585	51,585	39,775
Operating fund, end of year	\$ 52,285	\$ 119,624	\$ 51,585

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 690**SCHEDULE OF OPERATING FUND EXPENSES***For the year ended December 31***SCHEDULE A**

	2020		
	Budget	Actual	2019
Administration			
Bank charges	\$ 660	\$ 634	\$ 614
Consulting	3,000	2,260	-
Fees	3,640	2,341	4,256
General meetings	2,500	2,088	2,722
Insurance and insurance repairs	12,600	9,247	16,826
Office supplies	6,600	8,459	9,550
Parking and miscellaneous	7,800	5,152	5,984
Professional fees	12,700	11,457	17,294
Shared facilities	98,000	93,923	94,267
Telephone	8,100	6,651	6,654
	\$ 155,600	\$ 142,212	\$ 158,167
Contract services			
Elevator	\$ 10,898	\$ 10,687	\$ 10,581
Fire safety	13,200	6,417	6,441
Groundskeeping	34,516	34,691	33,674
Indoor plants	4,800	4,424	4,570
Management fees	105,077	105,076	102,514
Mechanical equipment	26,746	23,803	29,764
Pest control	2,700	3,537	2,588
Water treatment	5,363	5,002	4,351
Waste disposal	7,200	5,810	6,295
	\$ 210,500	\$ 199,447	\$ 200,778

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 690**SCHEDULE OF OPERATING FUND EXPENSES***For the year ended December 31***SCHEDULE B**

	2020		
	Budget	Actual	2019
Repairs and maintenance			
Cleaning supplies	\$ 2,400	\$ 3,540	\$ 2,004
Dryer and duct cleaning	-	-	1,162
Electrical repairs and supplies	3,600	4,798	2,308
Garage repairs and maintenance	9,000	5,523	7,354
General building repairs and maintenance	35,500	47,828	38,049
HVAC	18,000	11,644	8,181
Green roof and landscaping	14,500	17,557	9,359
Plumbing repairs	12,000	12,708	13,135
Pool and recreational facilities	9,000	11,304	15,006
Windows, glass and doors	7,200	5,679	5,969
Window washing	22,700	23,651	22,747
	\$ 133,900	\$ 144,232	\$ 125,274
Utilities			
Gas	\$ 42,000	\$ 51,294	\$ 48,159
Hydro	218,000	181,442	188,636
Water and sewer	90,000	74,729	75,889
	\$ 350,000	\$ 307,465	\$ 312,684

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 690**STATEMENT OF CASH FLOWS***For the year ended December 31*

	2020	2019
Cash provided by (used in):		
Excess of revenue over expenses for the year	\$ 68,039	\$ 11,810
Changes in:		
Accounts receivable	(25,800)	(6,294)
Prepaid expenses	(656)	412
Accounts payable and accrued liabilities	10,020	31,498
	51,603	37,426
Fund activities		
(Decrease) increase in reserve fund	(193,975)	95,112
	(193,975)	95,112
Investing activity		
Increase (decrease) in reserve fund investments	3,780	(3,173)
Net (decrease) increase in cash during the year	(138,592)	129,365
Cash, beginning of the year	441,257	311,892
Cash, end of the year	\$ 302,665	\$ 441,257
Cash comprised of:		
Operating fund cash and investment	\$ 209,945	\$ 114,047
Reserve fund cash	92,720	327,210
	\$ 302,665	\$ 441,257

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

Organization and purpose

The corporation was created as a corporation without share capital by the registration of a declaration dated December 5, 1985 pursuant to the Condominium Act. The purpose of the corporation is to manage and maintain the common elements and to provide common services for the benefit of the owners of the 72 units.

The corporation is a non-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

1. *Summary of significant accounting policies*

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Fund accounting

The corporation follows the restricted fund method of accounting for contributions.

Common elements

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

Reserve fund

A reserve fund has been established, as required by the Condominium Act, 1998, to finance future major repairs and replacements of common elements. Only major repairs and replacements or fees related to these are charged to this fund.

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount 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 expenses during the reported period. Actual results could differ from those estimates. On an ongoing basis, management reviews its estimates, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

NOTES TO FINANCIAL STATEMENTS*December 31, 2020***1. Summary of significant accounting policies (continued)****Financial instruments**

The corporation initially measures its financial assets and liabilities at fair value. The corporation subsequently measures all its financial assets and financial liabilities at amortized cost. The corporation has not designated any financial asset or financial liability to be measured at fair value.

2. Reserve cash and investments

	2020	2019
Cash	\$ 92,720	\$ 327,210
Investments	1,000,000	1,000,000
Accrued interest	1,305	5,084
	\$ 1,094,025	\$ 1,332,294

Reserve fund investments are stated at cost plus accrued interest, due to their held to maturity nature, and consist of a Guaranteed Investment Certificate. The investment matures in 2021 and earns interest at a rate of 1% per annum.

3. Reserve fund

The Directors used the Class II Study of RDH Building Science Inc. dated August 28, 2020 and such other information as was available to them in evaluating the adequacy of the reserve fund. The Directors accepted the recommendations of the study which suggested an annual contribution of \$534,934; projected expenditures of \$814,052 and an ending reserve fund balance as at December 31, 2020 of \$1,045,457. Actual amounts were contributions of \$534,934, expenditures of \$742,783 and an ending balance of \$1,092,680.

Any evaluation of the adequacy of the reserve fund is based upon assumptions as to future life expectancy of the building components and their replacements costs. These factors are subject to change over time and the changes may be material; accordingly, the Condominium Act, 1998 requires that reserve fund studies be updated every three years.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

4. *Budget*

The budgeted figures which are presented for comparative purposes are unaudited.

5. *Financial instruments - risk management*

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 cash and investments with high quality institutions and believes its 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.

Liquidity risk

Liquidity risk is the risk that the corporation will not be able to meet its obligations as they become due. The corporation manages this risk by establishing budgets and funding plans and by levying sufficient owners' assessment to fund its operating expenses and the necessary contributions to the reserve fund.

6. *Related party transactions*

No remuneration was paid to directors and officers during the year.