

CANMORE COMMUNITY HOUSING CORPORATION

Financial Statements

For the year ended December 31, 2021

CANMORE COMMUNITY HOUSING CORPORATION
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For the year ended December 31, 2021

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CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To: The Board of
Canmore Community Housing Corporation

Opinion

We have audited the financial statements of the Canmore Community Housing Corporation which comprise the statement of financial position as at December 31, 2021, and the statements of operations, change in net financial assets 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 organization as at December 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 organization 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 public sector accounting standards, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization'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:

INDEPENDENT AUDITOR'S REPORT, continued

- 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 organization'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 organization'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 company 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.

Lethbridge, Alberta

April 25, 2022



Chartered Professional Accountants

CANMORE COMMUNITY HOUSING CORPORATION
STATEMENT OF FINANCIAL POSITION
As at December 31, 2021

	2021	2020
Financial assets		
Cash	\$ 1,780,859	\$ 1,943,105
Term deposits (note 3)	1,250,043	701,460
Trade and other receivables (note 4)	461,889	692,879
Funds held in trust (damage deposits)	146,885	137,014
Inventory held for resale (note 5)	3,519,112	4,150,793
Investment in future housing developments (note 6)	3,603,222	1,334,547
	10,762,010	8,959,798
Liabilities		
Accounts payable and accrued liabilities	489,136	235,115
Deferred revenue (note 7)	64,097	14,500
Funds held in trust (damage deposits)	146,885	137,014
Long-term debt (note 8)	11,541,028	9,432,349
Due to related parties (note 9)	3,396,255	5,074,331
	15,637,401	14,893,309
Net financial debt	(4,875,391)	(5,933,511)
Non-financial assets		
Prepaid expenses and deposits	50,969	110,432
Tangible capital assets (schedule 1)	16,887,031	17,418,299
	16,938,000	17,528,731
Accumulated surplus (note 10 and schedule 2)	\$ 12,062,609	\$ 11,595,220

Commitments and contingencies (note 16)

Approved on behalf of the board:

Director 

Director 

CANMORE COMMUNITY HOUSING CORPORATION
STATEMENT OF OPERATIONS
For the year ended December 31, 2021

	Budget (unaudited)	2021	2020
Revenue			
Contributions from Town of Canmore (note 11)	\$ 475,620	\$ 520,115	\$ 2,490,966
Resale administration	25,000	99,574	61,900
Other	-	3,132	5,979
Interest	21,500	24,662	39,846
Leases	-	-	246,030
	522,120	647,483	2,844,721
Expenses			
Wages and benefits	419,300	327,631	392,161
Rent	31,500	28,920	28,920
Professional fees	20,000	16,648	14,427
Resale administration	9,200	12,860	5,163
Office	20,150	9,442	9,756
Contract service	6,000	5,400	5,400
Insurance	2,800	3,000	2,729
Telephone and utilities	3,000	2,228	1,885
Bad debts	-	419	-
Meals and entertainment	1,500	274	92
Interest and bank charges	300	190	277
Computer	-	144	633
Communications	3,000	120	23,382
Other project and program expenses	5,000	-	1,861
Travel and accommodation	3,000	-	-
Amortization	1,050	1,050	1,441
	525,800	408,326	488,127
Excess (deficiency) of revenue over expenses before other	(3,680)	239,157	2,356,594
Other revenue (expenses)			
Housing resale revenue	-	3,130,000	1,347,139
Housing resale expenses	-	(3,097,471)	(1,251,372)
Rental revenue	1,547,252	1,808,318	1,700,991
Rental expenses	(536,967)	(665,362)	(599,187)
Rental interest	(432,112)	(370,123)	(433,830)
Rental amortization	(532,130)	(532,130)	(549,145)
Accessory Dwelling Program Expenses	-	(45,000)	(15,000)
	46,043	228,232	199,596
Excess of revenue over expenses	42,363	467,389	2,556,190
Accumulated surplus, beginning of year	11,595,220	11,595,220	9,039,030
Accumulated surplus, end of year	11,637,583	12,062,609	11,595,220

CANMORE COMMUNITY HOUSING CORPORATION
STATEMENT OF CHANGES IN NET FINANCIAL DEBT
For the year ended December 31, 2021

	Budget (unaudited)	2021	2020
Excess of revenue over expenses	\$ 42,363	\$ 467,389	\$ 2,556,190
Acquisition of tangible capital assets	(17,750)	(1,912)	(1,849,567)
Amortization	533,180	533,180	550,586
	515,430	531,268	(1,298,981)
Net change in prepaid expenses	-	59,464	66,561
Change in net financial debt	557,793	1,058,121	1,323,770
Net financial debt, beginning of year	(5,933,512)	(5,933,512)	(7,257,282)
Net financial debt, end of year	(5,375,719)	(4,875,391)	(5,933,512)

CANMORE COMMUNITY HOUSING CORPORATION
STATEMENT OF CASH FLOWS
For the year ended December 31, 2021

	2021	2020
Operating transactions		
Excess of revenue over expenses	\$ 467,389	\$ 2,556,190
Adjustments for items which do not affect cash		
Amortization	533,180	550,586
	1,000,569	3,106,776
Net change in non-cash working capital items		
Trade and other receivables	230,990	(312,925)
Inventory held for resale	631,681	(92,213)
Prepaid expenses and deposits	59,463	66,144
Accounts payable and accrued liabilities	254,021	19,856
	2,176,724	2,787,638
Investing transactions		
Decrease (increase) in term deposits	(548,583)	233,794
	(548,583)	233,794
Capital transactions		
Acquisition of tangible capital assets	(1,913)	(1,849,566)
Applied to future housing development and inventory held for resale	49,598	(305,482)
Investment in future housing developments	(2,268,675)	(269,907)
	(2,220,990)	(2,424,955)
Financing transactions		
Proceeds on long-term debt	7,800,373	-
Repayment of long-term debt	(5,691,694)	(335,155)
Advances from related parties	(1,678,076)	(66,546)
	430,603	(401,701)
(Decrease) increase in cash	(162,246)	194,776
Cash, beginning of year	1,943,105	1,748,329
Cash, end of year	\$ 1,780,859	\$ 1,943,105

CANMORE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

1. Nature of operations

Canmore Community Housing Corporation (the "organization") was incorporated on April 11, 2000 as a non-profit entity solely owned by the Town of Canmore and as such is not a taxable entity under the provisions of the Income Tax Act.

The purpose of the organization is to help the Town of Canmore maintain a healthy and balanced community over the long term by providing a mix of rental and ownership housing that is appropriate to the needs of the community and to enhance quality of life by facilitating the development of a perpetual stock of suitable housing for residents whose housing needs are not being met through other means.

Rental housing is provided in the form of apartment-style units as well as homes held in inventory awaiting resale under the Vital Homes initiative.

Vital Homes, for ownership purposes, is achieved by retaining title to housing units, while assigning the land and the building to qualifying homeowners by way of a 40 to 50 year initial lease term at below market purchase prices with two optional renewal terms of 25 years each.

2. Significant accounting policies

The financial statements are prepared in accordance with Canadian public sector accounting standards. The significant policies are detailed as follows:

(a) Revenue recognition

The organization follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

Rental income is recognized in the financial statements as revenue in the period in which the income is earned. Security deposits are not recognized as revenue, but rather are held in trust until returned to the tenant or used to offset damages caused, at which time they would be recognized into revenue.

CANMORE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

2. Significant accounting policies, continued

(b) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

(c) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenue over expenses, provides the Change in Net Financial Debt for the year.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized over the estimated useful life as follows:

	Years
Leasehold improvements	5 years straight line
Buildings	4% declining balance
Computer hardware	50% declining balance
Computer software	2 years straight line
Furniture and office equipment	5 years straight line
Land improvements	5 years straight line

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

(d) Investment in future housing developments

Investment in future housing developments includes costs incurred to develop future residential housing units to assist the organization in meeting its objectives.

(e) Cash and cash equivalents

The organization includes cash on hand, held by financial institutions in operating accounts, and temporary investments in the determination of cash and cash equivalents.

CANMORE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

3. Term deposits

Term deposits bear interest between 0.65% and 0.70% and have maturity dates ranging from May 2022 to July 2022. The carrying value of the term deposits approximates their fair value.

4. Trade and other receivables

	2021	2020
Wolf Willow Condo Corporation	\$ 350,000	\$ 350,000
Due from Matching Down Deposit Program	92,053	42,053
GST receivable	10,063	19,058
Trade receivables	9,773	281,768
	\$ 461,889	\$ 692,879

The amount from Wolf Willow Condo Corporation (formerly known as Mountain Haven Cooperative Homes) was disbursed upon the completion of the condominium conversion March 31, 2020. The debt will be repaid in 120 equal payments on the 15th of each month commencing October 1, 2022, without interest.

The Matching Down Deposit Program is a pilot program for Vital Homes owners to assist in acquiring a property within the Town of Canmore by matching the approved applicants deposit on the purchase of their home. This amount is repayable over a five year term, with the option of being extended for a second five year term, at 1% interest.

5. Inventory held for resale

	2021	2020
Wolf Willow Condominiums	\$ 3,519,112	\$ 3,432,237
Lookout Ridge Condo Development	-	377,723
Moraine Ridge Lodge	-	340,833
	\$ 3,519,112	\$ 4,150,793

6. Investment in future housing developments

	2021	2020
Peaks Landing costs	\$ 2,388,100	\$ 120,572
Three Sisters Mountain Village Community lands	1,044,850	1,044,850
Peaks Landing land	155,894	155,894
Palliser Village - Lot 7 costs	10,405	9,258
Palliser Village - Block 6 costs	3,973	3,973
	\$ 3,603,222	\$ 1,334,547

CANMORE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

7. Deferred revenue

	2021	2020
Ravens Ridge deposits	\$ 50,000	\$ -
Conversion contribution	14,097	14,500
	<u>\$ 64,097</u>	<u>\$ 14,500</u>

In the 2018 year, the organization received \$250,000 from the Town of Canmore to assist in converting the Mountain Haven Cooperative Homes from a cooperative to a condominium corporation. Total costs to date are \$235,500 of which \$403 was spent in the current year which was recognized into revenue. The remaining balance will be recognized as revenue when the related conversion costs are incurred.

Ravens Ridge deposits are held in trust for pre-sold units under development on the Peaks Landing land.

8. Long term debt

	2021	2020
Bank of Montreal This loan is repayable at \$26,483 monthly including interest at 2.21%. The loan is due in 2026.	\$ 5,777,482	\$ -
Town of Canmore This loan is repayable at \$202,795 semi-annually including interest at 4.98%. The loan is due in 2034.	3,740,655	3,952,034
Bow Valley Credit Union This loan is to finance up to \$4,200,000 in costs of the construction project being undertaken (Peaks Landing). This loan is repayable at interest only at 2.7% until the completion date at which point this will be converted to a term loan.	2,022,891	-
Paid out	-	3,475,036
Paid out	-	2,005,279
	<u>\$ 11,541,028</u>	<u>\$ 9,432,349</u>
Current portion	<u>\$ 414,091</u>	<u>\$ 396,223</u>

CANMORE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

8. Long term debt, continued

Principal and interest repayments are due as follows:

	Principal	Interest	Total
2022	\$ 414,091	\$ 309,299	\$ 723,390
2023	429,574	293,816	723,390
2024	445,717	277,673	723,390
2025	462,551	260,840	723,391
2026	472,242	251,148	723,390
Thereafter	9,316,854	3,408,521	12,725,375
	\$ 11,541,028	\$ 4,801,297	\$ 16,342,326

Security on the Bank of Montreal (BMO) loan consists of a first-ranking all indebtedness mortgage of \$6,117,000 registered over Plan 0412844 Block 4, lot 39 (100 Dyrkas Lane); security interest over all present and after-acquired property with a first ranking for account receivables, inventory, machinery & equipment, asset specific to 100 Dyrkas Lane; environmental review and compliance certificate.

Security on the Bow Valley Credit Union (BVCU) loan consists of a \$4,200,000 first charge collateral mortgage over Lot 2, Block 1, Plan 1911891 (1100 Lawrence Grassi Ridge); a corporate guarantee and postponement of claim from the Town of Canmore of \$1,050,000; certificate of non-restriction; general security agreement from the borrower - site specific; environmental agreement and indemnity; and assignment of contracts from the borrower.

CANMORE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

9. Related party transactions

	2021	2020
Town of Canmore - Mountain Haven Cooperative Homes	\$ (3,137,891)	\$ (3,482,864)
Town of Canmore - Resale Line of Credit	(300,864)	(871,467)
Town of Canmore - McArthur Place	-	(600,000)
Town of Canmore - Three Sisters Mountain Village	-	(162,500)
Town of Canmore - Development Agreement Deposit	42,500	42,500
	<u>\$ (3,396,255)</u>	<u>\$ (5,074,331)</u>

The organization is funded primarily through contributions from the Town of Canmore. During the year, the organization was allocated \$494,092 (2020 - \$450,000) from the Town of Canmore.

During the year, the organization used office space owned by the Town of Canmore. This space was provided by the Town of Canmore to the organization at no charge. Contributions have been recorded in the amount of \$25,620 for in-kind rent (2020 - \$25,620).

The Town of Canmore advanced a total of \$4,245,000 to assist with the purchase of 17 units from Mountain Haven Cooperative Homes (MHCH), now Wolf Willow Condo Corporation. The corporation will repay the advance to the Town from any proceeds of the eventual sale of any of the 17 units acquired. The loan is interest free and there are no specific terms of repayment. During the year, one sale occurred and the proceeds of \$244,973 and a one-time additional payment of \$100,000 were repaid to the Town.

The Town has contributed \$250,000 to the corporation to implement actions and activities required to transition MHCH to a managed Vital Homes development. This amount is not repayable to the Town. The total costs to date are \$235,903 of which \$403 of this amount was spent in the current year and recognized as revenue. The remaining portion of \$14,097 is in deferred revenue until the related conversion costs are spent.

The Town of Canmore had advanced a total of \$600,000 to assist with the construction of McArthur Place. This loan was repaid in full during the year, including interest totalling \$61,775.

CANMORE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

9. Related party transactions, continued

The Town of Canmore has established a repurchasing line of credit to the organization up to a maximum of \$1,500,000 for the purchase of Vital Homes units. These loans are secured by the Vital Homes units until repaid to the Town of Canmore and do not bear interest. The loans are repayable to the Town of Canmore 14 days after the resale date of the unit. As at December 31, 2021 the line of credit was withdrawn \$300,864 (2020 - \$871,467).

During 2005, the Town of Canmore assumed a payable from the organization in the amount of \$325,000, which had previously been payable to an unrelated third party. The loan bears no interest or repayment terms and is unsecured. As of December 31, 2021, this loan was repaid in full (2020 - \$162,500).

In relation to the Old Daycare Land project, the organization has paid the Town of Canmore \$42,500 (2020 - \$42,500) for the development agreement deposit during the year. This will be repaid once the Town of Canmore is satisfied that the development has been constructed in accordance with the development permit.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

10. Accumulated surplus

Accumulated surplus consists of internally restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2021	2020
Unrestricted surplus	\$ 2,475,411	\$ 2,216,548
Internally restricted surplus (reserves) (note 12)	2,218,304	1,392,722
Equity in tangible capital assets (note 13)	7,368,894	7,985,950
	\$ 12,062,609	\$ 11,595,220

11. Contributions from Town of Canmore

	2021	2020
Annual contribution	\$ 450,000	\$ 450,000
MOST funding transfer	44,092	-
In Kind rent	25,620	25,620
Wolf Willow Condo Corporation conversion	403	59,451
New Life Church Centre land transfer	-	1,800,000
Peaks Landing land transfer	-	155,895
	\$ 520,115	\$ 2,490,966

CANMORE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

12. Internally restricted surplus (reserves)

The organization has internally restricted the following funds for other than operational purposes:

	2021	2020
Capital reserve fund	\$ 400,763	\$ 105,436
The Hector building reserve fund	599,179	421,725
Matching down deposit reserve fund	437,947	407,947
Special initiatives reserve fund	372,000	-
McArthur Place building reserve fund	248,415	172,614
Accessory dwelling grant reserve fund	160,000	285,000
	\$ 2,218,304	\$ 1,392,722

The use of the capital reserve fund will be by decision of the board pursuant to the cash management policy. These funds may be used to:

- a) Build or contract the building of community housing projects;
- b) Purchase, service and/or maintain land held by the organization for community housing development;
- c) Purchase, renovate, or maintain community housing units owned by the organization;
- d) Use as seed capital for community housing projects and programs; and
- e) Undertake other activities to create or maintain community housing.

As per the policy, all interest earned is paid out to the operating account.

The Hector and McArthur Place building reserve funds are restricted for the costs of major repairs and or replacement of building components for the Hector and McArthur Place rental properties.

The accessory dwelling grant reserve fund is to assist market homeowners, whose land use areas allows for accessory dwellings to be constructed, to have access to grant funding to complete the same and thereby increase the supply of safe rental housing availability.

The matching down deposit reserve fund is to assist Vital Homes homeowners and those on the Vital Homes homeowners waiting list to acquire market or Vital Homes property under a homeownership tenure in Canmore.

The special initiatives reserve fund is for the purpose of maintaining rental stability, creating a Palliser lands master plan, and a housing action plan.

A portion of reserves are invested in term deposits.

CANMORE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

13. Equity in tangible capital assets

	2021	2020
Tangible capital assets (schedule 1)	\$ 20,788,733	\$ 20,786,821
Accumulated amortization (schedule 1)	(3,901,702)	(3,368,522)
Long term debt (note 8)	(11,541,028)	(9,432,349)
Long term debt - operating (note 8)	2,022,891	-
	\$ 7,368,894	\$ 7,985,950

14. Economic dependence

The organization is economically dependent on the Town of Canmore for its continued existence as the Town of Canmore provides the organization with a substantial portion of its revenue, as well as providing the organization with rent-free office space.

15. Budget amounts

The 2021 budget was approved by the Board of Directors and has been reported in the financial statements for information purposes only. The budget amounts have not been audited, reviewed, or otherwise verified.

The approved budget contained reserve transfers, capital additions and principal payments on debt as expenditures. Since these items are not included in the amounts reported in the consolidated financial statements, they have been excluded from the budget amounts presented in these financial statements.

In addition, the approved budget did not contain an amount for amortization expense. In order to enhance comparability, the actual amortization expense has been included as a budget amount.

Budgeted surplus per financial statements		\$ 42,363
Less: Capital expenditures		(17,750)
Long-term debt repayments		(380,361)
Transfers to reserves		(121,000)
Add: Amortization		533,180
Transfers from reserves		42,750
Equals: Budgeted surplus		\$ 99,182

CANMORE COMMUNITY HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

16. Commitments and contingencies

Land held by the organization (Palliser Lot 7) suffered flood damage in June, 2013 and its value is currently in question. Presently, the land is valued at \$1,768,000. Based on the available information, it is reasonably possible that an impairment in value has occurred. Management is currently in the process of determining how much, if any, impairment has occurred. It is not possible at this time to estimate the dollar value of potential impairment.

17. COVID-19

The COVID-19 (coronavirus) pandemic has caused significant economic uncertainty. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government responses, remain unclear at this time.

Globally, some of the key impacts include, but are not limited to, interruptions of production and supply chains, unavailability of personnel, reductions in revenue, decline in value of financial investments, disruptions or stoppages in non-essential travel, and the closure of facilities and businesses

The organization's rental revenues did not have to be reduced to protect tenants during the current year. The organization is following government guidelines and has developed policies to ensure safety of employees is maintained. Management is not aware of any material impairments that will impact the financial assets or liabilities of the organization due to the pandemic.

The situation is continually changing and the future impact on the organization is not readily determinable at this time.

18. Financial instruments

The organization's financial instruments consist of cash and temporary investments, trade and other receivables, amounts due from related parties, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the organization is not exposed to significant interest or currency risks arising from these financial instruments.

The carrying value of these financial instruments approximates their fair value.

19. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

CANMORE COMMUNITY HOUSING CORPORATION
SCHEDULES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

	Schedule 1								
	Land	Leasehold improvements	Buildings	Computer hardware	Computer software	Land improvements	Furniture and office equipment	2021	2020
Schedule of tangible capital assets									
Cost:									
Balance, beginning of year	\$ 6,399,981	\$ 9,272	\$ 13,854,768	\$ 16,373	\$ 1,459	\$ 494,816	\$ 10,152	\$ 20,786,821	\$ 18,937,254
Acquisitions	-	-	-	1,912	-	-	-	1,912	1,849,567
Balance, end of year	6,399,981	9,272	13,854,768	18,285	1,459	494,816	10,152	20,788,733	20,786,821
Accumulated amortization:									
Balance, beginning of year	-	9,272	3,025,624	15,229	1,459	306,786	10,152	3,368,522	2,817,936
Annual amortization	-	-	433,167	1,050	-	98,963	-	533,180	550,586
Balance, end of year	-	9,272	3,458,791	16,279	1,459	405,749	10,152	3,901,702	3,368,522
Net book value	\$ 6,399,981	\$ -	\$ 10,395,977	\$ 2,006	\$ -	\$ 89,067	\$ -	\$ 16,887,031	\$ 17,418,299
2020 net book value	\$ 6,399,981	\$ -	\$ 10,829,144	\$ 1,144	\$ -	\$ 188,030	\$ -	\$ 17,418,299	

CANMORE COMMUNITY HOUSING CORPORATION
SCHEDULES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

Schedule of changes in accumulated surplus				Schedule 2	
	Unrestricted	Internally restricted	Equity in tangible capital assets	2021	2020
Balance, beginning of year	\$ 2,216,549	\$ 1,392,722	\$ 7,985,949	\$ 11,595,220	\$ 9,039,030
Excess of revenue over expenses	467,389	-	-	467,389	2,556,190
Unrestricted funds designated for future use	(920,582)	920,582	-	-	-
Restricted funds used for operations	95,000	(95,000)	-	-	-
Current year funds used for tangible capital assets	(1,913)	-	1,913	-	-
Amortization	533,180	-	(533,180)	-	-
Repayment of long term debt	(5,691,694)	-	5,691,694	-	-
Proceeds from long term debt	7,800,373	-	(7,800,373)	-	-
Proceeds from long term debt - operating	(2,022,891)	-	2,022,891	-	-
Change in accumulated surplus	258,862	825,582	(617,055)	467,389	2,556,190
Balance, end of year	\$ 2,475,411	\$ 2,218,304	\$ 7,368,894	\$ 12,062,609	\$ 11,595,220