

Eagle Ridge Homeowners Association  
Notes to the Financial Statements  
as at December 31, 2010

						\$ 2010	\$ 2009	\$ 2008
1.	<b>Short Term Investments</b>							
	<b>Issue Date</b>	<b>Redemption Date</b>	<b>Face Amount</b>	<b>Interest Rate</b>				
	Scotia GIC-9589M	24-Jun-08	24-Jun-09	10,000	3.00%	-	-	10,156
	Scotia GIC-9589L	24-Jun-08	24-Dec-09	19,528	3.89%	-	-	19,923
	Scotia CAD Cash			Variable		4,122	19,911	-
	Scotia-FCMFD						11,083	-
						4,122	30,994	30,079

						\$ 2010	\$ 2009	\$ 2008
2.	<b>Long Term Investments</b>							
	<b>Issue Date</b>	<b>Redemption Date</b>	<b>Face Amount</b>	<b>Interest Rate</b>				
	Scotia GIC-FSV9	25-Nov-05	25-Nov-10	5,120	4.19%	-	6,060	5,816
	Scotia GIC 100000003FCLB	30-Jan-07	30-Jan-12	12,902	4.40%	15,277	14,633	14,015
	Scotia GIC- 72249 00792 94	25-Jan-05	25-Jan-10	14,500	3.97%	-	17,574	16,901
	Scotia GIC- 4B66M	3-May-07	3-May-10	24,751	3.05%	-	26,820	26,025
	Scotia GIC- 72249 0070491	3-May-04	4-May-09	22,500	4.02%	-	-	27,048
	Scotia GIC-FCMS9	4-May-09	4-May-13	27,407	3.01%	28,837	27,970	-
	Scotia GIC-FCMVG	29-Jul-09	29-Jul-13	10,000	3.01%	10,447	10,132	-
	Scotia GIC- HXCP3	18-Jun-10	18-Jun-11	39,932	1.30%	40,212		
	Scotia GIC- HHPW5	3-May-10	3-May-13	27,088	1.55%	27,368		
	Scotia GIC- K5DPC	25-Nov-10	25-Nov-15	6,287	2.10%	6,300		
	Total GIC Investments					128,441	103,189	89,804
	Total Investments (Note 1 and 2, Short and Long Term)					132,563	134,183	119,883

3. **Reserve Fund History and Surplus Retained Earnings not in Reserve**

Established by motion at AGM, Mar 14, 2004 and maintained according to ERHA Bylaws for major repair and replacement of assets, and for the ERHA fence painting and staining program.

	Interest	Contribution	Expenditure	Change	Balance
Opening Balance (Mar. 31, 2004)					45,000
2004	1,082	14,500	-	15,582	60,582
2005	1,894	14,000	8,880	7,014	67,595
2006	3,220	14,000	1,098	16,122	83,717
2007	3,432	14,000	2,000	15,432	99,149
2008	3,900	15,000	2,885	16,015	115,164
2009	4,303	15,000	10,000	9,303	124,467
2010	3,001	15,000	15,000	3,001	127,468
2011 Projected	4,000	15,000	10,000	9,000	136,468

**Cash position as at Dec. 31, 2010**

	\$	\$
Value of Investments	132,563	
Moneymaster account	2,762	
Chequing account	192	
	135,517	
Reserve as at 31/12/10	127,468	
Cash available not in Reserve:	8,049	8,049

ERHA cash available not in Reserve as of Dec 31, 2010 (Surplus Retained Earnings)

8,049

These "retained earnings" of the Association can be added to any net income realized in future years, which is not required (by resolutions or by-laws), to be allocated to the Reserve Fund and could be spent on future, as yet undetermined initiatives or purchase of new assets. The Board may contribute the surplus of operating funds in any given year to the Reserve Fund.

4. The unfavorable spending variance of \$18,546 in 2010 is primarily due to the decision to provide upgrades to the landscaping at the 2 main entrances to Eagle Ridge and the corner of Rabbit Hill Road and Riverbend Road; and legal fees incurred to gain compliance with the Eagle Ridge Homeowner bylaws and architectural guidelines.