

**CARRIAGE RIDGE OWNERS' ASSOCIATION**

**Financial Information**

**December 31, 2021**

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## COMPILATION ENGAGEMENT REPORT

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To the Members of Carriage Ridge Owners' Association

On the basis of information provided by the Receiver, we have compiled the statement of financial position of Carriage Ridge Owners' Association as at December 31, 2021, and the statements of operations and changes in fund balances for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

The Receiver is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist the receiver in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by . Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.



July 15, 2022

Chartered Professional Accountants  
Licensed Public Accountants

**CARRIAGE RIDGE OWNERS' ASSOCIATION**  
**Statement of Financial Position**  
**December 31, 2021**

	2021	2020
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	144,668	300,115
Accounts receivable	479,579	1,300,950
Government remittances receivable	72,141	16,384
Due from Carriage Hills Hospitality, Inc.	64,393	69,469
Prepaid expenses	-	117,814
Short-term investments <i>(Note 2)</i>	1,050,000	-
	1,810,781	1,804,732
<b>REPLACEMENT FUND INVESTMENTS</b>	-	2,024,087
	1,810,781	3,828,819
<b>LIABILITIES AND FUND BALANCES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	369,881	196,207
Due to Carriage Hills Vacation Owners' Association	-	253,624
	369,881	449,831
<b>FUND BALANCES</b>		
Operating fund	1,440,900	1,355,187
Replacement fund	-	2,023,801
	1,440,900	3,378,988
	1,810,781	3,828,819

**APPROVED ON BEHALF OF THE BOARD**

\_\_\_\_\_ *Director*

\_\_\_\_\_ *Director*

**CARRIAGE RIDGE OWNERS' ASSOCIATION**

**Statement of Operations**

**Year Ended December 31, 2021**

	Operating Fund 2021	Replacement Fund 2021	Total 2021	Total 2020
	\$	\$	\$	\$
<b>REVENUES</b>				
Insurance refund	50,000	-	50,000	-
Sale of assets	25,800	-	25,800	-
Interest and other	774	-	774	59,804
Maintenance fees	-	-	-	5,258,784
Late fees	-	-	-	233,829
Room rentals and bonus time	-	-	-	90,568
	<u>76,574</u>	<u>-</u>	<u>76,574</u>	<u>5,642,985</u>
<b>EXPENSES</b>				
Restructuring fees	991,460	-	991,460	-
Doubtful accounts receivable	243,657	-	243,657	217,951
Resort management	214,705	-	214,705	1,305,903
Property tax	125,252	-	125,252	196,796
Utilities	121,847	-	121,847	330,106
Selling expenses	105,981	-	105,981	-
Grounds maintenance	73,641	-	73,641	160,244
Consultancy fees	70,975	-	70,975	-
Unrecoverable HST	26,420	-	26,420	-
Security	14,789	-	14,789	28,011
Telephone	1,185	-	1,185	33,695
Capital improvements	-	24,750	24,750	110,577
Housekeeping	-	-	-	523,141
Maintenance	-	-	-	315,266
Guest services	-	-	-	150,899
Activites	-	-	-	136,387
Laundry	-	-	-	89,293
Accounting	-	-	-	35,199
	<u>1,989,912</u>	<u>24,750</u>	<u>2,014,662</u>	<u>3,633,468</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<u>(1,913,338)</u>	<u>(24,750)</u>	<u>(1,938,088)</u>	<u>2,009,517</u>
<b>OTHER EXPENSES (INCOME)</b>				
Employee severance	-	-	-	244,807
Government assistance	-	-	-	(54,054)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>190,753</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>(1,913,338)</u>	<u>(24,750)</u>	<u>(1,938,088)</u>	<u>1,818,764</u>

See notes to financial information

**CARRIAGE RIDGE OWNERS' ASSOCIATION**  
**Statement of Changes in Fund Balances**  
**Year Ended December 31, 2021**

	Operating Fund \$	Replacement Fund \$	2021 \$	2020 \$
<b>FUND BALANCES - BEGINNING OF YEAR</b>	1,355,187	2,023,801	3,378,988	1,560,224
Excess (deficiency) of revenues over expenses	(1,913,338)	(24,750)	(1,938,088)	1,818,764
Interfund transfer	1,999,051	(1,999,051)	-	-
<b>FUND BALANCES - END OF YEAR</b>	1,440,900	-	1,440,900	3,378,988

See notes to financial information

# CARRIAGE RIDGE OWNERS' ASSOCIATION

## Notes to Financial Information

Year Ended December 31, 2021

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### 1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the statement of financial position of Carriage Ridge Owner's Association (the "Association") as at December 31, 2021, and the statements of operations and fund balances for the year then ended is on the historical cost basis and reflects cash transactions with the addition of:

- accounts receivable, government remittances receivable and due from other third parties
- investments recorded at cost
- accounts payable and accrued liabilities

On January 6, 2021, BDO Canada Limited was appointed as receiver of the Association and its property (the "Receiver"). The Statement of Operations includes post-receivership activity of the Association and the Receiver's activities to realize on related resort assets. Certain receivership costs relating to both the Association's assets and the Interval Owner Property have been included in the statement of operations for the year-ended December 31, 2021.

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### 2. SHORT TERM INVESTMENTS

Ownership of the real property and certain personal property assets are vested directly or indirectly in the interval owners, not in the Association (the "Interval Owner Property"). Accordingly, Interval Owner Property is not reflected as assets nor the sale proceeds therefrom in these financial statements. These financial statements do not include the Carriage Hills Resort Corporation (the "Developer") interest in the Association, nor any of the related mortgages, liabilities or contingent liabilities.

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