

CARRIAGE RIDGE OWNERS' ASSOCIATION
Financial Information
December 31, 2022

COMPILATION ENGAGEMENT REPORT

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, 2022, 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.

June 23, 2023



Chartered Professional Accountants
Licensed Public Accountants

CARRIAGE RIDGE OWNERS' ASSOCIATION
Statement of Financial Position
December 31, 2022

	2022	2021
	\$	\$
ASSETS		
CURRENT		
Cash	527,372	144,668
Accounts receivable	-	479,579
Government remittances receivable	25,981	72,141
Due from Carriage Hills Hospitality, Inc.	-	64,393
Short-term investments (<i>Note 2</i>)	-	1,050,000
	553,353	1,810,781
LIABILITIES AND FUND BALANCE		
CURRENT		
Accounts payable and accrued liabilities	123,873	369,880
FUND BALANCE		
Operating fund	429,480	1,440,901
	553,353	1,810,781

APPROVED ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

CARRIAGE RIDGE OWNERS' ASSOCIATION**Statement of Operations****Year Ended December 31, 2022**

	Operating Fund 2022	Replacement Fund 2022	Total 2022	Total 2021
	\$	\$	\$	\$
REVENUES				
Insurance refund	-	-	-	50,000
Sale of assets	-	-	-	25,800
Interest and other	95,361	-	95,361	774
	<u>95,361</u>	<u>-</u>	<u>95,361</u>	<u>76,574</u>
EXPENSES				
Accounting fees	5,255	-	5,255	6,358
Bank charges	17	-	17	372
Capital improvements	-	-	-	24,750
Consultancy fees	-	-	-	70,975
Doubtful accounts (recovery)	(13,896)	-	(13,896)	243,657
Grounds maintenance	-	-	-	73,641
Property tax	-	-	-	125,252
Resort management	-	-	-	207,974
Restructuring fees	1,521,723	-	1,521,723	991,460
Security	-	-	-	14,789
Selling expenses	-	-	-	105,981
Telephone	3,384	-	3,384	1,186
Unrecoverable HST	-	-	-	26,420
Utilities (recovery)	(2,631)	-	(2,631)	121,847
	<u>1,513,852</u>	<u>-</u>	<u>1,513,852</u>	<u>2,014,662</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>(1,418,491)</u>	<u>-</u>	<u>(1,418,491)</u>	<u>(1,938,088)</u>

See notes to financial information

CARRIAGE RIDGE OWNERS' ASSOCIATION
Statement of Changes in Fund Balances
Year Ended December 31, 2022

	Operating Fund \$	Replacement Fund \$	2022 \$	2021 \$
FUND BALANCES - BEGINNING OF YEAR	1,440,901	-	1,440,901	3,378,989
Deficiency of revenues over expenses	(1,418,491)	-	(1,418,491)	(1,938,088)
Contributions during the year <i>(Note 3)</i>	407,070	-	407,070	-
FUND BALANCES - END OF YEAR	429,480	-	429,480	1,440,901

See notes to financial information

CARRIAGE RIDGE OWNERS' ASSOCIATION

Notes to Financial Information

Year Ended December 31, 2022

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, 2022, 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:

- Government remittances receivable
- 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, 2022.

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.

3. CONTRIBUTIONS DURING THE YEAR

The Receiver is managing the realization and distribution of net proceeds from the Interval Owner Property through the Association. The interval owners have contributed funding to the Association for the restructuring expenses related to the Interval Owner Property. Contributions from interval owners have amounted to \$407,070 in the year-ended December 31, 2022 (2021 - \$0).
