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**CONDOMINIUM CORPORATION NO. 0924818**  
***(Operating as MacEwan Gardens II)***

**Financial Statements**

**Year Ended September 30, 2024**



**CONDOMINIUM CORPORATION NO. 0924818**  
***(Operating as MacEwan Gardens II)***  
**Index to Financial Statements**  
**Year Ended September 30, 2024**

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	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Operations	3
Expenses <i>(Schedule 1)</i>	4
Statement of Changes in Net Assets	5
Statement of Financial Position	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 12

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## INDEPENDENT AUDITOR'S REPORT

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To the Management of Condominium Corporation No. 0924818 operating as MacEwan Gardens II

### *Opinion*

We have audited the financial statements of Condominium Corporation No. 0924818 operating as MacEwan Gardens II (the Corporation), which comprise the statement of financial position as at September 30, 2024, and the statements of operations, changes in net 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 Corporation as at September 30, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *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 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 ASNPO, 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.

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### CONTACT

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Independent Auditor's Report to the Management of Condominium Corporation No. 0924818 *(continued)*

- 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.

Edmonton, Alberta  
February 6, 2025



Ho LLP  
Chartered Professional Accountants

**CONDOMINIUM CORPORATION NO. 0924818****(Operating as MacEwan Gardens II)****Statement of Operations****Year Ended September 30, 2024**

	Operating Fund	Reserve Fund	Total 2024	Total 2023
<b>REVENUES</b>				
Condominium fees (Note 1)	\$ 1,020,086	\$ -	\$ 1,020,086	\$ 902,722
Interest	14,403	55,306	69,709	52,242
Owner charges	1,250	-	1,250	36,940
Amenity rental fees	450	-	450	309
Late fees	405	-	405	150
Special levy	-	-	-	150,454
	1,036,594	55,306	1,091,900	1,142,817
<b>EXPENSES (Schedule 1)</b>				
General and administrative	126,501	-	126,501	176,939
Utilities	487,443	-	487,443	468,790
Repairs and maintenance	397,064	-	397,064	169,103
Reserve fund expenditures	-	106,187	106,187	129,507
	1,011,008	106,187	1,117,195	944,339
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>				
	\$ 25,586	\$ (50,881)	\$ (25,295)	\$ 198,478

**CONDOMINIUM CORPORATION NO. 0924818**
*(Operating as MacEwan Gardens II)*
**Expenses**
**(Schedule 1)**
**Year Ended September 30, 2024**

	Operating Fund	Reserve Fund	Total 2024	Total 2023
<b>EXPENSES</b>				
<b>General and administrative</b>				
Insurance	64,086	-	<b>64,086</b>	117,137
Management fees (Note 4)	51,159	-	<b>51,159</b>	48,812
Professional fees	6,941	-	<b>6,941</b>	6,931
Supplies and sundries	3,045	-	<b>3,045</b>	2,783
Bank charges	1,270	-	<b>1,270</b>	1,276
	<u>126,501</u>	<u>-</u>	<u><b>126,501</b></u>	<u>176,939</u>
<b>Utilities</b>				
Electricity	186,820	-	<b>186,820</b>	171,479
Gas	143,836	-	<b>143,836</b>	136,332
Water and drainage	94,902	-	<b>94,902</b>	96,982
Waste removal	53,616	-	<b>53,616</b>	56,035
Telephone	5,964	-	<b>5,964</b>	5,857
Cable	2,305	-	<b>2,305</b>	2,105
	<u>487,443</u>	<u>-</u>	<u><b>487,443</b></u>	<u>468,790</u>
<b>Repairs and maintenance</b>				
Contingency	161,974	-	<b>161,974</b>	-
Common property	59,628	-	<b>59,628</b>	62,192
Insurance deductible (Note 3)	50,000	-	<b>50,000</b>	-
Janitorial	33,697	-	<b>33,697</b>	33,685
Mechanical maintenance	17,750	-	<b>17,750</b>	12,442
Elevator maintenance	13,122	-	<b>13,122</b>	9,569
Snow removal	12,212	-	<b>12,212</b>	13,461
General maintenance	12,115	-	<b>12,115</b>	889
Fire protection and monitoring	11,725	-	<b>11,725</b>	8,762
Grounds maintenance	10,107	-	<b>10,107</b>	12,784
Parkade and parking lot	7,074	-	<b>7,074</b>	7,802
Mat rental	4,665	-	<b>4,665</b>	4,600
Pest control	2,995	-	<b>2,995</b>	2,917
	<u>397,064</u>	<u>-</u>	<u><b>397,064</b></u>	<u>169,103</u>
<b>Reserve fund expenditures (Note 5)</b>				
Carpet replacement	-	95,443	<b>95,443</b>	25,385
Locks and keys	-	9,240	<b>9,240</b>	-
Interior upgrades	-	1,504	<b>1,504</b>	7,962
Balcony restoration	-	-	-	77,543
Overhead door	-	-	-	13,629
Asphalt	-	-	-	4,988
	<u>-</u>	<u>106,187</u>	<u><b>106,187</b></u>	<u>129,507</u>
	<b>\$ 1,011,008</b>	<b>\$ 106,187</b>	<b>\$ 1,117,195</b>	<b>\$ 944,339</b>

**CONDOMINIUM CORPORATION NO. 0924818****(Operating as MacEwan Gardens II)****Statement of Changes in Net Assets****Year Ended September 30, 2024**

	Operating Fund	Reserve Fund	Total 2024	Total 2023
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 353,402	\$ 993,839	\$ 1,347,241	\$ 1,148,763
Excess (deficiency) of revenues over expenses	25,586	(50,881)	(25,295)	198,478
	378,988	942,958	1,321,946	1,347,241
Interfund transfers (Note 1)	(345,000)	345,000	-	-
<b>NET ASSETS - END OF YEAR (Notes 1, 7, 8)</b>	\$ 33,988	\$ 1,287,958	\$ 1,321,946	\$ 1,347,241

**CONDOMINIUM CORPORATION NO. 0924818****(Operating as MacEwan Gardens II)****Statement of Financial Position****September 30, 2024**

	Operating Fund	Reserve Fund	Total 2024	Total 2023
<b>ASSETS</b>				
<b>CURRENT</b>				
Cash	\$ 95,200	\$ 1,026,176	\$ 1,121,376	\$ 680,135
Accounts receivable (Note 3)	112,197	-	112,197	205,438
Interest receivable	-	11,782	11,782	16,012
Prepaid expenses	5,517	-	5,517	32,327
	212,914	1,037,958	1,250,872	933,912
INVESTMENTS (Note 6)	-	250,000	250,000	500,000
	\$ 212,914	\$ 1,287,958	\$ 1,500,872	\$ 1,433,912
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT</b>				
Accounts payable and accrued liabilities	\$ 178,219	\$ -	\$ 178,219	\$ 86,671
Deferred revenue	707	-	707	-
	178,926	-	178,926	86,671
<b>NET ASSETS (Notes 1, 7, 8)</b>	33,988	1,287,958	1,321,946	1,347,241
	\$ 212,914	\$ 1,287,958	\$ 1,500,872	\$ 1,433,912

INSURANCE CLAIM AND RECOVERY (Note 3)

COMMITMENT (Note 4)

**ON BEHALF OF THE BOARD**\_\_\_\_\_  
Director\_\_\_\_\_  
Director



**CONDOMINIUM CORPORATION NO. 0924818**
*(Operating as MacEwan Gardens II)*
**Statement of Cash Flows**
**Year Ended September 30, 2024**

	Operating Fund	Reserve Fund	Total 2024	Total 2023
<b>OPERATING ACTIVITIES</b>				
Excess (deficiency) of revenues over expenses	\$ 25,586	\$ (50,881)	\$ (25,295)	\$ 198,478
Interfund transfers (Note 1)	(345,000)	345,000	-	-
	(319,414)	294,119	(25,295)	198,478
Changes in non-cash working capital:				
Accounts receivable	93,241	-	93,241	(201,696)
Interest receivable	-	4,230	4,230	(13,495)
Prepaid expenses	26,810	-	26,810	(25,399)
Due from operating fund	-	-	-	78,645
Accounts payable and accrued liabilities	91,548	-	91,548	15,721
Deferred revenue	707	-	707	-
Due to reserve fund	-	-	-	(78,645)
	212,306	4,230	216,536	(224,869)
Cash flow from (used by) operating activities	(107,108)	298,349	191,241	(26,391)
<b>INVESTING ACTIVITY</b>				
Net change of investments (Note 6)	-	250,000	250,000	(500,000)
Cash flow from (used by) investing activity	-	250,000	250,000	(500,000)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	(107,108)	548,349	441,241	(526,391)
Cash and cash equivalents - beginning of year	202,308	477,827	680,135	1,206,526
<b>CASH AND CASH EQUIVALENTS - END OF YEAR (Note 1)</b>	\$ 95,200	\$ 1,026,176	\$ 1,121,376	\$ 680,135
<b>CASH AND CASH EQUIVALENTS CONSIST OF:</b>				
Cash (Note 1)	\$ 95,200	\$ 1,026,176	\$ 1,121,376	\$ 680,135

# CONDOMINIUM CORPORATION NO. 0924818

*(Operating as MacEwan Gardens II)*

## Notes to Financial Statements

Year Ended September 30, 2024

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### PURPOSE OF THE CORPORATION

Condominium Corporation No. 0924818 (the "Corporation") is a not-for-profit organization and the common area assets of the Corporation are owned proportionately by the owners of the units and as such are not reflected as assets in these financial statements.

The financial statements include only the assets, liabilities, revenues, and expenses relating to the operations of the Corporation. The statements do not include the cost of land or buildings and the outstanding principal balances owing on mortgages which are the responsibility of the owners.

The Corporation is exempt from the payment of income tax under Section 149 of the Income Tax Act. Provided that substantially all of the Corporation's gross revenue (other than interest) is derived from dealing with its members, Canada Revenue Agency is prepared to regard the excess of revenues over expenses as amounts required for the operations of the condominium property and not as income of the Corporation or its members.

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

#### Capital assets

Condominium units and real property directly associated with those units are not considered to be capital assets of the Corporation. Assets are capitalized when deemed material; other assets are expensed in the year of acquisition.

#### Cash and short term investments

Cash and cash equivalents consist primarily of commercial paper and deposits with an original maturity date of purchase of three months or less. Because of the short term maturity of these investments, their carrying amount approximates fair value.

#### Contributed services

The operations of the Corporation depend on the contribution of time by volunteers, in particular, the members of the Board of Directors. The fair value of services cannot be reasonably determined and are therefore not reflected in these financial statements. When applicable, honoraria are recorded in the period paid.

#### Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

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**CONDOMINIUM CORPORATION NO. 0924818**

**(Operating as MacEwan Gardens II)**

**Notes to Financial Statements**

**Year Ended September 30, 2024**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Fund accounting

Condominium Corporation No. 0924818 follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the Corporation's operating and administrative activities. This fund reports the assets, liabilities, revenues and expenses related to the condominium fees collected monthly from unit owners, and to other unrestricted sources of revenue.

The Capital Replacement Reserve Fund (Reserve Fund) reports the assets, liabilities, revenues and expenses related to the funds that have been restricted in their use in accordance with the Condominium Property Act, and with the Corporation's Bylaws, where applicable. The funds are reserved for future costs of any major repair and/or replacement that does not normally occur annually. Sources of funding for the Reserve Fund include: a portion of the condominium fees that has been reserved to be transferred from the Operating Fund; and any special levy as determined by the Corporation.

Measurement uncertainty

The preparation of financial statements in conformity 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Revenue recognition

Condominium Corporation No. 0924818 follows the restricted fund method of accounting for contributions. The Corporation maintains an Operating Fund and a Capital Replacement Reserve Fund (Reserve Fund).

Monthly condominium fees, related to general operations, are collectible on the first day of each month and are recognized as revenue of the Operating Fund. Billings for the condominium fees consist of monthly charges based on an annually-approved budget.

Insurance proceeds are recognized when the amounts are certain or can be reasonably estimated, and collection is reasonably assured.

Chargebacks and owner recoveries are recognized when the related expense is incurred.

Interfund transfers between the Operating Fund and the Reserve Fund are recorded as they occur.

Special levies, through the resolution process as outlined in the Corporation's Bylaws, are recognized as revenue of the Operating Fund or Reserve Fund when unit owners are assessed.

Interest and other income is recognized as it is earned in their respective fund to which the investment is recorded.

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**2. FINANCIAL INSTRUMENTS**

The Corporation is exposed to various risks through its financial instruments. The following analysis provides information about the Corporation's risk exposure and concentration as of September 30, 2024.

*Credit risk*

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Corporation is exposed to credit risk from amounts due from owners. In order to reduce its credit risk, the Corporation reviews existing owners' credit performance. To reduce its credit risk, a caveat can be registered against title to a condominium unit whose owner is significantly in arrears in condominium fees and/or special levies.

*Liquidity risk*

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation is exposed to this risk mainly in respect of its receipt of funds from its owners and other related sources. In accordance with the Condominium Property Act, the Corporation has the ability to increase condominium fees and levy special assessments, if necessary, against owners to ensure that sufficient funding is available in meeting its financial obligations.

*Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Corporation manages exposure through its normal operating and financing activities.

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**3. INSURANCE CLAIM AND RECOVERY**

During the fiscal year then ended September 30, 2024, the Corporation experienced some building damages as a result of a water escape. Repair expenses totalled \$69,610. An insurance claim was filed, and the final approved value was \$19,610, net of insurance deductible of \$50,000.

As at September 30, 2024, accounts receivable includes insurance proceeds receivable of \$19,610.

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**4. MANAGEMENT SERVICES AND COMMITMENT**

Under the terms of a contract agreement with KDM Management Inc., the Corporation made monthly payments of \$4,224 (2023 - \$4,068), including GST, for property management services. In addition to management fees, the Corporation was charged for direct costs incurred by the property management company on behalf of the Corporation.

Total commitment to KDM Management Inc. for the 2025 fiscal year is \$52,567, including GST.

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**CONDOMINIUM CORPORATION NO. 0924818****(Operating as MacEwan Gardens II)****Notes to Financial Statements****Year Ended September 30, 2024**

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**5. RESERVE FUND EXPENDITURES**

In accordance with the Corporation's policy (*Note 1*), the following were expensed during the fiscal year:

	<b>2024</b>	<b>2023</b>
Carpet replacement	\$ 95,443	\$ 25,385
Locks and keys	9,240	-
Interior upgrades	1,504	7,962
Balcony restoration	-	77,543
Overhead door	-	13,629
Asphalt	-	4,988
	<b>\$ 106,187</b>	<b>\$ 129,507</b>

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**6. INVESTMENTS**

Investments of the Reserve Fund consist of the following:

	<b>2024</b>	<b>2023</b>
RBC - Guaranteed investment certificate (annual interest rate at 4.70%; matures January 20, 2025)	\$ 250,000	\$ 250,000
RBC - Guaranteed investment certificate (annual interest rate at 4.60%; matured January 20, 2024)	-	150,000
RBC - Guaranteed investment certificate (annual interest rate at 4.45%; matured October 17, 2023)	-	100,000
	<b>\$ 250,000</b>	<b>\$ 500,000</b>

Any change in value is reflected as accrued interest. The use of these funds is restricted for the specific purposes as outlined in the reserve fund study report.

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**7. CAPITAL REPLACEMENT RESERVE FUND**

Capital replacement reserve fund consists of:

	<b>2024</b>	<b>2023</b>
Cash	\$ 1,026,176	\$ 477,827
Investments ( <i>Note 6</i> )	250,000	500,000
Interest receivable	11,782	16,012
	<b>\$ 1,287,958</b>	<b>\$ 993,839</b>

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**8. RESERVE FUND STUDY REPORT (UNAUDITED)**

As at September 30, 2024, the Corporation's Capital Replacement Reserve Fund had a balance of \$1,287,958 (*Note 7*).

The following paragraph is presented for information purposes only. Any data collected from the reserve fund study report, and as shown below, has neither been audited nor reviewed.

An independent reserve fund study was completed in December, 2019 (*amended August 2021*), in accordance with Section 24.3 of the Alberta Regulations 168/2000 of the Condominium Property Act RSA 2000. In the opinion of the professional consultants who completed the study, the Capital Replacement Reserve Fund should have a present balance of \$1,323,713 under the twenty-five-year projection scenario. The Board of Directors is utilizing this report together with such other information as is available in evaluating the Reserve Fund requirements.

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**9. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation.

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