

EDGEMONT COMMUNITY ASSOCIATION

FINANCIAL STATEMENTS (Audited)

DECEMBER 31, 2024

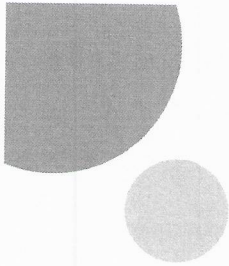


EDGEMONT COMMUNITY ASSOCIATION

DECEMBER 31, 2024

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Heidi Brauer

Chartered Professional Accountant

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Independent Auditor's Report

To the Members of:
Edgemont Community Association

Report on the Audit of the Financial Statements

Opinion

I have audited the Statement of Financial Position of the Edgemont Community Association as at December 31, 2024 and the Statements of Operations, Net Assets and Cash Flows and a summary of significant accounting policies and other explanatory notes for the year ended December 31, 2024.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Edgemont Community Association as at December 31, 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 associations.

Basis for Opinion

I am independent of the Edgemont Community Association in accordance with the ethical requirements that are relevant to my audit and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole in forming my opinion thereon and I do not provide a separate opinion on these matters. Please note, that these financial statements do not include Enhanced Landscaping Maintenance (ELM) operations for the fiscal year ended December 31, 2024.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit associations and for such internal control as management determines 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 Edgemont Community Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, concluding on the appropriateness of management's use of the going concern basis of accounting as well as evaluating the overall presentation of the financial statements.

I communicate with those charged with governance regarding the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that I identify during my audit.

Scope restriction:

These financial statements do not include the operations of the Enhanced Landscaping Maintenance program.

Calgary, Alberta
April 15, 2025


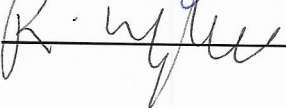

Heidi Brauer
Chartered Professional Accountant

EDGEMONT COMMUNITY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
(Audited)

As at DECEMBER 31, 2024

ASSETS				Restated (Note 15)
2024			2023	
Unrestricted	Restricted	Totals	Totals	
CURRENT ASSETS				
Cash and cash equivalents (Notes 3 & 4)	\$ 506,558	120,685	627,243	\$ 494,767
Short term investments (Note 5)	100,000	-	100,000	-
Accounts receivable	26,084	82,956	109,040	246,221
GST receivable	-	-	-	17,391
Prepaid expenses (Note 12)	13,591	-	13,591	12,876
	646,233	203,641	849,874	771,255
PROPERTY AND EQUIPMENT (Note 6)	1,244,904	-	1,244,904	1,283,189
	\$ 1,891,137	203,641	2,094,778	\$ 2,054,444
LIABILITIES AND FUND BALANCES				
CURRENT LIABILITIES				
Accounts Payable and Accrued Liabilities	\$ 22,914	-	22,914	\$ 63,931
GST payable	615	-	615	-
Damage deposits	-	-	-	500
Deferred Revenue (Note 14)	52,768	-	52,768	25,985
Deferred Cash Contributions (Note 4)	-	203,641	203,641	162,994
	76,297	203,641	279,938	253,410
DEFERRED CAPITAL CONTRIBUTIONS (Note 7)	1,178,374	-	1,178,374	1,238,577
NET ASSETS	636,466	-	636,466	562,457
	\$ 1,891,137	203,641	2,094,778	\$ 2,054,444

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

 Director
 Director

See Notes to the Financial Statements

EDGEMONT COMMUNITY ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
(Audited)

For the Year Ended DECEMBER 31, 2024

	2024 Totals	Restated (Note 15) 2023 Totals
Balances, per prior year's audit	505,467	523,396
Prior year adjustment (Note 15)	<u>56,990</u>	<u>56,990</u>
Restated 2023 net assets	562,457	580,386
Increase (decrease)	<u>74,009</u>	<u>(17,929)</u>
Balances, end of the year	<u>636,466</u>	<u>562,457</u>

See Notes to the Financial Statements

EDGEMONT COMMUNITY ASSOCIATION

STATEMENT OF OPERATIONS

(Audited)

For the Year Ended DECEMBER 31, 2024

	2024	2023
REVENUE		
General rentals	\$ 333,256	\$ 306,539
Casino contributions (Note 9)	43,327	-
General programs (Note 8)	36,370	36,837
Interest income	4,757	7,839
Memberships	4,729	4,333
Miscellaneous	2,652	-
Administration fees	1,674	1,187
Grants (Note 13)	854	1,075
	<u>\$ 427,619</u>	<u>\$ 357,810</u>
EXPENSES		
Salaries, benefits and contract labor	157,691	160,682
Repairs and maintenance (Note 10)	51,591	60,084
General programs (Note 8)	26,970	21,773
Cleaning	18,961	16,871
Audit, legal and other professional fees	18,432	5,875
Utilities	17,371	24,477
Office and administration	14,550	12,107
Insurance	14,050	12,731
Bank, credit card, Communal, POS charges	11,898	6,902
Write-off of bad debt	4,399	1,138
Advertising and community relations	3,865	4,232
Donations	105	-
	<u>339,883</u>	<u>326,872</u>
Excess of revenue over expenses before amortization	87,736	30,938
Plus: Amortization of deferred capital contributions (Note 7)	80,201	51,370
Less: Amortization expense	<u>(93,928)</u>	<u>(100,237)</u>
Excess (deficiency) of revenue over expenses	\$ 74,009	(17,929)

See Notes to the Financial Statements

EDGEMONT COMMUNITY ASSOCIATION
STATEMENT OF CASH FLOWS
(Audited)

For the Year Ended DECEMBER 31, 2024

	2024	2023
Cash generated by (used in):		
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ 74,009	\$ (17,929)
Charges not affecting cash outlay:		
Amortization	93,928	100,237
Amortization of deferred capital contributions (Note 7)	(80,201)	(51,370)
Changes in non-cash operating working capital:		
Accounts receivable	137,184	(34,253)
GST receivable	18,005	6,982
Prepaid expenses	(715)	(1,316)
Accounts payable	(41,019)	30,981
Damage deposits	(500)	500
Deferred revenue	26,783	13,863
	<u>227,474</u>	<u>47,695</u>
INVESTING ACTIVITIES		
Building	(48,414)	(382,657)
Equipment	(7,228)	(12,645)
Investments	(100,000)	258,758
	<u>(155,642)</u>	<u>(136,544)</u>
FINANCING ACTIVITIES		
Deferred capital contributions (Note 7)	19,998	352,938
Deferred cash contributions	40,647	79,283
	<u>60,645</u>	<u>432,221</u>
Increase in cash and cash equivalents	132,477	343,372
Cash and cash equivalents, beginning of the year	494,766	151,394
Cash and cash equivalents, end of the year	<u>\$ 627,243</u>	<u>\$ 494,766</u>
Consisting of:		
Cash and cash equivalents, unrestricted (Note 3)	\$ 506,558	\$ 331,772
Externally restricted cash and cash equivalents (Note 4)	<u>120,685</u>	<u>162,994</u>
	<u>\$ 627,243</u>	<u>\$ 494,766</u>

See Notes to the Financial Statements

EDGEMONT COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS

(Audited)

DECEMBER 31, 2024

1. DESCRIPTION OF OPERATIONS

The Edgemont Community Association ("the Association") was registered with the Province of Alberta under the Societies Act as a not for profit organization on March 13, 1980 and is exempt from income taxes under section 149 (i) (l) of the Canadian Income Tax Act.

The Association provides recreation, other facilities and advocates on behalf of the community.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

These financial statements have been prepared according to Canadian accounting standards for not-for-profit organizations, of which the most material policies are:

(a) Accounting

The Association's financial statements are prepared according to the deferral method of accounting for externally restricted funds. The statements consist of:

Unrestricted Funds
Restricted Funds

The unrestricted funds represent funds, which the Association receives from general business operations and includes assets and liabilities and revenues and expenses associated with these funds.

The restricted funds include both internally and externally restricted funds. Internally restricted funds are cash resources, which the Association's board of directors restricts for building maintenance and expansion. Externally restricted funds are unspent casino and grant funding.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

(c) Revenue Recognition

Unrestricted revenue is recorded according to the accrual method, where revenue is recognized when received or reasonable assurance is given, that it is receivable.

Externally restricted cash is recorded according to the deferral method, where revenue is recognized, when the related expense occurred.

(d) Property and Equipment

Property and equipment over \$500 are recorded at cost and amortized on a straight line basis at the following rates:

Community facility	25 years
Ice rink facilities	25 years
Furniture and equipment	10 years
Planters and beds	10 years
Website	8 years

EDGEMONT COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

(Audited)

DECEMBER 31, 2024

SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(e) Contributed Services

A number of volunteers spent a significant number of hours to deliver the Association's programs. Due to the difficulty of quantifying these hours, a financial value has not been set up in these financial statements.

(f) Financial Instruments

Measurement of Financial Instruments:

The Association initially measures its financial assets and financial liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at cost or amortized cost. Changes in fair value of these financial instruments are recognized in net income. Financial instruments measured at amortized cost include cash, accounts receivable and accounts payable.

Financial Risk:

It is management's opinion that the Association is not exposed to significant interest, currency, price, market or credit risks arising from these financial instruments.

(g) Use of Estimates

The preparation of financial statements in accordance 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, the disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenses for the periods covered. The main estimates relate to the collectability of receivables, the useful life of property and equipment and the amounts recorded as accrued liabilities.

(h) Donations in-Kind

Donations in-kind are recorded at fair market value, if fair market value is reasonably determinable and if the goods and services would have been otherwise purchased in the normal way of operations.

EDGEMONT COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS

(Audited)

DECEMBER 31, 2024

3. CASH AND CASH EQUIVALENTS, UNRESTRICTED

	2024	Restated (Note 15) 2023
Unrestricted Cash and cash equivalents:		
Chequing account - National Bank	\$ 285,166	\$ 88,053
Cash equivalent - monthly investment (Note 5)	221,300	216,543
Good Food Program	-	1,180
Undeposited cash	-	25,921
Petty cash	92	76
	<u>\$ 506,558</u>	<u>\$ 331,773</u>

4. EXTERNALLY RESTRICTED ASSETS / DEFERRED CASH CONTRIBUTIONS

Deferred contributions from casinos represent unspent resources earned from casinos, which are externally restricted for specific expenditures as approved by the Alberta Gaming and Liquor Commission (AGLC). Unspent contributions for specific objectives are restricted according to objectives specified by the contribution provider.

	2024	Adjusted (Note 15) 2023
Casino Chequing	\$ 67,737	\$ 111,184
Cash equivalent (Note 5)	52,948	51,810
Total cash	120,685	162,994
Casino pool receivable	82,956	-
	<u>\$ 203,641</u>	<u>\$ 162,994</u>

5. INVESTMENTS/CASH EQUIVALENTS

Non-redeemable short term GIC, term December 19, 2024 to March 19, 2025 @ 3.1%,	\$ 100,000
Non-redeemable short term GIC, term December 30, 2024 to January 29, 2025 @ 2.05%, unrestricted	\$ 221,300
Non-redeemable short term GIC, term December 30, 2024 to January 29, 2025 @ 2.05% - restricted	\$ 52,948

6. PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	Net 2024	Net 2023
Building	\$2,517,997	1,459,071	1,058,926	1,076,807
Ice rink	364,295	241,821	122,474	133,967
Furniture and equipment	163,197	121,138	42,059	43,133
Signage	37,669	27,940	9,729	14,386
Planters and beds	11,635	6,981	4,654	5,818
Website	16,124	9,062	7,062	9,078
Computers	6,800	6,800	-	-
	<u>\$3,117,717</u>	<u>1,872,813</u>	<u>1,244,904</u>	<u>1,283,189</u>

EDGEMONT COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS

(Audited)

DECEMBER 31, 2024

7. DEFERRED CAPITAL CONTRIBUTIONS

Externally restricted contributions for the purchase of property and equipment have been recorded as deferred capital contributions and will be amortized and brought into income on the same basis as the related capital asset is amortized and expensed.

	2024	2023
Balance from previous year	\$1,238,577	\$ 937,009
Contributions from grants (Note 13)	19,998	352,938
Amortization to income	(80,201)	(51,370)
Balance to next year	<u>\$1,178,374</u>	<u>\$1,238,577</u>

8. GENERAL PROGRAMS

	Revenue	Expense	Net 2024	Net 2023
Miscellaneous programs including breakfast club	\$ 7,577	5,856	1,721	9,710
Craft fair/ECA programs	28,793	17,907	10,886	6,897
Membership services	-	3,207	(3,207)	(946)
	<u>\$ 36,370</u>	<u>26,970</u>	<u>9,400</u>	<u>15,661</u>

9. CASINO CONTRIBUTIONS

	2024	Adjusted (Note 15) 2023
Casino funds, beginning of the year (Note 4)	\$ 162,994	\$ 83,712
Casino pool revenue	-	77,527
Casino advisor reimbursements	2,231	2,351
Casino advisor fees	(2,351)	(2,351)
Investment interest	1,138	1,755
Casino funds, end of the year (Note 4)	(120,685)	(162,994)
Contributed to operations	<u>\$ 43,327</u>	<u>\$ -</u>

10. REPAIR AND MAINTENANCE

	2024	2023
Landscaping and snow removal	\$ 25,837	\$ 33,825
Repairs - HVAC	15,544	15,839
Repairs - building and equipment	10,210	10,252
Other maintenance - sign replacement project	-	168
	<u>\$ 51,591</u>	<u>\$ 60,084</u>

EDGEMONT COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS

(Audited)

DECEMBER 31, 2024

11. LEASE COMMITMENT

The Association has a licence of occupation agreement with the City of Calgary that expires on March 31, 2033. The licence of occupation requires the Association to pay all expenses incurred on the lands and facility including any insurance or maintenance charges, and all taxes which may from time to time be levied.

12. PREPAID EXPENSE

Prepaid expenses consist of insurance \$12,911 and miscellaneous other prepaid expenses for 2025.

13. GRANTS

	2024	2023
Community Facility Enhancement Program (CFEP)	\$ -	\$ 125,000
Contributed to the purchase of property & equipment	-	(125,000)
City of Calgary - Capital Conservation Grant (CCG)	19,998	227,938
Contributed to the purchase of property & equipment	(19,998)	(227,938)
City of Calgary - Microgrant:		
Spent on operations	854	1,075
Summary:		
Contributed to property & equipment (Note7)	\$ 19,998	\$ 352,938
Total spent and recorded as grant revenue	\$ 854	\$ 1,075

14. DEFERRED REVENUE

	2024	2023
Hall rentals	\$ 52,768	\$ 25,986

15. PRIOR YEAR ADJUSTMENT

There had been restricted cash in the unrestricted cash of \$56,990 set up since 2022. This was a payment for an invoice from the casino account for capital expenses. Subsequently 75% of this invoice had been reimbursed with grant funding, which had been deposited into the general bank account. It has come to our attention, that the total project cost had been much higher and the \$56,990 was an eligible expense from the casino cash.

The adjustment resulted in an increase in unrestricted cash of \$56,990 and a decrease in restricted cash of \$56,990, an increase in net assets and a decrease in deferred cash contributions of \$56,990.

ELM Program Financial Review 2024, addendum to Audited Financial Statement

The ELM program is supervised by the City of Calgary and our consultant and operates in a payout method after expenses are incurred and reviewed. To a large degree the City acts as our fiscal agent. They hold the annual grant, the tax levy, and the carry forward from the previous year and send us the funds in several disbursements. The ECA bookkeeper issues checks from the ELM funds when work is approved. The ELM consultant keeps a ledger of all expenses and submits this to the city.

- The Edgemont Community Association ELM team sets the annual budget which is approved by the board.
- The ELM team advises our contractors of the work which need to be done.
- When the work is complete the contractor submits an invoice.
- The invoice is approved by our consultant and ELM chair when they determine the work has been completed correctly.
- The ECA bookkeeper issues a check for the invoice, this check is approved and signed by two authorized members of the board.
- The City does direct withdrawal from the account for IPM and irrigation services.
- The ELM committee, the ECA treasurer, and the City, all keep independent ledgers of the income and approved expenses.

The City advised us in 2021, that ELM does not need an annual audit because of the unnecessary expense. The City has our ELM consultant maintain a ledger of all expenses which is submitted to the City. The ECA reviews the final numbers to ensure the city and ECA numbers match. This review is added at the end of the annual audit as a line-item addendum.

Any money generated outside of the ELM grants and tax levy, (donations, sale of worn assets, payments for damage to ELM property, insurance settlements), is kept in an ECA operated ELM bank account and applied to ELM expenses. At the end of 2022 our service contractor was changed from Able Landscaping to Foothills Landscaping. Foothills did a very good job again and we look forward to working with them in the future. Due to the drought and water restrictions of 2024 costs were lower than expected and some services like trimming, irrigation, and aerating were limited. We hope to gget a lot of this additional work done in the spring of 2025.

Item	Credit	Debit
2024 Operating Grant	\$192,480.00	
2024 Special Tax Levy	\$460,286.00	
2023 Carry Forward	\$109,613.98	
2024 Total Expenses		\$624,564.42
2025 Carry Forward (1)	\$137,815.56	
ELM Bank Account Open	\$4,108.25	
ELM Bank Account Income	0	
ELM Expenses	0	
ELM Bank Account Close	\$4,108.25	

1: Foothills underspent in year due to dry weather, water restrictions, and less turf maintenance

The City ledger, the ECA book keeping, and the ELM budget tracking all matched for 2024.

Rick Wierzbicki, ELM Co-Chair 2024-2025