



Sept 24, 2024

Members of the Cranston Residents Association
Cranston, Calgary, Alberta

Dear Members:

**RE: Notice of Annual General Meeting
Tuesday, October 22nd, 2024 at 7pm
In-person at Century Hall**

Enclosed please find the Notice of the Annual General Meeting (AGM) for the Association, the Meeting Minutes of the AGM held on October 24th, 2023, the Report of the Board of Directors, the Audited Financial Statements for the 2023-24 fiscal year, Information Circular, and a Proxy Form.

Please review the enclosed information and plan to attend the AGM, or submit your proxy form as indicated. The AGM is being held in-person at **7:00 P.M. on Tuesday, October 22nd, 2024. Residents who plan on attending the AGM must pre-register on www.cranstonra.ca prior to 5:00pm on Sunday, October 20th, 2024.** The meeting check-in will begin at 6:30pm and the meeting will begin promptly at 7:00pm, any late arrivals will be unable to vote once the scrutineers report has been delivered.

Please assist your volunteer Board of Directors by attending the AGM or sending in your proxy form.

The Board of Directors currently has vacancy for five (5) Resident Directors. If you are interested in being nominated for the Board of Directors, or have any questions about the enclosed, please contact the General Manager at 403-781-6614 x 5 or by e-mail at gm@cranstonra.ca.

On behalf of your Board of Directors, we look forward to your participation.

Yours truly,
CRANSTON RESIDENTS ASSOCIATION

ANDREW BURNS President, Resident Director	AMANDA CONDIE Vice-President, Resident Director	WENDY MACISAAC Secretary, Resident Director	CASEY MCINALLY Treasurer, Resident Director	DAVE WARNER Resident Director
DENNIS LEMON Resident Director	CIMOAN ATKINS Resident Director	BRADEN ERICKSON Resident Director	MIKE DERRY Resident Director	TREVOR THOMSON Resident Director



Notice of 2024 Annual General Meeting & Information Circular

CRANSTON RESIDENTS ASSOCIATION NOTICE OF ANNUAL GENERAL MEETING OF MEMBERS

TAKE NOTICE, that the Annual Meeting of the Voting Members of the CRANSTON RESIDENTS ASSOCIATION (the "Company") will be held in-person, on Tuesday, October 22nd, 2024, at 7:00 P.M. (MST) for the following purposes:

- 1) To receive the Meeting Minutes of the AGM held on October 24th, 2023;
- 2) To receive the Report of the Directors of the Company;
- 3) To receive the Audited Financial Statements for the fiscal year ended March 31st, 2024;
- 4) To establish the number of Directors to hold office until the next Annual General Meeting, and elect such Directors;
- 5) To appoint BDO Canada as Auditor for the fiscal year ending March 31st, 2025;
- 6) To transact such other business as may properly come before the Meeting or any adjournment thereof.

THIS NOTICE SHOULD BE READ IN CONJUNCTION WITH THE INFORMATION CIRCULAR ACCOMPANYING THIS NOTICE.

Dated at Calgary, Alberta this 24th day of September, 2024

BY ORDER OF THE BOARD OF DIRECTORS

WENDY MACISAAC, Secretary

TO ALL VOTING MEMBERS:

IF YOU ARE NOT ABLE TO BE PRESENT AT THE ABOVE MEETING, PLEASE DATE, SIGN AND RETURN THE ACCOMPANYING PROXY IN PERSON TO CENTURY HALL:

11 CRANARCH ROAD S.E.
CALGARY, ALBERTA, T3M 0S8
"ATTENTION: General Manager"

PROXIES ARE TO BE RECEIVED AT CENTURY HALL NO LATER THAN 5:00 P.M. ON SUNDAY, OCTOBER 20TH, 2024. ALL PROXIES MUST BE IN WRITING AND SIGNED BY THE VOTING MEMBER.

15. The Chairperson then asked for a motion to nominate these individuals. Wendy MacIsaac moved to nominate the above persons as Directors of the Association, to hold office until the next Annual General Meeting or until their successors are elected or appointed. Dave Warner seconded the motion. The Chairperson declared the motion carried.
16. The Chairperson announced the following members in good standing have also put their name forward to be nominated as Directors of the Association: Cimoan Atkins, Casey McNally and Trevor Thomson
17. The Chairperson asked if there were any further nominations. The following raised their hands to put their name forward to be nominated as Directors of the Association: Maulin Parikh, Roger Doucet and Godslove Buch-Samus
18. The Chairperson then asked for a motion that nominations be closed. Wendy MacIsaac so moved. Amanda Condie seconded the motion. The Chairperson declared the motion carried.
19. The Chairperson stated that as ten (10) persons have been nominated and six (6) Resident Directors are required, an election is necessary. The Chairperson provided instructions that there will be two votes. First, for five (5) Directors for a two-year term, and second for one (1) Director for a one-year term. The Chairperson instructed that those unsuccessful in receiving a two-year term position would be put forward for the one-year position vote.
20. The Chairperson gave instructions on voting and instructed voting members to mark their ballots in favor of five (5) Resident Directors.
21. The Scrutineer reported that Amanda Condie, Dennis Lemon, Andrew Burns, Cimoan Atkins and Casey McNally received the most votes to be elected and serve a two-year term as Directors on the Cranston Residents Association Board until the next Annual General Meeting or until their successors are elected or appointed.
22. The Chairperson gave instructions for voting and instructed voting members to mark their ballots in favor of one (1) Resident Director for the one-year term position.
23. The Scrutineer reported that Trevor Thomson received the most votes to be elected and serve as Directors on the Cranston Residents Association Board until the next Annual General Meeting or until their successors are elected or appointed.
24. The Chairperson then asked for a motion to elect as Directors, the persons nominated, to hold office for a two-year term and one-year term or until their successors are elected or appointed. Wendy MacIsaac so moved. Dennis Lemon seconded the motion. The Chairperson declared the motion carried.
25. The Chairperson then stated that the next item on the Agenda was the appointment of the Auditor. The Chairperson asked for a motion to allow the Board to appoint BDO Canada as auditor of the Association for the fiscal period ending March 31st, 2024, and that the Directors are authorized to fix their remuneration. Amanda Condie so moved. Wendy MacIsaac seconded. The Chairperson declared the motion carried.
26. The Chairperson then stated the next item on the Agenda was the Special Resolution. The Chairperson asked for a motion to approve the Special Resolution, the amendment of the Cranston Residents Association's Articles of Association, to the version as posted on the Cranston Residents Association website and provided in the Annual General Meeting package. Wendy MacIsaac so moved. Braden Erickson seconded. The Chairperson declared the motion carried.
27. The Chairperson then asked for a motion to destroy the ballots from this year's Annual General Meeting immediately following the conclusion of the meeting. Trevor Thomson moved that the ballots be destroyed. Maulin Parikh seconded the motion. The Chairperson declared the motion carried.
28. The Chairperson then asked if there was any further business to transact at the Annual General Meeting of the Association. There was none.
29. The Chairperson then asked for a motion to terminate the 2023 Annual General Meeting of the Association as there was no further business to transact. Wendy MacIsaac so moved. Amanda Condie seconded. The Chairperson declared the motion carried.
30. At 7:55 p.m., the 2023 Annual General Meeting was terminated.



WENDY MACISAAC, Secretary



Report of the Cranston Residents Association Board of Directors April 1, 2023 – March 31, 2024

The Cranston Residents Association (Cranston RA) is a not-for-profit company incorporated under the Alberta Companies Act. All homeowners in Cranston (including members of their family and tenants) are consequently members of the Association. The purpose of the Association is to own and operate, for the exclusive use of the members, the Century Hall facility and park, as well as various amenities and subdivision features within.

Board of Directors

The Board of Directors currently consists of ten (10) members in good standing of the community. This governing body meets on a regular basis to: ensure policies are properly set and Rules & Regulations are legislated; review the annual operating budget; be the voice of their fellow residents for Cranston RA-related issues, and; participate in community events.

Community Facilities

Century Hall is a 22,000 square foot building that sits on an eight (8) acre site and contains:

- Hockey Rink w/ Ice Chiller Unit
- Water Park / Pleasure Skating Rink
- Tennis Courts & Skate Park
- Toboggan Hill
- Basketball Courts
- Large Banquet Hall
- Multipurpose & Meeting Rooms
- Heat-and-Serve Kitchen
- Office Space for CRA staff
- Community Association Office
- Full-Sized Gymnasium
- Skate Change Area
- Daycare & Out of School Care
- Zamboni
- Storage for Maintenance

Century Hall is currently operating with eight (8) full time staff which consists of the General Manager, the Administrative & Rental Manager, the Lead Customer Service Representative, the Recreation Manager, the Program & Event Coordinator, the Facilities & Amenities Manager, the Maintenance Foreman and a Maintenance Lead Hand. In addition, there are five (5) part time Customer Service Representatives, (1) Community Engagement Coordinator and four (6) part time Maintenance employees. The Cranston RA staff are responsible for the day-to-day operations of the Century Hall facility and park, and various Cranston amenities and community features.

Facility Updates

In Spring 2023, Century Hall Park & Amenities saw strong participation in our programs, rentals and community events; including the launch of their first Spring Market. In the late Spring, the Splash Park opened (May long weekend 2023), and remained open until the September long weekend.

Moving into the Summer of 2023, the Residents Association offered their first of many Open Houses, providing an opportunity for residents to connect with the likes of Evan Spencer, Matt Jones & Tom Kmiec, local law enforcement and our Cranston Board of Directors. They facilitated their second ten (10) week, outdoor Farmers Market & Beer Garden, which supported many local and community vendors.

Additionally, the RA saw a high participation numbers for Day Camp programming; adding in a full additional camp to support the growing community need. As part of the Residents Associations succession strategy for youth in our community, they facilitated a new program; the Summer Camp Internship, which offered seven (7) community youth the opportunity to volunteer for a month with our summer camps, while learning the fundamental skills of becoming camp leaders, and in turn earning themselves an honorarium, reference letter and certificate.

Furthermore, the Residents Association saw great participation at community events, including the Stampede Breakfast, Outdoor Movie Nights, Summer Kick-off, End of Summer Bash and the Amazing Race, to name a few.

As we neared the end of the summer, the beloved Cranston Windmill finally received some overdue attention and was repainted. This was the first of many items on the Board of Directors list of maintenance repairs, with plans to continue to facilitate required capital repairs each year moving forward.

Fall 2023 relaunched our Friday Night Youth programming and introduced a new drop-in Chess Club and a new Empowering Schools community program, which saw over 100 elementary kids participate. Although we saw a warmer winter this season, the Hockey Rink opened early December and remained open until mid-March 2024. Our community Christmas lights were installed in November and offered beautiful light displays throughout Cranston until January 2024. In Winter 2024, the association also offered a new monthly, drop-in Adult 18+ Games Night, including board games, card games and a bar.

As our community continues to grow, Century Hall draws many rental opportunities of the banquet hall, multipurpose rooms and the gymnasium with bookings for religious groups, community meetings, small weddings, baby showers, birthday parties and celebration of life events. For further information on rentals, please contact rentals@cranstonra.ca or visit www.cranstonra.ca.

Additionally, Century Hall offers a wide variety of programs for all ages throughout the entire year. Adult programming included fitness classes, tennis classes, pickle-ball lessons and workshops. Children programming included art classes, dance classes, sport programs, tennis and skating lessons. The full Program Guide can be viewed at www.cranstonra.ca.

Financial

The annual operating costs of the CRA are the responsibility of the Members through the payment of annual fees, pursuant to a Rent Charge Encumbrance registered on each lot title in Cranston (the amount is subject to an annual adjustment for inflation and GST). As approved by the Cranston Board of Directors, the 2024-25 fee structure is as follows: \$180.50+GST Upper Cranston; \$493.00+GST Riverstone.

The annual fees are used to: service the debt; offer quality programs, events, and services; and maintain Century Hall, Century Hall Park, and various subdivision features/amenities, in addition to the enhanced maintenance program provided to the Riverstone area. A copy of the 2024-25 Operating Budget is available for review online at www.cranstonra.ca or upon request at Century Hall.

The enclosed Audited Financial Statements are prepared up to March 31st, 2024.

Appointment of Auditor

The Board of Directors proposes to appoint **BDO Canada** auditors for the company for the 2024-25 Fiscal Year.

A look at the upcoming year 2024-2025

The Board of Directors, supported by the Cranston Residents Association operations team, are looking forward to a busy 2024-25 year ahead. The Board will be focusing on the beginning stages of developing a strategic plan to support the sustainability and growth of the association for future years.

As highlighted in 2023-24, the Board is focusing on a large list of capital updates and repairs that are required to maintain association owned land and amenities. In the 2024-25 year they anticipate completing projects which include updates to the Century Hall bathrooms and kitchen spaces, as well as replacing the Century Hall roof.

Board of Directors, Cranston Residents Association

Dated this 24th day of September, 2024

BY ORDER OF THE BOARD OF DIRECTORS



WENDY MACISAAC, Secretary

- | | | | | |
|--|--|--|--|--|
| ANDREW BURNS
President,
Resident Director | AMANDA CONDIE
Vice-President,
Resident Director | WENDY MACISAAC
Secretary,
Resident Director | CASEY MCINALLY
Treasurer,
Resident Director | DAVE WARNER
Resident Director |
| DENNIS LEMON
Resident Director | CIMOAN ATKINS
Resident Director | BRADEN ERICKSON
Resident Director | MIKE DERRY
Resident Director | TREVOR THOMSON
Resident Director |

CRANSTON RESIDENTS ASSOCIATION

FINANCIAL STATEMENTS

March 31, 2024



Tel: 403 266 5608
Fax: 403 233 7833
www.bdo.ca

BDO Canada LLP
903 - 8th Avenue SW, Suite 620
Calgary AB T2P 0P7
Canada

Independent Auditor's Report

To the Board of Directors of Cranston Residents Association

Opinion

We have audited the financial statements of Cranston Residents Association (the "Association"), which comprise the statement of financial position as at March 31, 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 Association as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Association in accordance with the 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 these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 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 unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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.
- 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 Association'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 Association'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 Association 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.

BDO Canada LLP

Chartered Professional Accountants

Calgary, Alberta
September 23, 2024

CRANSTON RESIDENTS ASSOCIATION
Statement of Financial Position
As at March 31

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
Cash	\$ 833,860	\$ 1,652,518
Accounts receivable	29,045	31,891
Short-term investment (Note 2)	1,300,000	-
Prepaid expenses	32,310	37,732
	<u>2,195,215</u>	<u>1,722,141</u>
CAPITAL ASSETS (Note 3)	<u>13,320,162</u>	<u>13,566,170</u>
	<u>\$ 15,515,377</u>	<u>\$ 15,288,311</u>
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 4)	\$ 123,891	97,860
Deferred revenue	764,488	817,891
Current portion of long-term debt (Note 7)	563	13,046
Current portion of capital lease obligation (Note 8)	1,066	2,556
Current portion of mortgage payable (Note 5)	271,445	271,445
	<u>1,161,453</u>	<u>1,202,798</u>
LONG-TERM DEBT (Note 7)	-	563
CAPITAL LEASE OBLIGATION (Note 8)	-	1,066
LONG-TERM PORTION OF MORTGAGE PAYABLE (Note 5)	2,940,163	3,167,454
DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS (Note 9)	<u>3,391,817</u>	<u>3,539,586</u>
	<u>7,493,433</u>	<u>7,911,467</u>
NET ASSETS INVESTED IN CAPITAL ASSETS	6,715,109	6,570,453
UNRESTRICTED NET ASSETS	<u>1,306,835</u>	<u>806,391</u>
	<u>8,021,944</u>	<u>7,376,844</u>
	<u>\$ 15,515,377</u>	<u>\$ 15,288,311</u>

Commitments (Note 10)

Approved on behalf of the Association:

Andrew Burns Director
Andrew Burns (Sep 18, 2024 10:21 MDT)

Casey McNally Director
Casey McNally (Sep 18, 2024 10:22 MDT)

CRANSTON RESIDENTS ASSOCIATION
Statement of Operations
For the year ended March 31

	<u>2024</u>	<u>2023</u>
REVENUES		
Membership fees	\$ 1,908,646	\$ 1,656,612
Programming	311,985	289,209
Facility rental	242,996	232,393
Amortization of deferred contributions (Note 9)	147,769	149,379
Interest and other	63,909	31,176
Maintenance contracts	51,279	71,068
	<u>2,726,584</u>	<u>2,429,837</u>
EXPENSES		
Administration	174,379	164,832
Amenity maintenance	83,792	69,527
Amortization of capital assets		
Contributed (Note 9)	147,769	149,382
Purchased (Note 3)	167,907	163,569
Facility operations and maintenance	941,007	839,336
Interest	222,956	199,234
Maintenance contracts	118,566	93,855
Programming	225,108	191,379
	<u>2,081,484</u>	<u>1,871,114</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 645,100</u>	<u>\$ 558,723</u>

CRANSTON RESIDENTS ASSOCIATION
Statement of Changes in Net Assets
For the year ended March 31

	Net Assets		2024	2023
	Invested in Capital	Unrestricted		
Net assets, beginning of year	\$ 6,570,453	\$ 806,391	\$ 7,376,844	\$ 6,818,121
Excess of revenues over expenses	(167,907)	813,007	645,100	558,723
Payment of debt on capital assets	242,894	(242,894)	-	-
Investment in capital assets	69,669	(69,669)	-	-
Net assets, end of year	\$ 6,715,109	\$ 1,306,835	\$ 8,021,944	\$ 7,376,844

CRANSTON RESIDENTS ASSOCIATION
Statement of Cash Flows
For the year ended March 31

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from membership fees and other	\$ 1,806,464	\$ 1,875,082
Cash received from facility rental	244,916	241,479
Cash received from programming	341,154	317,812
Cash received from maintenance contracts	51,279	71,068
Cash received from interest and other income	63,909	31,176
Cash spent on operations	(1,490,861)	(1,371,330)
Cash spent on interest payments	(222,956)	(199,234)
	<u>793,905</u>	<u>966,053</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
Cash repayments on long-term debt	(13,046)	(13,046)
Cash repayments on capital lease obligation	(2,556)	(2,556)
Cash repayments on mortgage payable	(227,292)	(225,566)
	<u>(242,894)</u>	<u>(241,168)</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Cash spent on acquisition of capital assets	(69,669)	(28,769)
Cash spent on purchase of short-term investment	(1,300,000)	-
	<u>(1,369,669)</u>	<u>(28,769)</u>
NET CHANGE IN CASH	(818,658)	696,116
CASH, BEGINNING OF YEAR	<u>1,652,518</u>	<u>956,402</u>
CASH, END OF YEAR	<u><u>\$ 833,860</u></u>	<u><u>\$ 1,652,518</u></u>

CRANSTON RESIDENTS ASSOCIATION
Notes to the Financial Statements
March 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES

a) Purpose

The Cranston Residents Association (the "Association") was incorporated as a not-for profit-corporation on May 20, 1999, under Section 9 of the Companies Act of the Province of Alberta, R.S.A. 1980. As such, the Association is exempt from income tax under Section 149 of the Income Tax Act. The Association owns and operates amenities for the use of its members, the residents of Cranston. The operations of the Association are governed by the Cranston Amenities Agreement (the "Amenities Agreement") dated May 20, 1999, between the Association and Brookfield Residential (Alberta) LP ("Brookfield Residential").

b) Basis of accounting

The financial statements of the Association have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

c) Revenue recognition

The Association uses the deferral method of accounting for contributions. Contributions of capital assets or funds for the purchase of capital assets which are subject to amortization are deferred and amortized on the same basis of those capital assets. Contributions of capital assets or funds for the purchase of assets which are not subject to amortization are recorded as a direct increase to net assets.

Membership, program, facility rental and maintenance fees are recognized as revenue in the year to which they relate. Restricted contributions are recognized as revenue in the year in which related expenses are incurred. Unrestricted contributions, such as grants and donations not designated for a specific purpose, are recognized as revenue when received, or if the amount can be reasonably estimated and collection is reasonably assured.

Interest and other revenue is recorded on an accrual basis in the period in which it is earned.

Deferred revenue includes membership, rental and program fees that arises from receipt of payments in advance of the period in which they will be earned.

d) Use of estimates

In accordance with ASNPO, estimates and assumptions are made by management in the preparation of these financial statements. These estimates may impact the amounts included in the financial statements. The most significant of these estimates are related the estimated useful life of the capital assets, amortization, accounts payable, and accrued liabilities. Actual results could differ from these estimates.

CRANSTON RESIDENTS ASSOCIATION
Notes to the Financial Statements
March 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

e) Capital assets

Purchased capital assets are stated at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution, unless fair value is not determinable in which case contributed capital assets are recorded at nominal value at the date of contribution. Contributed capital assets are subsequently amortized. Expenditures for repairs and maintenance are expensed as incurred. Betterments that extend the useful life of the capital asset are capitalized.

Construction in progress is not amortized until the capital asset is substantially complete and ready for use.

Amortization is based on estimated useful life calculated on a straight-line basis as follows:

Century Hall	40 years
Windmill	40 years
Park Amenities	25 years
DC Corners/Association Sites	25 years
Vehicles	10 years
Furniture and Equipment	5 years

f) Cash

Cash consists of balances held at financial institutions.

g) Impairment of long-lived assets

In the event that facts and circumstances indicate that the Association's long lived assets may be impaired, a test of recoverability would be performed.

Such a test entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write-down to fair value is required.

For purposes of recognition and measurement of an impairment loss, a long-lived asset is grouped with other assets and liabilities to form an asset group. An asset group is the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities.

CRANSTON RESIDENTS ASSOCIATION
Notes to the Financial Statements
March 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

h) Leases

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a capital lease. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of the lease. Assets recorded under capital leases are amortized on a straight-line basis over the term of the lease, which is the estimated useful life of the assets.

i) Financial instruments

Arm's length financial instruments are recorded at fair value at initial recognition.

Related party financial instruments quoted in an active market or those with observable inputs significant to the determination of fair value or derivative contracts are recorded at fair value at initial recognition. All other related party financial instruments are recorded at cost at initial recognition.

In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

2. INVESTMENTS

Short-term investment includes a guaranteed investment certificate of \$1,300,000 maturing on April 2024, with an interest rate of 4.67%.

CRANSTON RESIDENTS ASSOCIATION
Notes to the Financial Statements
March 31, 2024

3. CAPITAL ASSETS

	March 31, 2024		
	Cost	Accumulated Amortization	Net Book Value
	Century Hall	\$ 8,586,189	\$ 3,054,564
Windmill	569,539	248,057	321,482
Park Amenities	1,277,747	733,398	544,349
DC Corners/Association Sites	243,144	49,819	193,325
Vehicles	173,201	82,940	90,261
Furniture and Equipment	440,680	411,076	29,604
	11,290,500	4,579,854	6,710,646
Land	6,609,516	-	6,609,516
Total	\$ 17,900,016	\$ 4,579,854	\$ 13,320,162

	March 31, 2023		
	Cost	Accumulated Amortization	Net Book Value
	Century Hall	\$ 8,586,189	\$ 2,839,910
Windmill	557,088	233,948	323,140
Park Amenities	1,270,959	682,379	588,580
DC Corners/Association Sites	243,144	40,094	203,050
Vehicles	122,771	69,091	53,680
Furniture and Equipment	416,340	374,415	41,925
	11,196,491	4,239,837	6,956,654
Land	6,609,516	-	6,609,516
Total	\$ 17,806,007	\$ 4,239,837	\$ 13,566,170

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Government remittances of \$33,277 (2023 - \$37,184) are included in accounts payable and accrued liabilities at year-end.

CRANSTON RESIDENTS ASSOCIATION
Notes to the Financial Statements
March 31, 2024

5. MORTGAGE PAYABLE

Mortgage payable, interest at ATB prime rate plus 0.45% per annum (2023 - ATB prime rate plus 0.45% per annum), repayable in monthly blended payments of \$35,400 from April 1, 2023, to August 30, 2023, and \$38,581 from August 31, 2023, onward (2023 - \$35,400), secured by a general security agreement that encompasses the Association's existing and future property and proceeds, a first mortgage secured against the property, a postponement and assignment of claims from Brookfield Residential, and a comfort letter from Brookfield Residential that covers all debt servicing shortfalls up to the Effective Date (as defined in Note 6). The loan matures in March 2033.

	<u>2024</u>		<u>2023</u>
Current portion of mortgage payable	\$ 271,445	\$	271,445
Long-term portion of mortgage payable	2,940,163		3,167,454
	<u>\$ 3,211,608</u>	\$	<u>3,438,899</u>

Repayments on mortgage payable over the next five years are as follows:

2025	\$ 271,445
2026	288,761
2027	307,181
2028	326,423
2029	347,601
Thereafter	1,670,197
	<u>\$ 3,211,608</u>

6. RELATED PARTY TRANSACTIONS

The Amenities Agreement granted Brookfield Residential control of the management of the Association and construction and management of the Cranston amenities until the Effective Date (defined below).

The Effective Date is defined as the later of (i) the date upon which Brookfield Residential has sold its last lands within the Cranston development, or (ii) the date upon which all amounts owing to Brookfield Residential have been repaid. During the last fiscal year Brookfield Residential sold all remaining lands and therefore the Effective Date was October 11, 2022. The Association has become independent from Brookfield Residential and will no longer receive its financial support. Subsequent to the Effective Date, the Association will not be considered related to Brookfield Residential due to the transfer of control as noted above.

CRANSTON RESIDENTS ASSOCIATION
Notes to the Financial Statements
March 31, 2024

7. LONG-TERM DEBT

In April 2019, the Association entered into a financial agreement for a new tractor, payable in monthly payments of \$525 (2023 - \$525), which commenced April 2019, and matured in March 2024. The loan is non-interest bearing and is secured by an asset which has a net book value of \$20,176 (2023 - \$24,145).

	<u>2024</u>	<u>2023</u>
Current portion of long-term debt	\$ -	\$ 6,298

In April 2020, the Association entered into a financial agreement for a new tractor, payable in monthly payments of \$562 (2023 - \$562), which commenced May 2020, and matures in April 2024. The loan is non-interest bearing and is secured by the asset which has a net book value of \$15,638 (2023 - \$18,208).

	<u>2024</u>	<u>2023</u>
Current portion of long-term debt	\$ 563	\$ 6,748
Long-term portion of long-term debt	-	563
	<u>\$ 563</u>	<u>\$ 7,311</u>

8. CAPITAL LEASE OBLIGATION

In August 2020, the Association entered into a capital lease agreement for a new tractor, payable over 48 months in monthly payments of \$213 (2023 - \$213), which commenced September 2020, and matures in August 2024. The lease is non-interest bearing and is secured by the asset which has a net book value of \$6,651 (2023 - \$7,584).

	<u>2024</u>	<u>2023</u>
Current portion of capital lease obligation	\$ 1,066	\$ 2,556
Long-term portion of capital lease obligation	-	1,066
	<u>\$ 1,066</u>	<u>\$ 3,622</u>

9. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred contributions include capital assets and the funding provided for the purchase of capital assets, which is contributed to the Association by Brookfield Residential, Parks Foundation and the Community Facility Enhancement Program.

Balance consist of \$5,445,604 (2023 - \$5,445,604) less accumulated amortization of \$2,053,787 (2023 - \$1,906,018). The land contributed by Brookfield Residential in 2009 is not subject to amortization and has therefore, been recorded as a direct increase to net assets.

CRANSTON RESIDENTS ASSOCIATION
Notes to the Financial Statements
March 31, 2024

10. COMMITMENTS

The Association has lease commitments for office equipment, software and service contracts. Future minimum payments remaining under these agreements are as follows:

2025	\$	31,532
2026		16,184
2027		6,684
2028		5,570
		<u>59,970</u>

11. FINANCIAL INSTRUMENTS

The Association, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments: interest rate risk, credit risk and liquidity risk. The Association manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical. There has been no change in the risks exposure since last year. The risks and related management strategies are discussed below:

a) Interest rate risk

The Association is exposed to interest rate cash flow risk as a result of its floating rate debt disclosed in Note 5, whereby the cash flows required to service the debt will fluctuate with changes in market rates.

b) Credit risk

The Association is exposed to credit risk through its cash and accounts receivable.

The Association's credit risk is primarily attributable to its accounts receivable. The accounts receivable primarily represents annual charges not collected from members. The risk is mitigated due to the fact that the Association takes legal action on overdue accounts and places a lien on the property of the member and will collect the annual charge upon sale of the home if the member chooses not to pay the annual charge. The credit risk on cash is limited because the counterparty is a major Canadian financial institution.

c) Liquidity risk

Liquidity risk is the risk that the Association would encounter difficulty in meeting its financial obligations.

Liquidity risk includes the risk that the Association will not have sufficient funds to settle a transaction on the due date. Liquidity risk arises from the accounts payable and accrued liabilities, and demand loan.

CRANSTON RESIDENTS ASSOCIATION
Notes to the Financial Statements
March 31, 2024

12. COMPARATIVE FIGURES

The financials statements have been reclassified, where applicable, to conform to the presentations used in the current year. The changes do not affect prior year excess revenue over expenses.



CRANSTON
RESIDENTS ASSOCIATION

INFORMATION CIRCULAR
GENERAL INFORMATION & PROXY STATEMENT

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by management of the CRANSTON RESIDENTS ASSOCIATION (the "Company") for use at the Annual General Meeting (the "Meeting") of Members of the Company to be held in-person on **Tuesday, October 22nd, 2024, at 7:00 P.M. (MST)**. All expenses incurred in connection with the solicitation of proxies will be borne by the Company. Solicitation will be made primarily by mail, but proxies may also be solicited by Directors, officers and employees of the Company.

APPOINTMENT AND REVOCATION OF PROXIES

Each Voting Member entitled to vote at the Meeting may, by means of a form of proxy in writing executed by the Voting Member or his attorney, authorized in writing, appoint a proxy to attend and vote on his/her behalf at the Meeting. In order to be acted upon at the Meeting, a form of proxy must be returned as indicated in the INSTRUCTIONS FOR PROXY FORMS included in this package. A Voting Member may revoke a form of proxy previously given by delivering another proper form of proxy bearing a later date than the previously given form of proxy as indicated in the INSTRUCTIONS FOR PROXY FORMS included in this package.

EXERCISE OF DISCRETION BY PROXY

Proxies will be voted or withheld from voting in accordance with the Member's instructions contained therein. The form of Proxy also confers authority on the persons named therein to vote with respect to any other matters which may properly be brought before the Meeting. At the date hereof, management knows of no other such matters.

VOTING BY MEMBERS

Only Members on record, at the close of business on the 24th day of September 2024, are entitled to vote at the Meeting, each Member being entitled to one (1) vote. Members are defined in the Articles of Association (the "Articles") of the Company as restricted to Commercial Owners, Homeowners and Rental Project Owners. No Member is entitled to vote at the Meeting if at the close of business on the 24th day of September 2024, any sum due or payable to the Company by such Member remains unpaid for at least forty-five (45) days following a written request for payment of same.

Where there is more than one owner of a property, there shall be only one Member who shall be the person designated as the Member by all the owners of the property. In the absence of such designation, the first person named as owner in the Certificate of Title, or as Purchaser in an Agreement for Sale, shall be the Member.

Where a residential property is occupied by a tenant, such tenant may be designated as the Member, by and instead of the owner of such property.

Where a rental project is involved, the registered owner shall be the Member and notwithstanding how many tenants are residing in the rental project, it shall have only one (1) vote.

As at the close of business on 24th day of September 2024, the Company had 7901 Members in good standing.

THE TOTAL AMOUNT OF THE COMPANY'S MEMBERS IN GOOD STANDING AT THE CLOSE OF BUSINESS ON SEPTEMBER 24th, 2024, ARE THE ONLY MEMBERS ENTITLED TO VOTE AT THE MEETING.

ELECTION OF DIRECTORS

At the Meeting, it is proposed that the total number of Directors for the Company be established as no more than ten (10) until the next Annual General Meeting. In accordance with the Articles of Association, the following resident Members in good standing have completed their term, and have expressed an interest in letting their name stand for nomination for a two-year term:

Wendy Maclsaac

Dave Warner
Trevor Thomson
Mike Derry

The following resident Members in good standing are letting their name stand to complete their final year of a two-year term:

Andrew Burns
Amanda Condie
Casey McInally
Dennis Lemon
Cimoan Atkins

The following resident Members in good standing have expressed interest to be nominated for election onto the Board of Directors:

Kyle Slavin
Roger Doucet

Nominations will also be sought at the meeting for Directors from the Members. Individuals should be aware of the fiduciary responsibilities of Directors generally, as well as the specifics of governance oversight. Members interested in standing for election at the meeting are invited to contact the General Manager in advance of the meeting by phone at 403-781-6614 or by email at gm@cranstonra.ca

The term of office for each person on a two-year term shall be from the date of the Meeting until the second Annual General Meeting of Members after this meeting. There are five (5) Resident Directors serving their final year of a two-year term over the 2024-25 fiscal year, therefore there is a total of five (5) vacancies for a two-year term.

The following information is given with respect to the current Directors, and each nominee as a Director, including the length of time each has been a Director of the Company.

Name & Address	Period Served as Director of Company	Principal Occupation
Andrew Burns Calgary, Alberta	19 years	Account Executive, Bell Canada
Dave Warner Calgary, Alberta	8 years	Academic Chair, SAIT School of Business
Wendy MacIsaac Calgary, Alberta	7 years	Alberta Land Surveyor Midwest Surveys
Amanda Condie Calgary, Alberta	3 years	Corporate Communications Manager, Keyera
Dennis Lemon Calgary, Alberta	2 years	Realtor, Maxwell Canyon Creek
Mike Derry Calgary, Alberta	2 years	Human Resources Consultant
Braden Erickson Calgary, Alberta	2 years	Wealth Advisor at Investment Planning Counsel, CFP & CIM
Casey McInally	1 year	Managing Director, Forensic & Dispute Services
Cimoan Atkins	1 year	Finance Officer
Trevor Thomson	1 year	CPA
Kyle Slavin	Standing for election	Communications and Marketing Specialist
Roger Doucet	Standing for election	Teacher, Calgary Catholic School District

DIRECTORS COMPENSATION – Nil

PENSION PLAN – Nil

EXECUTIVE COMPENSATION AND PLANS – Nil

INCENTIVE SHARE OPTION PLAN FOR OFFICERS AND KEY EMPLOYEES – Nil

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS – Nil

APPOINTMENT OF AUDITOR

Management proposes the Board of Directors appoint BDO Canada as Auditor for the Company for the 2024-25 fiscal year.

CERTIFICATE

The foregoing contains no misstatement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

The management of the Company knows of no amendment, variation or other matters to come before the Annual General Meeting of Members other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matters in accordance with the best judgement of the person or persons voting such proxy.

DATED this 24th, day of September, 2024

BY THE ORDER OF THE BOARD OF DIRECTORS



WENDY MACISAAC, Secretary

INSTRUCTIONS FOR PROXY FORMS

Appointment and Revocation of Proxies

A Voting Member desiring to appoint a person (who must also be a Voting Member in Good Standing) to represent him/her at the Meeting may do so by inserting such person's name in the blank space provided. The completed proxy must be delivered, in person by the Voting Member giving the proxy, to the address indicated below, no later than 48 hours (excluding Saturday, Sundays and Holidays) before the time of the Meeting:

**c/o: Cranston Residents Association
11 Cranarch Road SE, Calgary, Alberta, T3M 0S8
"ATTENTION: General Manager"**

Proxies must be in writing, signed and delivered in person by the Voting Member giving the proxy, no later than 5:00 p.m. on Sunday, October 20th, 2024. or they will be invalid.

A Member who has given a proxy may revoke it any time before it is exercised. A proxy may be revoked by instrument in writing or, if the Member is a corporation, by an officer or attorney thereof duly authorized, and delivered as indicated above, no later than 5:00 p.m. on Sunday, October 20th, 2024.

Voting and Exercise of Discretion by Proxies

The persons named in the form of proxy will vote the Membership in respect of which they are appointed in accordance with the instructions indicated therein.

BY THE ORDER OF THE BOARD OF DIRECTORS



WENDY MACISAAC, Secretary

**CRANSTON RESIDENTS ASSOCIATION
ANNUAL GENERAL MEETING OF VOTING MEMBERS
On the 22nd day of October, 2024, at 7:00 P.M. (Mountain Standard Time)
PROXY SOLICITED BY MANAGEMENT**

The undersigned member of the CRANSTON RESIDENTS ASSOCIATION (the "Company") hereby appoints _____, or failing them, **Andrew Burns**, as proxy to attend and vote on behalf of the undersigned at the Annual General Meeting of Members and at any adjournment thereof, and my proxy is instructed to vote:

1) **FOR** _____ **OR** **AGAINST** _____ (and if no specification is made, FOR)

The setting of the total number of Directors for the Company until the next Annual General Meeting at ten (10), composed of ten (10) Resident Director. Five (5) Resident Directors are to be elected at this meeting.

2) **FOR** the election of the following resident(s) as Directors, for a two-year term, in accordance with their nomination: **Please mark a maximum of five (5) candidates.**

<u>NAME</u>	<u>FOR</u>
WENDY MACISAAC	_____
DAVE WARNER	_____
TREVOR THOMSON	_____
MIKE DERRY	_____
KYLE SLAVIN	_____
ROGER DOUCET	_____

<i>If no individual(s) are specified, my proxy may vote at his/her discretion.</i>	

3) **FOR** _____ **OR** **AGAINST** _____ (and if no specification is made, FOR)

That **BDO Canada** be appointed as Auditor of the Association by the Board of Directors for the 2024-25 fiscal year.

4) **FOR** _____ **OR** **AGAINST** _____ (and if no specification is made, FOR)

And in his/her discretion with respect to any amendments, variations or additions with respect to any of the matters noted above or with respect to any other matter which may properly be brought before the meeting or any adjournment thereof.

DATED this ____ day of _____, 2024.

Member's Name (please print)

Signature of Member

Voting Member's Cranston Address (required, please print)

This form should be signed by the Member or his attorney, authorized in writing, and if the Member is a corporation, this form of proxy should be signed by a duly authorized officer under corporate seal.

DELIVER PROXIES IN PERSON NO LATER THAN 5:00 P.M. ON SUNDAY, OCTOBER 20TH, 2024, TO:

**Cranston Residents Association
11 Cranarch Road SE, Calgary, Alberta, T3M 0S8
"Attention: General Manager"**