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FINANCIAL STATEMENTS

**WEST BROADWAY BUSINESS
IMPROVEMENT ASSOCIATION**

March 31, 2021

Limited Liability Partnership _____



Tompkins Wozny
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of
West Broadway Business Improvement Association

Opinion

We have audited the financial statements of West Broadway Business Improvement Association (the Association), which comprise the statement of financial position as at March 31, 2021 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, 2021 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 audit 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 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.

INDEPENDENT AUDITOR'S REPORT

- 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.

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Societies Act, we report that the accounting principles used in these financial statements have been applied on a basis consistent with that of the preceding year.

Tompkins Wozny LLP

Vancouver, Canada
August 11, 2021

Chartered Professional Accountants



West Broadway Business Improvement Association


STATEMENT OF FINANCIAL POSITION

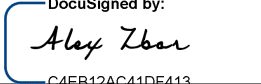
As at March 31

	2021		2020	
	BIA Fund \$	General Fund \$	Total \$	Total \$
ASSETS				
Current				
Cash	18,904	—	18,904	73,610
GST receivable	8,424	—	8,424	6,005
Prepaid expenses	2,320	—	2,320	10,982
Total current assets	29,648	—	29,648	90,597
Capital assets [note 3]	7,549	—	7,549	18,931
	37,197	—	37,197	109,528
LIABILITIES AND NET ASSETS				
Current liabilities				
Accounts payable and accruals	3,949	—	3,949	109,240
Total liabilities	3,949	—	3,949	109,240
NET ASSETS	33,248	—	33,248	288
	37,197	—	37,197	109,528

*Economic dependence [note 5]**See accompanying notes to the financial statements*

As approved by:

Patrick North 
 Director

Alex Zbar 
 Director



West Broadway Business Improvement Association
STATEMENT OF CHANGES IN NET ASSETS

Year ended March 31

	BIA Fund \$	General Fund \$	Total \$
2021			
Balance, beginning of year	288	—	288
Excess of revenue for the year	32,960	—	32,960
Balance, end of year	33,248	—	33,248
2020			
Balance, beginning of year	232	—	232
Excess of revenue for the year	56	—	56
Balance, end of year	288	—	288

See accompanying notes to the financial statements

West Broadway Business Improvement Association

STATEMENT OF OPERATIONS

Year ended March 31

	2021		2020	
	BIA Fund \$	General Fund \$	Total \$	Total \$
REVENUE				
Business improvement levy	275,000	—	275,000	275,000
Other income	—	5,456	5,456	—
Donations and sponsorships	—	500	500	17,484
Interest	—	39	39	114
	275,000	5,995	280,995	292,598
EXPENSES				
Street enhancement initiatives	107,272	5,995	113,267	133,090
Subcontracting fees	62,087	—	62,087	62,080
Promotion and marketing	29,270	—	29,270	19,417
Special events	15,927	—	15,927	34,559
Amortization	11,382	—	11,382	9,045
Office and other	9,152	—	9,152	19,271
Professional fees	4,610	—	4,610	3,185
Insurance	2,210	—	2,210	1,895
Donations	130	—	130	—
Sponsorships	—	—	—	10,000
	242,040	5,995	248,035	292,542
Excess of revenue for the year	32,960	—	32,960	56

See accompanying notes to the financial statements



West Broadway Business Improvement Association

STATEMENT OF CASH FLOWS

Year ended March 31

	2021	2020
	\$	\$
OPERATING ACTIVITIES		
Excess of revenue for the year	32,960	56
Item not affecting cash		
Amortization of capital assets	11,382	9,045
Changes in non-cash working capital items		
Accounts receivable	(2,419)	4,076
Prepaid expenses	8,662	5,359
Accounts payable and accruals	(105,291)	(2,094)
Deferred revenue - business improvement levy	—	(137,500)
Deferred revenue - other	—	(1,075)
Cash used in operating activities	(54,706)	(122,133)
INVESTING ACTIVITIES		
Purchase of capital assets	—	(12,676)
Cash used in investing activities	—	(12,676)
Decrease in cash for the year	(54,706)	(134,809)
Cash, beginning of year	73,610	208,419
Cash, end of year	18,904	73,610

See accompanying notes to the financial statements



West Broadway Business Improvement Association**NOTES TO FINANCIAL STATEMENTS**

March 31, 2021

1. PURPOSE OF THE ASSOCIATION

The West Broadway Business Improvement Association (the "Association") was incorporated on April 1, 2011 under the British Columbia Societies Act as a not-for-profit organization and therefore is exempt from income taxes. The objectives of the Association are to develop, encourage and promote business in the West Broadway BIA portion of the Kitsilano area of Vancouver, British Columbia.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Use of Estimates

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Significant areas requiring the use of management estimates relate to the determination of the net recoverable value of assets, in particular as it relates to the useful lives of capital assets. Actual results could differ from the estimates.

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 amortized cost.

Financial assets measured at amortized cost include cash and GST receivable.

Financial liabilities measured at amortized cost include accounts payable and accruals.

Cash

Cash is defined as cash on deposit, net of cheques issued and outstanding at the year-end.

The statement of cash flows is prepared on a net basis and cash flows for operating activities are reported using the indirect method.

Revenue Recognition

The Association follows the deferral method of accounting for contributions.



West Broadway Business Improvement Association**NOTES TO FINANCIAL STATEMENTS**

March 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Business Improvement Association Levy, which is externally restricted, is revenue derived from a special levy imposed on businesses within the defined borders of the West Broadway BIA and administered and collected through the property tax office of the City of Vancouver. This revenue is recognized when received or receivable. Funding received in advanced is deferred to the appropriate year.

Donations are recorded on a cash basis and reported as revenue when received.

Unrestricted revenue is recorded when funds are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed Services

Volunteers contribute their time to assist the Association in carrying out its activities. Due to the difficulty in determining the fair value of such services, the value of the contributed services is not recognized in these financial statements.

Capital Assets

Capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of contribution, if a value can be reasonably estimated. Amortization is provided using the straight line basis at the following annual rates:

- Equipment 5 years
- Website 5 years

A full year's amortization is recorded on capital assets in the year of acquisition and no amortization is recorded in the year of disposition.

Capital assets are reviewed for impairment whenever events or change in circumstances indicate that the carrying amount of an asset may not be recoverable. Any non-recoverable amount will be recorded as an impairment charge in the year it is recognized.

West Broadway Business Improvement Association

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

3. CAPITAL ASSETS

	Cost \$	Accumulated Amortization \$	Net Book Value \$
2021			
Equipment	136,947	130,802	6,145
Website	3,741	2,337	1,404
	140,688	133,139	7,549
2020			
Equipment	136,947	121,757	15,190
Website	3,741	—	3,741
	140,688	121,757	18,931

4. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments. The following analysis presents the Association's exposures to significant risks as at March 31, 2021.

Credit Risk

The Association is exposed to credit risk with respect to its bank deposits. The Association reduces its credit risk by placing its bank deposits with a chartered Canadian bank.

Liquidity Risk

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they become due. It stems from the possibility of a delay in realizing the fair value of financial instruments.

The Association manages its liquidity risk by constantly monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

5. ECONOMIC DEPENDENCE

The primary source of the Association's revenue is from the City of Vancouver's business improvement levy. The Association's ability to continue viable operations is dependent upon maintaining this source of revenue. These financial statements have been prepared on a going concern basis on the assumption this source of revenue will continue to finance the Association's operations.

The Association currently has a five year operating agreement with the City of Vancouver expiring March 31, 2021.

West Broadway Business Improvement Association

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

6. COVID-19

The recent outbreak of the coronavirus, also known as COVID-19, has spread across the globe and is impacting worldwide economic activity. The extent of the impact of this outbreak and related containment measures on the Association's operations cannot be reliably estimated at this time. Some events held by the Association were cancelled. Normal operations are continuing as much as possible.

7. COMPARATIVE FIGURES

Certain prior year's comparative figures have been reclassified where necessary to conform to the current year's presentation.

