

BRIDGELAND BUSINESS IMPROVEMENT AREA
Financial Statements
Year Ended December 31, 2021

BRIDGELAND BUSINESS IMPROVEMENT AREA
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Year Ended December 31, 2021

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NUMERIS LLP
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Bridgeland Business Improvement Area

Opinion

We have audited the financial statements of Bridgeland Business Improvement Area (the organization), which comprise the statement of financial position as at December 31, 2021, and the statement of operations and accumulated surplus and changes in net financial assets 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 organization as at December 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS)

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 organization 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 PSAS, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization'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:

(continues)

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Independent Auditor's Report to the To the Members of Bridgeland Business Improvement Area (*continued*)

- 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 organization'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 organization'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 organization 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.

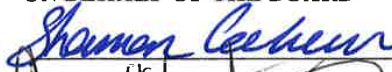

Calgary, Alberta
May 18, 2022

Numeris LLP
Chartered Professional Accountants

BRIDGELAND BUSINESS IMPROVEMENT AREA
Statement of Financial Position
December 31, 2021

ASSETS			
Cash	\$	82,465	\$ 91,906
Accounts receivable		<u>15,000</u>	<u>500</u>
		<u>97,465</u>	<u>92,406</u>
 LIABILITIES			
Accounts payable and accrued liabilities		5,140	3,840
Deferred income		<u>15,000</u>	<u>-</u>
		<u>20,140</u>	<u>3,840</u>
 NET FINANCIAL ASSETS		 <u>77,325</u>	 <u>88,566</u>
 NON-FINANCIAL ASSETS			
Inventory		<u>5,223</u>	<u>-</u>
 ACCUMULATED SURPLUS		 <u>\$ 82,548</u>	 <u>\$ 88,566</u>

ON BEHALF OF THE BOARD

 Director
 Director

BRIDGELAND BUSINESS IMPROVEMENT AREA
Statement of Operations and Accumulated Surplus
Year Ended December 31, 2021

	Budget (unaudited) 2021	Total 2021	Total 2020
REVENUES			
BIA Levy	\$ 65,580	\$ 65,580	\$ 100,500
Grants	15,500	9,657	-
Interest	-	49	36
	<u>81,080</u>	<u>75,286</u>	<u>100,536</u>
EXPENSES			
Consulting and administrative services	40,225	27,391	-
Website	34,000	21,407	-
Advertising and promotion	-	6,201	2,176
Urban development and planning	1,200	5,250	4,200
Federal grant project	10,500	4,820	-
Social events	19,000	4,331	-
Office	2,450	3,665	227
Professional fees	3,300	3,300	3,000
Streetscape improvements	26,000	1,995	856
Insurance	-	1,719	1,275
Social media	5,000	1,225	-
Memberships	-	-	236
	<u>141,675</u>	<u>81,304</u>	<u>11,970</u>
ANNUAL SURPLUS (DEFICIT)	(60,595)	(6,018)	88,566
ACCUMULATED SURPLUS - BEGINNING OF YEAR	-	88,566	-
ACCUMULATED SURPLUS - END OF YEAR	\$ -	\$ 82,548	\$ 88,566

BRIDGELAND BUSINESS IMPROVEMENT AREA
Statement of Changes in Net Financial Assets
Year Ended December 31, 2021

	Budget 2021	2021	2020
ANNUAL SURPLUS (DEFICIT)	\$ (60,595)	\$ (6,018)	\$ 88,566
Decrease (increase) in inventory	-	(5,223)	-
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(60,595)	(11,241)	88,566
NET FINANCIAL ASSETS - BEGINNING OF YEAR	88,566	88,566	-
NET FINANCIAL ASSETS - END OF YEAR	\$ 27,971	\$ 77,325	\$ 88,566

BRIDGELAND BUSINESS IMPROVEMENT AREA

Notes to Financial Statements

Year Ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Bridgeland Business Improvement Area (BBIA) was established and approved by the City of Calgary under Bylaw 33M2019 on January 1, 2020. The BBIA promotes the diversity and evolution of the Bridgeland Business community in Calgary through advocacy and community stewardship.

Basis of presentation

The financial statements of the BBIA are the representations of management. They were prepared in accordance with Canadian public sector accounting standards (PSAS).

Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Cash and cash equivalents

Cash and cash equivalents consists of cash and short-term investments that have maturities at the date of purchase of less than ninety days.

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Revenue recognition

Revenues are recognized as follows:

- The BIA Levy revenue is recorded on an annual basis using the proportionate share of the total number of businesses for the year and an annually established rate per business. Revenue is recognized when levied.
- Grants and other revenue are recognized in the financial statements as revenue in the period in which the transactions or events occurred that give rise to the revenue.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards 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.

2. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. The carrying value of the financial instruments approximates fair value. The following analysis provides information about the organization's risk exposure as of December 31, 2020.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from its ability to obtain funding from the City of Calgary and other grants as they become available. In order to reduce its credit risk, the organization reviews on an ongoing basis all potential grants as they become available.

BRIDGELAND BUSINESS IMPROVEMENT AREA

Notes to Financial Statements

Year Ended December 31, 2021

3. SIGNIFICANT EVENT

The global outbreak of COVID-19 has severely impacted global and local economies due to varying restrictions put in place by federal and local governments around the world. As a result, the BBIA's ability to obtain funding could be impacted during and after the period of closures and restrictions. The restrictions enforced are continually changing and the extent to which COVID-19 will impact the BBIA's ongoing operations will depend on future developments, which are highly uncertain and cannot be predicted at this time.
