

# The Crossroads Business Improvement Area



## ANNUAL REPORT 2020

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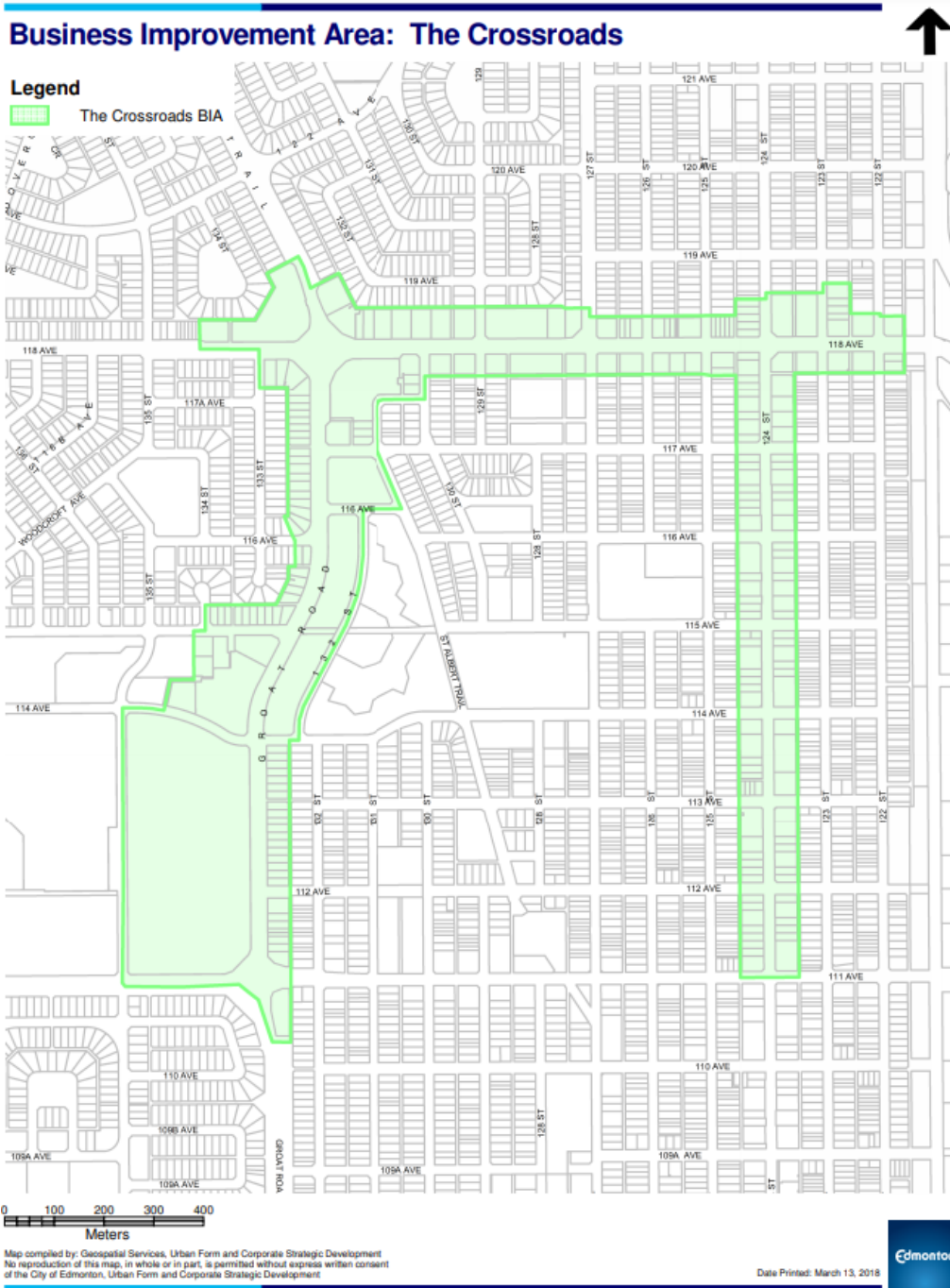
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# CROSSROADS BIA BOUNDAIRES



*Proudly serving Dovercourt, Inglewood, North Glenora, Prince Charles, Prince Rupert, Queen Mary Park, Sherbrooke, Westmount and Woodcroft areas.*

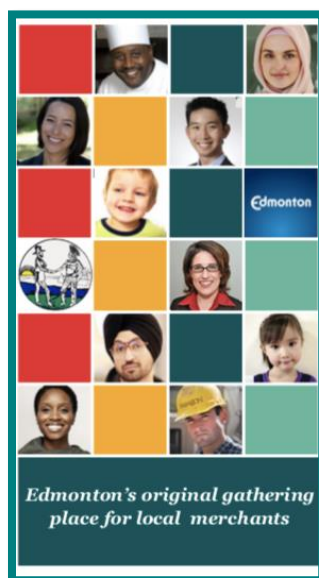
# EDMONTON'S ORIGINAL GATHERING PLACE FOR LOCAL MERCHANTS

The Crossroads Business Improvement Area is one of 13 BIA's in Edmonton. The Crossroads BIA was established by City of Edmonton Bylaw #10919. We are a community of local business owners in Central Edmonton who have banded together to promote the economic development in our area. We are committed to supporting one another, our community, our schools and our not-for-profit organizations.

The Crossroads BIA is working to promote and celebrate our area's rich history to attract local residents, the greater Edmonton community and tourists.

We are doing this by:

- Ensuring our streets are clean
- Making our area attractive and desirable to walk
- Working to make our neighborhoods safe
- Celebrating our rich and long historic area
- Keeping our community connected through communication and events
- Marketing our area as a welcoming place to visit, shop and connect on our website and social media
- Acting as a liaison between our businesses and the City of Edmonton



# VISION, MISSION & VALUES

## Vision

- The Crossroads Business Improvement Area is a resourceful entity that attracts eclectic businesses, connects surrounding communities, and contributes to a safe, vibrant and diverse neighborhood.

## Mission

- The Crossroads Business Improvement Area supports member businesses through program development by advocating to governments and other stakeholders, to create a vibrant and diverse place to work, shop and live.

## Values

- Affordability
- Cleanliness
- Collaboration
- Inclusivity
- Independence
- Pride
- Safety
- Vibrancy





## BOARD OF DIRECTORS & STAFF



**Marc Tellier**  
Board Chair  
TireCraft

12208-118 Avenue, Edmonton AB T5L 2K1



**Paul Bouchier**  
Treasurer

**Loan Star Jewelry & Loans**

12205-118 Avenue, Edmonton AB T5L 2J9



**Jamie-lee Hayward**  
Executive Director

**The Crossroads Business Improvement Area**

12304-118 Avenue, Edmonton AB T5L 5G8

***“Teamwork is the ability to work together toward a common vision. The ability to direct individual accomplishments toward organizational objectives. It is the fuel that allows common people to attain uncommon results.” -Andrew Carnegie***

## CHAIR'S MESSAGE

I would like to take this opportunity to say that while we really struggled in 2020 to complete all the requirements of the Business Improvement Area with the City of Edmonton, we did manage to do so and that we were able in the later part of December 2020 to hire a new Executive Director to take our Business Improvement Area to the next level. I want to say that as the Board Chair when the role was vacant, I was left to do a lot of the work on my own and as you can imagine trying to keep my own business open, we certainly were not able to engage at the level of communication that we have wanted with our business membership. However, I am confident in the new Executive Director that we have hired and the new Board of Directors that have come on our board and with the supports we are now receiving from the City of Edmonton we will be a thriving Business district and be able to meet the needs of our business members moving forward.

Sincerely,

Marc Tellier  
Board Chair, The Crossroads Business Improvement Area

## EXECUTIVE DIRECTOR'S MESSAGE

While I was not the Executive Director for the Crossroads Business Improvement Area in 2020, I did start in January 2021. I will say that 2020 was full of challenges and struggles for business. Those challenges were made even more challenging when the association found itself with no executive director in July 2020. The Kingsway District Association at that point, Executive Director Ellie Sasseville, did step in and assist us as well as the City of Edmonton to ensure that our members still had some of the opportunities being made available to them through grants and subsidies from the different levels of government.

I can't begin to imagine the challenges that many of our small business were faced with in 2020, but make no mistake those challenges are carried over into 2021. We will need to work together collaboratively if we are going to come out of this pandemic as a strong business area in the City of Edmonton. I am committed to continuing to be a champion for business in our business district and I am committed along with the Board of Directors to providing whatever supports are needed to our business owners and ensuring their voices are heard around the many tables that foster change for business districts in our city. I will advocate for our businesses through the Edmonton BIA Council, our provincial organization, through the Alberta BIA Alliance and even our country through our participation with IDA Canada.

My hope for 2021 is that our businesses will take the time to reach out to me and allow me the opportunity to be a part of whatever will make their businesses successful.

Sincerely,



Jamie-lee Hayward

Executive Director, The Crossroads Business Improvement Area



# PROJECTS & EVENTS

## Beautification

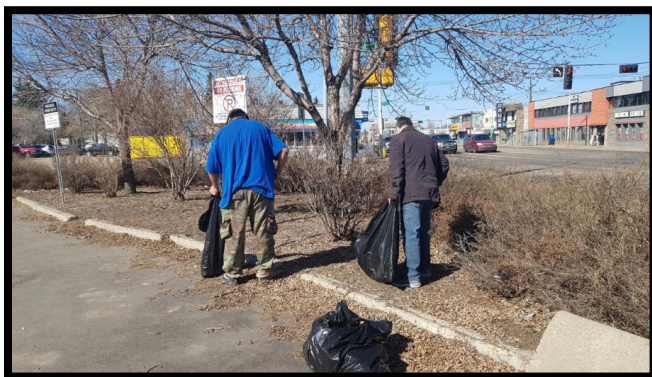
### Bloomin' Boulevards

The Crossroads Business Improvement Area continued our efforts to beautify our main streets through partnership with the City of Edmonton's Bloomin' Boulevards program. The BIA provided over 20 flower barrels to our district at a cost of approximately \$5000.00. We have also secured commitments to carry this program into 2021.



## McMan Youth, Family & Community Services Association Clean- Up

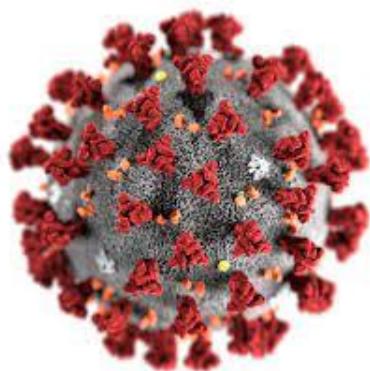
Over the last two years the Crossroads BIA has been partnering with our McMan Youth, Family & Community Services Association to provide the district with exemplary clean up services. Over 2020 the BIA saw more than 100 hours of clean-up provided to the Crossroads district. The Crossroads BIA looks forward to its continued partnership in 2021 and providing our businesses and community members with a clean place to gather. Further this partner has allowed us to invest \$5000.00 directly into the hands of individuals who are vulnerable or facing disability challenges. Without this partnership, these efforts would not have been affordable. We extend our deepest gratitude to McMan Youth, Family and Community Services Association, supporting and providing working opportunities for individuals with disabilities.





## Covid-19 Resources

Operating a business is certainly not for the faint of heart, and it requires resilience, dedication, hard work, and a commitment like no other job, especially during a global pandemic. 2020 brought many new challenges and changes for our Crossroads BIA businesses to overcome. Much of the world is still in isolation and practicing social distancing. Small businesses continue to feel the loss with ever changing health restriction! The Crossroads BIA has focused on relieving some of the stress brought about by the pandemic, by sharing relevant information, relief options and providing support. The Crossroads BIA is committed to working collaboratively with all levels of government and the municipality to ensure relief efforts that are made available, are getting in the hands of our business operators. After all the pandemic is not the doing of businesses, and government restrictions while needed, must not further impede businesses and economy. The BIA will continue to provide information for business to access relief and funding supports available in 2021. The pandemic has certainly seen us refocus to a remote operation and even saw us and many members become very creative looking for ways to pivot and still operate businesses through ay means possible.



# MOVING FORWARD

## Crossroads BIA Commitment for 2021

The Crossroads Business Improvement Area businesses play a vital role to help stimulate our economy and support our communities. Now, more than ever, we know you will need our support and guidance. Our Crossroads BIA, being so small, has specifically aligned ourselves with the Edmonton BIA Council, Alberta BIA Alliance and IDA Canada to advocate for us at the municipal, provincial and national level.

We need to continue our efforts on “Shop Local” Campaigns and sharing the COVID-19 resources available to help our businesses recover.

Well, I understand the economic recovery cannot fall solely to the shoulders of our government, I will say we will continue to advocate for more to be done to ensure we are paving the ways for entrepreneurs to come out on top at the end of this global pandemic. The Crossroads BIA is committed to continuing to advocate for our governments to provide an environment that is conducive to entrepreneurs being able to do business and be productive and competitive, not only on a local scale, but nationally and internationally.

# INDEPENDENT AUDITORS REPORT

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Crossroads Business Improvement Area

### *Opinion*

We have audited the financial statements of Crossroads Business Improvement Area (the Association), which comprise the statement of financial position as at December 31, 2020, 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 December 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

### *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 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.

### *Other Matter*

The financial statements for the year ended December 31, 2019 were audited by another auditor who expressed an unmodified opinion on those financial statements on October 21, 2020.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

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Independent Auditor's Report to the Members of Crossroads Business Improvement Area  
(continued)

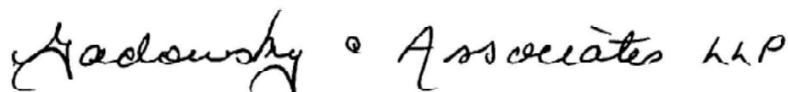
*Auditor's Responsibilities for the Audit of the Financial Statements*

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.



Gadowsky & Associates LLP  
Chartered Professional Accountants

Edmonton, Alberta  
April 14, 2021



**CROSSROADS BUSINESS IMPROVEMENT AREA**  
**Statement of Financial Position**  
**December 31, 2020**

	2020	2019
<b>Assets</b>		
Current		
Cash and bank	\$ 181,379	\$ 126,731
Short-term investments (Note 3)	61,718	60,692
GST rebate	437	697
	<b>243,534</b>	188,120
Capital assets (Note 4)	<b>2,059</b>	1,848
Servus membership equity (at cost)	<b>2,510</b>	2,393
	<b>\$ 248,103</b>	<b>\$ 192,361</b>
<b>Liabilities and Net assets</b>		
Current		
Accounts payable and accrued liabilities	\$ 10,646	\$ 14,640
Employee deductions payable	4,243	1,850
Deferred contributions (Note 5)	32,000	40,000
	<b>46,889</b>	56,490
<b>Net Assets</b>		
Unrestricted	<b>199,155</b>	134,023
Invested in capital assets	<b>2,059</b>	1,848
	<b>201,214</b>	135,871
	<b>\$ 248,103</b>	<b>\$ 192,361</b>

**On behalf of the Board**

Bob Pringle Director

Marc Tellier Director

**CROSSROADS BUSINESS IMPROVEMENT AREA****Statement of Operations****Year Ended December 31, 2020**

	2020	2019
<b>Revenues</b>		
City of Edmonton levy <i>(Note 8)</i>	\$ 160,000	\$ 160,000
Donations in kind <i>(Note 9)</i>	3,360	3,360
Fee and ticket revenue	-	1,800
	<b>163,360</b>	<b>165,160</b>
<b>Expenses</b>		
Salaries and wages	\$ 63,369	\$ 31,107
Flower barrels	10,182	6,061
Professional fees	7,639	4,768
Telephone	3,969	1,044
Rental <i>(Note 9)</i>	3,360	3,360
Consulting fees	3,000	49,301
Office	2,686	4,158
Amortization	1,482	701
Insurance	1,069	1,018
Board and meeting expense	844	408
Special events	802	16,252
Travel	444	1,868
Interest and bank charges	231	636
Advertising and promotion	84	-
	<b>99,161</b>	<b>120,682</b>
<b>Excess of revenues over expenses from operations</b>	<b>64,199</b>	<b>44,478</b>
Interest income	1,144	579
<b>Excess of revenues over expenses</b>	<b>\$ 65,343</b>	<b>\$ 45,057</b>

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**CROSSROADS BUSINESS IMPROVEMENT AREA****Statement of Changes in Net Assets****Year Ended December 31, 2020**

	Unrestricted		Invested in Capital Assets		2020	2019
<b>Net assets - beginning of year</b>	\$	134,023	\$	1,848	\$ <b>135,871</b>	\$ 90,814
Excess of revenues over expenses		63,650		1,693	<b>65,343</b>	45,057
Amortization		1,482		(1,482)	-	-
<b>Net assets - end of year</b>	\$	199,155	\$	2,059	\$ <b>201,214</b>	\$ 135,871

**CROSSROADS BUSINESS IMPROVEMENT AREA****Statement of Cash Flows****Year Ended December 31, 2020**

	2020	2019
<b>Operating activities</b>		
Excess of revenues over expenses	\$ 65,343	\$ 45,057
Item not affecting cash:		
Amortization of capital assets	1,482	701
	<b>66,825</b>	45,758
Changes in non-cash working capital:		
GST rebate	260	1,639
Accounts payable and accrued liabilities	(3,994)	10,029
Deferred contributions	(8,000)	40,000
Employee deductions payable	2,393	-
	<b>(9,341)</b>	51,668
Cash flow from operating activities	<b>57,484</b>	97,426
<b>Investing activities</b>		
Purchase of capital assets	(1,693)	(2,549)
Servus membership equity	(117)	(187)
Cash flow used by investing activities	<b>(1,810)</b>	(2,736)
<b>Increase in cash flow</b>	<b>55,674</b>	94,690
Cash - beginning of year	<b>187,423</b>	92,733
<b>Cash - end of year</b>	<b>\$ 243,097</b>	\$ 187,423
<b>Cash flows supplementary information</b>		
Interest received	\$ (1,144)	\$ (579)
<b>Cash consists of:</b>		
Cash and bank	\$ 181,379	\$ 126,731
Short-term investments	61,718	60,692
	<b>\$ 243,097</b>	<b>\$ 187,423</b>

**CROSSROADS BUSINESS IMPROVEMENT AREA****Notes to Financial Statements****Year Ended December 31, 2020**

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**1. Business nature**

Crossroads Business Improvement Area (the "Association") is a not-for-profit organization. The Association is exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The Association was established on February 8, 1995 as a corporation pursuant to Section 51(2) of the Municipal Government Act under Bylaw 18181 and operates as a committee of the Edmonton City Council.

The Association's purpose is to develop programs to promote business and to improve and to maintain lands and structures in the Crossroads Business Improvement Area in the City of Edmonton.

**2. Summary of significant accounting policies**Basis of presentation

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Revenue recognition

Crossroads Business Improvement Area follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Funding from the City of Edmonton from the business revitalization zone levies are recognized as revenue in the period to which they relate.

Donations-in-kind

Donations-in-kind are recorded at their fair market value at the time of the donation. During the year, \$3,360 in office space was donated-in kind (2019 - \$3,360).

Cash and cash equivalents

Cash and cash equivalents, includes cash and short-term investments.

*(continues)*

**CROSSROADS BUSINESS IMPROVEMENT AREA****Notes to Financial Statements****Year Ended December 31, 2020****2. Summary of significant accounting policies (continued)**Equipment

Equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Computer equipment	55% declining balance method
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The Association regularly reviews its equipment to eliminate obsolete items.

Equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Financial instruments policy

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

Financial instruments subsequently measured at amortized cost include cash, short-term investments, accounts payable, and accrued liabilities.

Financial instruments subsequently measured at cost include Servus membership equity.

Transaction costs

Transaction costs related to financial instruments subsequently measure at fair value are recognized in the statement of income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized over the life of the instrument using the straight-line method.

Impairment

For financial assets measured at cost or amortized cost, the Association determines whether there are indications of possible impairment. If there is an indication of impairment, and the Association determines that a significant adverse change has occurred in the expected timing or amounts of future cash flows from the asset, a write-down is recognized in net surplus in the fiscal year. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net surplus.

*(continues)*



**CROSSROADS BUSINESS IMPROVEMENT AREA****Notes to Financial Statements****Year Ended December 31, 2020****2. Summary of significant accounting policies (continued)**Measurement uncertainty

The preparation of financial statements in conformity with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known.

Items subject to significant management estimates include useful life of capital assets, accrued liabilities and gain (loss) on non-monetary transactions. Actual results could differ from these estimates.

Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

**3. Short-term investments**

	2020	2019
GIC investments	\$ 61,299	\$ 60,692
Interest accrued	419	-
	<b>\$ 61,718</b>	<b>\$ 60,692</b>

Short-term investments consist of a GIC one year redeemable certificate of deposit which will mature within the subsequent year, established in accordance with the Association's investment policy. The investment interest rate is 1.1% and the maturity date is May 18, 2021.

The interest accrued for the period May 19, 2020 to December 31, 2020 was \$419 (2019 - \$nil).

**4. Capital assets**

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Computer equipment	\$ 4,242	\$ 2,183	<b>\$ 2,059</b>	\$ 1,848

**CROSSROADS BUSINESS IMPROVEMENT AREA****Notes to Financial Statements****Year Ended December 31, 2020****5. Deferred contributions**

	2020	2019
<u>City of Edmonton Levy</u>		
Balance, beginning of the year	\$ 40,000	\$ -
Amounts received during the year	152,000	200,000
Amounts recognized as revenue in the year	(160,000)	(160,000)
	<b>\$ 32,000</b>	<b>\$ 40,000</b>

Deferred contributions are funds received for the first quarter of the following year. Deferred contributions for 2020 are \$32,000 (2019 - \$40,000).

**6. COVID-19 pandemic**

The global COVID-19 pandemic, declared by the World Health Organization on March 11, 2020, has had a momentous impact on all businesses, organizations, and governments. Governments worldwide have enacted emergency measures to limit the spread of the virus, resulting in economic downturn and escalated unpredictability. The constantly developing changes in health, safety, and government responses to the virus is causing incertitude and vulnerability, thus creating substantial impact to business activities, operations, and financial standing.

Nationally all levels of Canadian governments and the central banks have reacted with programs aimed at minimizing economic disruptions.

As a result, we are unable to estimate the potential impact on the Association's operations as at the date of these financial statements.

**7. Financial instruments**

The Association is exposed to various risks through its financial instruments.

The following analysis provides information about the Association's risk exposure and concentration as of December 31, 2020.

**(a) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Sufficient liquidity is maintained by regular monitoring of cash flow requirements.

Unless otherwise noted, it is management's opinion that the Association is not exposed to significant risks arising from these financial instruments.

**CROSSROADS BUSINESS IMPROVEMENT AREA**  
**Notes to Financial Statements**  
**Year Ended December 31, 2020**

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**8. Economic dependence**

The ongoing operations of the Association depend primarily on the continuation of government funding through the City of Edmonton. Revenue received represents 98% (2019 - 97%) of the Association's total revenue.

**9. Non-monetary transaction**

During the year, the Association provided beautification services to an organization in exchange for rent. These transactions are accounted for at the fair value of services received, being \$3,360 (2019 - \$3,360).

**10. Comparative figures**

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



THE  
**CROSSROADS**  
BUSINESS IMPROVEMENT ASSOCIATION

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