



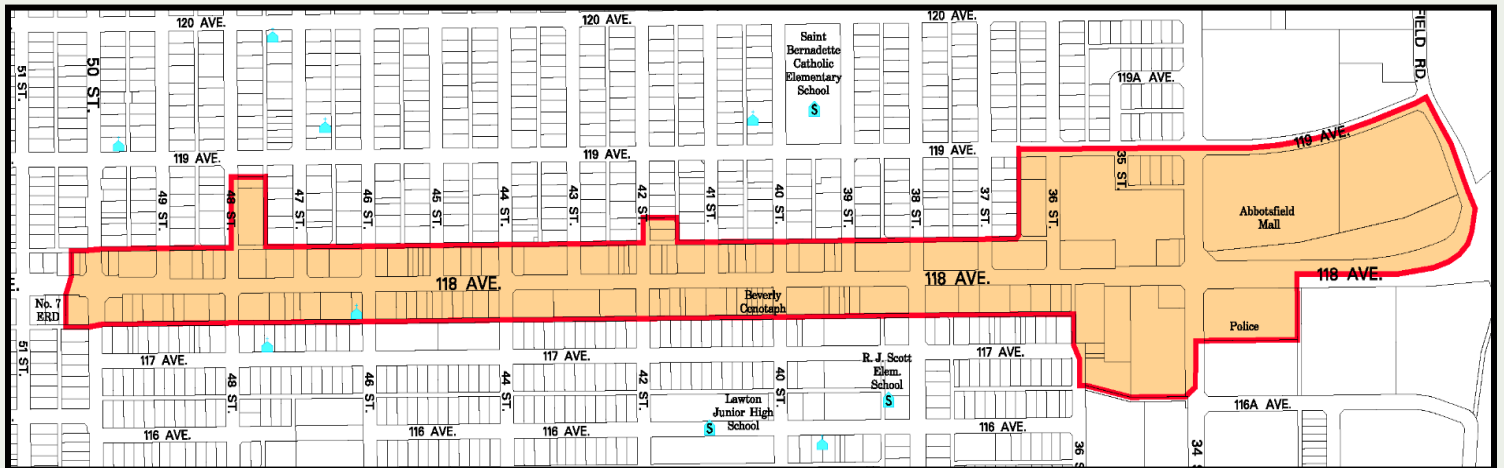
2022 ANNUAL REPORT



**LOCALS KNOW IT:
THERE'S LOTS TO LOVE ABOUT BEVERLY**



ABOUT THE BEVERLY BUSINESS ASSOCIATION



HISTORY

The Beverly Business Association (BBA) was incorporated on September 12, 1995 under the authority of the Municipal Government Act of Alberta and The City of Edmonton Bylaw #11083 and amended by bylaw #13919 representing approximately 140 business members on 118 Avenue between 30 and 51 Street.

Beverly is one of 13 Business Improvement Areas (BIAs) in the City of Edmonton. A Business Improvement Area is formed when a collection of businesses within a specific area formally form a Business Association to promote and improve their district.

MISSION STATEMENT & VALUES

Creating a vibrant, robust business area and community through promotion, initiatives, and partnership.

The Beverly Business Association is focused on the growth, development, and longevity of Beverly and its surrounding area. We are committed to fostering an ongoing working partnership with our businesses, residents, and partners. Through this we are able to create opportunities to grow, enhance, and improve the areas we live and work in.

Building a stronger Beverly, together
#mybeverly

WHAT WE DO

Member Service

Serving our member businesses through providing resources/support, training/mentoring and networking opportunities the Beverly Business Association is committed to the sustainability of our member businesses and our community.

Innovation

Embracing a spirit of innovation creates opportunities for the Beverly Business Association to support local business, uncover development opportunities and supports our goal of making Beverly a destination for businesses, tourism and future development.

Community

At the Beverly Business Association we embrace our social responsibility and welcome opportunities to be active contributors in the surrounding neighborhoods. Through connecting residents and businesses and supporting local initiatives focused on the betterment of our community.

Prosperity

It is one of our priorities to help foster a spirit of prosperity here in the greater Beverly area. Through development, innovation, investment and member service the Beverly Business Association is committed to supporting the long term development and success of the community and business area.



10 YEAR PLAN

In 2020-2021, the Board of Directors of the Beverly Business Association undertook the work of developing a new 10 year Strategic Business Plan for the future sustainability of the BIA, broken down into 3 year segments:

Horizon 1

2021-2024

- Partnerships
 - Establish and enhance current and new partnerships with developers and realtors.
 - Seek out new partnership opportunities with local businesses, BIA's, U of A School of Business , STEP, Street Ambassador
- Re-Brand/Re-Launch
 - Complete Beverly Business Association re-brand initiatives
 - Refresh of Welcome Book for new businesses
 - BIA Awareness Campaign
 - Launch of new website
 - Development of Social Media Strategy
- Business Support
 - Review and enhance Business Resource Center on website

Horizon 2

2025-2028

- Partnerships
- Beverly Business Association Marketing Initiative
- Government Relations
 - Work with BIA Council on lobbying City of Edmonton to include non-traditional businesses operating within BIA (i.e. apartment buildings)
- Value Add Programs for member businesses
 - Review, enhance/develop current and new initiatives to provide value add for businesses within BIA.

Horizon 3

2029-2031

- Partnerships
 - Continuation of partnership initiatives with focus on value add to businesses within business association area
- Value Add Programs/Business Support
 - Seeking out new opportunities and partnerships that will provide support and add value to member businesses through various channels (website, social media, and education resources)

Aspirational Targets

2031 and Beyond

- Solidify the Business Association as a sustainable BIA creating long-term value for our membership and stakeholders, while helping to provide a supportable path for local economy.
- Increase business membership from 135 to 175

EDMONTON ECONOMIC RECOVERY GRANT

The Beverly Business Association commenced an extensive branding and revitalization project in 2019. The project was undertaken as part of CAERS grant program through the Government of Alberta. \$58,100 was received from the Government of Alberta, with the BBA matching the funds with an additional \$58,100 for a total of \$116,200.



Signage on the 50 Street Beverly promenade

This grant was completed in 2021, including new street banners and blades, a new website, and the commencement of the Beverly Dining Week event, all using Beverly's official new branding. Our service providers were *Wild Heart Collective* and *DestroyTheBox*, who consulted to create and execute a vibrant marketing and brand implementation strategy to promote the businesses and neighbourhood of Beverly as a place to live and grow.

Though the CAERS portion of this project is *complete*, the rebranding work continued in 2022 through a second grant, the Edmonton Economic Recovery Grant (EERG), totaling another \$37,610.



Utility box wrap concept art

The EERG will be completed in January of 2023, and includes continued rebranding work, including utility box wraps in partnership with the Beverly Historical Society that feature historical images of locations all along 118 Avenue interspersed with our new Beverly branding. It will also include new banners and signage for the 40 and 50 street promenades that hang over 118 Avenue, as well as a full branding package for all our events moving forward.



Event art featuring new Beverly branding

This project, as a whole, has given Beverly a chance to showcase itself as a modern, lively, vibrant place to live, work, play, and shop, while at the same time honouring the rich history that Beverly holds. We are thankful to the Province of Alberta, the City of Edmonton, Wildheart Collective, Destroythebox, and the greater Beverly community for their many critical contributions to this project.



CAERS GRANT SPECIFICS

CAERS Grant funding was spent in a variety of rebranding areas, all of which served to rebrand the Beverly business district as a vibrant, modern hub that attracts new businesses, new patrons, and showcases Beverly as a place to be within the City of Edmonton. Below is a snapshot of where the CAERS grant funds were allocated:

- Consulting and designing of new Beverly brand
- New Beverly business website (mybeverly.ca) featuring new brand
- Design and production of new street banners featuring new brand
- Design and production of new street address blades
- Branded items, including tent, banners, informational slider banners, A-frame sign, office decals, business cards, member stickers, etc. for BBA use to implement brand
- Branded event items for summer events (temporary tattoos, frisbees)
- Event design and marketing, implementing new brand for all BBA events
- Implementation of Beverly Dining Week
- Integrating new branding in all other areas (weekly newsletter, etc.)
- Social media strategy
- Photography and digital assets

EERG GRANT SPECIFICS

With the conclusion of the CAERS Grant, the rebranding work continued through the Edmonton Economic Recovery Grant (EERG), received from the City of Edmonton. This grant, totaling an additional \$37,610, is being used to complete several branding projects, including the below:

- Completion and installation of large gateway street banners (40 Street and 50 Street) to complete streetscape project
- Utility box wrap project with Beverly Historical Society, utilizing new branding alongside historical images to add beautification to 118 Avenue
- Brand implementation and design for remaining core BBA events as needed
- Branding and marketing plan for prospective future “Beverly Day” event
- Using new branding via New Business Welcome Packages and other distributions that create value adds for member businesses and prospective member businesses
- Other

CAPITAL CITY CLEANUP GRANT

In late 2022, the Beverly Business Association was awarded the Capital City Cleanup Grant (CCCU), totaling \$25,000 for a major litter reduction initiative in Beverly. Hiregood Services Inc., a branch of Boyle Street Community Services, was hired to carry out the program, sending workers from October 2022 onward to pick up litter, needles, and other unwanted items from the streets. This included, in communication with both the Beverly Heights and Beacon Heights Community Leagues, all of the five neighborhoods of Beverly as well as the 118 Avenue business corridor, stretching from the Yellowhead Highway down to the river valley and from 50 Street across to Victoria Trail.

This work is continuing into 2023, until the funding is spent, and we are thankful to the City of Edmonton and the Capital City Cleanup team, as well as to Hiregood Services Inc., for supporting the beautification of Beverly.

AROUND THE NEIGHBORHOOD: DEVELOPMENTS IN THE BEVERLY BIA

Rundle at Riverview Crossing

Clearly evident to all in Beverly due to the magnitude of the project, the Rundle at Riverview Crossing development is nearing completion, and units are now available for rent. Features:

- 6 stories tall, featuring 248 units
- Lounge, games, community rooms, underground parking, car wash bay
- 1, 2, and 3 bedroom units ranging from 636 to 1236 square feet
- All 248 units are rental units

For more, visit rundleliving.com



The Beacon

Tucked behind the Travelodge in what was previously a parking lot, The Beacon is now complete and renting. Features:

- 21 units of supportive housing
- 2, 3, and 4 bedroom units
- All units have their own individual entrances to avoid the apartment feel and encourage streetfront activation
- Project being done by Right at Home

For more, visit sites.google.com/situateinc.ca/beaconheights/home



4402 118 Avenue

This construction project on 118 Avenue will be operational in March-April of 2023. Featuring three different units, the space totals 6,149 square feet. At the time of writing, one unit has been rented to become a future daycare, with 2 units remaining available. Features:

- 3 units: 2497 SF / 1826 SF / 1826 SF
- All units have direct storefront access to 118 Avenue
- Managed by Maxwell Polaris Commercial
- Called “Elite Arcade Plaza”

For more, visit loopnet.ca/Listing/4402-118-Ave-NW-Edmonton-AB/25265695/



4802 118 Avenue

This new project on 118 Avenue, beside Uncle Ed's/Stawnichy's, is in its early stages, with drawings being worked on at the time of writing. The prospective building is anticipated at around 7000 square feet in size. Features:

- 6 units: ~1100 sq. feet each for a total of ~7000 sq. feet
- Inquiries have come in from pizza and donair shops, as well as daycares

More information to follow



For more information on these or any other Beverly projects, please call 780-413-6244 or email beverlybrz@telus.net and we would love to keep you in the loop or share retail space availabilities within the Beverly BIA!



2022 BBA EVENTS

In 2022, we were pleased to be able to present our full offering of annual events, in light of loosened restrictions relating to the COVID-19 pandemic. 2022 was an excellent year of celebrating our community and togetherness, with all of our events returning to their full capacities. It was amazing to see neighbors coming together and gathering again!

- **May-October 2022: Beverly Towne Farmers' Market**
 - The market took place in the parking lot on the west side of Riverview Crossing Mall, in the former Walmart parking lot. With restrictions lifted, the market was able to feature live music, seating, sampling, and a return to the full function of the Beverly Farmers' Market! The market will return in 2023.

- **June 10, 2022: Annual Beverly Golf Tournament and Banquet**
 - The annual golf tournament and banquet returned in 2022, taking place at Rundle Park Golf Course with the banquet happening at the golf course clubhouse. The tournament was a great time of connecting as a community, with many of the community leaders present. The tournament also had its first ever hole-in-one! The tournament will return on Friday, June 16, 2022.

- **July 5 & 6, 2022: Beverly Historical Tours**
 - The horse-drawn Beverly carriage tours, presented by the Beverly Historical Society, returned as well in 2022, with two evenings of tours showcasing the history of both the north and south sides of 118 Avenue. Demand was more than was available, making it a huge success!



- July 27, 2022: Annual Pancake Breakfast
 - The annual Pancake Breakfast returned to the Travelodge Edmonton East hotel on July 27, including free breakfast and activities for the whole family. These included live music and auction, the Edmonton Elks mascot, firetruck tours, a clown/entertainer, and several community booths. The event drew hundreds from the community and was a big success! The event will return on Saturday, July 22 for its first weekend edition!



- October 20-30, 2022: Beverly Dining Week
 - Beverly Dining Week returned in 2022 with in-person dining encouraged. 9 restaurants participated in the event, which encourages the public to get out and try the many amazing flavours of Beverly. A media day was included, with several major members of Edmonton's food scene taking part. The event will return from October 13 to 23, 2023.
- November 11, 2022: Remembrance Day Ceremony
 - For the past 2 years, the Remembrance Day Ceremony at the historic Beverly Memorial Cenotaph has been held with the public encouraged to attend virtually. This year, the full ceremony returned, with a church service, the parade to the Cenotaph, the Cenotaph ceremony, and hot chocolate/coffee afterwards hosted by the Cheremosh Ukrainian Dance Company. It was very meaningful to remember and reflect together at the Cenotaph in person again! The event will return on November 11, 2023.



OTHER INITIATIVES

Bloomin' Boulevards

Each year, a core piece of the Beverly Business Association's summer streetfront beautification is the flower basket and barrel Bloomin' Boulevards program. In 2022, we went up from 20 baskets and barrels to 30, adding more beautification to the Avenue!



Beverly Cleanup

Each year, the Beverly Business Association works with a number of community partners to put on the Beverly Cleanup event, in which the community gathers together to pick up garbage all around greater Beverly, including its five neighborhoods and beyond. This event is growing each year, and saw its largest turnout yet on May 14, 2022, this past year's event. Thanks to the City of Edmonton and Capital City Cleanup for their support with this event! The event will return on June 3, 2023.

Water Station

In 2022, Beverly received its first water station along 118 Avenue. This was placed in front of the Travelodge Edmonton East Hotel, nearby to the bus stop in front of the new convenience store. With a front facing parking lot and high accessibility, this was deemed to be the best location for supporting access while minimizing impact on businesses. If you have any thoughts on this station, please email beverlybrz@telus.net.

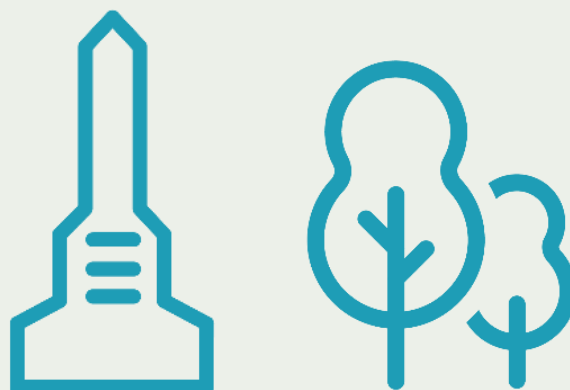
Strategic Partnership and Resource Connection

The Beverly Business Association is proud to partner with numerous agencies and organizations within the greater Beverly area, including the Northeast Division Edmonton Police beat officers, the Edmonton Public Library, the Beverly Heights Community League, the Beacon Heights Community League, the Beverly Historical Society, the Beverly Towne Community Development Society, and numerous other local agencies. The Beverly Business Association is also proud to support community initiatives such as the Beverly Farmers' Market, the Beverly Community News, The Beverly Memorial Cenotaph Committee, and more. These strategic partnerships allow us to advance Beverly forward together, and we acknowledge and thank these partners for the many roles they play in the community and its events.

Committees and Initiatives

Specifically, the Beverly Business Association sits on committees or otherwise supports the following initiatives:

Beverly Pocket Park Revitalization Committee (behind No Frills)
118 Avenue Safety Committee (including 118 Avenue stretching into Alberta Avenue)
Beverly Historical Society Board of Directors
Beverly Memorial Cenotaph Committee
Business Improvement Area Council
Beverly Farmers' Market Board of Directors



THANK YOU!

The Beverly Business Association thanks its Board of Directors, its partners, and its members. Thank you to the City of Edmonton and its staff, as well as to Ward Métis City Councillor Ashley Salvador, Edmonton-Beverly-Clareview MLA Deron Bilous, and Edmonton Griesbach MP Blake Desjarlais.

Beverly Business Association
780-413-6244 / beverlybrz@telus.net
Office Address: 4014 118 Avenue, T5W 1A1, Edmonton AB
Mailing Address: PO Box 20202, RPO Beverly, T5W 5E6, Edmonton AB

Executive Director: Alex Bosker

2022 Board of Directors:

- Jeff Nordstrom – Chair
- Dr. Darryl Tkachyk
- Mark Stephenson
- Laurie Reay
- Trevor Ritchie
- Tyler Hawryluk
- Rachel Benti
- Carolyn Magnan
- Heather Rowe

2023 Board of Directors:

- Dr. Darryl Tkachyk: Co-Chair
- Trevor Ritchie: Co-Chair
- Mark Stephenson
- Laurie Reay
- Tyler Hawryluk
- Rachel Benti
- Heather Rowe

Live, work & play in Beverly



EVENTS



SHOP



FOOD



ACTIVITIES

BEVERLY BUSINESS REVITALIZATION ZONE ASSOCIATION
Financial Statements
Year Ended December 31, 2022

Index to Financial Statements

Year Ended December 31, 2022

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues and Expenditures	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 9



13034 82 Street NW, Edmonton, AB T5E 2T5
 Telephone : 780 784-6844
 Facsimile : 780 628-0771
 Email : info@ncubelandry.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Beverly Business Revitalization Zone Association

Opinion

We have audited the financial statements of Beverly Business Revitalization Zone Association (the organization), which comprise the statement of financial position as at December 31, 2022, and the statements of revenues and expenditures, 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 organization as at December 31, 2022, 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 (ASNPO)

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 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 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)

Independent Auditor's Report to the To the Members of Beverly Business Revitalization Zone Association
(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.

Neube & Landry LLP

Edmonton, AB
April 10, 2023

Chartered Professional Accountants


BEVERLY BUSINESS REVITALIZATION ZONE ASSOCIATION


Statement of Financial Position

December 31, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 171,341	\$ 139,932
Goods and services tax recoverable	5,407	5,413
Prepaid expenses	437	416
	<u>177,185</u>	<u>145,761</u>
EQUIPMENT (Note 3)	<u>1,094</u>	<u>1,367</u>
	<u>\$ 178,279</u>	<u>\$ 147,128</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 3,163	\$ 3,107
Deferred revenue	1,753	3,733
Deferred levy revenue	26,500	26,500
	<u>31,416</u>	<u>33,340</u>
DEFERRED GRANT INCOME	59,631	36,928
DEFERRED CAPITAL CONTRIBUTIONS	<u>454</u>	<u>727</u>
	<u>91,501</u>	<u>70,995</u>
NET ASSETS	<u>86,778</u>	<u>76,133</u>
	<u>\$ 178,279</u>	<u>\$ 147,128</u>

ON BEHALF OF THE BOARD


 _____ Chairman


 _____ Director

BEVERLY BUSINESS REVITALIZATION ZONE ASSOCIATION

Attachment 3

Statement of Revenues and Expenditures

Year Ended December 31, 2022

	Budget 2022	2022 2022	2021 2021
TRADE SALES			
Business revitalization zone tax levy	\$ 106,000	\$ 108,650	\$ 96,000
Advertising and other income	10,500	12,249	1,232
Capital City Cleanup Grant	-	2,296	-
Interest	-	479	94
EERG Grant	25,000	-	682
Branding and revitalization grant	-	-	1,084
	<u>141,500</u>	<u>123,674</u>	<u>99,092</u>
EXPENSES			
Executive director compensation	47,300	49,118	45,313
Programs	27,500	32,174	14,966
Rental	16,500	15,588	15,445
Office	5,300	4,619	3,662
Professional fees	3,200	2,900	3,006
Advertising and promotion	6,800	2,750	1,325
Capital City cleanup	-	2,187	-
Utilities	1,950	1,816	1,699
Meetings	1,000	1,041	480
Repairs and maintenance	66,378	563	805
Amortization	-	273	342
Branding and revitalization	-	-	50,762
Economic recovery	-	-	650
Sub-contracts	5,000	-	-
Contingency	2,000	-	-
	<u>182,928</u>	<u>113,029</u>	<u>138,455</u>
EXCESS (DEFICIENCY) OF TRADE SALES OVER EXPENSES	\$ (41,428)	\$ 10,645	\$ (39,363)

BEVERLY BUSINESS REVITALIZATION ZONE ASSOCIATION

Attachment 3

Statement of Changes in Net Assets**Year Ended December 31, 2022**

	<u>2022</u>	<u>2021</u>
NET ASSETS - BEGINNING OF YEAR	\$ 76,133	\$ 115,496
Excess of trade sales over expenses	<u>10,645</u>	<u>(39,363)</u>
NET ASSETS - END OF YEAR	<u>\$ 86,778</u>	<u>\$ 76,133</u>

See notes to financial statements

BEVERLY BUSINESS REVITALIZATION ZONE ASSOCIATION

Attachment 3

Statement of Cash Flows**Year Ended December 31, 2022**

	<u>2022</u>	<u>2021</u>
OPERATING ACTIVITIES		
Cash receipts from customers	\$ 144,130	\$ 138,732
Cash paid to suppliers and employees	<u>(112,721)</u>	<u>(137,393)</u>
INCREASE IN CASH FLOW	31,409	1,339
Cash - beginning of year	<u>139,932</u>	<u>138,593</u>
CASH - END OF YEAR	\$ 171,341	\$ 139,932
CASH CONSISTS OF:		
Cash	<u>\$ 171,341</u>	<u>\$ 139,932</u>

See notes to financial statements

Notes to Financial Statements

Year Ended December 31, 2022

INTRODUCTION TO NOTES

The Association was incorporated in September 1995 by the City of Edmonton Municipal Council under Bylaw 9747. The principle activity of the Association is to develop programs to promote business and improve and maintain lands and structures owned or operated by the City of Edmonton in the Fort Road area.

The Association operates under the name "Beverly Business Association".

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIESBasis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

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. Actual results could differ from these estimates.

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.

Property and equipment

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

Equipment	20%
-----------	-----

Revenue recognition

Beverly Business Revitalization Zone Association 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. Endowment contributions are recognized as direct increases in net assets.

Donated services

A substantial number of volunteers contribute a significant amount of their time each year to the Association. Because of the difficulty in determining the fair value, donated services are not recognized in these statements.

(continues)

Notes to Financial Statements

Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)Income taxes

The Association is a not-for-profit organization and therefore is not subject to either federal or provincial income taxes.

2. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2022.

(a) 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 customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Association is not significantly exposed to these risks.

(d) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank accounts.

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

3. EQUIPMENT

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Equipment	\$ 6,318	\$ 5,224	\$ 1,094	\$ 1,367

Notes to Financial Statements

Year Ended December 31, 2022

4. DEFERRED REVENUE

Deferred revenue consists of funds received from Olde Towne Beverly Historical Society for the purchase of office equipment. In 2016, \$3,247 was spent, leaving a balance remaining of \$1,753.

5. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the deferred revenue related to the purchase of a capital asset. Changes in deferred capital contributions are as follows:

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 727	\$ 1,069
Contributions recognized in advertising and other income	<u>(273)</u>	<u>(342)</u>
Balance, end of year	<u>\$ 454</u>	<u>\$ 727</u>

6. DEFERRED GRANT INCOME

During 2022, the Association and the City of Edmonton executed an agreement under which the City gave a grant to reduce litter in the community. At year end \$2,296 of the funds were used to reduce litter. The grant was to be used by September 2022, however it has been extended to be used in 2023.

During 2022, the Association and the City of Edmonton executed an agreement under which the City gave a grant to help with additional branding strategy that was started previously. The Association must pay expenditures over and above the grant up to \$77,066 as required in the grant approval. At year end \$650 of the funds were used for the branding strategy. The grant must be used by January 2023. This grant has been extended to be used up during 2023.

7. LEASE COMMITMENTS

The organization has a long term lease with respect to its premises. The lease contains renewal options and provides for payment of utilities, property taxes and maintenance costs. Future minimum lease payments as at December 31, 2022, are as follows:

2023	<u>\$ 11,043</u>
------	------------------

8. ECONOMIC DEPENDENCE

The organization received \$108,650 (2021 - \$96,000) from the city of Edmonton (the "City") via a special tax assessment levy on Beverly BRZ Business Members. The Association is economically dependent on the continued financial support of their business members and the City.