



THE
CROSSROADS
BUSINESS IMPROVEMENT ASSOCIATION



2022

**ANNUAL
REPORT**

Prepared By:

Jamie Hayward

TABLE OF CONTENT

Crossroads BIA Boundaries

About Us

Vision, Mission & Values

Board Members

Chair's Message

Executive Director's Message

Beautification

- Bloomin' Boulevards
- Crossroads & Indigenous Flags
- Winter Banners
- Social Enterprise Litter Reduction Grant
- McMan Youth, Family, and Community Services Clean-up
- 15 to Clean

Events

- Football Meets Business
- Back to School, Back to Business
- Coffee with a Cop
- Holiday Parade
- Holiday Campaign- Giveaway
- Annual General Meeting

Advocacy

- BIA Levy Reduction
- Infrastructure Repairs
- 124th Street Renewal
- Crossroads Illumination and Activation 2022/2023
- BIA Council

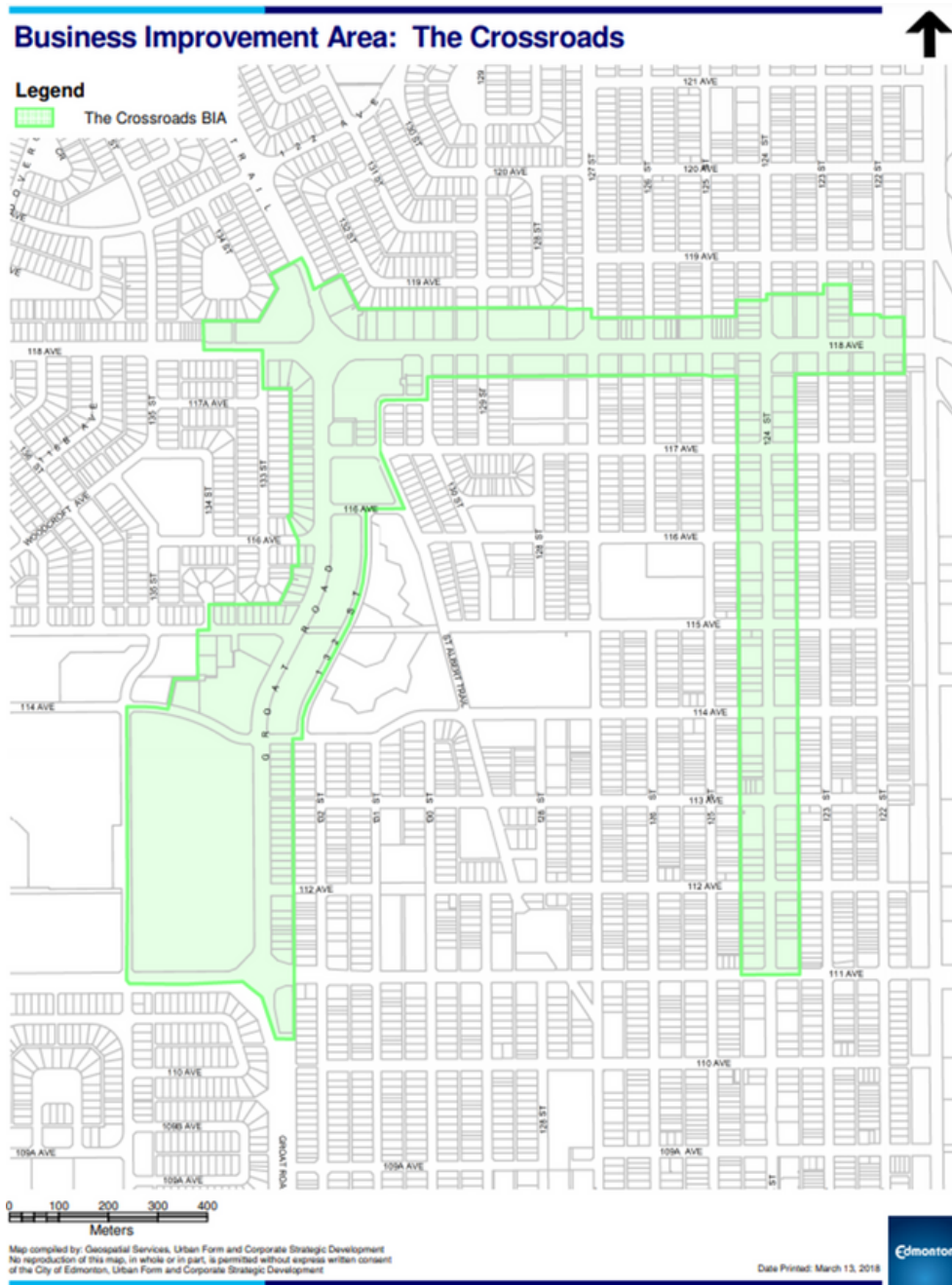
Projects

- Crime & Safety Committee
- Online Contests/ Member Engagement
- Conference and Training
- Website
- Marketing
- Local Community Leagues
- Honorable Member of the Legislative of Assembly Sarah Hoffman

Moving Forward

Independent Auditor's Report

CROSSROADS BIA BOUNDARIES



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

ABOUT

The Crossroads Business Improvement Area is one of 13 BIA's in Edmonton. The Crossroads BIA was established by City of Edmonton Bylaw #18181. 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

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

MEET OUR BOARD OF DIRECTORS



Marc Tellier
Tirecraft
Board Chair



Glen Wesley
Boston Pizza
Treasurer



Cara Reay
Ruffington's
Palace



Bob Pringle
Day's Painting
Supplies



Jamie Hayward
Executive Director



Jennifer Brownridge
Bookkeeper



Alice Funk
Marketing

CHAIRS MESSAGE

2022 was a very exciting year for the BIA. We continued our strong momentum from 2021 and expanded on programming, hosted additional events, secured grants to allow for enhanced cleaning measures, and worked with our local social agencies, Edmonton Police Services, and the City of Edmonton to address crime and safety concerns in our district.

I am pleased with the level of engagement we are seeing growth from our membership and the engagement we are receiving from the municipality itself. We were successful recipients of a City of Edmonton Revitalization Macro Grant of \$185,000, which will allow the BIA to continue its work on electrical upgrades and activations to promote a vibrant street.

We committed to working with our members, partners, and all levels of government to further the agenda of our businesses and ensure our area is prepared for growth and future development as we see Blatchford move further along.

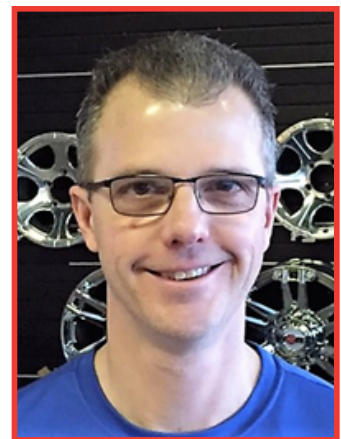
I enjoyed serving as the board chair and I am happy to report that we have a diverse well-balanced board that is eager to help where we can. I would encourage all our members to take the time to look at our website or reach out to the BIA office to learn about ways to become more involved.

I have enjoyed serving as the Chair of the Board for the BIA. I am proud of the work and moves we have made to be a more inclusive, vibrant, and active BIA.

Sincerely,

Marc Tellier

Board Chair, The Crossroads Business Improvement Area



EXECUTIVE DIRECTOR'S MESSAGE

As I reflect on this past year, I am amazed at our many accomplishments and initiatives. I have been in this role for two years, and am incredibly proud of how far our BIA has come.

In 2022, our BIA continued supporting businesses requiring communications from each level of government regarding restrictions, resources, and relief programs. Additionally, our BIA worked to address infrastructure deficiencies and worked to support local businesses with new marketing strategies and partnerships with local communities. We developed new clean-up initiatives to showcase our vibrant business district and even hosted numerous events to increase tourism in our area. It is our goal to continue to provide opportunities for members to connect and support each other.

I am grateful for the hard work and dedication of our board of directors and for the level of participation from our growing membership. It is with their guidance and continued support that we were able to bring forward the many new initiatives and programs we offer.

2022, was not without its many challenges around the economy, crime, safety, and the lingering effects of the Covid-19 pandemic. We will continue to look for ways to support and help businesses navigate challenges in 2023.

While I still have much to learn and there is much work to be done, I will be focused in 2023 on continuing to repair the infrastructure within our BIA. I will work with the board and the city to meet the mandate of beautification, enhancement, and marketing while keeping safety, cleanliness, and business recruitment as top priorities for the area.

Sincerely,

Jamie-lee Hayward

Executive Director, The Crossroads Business Improvement Area



BEAUTIFICATION

Bloomin' Boulevards

The Crossroads Business Improvement Area continued our efforts to beautify our main streets through a partnership with the City of Edmonton's Bloomin' Boulevards program. The BIA provided 26 flower barrels to our district at a cost of approximately \$6,000. These enhancements, though sometimes small, show the attention being given to the area and promote vibrant and walkable streets for all those who live, shop and visit the Crossroads Business District.



Crossroads & Indigenous Flags 118th Avenue



The Crossroads BIA is committed to reconciliation. To celebrate the new city ward name ***Anirniq***, the BIA worked with local indigenous artist Jasmin Bull to create a welcome banner. Jasmin's inspiration for this creation came from the Ward name "Anirniq", meaning "Breath of Life". "The seeds that gave us the divine breath, we cherish, flourish and grow. Eventually, our spirits will let go but the energy that you build will never be forgotten. Those seeds you planted will blossom, repeating the Breath of Life".

Winter Festive Banners

The BIA began procurement in December 2022 for festive holiday banners to showcase our BIA district, which is scheduled for installation in the fall of 2023. The city's investment in upgrading deficient infrastructure in our area has allowed the BIA to increase its investment in enhancements and furthermore promote a vibrant neighborhood.

PROJECTS & EVENTS

Social Enterprise Litter Reduction Funding \$25,000

The City of Edmonton Capital City Clean-up offered a \$25,000 litter reduction funding grant available to all BIA's to be used for clean-up initiatives in partnership with social enterprise. The Crossroads BIA was a successful recipient of funding and expanded on current litter clean-up initiatives and new programs to promote a clean and prosperous business district. The BIA expanding programming by offering our membership pressure washing services due to sidewalk cleanliness concerns as a result of increased encampments. Pressure washing services removed litter, gum, and biohazardous material while refreshing the overall appearance of our sidewalks.



McMan Youth Family and Community Services Association Clean-up

Over the last few years, the Crossroads BIA has been partnering with our McMan Youth, Family & Community Services Association to provide the district with exemplary clean-up services. The Social Enterprise funding enabled the BIA to expand services in 2022 to include litter collection and window washing. The BIA saw more than 300 hours of clean-up provided to the Crossroads district and over 600 garbage bags collected. The Crossroads BIA looks forward to its continued partnership in 2023 and providing our businesses and community members with a clean place to gather. Further, this partnership has allowed us to invest \$25,000 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, for supporting and providing working opportunities for individuals with disabilities.

15 to Clean

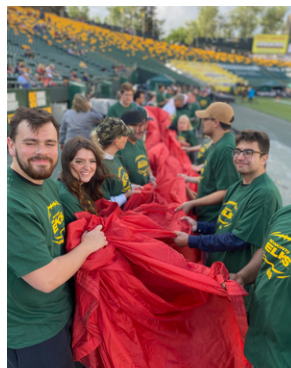
15 to Clean is an initiative partnering with BIA local businesses to commit to 15 minutes a day of clean-up around their area. At the end of summer, the BIA hosts a BBQ to celebrate participants and sweet treat delivery, with DQ ice cream. In 2022 the BIA advanced the program to include our nine surrounding communities and hosted our Community Clean-up Outdoor movie event in July as a thank-you to community members for participating. A QR code was created to track participants and litter collection, the BIA saw more than 100 participants from the surrounding communities and over 80 bags of litter collected.



EVENTS

Football Meets Business - Networking

The BIA hosted our first networking event of 2022 at the Edmonton Elks game on July 7th. The BIA saw more than 40 business members in attendance as well as some of our City of Edmonton administration, City Councilor Erin Rutherford, City Councilor Anne Stevenson, REACH Edmonton, and Edmonton Police Services. This event gave an opportunity for businesses to have one on one conversations to discuss growing concerns plaguing our businesses in 2022 and work together to find solutions. Networking with other businesses was also encouraged.



EVENTS

Back to School, Back to Business

The Crossroads BIA hosted our annual “Back to School, Back to Business” event in August 2022 to promote community engagement and shopping local. We worked with our local businesses to collect essential school supplies for 200 K-5 students. We also were able to provide gift certificates for local businesses, and a Glitter Tattoo artist in attendance as well we partnered with the Westmount Taco Time to hand out Churros during the event. This event targeted families who may not have been able to afford school necessities. The BIA also gave away 200 “Crossroads Cash” coupons with the value of \$10.00 to participants to be used at participating Westmount Centre Businesses to encourage shopping locally. This was a key component to support the merchants directly and the Crossroads BIA covered the \$10.00 back to each merchant who expected the cash on the day of the event. This event sold out in the first 45 minutes with more than 400 attendees.

With 200 coupons being awarded, 175 were used on the day of the event, and several businesses reported high traffic volumes in the Westmount Centre businesses and an increase in sales as a result of this event. This was a great opportunity for the Crossroads BIA to work on repairing its relationship with the Westmount Mall and Westmount Centre Merchants.



EVENTS

Coffee with a Cop

In 2022 we began our Coffee with a Cop program in partnership with EPS and our Local Inglecroft McDonalds to bring our community members, business, and EPS officers together to share concerns, ideas and look for solutions to assist each other as a community partners. We look to expand this program in 2023 to our multiple McDonald's locations.



2022 Holiday Parade

The Crossroads Business Improvement Area shares a border with the Kingsway District Association. This holiday season our BIA worked with the Kingsway District Association to allow our BIA members the opportunity to participate in the Kingsway District Holiday Parade. Our BIA supported several business members by covering all registration fees. This provided our members with a unique opportunity to market their business and spread some holiday cheer.



Holiday Campaign – Holiday Tree Giveaway

The Crossroads BIA holiday campaign was designed as a marketing strategy for our business members. Members were able to register for a “Holiday Tree” valued at \$200 in gift cards to our local businesses. Each business was able to create and facilitate its own holiday draw, whether it be to increase social media presence, reach new customers, or provide a little holiday cheer. This campaign was well received by our membership.



Holidays

Annual General Meeting

On September 20th, members of the Crossroads Business Improvement Area gathered at the High Note Bar & Grill for our Annual General Meeting.

Marc Tellier, The Crossroads BIA Acting Chair, welcomed attendees and called the meeting to order. He gave an overview of the previous year, as well as a quick overview of what has been happening in 2021/2022. REACH Edmonton was in attendance and presented to the membership support for the growing encampments and safety concerns in the Crossroads district. 2022 saw many new business owners present and four new board of directors nominated. All director nominations were accepted and approved in early December.

For the first time, the BIA honored BIA members with The Crossroads Business Recognition. They are awarded to BIA businesses that have demonstrated economic and community development within our district through their support and diligent work with the BIA. The BIA had seven recipients in 2022.



ADVOCACY

2022 Levy Reduction

The Crossroads BIA while demonstrating our own fiscal restraint, still managed to advocate and follow through on several projects. The Crossroads BIA understands the pressures and financial burdens businesses have endured due to the COVID-19 pandemic. With the support of the BIA Council, we had advocated for our municipal government to vote in favor of a 50% reduction to our tax levy for all our businesses. This commitment from the city to cover all the tax levies truly demonstrated a true partnership and understanding of the value of our BIAs. The 20 % tax levy reduction we proposed in 2021 has remained in 2022 as our way to commit to being “in this together” with our businesses.

118th Street lamp project

The Crossroads BIA is working to promote business recruitment in our district. To do this we need to ensure our BIA infrastructure supports growth in our district. Our street lamps have been a topic of discussion over the past few years. The BIA has been working hard with our City of Edmonton Infrastructure team to see our 118th Avenue and Groat Road street lamps with significant rust replaced. These poles have transformed our area by providing vibrancy and will help us attract business into our vacancies and allow the BIA to expand on decorative enhancements. The replacement of 44 poles was completed in 2022.



124th Street Renewal

The BIA has been heavily involved in the 124 Street Renewal Project. We will be expanding on the City enhancements to bring decorative and seasonal lighting, beautification measures, and wayfinding to promote gathering in our district. Construction began on the east side of 124th street and an installation at the intersection of 118th Avenue and 124th street. Construction on the west side is currently scheduled for spring 2023.



124 Street Renewal project vision

Initial public engagement for 124 Street Renewal was carried out with Inglewood Neighbourhood Renewal and Neighbourhood Revitalization. This public input was used to create the project vision:

124 Street is ...



Walkable



A place for people to meet



Safe to cross



Bright and well-lit



Winter friendly



An area that brings people to places



A green street



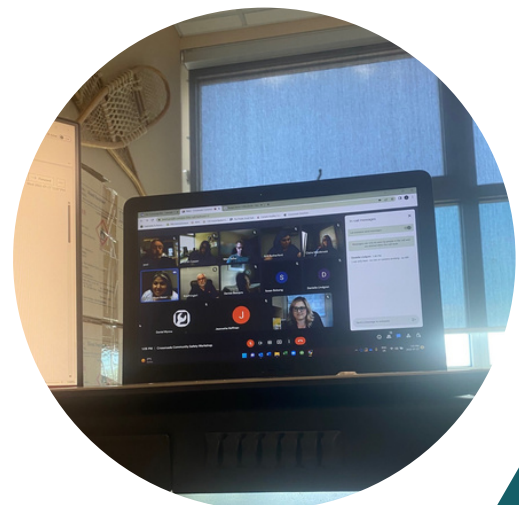
A space for business and residential

Crossroads Illumination and Activation Project 2022/2023

To support the infrastructure upgrades to our BIA, in 2022 we applied for an Inglewood Revitalization Macro grant to invest in electrical upgrades and holiday décor for our district in the value of \$185K. We received preliminary approval for the ask of 185K and are looking forward to further investments into the district in 2023.

BIA Council

The 13 City BIAs meet monthly to discuss issues and city initiatives that affect our areas. Our focus on working together has created an effective team. We will continue to advocate for the needs of our business areas not just at the municipal level, but at the provincial and national stage.



PROJECTS

Crime and Safety Committee

The Crossroads BIA hosted our first Crime and Safety committee meeting with business owners, the City of Edmonton Neighbourhood Empowerment Team (NET), REACH Edmonton, EPS, and our Anirniq City Councillor Erin Rutherford. Our district saw an increase in crime and safety concerns, including one shooting in March 2022. The committee is an opportunity for business owners to meet and work collaboratively with our social agencies, city, and EPS on solutions for our district.

Online Contests/Member Engagement

The Crossroads BIA took to social media in 2022 and found this was a great way to connect with our members and promote online member engagement. The BIA ran a bullying awareness campaign, St. Patrick's Day wear green, earth day clean-up, and more social media campaigns. Throughout the year the BIA has seen increased engagement from our membership.



PROJECTS

Website – THECROSSROADSBIA.COM

Our website has been under construction throughout 2022. We have been working with our business member and service provider ProPc Inc to redesign our website to meet the needs. We have a member directory, events, leasing opportunities, and information on business improvement areas.



Conference and Training

With the support of the City of Edmonton, the BIA was able to attend two conferences in 2022; BIABC and IDA Canada in Vancouver. Conferences allow the BIA to speak and learn and collaborate with BIAs across BC and the nation.



Marketing

Throughout 2022, we continued to offer complimentary marketing to all our business members, through our online platforms and partnerships with local communities. The BIAs invest in a marketing and graphics coordinator allowing for inhouse advertisement development for local businesses.



Local Community Leagues

Our relationship with the nine communities is very important to the Crossroads BIA. The surrounding communities include Inglewood, Prince Charles, Sherbrooke, Dovercourt, Woodcroft, North Glenora, Westmount, Prince Rupert, and Queen Mary Park areas. Our goal is to share information and learn what is happening in our neighborhood and be a liaison between the community and businesses. Crossroads is working to increase our profile with our local community leagues. We will continue to support and promote our community leagues and look forward to upcoming partnership opportunities.

Honorable Member of the Legislative of Assembly Sarah Hoffman

In 2022 MLA Sarah Hoffman, committed to business check-ups, to speak with our businesses owners about concerns and offer her support and advocacy at the provincial level.



MOVING FORWARD

Crossroads BIA commitment to 2023

The Crossroads Business Improvement Area businesses play a vital role to help stimulate our economy and support our communities. Businesses continue to rely heavily on the BIA for support and advocacy as they navigate a post-pandemic economy.

Our Crossroads BIA, being so small, has specifically aligned itself with the Edmonton BIA Council, Alberta BIA Alliance, and IDA Canada to advocate for us at the municipal, provincial, and national levels.

The BIA will continue its commitment to supporting our businesses through shop local campaigns and continue working with the City of Edmonton administration to identify deficient infrastructure in our district for repair/replacement in 2022

While I understand the economic recovery cannot fall solely on the shoulders of our government, I will say we will continue to advocate for more to be done to ensure we are paving the way for entrepreneurs to come out on top at the end of this global pandemic.

We are confident we are meeting the needs of our business members as we have seen a level of support and engagement continue to grow throughout 2022. Our focus is to work on creating opportunities in our district.

CONTACT US



780-705-0250



info@thecrossroadsbia.com



www.thecrossroadsbia.com



12304 118th Avenue



THE
CROSSROADS
BUSINESS IMPROVEMENT AREA

THE CROSSROADS BUSINESS IMPROVEMENT AREA
Financial Statements
Year Ended December 31, 2022

Index to Financial Statements
Year Ended December 31, 2022

	Page
Independent Auditor's Report	3 - 5
Financial Statements	
Statement of Financial Position	6
Statement of Revenues and Expenditures	7
Statement of Changes in Net Assets	8
Statement of Cash Flows	9
Notes to Financial Statements	10 - 14

INDEPENDENT AUDITOR'S REPORT

To the Members of The Crossroads Business Improvement Area

Opinion

We have audited the financial statements of The Crossroads Business Improvement Area (the Association), 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 Association 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 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.

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.

(continues)

Independent Auditor's Report to the Members of The 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.

(continues)

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

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

Gadowsky & Associates LLP
Chartered Professional Accountants



Edmonton, Alberta
April 13, 2023

Statement of Financial Position

December 31, 2022

	2022	2021
Assets		
Current		
Cash and bank <i>(Note 3)</i>	\$ 159,287	\$ 178,474
Short-term investments <i>(Note 4)</i>	62,592	62,070
GST rebate	1,782	575
Prepaid expenses	5,874	410
	229,535	241,529
Capital assets <i>(Note 5)</i>	417	927
Servus membership equity	2,826	2,640
	\$ 232,778	\$ 245,096
Liabilities and Net assets		
Current		
Accounts payable and accrued liabilities	\$ 3,812	\$ 3,902
Wages payable	4,052	4,100
Deferred contributions <i>(Note 6)</i>	38,873	32,000
	46,737	40,002
Net Assets		
Unrestricted	185,624	204,167
Invested in capital assets	417	927
	186,041	205,094
	\$ 232,778	\$ 245,096

On behalf of the Board

 _____ Director
 _____ Director

THE CROSSROADS BUSINESS IMPROVEMENT AREA

Attachment 13

Statement of Revenues and Expenditures

Year Ended December 31, 2022

	2022	2021
Revenues		
City of Edmonton levy <i>(Notes 6, 8)</i>	\$ 128,000	\$ 128,000
Grants <i>(Note 6)</i>	23,127	500
Donations-in-kind <i>(Note 9)</i>	2,500	3,360
	153,627	131,860
Expenses		
Salaries and wages	\$ 93,527	\$ 87,130
Advertising and promotion	35,705	9,774
Flower barrels	24,492	14,967
Office	5,070	4,936
Rental <i>(Note 9)</i>	3,768	3,360
Employee benefits	3,137	519
Professional fees	2,220	3,296
Conference & Training	1,554	-
Insurance	1,484	1,039
Board and meeting expense	964	-
Telephone	600	1,573
Amortization	510	1,132
Interest and bank charges	358	735
	173,389	128,461
Excess of revenues over expenses from operations	(19,762)	3,399
Interest income	709	481
Excess (deficiency) of revenues over expenses	\$ (19,053)	\$ 3,880

See notes to financial statements

THE CROSSROADS BUSINESS IMPROVEMENT AREA

Statement of Changes in Net Assets

Year Ended December 31, 2022

	Unrestricted		Invested in Capital Assets		2022	2021
Net assets - beginning of year	\$	204,167	\$	927	\$ 205,094	\$ 201,214
Deficiency of revenues over expenses		(18,543)		(510)	(19,053)	3,880
Net assets - end of year	\$	185,624	\$	417	\$ 186,041	\$ 205,094

Statement of Cash Flows
Year Ended December 31, 2022

	2022	2021
Operating activities		
Excess (deficiency) of revenues over expenses	\$ (19,053)	\$ 3,880
Item not affecting cash:		
Amortization of capital assets	510	1,132
	(18,543)	5,012
Changes in non-cash working capital:		
GST rebate	(1,207)	(138)
Prepaid expenses	(5,464)	(410)
Accounts payable and accrued liabilities	(90)	(6,744)
Wages payable	(48)	4,100
Employee deductions payable	-	(4,243)
Deferred contributions	6,873	-
	64	(7,435)
Cash flow used by operating activities	(18,479)	(2,423)
Investing activity		
Servus membership equity	(186)	(130)
Cash flow used by investing activity	(186)	(130)
Decrease in cash flow	(18,665)	(2,553)
Cash - beginning of year	240,544	243,097
Cash - end of year	\$ 221,879	\$ 240,544
Cash flows supplementary information		
Interest received	\$ (709)	\$ (481)
Interest paid	\$ 358	\$ 733

See notes to financial statements

Notes to Financial Statements
Year Ended December 31, 2022

1. Business nature

The Crossroads Business Improvement Area (the "Association") is a not-for-profit organization of Alberta. The Association is exempt from the payment of income tax under Subsection 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 The Crossroads Business Improvements Area in the City of Edmonton.

2. Summary of significant accounting policiesBasis of presentation

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

Revenue recognition

The 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 business revitalization zone levies is recognized as revenue in the period it relates to.

Donations-in-kind

Donations-in-kind are recorded at their fair market value at the time of the donation. During the year, \$2,500 in office space was donated-in kind (2021 - \$3,360).

Cash and cash equivalents

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

(continues)

Notes to Financial Statements
Year Ended December 31, 2022

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
--------------------	------------------------------

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 measured 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)

Notes to Financial Statements
Year Ended December 31, 2022

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 the fair value of their services, contributed services are not recognized in the financial statements.

3. Cash and bank

	2022	2021
Cash and bank	\$ 159,287	\$ 178,474

4. Short-term investments

	2022	2021
GIC investments	\$ 62,128	\$ 61,973
Interest accrued	464	97
	\$ 62,592	\$ 62,070

Short-term investments consist of a one year redeemable GIC certificate of deposit, which will mature within the subsequent year, established in accordance with the Association's investment policy. The investment interest rate is 1.20% (2021- 0.25%) and the maturity date is May 18, 2023.

The interest accrued for the period May 19, 2022 to December 31, 2022 is \$464 (2021 - \$97).

5. Capital assets

(continues)

Notes to Financial Statements
Year Ended December 31, 2022

5. Capital assets (continued)

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Computer equipment	\$ 4,242	\$ 3,825	\$ 417	\$ 927

6. Deferred contributions

	2022	2021
<u>City of Edmonton levy</u>		
Balance, beginning of the year	\$ 32,000	\$ 32,000
Amounts received during the year	128,000	128,000
Amounts recognized as revenue in the year	(128,000)	(128,000)
Subtotal	32,000	32,000
<u>City of Edmonton grants</u>		
Balance, beginning of the year	-	-
Amounts received during the year	30,000	-
Amounts recognized as revenue in the year	(23,127)	-
Subtotal	6,873	-
	\$ 38,873	\$ 32,000

City of Edmonton levy: the Association received funds for the first quarter of the 2023 fiscal year on December 28, 2022. Deferred contributions for 2022 are \$32,000 (2021 - \$32,000).

During the year, the Association applied for and received grant funding in the amount of \$25,000 under the City's Capital City Clean Up program. The City Funding will be used by the Association for the Social Enterprise Litter Reduction Initiative. All funds must be expensed by the following grant cycle of May 2023. At December 31, 2022, the Association has spent \$18,127; the remaining unspent portion has been recorded as deferred income.

During the year, the Association applied for and received grant funding in the amount of \$5,000 under the City's Neighbourhood Revitalization Macro Grant program. The City Funding will be used by the Association to improve the livability of Edmonton's mature and established neighbourhoods, and mobilize community-led action. All funds must be expensed by December 31, 2022 or any surplus must be refunded to the City. At December 31, 2022, the Association spent the full \$5,000.

Notes to Financial Statements
Year Ended December 31, 2022

7. Financial instruments

The Association's financial instruments consist of cash, short-term investments, accounts payable and accrued liabilities. The carrying value of these financial instruments approximate their fair value unless otherwise noted.

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

8. Economic dependence

The ongoing operations of the Association depend primarily on the continuation of municipal tax levy funding through the City of Edmonton. Revenue received represents 83% (2021 - 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 \$2,500 (2021 - \$3,360).

10. Comparative figures

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