



2022 | ANNUAL REPORT



It starts right here!

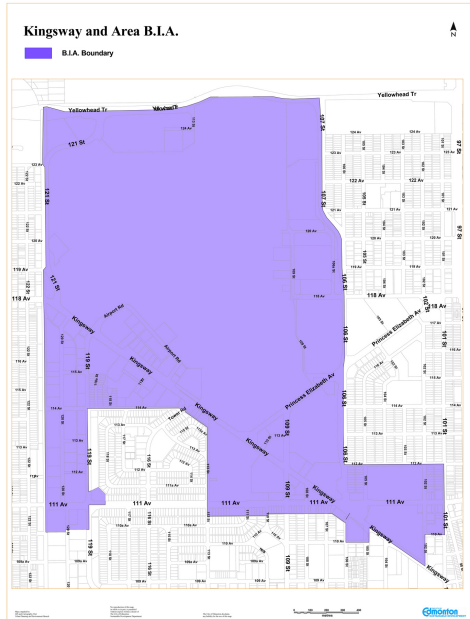


Kingsway District Association
11810 Kingsway
Edmonton, AB T5G 0X5
www.edmontonkingsway.com



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MISSION STATEMENT

To be Western Canada's Health and Wellness Destination.

GOALS

In 2013, we started our focus on Kingsway District being a Medical, Health, and Wellness Destination for Western Canada.

We will continue to:

- Work on Enhancement Projects for Edmonton Kingsway
- We will use marketing and partnerships to grow development

ASSOCIATION LEGAL PROFILE

The Edmonton Kingsway Revitalization Zone (BRZ) was established by the City of Edmonton Bylaw on November 10, 1987. The name changed to Business Improvement Area (BIA) in December of 2016.

The Association represents and serves those assessed for business tax located within the geographical boundaries stated below. The City's official Kingsway Business Association Bylaw #@8621 (as amended).

- Kingsway starts at 101 Street continuing Northwest and ending at the North and Southbound railway tracks, including those properties fronting both the South and North side of that portion of Kingsway.
- The North and Southbound railway tracks start at Kingsway Avenue continuing North and ending at the Yellowhead Trail, including those properties fronting the East side of this portion of the railway tracks.
- Yellowhead Trail started at the North-Southbound railway tracks and continued East ending at 107 Street including those properties fronting the Southside of that portion of the Yellowhead Trail.
- 107 Street starting at the Yellowhead Trail and continuing South to 120 Avenue where it branches into 106 street, continuing South on 106 Street and ending at Kingsway Avenue, including those properties fronting the West side of those portions of 106 Street and 107 Street.

The members of the Board of Directors are appointed by the City Council. Board members represent both large and small businesses within the BIA.

Scott Whitlow (Chair)
Kingsway Business Centre



Joseph Gebran
McDonalds



Scott Mattuli
Tacada Investments



Robby Ofstedahl
A&W Kingsway



Bob Lamoureux
EnviroTech Aviation Inc.



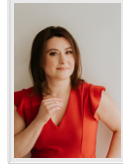
Al Henry
View Office Technology



Michael Shandro
Best Western Plus
City Centre Inn



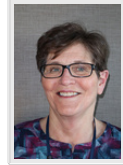
Nancy Jarnevic
Kingsway Mall



George Trenevski
B Street Bar



Alanna Jardine
RCMP



Brad Foster (Treasurer)
Art Wear

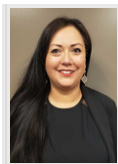


Vacant
Royal Alexandra Hospital

KDA STAFF



Ellie Sasseeville
Executive Director



Colleen Bull
Executive Assistant



Alice Funk
Marketing Coordinator



The year 2022 was very much the start of a return to some normalcy for the KDA, while we still faced many economic challenges and continued the need for online meetings we were able to start to return to some of our more traditional type events. We brought back some of our old programs and added some new. Canada and the world had been severely impacted by the COVID pandemic.

BIA's across the country united like never before as we continued to ask our governments to specifically focus on main streets and downtowns and the essential economic, social, and cultural roles we play in our communities. These districts, like Kingsway, are the heart of a community and they are the barometer of well-being. With supply chain issues, inflation, and many people finding ways to continue to work from home, we had to find ways to encourage people to come back to our streets, and communities, and attend events again.

2022 was also a year of challenge for our vulnerable population in our area as we saw increased issues around homelessness and social disorder. Our commitment to our members is always to look towards solutions that are the best fit for businesses. While we continue to face these challenges throughout the year we did welcome some new businesses to the area and found ways to connect and support each other. I am proud of the work of the BIA and its members. The City of Edmonton was a valued partner to the Kingsway area in 2022 when they came to the table to support businesses through financial economic recovery grants and with grants to support BIA's. Our goal in 2023 is to continue to ensure our members have the most up-to-date information on government grants, bylaws, and the overall economic climate. We look forward to working with you in the future.

The Blatchford Redevelopment has continued laying the groundwork for stage two of residential development by laying the majority of utilities and new roads constructed. They had plans to finish up the utility work and install sidewalks, lighting, and landscaping. Crews also started the development of the next two stages on the west side of the site.

Blatchford hosted various events including a Grand Opening that the KDA participated in as well as a Movie Night!



Blatchford District Energy Sharing System also won two Canadian Consulting Engineering Awards in 2022!



LRT is on its way!

The development of both NAIT/Blatchford Market Station and Blatchford Gate Station continued thru 2022 with utility complexes, concrete trackways, and rail installation as well as the station canopies taking shape! The crews also worked on pouring sidewalks, cycle tracks, and crossings to provide connections to the community.



Hangar 11 was designated as a historic resource in Edmonton. The private developer intends to transform the historical hangar into a mixed-use commercial and residential space that preserves Edmonton's aviation history while bringing a new and exciting space to the city!



In 2022 we continued to see member engagement but it was to assist with educating businesses on economic recovery grants and funding and while the topics were tough we were happy to be able to assist many businesses.

Communication & Marketing Plans

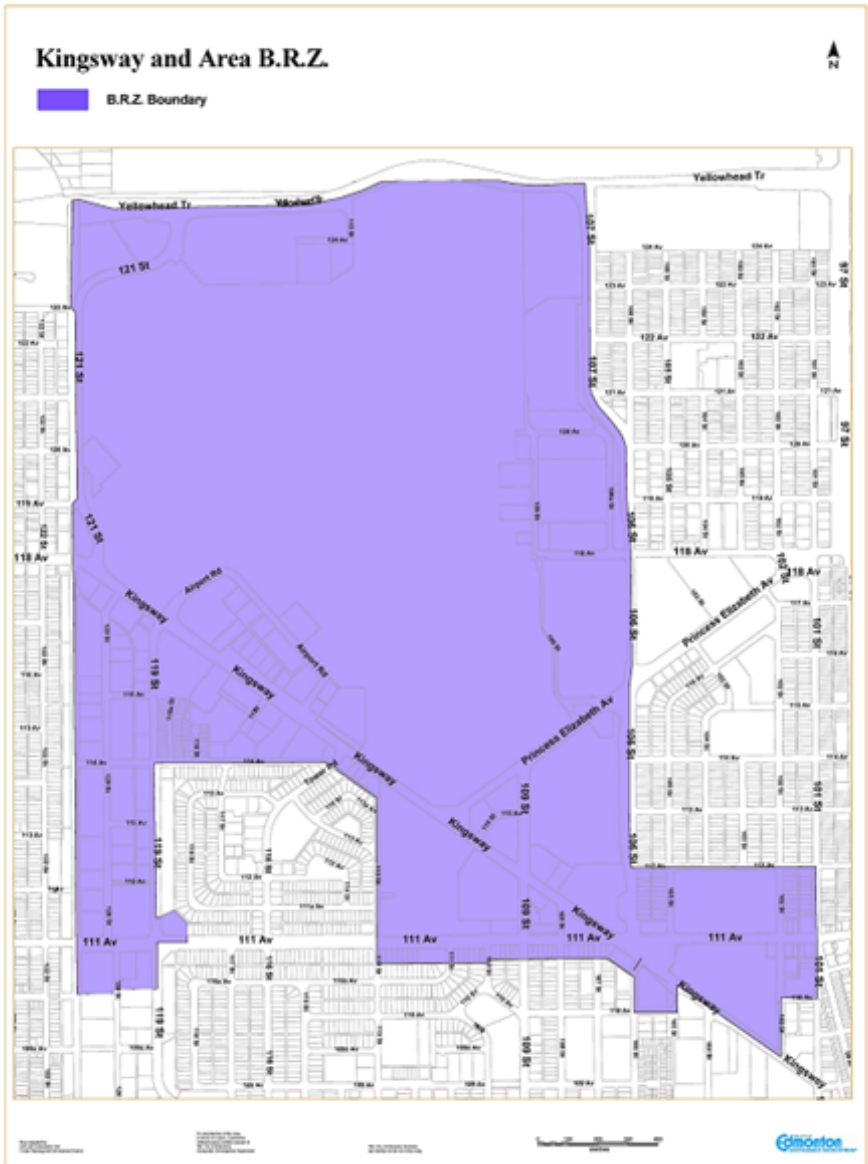
In 2022 we made the decision to stay the course with predominantly marketing plans and activities online. We were still able to achieve many of our annual marketing projects such as;

- Quarterly newsletter– featuring members - ongoing and we did print some in-house but the majority was electronic
- Community Connector (web-based news updates)
- Radio ads became a large part of our marketing strategy in 2022 to reach potential customers
- Committed to social media sharing and features for businesses
- Utilized our social media platforms

Information Sharing

The KDA has seen direct benefits from sharing information with other groups and organizations. We partner with groups interested in a healthy community. Some of the organizations we align with are;

- | | |
|---|--|
| Edmonton Public Schools | Edmonton BIA's |
| City of Edmonton | Edmonton Elks |
| Boyle Street | NAIT |
| Edmonton Food Bank | Alberta Aviation Museum |
| Santa's Anonymous | RCMP |
| Valour Place | Hiregood |
| McDougall House | Norwood Centre |
| Royal Alex Hospital Foundations | Reach Edmonton |
| Glenrose Rehabilitation Hospital Foundation | Edmonton Senior's Slow-pitch Association |
| Edmonton Police Service | Autism Edmonton |
| Edmonton Transit | Alberta Metis Nation |



The Board moved to work on enhancing our own community profile.

- The Board approved the recommended Board Promise—“To be Edmonton and Western Canada’s Medical, Health, and Wellness Destination”.
- The Board worked to be more visible and expand our online reach
- The Board worked to include more community partners
- The KDA will work with all its members, local organizations, and groups to better serve the new brand, and the message and to promote Edmonton Kingsway as a destination for tourism and business.

The KDA continues to promote the use of our trademarked tagline “It Starts Right Here!” This is now used in many Kingsway area ads and by members.

The KDA has moved along very quickly with our new mandate and our renewed commitments to members. The new look and new direction are complete and have seen us moving forward. I am very excited to see all the projects we committed to completing on time and within budget.

We are confident we are meeting the needs of our members as we have seen the level of support continue to grow from members, partners, and other organizations. We will work to continue to create opportunities in our district.

We ran more online ads than ever before and have had to adapt to a new digital time like never before. We were focused on Digital Edmonton and getting all our members online and familiar with e-commerce platforms. This program proved to be even more valuable in 2022, this program will remain. We have now shifted more towards business recruitment and retention.



“Edmonton Kingsway” is the term that we use when marketing the businesses within the Kingsway District Association. The KDA focus in 2022 was to continue to improve Member Services and Communication. We also began a more active role in business recruitment in the area. These efforts were carried out through 2022.



Social Media

Facebook and Twitter followers have steadily increased. We continue to see growth and we support our retailers with contests that help direct people to them specifically and have seen promising results from this activity for members.



QR Code

Edmonton Kingsway has a QR Code that we place on all our ads and business cards. Quick access to our website is available by scanning this code.

Website • www.edmontonkingsway.com

Our website has been a great asset to our organization. The website was launched as mobile-friendly in 2012. All our members are listed on our website along with a listing of events, and pertinent information. In 2019 our website was redesigned yet again to meet the needs. This was a significant investment. We are committed to continuing to invest in this technology. In 2022 the Kingsway District Association advertised and promoted the Edmonton Kingsway area through our usual activities as well as many new online avenues. The pandemic still required us to promote online more than ever!

- Edmonton Holiday online Wishbook
- Yellowhead It! Magazine and website (circulation 175,000)
- Country City Guide
- Produced our own KDA Newsletter with specific feature sections
- T8N Magazine
- Yellowknife, through the Chamber of Commerce

We continue to target Northern Alberta, the NWT, and beyond as our target markets.



Since the launch in 2021 of our weekly Community Connector (e-newsletter) and "Meet the Neighbours" feature has continued. We feature new or existing businesses and encourage them to create specials that we can highlight and promote to help them thrive. This is proving to be very popular among our members and is a direct benefit to their businesses

The Community Connector has become very popular and is a way to share weekly city information, road closures, construction updates, and even weekly retail events, or dining specials that our members share with us.



We ran marketing campaigns focusing on shopping local for every holiday possible and created QR code contests to bring in people for our retail and hospitality sectors.



All our contests provided winners with gift cards and items purchased or donated from our local area businesses!

The KDA worked with the Edmonton BIA Council, the Alberta BIA Alliance, and IDA Canada to ensure messaging was getting to all three levels of government. IDA Canada along with the Canadian BIAs worked to advocate to our federal leaders what the priorities should be for businesses, main streets, and downtowns.

Street issues were identified as having a major impact on our downtowns and main streets. IDA Canada did call on the Federal Government to take action by working with and providing funding to provincial and municipal governments and their partners to deal with shelters, and the opioid crisis as these have become some of the hardest challenges for business operators. The Canadian IDA also advocated for more support for small businesses for shop local activities along with additional funds and loan extensions to the CEBA loans. Lastly, we supported IDA Canada with a call to action for infrastructure investments as a way to help stimulate the economy.

Economic recovery was the phrase of the year along with business recruitment and retention. We will continue to develop strong ties with our provincial and national partners to ensure we are advocating for support from all levels of government. Recovery has taught all of us that we must work together to succeed and we must support each other's efforts to support businesses. The KDA had increased its role by participating in the Alberta BIA Alliance, IDA Canada, and International Downtown Association as well as BIABC. We will continue to work with our national and provincial groups when needed to support and advocate for businesses.



Flower Barrels on Kingsway



2022 was the fourteenth year that the Kingsway District Association participated in the "Communities in Bloom" flower barrel program. The KDA placed the colourful flower barrels in strategic locations, to enhance the experience of people coming into the Edmonton Kingsway area.



We have moved to a more member-driven model of ordering our barrels for each season. This is being done to move away from having them placed along Kingsway due to traffic volume and speed.

Flags on Kingsway



Kingsway flew its flags proudly in 2022. The KDA continues to have the largest display of independent flags in Edmonton. We redesigning a new set of flags as some were a bit worn and tired. The newly designed flags were on display in 2022 and were a tribute to our new O-day/min ward name and highlight our commitment to reconciliation. This design will be used annually to support other city acknowledgements and our own activity

Kingsway Signage

Kingsway invested \$4000 in updating our 'wayfinding' and welcome signage; this signage had exceeded its life span of 10 years and needed to be refurbished. These small initiatives add to the vibrancy of our area.



The Kingsway District Association continues to have our members participate in our spring/summer "15 to Clean Challenge"! New in 2022 was a \$25,000 grant that we received from the City. This allowed us to target areas that really needed specialized cleanup attention. We were able to support our not-for-profit organizations and social enterprise agencies. We utilized many including Hiregood to provide the services needed in our area. This grant allowed us to really invest in our district in 2022. This allowed us to assist some businesses with the many encampments we encountered and the removal of leftover debris. Everyone who participated in our clean-up was rewarded with a great barbeque that was prepared for them by EPS and RCMP members.

We have been informed we will receive the Capital City Clean-up grant in 2023 and we look forward to supporting our business area with even better services! Further, the KDA invested in a summer student who ran our clean-up program. Our area will continue to work towards a cleaner and safer community for all.



Clean - Up continued

Some of the groups we were proud to work with were, Hire Good , Autism Edmonton , Inclusion Alberta, Yeg Supper Club, and many more! We look forward to being able to secure this grant in 2023 to support not-for-profits, and social enterprise organizations and keep our community clean. Also a special thanks to the many businesses that support our efforts with clean up all year long!



Member Enhancements and Infrastructure Developments

In 2022 we saw some growth and change as we saw the Norwood expansion project plans come to life with the construction of the now-named “Gene Zwodzesky Centre”. The new development will benefit our area in the future. The project is nearing completion.

We will focus our continued recovery efforts in 2023 on our business retention and recruitment. The infrastructure upgrades in Kingsway have mostly been completed with some work still needed to accommodate Blatchford. In 2022 we saw the start of the revitalization of the area with brand-new sidewalks and road work along Airport road. Then in late 2022 (December), the parkade demolition started. The Yellowhead Freeway conversion project is moving along. These both have the potential to increase area traffic. The new Walmart opened in the Fall of 2022 in Kingsway Mall and was a welcome addition to our BIA!

The Hanger 11 development was approved as a mixed-use development that will see the hangar repurposed as student housing with food, retail, and art space. The hangar was originally built in 1942 during the second world war. This is a project that is estimated to see a \$45 million dollar investment in our area. With economic uncertainty still very much a real part of the business we could not be happier to see developers continuing to have confidence in our area and what our future holds. We are expecting to continuing to see growth in 2023.



KDA Members Deal with Homelessness and Crime

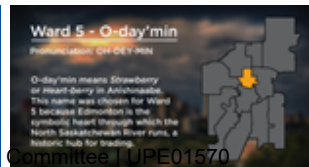
In 2022, we maintained this committee and did some work to keep us together and focused. This was so difficult and challenging with the homeless population being so vulnerable to businesses. We did see substantial growth in social disorder for so many Kingsway businesses.

The committee is still strong with 25 to 30 business representatives as well as members of EPS, Edmonton Transit Security, and many social agencies. We will look for new programming in 2023 to support businesses and we will be looking to expand our loss prevention training with EPS and Members. The shelter services and security measures supported by the City of Edmonton did help us mitigate some of the challenges, but not all! There is still a need for our very vulnerable population to have a space to meet their growing needs. Business appears to be losing their compassion and while we believe this is due to frustration, it will be extremely important to hold all levels of government accountable for the vulnerable and their needs. Businesses can no longer bear this burden. The KDA will continue to look for ways to support our businesses. We dealt with a record number of homeless encampments in 2022! the cleanup of these encampments is costly and this burden often falls to the business whose property has been invaded or taken over by an encampment. We will continue to look to our leaders for solutions around these costs as they are expensive and should not fall on the backs of businesses.



O-Day'min Ward

In 2022 Kingsway continued to work with our O-Day'min ward Councilwoman Anne Stevenson . The KDA meets regularly with her to share your concerns and update her on your issues and activities of the KDA and the area. We are grateful for her active participation in our organization and her commitment to working with our businesses.



Local Community Leagues

Our relationships with the four surrounding communities are very important to the KDA. The surrounding communities include Prince Charles, Prince Rupert, Spruce Avenue, and Westwood. Our goal is to share information and learn what is happening in their neighborhoods, be a liaison between them and the businesses, as well as listen to concerns that they may have, and support them in initiatives when we are able. Each of the community leagues has a special area on our website and it can be found at www.edmontonkingsway.com (about page). We will continue to promote any community league events on our website and find ways to support their efforts.

Social Media Partners - NEW for 2022!

The KDA utilized its resources and dedicated additional time to social media and sharing various posts and contests to support local businesses



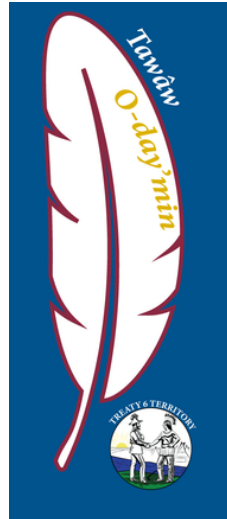
Partnerships - Coffee with a Cop

In 2018 we began our Coffee With a Cop program in partnership with EPS and our local McDonald's to bring our community members, businesses, and police officers together to share ideas and look for solutions to assist each other as community partners. This program returned to an in person format in 2022. Our relationship with EPS is extremely valuable and has proven to help strengthen business relations and learning opportunities for our members and area residents. In late 2022 The City of Edmonton also came to the table to support our efforts with the many challenges we were facing with homelessness and crime in our area and provided additional supports to help with security and services for businesses facing increased challenges on the east end of our district.



Treaty 6 commitments acknowledgment and reconciliation

Our relationship of showing respect and acknowledging our Treaty 6 roots was continued in 2022 through verbal land acknowledgment at all events, indigenous inclusion, and the development of our first Indigenous Flag. We hired a local artist to assist with the creation of our indigenous key chain with the word "Truth" written in beads and in the Cree language.



**AMISKWACIY
ACADEMY**



Amiskwaciy Academy

Kingsway is proud to have such a unique school within our district. Our staff was honored to be invited for a visit and attend their morning song and drumming sessions that welcome the students to the day and continued with a tour of the school.

Students attending Amiskwaciy Academy come from across Edmonton and surrounding areas as well as from First Nations communities and Metis settlements throughout western Canada and the Northwest Territories (currently Amiskwaciy represents First Nations communities throughout Canada). Their goal is to widen the circle and welcome students of all cultures to join us in our educational community.

Lunch and Learn Series

- COVID19 Resources with CRA March 2022
- EPS Virtual Meeting
- IDA CANADA and Minister of Tourism



Virtual Online Webinar

KINGSWAY DISTRICT ASSOCIATION

LUNCH AND LEARN

COVID-19 Business Resources Information Session
With the CRA

Canada Revenue Agency

Bring your lunch and join us online
Thursday, March 31, 2022
12:00pm - 12:30pm

FREE Information Session

MUST Pre-register - SPACE IS LIMITED
781-54-8718
info@kingswaydistrict.ca

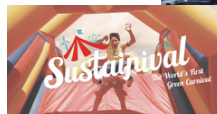
Seats available will be based on total prior to registration participants only.

Back to In-person in 2022

Economic recovery is important to all and helped even competitors find a way to work together, but in 2022 we thought it was time to get back out to visiting members in a fun way. We did this in many ways including encouraging businesses to invite their staff to dress up for a Halloween contest, a QR code contest for supporting shopping locally, or reminders about shopping to supporting Easter, Earth Day, Pink shirt day, and Orange shirt day. These small initiatives help to build community and a sense of belonging for many of our Kingsway district businesses. Kingsway area was home to Sustainival (hosted at Kingsway Mall), which was the world's First Green Carnival in the early part of summer.



HALLOWEEN



BUSINESS MEETS FOOTBALL

On July 7, The KDA in partnership with the Crossroads BIA hosted our annual Business Meets Football event after a break due to covid. The event was well attended and is seen as a way for us to support our local team, and bring businesses, EPS, community leaders, and BIAs together for an evening of fun and sharing. This event saw 115 members participate and included families!



Annual General Meeting- October 6, 2022

On October 6th, 68 members of the Kingsway District Association gathered in so many ways, some by Zoom, some in-person and some even voted in advance for the second time. We held our very high-tech AGM at the Avonair Curling Club on Kingsway. The KDA Chair, Scott Whitlow welcomed the attendees and chaired the meeting. He gave an overview of the previous year, as well as a quick overview of what had been happening in 2022. Scott Whitlow spoke of all the great programs, and support we had completed. Our Auditor was also on hand to provide a presentation on our year-end financials. The Chair and Treasurer presented the 2023 Budget for approval from our membership with a slight levy increase of just \$7000 to capture the newly opened Walmart. Finally, the meeting concluded with the acceptance of the nominations for the 2023 Board of Directors. All director nominations were accepted and officially appointed by City Council in early December 2022. During the AGM, we received an update and presentation on the Blatchford Development from Executive Director, Tom Lumsden.

Councilor Anne Stevenson welcomed our members and shared a community update with us and heard from some of our members about their frustrations with the increased crime and homelessness in our district over the summer months. Councilor Stevenson shared that she had been working with the City Manager's office toward some security solutions for the east end of our district and around the hospital and metro line.



KDA Christmas Holiday Parade

On November 26th the KDA hosted our 2nd annual traditional Christmas Parade! The parade was even more successful than we could have imagined. We managed to provide an option to promote shopping locally, Black Friday weekend, and bring some holiday cheer to the entire city. We saw huge growth in 2022 with over 30 floats in the parade.

We would like to thank all the businesses who participated and all those who lined our streets to take in the parade. The KDA is looking forward to hosting an annual holiday parade again in 2023! This event allowed us to partner with Kingsway Mall and gave away customized Holiday shopping bags or \$10.00 Kingsway Mall gift cards for people to utilize over the holiday season. The mall merchants reported the mall being busier with visitor numbers far exceeding previous years.

These events cannot happen without City support, EPS support, and business participation! In 2022, we were happy to have included our Mayor and City Council Member Anne Stevenson on floats. We will continue to host this event and will continue to look for ways to grow this event.



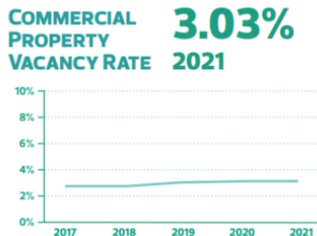
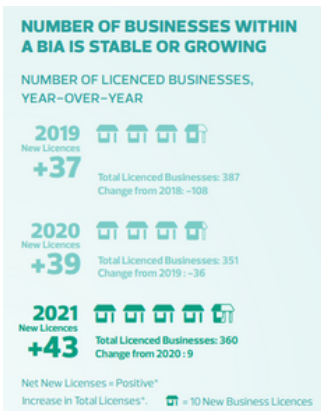
2022 saw many new changes to our landscape. We lost approximately 20 businesses throughout the pandemic for various reasons - closed or moved locations. As we made our way through 2022 we were still considered stable as we welcomed 30 new businesses, and have several more in the works for 2023.

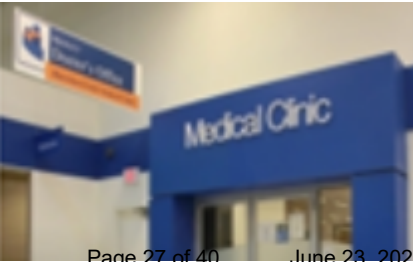
Our average square foot costs remain stable and our vacancy rates remain among some of the lowest in the City at approximately 3%. Kingsway remains a destination for shoppers, visitors, and those looking to set up shop!



**Kingsway Businesses
Opened 2022**

- Rapid Haulers • Canajan Inc • Mobile Care • Telze • Amber Peak Developments • Pluto Cannabis Inc • Gangnam Street Foods • Celina Schlosser • Shift Physiotherapy & Wellness • YEG Mattress & More • Forever 21 • RW&CO • Walmart • Bento Sushi • Evolve PMU Studio Academy • The UPS Store • Bud & Bloom • Craze Mania • DHL Mobile Trailer • Dyce • Markit10 • FREE Fitness • Catalyst Physiotherapy • Osmow's • Ooodle Noodle • Potatoe Corner • Prospect Human Services • Skin High • U Logo • Up the River







The Kingsway District Association looks forward to working to enhance, our market, and develop the landscape of our District for our Members to grow and prosper.

We are committed to continuing to work with the City of Edmonton “our partners” to do what is best for Edmonton Kingsway Businesses.

We will look to strengthen our relationships as part of Treaty 6 and develop social and environmental strategies in 2023.

The KDA welcomes feedback and has an open-door policy. Please feel welcome to reach out to us at any time. We look forward to helping build the community in the Kingsway area and supporting your business in 2023!

We have seen many businesses return to a more normal way of doing business. For now Congratulations to everyone who was able to pivot their business to survive and to every organization who was able to create partnerships for success through the 2022 year.



KINGSWAY DISTRICT ASSOCIATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Ellis Group LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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T5K 2T3

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INDEPENDENT AUDITORS' REPORT

To the Members of **KINGSWAY DISTRICT ASSOCIATION**

Opinion

We have audited the accompanying financial statements of **KINGSWAY DISTRICT ASSOCIATION** ("the Association") which comprise the statement of financial position as at December 31, 2022 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 , as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 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.

Ellis Group LLP

Chartered Professional Accountants

Edmonton, Alberta
April 17, 2023

KINGSWAY DISTRICT ASSOCIATION
STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>2022</u>	<u>2021</u>
Revenue		
Business Improvement Area Levy	\$ 290,301	\$ 290,301
City of Edmonton grant	64,000	-
Other income	7,000	7,000
	<hr/>	<hr/>
	361,301	297,301
	<hr/>	<hr/>
Expenditures		
Wages and benefits	216,238	206,975
Programs and projects (note 6)	105,611	43,239
Rent	35,044	33,233
Office	32,680	20,188
Professional fees	5,940	7,276
Telephone	5,651	4,990
Memberships and insurance	3,523	7,587
Donations	300	500
Amortization	194	262
	<hr/>	<hr/>
	405,181	324,250
	<hr/>	<hr/>
Deficiency of revenues over expenditures	(43,880)	(26,949)
Net assets, beginning of the year	211,495	238,444
	<hr/>	<hr/>
Net assets, end of the year	\$ 167,615	\$ 211,495
	<hr/> <hr/>	<hr/> <hr/>

KINGSWAY DISTRICT ASSOCIATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

ASSETS

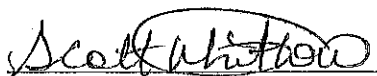
	2022	2021
Current Assets		
Cash	\$ 237,327	\$ 284,853
Accounts receivable	6,739	6,579
Government remittances and sales tax	7,831	5,553
Prepaid expenses	25,000	3,098
	276,897	300,083
Equipment (note 3)	592	786
	\$ 277,489	\$ 300,869
	\$ 277,489	\$ 300,869

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable and accrued liabilities	\$ 10,549	\$ 16,799
Deferred revenue (note 4)	74,325	72,575
Deferred government grant	25,000	-
	109,874	89,374
Net Assets		
Unrestricted	167,615	211,495
	\$ 277,489	\$ 300,869
	\$ 277,489	\$ 300,869

Approved By The Board

 Director

 Director

KINGSWAY DISTRICT ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

Attachment 8

	2022	2021
Cash provided by (used in) operating activities		
Deficiency of revenues over expenditures	\$ (43,880)	\$ (26,949)
Item not affecting cash		
Amortization	194	262
	(43,686)	(26,687)
Net change in non-cash working capital		
Decrease (increase) in accounts receivable	(160)	(269)
Decrease (increase) in government remittances and sales tax	(2,278)	601
Decrease (increase) in prepaid expenses	(21,902)	(2,773)
Increase (decrease) in accounts payable and accrued liabilities	(6,250)	2,483
Increase (decrease) in deferred revenue	1,750	-
Increase (decrease) in deferred government grant	25,000	-
	(3,840)	42
Decrease in cash	(47,526)	(26,645)
Cash, beginning of the year	284,853	311,498
	\$ 237,327	\$ 284,853

KINGSWAY DISTRICT ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

1. Nature Of Operations

A Business Improvement Area (BIA) is created for the following purposes:

- (a) Improving, beautifying and maintaining property in the zone area
- (b) Developing, improving and maintaining public parking
- (c) Promoting the zone as a business district

On November 10, 1987, the City of Edmonton Municipal Council passed Bylaw 8621 creating the Kingsway Business Revitalization Zone and incorporating the "Edmonton Kingsway Business Revitalization Zone Association," with Amendments to the bylaw on October 10, 2012.

On November 6, 2013, the City of Edmonton Municipal Council amended Bylaw 8621 to change the name of the Kingsway BRZ to Kingsway District Association (the "Association").

On December 13, 2016, the City of Edmonton Municipal Council passed Bylaw 17780 to change the name, Business Revitalization Zone (BRZ), to Business Improvement Area (BIA).

The Association is a not-for-profit organization and is exempt from income taxes.

2. Accounting Policies

(a) Basis Of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Revenue Recognition

The Association uses the deferral method of accounting for contributions. Unrestricted contributions from memberships and events are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. The Business Improvement Area levy which is paid in quarterly installments during the calendar year is recognized when receivable.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on deposits and cheques issued and outstanding at year end.

(d) Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is provided using the following methods and annual rates.

Computer	30% declining balance
Equipment	20% declining balance

KINGSWAY DISTRICT ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. Accounting Policies - continued

(e) Measurement Uncertainty

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of the tangible capital assets. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in revenue or expenses in the period in which they become known. Actual results could differ from those estimates.

(f) Financial Instruments

The Association initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value.

The Company subsequently measures its financial assets and liabilities at cost, except for equity investments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income in the year incurred. Financial assets include cash and accounts receivables. Financial liabilities include accounts payables and accrued liabilities.

Transaction costs associated with the acquisition and disposal of investments are capitalized and are included in the acquisition costs or reduce proceeds on disposal. Investment management fees associated with index pooled funds are expensed as incurred.

For financial assets measured at cost, the Association determines whether there are indications of possible impairment. When there are, and the company determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. 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 be no 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 income.

(g) Statement of Cash Flows

The statement of cash flows has been prepared using the indirect method.

KINGSWAY DISTRICT ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. Accounting Policies - continued

(h) Contributed Materials and Services

Contributed materials and services are recorded at fair market value when the amount can reasonably be determined and would have been purchased. Due to the difficulty of determining their fair value, volunteer services are not recognized in the financial statements. There were no contributed materials and services recorded for the years ended December 31, 2022 and 2021.

3. Equipment

	<u>2022</u>			<u>2021</u>
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer	\$ 9,077	\$ 8,829	\$ 248	\$ 355
Equipment	8,078	7,734	344	431
	<u>\$ 17,155</u>	<u>\$ 16,563</u>	<u>\$ 592</u>	<u>\$ 786</u>

4. Deferred Revenue

Deferred revenue represents an advance payment on the Business Improvement Area Levy to be rendered in 2023.

5. Lease Commitment

The Association is currently negotiating a renewal of its lease agreement. The current office lease expires on January 31, 2024.

6. Programs And Projects

During the year, the Association expended funds related to the following programs and projects:

	<u>2022</u>	<u>2021</u>
Kingsway enhancement	\$ 79,970	\$ 29,603
Advertising and marketing	13,509	8,838
Events	12,132	4,798
	<u>\$ 105,611</u>	<u>\$ 43,239</u>

7. Financial Assets And Liabilities

The Association has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include liquidity risk.

Liquidity Risk

Liquidity risk is the risk that the Association will not be able to meet its obligations associated with its financial liabilities. Cash flow from the Business Improvement Area levy provides a substantial portion of the Association's cash requirements. The Association also has excess cash should it be required to meet temporary fluctuations in cash requirements.

8. Impact of COVID-19

The global pandemic of the virus known as COVID-19 has let the Canadian federal government, as well as provincial and local governments, to impose measures, such as restricting foreign travel, mandating self-isolations and physical distancing and closing non-essential businesses. Because of the high level of uncertainty related to the outcome of this pandemic, it is difficult to estimate the future financial effect, if any, on the Association.