

Financial Statements of

**EDMONTON FORT ROAD AND AREA BUSINESS
REVITALIZATION ZONE ASSOCIATION**

Year ended December 31, 2015

**EDMONTON FORT ROAD AND AREA BUSINESS
REVITALIZATION ZONE ASSOCIATION**

Financial Statements

Year ended December 31, 2015

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**Report on the Financial Statements**

We have audited the accompanying financial statements of Edmonton Fort Road and Area Business Revitalization Zone Association, which comprise the balance sheet as at December 31, 2015, and the statement of revenue, expenditures and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Edmonton Fort Road and Area Business Revitalization Zone Association as at December 31, 2015, 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



Stephen D. Wildfang Professional Corporation

Chartered Accountant

Edmonton, Alberta

June 21, 2016

EDMONTON FORT ROAD AND AREA BUSINESS REVITALIZATION ZONE ASSOCIATION

Balance Sheet

December 31, 2015, with comparative figures for 2014

	2015	2014
Assets		
Current assets:		
Cash	\$ 33,102	35,576
Goods and Services Tax receivable	3,858	3,980
	<u>\$ 36,960</u>	<u>39,556</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,000	1,000
Unrestricted net assets	35,960	38,556
	<u>\$ 36,960</u>	<u>39,556</u>

See accompanying notes to financial statements.

On behalf of the Board:

 Director

 Director

EDMONTON FORT ROAD AND AREA BUSINESS REVITALIZATION ZONE ASSOCIATION

Statement of Revenue, Expenditures and Changes in Net Assets

Year ended December 31, 2015, with comparative figures for 2014

	2015	2014
Revenue:		
Business revitalization zone tax levy	\$ 80,000	80,000
Other	-	1,661
	80,000	81,661
Expenditures:		
Advertising and promotion	65	-
Audit and legal	2,750	2,625
Bank charges	364	187
Contract labour	61,674	57,344
Contributions to community groups	1,000	1,000
Directors' meetings and office expenses	13,297	15,991
Insurance	800	-
Special events and projects	2,646	8,798
	82,596	85,945
Excess revenue (expenses)	(2,596)	(4,284)
Unrestricted net assets, beginning of year	38,556	42,840
Unrestricted net assets, end of year	\$ 35,960	38,556

See accompanying notes to financial statements.

EDMONTON FORT ROAD AND AREA BUSINESS REVITALIZATION ZONE ASSOCIATION

Statement of Cash Flows

Year ended December 31, 2015, with comparative figures for 2014

	2015	2014
Cash provided by (used in):		
Operations:		
Excess revenue (expenses)	\$ (2,596)	(4,284)
Change in non-cash operating working capital:		
Decrease (increase) in Goods and Services Tax receivable	122	(307)
	(2,474)	(4,591)
Decrease in cash	(2,474)	(4,591)
Cash, beginning of year	35,576	40,167
Cash, end of year	\$ 33,102	35,576

See accompanying notes to financial statements.

EDMONTON FORT ROAD AND AREA BUSINESS REVITALIZATION ZONE ASSOCIATION

Notes to Financial Statements

Year ended December 31, 2015

The Association was incorporated in August 1991 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 "Fort Road Business and Community Association".

1. Significant accounting policies:

(a) Measurement uncertainty:

These financial statements have been prepared by management in accordance with accounting principles generally accepted in Canada. Because the precise determination of many assets, liabilities, revenues and expenses are dependent on future events, the preparation of financial statements for a period necessarily includes the use of estimates and approximations which have been made using careful judgement. Actual results could differ from those estimates. These financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

(b) Revenue recognition:

The 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 in the year received.

(c) Property and equipment:

Property and equipment are expensed when incurred as projects of the Association.

(d) Income taxes:

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

EDMONTON FORT ROAD AND AREA BUSINESS REVITALIZATION ZONE ASSOCIATION

Notes to Financial Statements

Year ended December 31, 2015

2. Financial instruments:

Risks and concentrations:

The Association is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the Association's risk exposure at the balance sheet date of December 31, 2015.

Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its accounts payable.

Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Association is not significantly exposed to this risk.

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 risk, interest rate risk and other price risk. The Association is not significantly exposed to these risks.