

North Edge Business Association - 2014 Audited Statements

The North Edge Business Association
Financial Statements
December 31, 2014

The North Edge Business Association

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DOYLE & COMPANY
CHARTERED ACCOUNTANTS

Allan J. Grykuliak, C.A.*
Scott T. Mockford, C.A.*
* Operates as a Professional Corporation

INDEPENDENT AUDITORS' REPORT

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**To the Board of
The North Edge Business Association**

We have audited the accompanying financial statements of the **The North Edge Business Association** which comprise the statement of financial position as at December 31, 2014 and the statements of operation and changes in fund balances, 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.

Auditor's Responsibility

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

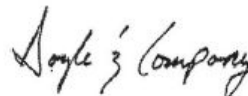
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparations 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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the **The North Edge Business Association** as at December 31, 2014 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Edmonton, Alberta
April 22, 2015



Chartered Accountants

1.

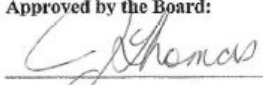
The North Edge Business Association

Statement of Financial Position

As at December 31, 2014

	2014	2013
	\$	\$
Current assets		
Cash	225,730	174,248
Accounts receivable (Note 2)	112	8,326
GST receivable	9,075	5,120
Investments (Note 3)	13,022	12,906
Prepaid expenses	1,016	2,293
	248,955	202,893
Capital Assets (Note 4)	6,169	7,711
Long-Term Investments (Note 3)	-	13,429
	255,124	224,033
Current liabilities		
Accounts payable	7,756	2,506
Deferred contributions (Note 5)	58,237	72,648
	65,993	75,154
Unamortized Capital Contributions (Note 6)	6,169	7,711
	72,162	82,865
Fund balance		
Unrestricted	182,962	141,168
	255,124	224,033

Approved by the Board:

 Director

 Director

The accompanying notes form part of these financial statements.

2.

The North Edge Business Association
Statement of Operations and Change in Fund Balance
For the year ended December 31, 2014

	2014 Budget \$	2014 Actual \$	2013 Actual \$
Revenue			
Levy	112,090	112,090	110,000
Interest income	-	959	855
Grant revenue	37,910	7,950	99,804
Other revenue	-	-	784
Deferred from prior period	-	80,359	-
Deferred to subsequent period	-	(64,406)	(80,359)
	150,000	136,952	131,084
Expenses			
Administration			
Insurance	1,200	908	865
Office	4,700	5,900	5,208
Rent	-	-	7,735
Telephone and website	1,800	1,818	2,094
Amortization	-	1,542	857
Consulting fees	63,000	60,000	56,390
Professional fees	2,700	2,500	2,500
Programs and projects	76,600	22,490	41,180
	150,000	95,158	116,829
Excess of revenues over expenses	-	41,794	14,255
Fund balances, beginning of year	-	141,168	126,913
Fund balance, end of year	-	182,962	141,168

The accompanying notes form part of these financial statements.

3.

The North Edge Business Association

Statement of Cash Flows

For the year ended December 31, 2014

	2014	2013
	\$	\$
Operating Activities		
Cash received from levy's	112,090	110,000
Cash received from interest and other income	17,123	93,723
Cash paid to suppliers	(91,044)	(128,936)
	<u>38,169</u>	<u>74,787</u>
Investing Activities		
Decrease (increase) in investments	13,313	(519)
Increase in Cash	51,482	74,268
Cash, beginning of year	174,248	99,980
Cash, end of year	225,730	174,248

The accompanying notes form part of these financial statements.

4.

The North Edge Business Association

Notes to the Financial Statements

December 31, 2014

Purpose of the Organization

The North Edge Business Association is a non-profit association. The main purpose of the association is to revitalize and maintain a dynamic commercial area and promote this area as a business or retail destination. Defining and promoting an identity through the business revitalization zone further promotes the vitality and competitiveness of the business area. Beyond beautification and promotion, the association can also facilitate the development or partnerships and relationships among local community groups and institutions. In general, the purpose is to bring people back to these business districts that are usually located in the inner city or the more mature areas of Edmonton. The association is exempt from income taxes under the Income Tax Act.

1. Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

a) Investments

Investments are recorded at market value.

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 when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

c) Fund Accounting

The operating fund accounts for the association's program delivery and administrative activities.

d) Financial Instruments

The association's financial instruments consist of cash, accounts receivable, investments and accounts payable. Unless otherwise noted, it is management's opinion that the corporation is not exposed to significant interest or foreign currency risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

(e) Measurement Uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

5.

The North Edge Business Association
Notes to the Financial Statements
December 31, 2014

2. Accounts Receivable	2014	2013
	\$	\$
City of Edmonton	-	8,000
Servus Credit Union interest	112	326
	<u>112</u>	<u>8,326</u>

3. Investments	2014	2013
	\$	\$
Short Term Investments:		
Guaranteed Investment Certificate #1	13,021	12,905
Servus Credit Union Common Share	1	1
	<u>13,022</u>	<u>12,906</u>
Long Term Investment:		
Guaranteed Investment Certificate #2	-	13,429
	<u>13,022</u>	<u>26,335</u>

The Guaranteed Investment Certificate #1 has maturity date of January 2015 with an annual interest rate of 0.9%.

Total interest accrued on the Guaranteed Investment Certificates is \$112 (2013 - \$326)

4. Capital Assets	2014			2013
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Patio furniture	8,568	2,399	6,169	7,711

5. **Deferred Contributions**
- Deferred contributions consists of grant funding from the City of Edmonton and will be recognised as revenue in the year which the related expenses are incurred.

6.

The North Edge Business Association
Notes to the Financial Statements
December 31, 2014

6. Unamortized Capital Contributions	2014	2013
	\$	\$
Capital grant - City of Edmonton	7,711	8,568
Amount amortized to revenue	(1,542)	(857)
	6,169	7,711

7.