



2019 Annual Report

Stony Plain Road & Area BIA



INTRODUCTION



Stony Plain Road & Area Business Association continues to evolve, experience and appreciate the dynamics of the business area and surrounding communities. The membership is a diverse range of approximately 550 businesses ranging from small family-owned businesses to automotive to industrial commercial to big box. What is common amongst all is the enthusiasm for change and the promise of revitalization. Our mission as an Association is to create a dynamic area where people want to shop, businesses want to grow, and residents want to live.

In June 2019, our Executive Director for the past 13 years resigned from our organization. Diane Kereluk was a central figure and worked tirelessly to build a better place along Stony Plain Road for businesses and the area will benefit from her drive and passion for years to come. In September, the Board hired Todd Janes as the new Executive Director who brings a different energy and collaborative approach to building communities. His playfulness creates spaces for multiple points of entry into the work that we will be embarking on over the next five years. His vast experience in voluntary and artistic sector embraces asset-based community development.

Within the first month of Todd's arrival to the BIA, it became clear that some of the events and projects that Stony Plain Road & Area BIA were doing were not moving the area forward and that some activities were counter to supporting and uniting businesses along the Stony Plain Road corridor. At his recommendation we paused further events and began a process of starting from a new direction. Ultimately, we believe all the work that is done by the Business Improvement Area should be driven through the lens of economic development. We need to rally and create an appropriate brand for Stony Plain Road & Area that is clear, and can convey where we are, and where we're going - moving us from a service and commercial area with a commuter arterial, to a modern Main Street that not only retains current access, but adds walkability and multiple modes of transportation - allowing for greater, positive human scale interactions that will help inform and feed local economies along with the support from surrounding neighbourhoods. The transformation partially fuelled by the West Valley Line LRT investment will spark a positive population growth of over 30,000 in the next 15 years and will significantly influence what businesses are in our area and how they operate.

2019 PRIORITIES:



BEAUTIFICATION



**MARKETING &
PROMOTION**



**SAFER & MORE
CONNECTED
NEIGHBOURHOODS**

BEAUTIFICATION



There are many reasons to maintain a clean and attractive business area, including:

- Create spaces for positive human interactions and enhance pedestrian traffic;
- Create welcoming environments for new businesses and expansions to our area for developers;
- Promote a greater sense of pride within SPR for businesses and patrons;
- Build public safety with better lighting, positive food traffic and interactions; and
- Enhance everyday quality of life for everyone

Decorative Lighting

On all of the new light poles we have installed decorative lighting that represents our logo. We have also budgeted to continue the program when new light poles are installed from 158 Street to 170 Street and Stony Plain Road. In 2019, this project has been delayed due to construction pauses and delays in installing the new light poles. Completion of this project is dependant on this capital project being completed by City Operations and their third party contractors.

Hanging & Permanent Planters

We have continued with a sizable investment of flowers with hanging planters throughout the business area primarily in the East quadrant of SPR and then larger barrels in the West segment of our corridor. There are a total of 126 flower arrangements placed throughout our BIA. A full review of the flower program will begin in Fall 2020 looking toward a more sustainable and member-involved program that provides consistency throughout the entire 30 plus blocks of our BIA. We also continue to support the Permanent Planter program that adds curb appeal to the more industrial and car-focused area of our district.

Tree Lighting

Tree lights have now been installed and replaced where there is available electricity. By brightening up the streets at night we also improve safety. With the construction of Valley Line West LRT we are excited about enhanced street scaping and the potential of fruit bearing trees and shrubs to be developed with City Forestry and Transportation in the coming years.

Clean Streets & Graffiti Free

We continuously monitor and report graffiti in addition to adding murals to deter taggers. Street cleaners are also contracted to keep the streets free of litter. All businesses are encouraged to keep their storefront clean. And we have worked more closely with Capital City Clean-Up and EPS regarding graffiti and tags. We have contracted individuals and agencies with litter cleaning on our streets and gutters and with Capital City Clean-Up and their volunteer squads in our surrounding neighbourhoods.

MARKETING & PROMOTION



Throughout the year, various efforts are made to promote the business area, which include hosting events, signage, networking, supporting community projects and keeping open communications with surrounding community members and leagues.

Taste of Stony Plain Road

The Taste of Stony Plain Road event returned this year with a new venue at The Orange Hub. This event promotes the food establishments in the area. It not only brings awareness to the many great restaurants but also brings people back to the area. The event also provided opportunities to taste different restaurants and food merchants all in one location on one night.

Permanent Portable Signage

We were assigned two permanent locations for portable signs on City property. The locations are 102 Avenue & 149 Street and 153 Street & 100 Avenue. While these portable signs were useful in promoting various events and highlighting the business area we ran into issues with the City of Edmonton and after much dialogue the BIA decided to remove these signs and focus on our communication on different vehicles starting in 2020. As our BIA moves from more of a transportation/commuter corridor to a Mainstreet creating human scale interactions, our communications and marketing strategies will reposition.

YEG Market

The concept of a weekly market bringing people to the street is a lofty idea and certainly a popular concept throughout Edmonton. The Market required a significant amount of resources in a very competitive environment; after three plus years of incubating the concept of a Market District, a decision was made to suspend the YEG Market. As the Stony Plain Road & Area BIA develops new projects and programs, these events must align with our branding strategy and support businesses that have chosen to operate within our boundaries. As a direct impact to economic development our efforts must primarily be to support and promote businesses within our area, first and foremost. The Market may not have been viewed as supporting our members directly, as it was mostly comprised of home-based businesses and local producers. We are developing strategies for 2020 that will build pride and connectivity with businesses and will create opportunities for an enhanced street economy and positive human interactions through Stony Plain Road & Area.

Storefront Cinema Nights

Stony Plain Road's very own film festival returned for a second year after a decade-long absence. Situated on Stony Plain Road and 152 Street, we took advantage of the designed gathering spaces in the Pakette. Short films were projected onto storefronts along with the added attraction of vocal and instrumental programming by singers and songwriters. There was free popcorn, and hot chocolate, horse drawn wagon rides and fire pits that provided natural gathering and sharing spaces. A diverse array of socioeconomic groups were able to share the warmth of the fires and talk with each other. This event had great potential to re-pivot in several ways that could enhance and encourage free, accessible, artistic interactions while place building and underscoring Edmonton as a Walkable City and a Winter City and related strategie building upon the corridors and nodes of Stony Plain Road & Area over the next few years.

SAFER & MORE CONNECTED NEIGHBOURHOODS



In the last quarter of 2019, we decidedly began different approaches to community engagement and activation with an outlook to build and maintain vibrant Main Streets. To encourage greater commercial activity, places must be inviting, welcoming and offer different point of entry to everyone. Working with our strategic approaches to residents, agencies, businesses, potential visitors and new potential businesses. Our approach is that by working together, it becomes easier and better as we all need a hand up from time to time.

Working with EPS

We hosted a safety meeting and brought various presenters to share, advice and awareness on how to address the issues in the area. The invite was open to all business and community members. Communicating regularly with EPS West Division leadership and beat cops, and linking them with concerns and potential issues is crucial. Through this communication, EPS can be seen as an important resource to build community and less reactive after damage or crime has happened. We also believe that this relationship building empowers individual business owners and creates environments where we can come together to make things better.

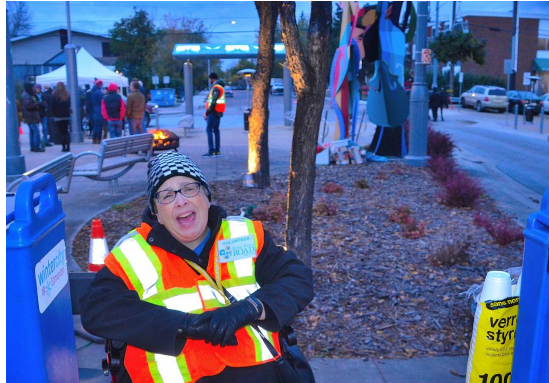
Community Involvement

In the later part of 2019, concerted actions were made to reach out and to work with community leagues, social service agencies and cultural groups through actions and efforts. The goal was to build a mutual sense of respect and slowly gain trust in how we all care for our communities. That respect and understanding is important in developing alliances. A reactivated leadership involving the Jasper Place Revitalization Stakeholders Group, calling meetings between nonprofits and the BIA to better understand our impacts, struggles, collective works, outreach and collaboration with the community leagues of Canora, Britannia/Youngstown, Glenwood, and West Jasper Place/Sherwood are ongoing with plans to share events, communications and hopefully build community capacity.

We are an active member of the Orange Hub Tenant Group and we have co-chaired this group with the City of Edmonton. There is considerable work to do to activate the Orange Hub as a community hub and to honour the investment of the City's West End communities.

Derelict Buildings

A fair amount of effort is put into improving the conditions of vacant buildings in the area. The process is slow and time consuming, however, derelict buildings are always on the radar and every attempt is being made to create change. This year, a number of our vacant buildings became the property of the City of Edmonton. After some stumbles, we are happy with the working relationship with the City and are excited for a future once the Valley Line West LRT is completed and new buildings will emerge with unique and diverse businesses along this transit-oriented development.



2019 BOARD OF DIRECTORS

A deep appreciation to all the Board Directors who volunteered their time, energy, and expertise to building a stronger BIA over the last year. A special acknowledgement to Ken McCoy and his years of volunteer work as our Treasurer, and to Lee Porta and Dan Mason.

Chair	Salim Keshwani	Arctic Car Wash
Vice Chair	Jey Arul	AJ Capital Inc.
Treasurer	Ken McCoy*	Royal LePage
	Phyllis Bright	The Flag Shop
	Nils Skalin	ATB Financial
	Douglas Lim	A Mortgage Alliance
	Dan Mason*	Mason & Company (Non-Voting)
	Brandon Schatz	Variant Edition
	Lee Porta*	The Dance Theatre Performing Arts Centre
	Marian Switzer	The Gilded Rabbit

*Denotes Directors departing at end of term

A huge THANKS to all of our 2019 event volunteers and supporters!



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Please see the attached Stony Plain Road & Area Revitalization Zone: Financial Statements (For the year ended December 31, 2019)

**STONY PLAIN ROAD AND AREA
BUSINESS REVITALIZATION ZONE**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019



STONY PLAIN ROAD AND AREA BUSINESS REVITALIZATION ZONE

FOR THE YEAR ENDED DECEMBER 31, 2019

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INDEPENDENT AUDITORS' REPORT

To the Directors of

STONY PLAIN ROAD AND AREA BUSINESS REVITALIZATION ZONE

To the directors of **Stony Plain Road and Area Business Revitalization Zone**

Qualified Opinion

We have audited the accompanying financial statements of **Stony Plain Road and Area Business Revitalization Zone**, which comprise the statement of financial position as at December 31, 2019 and the statements of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of **Stony Plain Road and Area Business Revitalization Zone** as at December 31, 2019, 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 Qualified Opinion

In common with many not-for-profit organizations, **Stony Plain Road and Area Business Revitalization Zone** derives revenue from fundraising the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of **Stony Plain Road and Area Business Revitalization Zone**. Therefore, we were not able to determine whether any adjustments might be necessary to recorded donations or fundraising, excess of revenue over expenses, cash flows from operations for the years ended December 31, 2019 and 2018, current assets as at December 31, 2019 and 2018, and net assets as at January 1 and December 31 for both the 2019 and 2018 years. Our audit opinion on the financial statements for the year ended December 31, 2018 was modified accordingly because of the possible effects of this scope limitation.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of **Stony Plain Road and Area Business Revitalization Zone** 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and those Charged with Governance 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.

INDEPENDENT AUDITORS' REPORT (continued)

In preparing the financial statements, management is responsible for assessing **Stony Plain Road and Area Business Revitalization Zone'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 **Stony Plain Road and Area Business Revitalization Zone** or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing **Stony Plain Road and Area Business Revitalization Zone's** financial reporting process.

Auditors' 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 audit 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 judgement and maintain a 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 resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls 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 **Stony Plain Road and Area Business Revitalization Zone'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 cause significant doubt on **Stony Plain Road and Area Business Revitalization Zone'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 **Stony Plain Road and Area Business Revitalization Zone** 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.

Edmonton, Alberta
April 13, 2020

CHARTERED PROFESSIONAL ACCOUNTANTS


STONY PLAIN ROAD AND AREA BUSINESS REVITALIZATION ZONE

STATEMENT OF FINANCIAL POSITION

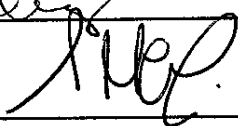
AS AT DECEMBER 31, 2019

	2019	2018 (restated)
ASSETS		
CURRENT		
Cash	\$ 278,073	\$ 119,626
Goods and Services Tax rebate	3,897	5,928
	<u>281,970</u>	<u>125,554</u>
INVESTMENTS (Note 3)	<u>218,281</u>	<u>216,760</u>
	<u>\$ 500,251</u>	<u>\$ 342,314</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 4,007	\$ 4,252
Deferred revenue (Note 4)	93,046	17,000
	<u>97,053</u>	<u>21,252</u>
NET ASSETS		
UNRESTRICTED NET ASSETS	236,419	154,283
CAPITAL RESERVE	<u>166,779</u>	<u>166,779</u>
	<u>403,198</u>	<u>321,062</u>
	<u>\$ 500,251</u>	<u>\$ 342,314</u>

APPROVED ON BEHALF OF THE BOARD:



Director



Director



STONY PLAIN ROAD AND AREA BUSINESS REVITALIZATION ZONE

**STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2019**

	2019	2018 (restated)
Unrestricted Net Assets		
NET ASSETS, beginning of year	\$ 154,283	\$ 330,147
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	\$ 166,779	\$ 321,062
	-	82,136
NET ASSETS, end of year,	\$ 82,136	\$ (9,085)
	\$ 236,419	\$ 403,198
	\$ 166,779	\$ 321,062



STONY PLAIN ROAD AND AREA BUSINESS REVITALIZATION ZONE

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2019

	2019	2018 (restated)
REVENUE		
Special levy	\$ 232,300	\$ 226,466
Grants (Note 10)	26,620	6,360
Other income and donations	1,505	1,434
	<u>260,425</u>	<u>234,260</u>
EXPENSES		
Advertising and promotion	6,058	3,186
Equipment purchases	950	2,533
Forums	152	1,980
Insurance	1,018	1,018
Meetings	2,444	1,585
Office supplies	681	2,634
Professional development	2,518	1,767
Professional fees	2,850	2,850
Program costs - flower baskets	29,245	31,260
Program costs - special events	25,173	70,944
Program costs - street cleaning	5,826	1,838
Salaries and benefits	88,420	109,619
Rent and storage	13,130	11,022
Utilities and telephone	1,452	2,198
	<u>179,917</u>	<u>244,434</u>
INCOME (LOSS) FROM OPERATIONS	80,508	(10,174)
INTEREST INCOME	1,628	1,089
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	\$ 82,136	\$ (9,085)



STONY PLAIN ROAD AND AREA BUSINESS REVITALIZATION ZONE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from special levy and other income	\$ 336,471	\$ 233,963
Cash paid to suppliers and contractors	(178,131)	(242,682)
Interest received	1,628	1,089
	<hr/>	<hr/>
INCREASE (DECREASE) IN CASH DURING THE YEAR	159,968	(7,630)
CASH, beginning of year	336,386	344,016
	<hr/>	<hr/>
CASH, end of year	\$ 496,354	\$ 336,386
	<hr/>	<hr/>
REPRESENTED BY		
Cash	\$ 278,073	\$ 119,626
Investments	218,281	216,760
	<hr/>	<hr/>
	\$ 496,354	\$ 336,386



STONY PLAIN ROAD AND AREA BUSINESS REVITALIZATION ZONE

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

1. NATURE OF OPERATIONS

The City of Edmonton Bylaw 14125 established a business revitalization zone located within the area bounded by 140 Street and 170 Street and 100 Avenue and 102 Avenue, centred along Stony Plain Road. The Association was established as a result of the bylaw with the purpose to improve, beautify and maintain the property and to develop, improve and maintain public parking and to promote the zone as a business and shopping district.

The Stony Plain Road and Area Business Revitalization Zone is a not-for-profit organization and accordingly, no provision for corporate taxes has been provided for in the financial statements, pursuant to paragraph 149(1)(l) of the Income Tax Act, Canada.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Use of Estimates

The preparation of private sector not-for-profit 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known. Estimated life of property and equipment and inventory valuation, if applicable, are the most significant items that involve the use of estimates.

(b) Financial Instruments

Measurement of financial instruments

The Association initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Association subsequently measures all of its financial assets and financial liabilities at amortized cost, except in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Association's financial assets such as marketable securities, if any, are measured at fair market value.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is 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 net income.



STONY PLAIN ROAD AND AREA BUSINESS REVITALIZATION ZONE

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Financial Instruments (continued)

Transaction costs

The Association recognizes its transaction costs, if any, in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(c) Investments

The Guaranteed Investment Certificates and T-Bill savings account are valued on an aggregate basis at fair market value.

(d) Unrestricted Net Assets

Unrestricted net assets represent the cumulative excess of special levies and interest income over expenditures.

(e) Capital Assets

Capital assets are expensed in the year they are acquired.

(f) Capital Reserve

The Capital Reserve is internally restricted funds that are earmarked for future program and projects in accordance with the bylaws.

(g) Revenue Recognition

Revenue is recognized when due in accordance with the special levy program established by the City of Edmonton.

Grant revenue is recognized upon receipt.

(h) *Contributed Services*

Volunteers contribute time each year to aid the Stony Plain Road and Area Business Revitalization Zone in carrying out its activities. Due to the difficulty in determining the fair value of these services, the financial value of contributed services is not recognized in these financial statements.

(i) Cash and Cash Equivalents

The Association's policy is to disclose bank balances under cash and cash equivalents, including investments in T-Bill savings account and Guaranteed Investment Certificates that mature within ninety days of inception and are not externally restricted.



STONY PLAIN ROAD AND AREA BUSINESS REVITALIZATION ZONE

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

3. INVESTMENTS

	<u>2019</u>	<u>2018</u>
T-Bill savings account	<u>\$ 218,281</u>	<u>\$ 216,760</u>

Interest on the T-Bill savings account is paid monthly based on the bank's rate.

4. DEFERRED REVENUE

The Association received government grant funding for events that did not occurred in the year.

	<u>2019</u>	<u>2018</u>
Deferred grant revenue, opening balance	\$ 17,000	\$ 20,000
2020 Levy	65,545	-
Deferred grant revenue - Safe Streets and Lighting	-	17,000
Deferred grant revenue - Store Front Cinemas	20,000	-
Deferred grant revenue expended - Store Front Cinemas	<u>(9,500)</u>	<u>(20,000)</u>
	<u>\$ 93,045</u>	<u>\$ 17,000</u>

5. COMMITMENTS

The Association has an operating lease for its premises for \$9,551 gross rent from November 1, 2018 to December 31, 2022 and additional rent for \$2,508 covering twelve months from August 1, 2018.

The minimum annual lease payments for the next three years are as follows:

2020	\$	12,059
2021	\$	12,059
2022	\$	12,059

6. ECONOMIC DEPENDENCE

The Association is economically dependent on the City of Edmonton as it provides over 98% of its revenue.



STONY PLAIN ROAD AND AREA BUSINESS REVITALIZATION ZONE

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

7. FINANCIAL INSTRUMENTS

Risks and concentrations

The Association is exposed to various risks through its financial instruments without being exposed to concentrations of risk.

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's main credit risks relate to accounts receivable. The Association provides credit to its members and clients in the normal course of operations.

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 is comprised of three types of risk: currency risk, interest rate risk and price risk. The Association is mainly exposed to price risk.

8. CAPITAL MANAGEMENT

The Association's objectives when managing capital are to safeguard the entity's ability to continue as a going concern so that it can continue to provide services to revitalize the community and to ensure their expenditures are matched to the appropriate level of services that are provided.

The Association manages capital by ensuring it is able to meet its current liabilities with their current assets.

	<u>2019</u>	<u>2018</u>
Current assets	\$ 281,970	\$ 125,554
Less current liabilities	(97,053)	(21,252)
Net working capital	<u>\$ 379,023</u>	<u>\$ 104,302</u>

The Association continues to meet its capital management objectives.

9. SUBSEQUENT EVENT

Subsequent to the year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, Provincial and Municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Association as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.



STONY PLAIN ROAD AND AREA BUSINESS REVITALIZATION ZONE

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

10. PRIOR PERIOD RESTATEMENT

During the course of the audit engagement, it was discovered that grant revenue received in 2018 was reported as revenue for that year, however, the funding should have been recorded as deferred revenue to be recorded as revenue in the year for which the program funding was utilized.

The adjustments to previously stated balances are as follows:

	Previously Reported 2018	Adjustment	Restated 2018
Deferred revenue	\$ -	\$ 17,000	\$ 17,000
Grant revenue	\$ 23,360	\$ (17,000)	\$ 6,360
Unrestricted Net Assets, end of year	\$ 171,283	\$ (17,000)	\$ 154,283

