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FINANCIAL STATEMENTS

**POINT GREY VILLAGE
BUSINESS ASSOCIATION**

March 31, 2023

Limited Liability Partnership



Tompkins Wozny
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of
Point Grey Village Business Association

Opinion

We have audited the financial statements of Point Grey Village Business Association (the Association), which comprise the statement of financial position as at March 31, 2023, 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 the Association as at March 31, 2023, 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 audit 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.



INDEPENDENT AUDITOR'S REPORT

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Societies Act, we report that the accounting principles used in these financial statements have been applied on a basis consistent with that of the preceding year.

Tompkins Wozny LLP

Vancouver, Canada
August 16, 2023

Chartered Professional Accountants



Point Grey Village Business Association

STATEMENT OF FINANCIAL POSITION

As at March 31

	2023		2022	
	BIA Fund \$	General Fund \$	Total \$	Total \$
ASSETS				
Current				
Cash	36,208	28,291	64,499	82,946
GST receivable	8,095	—	8,095	6,258
Prepaid expenses	3,420	—	3,420	—
Interfund receivable (payable)	(10,288)	10,288	—	—
	<u>37,435</u>	<u>38,579</u>	<u>76,014</u>	<u>89,204</u>
LIABILITIES				
Current				
Accounts payable and accruals	22,129	—	22,129	12,579
Deferred revenue - graffiti abatement grant	—	15,360	15,360	7,860
	<u>22,129</u>	<u>15,360</u>	<u>37,489</u>	<u>20,439</u>
NET ASSETS	<u>15,306</u>	<u>23,219</u>	<u>38,525</u>	<u>68,765</u>
	<u>37,435</u>	<u>38,579</u>	<u>76,014</u>	<u>89,204</u>

Economic dependence [note 4]

See accompanying notes to the financial statements

As approved by:


Director


Director

Point Grey Village Business Association

STATEMENT OF CHANGES IN NET ASSETS

Year ended March 31

	BIA Fund \$	General Fund \$	Total \$
2023			
Net assets, beginning of year	54,392	14,373	68,765
Excess of revenue (expenses) for the year	(39,086)	8,846	(30,240)
Net assets, end of year	15,306	23,219	38,525
2022			
Net assets, beginning of year	16,057	14,368	30,425
Excess of revenue for the year	38,335	5	38,340
Net assets, end of year	54,392	14,373	68,765

See accompanying notes to the financial statements



Point Grey Village Business Association

STATEMENT OF OPERATIONS

Year ended March 31

	2023		2022	
	BIA Fund \$	General Fund \$	Total \$	Total \$
REVENUE				
City of Vancouver - business improvement levy	225,000	—	225,000	200,000
- graffiti abatement grant	—	2,500	2,500	2,140
Other fees and grants	—	9,917	9,917	366
Canada summer student grant	—	—	—	5,707
	225,000	12,417	237,417	208,213
EXPENSES				
Street amenities - lighting	42,302	—	42,302	8,520
- flower beds & baskets	37,292	—	37,292	8,370
- other	28,611	—	28,611	650
- banners	11,164	—	11,164	308
- placemaking	2,012	—	2,012	3,532
- graffiti & vandalism	—	2,500	2,500	2,140
Administration	57,126	—	57,126	57,707
Advertising and promotions	36,017	—	36,017	50,280
Office and other	19,345	—	19,345	16,159
Special events	16,728	—	16,728	7,698
Utilities	5,058	—	5,058	6,495
Professional fees	3,550	—	3,550	3,500
Insurance	2,969	—	2,969	3,230
Website	1,912	—	1,912	923
Donation	—	1,071	1,071	361
	264,086	3,571	267,657	169,873
Excess of revenue (expenses) for the year	(39,086)	8,846	(30,240)	38,340

See accompanying notes to the financial statements

Point Grey Village Business Association

STATEMENT OF CASH FLOWS

Year ended March 31

	2023	2022
	\$	\$
OPERATING ACTIVITIES		
Excess of revenue (expenses) for the year	(30,240)	38,340
Changes in non-cash working capital items		
GST receivable	(1,837)	(2,005)
Prepaid expenses	(3,420)	—
Accounts payable and accruals	9,550	4,688
Deferred revenue - graffiti abatement grant	7,500	7,860
Cash provided by (used in) operating activities	(18,447)	48,883
Increase (decrease) in cash for the year	(18,447)	48,883
Cash, beginning of year	82,946	34,063
Cash, end of year	64,499	82,946

See accompanying notes to the financial statements

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

1. PURPOSE OF THE ASSOCIATION

The objectives of the Point Grey Village Business Association (the "Association") are to develop, encourage, and promote business in the Point Grey area. The Association was incorporated on January 29, 2004 under the British Columbia Societies Act as a not-for-profit organization and therefore is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organization and include the following significant accounting policies:

Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Significant areas requiring the use of management estimates relate to the determination of net recoverable value of assets, in particular as it relates to the useful lives of capital assets. Actual results could differ from the estimates.

Cash

Cash is defined as cash on deposit, net of cheques issued and outstanding at the year-end.

The statement of cash flows is prepared on a net cash basis and cash flows from operating activities are reported using the indirect method.

Revenue Recognition

The Association follows the deferral method of accounting for contributions with fund accounting.

The Business Improvement Levy, which is externally restricted, is revenue derived from a special levy imposed on businesses within the Point Grey area and administered and collected through the property tax office of the City of Vancouver. This revenue is recognized when received or receivable. Funding received in advanced is deferred to the appropriate year.

Unrestricted revenue is recorded when funds are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed Services

Volunteers contribute their time to assist the Association in carrying out its activities. Due to the difficulty in determining the fair value of such services, the value of the contributed services is not recognized in these financial statements.



NOTES TO FINANCIAL STATEMENTS

March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Measurement of Financial Instruments

The Association initially measures its financial assets and financial liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable.

3. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments. The following analysis presents the Association's exposures to significant risks as at March 31, 2023:

Credit Risk

The Association is exposed to credit risk with respect to its bank deposits. The Association reduces its credit risk by placing its bank deposits with a chartered Canadian bank.

Liquidity Risk

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they become due. It stems from the possibility of a delay in realizing the fair value of financial instruments.

The Association manages its liquidity risk by constantly monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

4. ECONOMIC DEPENDENCE

The primary source of the Association's revenue is through the City of Vancouver's business improvement levy. The Association's ability to continue viable operations is dependent upon maintaining this source of revenue. The financial statements have been prepared on a going concern basis on the assumption this source of revenue will continue to finance the Association's operations.

The Association currently has an operating agreement with the City of Vancouver expiring March 31, 2024.