

North End Business Improvement Zone
Financial Statements
December 31, 2020

To the Board of Directors of North End Business Improvement Zone:

Opinion

We have audited the financial statements of North End Business Improvement Zone (the "Organization"), which comprise the statement of financial position as at December 31, 2020, 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 Organization as at December 31, 2020, 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 Organization 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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.

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TRUE NORTH SQUARE

242 HARGRAVE STREET, SUITE 1200, WINNIPEG MB, R3C 0T8

1.877.500.0795 T: 204.775.4531 F: 204.783.8329 MNP.ca

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 Organization'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 Organization'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 Organization 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.

Winnipeg, Manitoba

October 20, 2021

MNP LLP

Chartered Professional Accountants

North End Business Improvement Zone
Statement of Financial Position

As at December 31, 2020

| | 2020 | 2019 |
|-------------------------------|--------|--------|
| Assets | | |
| Current | | |
| Cash | 9,354 | 18,626 |
| Accounts receivable (Note 3) | 4,868 | 8,533 |
| | 14,222 | 27,159 |
| Liabilities | | |
| Current | | |
| Accounts payable and accruals | 6,049 | 7,393 |
| Net Assets | | |
| Unrestricted | 8,173 | 19,766 |
| | 14,222 | 27,159 |

Approved on behalf of the Board

Director



Director

The accompanying notes are an integral part of these financial statements

North End Business Improvement Zone Statement of Operations

For the year ended December 31, 2020

| | 2020 | 2019 |
|--|-----------------|---------|
| Revenue | | |
| City of Winnipeg | | |
| BIZ levy | 70,773 | 67,040 |
| Streetscape improvements | - | 20,000 |
| Province of Manitoba | 4,128 | 4,026 |
| Cost recoveries, interest and other | 8 | 4,806 |
| | 74,909 | 95,872 |
| Expenses | | |
| Administrative | 26,400 | 26,400 |
| Bank charges and interest | 80 | 52 |
| Casual labour | - | 45 |
| Graffiti removal | 1,250 | 1,250 |
| Grants for BIZ initiatives | 665 | 6,658 |
| Honorarium | - | 1,000 |
| Insurance | 452 | - |
| Meetings | 233 | 2,262 |
| Office | 1,809 | 1,651 |
| Professional fees | 4,208 | 3,408 |
| Salaries and benefits | 11,387 | 5,559 |
| Special projects | - | 13,897 |
| Streetscape improvements | 39,689 | 38,877 |
| Take pride green wave team | 329 | 461 |
| | 86,502 | 101,520 |
| Deficiency of revenue over expenses | (11,593) | (5,648) |

The accompanying notes are an integral part of these financial statements

North End Business Improvement Zone Statement of Changes in Net Assets

For the year ended December 31, 2020

| | 2020 | 2019 |
|--|-----------------|---------|
| Net assets, beginning of year | 19,766 | 25,414 |
| Deficiency of revenue over expenses | (11,593) | (5,648) |
| Net assets, end of year | 8,173 | 19,766 |

The accompanying notes are an integral part of these financial statements