

ANNUAL GENERAL MEETING

NEWTON BUSINESS IMPROVEMENT ASSOCIATION

[Join Zoom Meeting »](#)

Meeting ID: 87092474667

Passcode: 844558

Thursday, February 16,
2023

12pm-1:00pm

Agenda

11:45AM

Zoom Waiting Room Available

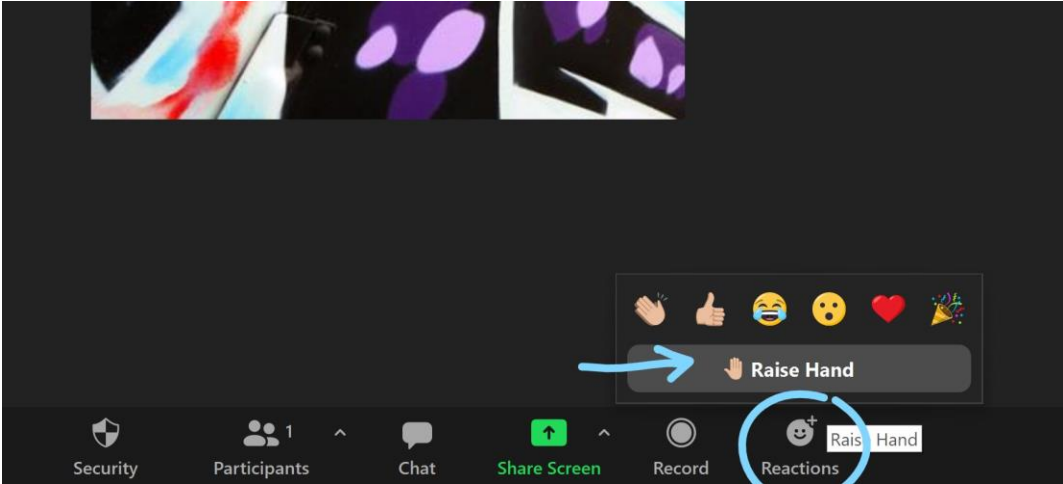
12PM

Annual General Meeting

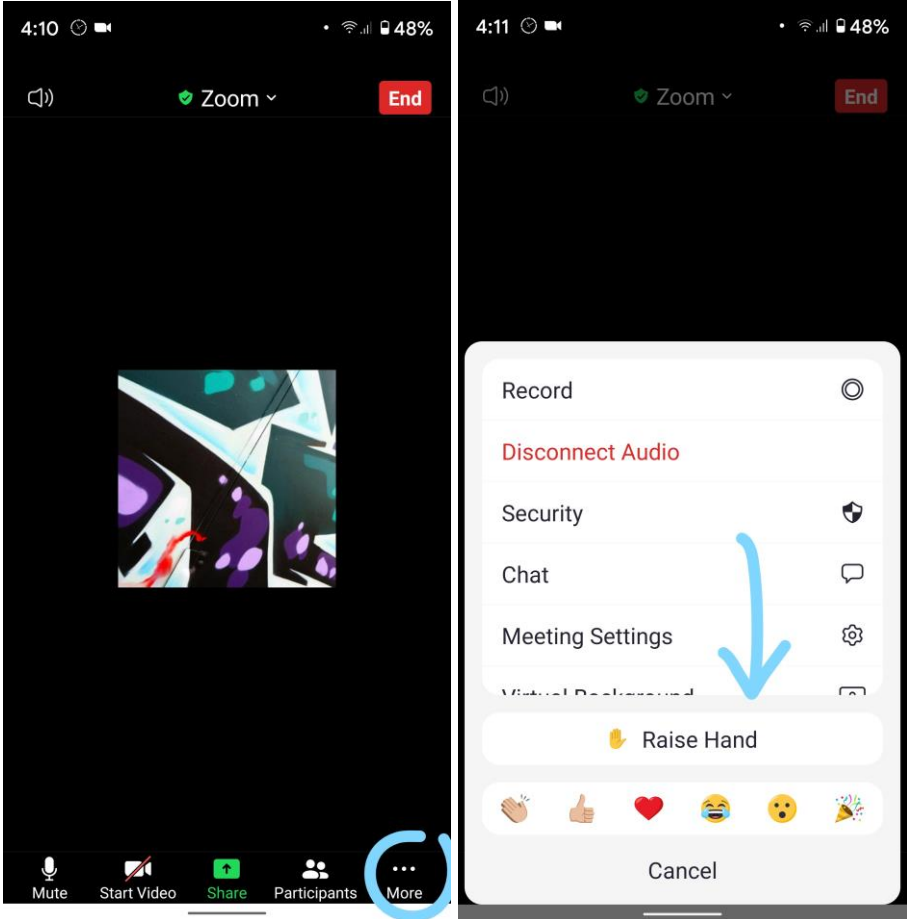
- **Welcome**
 - POLL: Motion to call the AGM order
 - POLL: Motion to adopt the Agenda
 - POLL: Motion to adopt 2022 Minutes ([View »](#))
- **Highlights 2022 & Plans for 2023**
 - POLL: Motion to adopt 2022 Annual Report ([View »](#))
- **2022 Financial Statements**
 - POLL: Motion to adopt 2022 Financial Statements ([View »](#))
 - POLL: Motion to adopt the 2023 Budget ([View »](#))
- **2023/24 Board Nominations**
 - POLL: Motion to adopt the presented slate ([View »](#))
- **Acknowledgements**
 - POLL: Motion to conclude the AGM

The 2022 Financial Statements, audited by *PSG Chartered Professional Accountant*, are available in your package and can be found on our website.

TO MOVE AND/OR SECOND A MOTION ON DESKTOP



ON MOBILE



MINUTES OF THE ANNUAL GENERAL MEETING

THURSDAY, FEBRUARY 17, 2022

ATTENDING

SIXTEEN people REPRESENTING NINE Newton BIA properties (9 properties), SEVEN Newton BIA businesses (7 businesses), and guests. The City of Surrey was represented by Edward Tain.

WELCOME & INTRODUCTIONS

Newton BIA President, Linda McCabe, called the 2022 Newton BIA AGM to order: 12:04pm and a quorum was established.

AGENDA

MOTION: That the Agenda be adopted as circulated.
MOVED/SECONDED: - - - - - Jay Blaschuk/Linda McCabe **CARRIED**

MINUTES OF THE 2021 AGM February 18, 2021

MOTION: That the Minutes of the Annual General Meeting held on February 18, 2021 be adopted as circulated.
MOVED/SECONDED: - - - - - Kamil Lotfali/Jay Blaschuk **CARRIED**

ANNUAL REPORT

The Annual Report for 2021 was distributed. It summarizes the work and accomplishments for the year and included the budget put forward by the Board of Directors.

MOTION: That the Annual Report be accepted.
MOVED/SECONDED: - - - - - Jay Blaschuk/Jaspal Brar **CARRIED**

FINANCIAL/AUDITOR'S REPORT

MOTION: That the Audited Financial Statements prepared by *The Accounting Office* for the period January 1st to December 31st, 2021 be accepted as circulated.

MOVED/SECONDED: - - - - - Derek Ho/Jay Blaschuk **CARRIED**

MOTION: That the proposed budget for 2022 be accepted as circulated.

MOVED/SECONDED: - - - -Derek Ho/Jaspal Brar

CARRIED

NOMINATING COMMITTEE REPORT & ELECTION OF BOARD OF DIRECTORS

Directors with one year remaining in their term

Linda McCabe - Value Industries

Harry Lamba - The UPS Store

Jaspal Brar - Co-operators

Suman Basnyat - S Basnyat & Co.

Kamil Lotfali - Newton Crossing

Up for re-election

Jay Blaschuk - Sources BC

Derek Ho - Kings Cross

Up for election

Jodi Leech - Studio 73

MOTION: That the Nominating committee report be accepted as presented.

MOVED/SECONDED: - - - - Harry Lamba/Jaspal Brar

CARRIED

Election of Directors: By Acclimation

Members were asked if there were any additional items of business to address. None identified.

MOTION: To conclude the AGM at 12:22pm.

MOVED/SECONDED: - - - - -Jaspal Brar/Jay Blaschuk

CARRIED

AGM ended at 12:22pm.

ONE
TWENTY
TWENTY
TWO  ANNUAL
REPORT
TWENTY
TWENTY
TWENTY



NEWTON
BUSINESS IMPROVEMENT
ASSOCIATION

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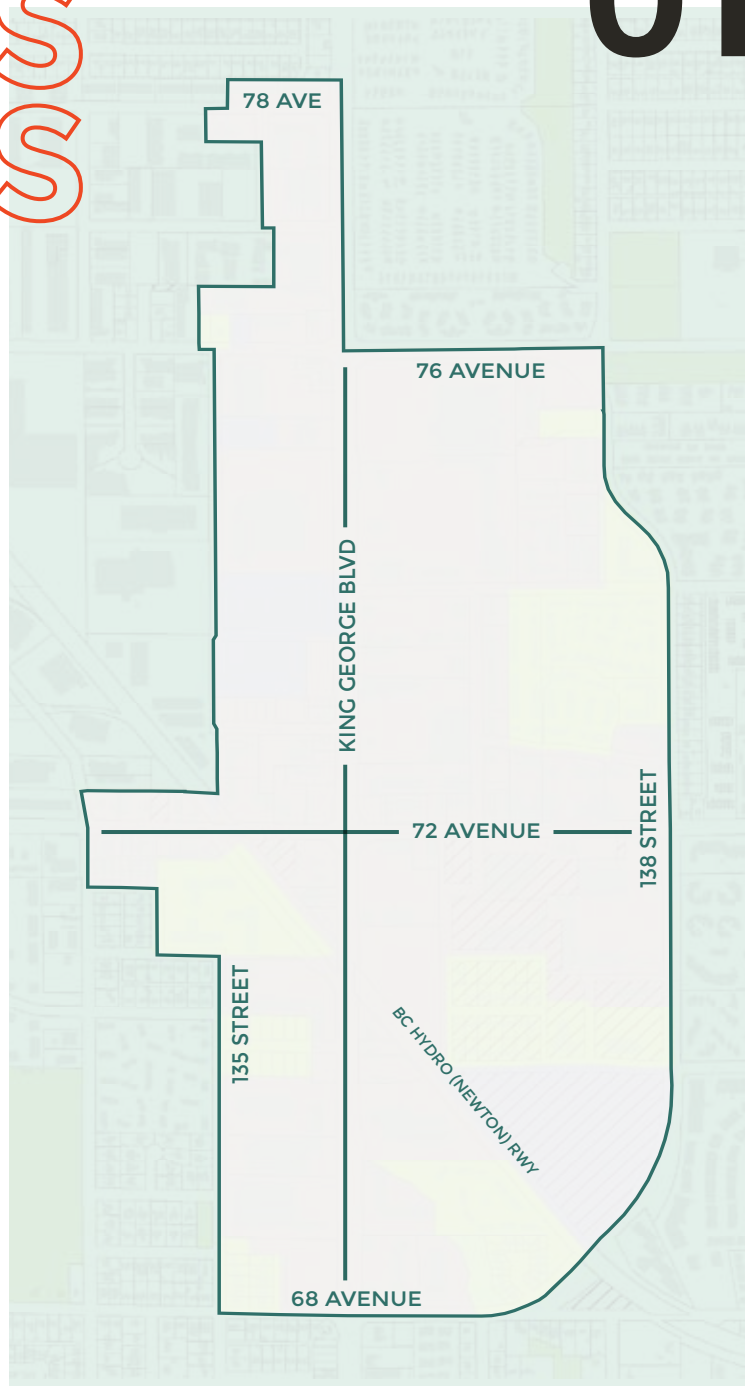
ABOUT US ABOUT US ABOUT US ABOUT US

The Newton Business Improvement Association is a group of approximately 530 businesses and property owners who are passionate about improving the Newton Town Centre.

Located in the heart of Surrey on the cross roads of 72 Avenue and King George Boulevard. The Newton BIA was created in 2014, taking a leadership role to revitalize the area. The BIA brings business members, grassroots organizations, community stakeholders and government together with a focus on the four pillars of **Safety**, **Area Enhancement**, **Marketing/Events** and **Government Relations**.

The Newton BIA receives a levy from property taxes, which is collected by the City of Surrey. The BIA is governed by a volunteer Board of Directors, consisting of a diverse selection of businesses and property owners representing all regions within the boundary.

The approval of the Newton BIA was implemented through business consultation and a council initiative. Governance of the association is regulated by the constitution and a set of bylaws.



2014

Newton BIA
Established

428

Business
Properties

102

Property
Owners

\$1.01b

Assessed
Property Value

EXECUTIVE SUMMARY

2022 was a year of recovery and resiliency. The health crisis has reached a new phase, as we learnt to live with the reality of the virus becoming endemic. Businesses have always adapted to their ever changing environment and the pace of change seems to be quickening. The global economy is grappling with record high inflation causing interest rates to continue to rise, making borrowing more expensive. The war on Ukraine has made things worse and the supply chain has slowed to a crawl. Does this mean a recession is on the horizon? “Not Necessarily” according to Pierre Cl  roux VP, Research and Chief Economist, BDC, predicting .05% growth.

Affordability is now the main political talking point, as families struggle to make ends meet. Housing costs, gas and food prices are forcing families to choose between basic needs. Businesses continue to struggle to find new employees, causing expenses to increase, while still facing the impact of Covid-19.

In addition, the untenable street issues and crime plaguing communities across the province continues to worsen. The vulnerable population suffers from addiction, mental health and homelessness in every

corner of our community. We need a commitment to support core funding that will mitigate main street issues through supportive housing, wrap around services, & increased policing resources.

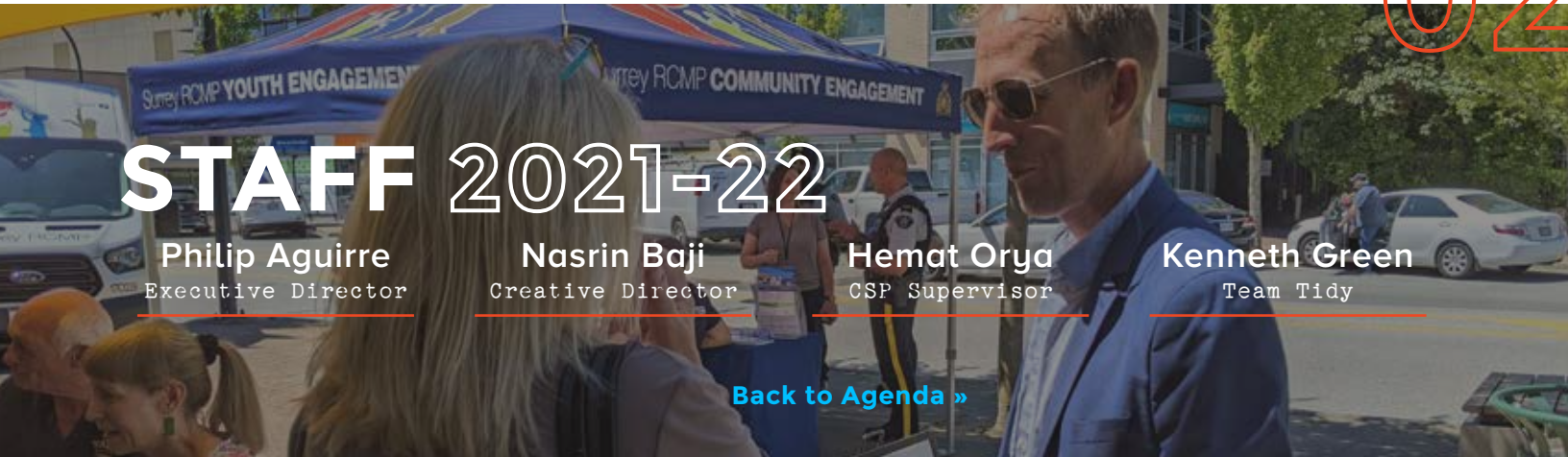
The foundation of the NBIA continues to be extremely effective with the Community Safety Patrol, Graffiti removal and Team Tidy. These programs ensure that the town center continues to be a clean and safe place to work, play, shop and live. The NBIA has focused on building community. Car Free Day in June was the association’s biggest event to date with over 10,000 attendees. In addition, the new street furniture along 137th street has been installed with resounding success. After a two year hiatus The State of Newton and Spooktacular Newton made a triumphant return last fall.

Surrey is growing faster and faster and with that comes opportunity! Investment is happening all over the city. New businesses are opening in every town center with employment opportunities. On behalf of the Newton BIA, thank you for the passion and commitment to supporting small businesses throughout the town center and for the invaluable contributions you make in creating a healthy and vital commercial district.

Philip Aguirre
Executive Director



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STAFF 2021-22

Philip Aguirre
Executive Director

Nasrin Baji
Creative Director

Hemat Orya
CSP Supervisor

Kenneth Green
Team Tidy

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PRESIDENT'S LETTER

2022 saw the Newton BIA reinstate events and begin the process of “getting back to normal”.

Safety and Area Enhancement: The focus in 2022 remained on keeping our streets and business areas clean, safe and welcoming for our business members. Kenneth from Team Tidy has been doing his usual fantastic job of keeping our streets and sidewalks clear of litter. The Commissionaires continue to do their work in dealing with the increasing presence of homeless folks throughout our commercial centres and providing a high level of security to Newton. Goodbye Graffiti and Goodbye Garbage continue to provide valuable services to our business members.

Safety remains the top concern of the Newton BIA and the largest part of our budget is still dedicated to this effort.

Marketing & Events: Spooktacular returned on October 29 and this favourite event was another huge success. Also, the State of Newton made a comeback on September 28, with the Honourable Ravi Kahlon as the key note speaker. 2022 saw the inauguration of Car Free Day on June 11.

137th Street was closed to traffic and transformed into a festival street with live entertainment, vendor marketplace, food pavilions and more. Adding to this event was the completion of Mural Alley with the addition of new murals, making the laneway behind the RCMP station a showcase of local talent. The installation of permanent street furniture to 137th Street added extra seating and planters to enhance the whole experience.

Government Relations: Our Executive Director Philip Aguirre continues to maintain and develop new connections throughout the Surrey Business Community by attending weekly meetings with the City of Surrey, SBoT, 4 Surrey BIA's, and BIABC, as well as maintaining memberships with Tourism Surrey and BIABC.

Philip Aguirre and Nasrin Baji have managed to keep the Board Members connected via Zoom meetings and have stayed connected virtually with our business members and associated groups. The Board thanks Philip and Nasrin for their continued efforts especially during the challenges presented by COVID-19, which are still being felt.

Thanks also go to the City of Surrey staff, Mayor Brenda Locke and Council for their continued support and guidance.

Linda McCabe
Board President



03

BOARD OF DIRECTORS 2021-22

Linda McCabe
Value Property Group

Derek Ho
Kings Cross

Harry Lamba
The UPS Store

Kamil Lotfali
Newton Crossing

Jaspal Brar
Allied Insurance

Suman Basnyat
S. Basnyat & Co., Inc.

Jay Blaschuk
Sources

Jodi Leech
Studic 73

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GOVERNMENT RELATIONS



SAFETY & SECURITY



MARKETING & EVENTS



AREA ENHANCEMENT

BIA PILLARS
BIA PILLARS
BIA PILLARS
BIA PILLARS

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CURRENT PROGRAMS

COMMUNITY SAFETY PATROL (CSP)

est. 2016

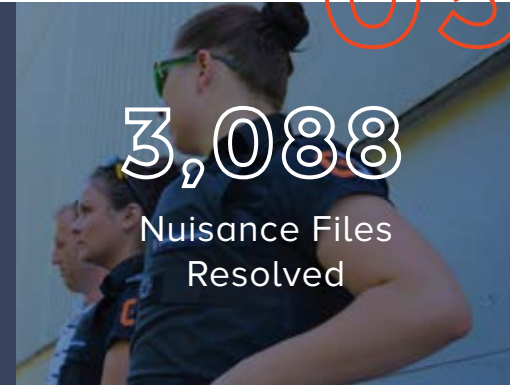


The Community Safety Patrol (CSP) program consists of one daily eight-hour patrol to address safety priorities and support crime reduction initiatives.

05

3,088

Nuisance Files Resolved



33

Meetings in 2022



An integrated weekly safety initiative with the CSP, Bylaw, RCMP, Transit, OPTIONS, SOURCES and SCPS to increase effectiveness and communication.



NEWTON SAFETY UNIT (NSU)

est. 2015

NEWTON NEWS

est. 2020



The Newton News provides an opportunity for the Newton BIA to gain awareness in the community and promote local news, & BIA programs.

11

Issues Published



5,858

Pounds of Garbage

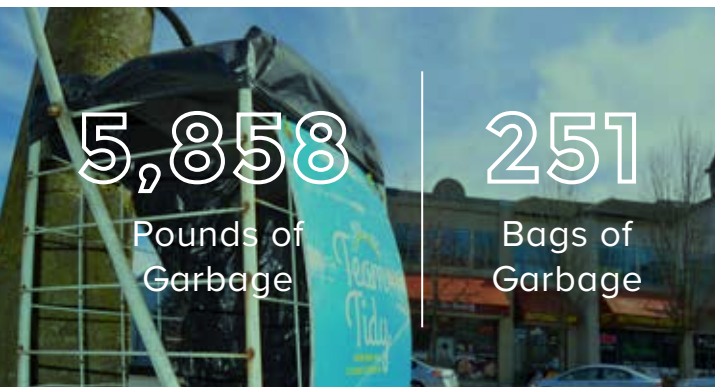
251

Bags of Garbage

Made up of a team of one, Team Tidy is a daily, proactive approach to maintaining the cleanliness of the streets within the BIA boundary.

TEAM TIDY

est. 2015



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1,695

Graffiti Tags
Removed

Contracted through Goodbye Graffiti;
all graffiti within the Newton BIA
boundary is pro-actively removed
ensuring that the area remains
graffiti-free.

GOODBYE
GRAFFITI



est. 2015

GOODBYE
GARBAGE

est. 2021



Contracted with Goodbye
Garbage; a large item removal
program to eliminate all illegal
dumping that occurs throughout
the Newton BIA boundary.



284

Pieces of Illegal
Dumping Removed



113

Shopping Carts
Returned

In an effort to reduce the visual
nuisance created by abandoned
carts, Team Tidy returns carts to
their homes as part of the daily
patrol of the Newton Town Centre.

SHOPPING
CART
RETRIEVAL



est. 2017

MURAL
LANEWAY

est. 2016




With the goal to activate public
spaces, the Mural Laneway on King
George Blvd and 72 Avenue is a
stepping stone to revitalizing the
town centre and creating a cultural
entertainment district for Newton.



11

Murals to-date



A series of seating installations along 137
Street; each a combo of seating &
greenery. The aim is to create safe mini
parklets where people can rest and enjoy
the outdoors. The goal is to bring activity
and vitality to the street.

137 STREET
FURNITURE



est. 2022

CAR-FREE DAY

est. 2022



A day-long community festival to promote active transportation, sustainability, and public spaces; car-free, family-friendly, free.



A spooky, fun-filled family event featuring an urban pumpkin patch, dance performances, a petting zoo and tons of crafts & games.

SPOOKTACULAR NEWTON

est. 2016



STATE OF NEWTON

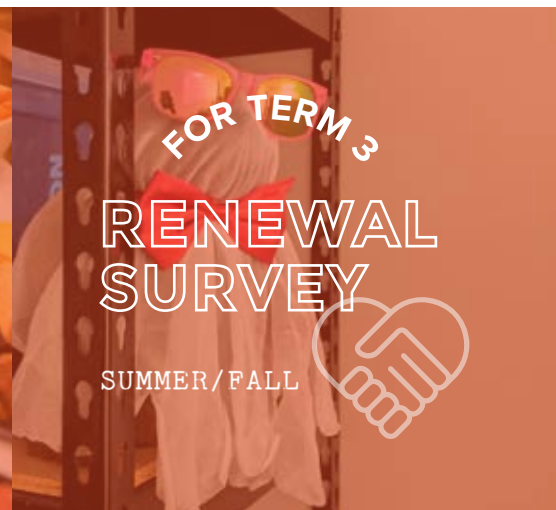
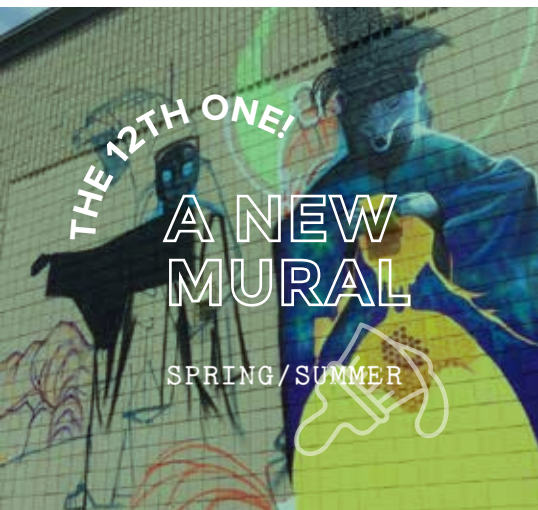
est. 2017



An opportunity for the business community to engage in a dialogue that showcases the upcoming investment opportunities for Newton.



LOOKING AHEAD



2023 BUDGET 2023 BUDGET

REVENUE

Levy	\$562,754
Other Primary Income	\$8,000
Carryover	\$27,796

Total Revenue \$598,550

EXPENSES

ADMINISTRATION

Licenses & Membership	\$1,500
Bank Charges	\$100
Professional Fees	\$8,000
Insurance	\$3,500
Rent - Office Space	\$34,000
Utilities	\$2,000
Office Supplies & Materials	\$2,500
Education & Conferences	\$1,500
Travel	\$300
Bookkeeping	\$1,400
Annual General Meeting	\$1,500
Meetings	\$1,000
Industry Memberships	\$750
Wages & Benefits	\$140,000
Administration Total	\$198,050

SAFETY

Community Safety Patrol	\$205,000
Safety Total	\$205,000

GOVERNMENT RELATIONS

Newton Talks	\$2,000
State of Newton	\$10,000
Government Relations Total	\$12,000

AREA ENHANCEMENT

Team Tidy	\$25,000
Graffiti Removal	\$40,000
Area Enhancement Programs	\$12,000
Illegal Dumping Disposal	\$18,000
Area Enhancement Total	\$95,000

EVENTS

Spooktacular Newton	\$30,000
Car-free Day Surrey	\$30,000
Events Total	\$60,000

MARKETING

Digital Mainstreet	\$15,000
Website Hosting	\$500
Newton News	\$13,000
Marketing Total	\$28,500

Total Expenses \$598,550

TODAY NEWTON TODAY NEWTON TODAY NEWTON TODAY

149,000 Residents

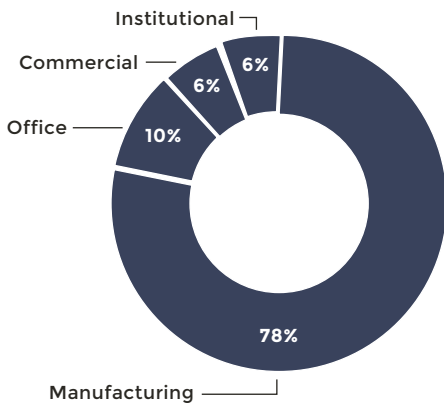
5th largest community
in BC

Mayor Brenda Locke

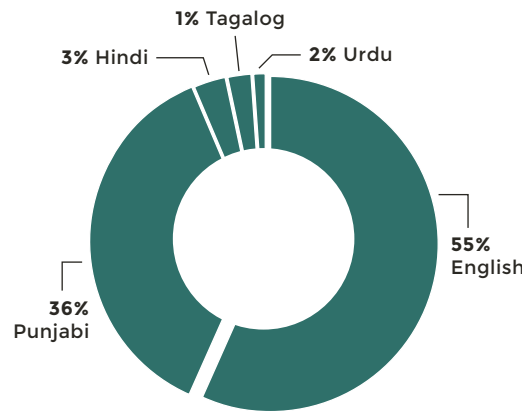
MP Surrey-Newton
Sukh Dhaliwal

MLA Surrey-Newton
Harry Bains

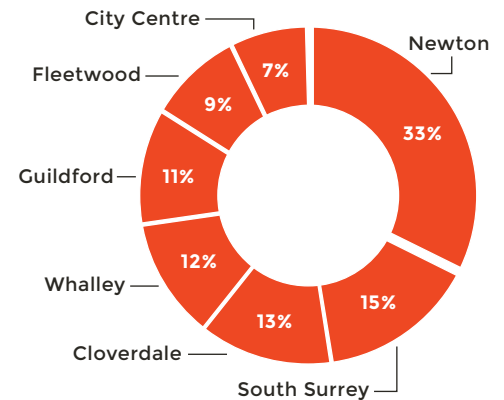
EMPLOYMENT IN NEWTON BY SECTOR



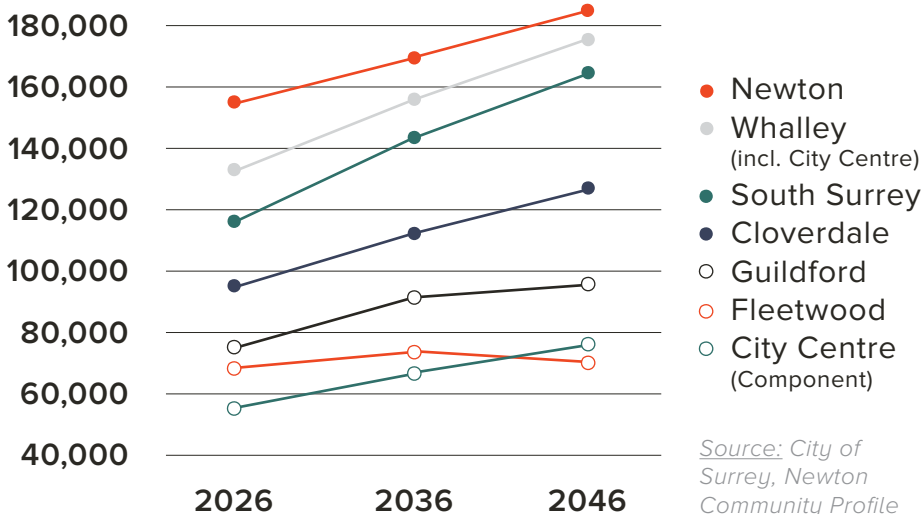
LANGUAGE SPOKEN AT HOME



BUSINESS BY COMMUNITY



POPULATION PROJECTIONS



ASSETS

- ✓ Newton Bus Exchange
- ✓ RCMP Community Office
- ✓ Community Centre
- ✓ Senior Centre Upgrade
- ✓ Newton Public Library
- ✓ Kwantlen Polytechnic University
- ✓ Bell Performing Arts Centre
- ✓ Cultural Centre
- ✓ Vaisakhi & Diwali
- ✓ Newton Athletic Park
- ✓ 61 Local Parks
- ✓ Surrey Tennis Centre
- ✓ Little India
- ✓ Heritage Rail

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ADVOCATING ADVOCATING ADVOCATING ADVOCATING



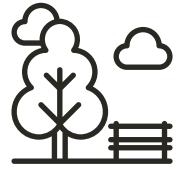
3%↓ Total Crime
in Newton



Annual Homeless
Count



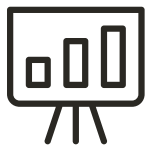
4 New BIAs in
the next 4 years



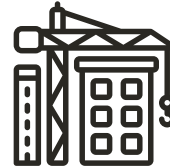
Build a Central
Park with Plaza



Increased density
with mixed-use
redevelopment



Early Public
Consultations on
Supportive Housing



10,000 Seat Events
Centre — Arena,
Convention & Hotel



City-wide Event in
Newton; attracting
20,000 people

FIXED-RAIL RAPID TRANSIT

- ✓ Increase investment
- ✓ Improve public transportation
- ✓ More frequent service
- ✓ Increase hours of service

GET IN TOUCH

📞 604-593-2294

✉️ INFO@NEWTONBIA.COM

📍 NEWTONBIA.COM   

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NEWTON BUSINESS IMPROVEMENT ASSOCIATION

Financial Statements

Year Ended December 31, 2022

Draft for discussion purposes only

NEWTON BUSINESS IMPROVEMENT ASSOCIATION
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Year Ended December 31, 2022

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Draft for discussion purposes only

INDEPENDENT AUDITOR'S REPORT

To the Members of Newton Business Improvement Association

Report on the Financial Statements

Opinion

I have audited the financial statements of Newton Business Improvement Association (the organization), which comprise the statement of financial position as at December 31, 2022, and the statements of revenues and expenditures, 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 my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the organization in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 ASNPO, 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.

(continues)

Independent Auditor's Report To the Members of Newton Business Improvement Association (*continued*)

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

(*continues*)



YOUR SUCCESS IS OUR BUSINESS

PSG Chartered Professional Accountant

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403 - 7337 137 Street, Surrey, BC V3W 1A4
p: 604.599.3993 | f: 604.599.6556

website: www.psgcpa.ca

Independent Auditor's Report To the Members of Newton Business Improvement Association (*continued*)

Surrey, British Columbia
February 10, 2023

CHARTERED PROFESSIONAL ACCOUNTANT

Draft for discussion purposes only

NEWTON BUSINESS IMPROVEMENT ASSOCIATION
Statement of Financial Position
December 31, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 398,670	\$ 504,284
Accounts receivable	3,000	3,000
Goods and services tax recoverable	10,539	9,102
Prepaid expenses	1,989	1,935
Security / tender deposits	2,189	2,189
	\$ 416,387	\$ 520,510
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 15,237	\$ 32,987
Wages payable	-	7,029
Employee deductions payable	4,617	-
Deferred revenue	136,591	132,613
	156,445	172,629
NET ASSETS		
General fund	259,942	347,881
	\$ 416,387	\$ 520,510

ON BEHALF OF THE BOARD

_____ Director

_____ Director

The accompanying notes form an integral
part of these financial statements

NEWTON BUSINESS IMPROVEMENT ASSOCIATION
Statement of Revenues and Expenditures
Year Ended December 31, 2022

	2022	2021
TRADE SALES		
Business improvement grant	\$ 542,386	\$ 526,588
Event sponsorships	2,800	-
	545,186	526,588
EXPENSES		
Advertising and promotion	32,598	14,861
Insurance	3,354	3,211
Administrative expenses	15,393	6,915
Government relations	9,291	14,327
Marketing	92,863	-
Area enhancement	165,004	75,067
Safety	162,702	190,070
Professional fees	8,875	8,727
Rent and utilities	31,112	29,868
Salaries and wages	111,933	131,353
	633,125	474,399
EXCESS (DEFICIENCY) OF TRADE SALES OVER EXPENSES	\$ (87,939)	\$ 52,189

Draft for discussion purposes only

The accompanying notes form an integral part of these financial statements

NEWTON BUSINESS IMPROVEMENT ASSOCIATION
Statement of Changes in Net Assets
Year Ended December 31, 2022

	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 347,881	\$ 295,692
DEFICIENCY OF TRADE SALES OVER EXPENSES	(87,939)	52,189
NET ASSETS - END OF YEAR	\$ 259,942	\$ 347,881

Draft for discussion purposes only

The accompanying notes form an integral
part of these financial statements

NEWTON BUSINESS IMPROVEMENT ASSOCIATION**Statement of Cash Flows****Year Ended December 31, 2022**

	2022	2021
OPERATING ACTIVITIES		
Excess (deficiency) of trade sales over expenses	\$ (87,939)	\$ 52,189
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	(17,750)	20,310
Deferred revenue	3,978	3,863
Prepaid expenses	(54)	-
Goods and services tax payable	(1,437)	7,214
Wages payable	(7,029)	2,319
Employee deductions payable	4,617	(2,379)
	(17,675)	31,327
Cash flow from (used by) operating activities	(105,614)	83,516
FINANCING ACTIVITIES		
Proceeds from callable debt financing	-	40,000
Repayment of long term financing	-	(40,000)
Cash flow from financing activities	-	-
INCREASE (DECREASE) IN CASH FLOW	(105,614)	83,516
Cash - beginning of year	504,284	420,768
CASH - END OF YEAR	\$ 398,670	\$ 504,284

The accompanying notes form an integral part of these financial statements

NEWTON BUSINESS IMPROVEMENT ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2022

1. DESCRIPTION OF BUSINESS

The Newton Business Improvement Association (the "Association" or "NBIA") was incorporated under the Society Act of British Columbia on March 5, 2013. As a non-profit organization, the Association is exempt from the payment of income tax under Section 149(1) of the Income Tax Act. On March 10, 2014, the City of Surrey passed bylaw #18105 to establish the Newton Business Improvement Area ("Area"). This Area is geographically located near the intersection of King George Boulevard and 72nd Street in Surrey, British Columbia, extending for several blocks in each direction.

In December 2018 Surrey City Council approved a five-year renewal of the NBIA. Bylaw #18105 provides for an annual grant of \$500,000, starting as of 2019. Previously the grant amount was \$400,000 per year. The NBIA's annual levy of \$500,000 will rise by three percent per year until 2023. The grant monies are to be used for the purposes of the Association as listed below and must be expended in accordance with the conditions and limitations of the above Bylaw.

The Association was established for the following purposes:

- (a) to conduct studies and make reports respecting the advancement of projects, plans or improvements designed to benefit the Newton Business Improvement Area ("the Area") and carrying out all the studies incidental to the objective of the Association;
 - (b) to improve, beautify or maintain streets and sidewalks in the Area;
 - (c) to conserve heritage property in the Area;
 - (d) to encourage and promote commercial business development and entertainment, sports and cultural activities within the Area; and,
 - (e) to create a pleasant environment in the Area.
-

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

NEWTON BUSINESS IMPROVEMENT ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund accounting

Newton Business Improvement Association follows the deferral method of accounting for contributions.

General Fund

The General Fund accounts for the Association's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

Revenue recognition

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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Grants are recognized in the year the funds are received.

The association recognizes revenues when they are earned, specifically when all of the following conditions are met;

- services are provided or products are delivered
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured

Cash and Cash Equivalents

Cash and cash equivalents include cash and deposits maturing within 90 days from the date of purchase.

Capital assets

Capital assets are recorded as expenses in the year they are acquired.

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. The Association's directors estimates relate to the useful life of equipment, and the collectability of accounts receivable.

(continues)

NEWTON BUSINESS IMPROVEMENT ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments policy

The Association's financial instruments consist of cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities. Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets and financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

4. FINANCIAL INSTRUMENTS

Credit Risk

Credit risk arises from the potential that contributors will fail to fund the annual tax levy, sponsorships and grants. There is a concentration of credit in cash and cash equivalents balances held with a financial institution. The association attempts to mitigate this risk by holding assets with a large credit union. The annual levy is approved in the City of Surrey bylaws until 2023 which also reduces the risk.

Fair Value

The Association's carrying value of cash, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

Liquidity Risk

Liquidity risk is the risk that the Association cannot meet the demand for cash and cash equivalents or fund its obligations as they become due. Management minimizes its exposure to liquidity risk by regularly monitoring cash flows and holding all of its cash and cash equivalents in a bank account with no term restrictions.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Association is exposed to interest rate risk on its cash and cash equivalents.

5. REMUNERATION OF DIRECTORS, EMPLOYEES AND CONTRACTORS

Part 4, Division 2, Section 36 of the Societies Act of British Columbia requires the Association to disclose any remuneration paid to members of the Board of Directors and remuneration to employees and contractors of \$75,000 or more. No remuneration was paid to any member of the Board of Directors. The Association had nil (2021 - one) employee(s) meeting this threshold and total remuneration for fiscal 2022 was \$nil (2021 - \$81,167).

NEWTON BUSINESS IMPROVEMENT ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2022

6. RELATED PARTY TRANSACTIONS

During the year, the Association's rent of \$31,112 (2021 - \$27,496) was paid to A.L. Scott Financial Inc, of Value Property Group, a company for which one of the board members is a property manager.

The Association purchased printing services in the amount of \$2,858 (2020 - \$0) were purchased from the UPS Store which is controlled by a board member

These transactions occurred in the normal course of business and were measured at the exchange amounts.

7. DEFERRED REVENUE

Deferred revenue represents three months of the Grant received from the period April 1 to March 31. The funds are set aside from the grant received in the current year for use during the following year prior to receiving the next years grant.

	2022	2021
Deferred revenue, beginning of year	\$ 128,750	\$ 128,750
Plus: Amount received related to the subsequent year	7,841	3,863
Deferred revenue, end of year	<u>\$ 136,591</u>	<u>\$ 132,613</u>

8. CONTRACTUAL OBLIGATIONS

The Association has a long-term agreement for office space that has been extended to September 14, 2026 with a renewal option for a term of five years. Future minimum lease payments under this operating lease are as follows

Contractual obligation repayment schedule:

2023	\$ 31,500
2024	32,700
2025	33,900
2026	26,100
	<u>\$ 124,200</u>

9. ECONOMIC DEPENDENCE

The Organization receives 99% (2021 - 100%) of its funding from the City of Surrey. Should the City not approve future funding or substantially change its dealings with the Organization, management is of the opinion that continued viable operations would be doubtful. At present, the City of Surrey is committed to funding the Association up to 2023.

NEWTON BUSINESS IMPROVEMENT ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2022

10. COVID-19

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

The overall effect of these events on the organization and its operations is too uncertain to be estimated at this time. The impacts will be accounted for when they are known and may be assessed.

Draft for discussion purposes only

ELECTION OF DIRECTORS (2023/24)

THURSDAY, FEBRUARY 16, 2023

Report of the Nominating Committee and Election of Board of Directors

The Board of Directors for the Newton BIA can have up to 12 members to serve on the Board for a two-year term (February 2023-AGM 2025).

Name	Company	Status
Linda McCabe	Value Industries	Election
Jaspal Brar	Allied Insurance	Election
Suman Basnyat	S Basnyat & Co. Inc.	Election
Harry Lamba	The UPS Store	Election
Kamil Lotfali	Newton Crossing	Election
Derek Ho	Kings Cross	Mid-term
Jay Blaschuk	Sources BC	Mid-term
Jodi Leech	Studio 73	Mid-term

Notes
10 Members is a quorum
5 Directors is minimum
2 year-term