



2021 ANNUAL REPORT / RAPPORT ANNUEL 2021

Welland Downtown Business Improvement Area/SDAC Centre-Ville de Welland
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TO OUR MEMBERS / POUR NOS MEMBRES

Who is the Welland Downtown BIA?

We are supported by a diverse and dedicated team of volunteers / sponsors that live and work within the Welland Downtown BIA boundaries. The BIA's activities include Beautification, Revitalization and Maintenance, Marketing and Promotion, Business recruitments, communication, and Special Events.

Our Objectives:

With passion and commitment, we pursue the following initiatives and objectives:

- To beautify, enhance and preserve the downtown core of the City of Welland including our cultural assets and historical buildings.
- To develop opportunities that showcase and strengthen the WDBIA member community thus creating economic development and jobs.
- To promote and market the Welland Downtown area as a destination to shop, dine, work and visit.
- To create pride in the community with safe, well-maintained, and friendly streets.
- To enhance the quality of life through a sense of belonging.
- To promote economic and community well-being in Downtown Welland by supporting and celebrating the heart and spirit of local businesses and entrepreneurs.

We are fortunate to have dedicated Board Members who have contributed significantly to the success and direction of the WDBIA. Our Board is comprised of four standing committees that demonstrate

Qu'est-ce que le SDAC Centre-Ville de Welland?

Nous avons le soutien d'une équipe talentueuse et diverse de bénévoles / commanditaires qui vivent et travaillent dans les limites du centre-ville de Welland. Les activités du SDAC comprennent Travaux d'embellissement, Revitalisation et Entretien, la Promotion, le Recrutement d'entreprises, la communication et les Événements Spéciaux.

Nos Objectifs :

Avec passion et engagement, nous poursuivons les initiatives et les objectifs suivants:

- Embellir, améliorer et préserver le centre-ville de Welland y compris nos biens culturels et nos bâtiments historiques.
- Développer des possibilités qui mettent en valeur et renforcent les membres de la communauté de la zone d'amélioration commerciale du centre-ville de Welland créant ainsi des emplois et du développement économique.
- Promouvoir et commercialiser le centre-ville de Welland en tant que destination de choix concernant les boutiques, les restaurants, les emplois et les vacances.
- Susciter la fierté dans la communauté avec des rues sécuritaires, bien entretenues et invitantes.
- Améliorer la qualité de vie et développer un sentiment d'appartenance.
- Promouvoir le bien-être économique et communautaire du centre-ville de Welland en soutenant et en célébrant les entreprises locales ainsi que les entrepreneurs.

Nous avons la chance d'avoir des membres dévoués au Conseil d'Administration qui ont grandement contribué au succès et à la direction du SDAC. Notre conseil d'administration est composé de quatre comités permanents qui font



leadership, governance, and operational oversight.

Here are some of the highlights of 2021:

Governance Committee:

- Implementation of virtual meetings & platforms
- Compiled an extensive policies and procedures manual
- Applied for and received funding for Digital Main Street, Canada Summer Jobs Grant and WDBIA street crew

Finance and Audit:

- Provided oversight on revised accounting process
- Hired bookkeeper to facilitate reporting day to day bookkeeping duties
- Reallocation of funds to support business recovery efforts

Beautification

- Revision and addition of floral decor
- WDBIA Street Crew initiative
- Seasonal & Holiday decor
- Bell Box Mural Project

Program & Events

- Weekly newsletters to membership during COVID
- Business Engagement – Business features
- Weekly Farmer’s Market features
- Two-part Community Awareness Webinar Series
- Four-part Virtual Workshop Series
- Holiday Programming
- COVID-19 Recovery Webinars
- Canada Summer Jobs
- Digital Main Street
- Welland Bridge 13 Illumination
- Downtown Community Watch Committee

preuve de leadership, de gouvernance et surveillance opérationnelle.

Voici quelques faits saillants de 2020:

Comité de Gouvernance :

- Mise en place réunions et plateformes virtuelles
- Compilation d’un manuel détaillé auprès des politiques et procédures
- Demandes et reçu de financement pour projet Digital Mainstreet; Emplois d’été Canada; Equipe de Rue SDAC Centre-Ville Welland

Finances et Audit (vérification) :

- Supervision du processus comptable révisé.
- Embauche comptable afin de faciliter le rapportage financier et les tâches quotidiennes
- Réaffectation des fonds pour soutenir les efforts de reprise de commerce

Embellissement

- Révision et ajout de décor floral
- Jardin Communautaire
- Initiative « Equipe de Rue » SDAC Centre-Ville Welland

Événements et promotion

- Bulletins quotidiens/hebdo aux membres pendant le COVID
- Enquête sur la reprise d’activité
- Engagement commercial / fonctionnalités commerciales
- Programmation – Fêtes
- Webinaires sur la récupération de l’impacte COVID-19
- Programme « Digital Mainstreet »
- Illumination du pont #13 Welland
- Refonte et lancement du site Web



FROM THE CHAIR / DU PRÉSIDENT

It is an honour and a privilege to serve as Chair of our incredible BIA and to share with you the highlights of the past year. The Board has worked hard in accomplishing some key goals to make downtown Welland vibrant and proactive. Every Board Member has given of their time and expertise to ensure that our goals and mandate are accomplished. From community events to a balanced budget and a review of organizational policies and procedures, it has been a busy year.

COVID-19 has continued to provide challenges for our Downtown Members and Businesses, but they were ready for the challenge. I am completely impressed with the creativity, resolve and determination of our downtown businesses during these past 17 months. Our board and our staff at the Welland Downtown BIA have provided the support, promotion, and information they have needed to be successful during non-ideal times. For those businesses that have not accessed our services and assistance yet, I encourage you to do so.

The Board looks forward to continuing its work serving our downtown members with further promotions, anticipated events, and continuation in the beautification planning. Downtown Welland is ready for a great 2022 and for one of our biggest years of recovery and development.

Kelly Jones ~ Chair

C'est un honneur et un privilège de présider notre incroyable SDAC et de partager avec vous les faits saillants de l'année écoulée. Le conseil a travaillé d'arrache-pied pour atteindre certains objectifs clés pour rendre le Centre-Ville de Welland dynamique et proactif. Chaque membre du conseil a donné de son temps et de son expertise pour veiller à ce que nos objectifs et notre manda soient atteints. Qu'il s'agisse d'événements communautaires, d'un budget équilibré et d'un examen des politique et procédures organisationnelles, cette année a été bien remplie.

COVID-19 a continué de proposer des défis à nos membres et entreprises du centre-ville, mais ils étaient prêts à relever le défi. Je suis complètement impressionné par la créativité, et la détermination de nos entreprises du centre-ville au cours de ces derniers 17 mois. Notre conseil d'administration et notre personnel au SDAC Centre-ville Welland ont fourni le soutien, la promotion et l'information dont ils avaient besoin pour réussir pendant ces périodes non idéales. Pour les entreprises qui n'ont pas eu accès à nos services et à notre assistance, je vous encourage pourtant à le faire.

Le conseil d'administration a hâte de poursuivre son travail au service de nos membres du centre-ville avec d'autres promotions, des événements prévus et la poursuite de la planification de l'embellissement. Le centre-ville de Welland est prêt pour un grand 2022 et pour l'une de nos plus grandes années de reprise et développement.

Kelly Jones ~ Président



FROM THE E.D. / DE LA D.G.

As we adjusted to the new challenges and normalcies that 2021 presented, the WDBIA continued to provide its membership with support and resources to be successful during these unprecedented times. This past year has been a testament to our resilience, and we look forward to a promising future in 2022.

Alexis Higginbotham ~ Executive Director

Alors que nous nous adaptions aux nouveaux défis et à la normalité présentés en 2021, le SDAC a continué à fournir à ses membres le soutien les ressources nécessaires pour réussir en ces temps sans précédent. L'année écoulée a témoigné de notre résilience et nous attendons à un avenir prometteur en 2022.

Alexis Higginbotham ~ Directrice Générale

BUDGET 2022

The 2022 budget was carefully assembled with the hope that there would be a return to events and gatherings next year. While we recognize that this may be too optimistic, there was a shift toward supporting businesses with tools geared toward online learning and promotion as opposed to in-person support.

Respectfully Submitted, Amanda Chistoff; Treasurer 2021-2022

Revenue :	<u>\$ 148,620.00</u>
Administration	\$ 65,350.00
Beautification / Embellissement	\$ 61,500.00
Community Events/Événement Communautaires	\$ 43,000.00
Promotional and Marketing / Promotion	\$ 24,750.00
Governance / Gouvernance	\$ 500.00
TOTAL EXPENSES / DEPENSES	\$ 195,100.00
Other cash inflow:	
HST Rebate	\$ 5,000.00
Retained cash from 2021	\$ 60,000.00
Net operating \$/\$ opération	\$ 18,520.00



Le budget 2022 a été soigneusement assemblé avec l'espoir qu'il y aurait un retour aux événements et aux rassemblements l'année prochaine. Bien que nous reconnaissons que cela peut être trop optimiste, il y a eu une évolution vers le soutien aux entreprises avec des outils axés sur l'apprentissage et la promotion en ligne plutôt que sur le soutien en personne.

FINANCIAL STATEMENT / ÉTAT FINANCIER 2020 – Notes from Auditors

To the Board Members, Members of Council, Inhabitants and Taxpayers of the Welland Downtown Business Improvement Area:

Opinion

We have audited the financial statements of Welland Downtown Business Improvement Area (the "BIA"), which comprise the statement of financial position as of December 31, 2020, and the statements of operations and, accumulated surplus, change in net financial 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 BIA as of December 31, 2020, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 BIA 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.

Other Matter

The financial statements of the BIA for the year ended December 31, 2019 were audited by another practitioner who expressed an unmodified opinion on those statements on June 9, 2020.

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 public sector accounting standards, 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 BIA'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 BIA or to cease operations, or has no realistic alternative but to do so.



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

Audited by:

MNP LTD
60 King St #101,
Welland, ON L3B 6A4



FINANCIAL STATEMENT / ÉTAT FINANCIER

2020

City of Welland			
Welland Downtown Business Improvement Area			
Statement of Operations and Accumulated Surplus			
For the Year Ended December 31, 2020			
	Budget	Actual	Actual
	2020	2020	2019
	\$	\$	\$
Revenue			
Tax levy (Note 7)	114,820	114,820	108,000
Other	19,000	322	3,119
Events and grants	25,000	23,220	110,455
Sponsorship	-	-	19,500
Total Revenues	158,820	138,362	241,074
Expenses			
Wages	25,083	44,278	89,800
Beautification	42,660	33,833	23,253
Community events and promotion activities	64,199	9,192	115,879
Professional fees	3,500	7,021	5,653
Office supplies and miscellaneous	8,677	5,466	7,587
Rent	4,800	4,043	5,074
Insurance	1,900	1,835	1,944
Interest and Bank Charges	-	573	196
Total Expenses	150,819	106,242	249,366
Annual Surplus (Deficit)	8,001	32,120	(8,292)
Accumulated Deficit, beginning of year	(58,201)	(58,201)	(49,909)
Accumulated Surplus (Deficit), end of year	(50,200)	(26,081)	(58,201)

The accompanying notes and schedules are an integral part of these financial statements



City of Welland
Welland Downtown Business Improvement Area
Statement of Change in Net Financial Assets
For the Year Ended December 31, 2020

	Budget 2020 \$	Actual 2020 \$	Actual 2019 \$
Annual Surplus (Deficit)	8,001	32,120	(8,292)
Use of prepaid expenses	-	1,540	-
Acquisition of prepaid expenses	-	(1,540)	(1,540)
Increase (Decrease) in Net Financial Assets (Debt)	8,001	32,120	(9,832)
Net Debt, beginning of year	(59,741)	(59,741)	(49,909)
Net Financial Assets (Debt), end of year	(51,740)	(27,621)	(59,741)

The accompanying notes and schedules are an integral part of these financial statements

City of Welland
Welland Downtown Business Improvement Area
Statement of Financial Position
As at December 31, 2020

	2020 \$	2019 \$
Financial Assets		
Cash	109,643	43,943
Accounts receivable (Note 3)	7,709	15,819
	117,352	59,762
Financial Liabilities		
Accounts payable and accrued liabilities	9,973	7,003
Deferred revenue - donations (Note 8)	30,000	-
Due to the City of Welland (Note 4)	105,000	112,500
	144,973	119,503
Net Financial Assets (Debt)	(27,621)	(59,741)
Non-financial Assets		
Prepaid expenses	1,540	1,540
Accumulated Surplus (Deficit) (Note 5)	(26,081)	(58,201)

Approved on behalf of the Board:

Amanda Chitoff

The accompanying notes and schedules are an integral part of these financial statements



City of Welland
Welland Downtown Business Improvement Area
Statement of Cash Flows
For the Year Ended December 31, 2020

	2020	2019
	\$	\$
Net Inflow (Outflow) of Cash Related to the Following Activities:		
Operating		
Annual surplus (deficit)	32,120	(8,292)
Changes in non-cash assets and liabilities		
Increase (decrease) in accounts receivable	8,110	(3,706)
Increase in accounts payable and accrued liabilities	2,970	(13,101)
Decrease in prepaid expenses	-	(1,540)
	43,200	(26,639)
Financing		
Increase in deferred revenue - donations	30,000	-
Repayment of due to the City of Welland	(7,500)	(7,500)
	22,500	(7,500)
Increase (Decrease) in Cash	65,700	(34,139)
Cash, beginning of year	43,943	78,082
Cash, end of year	109,643	43,943

The accompanying notes and schedules are an integral part of these financial statements



Notes to the Financial Statements / ÉTAT FINANCIER

1. Description of the organization

The Welland Downtown Business Improvement Area (the “BIA”) was established by the Council of the City of Welland (the “City”) and has been entrusted with the improvement, beautification and maintenance of city-owned lands, buildings, and structures in the improvement area, beyond such expenditure by the Municipality. The BIA is also responsible for the promotion of this improvement area for business and shopping.

The BIA is financed by a special levy charged upon business in the improvement area.

During the 2020 fiscal year, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in a significant and negative impact on the global financial markets, due to businesses being forced to cease or limit operations for long or indefinite periods of time.

The Commission has determined that these events are non-adjusting events. Accordingly, the financial position and result of operations as of and for the year ended December 31, 2020 have not been adjusted to reflect their impact. It is difficult to reliably measure the duration and severity of these consequences on future financial results. In order to mitigate risk, the Commission continues to actively monitor and assess the impact of the pandemic on its operating activities and services.

2. Significant accounting policies

Management responsibility

The financial statements of the BIA have been prepared by management in accordance with Canadian Public Sector Accounting Standards (“PSAS”), and reflect the following significant accounting policies:

- a) Reporting entity The financial statements reflect the financial assets, financial liabilities, non-financial assets, revenues, expenses, and changes in accumulated surplus of the BIA.
- b) Budget figures The budget approved by the BIA for 2020 is reflected in the statement of operations and change in net financial assets.
- c) Revenue recognition Revenues are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable. Expenses are recorded on the accrual basis of accounting which recognizes expenses as they are incurred and measurable as a result of a receipt of goods or services and the creation of a legal obligation to pay.
- d) Government assistance Claims for assistance towards current expenses under various government grant programs are recorded as a reduction of the cost of the related expense in the year in which eligible expenditures are incurred. Government assistance received for the purchase of property, plant and equipment are deferred and amortized into income as the related property, plant and equipment are amortized.

2. Significant accounting policies (continued)

e) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 reporting period. Estimates include accrued liabilities. Actual results could differ from this estimate.



3. Accounts Receivables

The balance is made up of the following amounts:

	2020 \$	2019 \$
Government Grant Revenue	2,877	-
HST Receivable	4,317	15,819
Due from City of Welland	515	-
	<u>7,709</u>	<u>15,819</u>

4. Due to the City of Welland

The amount due to the City of Welland relates to the monetary contribution to the reflection pond outside of Civic Square by the City of Welland at a cost of \$300,000. The BIA agreed to contribute this amount over twenty years at \$15,000 per year commencing in 2006. The amount is non-interest bearing. The City of Welland has agreed to extend the remaining term of payment and reduce the annual repayments from \$15,000 to \$7,500, effective January 1, 2017.

5. Accumulated surplus (deficit)

	2020 \$	2019 \$
Operating surplus	78,919	54,299
Due to City of Welland (Note 4)	(105,000)	(112,500)
	<u>(26,081)</u>	<u>(58,201)</u>

6. Government assistance

The BIA received \$8,971 (2019 - \$12,463) in funding from the federal government as a part of the Canada Summer Jobs initiative to employ co-op students during the year. This funding has been included in wages.

In response to the COVID-19 pandemic, the federal government introduced subsidies available to Canadian businesses to alleviate the financial strains of reduced business operations as they comply with the social distancing measures. The BIA received \$15,126 (2019 - \$nil) as a part of the Canada Emergency Wage Subsidy and has been included in wages.

7. Related party transactions

The BIA received \$114,820 (2019 - \$108,000) in tax levies from the City of Welland during the year.

8. Deferred Revenue

The deferred revenue consists of a one-time anonymous donation of \$30,000 (2019 - \$nil). The anonymous donor had noted that the donation is to be used for future concerts and events. Although there is no agreement in place mandating the use of these funds, the board has internally restricted these funds for this purpose and has therefore recognized the full amount in deferred revenues to be recognized into revenue in the period that the related expenses will be incurred.



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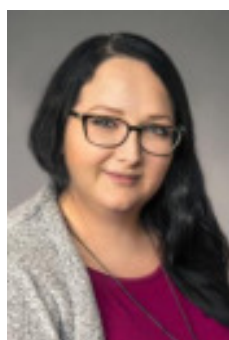
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