Transcona Business Improvement Zone
Operating Budget
December 31, 2009

REVENUE

Business Levy	$ 114,000
Interest	4,000
Other Income	14,000
Revenue (ARV Biz Levy Interest and other income)	132,000
Surplus Funds	25,000
TOTAL REVENUE	**$ 157,000**

OPERATING EXPENSES

-Buhler Recreation Park (softball diamond rights/10yrs)	6,000
Advertising/Marketing	
-publications (four times a year)	41,000
-advertising/marketing	1,500
-website hosting, domain name and maintenance	400
Infrastructure/maintenance	
-general maintenance of existing new infrastructure	1,000
Festivals and social events	
-hi-neighbour festival	6,000
-farmer's market	400
-special events/projects	5,000
Programs	
-summer beautification program	5,000
-christmas decoration program	3,000
-anti Graffiti Program	4,000
Accounting Fees	1,800
Allowance for uncollected levies	3,000
Amortization	4,000
Audit	2,000
Building Maintenance	500
Equipment	1,000
Internet	1,000
Meeting expense – AGM	400
Meeting expense – meals	800
Miscellaneous	1,000
Office Supplies	2,000
Rent	15,500
Telephone	1,200
Travel	500
Utilities	2,000
Wages	47,000
TOTAL OPERATING EXPENSES	**$ 157,000**
Excess of revenue over expenses	-----

Transcona Business Improvement Zone

Financial Statements

December 31, 2007

To the Members of Transcona Business Improvement Zone:

We have audited the statement of financial position of Transcona Business Improvement Zone as at December 31, 2007 and the statement of operations and unrestricted net assets for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2007 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba
October 11, 2008

ONCA's
Chartered Accountants

Transcona Business Improvement Zone
Statement of Financial Position
As at December 31, 2007

	2007	*2006*
Assets		
Current		
Cash	45,979	30,128
Short-term investments *(Note 3)*	80,468	83,221
Goods and services tax receivable	1,292	1,768
Accrued investment income	135	467
Prepaid expenses and deposits	1,653	-
	129,527	115,584
Fixed assets *(Note 4)*	22,897	4,865
Investments *(Note 5)*	23,666	46,349
Construction in progress	-	9,675
	176,090	176,473
Liabilities		
Current		
Accounts payable and accruals	5,582	4,334
Net Assets		
Invested in property and equipment	22,897	4,865
Unrestricted	147,611	167,274
	170,508	172,139
	176,090	176,473

The accompanying notes are an integral part of these financial statements

Transcona Business Improvement Zone
Statement of Operations and Unrestricted net assets
For the year ended December 31, 2007

	2007	2006
Revenues		
Business levy	141,725	141,508
Grants	25,855	13,672
Advertising	10,483	8,018
Investment income	5,110	2,580
	183,173	165,778
Expenses		
Advertising and promotion	43,403	40,561
Amortization	8,085	5,244
Dues and memberships	280	260
Local improvements	13,513	18,117
Meals	1,422	957
Office	2,949	3,007
Parking lot	5,125	6,475
Professional fees	3,625	3,700
Rent	10,485	6,600
Repairs and maintenance	336	768
Salaries, wages and benefits	67,848	51,076
Telephone, fax and internet	2,762	2,624
Travel	97	301
Utilities	2,311	1,705
	162,241	141,395
Excess of revenues over expenses from operations before other programs	20,932	24,383
Other program expenses		
Anti-graffiti program	(5,000)	(5,000)
Buhler recreation park	(6,000)	(6,000)
Festival of banners	(5,493)	(6,727)
Hi-Neighbour festival	(6,070)	(7,144)
	(22,563)	(24,871)
Deficiency of revenues over expenses	(1,631)	(488)
Unrestricted, beginning of year	167,274	162,518
	165,643	162,030
Capital fund transfers	(18,032)	5,244
Unrestricted, end of year	147,611	167,274

The accompanying notes are an integral part of these financial statements

1. Purpose of the Organization

The Transcona Business Improvement Zone was established by a by-law of the City of Winnipeg, dated December 20, 1995. The purpose of the Organization is to improve and maintain lands of the City in the Zone, subject to authorization by City Council, and to promote the Transcona Business Zone as a place for retail and commercial activity.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

Short term investments

Short term investments are valued at the lower of cost and market value.

Long-term investments

Long-term investments are portfolio investments recorded at cost, less any provisions for other than temporary impairment. They have been classified as long-term assets in concurrence with the nature of the investment.

Fixed assets

Fixed assets are initially recorded at cost. Amortization is provided using the straight-line method over 5 years on all fixed assets which is intended to amortize the cost of assets over their estimated useful lives.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Provision is made for amortization of property and equipment based on an estimate of their useful lives. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

Cash flow statement

A cash flow statement has not been presented with these financial statements, as the required information is readily apparent from the other financial statements, or adequately disclosed in the notes to the financial statements.

Revenue recognition

The Transcona Business Improvement Zone records property business levy revenues based on the annual assessed amount to be received from the City of Winnipeg. The deferral method has been used to report all other revenues and expenses. Other revenues and grants are recognized when received.

2. Significant accounting policies *(Continued from previous page)*

Fund accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the accounts are maintained on a fund accounting basis. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the contributors or in accordance with the directives issued by the Board of Directors.
Two funds are maintained Operating Fund and Invested in Fixed Assets.

The Operating Fund is used to account for all revenue and expenditure related to general and ancillary operations of the Organization.

The Invested in Fixed Assets is used to account for all fixed assets of the Organization and to present the flow of funds related to their acquisition and disposal, unexpended capital resources and debt commitments.

Government assistance

Claims for assistance under various government grant programs are recorded as a reduction of the cost of related assets (or expenses) in the period in which eligible expenditures are incurred.

Long-lived assets

Long-lived assets consist of fixed assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Organization performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in earnings, (loss) for the year.

3. Short-term investments

	2007	*2006*
GIC redeemed during the year	-	83,221
Credit union savings account bearing interest at 4.35%	80,468	-
	80,468	83,221

4. Fixed assets

	Cost	*Accumulated amortization*	*2007 Net book value*	*2006 Net book value*
Digital reader board	**26,116**	**5,223**	**20,893**	-
Computer equipment	**5,646**	**4,319**	**1,327**	2,202
Storage shed	**2,253**	**1,576**	**677**	902
Office equipment	**21,045**	**21,045**	-	-
Clock	**7,046**	**7,046**	-	872
Planters, benches	**19,050**	**19,050**	-	889
	81,156	**58,259**	**22,897**	4,865

Digital reader board consists of capital costs of $53,441 which have been offset by various grants and donations which included a donation from the Casera Credit Union of $10,000.

5. Investments

	2007	*2006*
GIC redeemed during the year	-	23,757
GIC bearing interest at 4.75% due November 2011.	**23,666**	22,592
	23,666	46,349

6. Financial instruments

The Organization as part of its operations carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Fair value disclosure

The Organization has elected not to disclose fair value information about financial assets and liabilities for which fair value was not readily obtainable.

7. Commitments

The Company occupies leased premises subject to minimum monthly rent of $817 plus utilities, taxes and insurance until June 15, 2010 with an option to renew for a 2 year period.

8. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.