



**KINGSWAY
BUSINESS
ASSOCIATION**

2008 Annual Report



Table of Contents

	Page
Map of Kingsway Business Association Boundaries	4
Mission Statement, Goals & Legal Profile	5
Message from the Chairs	6
2008 Board of Directors	7
Promoting Edmonton Kingsway	8-9
Edmonton Kingsway Enhancement	10
2008 Issues / Advocacy / Promotions	11
2008 Events & Programs	12-15
Auditor's Report	16
Statement of Revenues, Expenditures and Surplus	17
Balance Sheet	18
Statement of Cash Flow	19
Notes to the Financial Statement	20-21

Edmonton Kingsway



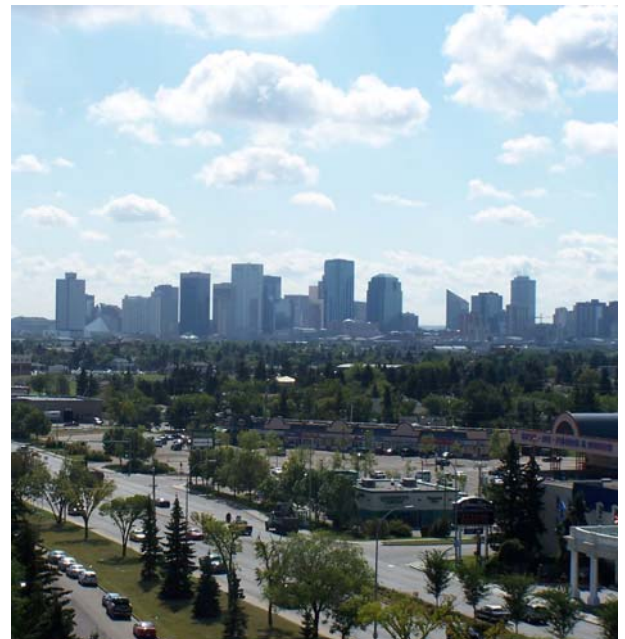
Mission Statement

Through its leadership in marketing and advocacy, Kingsway Business Association continually works towards making Edmonton Kingsway the preferred place to Fly-Shop-Play-Stay.

Goals

As a non-profit organization funded by its members, the goals of the Kingsway Business Association are to:

- Continue enhancement projects for Edmonton Kingsway.
- Support efforts to promote the long term viability of the Edmonton City Centre Airport as an airport.
- Focus marketing in specific areas.



Association Legal Profile

The Edmonton Kingsway Revitalization Zone (BRZ) was established by a City of Edmonton bylaw on November 10, 1987.

The Association represents and serves those assessed for business tax located within the geographical boundaries stated below. The City's official Kingsway Business Association is Bylaw #8621 (as amended).

- Kingsway Avenue starting at 106 Street continuing Northwest and ending at the North and Southbound railway tracks, including those properties fronting both the South and North side of that portion of Kingsway Avenue
- The North and Southbound railway tracks starting at Kingsway Avenue continuing North and ending at the Yellowhead Trail, including those properties fronting the East side of this portion of the railway tracks
- Yellowhead Trail starting at the North – Southbound railway tracks and continuing East ending at 107 Street including those properties fronting the South side of that portion of the Yellowhead Trail
- 107 Street starting at the Yellowhead Trail and continuing South to 120 Avenue where it branches into 106 Street, continuing South on 106 Street and ending at Kingsway Avenue, including those properties fronting the West side of those portions of 106 Street and 107 Street

The members of the Board of Directors are appointed by City Council. Board members represent large and small businesses within the BRZ. The two City Councillors who represent Ward 2 are ex-officio members of the Board.

Message from the Co-Chairs

Edmonton Kingsway is a vibrant area with a very colourful and unique blend; from malls to museums; from education to recreation; from roadways to railways to runways, Edmonton Kingsway has it all. Revitalization of this area is successful because there is such a strong, established business community here, willing to re-invest in the future. AMA began construction of its new facility and the look, which is very complimentary to the RCMP building across the street, makes a wonderful gateway to the Kingsway area. Kingsway Garden Mall began upgrading its facility and many shoppers are looking forward, with great anticipation, to the mall's new and modern look. Hotels on Kingsway, all with either completed upgrades or works in progress, provide a perfect destination for many conventions and road weary travellers. Kingsway is also home to popular retailers like Sears, Zellers, the Bay Canadian Tire and western canadian grocery giant Save-On-Foods. Add to all this NAIT and the City Centre Airport. Edmonton Kingsway really does have the perfect area, all within walking distance, where people can work, eat, learn, play, shop and sleep.

Going forward, 2009 is the year Aviation is Celebrating 100 years of Flight in Canada. The Alberta Aviation Museum has many great activities planned throughout the year to recognize Canadian aviation and the important role Edmonton has played. Edmonton is an aviation city of firsts – City Centre Airport (Blatchford Field) was the first licensed airport in Canada, and from here Edmonton had the first mercy flight, the



first commercial passenger flight and the first mail flight. Edmonton's aviation history is as exclusive as the airfield itself.

Finally, in 2008 City Council once again opened discussion on the future of the Edmonton City Centre Airport. The Public Hearings in September 2008 set the stage for a full review of the airport and the airports lands. As people are aware, the Kingsway Business Association has been a strong advocate for the airport over the years. Aviation businesses represent about 40% of this BRZ's membership and the KBA is in full support of these businesses remaining as a vibrant part of the local community. While the airport does present some unique challenges to the city, so too does it present some incredible opportunities - through creative thinking and cooperation the airport will once again establish itself as a focal point for business, government, health and education.

Mary Anne Stanway
Paul Gervais

2008 Board of Directors

Paul Gervais (Co-Chair)

Skyharbor 95 Aviation Ltd.
22 Airport Road
Edmonton, AB T5G 0W7

Bob Lamoureux

Alta Flights Charters Inc.
Edmonton International Airport
Edmonton, AB T5J 2T2

Don Koziak

Chateau Louis Hotel & Conference Centre
11727 Kingsway
Edmonton, AB T5G 3A1

Art Breier

Hangar 11 Corp.
Bldg 11, Edmonton City Centre Airport
11760 - 109 Street
Edmonton, AB T5G 2T8

Brad Merchant

Kingsway Garden Mall
320 Kingsway Garden Mall
Edmonton, AB T5G 3A6

Mary Anne Stanway (Co-Chair)

Airco Aircraft Charters Ltd.
Bldg #6, Edmonton City Centre Airport
11930 - 109 Street Edmonton, AB T5G 2T8

Bob McEwen

McEwen's Aviation Services
Bldg 19, Edmonton City Centre Airport
77 Airport Road, Edmonton, AB T5G 0W6

Ralph Henderson

530 Wolf Willow Road
Edmonton, AB
T5T 1E4

Kathy Hall

Marlin Travel

Councillor Ron Hayter

Ward 2
City Hall
Edmonton, AB T5J 2R7

Karon Kosof,

Executive Director

Promoting Edmonton Kingsway

Edmonton Kingsway

"Edmonton Kingsway" is the term that we use when we market the businesses within the Kingsway Business Association. We promote this area through ads and at tradeshow, encouraging people to:

SHOP—PLAY—STAY

"Edmonton Kingsway is close to everything and has everything you will need."

Kingsway Business Association's focus in 2008 was to improve Member Services and Communication. Many of our businesses/members do not know they are a part of this organization and the benefits available to them. Benefits include the "Façade Improvement Program" and the "Communities In Bloom, Flower Barrel Program."

Advertising

In 2008, the Kingsway Business Association advertised and promoted the Edmonton Kingsway area through:

- Edmonton Visitors Guide (circulation 175,000) - Edmonton Tourism
- Yellowhead IT! Magazine (circulation 75,000)
- Trans Canada Yellowhead Highway Association
- Yellowhead IT! Website
- Tradeshow in Lloydminster

The majority of the 2008 marketing targeted the rubber tire market (travel by automobile). Much of the advertising was distributed at Visitors Information Centres on the Yellowhead Highway plus at numerous hotels and businesses throughout Manitoba, Saskatchewan, Alberta and British Columbia.

Website

www.edmontankingsway.com was launched in the Spring of 2007. While the website was informative and useful for those searching on the website, Kingsway Business Association determined the website was not offering the flexibility and services our membership were requesting. In response during 2008, we designed a new dynamic website that will be launched in February 2009. This new site will include new graphics, information about the area, city attractions and provide individual searchable listings of businesses within the area. The goal of this website will be to enhance the experience of those looking for products and services within Edmonton Kingsway and to promote the City of Edmonton as a whole.



Everything you will ever need!

- Kingsway Garden Mall with over 220 stores including Sears, the Bay and Zellers
- Hotels
- Restaurants
- Canadian Tire
- Save-On-Foods
- Aviation Museum
- Close to everything – Downtown, West End, Sporting Events and Festivals
- Home of the Rexall Grand Prix of Edmonton



Promoting Edmonton Kingsway (cont'd)

Tradeshow

May of 2008 we represented Edmonton Kingsway at a tradeshow in Lloydminster, AB. It has been a few years since Kingsway Business Association was in Lloydminster reminding citizens of all that Edmonton Kingsway has to offer. Representatives from the Ramada Conference Centre and Chateau Nova, combined with representatives from the Rexall Indy made our exhibit engaging and exciting. Bright yellow Edmonton Kingsway baseball caps were given to the children.



Edmonton Kingsway Welcome Bags

In 2008, Kingsway Business Association gave the opportunity to members within Edmonton Kingsway to contribute to a welcome bag concept. Included in the bags were discounts to restaurants and bars, coupons to some retail stores, magazines, hand sanitizers, perfume samples, pens, notepads and maps to just mention a few items. The bags were given to delegates attending conferences in the Kingsway area and the delegates were very impressed with the generosity of the Edmonton Kingsway businesses.

Membership Database

In 2007 we began compiling the Kingsway Business Association membership database including contact information, to assist us in an efficient and effective way to communicate with our membership. The database included fields enabling links to property owners, management companies, head office contacts of the businesses located in the Kingsway area. During 2008 with the compiled membership information and the member sorting categories, This advancement enabled us to send e-mails, faxes and mail to our members targeting specific areas and interests. This membership database is designed to ensure there are no duplications, reducing Kingsway Business Association costs related to communicating with members.

Newsletter

While many organizations are moving to an electronic newsletter because of cost and convenience, Kingsway Business Association decided to keep its annual four page newsletter in a printed format mailed to its members each Spring. In the mailed newsletters we send tickets to local events along with advertising opportunities. Our goal with using the *soft touch marketing* approach is to maintain the personal touch with our membership. The Newsletter template has been created to speed up the process of getting information to our membership locally and to Head Offices in other cities and fits well with our database program.

Edmonton Kingsway Enhancement

Flower Barrels on Kingsway

2008 was the first year that Kingsway participated in the "Communities in Bloom Flower Barrel Program." KBA placed the colourful flower barrels at strategic locations, to enhance the experience of people coming into the Edmonton Kingsway Area, whether they drove on our streets, rode the bus or walked on our sidewalks. There were 68 barrels on our streets with 46 of the barrels purchased by our business members. 2008 participating businesses included: Alberta Motor Association, Aspen Home Healthcare Products, Chateau Louis, City Centre Best Western, Edmonton Oilers, Kingsway Garden Mall, Kingsway Tire, Melcor, NAIT, Ramada Conference Centre, Servus, and Winners Garment Industries. By the many phone calls and people stopping by the office to tell us how welcoming the flower barrels made them feel, we believe this program was a huge success in enhancing Edmonton Kingsway.



Clean up on Kingsway

To ensure that Edmonton Kingsway was looking its best, we hired Bill, the "Litter Buster" to keep an eye on Kingsway. While keeping the litter at bay, Bill also kept us up to date on any problems that were happening along the street. Bill was also available at an hourly rate to assist businesses with litter cleanup maintenance.



Graffiti

We are very fortunate in Edmonton Kingsway not to have a huge problem with graffiti, unlike other areas in the city.

Flags on Kingsway

In 2008, KBA resolved many of the maintenance issues that we were experiencing with our flag poles and we began flying our flags proudly. We promoted the Rexall Edmonton Indy, Back to School Shopping, the CFR Rodeo and Holiday Season shopping. KBA has the largest display of independent flags in Edmonton.



Edmonton Kingsway has never looked so good !

2008 Issues/Advocacy/Promotions

In the mission and goals of the Kingsway Business Association it states that we support efforts to promote the long term viability of the Edmonton City Centre Airport as an airport. This statement is a goal, not only because of the industry and employment it brings to our City but because of the role it plays as the Capital of Alberta and with the many services and resources that this airport brings to Edmonton. One of the services provided is Medivac care.

Heart of Edmonton

In 2008 Kingsway Business Association took part in the "Heart of Edmonton" promotion. This promotion encouraged those whose lives have been affected by an emergency flight into Edmonton City Centre Airport to tell their story. The top three story participants received prizes which included an Indy Racing package, Oilers game package, and Pamper Yourself package. Some of the stories can be found at www.heartofedmontonkingsway.com.



Edmonton City Centre Airport

In keeping with our mandate the KBA commissioned the Ascend Group to provide an Economic Study to be presented at the Public Hearing regarding the Edmonton City Centre Airport on September 2–4, 2008. The study worked with the existing report

commissioned by the Edmonton Airport Authority a few years prior. The additional study also determined that the best use for this land is as an airport. The Ascend Report can be found at: www.edmontonkingsway.com or www.citycentreaairport.ca

North LRT Expansion

In 2008 Kingsway Business Association represented the concerns of their businesses at the ongoing discussion meetings for the proposed North LRT Expansion. This proposed LRT line will be constructed on the far east side of the Edmonton Kingsway area. There are concerns with potential parking issues at the mall, as well as problems related to land expropriation and the congestion at the intersection of Kingsway and 107 Street and 111 Avenue.

Façade Improvement Program

The City of Edmonton initiated a Façade Improvement Program in all Business Revitalization Zone (BRZ) areas several years ago with an application process for businesses who were interested in street-front improvements. This Program was a shared cost opportunity for businesses with the City of Edmonton. There are several businesses in Edmonton Kingsway who are interested in the program, however due to the lack of City funding, these businesses were not able to take advantage of this program during 2008. There were no funds allocated for this important program in 2009. Currently the Kingsway Business Association in conjunction with the other BRZs are lobbying Council for funds for 2010.

2008 Events & Programs

Storewatch

In the beginning of 2008, the Edmonton City Police held a Robbery Prevention Seminar where an EPS Storewatch Program for Commercial Businesses & Retailers was introduced in the Edmonton Kingsway area. Approximately 125 - 150 business owners attended from North and Central Edmonton. The session provided the smaller retailer and business owner important and pertinent crime prevention and employee safety information.



Airfest 2008

The Kingsway Business Association was again one of the sponsors of Airfest 2008 held on Sunday June 22nd at the Alberta Aviation Museum and the Edmonton Aviation Heritage Society. It was a great family event with the theme "Rockin' the Runway" featuring the World's First Boeing 737 Combi Concert with Bobby Cameron and Ann Vriend & Friends. There were a few things KBA did differently this year to support Airfest 2008:

1. KBA provided free tickets for each of our member businesses to attend the event.
2. KBA promoted the opportunity for our member businesses to participate in the tradeshow at no cost. There were several Edmonton Kingsway businesses who promoted their businesses with coupons and draws.



2008 Events & Programs (cont'd)

Rexall Edmonton Indy

2008 marked the fourth year for Car Racing at the Edmonton City Centre Airport. This year the Kingsway Business Association attempted to enter into negotiations with the race organizers to develop a memorandum of understanding providing mutual assistance to maximize the benefit of the race for both organizations. Once Northlands had finalized the race arrangements, the formal agreement was reached with KBA. In 2008, KBA provided the Indy Banner Flags for

the flag poles along Kingsway and managed a special project for disadvantaged kids, "Kids Day on the Track."



Kid's Day on the Track

This is a special event designed to give children who would not normally be able to attend the Rexall Edmonton Indy event, an opportunity to visit the site and experience the action on the racetrack and track grounds. Social service agencies and non profit groups that have children's programs for kids aged 8 to 13 were invited to register the children to come to the track on the Thursday of the event. Approximately 400 kids and chaperones attended. Twenty five volunteers ensured the kids were toured from paddocks where the kids were able to get autographs from drivers, to pit lanes to see where the drivers brought their cars in for checks, through the military display as well as viewing the motocross event.

KBA provided each child and chaperone with a hat, a backpack filled with goodies, plus transportation, lunch, entertainment and a tour of the site. The Rexall Edmonton Indy provided free access passes to the

site, a location in the volunteer tent for the children to eat their lunch and a chef to cook the hotdogs.

Thank you to our generous sponsors who assisted with the costs of the event: McEwen's, Mobil, XD-3, Airco Aircraft Charters Ltd., EIA, Canadian Tire, Save-On-

Foods, Servus Kids Foundation,

Edmonton Realtors' Charitable Foundation, Westcan Wireless, Rexall, and Ramada Conference Centre.



2008 Events & Programs (cont'd)

AGM

On October 23, 2008, fifty-three members of Kingsway Business Association gathered at the Edmonton Flying Club for the Annual General Meeting. After a brief business meeting and the election of the 2009 Board of Directors the attendees were treated to a scrumptious buffet of Hot and Cold Hors d'oeuvres catered by the Chateau Louis Hotel. In appreciation for many years guiding the association, a commemorative gift was presented to Paul Gervais our out going Chair of the KBA Board. As a thank you, each 2008 Director received an engraved pen. In appreciation, the attending Members received embossed leather key chain coin pouches. This event proved to be a great opportunity for members to meet and network.

After Business Mixer

On November 6, 2008, the Kingsway Business Association held their first After-Business Mixer, aptly named "Come Fly with Us and watch your Business Soar!" at McEwen's Esso Avitac Hangar, co-hosted by KBA, WeBA and Inglewood BRZ. Thirty-nine businesses had very informative displays for the over 350 attendees that braved a very cold evening to network. Special draws included:

- McEwen's Aviation Services – a one hour plane ride to

soar over your desired destination from the Edmonton City Centre Airport.

- Airco Air Charters – a Champagne Flight over Edmonton from the Edmonton City Centre Airport.
- Edmonton Flying Club – Two Discovery Flights for up to 3 people from the Edmonton City Centre Airport.
- Rexall Edmonton Indy provided two 3-day Passes to the 2009 Rexall Edmonton Indy to be held at the Edmonton City Centre Airport
- plus prizes from the exhibitor display booths

Ramada Hotel – Kingsway provided *Beef on the Bun* in the spectacularly clean, spacious McEwen's Airport Hangar. For some attendees it was their first exposure to the City Centre Airport. They were quite surprised to learn the airport is a busy hub of daily aviation activity.



2008 Events & Programs (cont'd)

KBA Annual Christmas Luncheon

The Kingsway Business Association Board hosted a Christmas luncheon on December 11, 2008 at the Chateau Louis Hotel & Conference Centre. Invitations were sent to the Mayor, all City Councillors, our local MLA and MP as well as individuals in various city departments who worked with KBA during 2008. This event was planned as a way for KBA to show appreciation to the City and to give everyone an opportunity to meet each other in a relaxed atmosphere. Twenty-two attendees, including some City of Edmonton Councillors, enjoyed a delicious meal and great fellowship. Two retiring Directors, Ralph Henderson and Brad Merchant received beautiful engraved wooden wine boxes complete with glasses, a bottle opener and a bottle of wine as a thank you for their volunteer time on the KBA Board.



Auditor's Report

To the Members of
KINGSWAY BUSINESS ASSOCIATION OF EDMONTON

We have audited the balance sheet of the KINGSWAY BUSINESS ASSOCIATION OF EDMONTON as at December 31, 2008 and the statement of revenues, expenditures and surplus and cash flows for the year then ended. These financial statements are the responsibility of the Association'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 Association as at December 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Ellis Group LLP

Edmonton, Alberta
May 13, 2009

Chartered Accountants

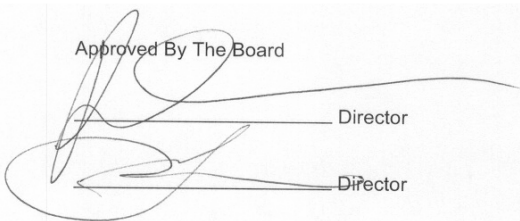
Statement of Revenues, Expenditures and Surplus For the Year Ended December 31, 2008

	2008	2007
Revenue		
Business Revitalization Zone Levy	\$ 270,000	\$ 260,000
Interest income	11,235	4,442
Other	450	-
	<u>281,685</u>	<u>264,442</u>
Expenditures		
Special projects (note 4)	161,122	69,575
Management fees	34,889	26,789
Rent	18,178	15,889
Advertising and reproduction	15,845	23,601
Office	14,956	10,569
Travel, training and promotion	5,436	556
Professional fees	3,707	2,670
Telephone	3,586	4,547
Memberships and insurance	1,713	2,759
Amortization	569	722
Bad debts	-	600
	<u>260,001</u>	<u>158,277</u>
Excess of revenues over expenditures	21,684	106,165
Surplus, beginning of the year	<u>307,080</u>	<u>200,915</u>
Surplus, end of the year	<u><u>\$ 328,764</u></u>	<u><u>\$ 307,080</u></u>

Balance Sheet December 31, 2008

ASSETS		2008	2007
Current Assets			
Cash		\$ 45,277	\$ 101,101
Short term investments		314,737	204,447
Accounts receivable		8,074	220
		368,088	305,768
Total current assets			
Equipment (note 3)		2,186	2,755
		\$ 370,274	\$ 308,523
LIABILITIES AND SURPLUS			
Current Liabilities			
Accounts payable		\$ 41,510	\$ 1,443
		41,510	1,443
Total current liabilities			
Surplus		328,764	307,080
		\$ 370,274	\$ 308,523

Approved By The Board



Director

Director

Statement of Cash Flows

For the Year Ended December 31, 2008

	2008	2007
Cash provided by (used in) operating activities		
Excess of revenues over expenditures	\$ 21,684	\$ 106,165
Item not affecting cash		
Amortization	569	722
	22,253	106,887
Net change in non-cash working capital		
(Increase) decrease in accounts receivable	(7,854)	8,123
(Decrease) increase in accounts payable	40,067	(937)
	54,466	114,073
Increase in cash	46,264	114,073
Cash, beginning of the year	305,548	191,475
Cash, end of the year	\$ 360,014	\$ 305,548
Cash consists of:		
Cash	\$ 45,277	\$ 101,101
Short term investments	314,737	204,447
	\$ 360,014	\$ 305,548

Notes to the Financial Statements

December 31, 2008

1. General

On November 10, 1987, the City of Edmonton Municipal Council passed Bylaw 8621 creating the Kingsway Business Revitalization Zone and incorporating the "Edmonton Kingsway Business Revitalization Zone Association," and Amendments to June 6, 1995.

The purposes of the Association are improving, beautifying and maintaining property in the Zone Area, developing, improving and maintaining public parking and promoting the Zone as a business district.

2. Accounting Policies

(a) Revenue Recognition

The Association follows the accrual basis of accounting. The Business Revitalization Zone Levy is paid in quarterly installments during the calendar year. Interest and other revenue is recognized when earned.

(b) Equipment

Equipment are recorded at cost less accumulated amortization. Amortization is provided using the following methods and annual rates.

Computer	30% declining balance
Equipment	20% declining balance

(c) Use Of Accounting Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

d) Statement Of Cash Flows

The statement of cash flows has been prepared using the indirect method.

3. Equipment

	2008		2007	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer	\$ 1,882	\$ 1,750	\$ 132	\$ 188
Equipment	6,998	4,944	2,054	2,567
	\$ 8,880	\$ 6,694	\$ 2,186	\$ 2,755

Notes to the Financial Statements December 31, 2008 (cont'd)

4. Special Projects

During the year the Association expended funds related to the following special projects:

	<u>2008</u>	<u>2007</u>
City Centre Airport	\$ 82,578	\$ 23,556
Kingsway Enhancement	36,263	10,560
Member Services	22,555	6,463
Marketing	8,209	15,374
Tradeshaw Promotion	7,862	6,470
Airfest	7,016	1,250
Website	1566	3,742
Indy Race and Kids at the Track	(4,927)	2,160
	<u>\$ 161,122</u>	<u>\$ 69,575</u>

5. Financial Instruments

The Association's financial instruments consist of cash, short term investments, accounts receivable, and accounts payable. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risk arising from these financial instruments.

Interest Risk

The Association is exposed to interest rate risk on its short term investments. The carrying value of these financial instruments is not adjusted to reflect increases or decreases in fair value due to interest rate changes as it is the Association's intention to realize their value over time by holding them to maturity.

Fair Value

The carrying value of the Association's financial instruments approximates their fair value. Certain financial instruments lack an available trading market and, therefore, fair value amounts should not be interpreted as being necessarily realizable in an immediate settlement of the instrument.



Kingsway Business Association

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