

**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH
BUSINESS IMPROVEMENT AREA**

**Financial Statements
For the Year Ended December 31, 2006**

GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA

DECEMBER 31, 2006

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AUDITOR'S REPORT

To the Council of the Corporation of the City of Toronto and the Board of Management for the Greektown on the Danforth Business Improvement Area

I have audited the statement of financial position of the Board of Management for the Greektown on the Danforth Business Improvement Area as at December 31, 2006 and the statements of revenue, expenditure and operating surplus and changes in financial position for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 common with many non-profit organizations, the Board derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. As a consequence, my verification of these revenues was limited to the amounts recorded in the records of the Board and I was not able to determine whether any adjustments might be necessary to revenue, operating surplus and assets.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the donations referred to in the preceding paragraph, these financial statements present fairly in all material respects, the financial position of the Board as at December 31, 2006 and the results of its operations and changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario
June 9, 2007

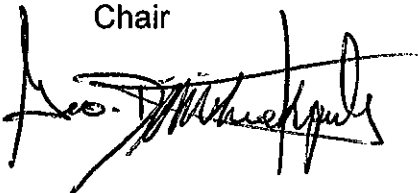

Chartered Accountant

**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2006**

	2006 \$	2005 \$
ASSETS		
Current		
Cash and short-term investments	409,915	233,146
Accounts receivable		
City of Toronto – special charges (note 3)	25,917	47,899
City of Toronto – other	2,100	2,000
Other	11,955	67,151
	<u>449,887</u>	<u>350,196</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities		
City of Toronto	129,753	81,528
Other	16,230	18,554
	<u>145,983</u>	<u>100,082</u>
ACCUMULATED SURPLUS		
Operating	<u>303,904</u>	<u>250,114</u>
	<u>449,887</u>	<u>350,196</u>

Approved on behalf of the Board of Management:

Chair



Treasurer



**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
STATEMENT OF REVENUE, EXPENDITURE AND OPERATING SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2006**

	2006 \$ Budget	2006 \$ Actual	2005 \$ Actual
REVENUE			
City of Toronto – special charges	420,110	420,110	407,252
Grants and other revenue	-	16,490	10,883
Taste of the Danforth:			
Sponsorship	-	297,450	285,750
Donations and other revenue	-	181,007	230,640
	<u>420,110</u>	<u>915,057</u>	<u>934,525</u>
EXPENDITURE			
Administration	82,000	79,589	105,909
Promotion and advertising	153,564	540,371	674,711
Capital and maintenance	189,747	224,556	116,647
Provision for (recovery of) uncollected special charges (note 3)	(5,201)	16,751	(1,635)
	<u>420,110</u>	<u>861,267</u>	<u>895,632</u>
EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR	-	53,790	38,893
OPERATING SURPLUS, BEGINNING OF YEAR	<u>250,114</u>	<u>250,114</u>	<u>211,221</u>
OPERATING SURPLUS, END OF YEAR	<u>250,114</u>	<u>303,904</u>	<u>250,114</u>

**THE BOARD OF MANAGEMENT FOR THE
 GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
 STATEMENT OF CHANGES IN FINANCIAL POSITION
 FOR THE YEAR ENDED DECEMBER 31, 2006**

	2006	2005
	\$	\$
CASH PROVIDED BY OPERATIONS		
Excess of revenue over expenditure for the year	53,790	38,893
Increase (decrease) resulting from changes in		
Accounts receivable – City of Toronto	21,882	(29,154)
Accounts receivable – other	55,196	35,356
Accounts payable – other	(2,324)	(62,886)
Accounts payable - City of Toronto	48,225	25,552
CASH PROVIDED BY OPERATIONS	176,769	7,761
CASH AND SHORT- TERM INVESTMENTS, BEGINNING OF YEAR	233,146	225,385
CASH AND SHORT –TERM INVESTMENTS, END OF YEAR	409,915	233,146

**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006**

1. ESTABLISHMENT AND OPERATIONS

The Greektown on the Danforth Business Improvement Area (BIA) is established as a Business Improvement Area under the management and control of a Board of Management appointed by Council of the City of Toronto.

The Board is entrusted with the improvements, beautification and maintenance of municipally owned lands, buildings and structures in the area, together with the promotion of the area as a business or shopping area. Funding is provided by property owners of the BIA who are levied a special charge based on an annual operating budget prepared by the Board and approved by Council under Section 220(17) of the Municipal Act, as amended.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the representation of management and have been prepared in accordance with generally accepted accounting principles for local governments as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA), the most significant of which are as follows:

- (a) Revenues and expenditures are recorded using the accrual basis of accounting.
- (b) Capital expenditures are charged to operations in the year of acquisition.
- (c) Services provided without charge by the City of Toronto and others are not recorded in these financial statements.

**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2006**

3. CITY OF TORONTO – SPECIAL CHARGES

Special charges levied by the City are collected and remitted to the Board by the City. The total special charges outstanding consist of amounts collected by the City not yet remitted to the Board and amounts uncollected by the City.

The Board records special charges receivable net of an allowance for uncollected amounts. The special charges receivable from the City of Toronto are comprised of:

	2006	2005
	\$	\$
Total special charges outstanding	54,517	64,099
Less: allowance for uncollected special charges	<u>(28,600)</u>	<u>(16,200)</u>
Special charges receivable	<u>25,917</u>	<u>47,899</u>

The provision for (recovery of) uncollected levies reported on the Statement of Revenue, Expenditure and Operating Surplus comprises of:

	2006	2005
	\$	\$
Special charges written-off	4,351	7,565
Change in allowance for uncollected special charges	<u>12,400</u>	<u>(9,200)</u>
	<u>16,751</u>	<u>(1,635)</u>

**THE BOARD OF MANAGEMENT FOR THE
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NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2006**

4. INSURANCE

The Board is required to deposit with the Treasurer, City of Toronto, insurance policies indemnifying the City against public liability and property damage in respect of the activities of the Board. Insurance coverage providing \$5,000,000 for each occurrence or accident has been obtained by the Board, through the City of Toronto.