

**THE BOARD OF MANAGEMENT FOR THE
PAPE VILLAGE
BUSINESS IMPROVEMENT AREA**

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

**PAPE VILLAGE
BUSINESS IMPROVEMENT AREA**

DECEMBER 31, 2006

CONTENTS

	<u>Page</u>
Auditor's report	3
Financial statements	
Statement of financial position	4
Statement of revenue, expenditure and operating surplus	5
Statement of changes in financial position	6
Notes to financial statements	7 -9

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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 Pape Village Business Improvement Area

I have audited the statement of financial position of the Board of Management for the Pape Village 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 my opinion, 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.

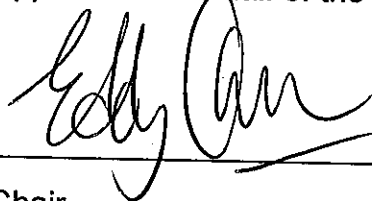
Toronto, Ontario
October 1, 2007


Chartered Accountant
Licensed Public Accountant

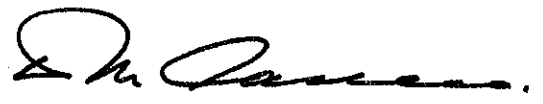
**THE BOARD OF MANAGEMENT FOR THE
PAPE VILLAGE BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2006**

	2006 \$	2005 \$
ASSETS		
Current		
Cash and short-term investments	39,154	41,303
Accounts receivable		
City of Toronto - special charges (Note 3)	1,166	2,442
- other	700	1,400
Other	10,851	6,489
	<u>51,871</u>	<u>51,634</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities		
City of Toronto	14,397	6,793
Other	6,848	5,313
	<u>21,245</u>	<u>12,106</u>
ACCUMULATED SURPLUS		
Operating	<u>30,626</u>	<u>39,528</u>
	<u>51,871</u>	<u>51,634</u>

Approved on behalf of the Board of Management:



Chair



Treasurer

PER

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

	2006 \$ Budget	2006 \$ Actual	2005 \$ Actual
City of Toronto			
- Special charges	35,640	35,640	35,640
- Municipal grant	-	3,100	700
Interest and other	500	1,002	197
	<u>36,140</u>	<u>39,742</u>	<u>36,537</u>
EXPENDITURE			
Administration	12,608	8,409	11,785
Promotion and advertising	11,900	14,025	20,473
Capital and maintenance	46,500	24,101	20,356
Provision for uncollected special charges (Note 3)	863	2,109	218
	<u>71,871</u>	<u>48,644</u>	<u>52,832</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FOR THE YEAR	(35,731)	(8,902)	(16,295)
OPERATING SURPLUS, BEGINNING OF YEAR	<u>39,528</u>	<u>39,528</u>	<u>55,823</u>
OPERATING SURPLUS, END OF YEAR	<u><u>3,797</u></u>	<u><u>30,626</u></u>	<u><u>39,528</u></u>

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

	2006	2005
	\$	\$
CASH PROVIDED BY OPERATIONS		
Excess (deficiency) of revenue over expenditure for the year	(8,902)	(16,295)
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	1,976	(668)
- Other	(4,362)	(2,336)
Accounts payable – other	1,535	(593)
Accounts payable - City of Toronto	7,604	(12,471)
CASH PROVIDED BY (USED IN) OPERATIONS	(2,149)	(32,363)
CASH AND SHORT-TERM INVESTMENTS, BEGINNING OF YEAR	41,303	73,666
CASH AND SHORT-TERM INVESTMENTS, END OF YEAR	39,154	41,303

**THE BOARD OF MANAGEMENT FOR THE
PAPE VILLAGE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006**

1. ESTABLISHMENT AND OPERATIONS

The Pape Village 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.