

**THE BOARD OF MANAGEMENT FOR THE
ROSEDALE MAIN STREET
BUSINESS IMPROVEMENT AREA**

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

ROSEDALE MAIN STREET 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

RAFIQ DOSANI, B.Comm. CFE CA
CHARTERED ACCOUNTANT

90 Risebrough Avenue
Toronto, Ontario M2M 2E3
Telephone: (416) 221 - 4095
Fax: (416) 221 - 4160

AUDITOR'S REPORT

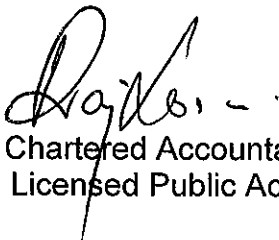
To the Council of the Corporation of the City of Toronto and the Board of Management for the Rosedale Main Street Business Improvement Area

I have audited the statement of financial position of the Board of Management for the Rosedale Main Street 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.

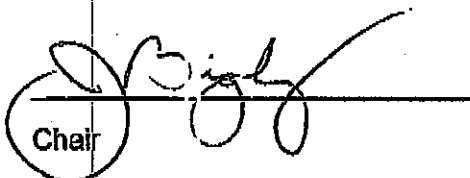
Toronto, Ontario
July 24, 2007

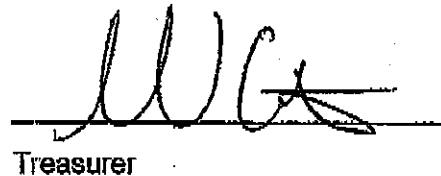

Chartered Accountant
Licensed Public Accountant

**THE BOARD OF MANAGEMENT FOR THE
ROSEDALE MAIN STREET BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2006**

	2006 \$	2005 \$
ASSETS		
Current		
Cash and short-term investments	342,456	329,731
Accounts receivable		
City of Toronto – special charges (Note 3)	-	10,690
City of Toronto – other	2,300	1,100
Other	19,746	10,097
	<u>364,502</u>	<u>351,618</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities		
City of Toronto – special charges (Note 3)	2,599	-
City of Toronto	54,384	97,098
Other	4,231	64,498
	<u>61,214</u>	<u>161,596</u>
ACCUMULATED SURPLUS		
Operating (Note 4)	<u>303,288</u>	<u>190,022</u>
	<u>364,502</u>	<u>351,618</u>

Approved on behalf of the Board of Management:


Chair


Treasurer

**THE BOARD OF MANAGEMENT FOR THE
ROSEDALE MAIN STREET 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	200,310	200,310	202,245
Grants	-	1,200	1,100
Interest	-	7,893	6,683
	<u>200,310</u>	<u>209,403</u>	<u>210,028</u>
EXPENDITURE			
Administration	36,580	32,943	29,617
Promotion and advertising	30,350	7,480	16,533
Capital and maintenance	200,100	33,989	215,715
Provision for uncollected special charges (Note 3)	8,466	21,725	11,509
	<u>275,496</u>	<u>96,137</u>	<u>273,374</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FOR THE YEAR	(75,186)	113,266	(63,346)
OPERATING SURPLUS, BEGINNING OF YEAR	<u>190,022</u>	<u>190,022</u>	<u>253,368</u>
OPERATING SURPLUS, END OF YEAR	<u>114,836</u>	<u>303,288</u>	<u>190,022</u>

**THE BOARD OF MANAGEMENT FOR THE
ROSEDALE MAIN STREET 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	113,266	(63,346)
Increase (decrease) resulting from changes in		
Accounts receivable – City of Toronto	9,490	(9,590)
Accounts receivable – other	(9,649)	(10,097)
Accounts payable - City of Toronto	(40,115)	74,791
Accounts payable – other	(60,267)	25,831
CASH PROVIDED BY OPERATIONS	12,725	17,589
CASH AND SHORT-TERM INVESTMENTS, BEGINNING OF YEAR	329,731	312,142
CASH AND SHORT-TERM INVESTMENTS, END OF YEAR	342,456	329,731

**THE BOARD OF MANAGEMENT FOR THE
ROSEDALE MAIN STREET BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006**

1. ESTABLISHMENT AND OPERATIONS

The Rosedale Main Street Business Improvement Area (BIA), formerly known as Rosedale-Summerhill Business Improvement Area, 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
ROSEDALE MAIN STREET 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 (payable to) the City of Toronto are comprised of:

	2006 \$	2005 \$
Total special charges outstanding	19,501	30,690
Less: allowance for uncollected special charges	<u>(22,100)</u>	<u>(20,000)</u>
Special charges receivable (payable)	<u>(2,599)</u>	<u>10,690</u>

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

	2006 \$	2005 \$
Special charges written-off	19,625	7,609
Change in allowance for uncollected special charges	<u>2,100</u>	<u>3,900</u>
	<u>21,725</u>	<u>11,509</u>

**THE BOARD OF MANAGEMENT FOR THE
ROSEDALE MAIN STREET BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2006**

4. COMMITMENTS

The Board, in co-operation with the City, has implemented cost-shared capital improvement projects on publicly owned property for several years. The projects are long-term in nature and are usually completed subsequent to the year of Council's approval. The Board is committed to capital improvement projects of which the Board's share of \$45,400 was outstanding as at December 31, 2006.

5. 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.