

**THE BOARD OF MANAGEMENT FOR THE
MOUNT DENNIS
BUSINESS IMPROVEMENT AREA**

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

MOUNT DENNIS 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 Mount Dennis Business Improvement Area

I have audited the statement of financial position of the Board of Management for the Mount Dennis 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 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
November 4, 2007


Chartered Accountant
Licensed Public Accountant

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

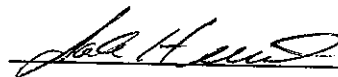
| | 2006 \$ |
|--|---------------|
| ASSETS | |
| Current | |
| Cash | 10,952 |
| Accounts receivable | |
| City of Toronto – special charges (Note 3) | 758 |
| City of Toronto – other | 500 |
| Other | - |
| | <u>12,210</u> |
| LIABILITIES | |
| Current | |
| Accounts payable and accrued liabilities | |
| City of Toronto | - |
| Other | 1,560 |
| | <u>1,560</u> |
| ACCUMULATED SURPLUS | |
| Operating (Note 4) | 10,650 |
| | <u>12,210</u> |

Approved on behalf of the Board of Management:

Chair



Treasurer



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

| | 2006 \$ Budget | 2006 \$ Actual |
|--|-------------------------------|-------------------------------|
| REVENUE | | |
| City of Toronto – special charges | 12,738 | 12,738 |
| Municipal grants | - | 500 |
| Fund raising and other | 1,000 | - |
| | <u>13,738</u> | <u>13,238</u> |
| EXPENDITURE | | |
| Administration | 2,280 | 2,188 |
| Promotion and advertising | - | - |
| Capital and maintenance | 10,300 | - |
| Provision for uncollected special charges (Note 3) | 1,158 | 400 |
| | <u>13,738</u> | <u>2,588</u> |
| EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR | - | 10,650 |
| OPERATING SURPLUS, BEGINNING OF YEAR | - | - |
| OPERATING SURPLUS, END OF YEAR | - | <u>10,650</u> |

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

| | 2006 |
|---|---------------------------|
| | \$ |
| CASH PROVIDED BY OPERATIONS | |
| Excess of revenue over expenditure for the year | 10,650 |
| Increase (decrease) resulting from changes in | |
| Accounts receivable - City of Toronto | (1,258) |
| Accounts receivable – other | - |
| Accounts payable - City of Toronto | - |
| Accounts payable – other | 1,560 |
| | <hr/> |
| CASH PROVIDED BY OPERATIONS | 10,952 |
| CASH, BEGINNING OF YEAR | <hr/> - |
| CASH, END OF YEAR | <hr/> 10,952 <hr/> |

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

1. ESTABLISHMENT AND OPERATIONS

The Mount Dennis 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.

The BIA had been inactive for the past several years and did not have a Board in place nor submit budgets for City Council approval from 1998 through 2005 inclusive. In 2006, the Mount Dennis BIA formed a steering committee to undertake plans to revive the activities of the BIA.

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
MOUNT DENNIS 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 |
|---|------------|
| | \$ |
| Total special charges outstanding | 1,158 |
| Less: allowance for uncollected special charges | (400) |
| Special charges receivable | <u>758</u> |

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

| | 2006 |
|--|------------|
| | \$ |
| Special charges written-off | - |
| Provision for losses on assessment appeals | 400 |
| | <u>400</u> |

**THE BOARD OF MANAGEMENT FOR THE
MOUNT DENNIS 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 \$1,500 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.