

**THE BOARD OF MANAGEMENT FOR THE
KNOB HILL PLAZA
BUSINESS IMPROVEMENT AREA**

**Financial Statements
For the Period from January 1, 2008
To May 26, 2008 (date of dissolution)**

KNOB HILL PLAZA BUSINESS IMPROVEMENT AREA

MAY 26, 2008

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 Knob Hill Plaza Business Improvement Area

I have audited the statement of financial position of the Board of Management for the Knob Hill Plaza Business Improvement Area as at May 26, 2008 and the statements of revenue, expenditure and operating surplus and changes in financial position for the period from January 1, 2008 to May 26, 2008 (date of dissolution). 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 May 26, 2008 and the results of its operations and changes in financial position for the period then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario
April 29, 2009


Chartered Accountant
Licensed Public Accountant

**The Board of Management for the
KNOB HILL PLAZA Business Improvement Area
STATEMENT OF FINANCIAL POSITION
AS AT MAY 26, 2008**

	2008 \$	2007 \$
ASSETS		
Current		
Cash	-	339
Accounts receivable		
City of Toronto – special charges (Note 3)	1,751	1,551
Other	-	-
	<u>1,751</u>	<u>1,890</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities		
City of Toronto	-	-
Other	1,751	1,365
	<u>1,751</u>	<u>1,365</u>
ACCUMULATED SURPLUS		
Operating	-	525
	<u>1,751</u>	<u>1,890</u>

Approved on behalf of the Board of Management:

M. MAJOR

Mike Major
Manager, Business Improvement Area Office
City of Toronto

THE BOARD OF MANAGEMENT FOR THE
 KNOB HILL PLAZA BUSINESS IMPROVEMENT AREA
 STATEMENT OF REVENUE, EXPENDITURE AND OPERATING SURPLUS
 FOR THE PERIOD FROM JANUARY 1, 2008 TO MAY 26, 2008 (DATE OF DISSOLUTION)

	2008 \$ Budget	2008 \$ Actual	2007 \$ Actual
REVENUE			
City of Toronto – special charges	-	-	-
Municipal grants	-	-	-
	-	-	-
EXPENDITURE			
Administration	-	725	951
Promotion	-	-	-
Capital and maintenance	-	-	250
Provision for (recovery of) uncollected special charges (Note 3)	-	(200)	(5)
	-	525	1,196
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FOR THE PERIOD	-	(525)	(1,196)
OPERATING SURPLUS, BEGINNING OF YEAR	525	525	1,721
OPERATING SURPLUS, END OF PERIOD	525	-	525

THE BOARD OF MANAGEMENT FOR THE
 KNOB HILL PLAZA BUSINESS IMPROVEMENT AREA
 STATEMENT OF CHANGES IN FINANCIAL POSITION
 FOR THE PERIOD FROM JANUARY 1, 2008 TO MAY 26, 2008 (DATE OF DISSOLUTION)

	2008 \$	2007 \$
CASH PROVIDED BY (USED IN) OPERATIONS		
Excess (deficiency) of revenue over expenditure for the period	(525)	(1,196)
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	(200)	905
Accounts payable - City of Toronto	-	-
Accounts payable – other	386	629
CASH PROVIDED BY (USED IN) OPERATIONS	(339)	338
CASH, BEGINNING OF YEAR	339	1
CASH, END OF PERIOD	-	339

**THE BOARD OF MANAGEMENT FOR THE
KNOB HILL PLAZA BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 1, 2008 TO MAY 26, 2008 (DATE OF DISSOLUTION)**

1. ESTABLISHMENT AND OPERATIONS

The Knob Hill Plaza 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.

Due to a lack of interest on behalf of the Board and membership of the Knob Hill Plaza BIA, there have been no board or annual general meetings since 2005. At the recommendation of staff, and with no objection from the BIA, Council repealed the by-laws which established the BIA and the Board of Management at its meeting on May 26, 2008.

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
 KNOB HILL PLAZA BUSINESS IMPROVEMENT AREA
 NOTES TO THE FINANCIAL STATEMENTS, CONT'D
 FOR THE PERIOD FROM JANUARY 1, 2008 TO MAY 26, 2008 (DATE OF DISSOLUTION)

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:

	2008	2007 \$
Total special charges outstanding	1,751	1,751
Less: allowance for uncollected special charges	-	(200)
Special charges receivable	<u>1,751</u>	<u>1,551</u>

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

	2008 \$	2007 \$
Special charges written-off	-	195
Provision for losses on assessment appeals	-	(200)
	<u>-</u>	<u>(5)</u>

THE BOARD OF MANAGEMENT FOR THE
KNOB HILL PLAZA BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE PERIOD FROM JANUARY 1, 2008 TO MAY 26, 2008

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.