

**THE BOARD OF MANAGEMENT FOR THE
WYCHWOOD HEIGHTS
BUSINESS IMPROVEMENT AREA**

**Financial Statements
For the Year Ended December 31, 2009**

WYCHWOOD HEIGHTS BUSINESS IMPROVEMENT AREA

DECEMBER 31, 2009

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CHARTERED ACCOUNTANT

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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 Wychwood Heights Business Improvement Area

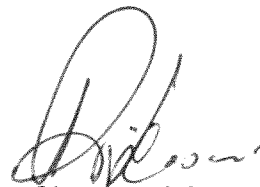
I have audited the statement of financial position of the Board of Management for the Wychwood Heights Business Improvement Area as at December 31, 2009 and the statements of revenue, expenditure and operating surplus and changes in financial position for the year then ended. These financial statements 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, 2009 and the results of its operations and changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Budget Figures are provided for comparative purposes only and have not been subject to audit procedures. Accordingly, I do not express any opinion regarding the budget figures.

Toronto, Ontario
May 29, 2010

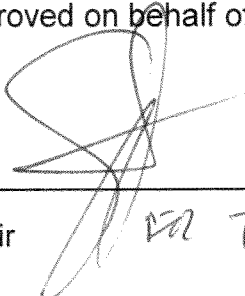


Chartered Accountant
Licensed Public accountant

THE BOARD OF MANAGEMENT FOR THE
WYCHWOOD HEIGHTS BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2009

	2009	2008
	\$	\$
ASSETS		
Current		
Cash and short-term investments	104,469	77,390
Accounts receivable		
City of Toronto – special charges (Note 4)	-	10,783
Other	5,251	3,318
	<u>109,720</u>	<u>91,491</u>
Capital Assets, net (note 5)	1,744	-
	<u>111,464</u>	<u>91,491</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities		
City of Toronto – special charges (Note 4)	2,480	-
City of Toronto – other	2,181	-
Other	1,937	1,000
	<u>6,598</u>	<u>1,000</u>
ACCUMULATED SURPLUS		
Restricted	1,744	-
Unrestricted	103,122	90,491
	<u>104,866</u>	<u>90,491</u>
	<u>111,464</u>	<u>91,491</u>

Approved on behalf of the Board of Management:



Chair *DR. TOM PASSEUS*



Treasurer

**THE BOARD OF MANAGEMENT FOR THE
WYCHWOOD HEIGHTS BUSINESS IMPROVEMENT AREA
STATEMENT OF REVENUE, EXPENDITURE AND OPERATING SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2009**

	2009 \$ Budget (Unaudited)	2009 \$ Actual	2008 \$ Actual
REVENUE			
City of Toronto – special charges	69,678	69,678	68,074
Interest and other revenue	13,000	10,907	489
	82,678	80,585	68,563
EXPENDITURE			
Administration	23,274	20,990	21,445
Promotion and advertising	41,300	23,236	15,568
Maintenance	-	12,633	2,500
Capital	92,451	-	-
Amortization of Capital Assets	-	436	-
Provision for (recovery of) uncollected special charges (Note 4)	(4,348)	8,915	(4,436)
	152,677	66,210	35,077
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FOR THE YEAR	(69,999)	14,375	33,486
OPERATING SURPLUS, BEGINNING OF YEAR	90,491	90,491	57,005
OPERATING SURPLUS, END OF YEAR	20,492	104,866	90,491

**THE BOARD OF MANAGEMENT FOR THE
WYCHWOOD HEIGHTS BUSINESS IMPROVEMENT AREA
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2009**

	2009 \$	2008 \$
CASH PROVIDED BY OPERATIONS		
Excess of revenue over expenditure for the year	14,375	33,486
Add: Non-cash item Amortization of capital assets	436	-
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	10,783	(9,141)
Accounts receivable - City of Toronto – other	-	3,125
Accounts receivable – other	(1,933)	36
Accounts payable - City of Toronto	2,480	-
Accounts payable - City of Toronto – other	2,181	-
Accounts payable – other	937	(1,267)
CASH PROVIDED BY OPERATIONS	29,259	26,239
INVESTING ACTIVITY		
Purchase of capital assets	(2,180)	-
CASH AND SHORT-TERM INVESTMENTS, BEGINNING OF YEAR	77,390	51,151
CASH, AND SHORT-TERM INVESTMENTS, END OF YEAR	104,469	77,390

**THE BOARD OF MANAGEMENT FOR THE
WYCHWOOD HEIGHTS BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

1. ESTABLISHMENT AND OPERATIONS

The Wychwood Heights 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. CHANGE IN BASIS OF PRESENTATION FOR 2009

For fiscal year commencing on January 1, 2009 the Canadian Institute of Chartered Accountants (CICA) has required that the accounting recommendations and disclosure requirements, as prescribed by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants, be adopted for use by Ontario municipalities and their local boards and agencies. As a result, the Board has implemented accounting policies as recommended. The implementation of these policies has resulted in the Board changing its method of accounting for capital assets, on a retroactive basis, from expensing them when purchased to capitalizing and amortizing them over their estimated useful lives.

The effect of these changes has been to increase capital assets and surplus by \$1,744 as at December 31, 2009 (2008 – increase \$nil), and decrease expenses by \$1,744 for the year ended December 31, 2009 (2008 – decrease expenses by \$nil).

**THE BOARD OF MANAGEMENT FOR THE
WYCHWOOD HEIGHTS BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2009**

3. 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 assets
Purchased capital assets are recorded at cost. Amortization is calculated on a straight-line basis over the estimated useful lives of the assets as follows:
 - Computers 3 years
 - Street & Christmas lights 5 years
 - Street furniture 5 years
 - Planters 5 years
- (c) Services provided without charge by the City of Toronto and others are not recorded in these financial statements.

4. 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 (payable) net of an allowance for uncollected amounts. The special charges receivable from the City of Toronto are comprised of:

	2009	2008
	\$	\$
Total special charges outstanding	9,320	14,983
Less: allowance for uncollected special charges	(11,800)	(4,200)
Special charges receivable (payable)	<u>(2,480)</u>	<u>10,783</u>

**THE BOARD OF MANAGEMENT FOR THE
WYCHWOOD HEIGHTS BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2009**

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

	2009	2008
	\$	\$
Special charges written-off	1,315	1,064
Change in provision for losses on assessment appeals	7,600	(5,500)
	<u>8,915</u>	<u>(4,436)</u>

5. CAPITAL ASSETS

	2009			2008
	Cost	Accumulated Amortization	Net book Value	Net book value
Lights	2,180	436	1,744	-
	<u>2,180</u>	<u>436</u>	<u>1,744</u>	<u>-</u>

6. 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.

7. FINANCIAL INSTRUMENTS

The carrying value of the BIA's financial instruments approximates their values. The BIA is subject to an interest rate risk with respect to its investments; however, as these instruments are short-term investments the risk is minimal.