

**THE BOARD OF MANAGEMENT FOR THE
BABY POINT GATES
BUSINESS IMPROVEMENT AREA**

**Financial Statements
For the Year Ended December 31, 2013**

**BABY POINT GATES
BUSINESS IMPROVEMENT AREA**

DECEMBER 31, 2013

CONTENTS

	<u>Page</u>
Independent auditor's report	3
Financial statements	
Statement of financial position	4
Statement of operations and accumulated surplus	5
Statement of changes in net financial assets	6
Statement of cash flows	7
Notes to financial statements	8 – 11

RAFIQ DOSANI, B.Comm. CPA, CA.
CHARTERED ACCOUNTANT

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

INDEPENDENT AUDITOR'S REPORT

To the Council of the Corporation of the City of Toronto and the Board of Management for the Baby Point Gates Business Improvement Area

I have audited the accompanying financial statements of Baby Point Gates Business Improvement Area, which comprise the statement of financial position as at December 31, 2013 and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

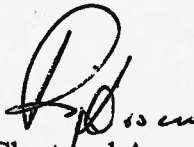
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, these financial statements present fairly in all material respects, the financial position of the Board as at December 31, 2013 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario
April 9, 2014


Chartered Accountant
Licensed Public Accountant

**THE BOARD OF MANAGEMENT FOR THE
BABY POINT GATES BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2013**

	2013 \$	2012 \$
FINANCIAL ASSETS		
Cash and short-term investments	71,075	59,831
Accounts receivable		
City of Toronto – special charges (Note 3)	2,178	1,786
Other	2,810	1,551
	<u>76,063</u>	<u>63,168</u>
LIABILITIES		
Accounts payable and accrued liabilities		
City of Toronto	27,851	690
Other	1,522	2,870
	<u>29,373</u>	<u>3,560</u>
NET FINANCIAL ASSETS	46,690	59,608
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 4)	23,974	3,865
ACCUMULATED SURPLUS	<u>70,664</u>	<u>63,473</u>

Approved on behalf of the Board of Management:



Chair



Treasurer

**THE BOARD OF MANAGEMENT FOR THE
BABY POINT GATES BUSINESS IMPROVEMENT AREA
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	2013 \$ Budget (Note 9)	2013 \$ Actual	2012 \$ Actual
REVENUE			
City of Toronto – special charges	40,000	40,000	40,000
Sponsorships, contributions and other	3,000	649	369
	43,000	40,649	40,369
EXPENSES			
Administration	11,376	2,546	2,728
Promotion and advertising	20,500	13,603	2,890
Maintenance	10,500	8,557	9,598
Capital (Note 7)	52,000	-	-
Amortization	-	7,741	2,168
Provision for uncollected special charges (Note 3)	1,403	1,011	2,041
	95,779	33,458	19,425
SURPLUS (DEFICIT) FOR THE YEAR	(52,779)	7,191	20,944
OPERATING SURPLUS, BEGINNING OF YEAR	63,473	63,473	42,529
OPERATING SURPLUS, END OF YEAR	10,694	70,664	63,473

**THE BOARD OF MANAGEMENT FOR THE
BABY POINT GATES BUSINESS IMPROVEMENT AREA
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>2013</u> \$	<u>2012</u> \$
Surplus for the year	7,191	20,944
Acquisition of tangible capital assets	(27,850)	-
Amortization of tangible capital assets	<u>7,741</u>	<u>2,168</u>
	(12,918)	23,112
Balance - Beginning of year	59,608	34,496
Balance - End of year	<u><u>46,690</u></u>	<u><u>59,608</u></u>

**THE BOARD OF MANAGEMENT FOR THE
BABY POINT GATES BUSINESS IMPROVEMENT AREA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	2013	2012
	\$	\$
Cash flows from operating activities		
Surplus for the year	7,191	20,944
Non-cash changes to operations		
Add: Non-cash item Amortization of capital assets	7,741	2,168
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	(392)	1,850
Accounts receivable – other	(1,259)	(1,225)
Accounts payable - City of Toronto	27,161	690
Accounts payable – other	(1,348)	(6,460)
Cash Provided By Operations	39,094	17,967
Investing activities		
Purchase of tangible capital assets	(27,850)	-
Cash and short-term investments, Beginning Of Year	59,831	41,864
Cash and short-term investments, End Of Year	71,075	59,831

**THE BOARD OF MANAGEMENT FOR THE
BABY POINT GATES BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

1. ESTABLISHMENT AND OPERATIONS

The Baby Point Gates 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.

Although the City Council approved the establishment of the BIA Baby Point Gates Business Improvement Area in 2012, no business was carried out during 2012 other than the election of the Board members and approval of year 2013 BIA budget.

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 expenses 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:

Flags & Banners	3 years
Street & Christmas lights	5 years
Street Signs	5 years
Planters	5 years
- (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
BABY POINT GATES BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2013**

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:

	2013 \$	2012 \$
Total special charges outstanding	2,778	1,786
Less: allowance for uncollected special charges	(600)	-
Special charges receivable	<u>2,178</u>	<u>1,786</u>

The provision for uncollected levies reported on the Statement of Operations and Accumulated Surplus comprises of:

	2013 \$	2012 \$
Special charges written-off	411	2,041
Provision for losses on assessment appeals	600	-
	<u>1,011</u>	<u>2,041</u>

**THE BOARD OF MANAGEMENT FOR THE
BABY POINT GATES BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2013**

4. CAPITAL ASSETS

	2013			Total
	Banners	Lights	Baby Point Gate	
Cost				
Beginning	3,968	4,233	-	8,201
Additions	-	-	27,850	27,850
Disposals	-	-	-	-
Ending	3,968	4,233	27,850	36,051
Accumulated Amortization				
Beginning	2,644	1,692	-	4,336
Amortization	1,324	847	5,570	7,741
Disposals	-	-	-	-
Ending	3,968	2,539	5,570	12,077
Net Book Value	-	1,694	22,280	23,974

	2012			Total
	Banners	Lights	Baby Point Gate	
Cost				
Beginning	3,968	4,233	-	8,201
Additions	-	-	-	-
Disposals	-	-	-	-
Ending	3,968	4,233	-	8,201
Accumulated Amortization				
Beginning	1,322	846	-	2,168
Amortization	1,322	846	-	2,168
Disposals	-	-	-	-
Ending	2,644	1,692	-	4,336
Net Book Value	1,324	2,541	-	3,865

**THE BOARD OF MANAGEMENT FOR THE
BABY POINT GATES BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2013**

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.

6. FINANCIAL INSTRUMENTS

The financial instruments recognized in the statement of financial position consist of cash, accounts receivable, and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying amounts due to the short-term maturity of these instruments.

7. CAPITAL EXPENSES

In order to finance major capital expenses the BIA annually budgets certain amounts and accumulates them as operating surplus. Once adequate funds have accumulated, the BIA undertakes cost-shared capital improvement projects with the City. For this reason the actual expenses in a given year could significantly differ from the amount budgeted for the year. Any excess actual capital expenses are financed out of the accumulated surplus.

8. 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 \$9,000 (2012 - \$88,029) was outstanding as at December 31, 2013.

9. BUDGET

Budget Figures are provided for comparative purposes only and have not been subject to audit procedures.

THE UNIVERSITY OF CHICAGO
DEPARTMENT OF CHEMISTRY
5800 S. UNIVERSITY AVENUE
CHICAGO, ILLINOIS 60637

TO THE EDITOR:
I am writing to you regarding the article published in your journal on the synthesis of new materials. The work is very interesting and I would like to know more about the details of the experimental procedure. Could you please provide me with a copy of the full text of the article? I would also appreciate it if you could let me know if there are any other researchers in your field who might be interested in this work.

Thank you very much for your time and consideration. I look forward to hearing from you soon.

Sincerely,
[Name]

[Address]