

**THE BOARD OF MANAGEMENT FOR THE
LAKESHORE VILLAGE
BUSINESS IMPROVEMENT AREA**

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

**LAKESHORE VILLAGE
BUSINESS IMPROVEMENT AREA**

DECEMBER 31, 2009

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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 Lakeshore Village Business Improvement Area

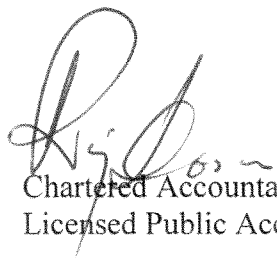
I have audited the statement of financial position of the Board of Management for the Lakeshore Village Business Improvement Area as at December 31, 2009 and the statements of revenue, expenditure and operating surplus and changes in financial position for the year then ended. These financial statements 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.

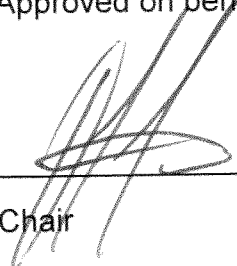
Toronto, Ontario
May 10, 2010


Chartered Accountant
Licensed Public Accountant

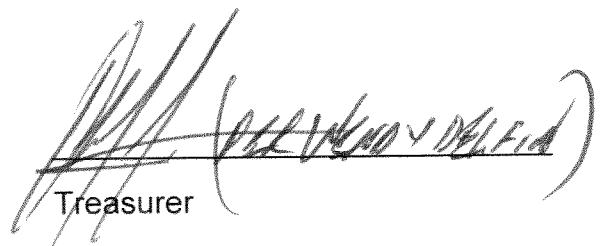
**THE BOARD OF MANAGEMENT FOR THE
LAKESHORE VILLAGE BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2009**

	2009 \$	2008 \$
ASSETS		
Current		
Cash and short-term investments	120,115	114,299
Accounts receivable		
City of Toronto -special charges (Note 4)	3,769	6,711
Other	864	862
	<u>124,748</u>	<u>121,872</u>
Capital Assets, net (note 5)	<u>40,614</u>	<u>-</u>
	<u>165,362</u>	<u>121,872</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities		
City of Toronto	6,127	16,187
Other	20,220	1,525
	<u>26,347</u>	<u>17,712</u>
ACCUMULATED SURPLUS		
Restricted	40,614	-
Unrestricted	98,401	104,160
	<u>139,015</u>	<u>104,160</u>
	<u>165,362</u>	<u>121,872</u>

Approved on behalf of the Board of Management:



Chair



Treasurer

**THE BOARD OF MANAGEMENT FOR THE
LAKESHORE VILLAGE 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	62,572	62,621	62,629
Sponsorships and contribution	-	-	884
Interest and miscellaneous	500	2,977	2,340
	<u>63,072</u>	<u>65,598</u>	<u>65,853</u>
EXPENDITURE			
Administration	3,277	3,534	4,755
Promotion and advertising	8,900	10,869	10,871
Maintenance	7,000	4,678	37,382
Capital	150,000	-	-
Amortization of Capital Assets	-	10,776	-
Provision for (recovery of) uncollected special charges (Note 4)	(2,105)	886	1,166
	<u>167,072</u>	<u>30,743</u>	<u>54,174</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FOR THE YEAR	(104,000)	34,855	11,679
OPERATING SURPLUS, BEGINNING OF YEAR	<u>104,160</u>	<u>104,160</u>	<u>92,481</u>
OPERATING SURPLUS, END OF YEAR	<u>160</u>	<u>139,015</u>	<u>104,160</u>

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

	2009	2008
	\$	\$
CASH PROVIDED BY (USED IN) OPERATIONS		
Excess of revenue over expenditure for the year	34,855	11,679
Add: Non-cash item Amortization of capital assets	10,776	-
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	2,942	(1,643)
Accounts receivable – other	(2)	179
Other payables	18,695	10,650
Due to City of Toronto	(10,060)	49
CASH PROVIDED BY (USED IN) OPERATIONS	57,206	20,914
INVESTING ACTIVITY		
Purchase of capital assets	(51,390)	-
CASH AND SHORT-TERM INVESTMENTS, BEGINNING OF YEAR	114,299	93,385
CASH AND SHROT-TERM INVESTMENTS, END OF YEAR	120,115	114,299

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

1. ESTABLISHMENT AND OPERATIONS

The Lakeshore Village 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 PRESENTION 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 \$40,614 as at December 31, 2009 (2008 – increase \$nil), and decrease expenses by \$40,614 for the year ended December 31, 2009 (2008 – decrease expenses by \$nil).

**THE BOARD OF MANAGEMENT FOR THE
LAKESHORE VILLAGE 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:

Banners	3 years
Street & Christmas lights	5 years
Planters	5 years
Fountain	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 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	5,469	9,211
Less: allowance for uncollected special charges	(1,700)	(2,500)
Special charges receivable	3,769	6,711

**THE BOARD OF MANAGEMENT FOR THE
LAKESHORE VILLAGE 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	1,686	866
Changes in allowance for uncollected special charges	(800)	300
	<u>886</u>	<u>1,166</u>

5. CAPITAL ASSETS

	2009			2008
	Cost	Accumulated Amortization	Net book Value	Net book value
Lights	27,145	5,429	21,716	-
Fountain	20,510	4,102	16,408	-
Banners	3,735	1,245	2,490	-
	<u>51,390</u>	<u>10,776</u>	<u>40,614</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 approximate 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.