



Financial Statements

Heritage Toronto

December 31, 2010

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Heritage Toronto

Statement of Operations and Operating Fund

Year Ended December 31, 2010

	<u>City</u> <u>Funded</u>	<u>Other</u> <u>Programs</u>	<u>Total</u> <u>2010</u>	<u>Total</u> <u>2009</u>
Revenue				
Grants - City of Toronto	\$ 365,700	\$ -	\$ 365,700	\$ 385,000
Donations	-	37,867	37,867	34,377
Memberships	-	16,540	16,540	19,350
Corporate sponsorship	-	106,780	106,780	128,021
Ticket Sales	-	30,526	30,526	21,380
Plaque revenue	-	97,467	97,467	69,005
Other income	-	6,375	6,375	9,175
	<u>365,700</u>	<u>295,555</u>	<u>661,255</u>	<u>666,308</u>
Expenditures				
Administration	32,929	-	32,929	35,315
Communication	-	7,605	7,605	4,866
Program expenses	-	137,968	137,968	143,766
Wages and benefits	482,909	-	482,909	483,076
	<u>515,838</u>	<u>145,573</u>	<u>661,411</u>	<u>667,023</u>
Excess (deficiency) of revenue over expenditures	\$ <u>(150,138)</u>	\$ <u>149,982</u>	\$ <u>(156)</u>	\$ <u>(715)</u>
<hr/>				
Operating fund deficiency, beginning of year			\$ (7,090)	\$ (6,375)
Deficiency of revenue over expenditures			<u>(156)</u>	<u>(715)</u>
Operating fund deficiency, end of year			\$ <u>(7,246)</u>	\$ <u>(7,090)</u>
<hr/>				

See accompanying notes to the financial statements.

Heritage Toronto

Statement of Financial Position

December 31

2010

2009

Assets

Current

Cash and cash equivalents	\$ 365,645	\$ 359,363
Receivables	52,463	21,571
Prepays	<u>4,984</u>	<u>8,406</u>
	423,092	389,340

Agency trust funds	<u>31,951</u>	<u>29,160</u>
	\$ <u>455,043</u>	\$ <u>418,500</u>

Liabilities

Current

Payables and accruals	\$ 33,892	\$ 43,490
Deferred revenue	<u>125,301</u>	<u>112,179</u>
	159,193	155,669

Agency trust funds	<u>31,951</u>	<u>29,160</u>
	<u>191,144</u>	<u>184,829</u>

Fund Balances (Note 4)

Restricted

Board designated funds (Page 9)	233,854	203,470
Externally restricted funds (Page 10)	37,291	37,291

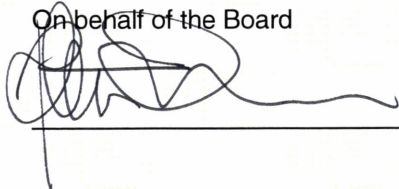
Unrestricted

Operating fund deficiency	<u>(7,246)</u>	<u>(7,090)</u>
	<u>263,899</u>	<u>233,671</u>

	\$ <u>455,043</u>	\$ <u>418,500</u>
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Commitments (Note 7)

On behalf of the Board



Director



Director

See accompanying notes to the financial statements.

Heritage Toronto

Statement of Cash Flows

Year Ended December 31

2010

2009

Increase in cash and cash equivalents

Operating activities

Excess (deficiency) of revenue over expenditures		
Operating Fund	\$ (156)	\$ (715)
Board Designated Fund (Page 9)	30,384	37,841
Deferred revenue	<u>13,122</u>	<u>70,279</u>
	<u>43,350</u>	<u>107,405</u>
Changes in non-cash operating working capital		
Receivables	(30,892)	(8,523)
Prepaid expenses	3,422	367
Payables and accruals	<u>(9,598)</u>	<u>19,756</u>
	<u>(37,068)</u>	<u>11,600</u>
Net increase in cash and cash equivalents	6,282	119,005
Cash and cash equivalents, beginning of year	<u>359,363</u>	<u>240,358</u>
Cash and cash equivalents, end of year	\$ <u>365,645</u>	\$ <u>359,363</u>

See accompanying notes to the financial statements.

Heritage Toronto

Notes to the Financial Statements

December 31, 2010

1. Basis of presentation and financial reorganization

Heritage Toronto (the "Organization") is responsible for the general promotion and directives relating to heritage issues; to assist in the management of fundraising drives for the Toronto Museum Board, the Toronto Preservation Board and Museum Management Boards; to have a stewardship role over donated funds; and to carry out general duties as related to the City of Toronto's (the "City") history and development. Except for any funds received from private donors, the Organization is to pay any net revenue to the City. The Organization is a charitable organization and, as such, is permitted to issue receipts for income tax purposes in return for donations and is not subject to income taxes under the Income Tax Act (Canada).

In 2000, the Organization was reorganized by virtue of three City by-laws, two of which dealt with the establishment of two new boards, the Toronto Museum Board and the Toronto Preservation Board, in addition to the continuation of the Organization. As a result of this reorganization, the Organization's assets, liabilities and fund balances related to the two new boards of \$1,094,760 were assumed by the City.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles applied within the framework of the accounting policies summarized below:

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenue in the restricted fund in the year received.

At year end, certain plaques were work-in-progress and thus related revenue has been deferred until completed.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term marketable securities.

Capital assets

Capital assets are stated at cost less accumulated amortization. Amortization is provided on a straight-line basis over the estimated useful lives of the assets, commencing in the year of acquisition, as follows:

Office furniture	5 years
Computer equipment and software	3 years
Office equipment	3 - 5 years

Heritage Toronto

Notes to the Financial Statements

December 31, 2010

2. Summary of significant accounting policies (continued)

Contributed materials and services

Contributed materials and services are recognized in these financial statements when the amounts are reasonably determinable based on estimated fair market value.

3. Capital assets

			<u>2010</u>	<u>2009</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Office furniture	\$ 4,992	\$ 4,992	\$ -	\$ -
Computer equipment and software	16,014	16,014	-	-
Office equipment	<u>6,019</u>	<u>6,019</u>	<u>-</u>	<u>-</u>
	<u>\$ 27,025</u>	<u>\$ 27,025</u>	<u>\$ -</u>	<u>\$ -</u>

4. Fund balances

Board designated funds reflect the revenue and expenses of those Funds restricted by the Board for specific purposes and are summarized on Page 9.

Externally restricted funds reflect the revenue and expenses in those Funds in partnership with a non-related third party. The use of these funds has been restricted by third parties and may only be used for the purposes specified. These funds are summarized on Page 10.

5. Employee benefits

The Organization makes contributions to the Ontario Municipal Employees' Retirement Fund ("OMERS"), which is a multi-employer plan, on behalf of staff. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

During the year, contributions were \$17,968 (2009 - \$19,975).

6. Plaque Program Fund

The Plaque Program Fund includes the Plaque Maintenance Fund of \$37,983. This consists of transfers of 10% of the gross plaque revenue.

Heritage Toronto

Notes to the Financial Statements

December 31, 2010

7. Commitments

The Organization has entered into lease commitments for office equipments, which expire in 2014. The minimum lease payments are as follows:

2011	\$ 2,675
2012	\$ 2,675
2013	\$ 2,675
2014	\$ 1,115

8. Financial instruments

The Organization's estimate of the fair value of financial instruments included in current assets and current liabilities approximates their carrying value.

Heritage Toronto
Statement of Operations and Fund Balance
Board Designated Funds

Year Ended December 31, 2010

	Built Heritage Awareness Fund	Heritage Education Program Fund	Community Heritage Research & Grant Fund	Heritage Innovation	Plaque Program Fund (Note 6)	2010 Total	2009 Total
Revenue							
Donations	\$ 7,115	\$ 28,648	\$ 880	\$ 780	\$ 11,711	\$ 49,134	\$ 42,841
Expenses							
Program expenses	<u>1,650</u>	<u>500</u>	<u>2,000</u>	<u>-</u>	<u>14,600</u>	<u>18,750</u>	<u>5,000</u>
Net revenue (expenditure)	\$ <u>5,465</u>	\$ <u>28,148</u>	\$ <u>(1,120)</u>	\$ <u>780</u>	\$ <u>(2,889)</u>	\$ <u>30,384</u>	\$ <u>37,841</u>
Fund balance							
Beginning of year	\$ 50,442	\$ 44,723	\$ 25,023	\$ 2,790	\$ 80,492	\$ 203,470	\$ 165,629
Net revenue (expenditures)	<u>5,465</u>	<u>28,148</u>	<u>(1,120)</u>	<u>780</u>	<u>(2,889)</u>	<u>30,384</u>	<u>37,841</u>
End of year	\$ <u>55,907</u>	\$ <u>72,871</u>	\$ <u>23,903</u>	\$ <u>3,570</u>	\$ <u>77,603</u>	\$ <u>233,854</u>	\$ <u>203,470</u>

Heritage Toronto
Statement of Operation and Fund Balances
Externally Restricted Funds

Year Ended December 31, 2010

	Other Designated Fund	City Museum Activities Fund	Museum Site Preservation Fund	Museum Exhibit Development Fund	2010 Total	2009 Total
Revenue						
Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenses						
Program expenses	-	-	-	-	-	-
Net revenue (expenditures)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance						
Beginning of year	\$ 7,954	\$ 6,514	\$ 16,695	\$ 6,128	\$ 37,291	\$ 37,291
Net revenue (expenditures)	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
End of year	\$ 7,954	\$ 6,514	\$ 16,695	\$ 6,128	\$ 37,291	\$ 37,291