

Appendix S:

**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH
BUSINESS IMPROVEMENT AREA**

**Financial Statements
For the Year Ended December 31, 2010**

GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA

DECEMBER 31, 2010

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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 Greektown on the Danforth Business Improvement Area

I have audited the accompanying financial statements of the Greektown on the Danforth Business Improvement Area, which comprise the statement of financial position as at December 31, 2010 and the statements of revenue, expenditure and operating surplus and changes in financial position 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.

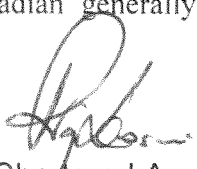
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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, 2010 and its results of financial activities and changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

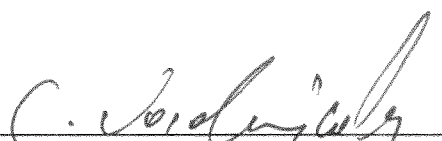
Toronto, Ontario
May 13, 2011


Chartered Accountant
Licensed Public Accountant

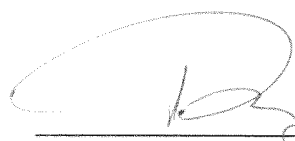
THE BOARD OF MANAGEMENT FOR THE
 GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
 STATEMENT OF FINANCIAL POSITION
 AS AT DECEMBER 31, 2010

	2010 \$	2009 \$
ASSETS		
Current		
Cash and short-term investments	723,929	534,472
Accounts receivable		
City of Toronto – special charges (note 3)	38,606	45,212
Other	12,290	39,712
	774,825	619,396
Capital assets, net (note 4)	142,832	10,752
	917,657	630,148
LIABILITIES		
Current		
Accounts payable and accrued liabilities		
City of Toronto	149,400	4,385
Other	147,923	155,169
	297,323	159,554
ACCUMULATED SURPLUS		
Restricted	142,832	10,752
Unrestricted	477,502	459,842
	620,334	470,594
	917,657	630,148

Approved on behalf of the Board of Management:



 Chair



 Treasurer

THE BOARD OF MANAGEMENT FOR THE
 GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
 STATEMENT OF REVENUE, EXPENDITURE AND OPERATING SURPLUS
 FOR THE YEAR ENDED DECEMBER 31, 2010

	2010 \$ Budget (Note 7)	2010 \$ Actual	2009 \$ Actual
REVENUE			
City of Toronto – special charges	425,748	426,503	425,748
Grants and other revenue	30,000	36,358	18,417
Taste of the Danforth	414,000	559,912	402,595
	869,748	1,022,773	846,760
EXPENDITURE			
Administration	145,094	153,674	127,525
Promotion and advertising	569,056	573,554	486,839
Maintenance	111,200	79,792	100,911
Capital / amortization	382,500	46,754	13,188
Provision for uncollected special charges (note 3)	11,898	19,259	448
	1,219,748	873,033	728,911
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FOR THE YEAR	(350,000)	149,740	117,849
OPERATING SURPLUS, BEGINNING OF YEAR	470,594	470,594	352,745
OPERATING SURPLUS, END OF YEAR	120,594	620,334	470,594

THE BOARD OF MANAGEMENT FOR THE
 GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
 STATEMENT OF CHANGES IN FINANCIAL POSITION
 FOR THE YEAR ENDED DECEMBER 31, 2010

	2010 \$	2009 \$
CASH PROVIDED BY OPERATIONS		
Excess of revenue over expenditure for the year	149,740	117,849
Add: non-cash item Amortization of capital assets	46,754	13,188
Increase (decrease) resulting from changes in		
Accounts receivable – City of Toronto	6,606	(3,940)
Accounts receivable – other	27,422	10,049
Accounts payable – other	(7,246)	796
Accounts payable - City of Toronto	145,015	3,449
CASH PROVIDED BY OPERATIONS	368,291	141,391
INVESTING ACTIVITY		
Purchase of capital assets	(178,834)	(5,940)
CASH AND SHORT- TERM INVESTMENTS, BEGINNING OF YEAR	534,472	399,021
CASH AND SHORT –TERM INVESTMENTS, END OF YEAR	723,929	534,472

**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

1. ESTABLISHMENT AND OPERATIONS

The Greektown on the Danforth 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. 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:

Flags and banners	3 years
Street & Christmas lights	5 years
Street furniture	5 years
Planters	5 years
Pole Wraps	3 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
 GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
 NOTES TO THE FINANCIAL STATEMENTS, CONT'D
 FOR THE YEAR ENDED DECEMBER 31, 2010

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:

	2010 \$	2009 \$
Total special charges outstanding	75,806	72,512
Less: allowance for uncollected special charges	(37,200)	(27,300)
Special charges receivable	<u>38,606</u>	<u>45,212</u>

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

	2010 \$	2009 \$
Special charges written-off	9,359	8,548
Change in allowance for uncollected special charges	9,900	(8,100)
	<u>19,259</u>	<u>448</u>

THE BOARD OF MANAGEMENT FOR THE
 GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
 NOTES TO THE FINANCIAL STATEMENTS, CONT'D
 FOR THE YEAR ENDED DECEMBER 31, 2010

4. CAPITAL ASSETS

	2010		
	Cost	Accumulated Amortization	Net book Value
Street& Christmas lights	215,340	92,256	123,084
Pole Wraps	28,493	9,497	18,996
Furniture & Fixtures	940	188	752
	<u>244,773</u>	<u>101,941</u>	<u>142,832</u>

	2009		
	Cost	Accumulated Amortization	Net book Value
Street& Christmas lights	\$65,940	\$55,188	\$10,752

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 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.

7. BUDGET

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.