

**THE BOARD OF MANAGEMENT FOR THE
WEST QUEEN WEST
BUSINESS IMPROVEMENT AREA**

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

WEST QUEEN WEST BUSINESS IMPROVEMENT AREA

DECEMBER 31, 2013

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INDEPENDENT AUDITOR'S REPORT

To the Council of the Corporation of the City of Toronto and the Board of Management for the West Queen West Business Improvement Area

I have audited the accompanying financial statements of West Queen West 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 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.

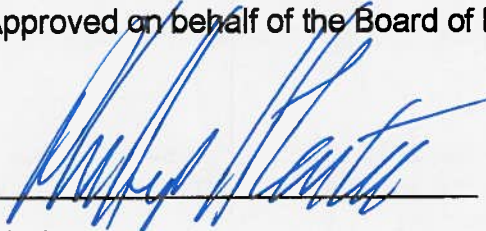
Toronto, Ontario
July 16, 2014


Chartered Accountant
Licensed Public Accountant


**THE BOARD OF MANAGEMENT FOR THE
WEST QUEEN WEST BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2013**

	2013	2012
	\$	\$
FINANCIAL ASSETS		
Cash and short-term investments	25	7,296
Accounts receivable		
City of Toronto – special charges (Note 3)	11,626	16,476
Other	79,433	64,206
	<u>91,084</u>	<u>87,978</u>
LIABILITIES		
Accounts payable and accrued liabilities		
Other	3,350	3,592
	<u>3,350</u>	<u>3,592</u>
NET FINANCIAL ASSETS	87,734	84,386
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 4)	72,774	71,491
ACCUMULATED SURPLUS	<u>160,508</u>	<u>155,877</u>

Approved on behalf of the Board of Management:



Chair



Treasurer

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

	2013 \$ Budget (Note 7)	2013 \$ Actual	2012 \$ Actual
REVENUE			
City of Toronto – special charges	209,096	210,287	210,041
Interest and other	725	200	651
	<u>209,821</u>	<u>210,487</u>	<u>210,692</u>
EXPENSES			
Administration	77,619	61,646	78,031
Promotion and advertising	41,000	24,949	57,281
Maintenance	129,832	82,232	177,320
Amortization	-	29,617	23,437
Provision for uncollected special charges (Note 3)	1,371	7,412	4,681
	<u>249,822</u>	<u>205,856</u>	<u>340,750</u>
SURPLUS (DEFICIT) FOR THE YEAR	(40,001)	4,631	(130,058)
OPERATING SURPLUS, BEGINNING OF YEAR	155,877	155,877	285,935
OPERATING SURPLUS, END OF YEAR	<u>115,876</u>	<u>160,508</u>	<u>155,877</u>

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

	<u>2013</u> \$	<u>2012</u> \$
Surplus (deficit) for the year	4,631	(130,058)
Acquisition of tangible capital assets	(30,900)	(16,100)
Amortization of tangible capital assets	<u>29,617</u>	<u>23,437</u>
	3,348	(122,721)
Balance - Beginning of year	84,386	207,107
Balance - End of year	<u><u>87,734</u></u>	<u><u>84,386</u></u>

**THE BOARD OF MANAGEMENT FOR THE
WEST QUEEN WEST BUSINESS IMPROVEMENT AREA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	2013 \$	2012 \$
Cash flows from operating activities		
Surplus (deficit) for the year	4,631	(130,058)
Non-cash changes to operations		
Add: Non-cash item Amortization of capital assets	29,617	23,437
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	4,850	52,693
Accounts receivable – other	(15,227)	(30,584)
Accounts payable – other	(242)	(1,659)
Cash Provided By (Used In) Operations	23,629	(86,171)
Investing activities		
Purchase of tangible capital assets	(30,900)	(16,100)
Cash Beginning Of Year	7,296	109,567
Cash End Of Year	25	7,296

**THE BOARD OF MANAGEMENT FOR THE
WEST QUEEN WEST BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

1. ESTABLISHMENT AND OPERATIONS

The West Queen West 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 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:

Computer	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.

**THE BOARD OF MANAGEMENT FOR THE
WEST QUEEN WEST 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	16,826	20,676
Less: allowance for uncollected special charges	(5,200)	(4,200)
Special charges receivable	<u>11,626</u>	<u>16,476</u>

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

	2013	2012
	\$	\$
Special charges written-off	6,412	8,081
Change in provision for uncollectable levies	1,000	(3,400)
	<u>7,412</u>	<u>4,681</u>

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

4. CAPITAL ASSETS

	2013		
	Planters	Street Furniture	Total
Cost			
Beginning	112,085	5,100	117,185
Additions	30,900	-	30,900
Disposals	-	-	-
Ending	142,985	5,100	148,085
Accumulated Amortization			
Beginning	41,614	4,080	45,694
Amortization	28,597	1,020	29,617
Disposals	-	-	-
Ending	70,211	5,100	75,311
Net Book Value	72,774	-	72,774

	2012		
	Planters	Street Furniture	Total
Cost			
Beginning	95,985	5,100	101,085
Additions	16,100	-	16,100
Disposals	-	-	-
Ending	112,085	5,100	117,185
Accumulated Amortization			
Beginning	19,197	3,060	22,257
Amortization	22,417	1,020	23,437
Disposals	-	-	-
Ending	41,614	4,080	45,694
Net Book Value	70,471	1,020	71,491

**THE BOARD OF MANAGEMENT FOR THE
WEST QUEEN WEST 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 and short-term investments, 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. BUDGET

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

