

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

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

**OAKWOOD VILLAGE
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 Oakwood Village Business Improvement Area

I have audited the accompanying financial statements of Oakwood Village 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
October 20, 2014


Chartered Accountant
Licensed Public Accountant

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

	2013 \$	2012 \$
FINANCIAL ASSETS		
Cash	40,955	58,817
Accounts receivable		
City of Toronto – special charges (Note 3)	467	-
Other	3,490	2,626
	44,912	61,443
LIABILITIES		
Accounts payable and accrued liabilities		
City of Toronto – special charges (Note 3)	-	3,864
– other	-	4,353
Other	650	650
	650	8,867
NET FINANCIAL ASSETS	44,262	52,576
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 4)	5,466	4,070
ACCUMULATED SURPLUS	49,728	56,646

Approved on behalf of the Board of Management:

J. A. Roman

Chair



Treasurer

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

	2013 \$ Budget (Note 8)	2013 \$ Actual	2012 \$ Actual
REVENUE			
City of Toronto – special charges	-	-	-
Interest and other	-	550	-
	-	550	-
EXPENSES			
Administration	2,334	1,078	1,220
Promotion and advertising	4,600	4,218	1,913
Maintenance	200	527	4
Capital (Note 7)	4,600	-	-
Amortization	-	2,445	1,165
Provision for (recovery of) uncollected special charges (Note 3)	3,858	(800)	66
	15,592	7,468	4,368
(DEFICIT) FOR THE YEAR	(15,592)	(6,918)	(4,368)
OPERATING SURPLUS, BEGINNING OF YEAR	56,646	56,646	61,014
OPERATING SURPLUS, END OF YEAR	41,054	49,728	56,646

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

	2013	2012
	\$	\$
(Deficit) for the year	(6,918)	(4,368)
Acquisition of tangible capital assets	(3,841)	(4,350)
Amortization of tangible capital assets	2,445	1,165
	(8,314)	(7,553)
Balance - Beginning of year	52,576	60,129
Balance - End of year	<u>44,262</u>	<u>52,576</u>

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

	2013	2012
	\$	\$
Increase (decrease) in cash		
Cash flows from operating transactions		
(Deficit) for the year	(6,918)	(4,368)
Non-cash changes to operations		
Add: Non-cash item Amortization of capital assets	2,445	1,165
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	(4,331)	-
Accounts receivable – other	(864)	(312)
Accounts payable - City of Toronto	(4,353)	4,742
Accounts payable – other	-	-
Cash Provided By (Used In) Operations	(14,021)	1,227
Capital Transactions		
Purchase of tangible capital assets	(3,841)	(4,350)
Cash, Beginning Of Year	58,817	61,940
Cash, End Of Year	40,955	58,817

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

1. ESTABLISHMENT AND OPERATIONS

The Oakwood 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. 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 and banners	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
OAKWOOD VILLAGE
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 / (payable) from / to the City of Toronto are comprised of:

	2013 \$	2012 \$
Total special charges outstanding	467	(3,064)
Less: allowance for uncollected special charges	-	(800)
Special charges receivable (payable)	<u>467</u>	<u>(3,864)</u>

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

	2013 \$	2012 \$
Special charges written-off	-	66
Provision for losses on assessment appeals	(800)	-
	<u>(800)</u>	<u>66</u>

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

4. CAPITAL ASSETS

	2013		
	Planters	Banners	Total
Cost			
Beginning	1,475	4,350	5,825
Additions	-	3,841	3,841
Disposals	-	-	-
Ending	1,475	8,191	9,666
Accumulated Amortization			
Beginning	885	870	1,755
Amortization	295	2,150	2,445
Disposals	-	-	-
Ending	1,180	3,020	4,200
Net Book Value	295	5,171	5,466

	2012		
	Planters	Banners	Total
Cost			
Beginning	1,475	-	1,475
Additions	-	4,350	4,350
Disposals	-	-	-
Ending	1,475	4,350	5,825
Accumulated Amortization			
Beginning	590	-	590
Amortization	295	870	1,165
Disposals	-	-	-
Ending	885	870	1,755
Net Book Value	590	3,480	4,070

**THE BOARD OF MANAGEMENT FOR THE
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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. BUDGET

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