

Appendix AK:

**THE BOARD OF MANAGEMENT FOR
THE KINGSWAY
BUSINESS IMPROVEMENT AREA**

**Financial Statements
For the Years Ended December 31, 2015**

THE KINGSWAY BUSINESS IMPROVEMENT AREA

DECEMBER 31, 2015

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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 Kingsway Business Improvement Area

I have audited the accompanying financial statements of The Kingsway Business Improvement Area, which comprise the statement of financial position as at December 31, 2015 and the statement of operations and accumulated surplus, statement of changes in net financial assets and statement of cash flows for the year then ended, and the related notes which comprises 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 accounting standards for local governments as prescribed by the Public Sector Accounting Board (PSAB) 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.

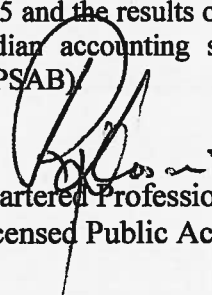
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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 Kingsway Business Improvement Area as at December 31, 2015 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for local governments as prescribed by the Public Sector Accounting Board (PSAB).

Toronto, Ontario
May 18, 2016


Chartered Professional Accountant
Licensed Public Accountant

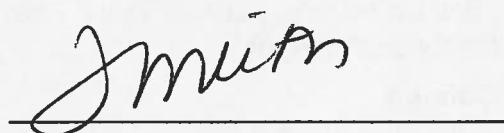
**THE BOARD OF MANAGEMENT FOR
THE KINGSWAY BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015**

	2015	2014
	\$	\$
FINANCIAL ASSETS		
Cash and short-term investments	382,250	264,750
Accounts receivable		
City of Toronto – special charges (Note 3)	47,677	37,857
Other	34,253	47,633
	<u>464,180</u>	<u>350,240</u>
LIABILITIES		
Accounts payable and accrued liabilities		
City of Toronto	-	14,920
Other	9,553	8,913
	<u>9,553</u>	<u>23,833</u>
NET FINANCIAL ASSETS	454,627	326,407
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 4)	57,888	69,440
ACCUMULATED SURPLUS	<u>512,515</u>	<u>395,847</u>

Approved on behalf of the Board of Management:



Chair



Treasurer

**THE BOARD OF MANAGEMENT FOR
THE KINGSWAY BUSINESS IMPROVEMENT AREA
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	2015 \$ Budget (Note 8)	2015 \$ Actual	2014 \$ Actual
REVENUE			
City of Toronto – special levies	346,184	346,184	341,053
Interest	-	2,560	1,487
Festival, donations and other	168,000	237,809	166,508
	<u>514,184</u>	<u>586,553</u>	<u>509,048</u>
EXPENDITURE			
Administration	74,872	77,723	70,114
Promotion and advertising	322,800	294,834	303,269
Maintenance	79,500	69,827	70,352
Capital (Note 7)	32,625	5,098	-
Amortization	-	27,419	24,412
Provision for (recovery of) uncollected levies (Note 3)	4,387	(5,016)	(4,114)
	<u>514,184</u>	<u>469,885</u>	<u>464,033</u>
SURPLUS (DEFICIT) FOR THE YEAR	-	116,668	45,015
ACCUMULATED SURPLUS, BEGINNING OF YEAR	395,847	395,847	350,832
ACCUMULATED SURPLUS, END OF YEAR	395,847	512,515	395,847

**THE BOARD OF MANAGEMENT FOR
THE KINGSWAY BUSINESS IMPROVEMENT AREA
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	2015	2014
	\$	\$
Surplus for the year	116,668	45,015
Acquisition of tangible capital assets	(15,867)	(22,659)
Amortization of tangible capital assets	<u>27,419</u>	<u>24,412</u>
	128,220	46,768
Balance - Beginning of year	326,407	279,639
Balance - End of year	<u><u>454,627</u></u>	<u><u>326,407</u></u>

**THE BOARD OF MANAGEMENT FOR
THE KINGSWAY BUSINESS IMPROVEMENT AREA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	2015	2014
	\$	\$
Cash flows from operating activities		
Surplus for the year	116,668	45,015
Non-cash changes to operations		
Add: Non-cash item Amortization of capital assets	27,419	24,412
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	(9,820)	(12,914)
Accounts receivable – other	13,380	1,717
Accounts payable - City of Toronto	(14,920)	(56,084)
Accounts payable – other	640	(1,522)
	<hr/>	<hr/>
Cash Provided By Operations	133,367	624
Investing activities		
Purchase of tangible capital assets	(15,867)	(22,659)
Cash and short-term investments, Beginning Of Year	<hr/>	<hr/>
	264,750	286,785
Cash and short-term investments, End Of Year	<hr/>	<hr/>
	382,250	264,750

**THE BOARD OF MANAGEMENT FOR
THE KINGSWAY BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

1. ESTABLISHMENT AND OPERATIONS

The Kingsway 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 Canadian accounting standards for local governments as prescribed by the Public Sector Accounting Board (PSAB), the most significant of which are as follows:

Revenue recognition:

The BIA receives special charges from its members which are levied and collected by the City of Toronto. It also receives cash donations and sponsorships from corporate and private donors and grants from local, provincial and federal governments for events and festivals. Revenue is being recorded upon the signing of contracts and when collection can be reasonably ascertained.

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 & Banners	3 years	Equipment	5 years
Street Signs / Furniture	5 years	Street Scape	5 years
Planters	5 years	Lights	5 years

Contributed services:

Services provided without charge by the City of Toronto and others are not recorded in these financial statements.

Financial instruments:

Financial instruments are recorded at the approximated fair value.

**THE BOARD OF MANAGEMENT FOR
THE KINGSWAY BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2015**

SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Use of estimates:

The preparation of these financial statements in accordance with PSAB requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include determining the useful lives of tangible capital assets for amortization, the allowance for uncollectible levies and accounts receivable and contingent liabilities. Actual results could differ from management's best estimates, as additional information becomes available in the future.

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:

	2015	2014
	\$	\$
Total special charges outstanding	47,677	43,957
Less: allowance for uncollected special charges	-	(6,100)
Special charges receivable	<u>47,677</u>	<u>37,857</u>

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

	2015	2014
	\$	\$
Special charges written-off	1,084	1,086
Change in allowance for uncollected special charges	(6,100)	(5,200)
	<u>(5,016)</u>	<u>(4,114)</u>

**THE BOARD OF MANAGEMENT FOR
THE KINGSWAY BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2015**

4. CAPITAL ASSETS

	2015						
	Flags & Banner	Equipment	Lights	Street Scape	Street Signs / Furniture	Planters	Total
Cost							
Beginning	2,802	1,245	22,923	65,320	23,555	18,440	134,285
Additions	-	1,867	-	-	-	14,000	15,867
Disposals	-	-	-	-	-	-	-
Ending	2,802	3,112	22,923	65,320	23,555	32,440	150,152
Accumulated Amortization							
Beginning	1,666	249	13,515	26,128	10,953	12,334	64,845
Amortization	568	871	2,352	13,064	4,711	5,853	27,419
Disposals	-	-	-	-	-	-	-
Ending	2,234	1,120	15,867	39,192	15,664	18,187	92,264
Net Book Value	568	1,992	7,056	26,128	7,891	14,253	57,888
	2014						
	Flags & Banner	Equipment	Lights	Street Scape	Street Signs / Furniture	Planters	Total
Cost							
Beginning	1,098	-	11,163	65,320	15,605	18,440	111,626
Additions	1,704	1,245	11,760	-	7,950	-	22,659
Disposals	-	-	-	-	-	-	-
Ending	2,802	1,245	22,923	65,320	23,555	18,440	134,285
Accumulated Amortization							
Beginning	1,098	-	11,163	13,064	6,242	8,866	40,433
Amortization	568	249	2,352	13,064	4,711	3,468	24,412
Disposals	-	-	-	-	-	-	-
Ending	1,666	249	13,515	26,128	10,953	12,334	64,845
Net Book Value	1,136	996	9,408	39,192	12,602	6,106	69,440

**THE BOARD OF MANAGEMENT FOR
THE KINGSWAY BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2015**

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 cash and short-term investments, accounts receivable, due from and to City of Toronto, accounts payable and accrued liabilities reflected in the statement of financial position approximate their respective fair value, due to the relatively short term nature of the instruments.

7. CAPITAL EXPENSES

In order to finance major capital expenses, the BIA annually budgets certain amounts and accumulates them as 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.

THE UNIVERSITY OF CHICAGO
DEPARTMENT OF CHEMISTRY
5301 SOUTH CAMPUS DRIVE
CHICAGO, ILLINOIS 60637

TO: THE DIRECTOR, NATIONAL BUREAU OF STANDARDS
432 RIVERSIDE DRIVE
GAITHERSBURG, MARYLAND 20885

FROM: DR. J. H. GOLDSTEIN
DEPARTMENT OF CHEMISTRY
UNIVERSITY OF CHICAGO
5301 SOUTH CAMPUS DRIVE
CHICAGO, ILLINOIS 60637

RE: ¹³⁷Cs AND ¹³⁴Cs
CALIBRATION OF THE
GAMMA RAY SPECTROMETER
AT THE NATIONAL BUREAU OF STANDARDS

DATE: JANUARY 1968

