

**THE BOARD OF MANAGEMENT FOR THE
BLOOR WEST VILLAGE
BUSINESS IMPROVEMENT AREA**

**Financial Statements
For the Year Ended December 31, 2016**

BLOOR WEST VILLAGE BUSINESS IMPROVEMENT AREA

DECEMBER 31, 2016

CONTENTS

	<u>Page</u>
Independent auditor's report	3
Financial statements	
Statement of financial position	4
Statement of operations and accumulated surplus	5
Statement of changes in net financial assets	6
Statement of cash flows	7
Notes to financial statements	8 – 11

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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 Bloor West Village Business Improvement Area

I have audited the accompanying financial statements of the Bloor West Village Business Improvement Area, which comprise the statement of financial position as at December 31, 2016 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 Bloor West Village Business Improvement Area as at December 31, 2016 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).

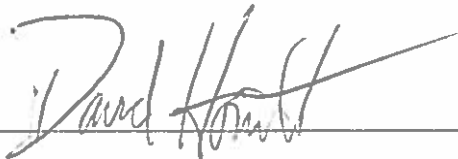
Toronto, Ontario
March 29, 2017



Chartered Professional Accountant
Licensed Public Accountant

**THE BOARD OF MANAGEMENT FOR THE
BLOOR WEST VILLAGE BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016**

	2016 \$	2015 \$
FINANCIAL ASSETS		
Cash	110,953	172,709
Short-term investments (Note 3)	51,906	50,244
Accounts receivable		
City of Toronto – special charges (Note 4)	45,373	34,106
Other	45,922	22,205
	<u>254,154</u>	<u>279,264</u>
LIABILITIES		
Accounts payable and accrued liabilities		
Other	6,310	12,051
	<u>6,310</u>	<u>12,051</u>
NET FINANCIAL ASSETS	247,844	267,213
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 5)	95,235	37,401
ACCUMULATED SURPLUS	<u>343,079</u>	<u>304,614</u>

Approved on behalf of the Board of Management:


Chair


Treasurer CO vice chair

**THE BOARD OF MANAGEMENT FOR THE
BLOOR WEST VILLAGE BUSINESS IMPROVEMENT AREA
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	2016 \$ Budget (Note 9)	2016 \$ Actual	2015 \$ Actual
REVENUE			
City of Toronto – special charges	387,898	388,018	377,582
Sponsorship, Interest and Other	1,750	7,736	4,889
	<u>389,648</u>	<u>395,754</u>	<u>382,471</u>
EXPENSES			
Promotion and advertising	175,000	216,164	123,663
Maintenance	113,000	88,641	94,089
Administration	35,728	15,534	11,398
Capital (Note 8)	60,000	3,511	-
Amortization	-	38,666	51,772
Provision for (recovery of) uncollected levies (Note 4)	5,920	(5,227)	3,008
	<u>389,648</u>	<u>357,289</u>	<u>283,930</u>
SURPLUS FOR THE YEAR	-	38,465	98,541
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>304,614</u>	<u>304,614</u>	<u>206,073</u>
ACCUMULATED SURPLUS, END OF YEAR	<u><u>304,614</u></u>	<u><u>343,079</u></u>	<u><u>304,614</u></u>

**THE BOARD OF MANAGEMENT FOR THE
BLOOR WEST VILLAGE BUSINESS IMPROVEMENT AREA
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	2016	2015
	\$	\$
Surplus for the year	38,465	98,541
Acquisition of tangible capital assets	(96,500)	(12,250)
Amortization of tangible capital assets	38,666	51,772
	(19,369)	138,063
Balance - Beginning of year	267,213	129,150
Balance - End of year	<u>247,844</u>	<u>267,213</u>

**THE BOARD OF MANAGEMENT FOR THE
BLOOR WEST VILLAGE BUSINESS IMPROVEMENT AREA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	2016	2015
	\$	\$
Cash flows from operating activities		
SURPLUS FOR THE YEAR	38,465	98,541
Non-cash changes to operations		
Add: Non-cash item Amortization of capital assets	38,666	51,772
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	(11,267)	3,735
Accounts receivable – other	(23,717)	6,288
Accounts payable – other	(5,741)	(47,138)
Cash Provided By Operations	<u>36,406</u>	<u>113,198</u>
Investing activities		
Purchase of tangible capital assets	(96,500)	(12,250)
(Increase) decrease in Short-term Investments	(1,662)	73,960
Cash, Beginning Of Year	<u>172,709</u>	<u>(2,199)</u>
Cash, End Of Year	<u>110,953</u>	<u>172,709</u>

**THE BOARD OF MANAGEMENT FOR THE
BLOOR WEST VILLAGE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

1. ESTABLISHMENT AND OPERATIONS

The Bloor West 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 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.

Short-term Investments:

Short-term investments are highly liquid financial instruments with maturities less than one year and are classified as "short-term" investments. BIA classifies short-term investments as current assets and report them at their fair market value.

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:

Street & Christmas lights	5 years
Benches	5 years
Streetscape	5 years
Planters	5 years
Flags & Banners	3 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
BLOOR WEST VILLAGE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2016**

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. SHORT-TERM INVESTMENT

Short-term investment consists of mutual funds with the TD Bank. This investment is recorded at market value and cashable at a short notice.

4. 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:

	2016	2015
	\$	\$
Total special charges outstanding	96,573	92,606
Less: allowance for uncollected special charges	(51,200)	(58,500)
Special charges receivable	<u>45,373</u>	<u>34,106</u>

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

	2016	2015
	\$	\$
Special charges written-off	2,073	1,908
Change in allowance for uncollected special charges	(7,300)	1,100
	<u>(5,227)</u>	<u>3,008</u>

THE BOARD OF MANAGEMENT FOR THE
 BLOOR WEST VILLAGE BUSINESS IMPROVEMENT AREA
 NOTES TO THE FINANCIAL STATEMENTS, CONT'D
 FOR THE YEAR ENDED DECEMBER 31, 2016

5. TANGIBLE CAPITAL ASSETS

	2016					
	Lights	Benches	Flags & Banners	Street Scape	Planters	Total
Cost						
Beginning	214,425	4,330	7,887	22,270	13,715	262,627
Additions	-	56,385	-	7,350	32,765	96,500
Disposals	-	-	-	-	-	-
Ending	214,425	60,715	7,887	29,620	46,480	359,127
Accumulated Amortization						
Beginning	193,907	4,330	5,258	17,816	3,915	225,226
Amortization	9,833	11,277	2,629	5,924	9,003	38,666
Disposals	-	-	-	-	-	-
Ending	203,740	15,607	7,887	23,740	12,918	263,892
Net Book Value	10,685	45,108	-	5,880	33,562	95,235

	2015					
	Lights	Benches	Flags & Banners	Street Scape	Planters	Total
Cost						
Beginning	214,425	4,330	7,887	22,270	1,465	250,377
Additions	-	-	-	-	12,250	12,250
Disposals	-	-	-	-	-	-
Ending	214,425	4,330	7,887	22,270	13,715	262,627
Accumulated Amortization						
Beginning	151,668	4,330	2,629	13,362	1,465	173,454
Amortization	42,239	-	2,629	4,454	2,450	51,772
Disposals	-	-	-	-	-	-
Ending	193,907	4,330	5,258	17,816	3,915	225,226
Net Book Value	20,518	-	2,629	4,454	9,800	37,401

**THE BOARD OF MANAGEMENT FOR THE
BLOOR WEST VILLAGE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2016**

6. 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.

7. FINANCIAL INSTRUMENTS

The carrying values of the BIA's financial instruments approximate 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.

8. 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.

9. BUDGET

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

