

# YONGE-DUNDAS SQUARE

2 Carlton Street  
Suite 1707  
Toronto, Ontario  
M5G 2C2

April 20, 2017

Welch LLP  
36 Toronto Street  
Suite 1070  
Toronto, ON  
M5C 2C5

Dear Sirs:

We are providing this letter in connection with your audit of the financial statements of Yonge-Dundas Square as of December 31, 2016 and for the year then ended, for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of Yonge-Dundas Square in accordance with Canadian public sector accounting standards.

We acknowledge that we are responsible for the fair presentation of the financial statements in accordance with Canadian public sector accounting standards and for the design and implementation of internal controls to prevent and detect fraud and error.

We acknowledge that your examination was planned and conducted in accordance with Canadian generally accepted auditing standards so as to enable you to express an opinion on the financial statements. We understand that while your work includes an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, it is not designed to identify, nor can it necessarily be expected to disclose, fraud, shortages, errors and other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit:

## **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated April 25, 2013, for the preparation of the financial statements in accordance with Canadian public sector accounting standards; in particular, the financial statements are fairly presented in accordance therewith.
2. The significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

## **Information Provided**

1. We have provided you with:
  - (a) Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
  - (b) Additional information that you have requested from us for the purpose of the audit; and
  - (c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence
2. All transactions have been recorded in the accounting records and are reflected in the financial statements
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have assessed this risk as low.
4. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
  - (a) Management;
  - (b) Employees who have significant roles in internal control; or
  - (c) Others where the fraud could have a material effect on the financial statements.
5. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
6. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
7. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

## **Accounts Receivable**

1. Accounts receivable are correctly described in the records and represent valid claims as at the year-end against the persons or companies indicated. These accounts are expected to be collected within twelve months.
2. The accounts receivable are free from hypothecation or assignment except as disclosed in the notes to the financial statements.
3. Adequate allowance has been made for any losses from uncollectible accounts, costs or expenses that may be incurred with respect to sales made or services rendered prior to the year-end.



### **Capital Assets**

1. All charges to capital asset accounts during the year represent actual additions to and no expenditures of a capital nature were charged to the operations of the organization during the year.
2. All capital assets sold or dismantled have been properly accounted for in the books of the organization.
3. Appropriate rates have been used to amortize the assets over their estimated useful lives and the provisions were calculated on a basis consistent with that of the previous period.
4. The organization has good title to the properties represented by the balance carried in the capital asset accounts, and there are no liens, mortgages or other charges against any of the capital assets shown on the books of the organization.
5. Where the value of any capital assets has been impaired, this fact has been disclosed to you.

### **Liabilities and Commitments**

1. At the year end, with the exception of relatively immaterial obligations for which invoices had not been received or which otherwise could not readily be determined or estimated, all known liabilities of the organization are included and fairly stated on the balance sheet.
2. At the year-end there were no contingent liabilities (e.g., discounted receivables or drafts, guarantees, pending or unsettled suits, matters in dispute).
3. The organization has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
4. At the year-end, the organization had no unusual commitments or contractual obligations of any sort that were not in the ordinary course of business or that might have an adverse effect upon the organization.
5. All claims outstanding against the organization or possible claims have been disclosed to you and, where appropriate, reflected in the financial statements or notes thereto.
6. We understand that any illegal or possibly illegal act could damage the organization or its reputation or give rise to a claim or claims against the organization. We are not aware of any violations or possible violations of law or regulations the effects of which should be considered for disclosure in the financial statements or as the basis for recording a contingent loss.

### **Statement of Operations**

1. All of the revenues of the organization for the year has been recorded in the books of account and disclosed in the financial statements.
2. The statement of operations contains no extraordinary or non-recurring items of material amount except as shown thereon.

## **Corporate Minutes**

The minute books of the organization contain an accurate record of all of the business transacted at meetings of the board of management up to the date of this letter.

## **Controlled and Related Entities**

The organization does not have relationships with any companies or other not-for-profit organizations that involve control, joint control, or significant influence nor does the organization have an economic interest in any other not-for-profit organization.

## **Related Party Transactions**

1. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian public sector accounting standards.
2. There have been no exchanges of goods or services with any related parties for which appropriate accounting recognition and financial statement disclosure has not been given.

## **Recognition, Measurement and Disclosure**

1. Significant assumptions used in arriving at the fair values of financial instruments as measured and disclosed in the financial statements are reasonable and appropriate in the circumstances.
2. The organization has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
3. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.

## **Going Concern**

We confirm that we have assessed the entity's ability to continue as a going concern, taking into account all information which is at least twelve months from the year-end date, and we conclude that the entity is able to continue as a going concern for the foreseeable future.



## **General**

1. We are unaware of any frauds or possible frauds having been committed by the organization, its employees or any of its directors and officers and we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
2. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements.
3. We acknowledge that we are responsible for the implementation and operation of internal controls that are designed to prevent and detect fraud and error.
4. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
5. In the course of your audit of our financial statements for the year ended December 31, 2016, you have recommended certain journal entries and adjustments to our books and records as attached to this letter. We hereby acknowledge that we understand, agree with and approve of the attached journal entries which have been considered necessary to present fairly the financial position and operating results of our organization.

## **Events Subsequent to the Year-end**

All events subsequent to the date of these financial statements and for which Canadian accounting standards for private enterprises require adjustment or disclosures have been adjusted or disclosed.

Yours very truly,

YONGE-DUNDAS SQUARE

Per



Taylor Rath, General Manager

**Yonge-Dundas Square**  
**Year End: December 31, 2016**  
**Adjustments**  
**Rev. 10/10/01**  
**Date: 1/1/2016 To 12/31/2016**

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
2	12/31/2016	Prepaid Expense & Deposits	1300	E1		3,610.61		
2	12/31/2016	PROFESSIONAL SERVICES	5697	E1	3,610.61			
To expense prepaid amount that should be expense in 2016. Client provided adjustment								
3	12/31/2016	Accounts Payable	2100	EE1		3,994.00		
3	12/31/2016	Surplus/(Loss) - Previous Year	3560	EE1	3,994.00			
To record surplus to City of Toronto for 2016								
5	12/31/2016	Accounts Payable	2100			1,252.99		
5	12/31/2016	Accounts Payable	2100			3,439.99		
5	12/31/2016	HST Paid on Purchases	2320		144.15			
5	12/31/2016	HST Paid on Purchases	2320		195.00			
5	12/31/2016	HST Paid on Purchases	2320		200.75			
5	12/31/2016	ELECTRICIAN	5010		1,108.84			
5	12/31/2016	AUDIO TECHNICIAN	5020		750.00			
5	12/31/2016	AUDIO/LIGHTING EQUIPMENT	5022		750.00			
5	12/31/2016	MISC. CHARGEBACKS	5070		1,544.24			
Client provided entry for A/P invoices that came subsequent to fieldwork related to 2016F								
6	12/31/2016	OTHER ACCRUED LIABILITIES	2115	PL11-1		34,028.30		
6	12/31/2016	EHT Expense	5772	PL11-1	34,028.30			
Adjustment for EHT exemption taken in past 4 years.								
					46,325.89	46,325.89		
Net Income (Loss)			(45,909.04)					

Prepared by	Reviewed by	Reviewed by	Reviewed by
AS 1/25/2017	VL 2/11/2017		