

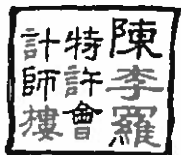
**TRINITY BELLWOODS BUSINESS  
IMPROVEMENT AREA  
FINANCIAL STATEMENTS  
DECEMBER 31, 2016**

# **TRINITY BELLWOODS BUSINESS IMPROVEMENT AREA**

**Financial Statements  
December 31, 2016**

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**C.C.L.** Chartered Professional Accountants  
Professional Corporation  
(Member of LAWCPA network)

Terence Chan MBA, CPA (ILL, US), CPA, CA  
Michele Chan MBA, CPA (ILL, US), CPA, CA  
Anne Law B.Comm, CPA, CA

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Board of Directors of TRINITY BELLWOODS BUSINESS IMPROVEMENT AREA**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **TRINITY BELLWOODS BUSINESS IMPROVEMENT AREA**, which comprise the statements of financial position as at **December 31, 2016** and the statements of operations, changes in accumulated surplus 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 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**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Trinity Bellwoods Business Improvement Area as at December 31, 2016 and the results of its operations, changes in accumulated surplus and its 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).

The logo consists of the letters 'C.C.L.' in a stylized, cursive font. Each letter is bold and has a slightly irregular, hand-drawn appearance. The letters are separated by small dots.

**Chartered Professional Accountants Professional Corporation**  
**Licensed Public Accountants**

Toronto, Ontario  
June 30, 2017

# TRINITY BELLWOODS BUSINESS IMPROVEMENT AREA

## Statement of Financial Position December 31, 2016

	<u>2016</u>	<u>2015</u>
	\$	\$
<b>Financial Assets</b>		
Cash	98,953	79,309
Government remittance receivable	4,370	11,243
City of Toronto - special charges	-	1,701
	<u>103,323</u>	<u>92,253</u>
<b>Liabilities</b>		
Accounts payable		
- City of Toronto - special charge (note 3)	1,021	-
- Other	2,689	3,282
	<u>3,710</u>	<u>3,282</u>
<b>Net Financial Assets</b>	<b>99,613</b>	<b>88,971</b>
<b>Non-Financial Assets</b>		
Equipment	-	7,153
<b>Accumulated Surplus</b>	<b>99,613</b>	<b>96,124</b>

Approved on behalf of the Board of Management

Jodi Gunnhouse, Chair

[Signature], Treasurer

## TRINITY BELLWOODS BUSINESS IMPROVEMENT AREA

### Statement of Changes in Accumulated Surplus Year ended December 31, 2016

	<u>2016</u> \$	<u>2015</u> \$
<b>Accumulated Surplus</b>		
Balance, beginning of year	96,124	102,500
Surplus (deficit) for the year	<u>3,489</u>	<u>(6,376)</u>
<b>Balance, end of year</b>	<u><b>99,613</b></u>	<u><b>96,124</b></u>

## TRINITY BELLWOODS BUSINESS IMPROVEMENT AREA

### Statement of Operations

Year ended December 31, 2016

	<b>Budget</b>		
	<b><u>2016</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenue</b>			
Levies received	51,603	51,615	52,301
Investment and other income	<u>-</u>	<u>7,763</u>	<u>1,397</u>
	<b><u>51,603</u></b>	<b><u>59,378</u></b>	<b><u>53,698</u></b>
<b>Expenses</b>			
Advertising and promotion	20,250	12,639	10,514
Administration	6,660	6,656	4,515
Amortization	-	7,153	28,128
Bank charges	228	231	477
Festival and event expenses	18,489	18,313	10,094
Insurance	827	759	310
Professional fees	2,800	5,054	2,797
Provision for uncollected special charges	<u>4,691</u>	<u>5,084</u>	<u>3,239</u>
	<b><u>53,945</u></b>	<b><u>55,889</u></b>	<b><u>60,074</u></b>
<b>Surplus (deficit) for the year</b>	<b><u>(2,342)</u></b>	<b><u>3,489</u></b>	<b><u>(6,376)</u></b>

# TRINITY BELLWOODS BUSINESS IMPROVEMENT AREA

## Statement of Cash Flows Year ended December 31, 2016

	<u>2016</u>	<u>2015</u>
	\$	\$
<b>Funds provided (used):</b>		
<b>Operating Activities</b>		
Surplus (deficit) for the year	3,489	(6,376)
Item not affecting cash		
- amortization	7,153	28,128
Changes in other non-cash working capital components (1)	<u>9,002</u>	<u>(59)</u>
	<u><b>19,644</b></u>	<u><b>21,693</b></u>
<b>Investing Activities</b>		
Acquisition of equipment	<u>-</u>	<u>(1,781)</u>
<b>Net increase in cash</b>	<b>19,644</b>	<b>19,912</b>
Cash, beginning of year	<u>79,309</u>	<u>59,397</u>
<b>Cash, end of year</b>	<u><b>98,953</b></u>	<u><b>79,309</b></u>

(1) Changes in other non-cash working capital components represented by:

Government remittance receivable - Other	6,874	(1,397)
Accounts payable - City of Toronto	2,722	1,338
Accounts payable - Other	<u>(594)</u>	<u>-</u>
	<u><b>9,002</b></u>	<u><b>(59)</b></u>



# **TRINITY BELLWOODS BUSINESS IMPROVEMENT AREA**

## **Notes to Financial Statements December 31, 2016**

### **1. Nature of the Organization**

Trinity Bellwoods Business Improvement Area is a not-for-profit volunteer-based association dedicated to create a safe and competitive business area that attract shoppers and new businesses 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.

### **2. Significant Accounting Policies**

The Organization follows Canadian accounting standards for local governments as prescribed by the Public Sector Accounting Board (PSAB) which include the following policies:

#### **Revenue recognition:**

The Organization receives special charges from the City of Toronto, cash donations from corporate sponsors and private donors, as well as grants for operating purposes and capital projects. Revenue are being recorded upon signing of contract, and when collection can be reasonably ascertained.

#### **Contributed services:**

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

#### **Financial instruments:**

Financial instruments are recorded at the approximated fair value.

# TRINITY BELLWOODS BUSINESS IMPROVEMENT AREA

## Notes to Financial Statements December 31, 2016

### 2. Significant Accounting Policies (Continued)

#### Use of Estimates:

The preparation of these financial statements in conformity with Canadian accounting standards for local governments requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. 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 from BIA members 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:

	<u>2016</u>	<u>2015</u>
	\$	\$
Total special charges outstanding	4,679	6,101
Less: allowance for uncollected special charges	<u>(5,700)</u>	<u>(4,400)</u>
Accounts (payable) receivable - City of Toronto (special charges)	<u>(1,021)</u>	<u>1,701</u>

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

	<u>2016</u>	<u>2015</u>
	\$	\$
Special charges written-off	3,784	2,139
Changes in allowance for uncollected special charges	<u>1,300</u>	<u>1,100</u>
	<u>5,084</u>	<u>3,239</u>

# **TRINITY BELLWOODS BUSINESS IMPROVEMENT AREA**

## **Notes to Financial Statements December 31, 2016**

### **4. 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.

### **5. Budget**

Budget figures are provided for comparative purpose only and have not been audited. Accordingly, we do not express any opinion on the budget figures.