

Financial statements of

Aldershot Village BIA

December 31, 2016

Aldershot Village BIA

December 31, 2016

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Independent Auditor's Report

To the Members of
the Aldershot Village BIA Board and
Members of Council, Inhabitants and Ratepayers of
The Corporation of the City of Burlington

We have audited the accompanying financial statements of Aldershot Village BIA, which comprise the statement of financial position as at December 31, 2016, and the statements of operations and change 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 public sector accounting standards, 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 Aldershot Village BIA as at December 31, 2016, and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink that reads "Deloitte LLP". The word "Deloitte" is written in a cursive script, and "LLP" is written in a simpler, blocky font.

Chartered Professional Accountants
Licensed Public Accountants
April 13, 2017

Aldershot Village BIA

Statement of financial position

as at December 31, 2016

	2016	2015
	\$	\$
Financial assets		
Cash	25,925	54,101
Accounts receivable	8,094	2,535
Marketable securities	68,231	97,886
	102,250	154,522
Liabilities		
Accounts payable and accrued liabilities	10,847	92,440
Deferred revenue	-	7,971
	10,847	100,411
Accumulated surplus and net financial assets (Note 4)	91,403	54,111

Approved by the Board

Director

Director

The accompanying notes to the financial statements are an integral part of this financial statement.

Aldershot Village BIA

Statement of operations and change in net financial assets year ended December 31, 2016

	Budget	Actual 2016	Actual 2015
	\$	\$	\$
Revenue			
Business improvement levy (Note 3)	100,050	99,284	82,256
Other	-	1,486	1,776
	100,050	100,770	84,032
Expenses			
Administrative	62,450	38,010	49,511
Beautification expense	-	-	69,850
Marketing expense	21,600	21,437	23,744
Interest expense	-	180	144
Professional fees	3,500	3,851	2,910
	87,550	63,478	146,159
Annual surplus (deficit) and change in net financial assets	12,500	37,292	(62,127)
Accumulated surplus and net financial assets, beginning of year	54,111	54,111	116,238
Accumulated surplus and net financial assets, end of year	66,611	91,403	54,111

The accompanying notes to the financial statements are an integral part of this financial statement.

Aldershot Village BIA

Statement of cash flows year ended December 31, 2016

	2016	2015
	\$	\$
Operating activities		
Annual surplus (deficit)	37,292	(62,127)
Changes in non-cash operating working capital items		
Accounts receivable	(5,559)	1,080
Accounts payable and accrued liabilities	(81,593)	76,919
Deferred revenue	(7,971)	7,971
	(57,831)	23,843
Investing activities		
Purchase of marketable securities	(55,084)	(114,867)
Proceeds from redemption of marketable securities	84,739	113,925
	29,655	(942)
Net change in cash	(28,176)	22,901
Cash, beginning of year	54,101	31,200
Cash, end of year	25,925	54,101

The accompanying notes to the financial statements are an integral part of this financial statement.

Aldershot Village BIA

Notes to the financial statements

December 31, 2016

1. Nature of the organization

The Aldershot Village BIA was established by the Council of the City of Burlington (the "City") and has been entrusted with the improvement, beautification and maintenance of municipality-owned lands, buildings and structures in the improvement area, beyond such expenditure by the City. Aldershot Village BIA is also responsible for the promotion of this improvement area for business and shopping. Approval for establishment of the Board was given by the City in December 2004.

Aldershot Village BIA is financed by a special levy charged upon businesses in the improvement area.

2. Significant accounting policies

Basis of accounting

The financial statements are prepared in accordance with Canadian public sector accounting standards for local government entities, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Tangible capital assets

Capital assets consist of computer hardware and software. Capital assets additions will be recorded as an asset in the year the assets are available for use and will be amortized over their estimated useful lives. Amortization is based on their estimated useful lives as indicated below:

Computer hardware and software	Straight-line	1-3 years
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Revenue recognition

Revenues are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable. Expenses are reported on the accrual basis of accounting which recognizes expenses as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Items requiring the use of significant estimates included the useful lives of tangible capital assets. Actual results could differ from these estimates.

Marketable securities

Aldershot Village BIA considers all investments with an original maturity of 90 days or greater to be marketable securities. Marketable securities are carried at cost.

Long-term planning reserve fund

Certain amounts, as approved by Aldershot Village BIA, are set aside in a reserve for future operating and capital expenditures.

West Plains Strategy reserve fund

Certain amounts, as approved by Aldershot Village BIA, are set aside in a reserve for costs incurred with respect to the West Plains Strategy.

Aldershot Village BIA

Notes to the financial statements

December 31, 2016

2. Significant accounting policies (continued)

Beautification reserve fund

Certain amounts, as approved by Aldershot Village BIA, are set aside in a reserve to take full advantage of any partnership opportunity that assists in the beautification of Plains Road. These funds are only to be used for aesthetic purposes.

Current fund

This is a reserve fund establish to account for accumulation of unspent surpluses of previous years which are not allocated to other funds. Current funds are to be used for unbudgeted, unexpected and emergency situations.

3. Related party transactions

During the year, the Aldershot Village BIA recorded the following transactions with the City of Burlington:

	2016	2015
	\$	\$
Revenues		
Member levy collected on behalf of the Aldershot BIA	105,050	95,990
Write-offs/appeals	(5,766)	(13,734)
	99,284	82,256

4. Accumulated surplus

	Beautification reserve fund	Current fund	Long term planning reserve fund	West Plains Strategy reserve fund	2016 Total	2015 Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of the year	16,743	(7,855)	43,223	2,000	54,111	116,238
Transfers between funds	8,000	(12,500)	3,000	1,500	-	-
Annual surplus (deficit)	-	37,292	-	-	37,292	(62,127)
Balance, end of the year	24,743	16,937	46,223	3,500	91,403	54,111

