
Aldershot Village BIA
Financial Statements
Year Ended December 31, 2021

ALDERSHOT VILLAGE BIA
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Year Ended December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Aldershot Village BIA

Opinion

I have audited the financial statements of Aldershot Village BIA (the "BIA"), which comprise the balance sheet as at December 31, 2021, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the BIA as at December 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the BIA in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Matter

The financial statements for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those financial statements on October 13, 2021.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

In preparing the financial statements, management is responsible for assessing the BIA's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the BIA or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the BIA's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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Independent Auditor's Report to the Board of Directors of Aldershot Village BIA *(continued)*

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 BIA's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the BIA's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the BIA to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Burlington, Ontario
July 26, 2022

Colin Gray CPA
Professional Corporation

Authorized to practise public accounting by the Chartered Professional Accountants of Ontario

ALDERSHOT VILLAGE BIA
Statement of Financial Position
December 31, 2021

	2021	2020
Financial assets		
Cash	\$ 158,096	\$ 108,589
Accounts receivable	1,500	-
Harmonized sales tax recoverable	34,004	16,798
Interest receivable	693	322
Marketable securities (Note 4)	44,976	44,976
	239,269	170,685
Non-Financial assets		
Prepaid expenses	602	2,619
Tangible capital assets, net (Note 6)	5,569	8,544
	6,171	11,163
	\$ 245,440	\$ 181,848
Liabilities		
Accounts payable and accrued liabilities	\$ 58,370	\$ 14,999
Due to City of Burlington	95,210	833
Employee deductions payable	365	-
	153,945	15,832
Net Assets		
Net assets	91,495	166,016
	\$ 245,440	\$ 181,848

ON BEHALF OF THE BOARD

 Director

 Director

The accompanying notes are an integral part of the financial statements

ALDERSHOT VILLAGE BIA
Statement of Revenues and Expenditures
Year Ended December 31, 2021

	(Unaudited) Budget	2021	2020
REVENUES			
Business improvement levy	\$ 223,000	\$ 223,000	\$ 205,925
Other	-	9,782	5,797
	223,000	232,782	211,722
DISBURSEMENTS			
Administrative	129,818	112,449	92,426
Amortization	-	4,385	4,043
Interest and bank charges	-	484	642
Marketing	40,880	54,429	53,758
Professional fees	6,000	24,964	5,074
Rent	28,450	16,450	18,183
Tax levy re-imbursement	17,000	94,142	-
	222,148	307,303	174,126
EXCESS (DEFICIENCY) OF REVENUES OVER DISBURSEMENTS	\$ 852	\$ (74,521)	\$ 37,596

ALDERSHOT VILLAGE BIA
Statement of Changes in Net Assets
Year Ended December 31, 2021

	2020 Balance	Deficiency of revenues over disbursements	2021 Balance
Current fund	\$ 117,704	\$ (74,521)	\$ 43,183
Beautification reserve fund	25,136	-	25,136
Long term planning reserve fund	18,176	-	18,176
West Plains Strategy reserve fund	5,000	-	5,000
	\$ 166,016	\$ (74,521)	\$ 91,495

	2019 Balance	Deficiency of revenues over disbursements	2020 Balance
Current fund	\$ 80,108	\$ 37,596	\$ 117,704
Beautification reserve fund	25,136	-	25,136
Long term planning reserve fund	18,176	-	18,176
West Plains Strategy reserve fund	5,000	-	5,000
	\$ 128,420	\$ 37,596	\$ 166,016

ALDERSHOT VILLAGE BIA
Statement of Cash Flows
Year Ended December 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over disbursements	\$ (74,521)	\$ 37,596
Item not affecting cash:		
Amortization of tangible capital assets	4,385	4,043
	(70,136)	41,639
Changes in non-cash working capital:		
Accounts receivable	(1,500)	-
Interest receivable	(371)	(456)
Prepaid expenses	2,017	4,210
Accounts payable and accrued liabilities	43,371	1,064
Deferred income	-	(14,917)
Due from/to City of Burlington	94,377	1,068
Employee deductions payable	365	-
Harmonized sales tax payable	(17,206)	(11,264)
	121,053	(20,295)
Cash flow from operating activities	50,917	21,344
INVESTING ACTIVITIES		
Purchase of fixed assets	(1,410)	(4,800)
Purchase of investments	(20,000)	-
Redemption of investments	20,000	-
Cash flow used by investing activities	(1,410)	(4,800)
INCREASE IN CASH FLOW	49,507	16,544
Cash - beginning of year	108,589	92,045
CASH - END OF YEAR	\$ 158,096	\$ 108,589

ALDERSHOT VILLAGE BIA
Notes to Financial Statements
For the Year Ended December 31, 2021

1. NATURE OF OPERATIONS

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 Aldershot Village BIA 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

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.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Computer equipment	30%
Furniture and fixtures	20%
Leasehold improvements	term of the lease
Christmas street lights	20%

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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. Actual results could differ from these estimates. Amounts requiring estimates include the useful lives of tangible capital assets.

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.

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ALDERSHOT VILLAGE BIA
Notes to Financial Statements
For the Year Ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Fund accounting

Long-term planning reserve fund

Certain amounts, as approved by the Board of Directors, are set aside in a reserve for future operating and capital expenditures.

West Plains Strategy reserve fund

Certain amounts, as approved by the Board of Directors, are set aside in a reserve for costs incurred with respect to the West Plains Strategy.

Beautification reserve fund

Certain amounts, as approved by the Board of Directors, 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 established to account for the 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:

	2021	2020
Revenue		
Tax Levy Assessments	\$ 223,000	\$ 205,925
Expenses		
Tax write-offs and supplement/omitted revenues	(94,142)	-
	\$ 128,858	\$ 205,925

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

4. MARKETABLE SECURITIES

	2021	2020
0.60% interest GIC due December 14, 2022	\$ 20,000	\$ -
1.80% interest GIC due December 5, 2022	11,449	11,449
1.15% interest GIC due May 15, 2023	13,527	13,527
0.25% interest GIC due December 14, 2021	-	20,000
	\$ 44,976	\$ 44,976

ALDERSHOT VILLAGE BIA
Notes to Financial Statements
For the Year Ended December 31, 2021

5. COMMITMENTS

Aldershot Village BIA has contractual obligations for various expenses. All contracts have short-term cancellation clauses with the exception of the lease agreements which expires in 2024 and has an annual cost of approximately \$16,450.

The future payments in respect of this lease are as follows:

2022	\$	16,760
2023		17,103
2024		4,296
		<hr/>
	\$	38,159

6. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer equipment	\$ 2,988	\$ 2,000	\$ 988	\$ -
Furniture and fixtures	5,671	3,970	1,701	2,836
Leasehold improvements	5,847	5,847	-	1,868
Christmas street lights	4,800	1,920	2,880	3,840
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 19,306	\$ 13,737	\$ 5,569	\$ 8,544

7. COMPARATIVE FIGURES

Certain prior year figures have been reclassified for consistency with the current year presentation. These reclassifications have no effect on the reported results of operations.

8. BUDGET INFORMATION

The budget figures presented for comparison purposes are unaudited and are those approved by the directors. They have been reclassified to conform with the presentation of the financials statements.
