

Financial Statements of

**CITY OF MISSISSAUGA
PORT CREDIT BUSINESS
IMPROVEMENT AREA**

Year ended December 31, 2013



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INDEPENDENT AUDITORS' REPORT

To the Members of the City of Mississauga Port Credit Business Improvement Area, Council, Inhabitants and the Ratepayers of the Corporation of the City of Mississauga

We have audited the accompanying financial statements of the City of Mississauga Port Credit Business Improvement Area, which comprise the statement of financial position as at December 31, 2013, the statements of operations and accumulated surplus (deficit), change in net financial assets and cash flows for the year then ended, and notes, comprising 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.

Auditors' 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 an 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 our 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 the City of Mississauga Port Credit Business Improvement Area as at December 31, 2013, and the results of its operations and accumulated deficit, its changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants, Licensed Public Accountants

March 7, 2014

Toronto, Canada

CITY OF MISSISSAUGA PORT CREDIT BUSINESS IMPROVEMENT AREA

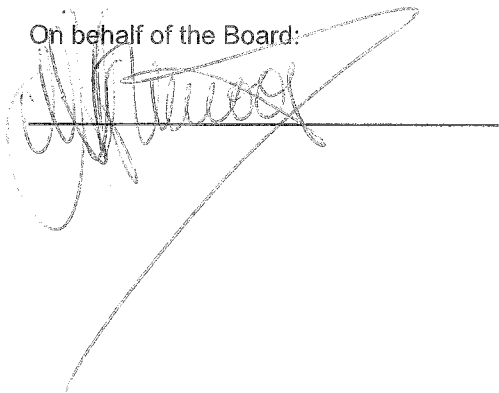
Statement of Financial Position

December 31, 2013, with comparative figures for 2012

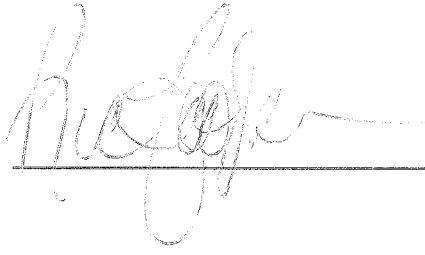
	2013	2012
Financial Assets:		
Cash	\$ 76,525	\$ 68,934
Accounts receivable and other assets	68,219	24,111
	144,744	93,045
Financial Liabilities:		
Accounts payable and accrued liabilities	\$ 23,101	\$ 26,152
Deferred revenue	16,490	12,600
Due to The Corporation of the City of Mississauga (note 2)	80,860	99,624
	120,451	138,376
Net financial assets	\$ 24,293	\$ (45,331)
Tangible capital assets (note 3)	\$ 27,171	\$ 19,089
Accumulated surplus (deficit) (note 4)	\$ 51,464	\$ (26,242)

See accompanying notes to financial statements.

On behalf of the Board:



Director



Director

CITY OF MISSISSAUGA PORT CREDIT BUSINESS IMPROVEMENT AREA

Statement of Operations and Accumulated Surplus (Deficit)

Year ended December 31, 2013, with comparative figures for 2012

		2013 Budget		2013		2012
Revenue:						
Special levy on business assessment	\$	594,993	\$	591,870	\$	439,444
Fundraising		79,500		150,136		138,721
		<u>674,493</u>		<u>742,006</u>		<u>578,165</u>
Expenses:						
Project expenses		127,525		187,027		175,543
Office and general		159,173		169,291		155,790
Beautification and maintenance		142,100		123,769		115,994
Advertising and promotion		98,320		91,715		65,684
Sponsorships		56,950		57,000		51,375
Business development		14,800		16,135		24,227
Amortization of capital assets		-		12,512		7,363
Information technology		7,425		6,851		7,645
Capital expenditures		23,000		-		-
		<u>629,293</u>		<u>664,300</u>		<u>603,621</u>
Annual surplus (deficit)		45,200		77,706		(25,456)
Accumulated deficit, beginning of year		-		(26,242)		(786)
Accumulated surplus (deficit), end of year (note 4)	\$	45,200	\$	51,464	\$	(26,242)

See accompanying notes to financial statements.

CITY OF MISSISSAUGA PORT CREDIT BUSINESS IMPROVEMENT AREA

Statement of Change in Net Financial Assets

Year ended December 31, 2013, with comparative figures for 2012

	2013	2012
Annual surplus (deficit)	\$ 77,706	\$ (25,456)
Addition to tangible capital assets	(20,594)	(22,452)
Amortization of tangible capital assets	12,512	7,363
Change in net financial assets	69,624	(40,545)
Net financial assets, beginning of year	(45,331)	(4,786)
Net financial assets, end of year	\$ 24,293	\$ (45,331)

See accompanying notes to financial statements.

CITY OF MISSISSAUGA PORT CREDIT BUSINESS IMPROVEMENT AREA

Statement of Changes in Cash Flows

Year ended December 31, 2013, with comparative figures for 2012

	2013	2012
Cash provided by (used in):		
Operations:		
Annual surplus (deficit)	\$ 77,706	\$ (25,456)
Item not involving cash:		
Amortization of tangible capital assets	12,512	7,363
Changes in non-cash operating working capital:		
Increase in accounts receivable and other assets	(44,108)	(549)
Increase (decrease) in accounts payable and accrued liabilities	(3,051)	3,252
Decrease in deposits payable	-	(2,400)
Increase in deferred revenue	3,890	7,600
Decrease in deferred revenue for Twas the Bite Before Xmas	-	(15,539)
Increase (decrease) in due to The Corporation of the City of Mississauga	(18,764)	98,442
	28,185	72,713
Investments:		
Addition to tangible capital assets	(20,594)	(22,452)
Increase in cash	7,591	50,261
Cash, beginning of year	68,934	18,673
Cash, end of year	\$ 76,525	\$ 68,934

See accompanying notes to financial statements.

CITY OF MISSISSAUGA PORT CREDIT BUSINESS IMPROVEMENT AREA

Notes to Financial Statements

Year ended December 31, 2013

On December 20, 1984, the Council of the Corporation of the City of Mississauga passed a by-law pursuant to the Municipal Act, to designate an area as an improvement area to be known as the Port Credit Business Improvement Area (the "Organization"). The Business Improvement Area was entrusted with the improvement, beautification and maintenance of municipally owned lands, buildings and structures in the area, beyond such improvement, beautification and maintenance is provided at the expense of the municipality at large, and with the promotion of the area as a business or shopping area.

1. Significant accounting policies:

The financial statements of the Port Credit Business Improvement Area are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants.

(a) Basis of accounting:

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are the cost of goods or services acquired in the period whether or not payment has been made or invoices received.

(b) Revenue:

The special levy on business assessment represents the amounts levied by the City of Mississauga on behalf of the Organization.

(c) Tangible capital assets:

Tangible capital assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Amortization for machine and equipment is provided on a straight-line basis for a term of four years.

CITY OF MISSISSAUGA PORT CREDIT BUSINESS IMPROVEMENT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2013

1. Significant accounting policies (continued):

(d) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

2. Due to The Corporation of the City of Mississauga:

The amount due to The Corporation of the City of Mississauga includes the cumulative underlevy as at December 31, 2013. Amount is non-interest bearing and payable on demand.

3. Tangible capital assets:

			2013		2012	
	Cost	Accumulated amortization	Net book value	Net book value		
Machinery and equipment	\$ 50,046	\$ 22,875	\$ 27,171	\$ 19,089		

4. Accumulated surplus (deficit):

The accumulated surplus (deficit) at December 31 comprised the following:

	2013		2012	
Invested in tangible capital assets	\$	27,171	\$	19,089
Reserves for working capital needs		24,293		34,459
Current fund		-		(79,790)
Total	\$	51,464	\$	(26,242)