

Financial Statements of

**OLD MARKHAM VILLAGE
BUSINESS IMPROVEMENT AREA**

December 31, 2008

Auditors' Report

To the Chairman and Members of the
Board of Management of the Old Markham
Village Business Improvement Area, and
Members of Council, Inhabitants and
Ratepayers of the Corporation of the
Town of Markham:

We have audited the balance sheet of the Old Markham Village Business Improvement Area as at December 31, 2008 and the statement of operations for the year then ended. These financial statements are the responsibility of the Board of Management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Old Markham Village Business Improvement Area as at December 31, 2008 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in Note 2 to the financial statements.

Chartered Accountants

Toronto, Ontario
, 2009

OLD MARKHAM VILLAGE BUSINESS IMPROVEMENT AREA
Statement of Financial Position

December 31, 2008

	<u>2008</u>	<u>2007</u>
ASSETS (LIABILITIES)		
Due from (to) the Town of Markham	<u>3,018</u>	<u>(37,352)</u>
FUND BALANCE		
Fund balance (deficit) (Note 3)	<u>3,018</u>	<u>(37,352)</u>
	<u>3,018</u>	<u>(37,352)</u>

Approved by the Board of Management:

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

OLD MARKHAM VILLAGE BUSINESS IMPROVEMENT AREA**Statement of Financial Activities**

Year ended December 31, 2008

	2008		2007
	BUDGET	ACTUAL	ACTUAL
REVENUE			
Taxation	\$ 202,185	\$ 202,183	\$ 186,045
Government Grants	7,500	7,768	9,194
Recovery of advertising expenditures	63,786	47,668	34,649
	273,471	257,619	229,888
EXPENDITURES			
Salaries and benefits	29,491	17,315	26,069
Professional Fees	52,300	46,500	45,000
Advertising	119,028	111,602	118,002
Street beautification	5,600	8,310	50,539
Write-offs - taxation and others	-	-	8,260
Auditing fee	-	2,225	1,800
Office Expenses	29,700	31,297	31,640
	236,119	217,249	281,310
Excess (Deficiency) of Revenue over Expenditures	37,352	40,370	(51,422)
Fund balance, beginning of year	-37,352	-37,352	14,070
Fund balance, end of year	\$ 0	\$ 3,018	\$ (37,352)

OLD MARKHAM VILLAGE BUSINESS IMPROVEMENT

Statement of Cash Flows

Twelve Months to December 31, 2008

	2008	2007
Cash provided by (used in):		
Operating		
Net earnings (loss) for the period	\$40,370	(\$51,422)
Change in current assets:		
Due to (from) the Town of Markham	(40,370)	51,422
	\$0	\$0
Financing	-	-
	-	-
Investing	-	-
	-	-
Net increase in cash and cash equivalents	\$0	\$0
Cash and cash equivalents, beginning of year	-	-
Cash and cash equivalents, end of year	\$0	\$0

OLD MARKHAM VILLAGE BUSINESS IMPROVEMENT AREA

Notes to the Financial Statements

December 31, 2008

1. DESCRIPTION OF BUSINESS

The Old Markham Village Business Improvement Area was established March 8, 1977 in accordance with Section 220 of the Municipal Act, (R.S.O. 1990) for the purpose of providing improvement, beautification and maintenance of lands, buildings and structures in the area and the promotion of the area as a business and shopping district.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements are the representation of management prepared in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) *Taxation revenue*

The Business Improvement Area records as revenue the amounts billed by the Town on its behalf.

(b) *Capital assets*

The purchase of capital assets is included in expenditures.

(c) *Use of estimates*

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Actual results could differ from those estimates.

3. FUND BALANCE

In accordance with the requirement of the Municipal Act, the 2008 fund balance will be used to offset taxation and user charges in the Business Improvement Area's 2009 budget.

4. STATEMENT OF CHANGES IN FINANCIAL POSITION

A statement of changes in financial position has not been provided as it would not provide additional useful information.

5. LEASE OBLIGATIONS

The Old Markham Village Business Improvement Area leases office space for which future minimum lease commitments are approximately as follows:-

2009	\$ 9,000
2010	\$ 8,250

	\$17,250
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