

**CORPORATION OF THE  
TOWNSHIP OF CLEARVIEW  
VILLAGE OF CREEMORE BUSINESS IMPROVEMENT AREA  
FINANCIAL STATEMENTS  
DECEMBER 31, 2010**

**CONTENTS**

	<b>Page</b>
Independent Auditors' Report	1
Statement of Financial Position	2
Statement of Operations	3
Statement of Change in Net Financial Assets	4
Statement of Cash Flow	5
Notes to the Financial Statements	6

**GAVILLER & COMPANY LLP**  
CHARTERED ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT**

To the Chairperson and Members of The Village of Creemore  
Business Improvement Area, Members of Council, Inhabitants  
and Ratepayers of the **Corporation of the Township of Clearview**:

**Report on the Financial Statements**

We have audited the accompanying financial statements of the **Village of Creemore Business Improvement Area**, which comprise the statement of financial position as at December 31, 2010, and the statements of operations, change in net financial assets and cash flow 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 generally accepted accounting principles 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 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 Board'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 Board'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 **Village of Creemore Business Improvement Area** as at December 31, 2010, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Gaviller & Company LLP*

Licensed Public Accountants  
Collingwood, Ontario  
November 1, 2011

# CORPORATION OF THE TOWNSHIP OF CLEARVIEW

## VILLAGE OF CREEMORE BUSINESS IMPROVEMENT AREA STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31

	2010	2009
	\$	\$
<b>Financial assets</b>		
Cash	14,446	13,274
Accounts receivable	3,496	3,829
	17,942	17,103
<b>Liabilities</b>		
Accounts payable	1,685	4,225
Net financial assets	16,257	12,878
<b>Non-financial assets</b>		
Tangible capital assets - net (Note 2)	9,417	9,965
<b>Accumulated surplus</b> (Note 3)	25,674	22,843

Approved on behalf of the board:

\_\_\_\_\_ Director

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

# CORPORATION OF THE TOWNSHIP OF CLEARVIEW

## VILLAGE OF CREEMORE BUSINESS IMPROVEMENT AREA STATEMENT OF OPERATIONS AS AT DECEMBER 31

	Budget 2010	Actual 2010	Actual 2009
	\$	\$	\$
<b>Revenues</b>			
Taxation	20,000	20,000	20,000
Associate memberships	-	-	762
Advertising revenue	-	-	7,196
Miscellaneous	1,200	103	532
	21,200	20,103	28,490
<b>Expenses</b>			
Advertising expenses	3,500	4,874	16,303
Brochures, supplies and miscellaneous	16,050	11,492	12,165
Salaries and benefits	650	-	596
Website	-	55	5,775
Bad debts	-	303	-
Amortization	-	548	368
	20,200	17,272	35,207
Annual surplus (deficit)	1,000	2,831	(6,717)
Accumulated surplus, beginning of year	22,843	22,843	29,560
Accumulated surplus, end of year (Note 3)	23,843	25,674	22,843

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

# CORPORATION OF THE TOWNSHIP OF CLEARVIEW

## VILLAGE OF CREEMORE BUSINESS IMPROVEMENT AREA STATEMENT OF CHANGE IN NET FINANCIAL ASSETS FOR THE YEAR ENDED DECEMBER 31

	2010	2009
	\$	\$
Annual surplus (deficit)	2,831	(6,717)
Acquisition of tangible capital assets	-	(3,922)
Amortization of tangible capital assets	548	368
Change in net financial assets	3,379	(10,271)
Net financial assets, beginning of year	12,878	23,149
Net financial assets, end of year	16,257	12,878

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

# CORPORATION OF THE TOWNSHIP OF CLEARVIEW

## VILLAGE OF CREEMORE BUSINESS IMPROVEMENT AREA STATEMENT OF CASH FLOW AS AT DECEMBER 31

	2010	2009
	\$	\$
<b>Cash flows from (for):</b>		
<b>Operating activities</b>		
Annual surplus (deficit)	2,831	(6,717)
Non-cash items:		
Amortization expense	548	368
	3,379	(6,349)
Changes in:		
Accounts receivable	333	(286)
Accounts payable	(2,540)	1,901
Net change in cash from operations	1,172	(4,734)
<b>Capital activities</b>		
Acquisition of tangible capital assets	-	(3,922)
Net change in cash position	1,172	(8,656)
Cash, beginning of year	13,274	21,930
Cash, end of year	14,446	13,274

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

# CORPORATION OF THE TOWNSHIP OF CLEARVIEW

## VILLAGE OF CREEMORE BUSINESS IMPROVEMENT AREA NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2010

### 1. Significant accounting policies

#### (a) Basis of accounting

Revenues 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 recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

#### (b) Revenue recognition

The organization recognizes taxation levy revenue upon the Township's approval of the budgeted amount. Associate memberships are recorded when cash is received. Advertising revenue is recorded when cash is received.

#### (c) Non-financial assets

Non-financial 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. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net financial assets for the year.

#### (i) Tangible capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Equipment - 20 years

### 2. Tangible capital assets

Included in this balance is equipment with a cost of \$10,966 (2009 - \$10,966) and accumulated amortization of \$1,549 (2009 - \$1,001).

### 3. Accumulated surplus

The accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2010	2009
	\$	\$
Invested in tangible capital assets	9,417	9,965
Surplus	7,563	4,184
Reserves	8,694	8,694
<b>Total accumulated surplus</b>	<b>25,674</b>	<b>22,843</b>