Financial Statements of

CITY OF MISSISSAUGA STREETSVILLE BUSINESS IMPROVEMENT DISTRICT AREA

And Independent Auditor's Report thereon

Year ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of City of Mississauga Streetsville Business Improvement District Area, Council, Inhabitants and Ratepayers of The Corporation of the City of Mississauga

Opinion

We have audited the financial statements of City of Mississauga Streetsville Business Improvement District Area (the Entity), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations and accumulated surplus for the year then ended
- the statement of change in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2024, and its results of operations, its change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

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 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our 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 the financial statements.

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

We also:

- 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 our 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 Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity 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.
- 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 we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

April 9, 2025

CITY OF MISSISSAUGA STREETSVILLE BUSINESS IMPROVEMENT DISTRICT AREA

Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
Financial Assets		
Cash	$ 50,546	$ 6,118
Investments (note 1(d))	–	17,984
Accounts receivable	24,242	23,011
Due from The Corporation of the City of Mississauga (note 2)	1,344	8,092
	76,132	55,205
Financial Liabilities		
Accounts payable and accrued liabilities	56,818	60,645
Deferred revenue	60,000	–
	116,818	60,645
Net financial debt	(40,686)	(5,440)
Non-Financial Assets		
Tangible capital assets (note 3)	49,063	71,470
Accumulated surplus (note 4)	$ 8,377	$ 66,030

See accompanying notes to financial statements.

On behalf of the Board:

_________________________________ Director

_________________________________ Director

CITY OF MISSISSAUGA STREETSVILLE BUSINESS IMPROVEMENT DISTRICT AREA

Statement of Operations and Accumulated Surplus

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (note 6)	2024 Actual	2023 Actual
Revenue:			
Special levy on business assessment	$ 452,695	$ 459,039	$ 444,042
Fundraising	103,000	85,296	90,454
Other	–	474	752
	555,695	544,809	535,248
Expenses:			
Advertising and promotion	153,800	169,222	184,374
Office and administration (note 5)	228,895	244,488	222,643
Beautification and maintenance	165,500	166,345	179,850
Amortization of tangible capital assets	7,500	22,407	17,579
	555,695	602,462	604,446
Annual deficit	$ –	(57,653)	(69,198)
Accumulated surplus, beginning of year		66,030	135,228
Accumulated surplus, end of year (note 4)		$ 8,377	$ 66,030

See accompanying notes to financial statements.

CITY OF MISSISSAUGA STREETSVILLE BUSINESS IMPROVEMENT DISTRICT AREA

Statement of Change in Net Financial Assets

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Annual deficit	$ (57,653)	$ (69,198)
Additions to tangible capital assets	–	(48,303)
Amortization of tangible capital assets	22,407	17,579
Change in net financial assets	(35,246)	(99,922)
Net financial assets (debt), beginning of year	(5,440)	94,482
Net financial debt, end of year	$ (40,686)	$ (5,440)

See accompanying notes to financial statements.

CITY OF MISSISSAUGA STREETSVILLE BUSINESS IMPROVEMENT DISTRICT AREA

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Annual deficit	$ (57,653)	$ (69,198)
Amortization of tangible capital assets which does not involve cash	22,407	17,579
Change in non-cash operating working capital:		
Accounts receivable	(1,231)	14,459
Due from The Corporation of the City of Mississauga	6,748	(4,163)
Accounts payable and accrued liabilities	(3,827)	54,947
Deferred revenue	60,000	–
	26,444	13,624
Investing activities:		
Additions to tangible capital assets	–	(48,303)
Change in investments	17,894	6,016
	17,894	(42,287)
Increase (decrease) in cash	44,338	(28,663)
Cash, beginning of year	6,118	34,781
Cash, end of year	$ 50,546	$ 6,118

See accompanying notes to financial statements.

CITY OF MISSISSAUGA STREETSVILLE BUSINESS IMPROVEMENT DISTRICT AREA

Notes to Financial Statements

Year ended December 31, 2024

On November 5, 1979, the Council of The Corporation of the City of Mississauga (the "City") passed a by-law pursuant to The Municipal Act, to designate an area as an improvement area to be known as the Streetsville Business Improvement District Area (the "BIA"). The BIA was entrusted with the improvement, beautification and maintenance of municipally owned lands, buildings and structures in the area, beyond such improvement, beautification and maintenance as provided at the expense of the municipality at large, and with the promotion of the district as a business or shopping area. The BIA is dependent on the City for funding through the special levy on an annual basis.

1. Significant accounting policies:

The financial statements of the BIA have been prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

(a) Basis of accounting:

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are the cost of goods or services acquired in the year 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 on behalf of the BIA. Fundraising and other revenues are recognized on an accrual basis.

(c) Deferred revenue:

Deferred revenue represents grants for specific events or expenditures which have been received, but for which the related event or expenditures have yet to take place or be incurred. These amounts will be recognized as revenue in the fiscal year the event occurs or in which in the expenditures have been incurred.

CITY OF MISSISSAUGA STREETSVILLE BUSINESS IMPROVEMENT DISTRICT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(d) Investments:

Investment consists of a guaranteed investment certificate bearing interest at nil (2023 - at 2.29% with a maturity date of - August 24, 2028).

(e) Tangible capital assets:

(i) 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 of tangible capital assets is provided on a straight-line basis as follows:

Furniture, fixtures and decoratives	5 - 10 years
Benches	5 years
Computer equipment	5 years

(ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair market value at the date of receipt and contributions are recorded as contributed assets in the statement of operations and accumulated surplus.

(f) 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.

CITY OF MISSISSAUGA STREETSVILLE BUSINESS IMPROVEMENT DISTRICT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2024

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1. Significant accounting policies (continued):

(g) Future accounting pronouncements:

These standards and amendments were not yet effective for the year ended December 31, 2024, and have therefore not been applied in preparing these financial statements. Management is currently assessing the impact of the following accounting standards updates on the future financial statements.

PS 1202, Financial Statement Presentation, was approved in March 2023. This standard supersedes PS 1201 and covers a new conceptual framework and reporting model. Prior period amounts would need to be restated to conform to the presentation requirements for comparative financial information. This standard is effective for fiscal years beginning on or after April 1, 2026 (the first effective year for the City being the year ending December 31, 2027).

(h) Adoption of new accounting policies:

Effective January 1, 2024, the BIA adopted the following standards issued by the PSAB:

(i) PS 3400, Revenue, establishes a single framework to categorize revenue of enhance the consistency of revenue recognition and its measurement.

(ii) Public Sector Guideline 8, Purchased Intangibles, allows public sector entities to recognize intangibles purchased through an exchange transaction.

(iii) PS 3160, Public Private Partnerships ("P3s"), identifies requirements on how to account for and disclose transactions in which public sector entities procure major infrastructure assets and/or services from private sector entities. Recognition of assets arising from P3s arrangements is ultimately dependent on whether public sector entities control the purpose and use of the assets, access to the future economic benefits and exposure to the risks associated with the assets, and significant residual interest in the asset, if any, at the end of the term of P3s. Measurement of the asset and related liability will also be dependent on the overall model used to compensate the private sector entity.

The BIA's adoption of these amendments during the year ended December 31, 2024 did not have a material impact on the financial statements.

CITY OF MISSISSAUGA STREETSVILLE BUSINESS IMPROVEMENT DISTRICT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2024

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

The amount due from the City includes the cumulative underlevy as at December 31, 2024 (2023 - overlevy). The amount is non-interest bearing and payable in conjunction with the 2024 levy.

3. Tangible capital assets:

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Furniture, fixtures and decoratives	$ 217,671	$ 179,827	$ 37,844	$ 55,977
Benches	38,727	30,938	7,789	10,511
Computer equipment	7,761	4,331	3,430	4,982
	$ 264,159	$ 215,096	$ 49,063	$ 71,470

4. Accumulated surplus:

The accumulated surplus as at December 31 comprises the following:

	2024	2023
Reserve deficit for working capital needs	$ (40,686)	$ (5,440)
Invested in tangible capital assets	49,063	71,470
	$ 8,377	$ 66,030

5. Related party transactions:

Office and administration include $9,766 (2023 - $9,838) of services provided by members of the Board of Directors.

CITY OF MISSISSAUGA STREETSVILLE BUSINESS IMPROVEMENT DISTRICT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2024

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6. Budget data:

The audited budget information presented in these financial statements is based on the budget approved by City Council on November 12, 2023.

7. Risk management:

The BIA has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk, and market risk (interest rate risk).

(a) Credit risk:

Credit risk is the risk of a financial loss to the BIA if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by the BIA consisting of accounts receivables and due from City of Mississauga balance. The BIA's exposure to credit risk associated with accounts receivable and due from City of Mississauga is assessed as low because they are due largely from governments.

(b) Liquidity risk:

Liquidity risk is the risk that the BIA will not be able to meet its financial obligations as they become due. The BIA's objective is to have sufficient liquidity to meet these liabilities when due. The BIA monitors its cash balance and cash flows generated from operations to meet its liquidity requirements. The liquidity risk arises from the financial liabilities consisting of accounts payable and accrued liabilities.

(c) Market risk:

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The BIA manages its interest rate risk by maintaining a fixed income investment that is not subject to fair valuation fluctuations.

CITY OF MISSISSAUGA STREETSVILLE BUSINESS IMPROVEMENT DISTRICT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2024

8. Commitments:

The BIA has entered into a lease agreement for premises that expires in 2030. The annual commitments are approximately as follows:

2025	$ 26,678
2026	27,478
2027	28,303
2028	29,152
2029	30,026
2030	28,279
	$ 169,916