Appendix 8

Financial Statements of

CITY OF MISSISSAUGA COOKSVILLE BUSINESS IMPROVEMENT 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 Cooksville Business Improvement Area, Council, Inhabitants and Ratepayers of The Corporation of the City of Mississauga

Opinion

We have audited the financial statements of City of Mississauga Cooksville Business Improvement 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.

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.

- 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

March 25, 2025

CITY OF MISSISSAUGA COOKSVILLE BUSINESS IMPROVEMENT AREA

Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
Financial Assets		
Cash	$ 204,981	$ 299,514
Accounts receivable	60,865	12,457
	265,846	311,971
Financial Liabilities		
Accounts payable and accrued liabilities	35,653	17,277
Due to The Corporation of the City of Mississauga (note 2)	3,329	2,763
	38,982	20,040
Net financial assets	226,864	291,931
Prepaid expenses	2,329	2,329
Tangible capital assets (note 3)	10,333	19,806
Commitments (note 7)		
Accumulated surplus (note 4)	$ 239,526	$ 314,066

See accompanying notes to financial statements.

On behalf of the Board:

_________________________________ Chair

_________________________________ Treasurer

CITY OF MISSISSAUGA COOKSVILLE BUSINESS IMPROVEMENT AREA

Statement of Operations and Accumulated Surplus

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

	Budget 2024 (note 5)	Actual 2024	Actual 2023
Revenue:			
Special levy on business assessment	$ 300,050	$ 296,721	$ 170,359
Grant	7,500	4,146	–
Other	235,000	25,847	13,263
Interest	10,000	7,896	7,179
	552,550	334,610	190,801
Expenses:			
Office and administration	224,350	146,748	143,194
Beautification and maintenance	195,000	146,404	81,873
Amortization	15,700	9,473	8,586
Professional fees	19,500	12,816	14,044
Advertising and promotion	13,000	655	4,395
Events	85,000	93,054	63,949
	552,550	409,150	316,041
Annual deficit	$ –	(74,540)	(125,240)
Accumulated surplus, beginning of year		314,066	439,306
Accumulated surplus, end of year (note 4)		$ 239,526	$ 314,066

See accompanying notes to financial statements.

CITY OF MISSISSAUGA COOKSVILLE BUSINESS IMPROVEMENT AREA

Statement of Change in Net Financial Assets

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

	2024	2023
Annual deficit	$ (74,540)	$ (125,240)
Additions to tangible capital assets	–	(7,100)
Amortization of tangible capital assets	9,473	8,586
Change in prepaid expenses	–	(2,329)
Change in net financial assets	(65,067)	(126,083)
Net financial assets, beginning of year	291,931	418,014
Net financial assets, end of year	$ 226,864	$ 291,931

See accompanying notes to financial statements.

CITY OF MISSISSAUGA COOKSVILLE BUSINESS IMPROVEMENT 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	$ (74,540)	$ (125,240)
Amortization of tangible capital assets which does not involve cash	9,473	8,586
Change in non-cash operating working capital:		
Accounts receivable	(48,408)	14,543
Prepaid expenses	–	(2,329)
Accounts payable and accrued liabilities	18,376	(17,208)
Due to The Corporation of the City of Mississauga	566	(319)
	(94,533)	(121,967)
Capital activities:		
Additions to tangible capital assets	–	(7,100)
Decrease in cash	(94,533)	(129,067)
Cash, beginning of year	299,514	428,581
Cash, end of year	$ 204,981	$ 299,514

See accompanying notes to financial statements.

CITY OF MISSISSAUGA COOKSVILLE BUSINESS IMPROVEMENT AREA

Notes to Financial Statements

Year ended December 31, 2024

On February 19, 2020, 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 Cooksville Business Improvement Area (the "Organization"). The Organization 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 area as a business or shopping area. The Organization is dependent on the City for funding through the special levy on an annual basis.

1. Significant accounting policies:

The financial statements of the Organization are the representation of management 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 they become 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 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.

CITY OF MISSISSAUGA COOKSVILLE BUSINESS IMPROVEMENT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

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 and fixtures	4 years

(d) Use of estimates:

The preparation of the 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.

(e) 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 these standards on the future financial statements.

PS 1202, Financial Statement Presentation. 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 Organization being the year ending December 31, 2027).

PS 3251, Employee Benefits, will replace the current section PS 3250 and PS 3255. The proposed section is currently undergoing discussions where further changes are expected as a result of the re-exposure comments. Effective date is currently not determined.

CITY OF MISSISSAUGA COOKSVILLE BUSINESS IMPROVEMENT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(f) Adoption of new accounting policies:

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

(i) PS 3400, Revenue, establishes a single framework to categorize revenue to 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 Organization's adoption of these amendments during the year ended December 31, 2024 did not have a material impact on the financial statements.

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

The amount due to the City includes the cumulative overlevy as of December 31, 2024 (2023 - overlevy). The amount receivable has no specific terms of repayment and does not bear any interest due to the City.

CITY OF MISSISSAUGA COOKSVILLE BUSINESS IMPROVEMENT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2024

3. Tangible capital assets:

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Furniture and fixtures	$ 37,890	$ 27,557	$ 10,333	$ 19,806

4. Accumulated surplus:

Accumulated surplus at December 31 comprises the following:

	2024	2023
Invested in tangible capital assets	$ 10,333	$ 19,806
Reserve for working capital needs	229,193	294,260
	$ 239,526	$ 314,066

5. Budget data:

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

6. Risk management:

The Organization 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 Organization 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 Organization consisting of accounts receivable and due to The Corporation of the City of Mississauga balance. The Organization'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.

CITY OF MISSISSAUGA COOKSVILLE BUSINESS IMPROVEMENT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2024

6. Risk management (continued):

(b) Liquidity risk:

Liquidity risk is the risk that the Organization will not be able to meet its financial obligations as they become due. The Organization's objective is to have sufficient liquidity to meet these liabilities when due. The Organization 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 Organization manages its interest rate risk by maintaining a fixed income investment that is not subject to fair valuation fluctuations.

7. Commitments:

The Organization has entered into a lease agreement for premises that expires in 2029. The annual commitments are approximately as follows:

2025	$ 15,507
2026	15,862
2027	16,217
2028	16,572
2029	8,286
	$ 72,444