

STRATFORD CITY CENTRE COMMITTEE

FINANCIAL STATEMENTS

For the year ended December 31, 2018

STRATFORD CITY CENTRE COMMITTEE

For the year ended December 31, 2018

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INDEPENDENT AUDITORS' REPORT

To the Chair and Members of Council, Inhabitants and Ratepayers of the Corporation of the City of Stratford

Opinion

We have audited the financial statements of Stratford City Centre Committee (the 'Committee'), which comprise the statement of financial position as at December 31, 2018, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Committee as at December 31, 2018, and the results of its operations 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 *Auditors' Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the Committee 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 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.

In preparing the financial statements, management is responsible for assessing the Committee's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Committee or to cease operations, or has no realistic alternative but to do so.

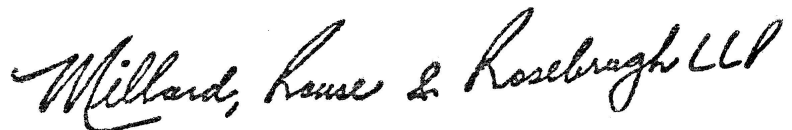
Those charged with governance are responsible for overseeing the Committee's financial reporting process.

Auditors' 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 auditors' 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 these 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 Committee'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 Committee's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Committee 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.

We 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.



June 19, 2019
Brantford, Ontario

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

STRATFORD CITY CENTRE COMMITTEE

Statement of Financial Position

December 31, 2018 with comparative figures for 2017

	2018	2017
Financial Assets		
Cash	\$ 118,714	\$ 99,183
Accounts receivable	17,444	15,713
	\$ 136,158	\$ 114,896
Liabilities		
Accounts payable and accrued liabilities	\$ 12,448	\$ 5,120
Deferred Revenue (note 3)	3,907	10,286
	\$ 16,355	\$ 15,406
Net Assets	\$ 119,803	\$ 99,490
	\$ 136,158	\$ 114,896

See accompanying notes and schedules to financial statements.

STRATFORD CITY CENTRE COMMITTEE

Statement of Operations and Changes in Net Assets

December 31, 2018 with comparative figures for 2017

	Budget		
	2018	2018	2017
Revenue:			
Tax levy	\$ 227,150	\$ 227,150	\$ 208,634
Tourism grant	\$ 34,000	\$ 150	\$ 36,000
Sponsorship	-	-	19,392
Market Square Sponsorships	14,000	29,512	21,899
Grant revenue	-	-	1,442
Interest earned	1,000	2,579	1,771
	276,150	259,391	289,138
Expenses:			
Promotions	171,650	137,340	162,471
Administration	78,000	67,126	66,728
Beautification	36,500	34,613	57,823
	286,150	239,079	287,022
Annual (deficit) surplus	(10,000)	20,313	2,116
Opening Net Assets	\$ 99,490	99,490	97,374
Ending Net Assets	\$ 89,490	\$ 119,803	\$ 99,490

See accompanying notes and schedules to financial statements.

STRATFORD CITY CENTRE COMMITTEE

Statement of Cash Flows

December 31, 2018 with comparative figures for 2017

	2018	2017
Change in cash		
Operating activities		
Annual (deficit) surplus	\$ 20,313	\$ 2,116
Change in:		
Accounts receivable	(1,731)	5,629
Accounts payable and accrued liabilities	7,328	(2,960)
Deferred revenues	(6,379)	(3,264)
Net increase in cash	19,531	1,521
Cash, beginning of year	99,183	97,662
Cash, end of year	\$ 118,714	\$ 99,183

See accompanying notes and schedules to financial statements.

STRATFORD CITY CENTRE COMMITTEE

Notes to Financial Statements

Year ended December 31, 2018

1. Significant accounting policies:

The financial statements of the Stratford City Centre Committee (the "Committee") are prepared in accordance with Canadian public sector accounting standards as defined in the Canadian Institute of Chartered Accountants Public Sector Accounting Handbook.

(a) Basis of accounting:

Sources of 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 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) Use of estimates:

The preparation of the Committee's financial statements in accordance with Canadian Public Sector Accounting Standards 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 revenues and expenses during the year. Actual results could differ from those estimates.

STRATFORD CITY CENTRE COMMITTEE

Notes to Financial Statements

Year ended December 31, 2018

2. Related party transactions

	2018	2017
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During the year, Stratford City Centre Committee recorded the following transactions with the Corporation of the City of Stratford:

Tax levies collected on behalf of Stratford City Centre Comm	\$ 227,150	\$ 208,634
Current year tax adjustments	2,751	5,005

3. Deferred revenues

	2018	2017
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Deferred revenues	\$3,907	\$10,286
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Revenues from the sale of gift cards to downtown Stratford retailers are not recognized until they are used. Amounts have been deferred as at December 31, 2018.