

JAMES H. STINN

CPA, Prof. Corp.

SUITE 300 - 820 51ST STREET EAST
SASKATOON, SASKATCHEWAN S7K 0X8
PHONE (306) 955-9977 FAX (306) 978-8173
EMAIL jstinn@sasktel.net

SUTHERLAND BUSINESS IMPROVEMENT DISTRICT

FINANCIAL STATEMENTS

DECEMBER 31, 2017

**SUTHERLAND BUSINESS IMPROVEMENT DISTRICT
INDEX TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017**

	Page
Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Receipts and Expenditures and Fund Balance	3
Statement of Changes in Financial Position	4
Notes to the Financial Statements	5-6

JAMES H. STINN

CPA, Prof. Corp.

SUITE 300 - 820 51ST STREET EAST
SASKATOON, SASKATCHEWAN S7K 0X8
PHONE (306) 955-9977 FAX (306) 978-8173
EMAIL jstinn@sasktel.net

INDEPENDENT AUDITOR'S REPORT

To the Members of Sutherland Business Improvement District:

I have audited the accompanying financial statements of Sutherland Business Improvement District which comprise the statement of financial position as at December 31, 2017 and the statements of receipts and expenditures, and fund balance, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Organization's responsibility for the Financial Statements

The 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.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian Auditing Standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

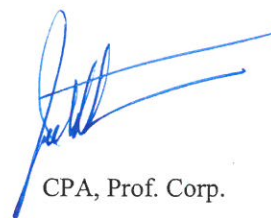
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Sutherland Business Improvement District as at December 31, 2017 and its financial performance for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Saskatoon, Saskatchewan
January 22, 2018

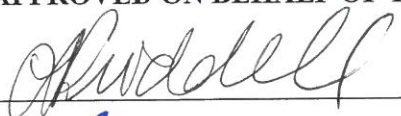


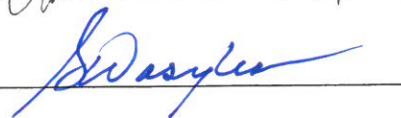
CPA, Prof. Corp.

SUTHERLAND BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>
ASSETS		
Current assets		
Bank (Note 4)	\$ 39,048	\$ 56,941
Accounts receivable (Note 5)	4,593	2,542
Prepaid Expenses	<u>439</u>	<u>209</u>
	<u>\$ 44,080</u>	<u>\$ 59,692</u>
LIABILITIES		
Current liabilities		
Accounts payable and accruals	\$ <u>1,750</u>	\$ <u>1,450</u>
NET ASSETS		
Net Assets	<u>42,330</u>	<u>58,242</u>
	<u>\$ 44,080</u>	<u>\$ 59,692</u>

APPROVED ON BEHALF OF THE BOARD:

 Director

 Director

The accompanying notes are an integral part of these financial statements.

SUTHERLAND BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF RECEIPTS AND EXPENDITURES AND FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>
Receipts		
Business assessments	\$ 47,983	\$ 30,230
Grants - Streetscaping	<u>0</u>	<u>2,592</u>
	<u>47,983</u>	<u>32,822</u>
Expenditures		
Audit fees	1,966	1,604
Bank charges	41	165
Contract services (Exec director)	31,280	24,288
Culture Fair	5,025	0
Insurance	840	880
Membership fees	408	670
Newsletter and advertising	3,924	524
Office	1,596	1,315
Rent	1,386	1,476
Repairs and maintenance	14,868	13,623
Street Signs	0	105
Telephone	663	605
Utilities	631	665
Website	<u>1,267</u>	<u>576</u>
	<u>63,895</u>	<u>46,496</u>
Deficiency of receipts over expenditures	(15,912)	(13,674)
Net Assets, beginning of year	<u>58,242</u>	<u>71,916</u>
Net Assets, end of year	<u><u>\$ 42,330</u></u>	<u><u>\$ 58,242</u></u>

The accompanying notes are an integral part of these financial statements.

SUTHERLAND BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>
Operating activities		
Deficiency of receipts over expenditures	\$ (15,912)	\$ (13,674)
Change in non-cash components of working capital:		
Accounts receivable	(2,051)	(2,543)
Prepaid's	(230)	(9)
Accounts payable and accruals	<u>300</u>	<u>(759)</u>
Decrease in cash	(17,893)	(16,986)
Cash, beginning of year	<u>56,941</u>	<u>73,925</u>
Cash, end of year	<u>\$ 39,048</u>	<u>\$ 56,941</u>

The accompanying notes are an integral part of these financial statements.

SUTHERLAND BUSINESS IMPROVEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2017

1. GENERAL

The Sutherland Business Improvement District was established under the provisions of the Saskatchewan Urban Municipalities Act via a bylaw of the City of Saskatoon. The main function of the Sutherland Business Improvement District is to improve business in the Sutherland area of Saskatoon, Saskatchewan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of the Organization have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund Accounting

The accounts of the Organization are maintained with the principles of "fund accounting" in order that limitations are placed on the use of available resources. Under fund accounting resources are classified for accounting purposes with specific objectives.

The General Fund accounts for the Organization's administrative activities. This fund reports unrestricted resources. This is the only fund that the Organization has.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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. Significant areas of estimation include allowance for doubtful accounts, estimated useful lives of tangible capital assets, impairment of long-lived assets, accrued liabilities, employee future benefits, and disclosure of contingencies.

Cash

Cash is composed strictly of cash, plus outstanding deposits, less outstanding cheques.

Receipts and Expense Recognition

Receipts and expenditures are recognized using the accrual basis of accounting.

Donation of Services

The Organization received a significant amount of volunteer services throughout the year. The monetary value of these services has not been recognized in these financial statements.

Financial instruments

Financial instruments, including cash, accounts receivable and accounts payable and accruals, are initially recorded at their fair value and are subsequently measured at cost or amortized cost, net of any provisions for impairment.

The accompanying notes are an integral part of these financial statements.

SUTHERLAND BUSINESS IMPROVEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Income Taxes

Due to the nature of the activities as a non-profit organization, the Organization is exempt from income tax.

4. CASH

The Cash component included in the cash flow statement is comprised of the following balance sheet accounts:

	<u>2017</u>	<u>2016</u>
Cash in bank	\$ 39,111	\$ 58,261
Cheques issued and outstanding	<u>(63)</u>	<u>(1,320)</u>
	<u>\$ 39,048</u>	<u>\$ 56,941</u>

5. ACCOUNTS RECEIVABLE

	<u>2017</u>	<u>2016</u>
City of Saskatoon	<u>\$ 4,593</u>	<u>\$ 2,592</u>

6. ACCOUNTS PAYABLE

	<u>2017</u>	<u>2016</u>
James H. Stinn, CPA Prof. Corp.	<u>\$ 1,750</u>	<u>\$ 1,450</u>

7. FINANCIAL RISKS AND CONCENTRATION OF RISKS

The Organization as part of its operations, carries a number of financial instruments. It is the board of director's opinion that the Organization is not exposed to significant credit risk, liquidity risk, foreign currency exchange risk, interest rate risk or market risk, arising from these financial instruments.

8. ECONOMIC DEPENDENCE

The Organization is economically dependent on business assessment revenue from the City of Saskatoon.

The accompanying notes are an integral part of these financial statements.