



Agenda

Thornbury Business Improvement Area

Meeting Date: Wednesday, June 11, 2025
Meeting Time: 8:00 a.m.
Location: Town Hall, Council Chambers
Prepared by: Nicole Hilton – BIA General Manager

A. Call to Order

A.1 Traditional Territory Acknowledgement

We would like to begin our meeting by recognizing the First Nations, Metis, and Inuit Peoples of Canada as traditional stewards of the land. The municipality is located within the boundary of Treaty 18 region of 1818 which is the traditional land of the Anishnaabek, Haudenosaunee, and Wendat-Wyandot-Wyandotte peoples.

A.2 Board of Directors Attendance

A.3 Approval of Agenda

Recommended (Move, second)

THAT the Agenda of Wednesday, June 11, 2025 be approved as circulated, including any additions to the Agenda.

A.4 Declaration of Pecuniary Interest and general nature thereof

NOTE: In accordance with the *Municipal Conflict of Interest Act* Business Improvement Area Directors must file a written statement of the interest and its general nature with the Clerk for inclusion on the Registry.

A.5 Previous Minutes (Wednesday, May 7, 2025)

Recommended (Move, second)

THAT the Minutes of Wednesday, May 7, 2025 be approved as circulated, including any revisions to be made.

B. Deputations and Public Comment Period

B.1 Deputations, if any

None

B.2 Public Comment Period (each speaker is allotted three minutes)

NOTE: Ten (10) minutes are allotted at the Meeting to receive public comments regarding Thornbury Business Improvement Area matters included on the Agenda. The speaker shall provide their name and address, and shall address their comments to the Chair. Comments shall not refer to personnel, litigation, or potential litigation matters.

NOTE: Comments received from the public that have not been included on the Agenda will be read at the meeting by the BIA Manager.

C. Matters for Discussion

C.1 Council Update – Councillor Shawn McKinlay

C.2 2024 KPMG Audited Financial Statements

C.3 Thornbury BIA Budget 2025

C. 4 Finance: Quarterly HST Inquiry – Chair Smith

C.5 MAT Committee Update – Joe Halos

C.6 Sub-Committee Updates

1. Budget & Administration Sub-Committee: Doug, Renee, Joe

2. Marketing Sub-Committee: Kelly, Shawn, Andrea

3. Beautification Sub-Committee: Lesley, Renee

4. Events & Cultural Tourism Sub-Committee: Renee, Kelly, Shawn

D. Correspondence

None

E. New and Unfinished Business

E.1 Additions to the Agenda

E.2 Items Identified for Discussion at the Next Meeting

F. Notice of Meeting Dates

Wednesday, September 3, 2025 – BIA Board Meeting
Town Hall, Council Chambers (in-person)

G. Adjournment

Recommended (Move, second)

THAT this meeting does now adjourn at (time) to meet again on Wednesday, September 3, 2025 at 8:00 a.m. at Council Chambers, Town Hall or at the call of the Chair.

**THE THORNBURY BUSINESS
IMPROVEMENT AREA**

Year ended December 31, 2024

DRAFT

Thornbury Business Improvement Area

Financial Statements

December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Thornbury Business Improvement Area

We have audited the financial statements of The Thornbury 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 changes 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 changes 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.
- 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.

Chartered Professional Accountants, Licensed Public Accountants

Kitchener, Canada

Date

Thornbury Business Improvement Area

Statement of Financial Position

December 31, 2024

	Actual 2024	Actual 2023
Financial assets		
Cash	\$ 185,065	\$ 139,977
Net financial assets	185,065	139,977
Non-financial assets		
Tangible capital assets (note 2)	45,952	89,123
Accumulated Surplus (note 3)	\$ 231,017	\$ 229,100

Thornbury Business Improvement Area

Statement of Operations and Accumulated Surplus

December 31, 2024

	Budget 2024	Actual 2024	Actual 2023
Revenue:			
BIA Levy	\$ 89,300	\$ 89,300	\$ 105,925
Grants From Town (note 4)	17,600	21,360	56,366
Other	–	2,000	–
	106,900	112,660	162,291
Expenses:			
Administration	39,000	18,498	21,592
Amortization	–	43,171	32,093
Beautification	7,000	1,376	7,144
Conferences & Memberships	300	281	248
Professional Fees	4,100	5,406	3,969
Promotion - Special Events	67,500	42,011	32,765
	117,900	110,743	97,811
Annual Surplus	(11,000)	1,917	64,480
Accumulated surplus, beginning of the year	229,100	229,100	164,620
Accumulated surplus, end of the year	\$ 218,100	\$ 231,017	\$ 229,100

Thornbury Business Improvement Area

Statement of Changes in Net Financial Assets

December 31, 2024

	Budget 2024	Actual 2024	Actual 2023
Annual Surplus	\$ (11,000)	\$ 1,917	\$ 64,480
Acquisition of tangible capital assets	–	–	(88,559)
Amortization of tangible capital assets	–	43,171	32,093
	–	43,171	(56,466)
Change in net financial assets	(11,000)	45,088	8,014
Net financial assets, beginning of year	139,977	139,977	131,963
Net financial assets, end of year	\$ 128,977	\$ 185,065	\$ 139,977

Thornbury Business Improvement Area

Statement of Cash Flows

December 31, 2024

	Actual 2024	Actual 2023
Increase (decrease) in cash		
Operating Activities		
Annual surplus	\$ 1,917	\$ 64,480
Amortization	43,171	32,093
	45,088	96,573
Investing Activities		
Purchase of tangible capital assets	–	(88,559)
Net increase in cash	45,088	8,014
Cash, beginning of year	139,977	131,963
Cash, end of year	\$ 185,065	\$ 139,977

Thornbury Business Improvement Area

Notes to the Financial Statements

December 31, 2024

1. Significant accounting policies:

The Thornbury Business Improvement Area Board of Management (the Board or the BIA) was established and approved by the Corporation of The Town of The Blue Mountains By-law No. 25-1981 on December 14, 1981. The Board's mandate is to improve and beautify the Thornbury business area.

(a) Basis of accounting:

The financial statements of the Board are the representations of management. They have been prepared in accordance with the Canadian Public Sector Accounting Board of the Chartered Professional Accountants Canada.

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measureable; expenses are recognized as they are incurred and measureable 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 financial statements in accordance with Canadian public sector accounting standards requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for items such as tangible capital assets. By their nature, these estimates are subject to measurement uncertainty and actual results could differ from management's best estimates as additional information becomes available in the future.

(c) Cash and cash equivalents:

Cash and cash equivalents are included in the cash balances consolidated with the Town of The Blue Mountains (the Town) cash balances segregated for the BIA.

(d) Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Costs include all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Amortization is provided over the estimated useful life of the assets, using the straight-line method. The useful life of the assets is based on estimates made by the BIA. The following rates are used:

Amortization is charged in the year of acquisition and in the year of disposal.

Asset	Useful Life - Years
Fixtures	3 to 5

Thornbury Business Improvement Area

Notes to the Financial Statements

December 31, 2024

1. Significant accounting policies (continued)

(e) Revenue recognition:

Revenues are recognized as follows:

- a. The BIA Levy revenue is recorded on an annual basis using the proportionate share of the total number of businesses for the year and an annually established rate per business. Revenue is recognized when levied.
- b. Grant revenues are recognized in the year the events giving rise to the transfer occurred, provided that the transfer is authorized and the amount can be reasonably estimated. Grants are recognized when approved to the extent that the related expenses have been incurred and collection can be reasonably assured.
- c. Other revenues are recorded upon sale of goods or provision of service when collection is reasonably assured.

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost. Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations. Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method. All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement gains and losses. When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations.

As there were no remeasurement gains or losses, the statement of remeasurement gains and losses have been excluded from these financial statements.

Thornbury Business Improvement Area

Notes to the Financial Statements

December 31, 2024

1. Significant accounting policies (continued)

(g) Adoption of new accounting standards:

The BIA adopted the following accounting standards beginning January 1, 2024, retroactively, with no impact on the financial statements:

- a. PS 3400 Revenue establishes standards on how to account for an report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions. For exchange transactions, revenue is recognized when a performance obligation is satisfied. For non-exchange transactions, revenue is recognized when there is authority to retain an inflow of economic resources and a past event that gave rise to an asset has occurred.

No significant changes were required as a result of implementing the new standard.

2. Tangible capital assets:

	2024 Fixtures	2023 Fixtures
Cost		
Balance, beginning of year	\$ 188,081	\$ 99,522
Additions	–	88,559
Balance, end of year	188,081	188,081
Accumulated amortization		
Balance, beginning of year	98,958	66,865
Amortization	43,171	32,093
Balance, end of year	142,129	98,958
Net Book Value	\$ 45,952	\$ 89,123

3. Accumulated surplus:

	2024	2023
Investment in tangible capital assets	\$ 45,952	\$ 89,123
Reserves	185,065	139,977
Balance, end of year	\$ 231,017	\$ 229,100

The investment in tangible capital assets represents amounts already spent and invested in fixtures. Reserves represent funds set aside by by-law or resolution for specific purposes.

Thornbury Business Improvement Area

Notes to the Financial Statements

December 31, 2024

4. Related Party Transaction

The BIA was established as a board of management by the Town. The Town is considered to be a related party.

During the year, the BIA in its normal course of operations had the following transactions with the Town:

	2024	2023
Grants From Town	\$ 21,360	\$ 56,366
	\$ 21,360	\$ 56,366

5. Budget

Membership levies are collected from businesses operating within designated areas of the Town. Budgeted membership levies for 2024 of \$89,300 reflect the total levies expected to be collected for the year 2024.

The Budget adopted by Council of the Town on April 2, 2024, was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards requires the full accrual basis. The budget expenses all tangible capital expenditures rather than capitalising additions and including amortization expense. Amortization was not contemplated on development of the BIA budget and, as such, has not been included. As a result, the budget figures presented in the Statement of Operations represent the Financial Plan adopted by Council on April 2, 2024.

6. Financial risks and concentration of risk:

- a. Credit risk: Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Business Improvement Area deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. There has been no change to the risk exposure from 2023.
- b. Liquidity risk: Liquidity risk is the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association manages its liquidity risk by monitoring its operating requirements. The Business Improvement Area prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2023.

2025 Thornbury Business Improvement Area Budget

GL Program	GL Object	BIA Description	Unaudited		
			2024 Budget	2024 Actual (Up to Dec 2024)	2025 Budget
1000	62000	Banners	\$ 5,000.00	\$ 1,376.07	\$ 3,000.00
		Lights on Lamposts			
		Maintenance of lights	2,000.00	-	2,000.00
8407	63125	Winter Lighting	22,000.00	20,974.44	15,000.00
1000	63125	Bucket truck services	2,500.00	1,602.72	2,500.00
1000	62017	Beautification	12,000.00	8,364.62	10,000.00
1000	62024	Events in the Parkette	2,000.00	908.80	2,500.00
8401	62024	Canada Day	4,000.00	3,424.46	4,000.00
8402	62024	Fall Events	2,500.00	1,994.19	2,000.00
8403	62024	Meet + Greet	2,500.00	609.94	1,000.00
8404	62024	Olde Fashioned Christmas	20,000.00	13,901.65	20,000.00
1000	62125	Advertisements/Partnerships	3,500.00	1,747.73	5,000.00
1000	62205	OBIAA Membership	300.00	281.01	300.00
1000	62225	OBIAA conference	~		2,250.00
1000	62110	Services - Website/Branding	3,000.00	2,185.39	1,500.00
1000	62520	Services - Administrative	30,000.00	12,962.50	36,000.00
1000	63020	Insurance	1,600.00	1,406.15	1,600.00
1000	63110	Audit Fees for Annual F/S	2,500.00	-	4,000.00
1000	63120	Consulting			
1000	63225	Sponsorships & Grants		2,000.00	
		TOTAL EXPENSES	\$ 117,900.00	\$ 69,739.67	\$ 112,650.00
		TRANSFERS			
1000	74030	Transfer to Reserves	\$ -	\$ -	\$ -
1000	54032	Funding from Reserves	- 11,000.00	- 20,000.00	
1000	88200	Grant from Town for Economic Development	- 10,000.00	- 10,300.00	10,609.00
1000	81240	Grant from Town for Insurance	- 1,600.00	-	
1000	86110	Flower Watering (Subsidy)		-	
1000	86100	Community Services (Subsidy)		- 25,750.00	
1000	81230	Finance Transfer	5,000.00	5,150.00	5,304.50
8407	86100	Town Grant for winter lighting	- 11,000.00		
		TOTAL TRANSFERS	-\$ 28,600.00	-\$ 50,900.00	-\$ 5,304.50
		TOTAL TRANSFERS & EXPENSES	\$ 89,300.00	\$ 18,839.67	\$ 107,345.50
1000	57018	BIA Levy	\$ 89,300.00	\$ 89,300.40	\$ 89,300.40
1000	53005	Canada Day Grant from Canada		-	
1000	57010	Fees & Charges		-	
1000	57017	Sponsors and Partnerships		-	
		TOTAL REVENUE	\$ 89,300.00	\$ 89,300.40	\$ 89,300.40
		Net Position Surplus/(Deficit)	\$ -	\$ 70,460.73	-\$ 18,045.10
		Net Position Surplus/(Deficit) After Reversals noted above posted - then this should be transferred to reserves	\$ -	\$ 35,770.73	