

Public Agenda

June 25, 2018



Don Mount Court Development Corporation

BOARD OF DIRECTORS MEETING

June 25, 2018
2:50 p.m. – 3:10 p.m.

Main Boardroom, Ground Floor
931 Yonge Street
Toronto, Ontario
M4W 2H2

Board of Directors
Nick Macrae, Chair
Rose-Ann Lee
Kathy Milsom

PUBLIC MEETING AGENDA ITEMS

Item	Description	Action	Pre-read
1	Approval of Agenda	Approval	Agenda
2	Chair's Poll for Conflict of Interest	Declaration	Agenda Conflict of Interest Policy
3	Appointment of Officers	Approval	Resolution
4	Confirmation of minutes of <ul style="list-style-type: none">DMCDC Confidential Meeting held on November 10, 2017	Approval	Minutes
5	Don Mount Court Development Corporation 2017 Draft Unaudited Financial Statements & PWC Year-End Report	Approval	DMCDC:2018-01

TERMINATION

Board members must declare any conflict of interest which relates to an item of discussion.

RESOLUTION OF THE DIRECTORS

OF

DON MOUNT COURT DEVELOPMENT CORPORATION

Dated June 25, 2018

APPOINTMENT OF OFFICERS

BE IT RESOLVED THAT:

1. Nick Macrae is hereby appointed as Chair of Don Mount Court Development Corporation ("DMCDC"), effective June 12, 2018; and
2. the officers of DMCDC are now as follows:

Nick Macrae	Chair;
Kathy Milsom	Chief Executive Officer;
Rose-Ann Lee	Treasurer; and
Ismail Ibrahim	Secretary.

Don Mount Court Development Corporation

Item 5

June 25, 2018

BOARD OF DIRECTORS

DON MOUNT COURT DEVELOPMENT CORPORATION 2017 DRAFT UNAUDITED FINANCIAL STATEMENTS & PWC YEAR-END REPORT

To: Board of Directors

Report: DMCDC:2018-01

From: Treasurer

Date: June 12, 2018

Page 1 of 2

PURPOSE:

To provide the Board of Directors with the Don Mount Court Development Corporation's ("DMCDC's") draft Unaudited Financial Statements and PricewaterhouseCoopers LLP's ("PWC's") Year-end report as at and for the year ended December 31, 2017.

RECOMMENDATIONS:

It is recommended that the Board of Directors:

- (1) approve Don Mount Court Development Corporation's draft unaudited financial statements for the year ended December 31, 2017 ("Financial Statements") and accompanying 2017 year-end report from PricewaterhouseCoopers LLP;
- (2) forward the Financial Statements to the Shareholder as part of the annual reporting to the Shareholder; and
- (3) authorize the appropriate Don Mount Court Development Corporation officials to take the necessary action to give effect to the above recommendations.

DMCDC Unaudited 2017 Financial Statements and PWC Year-End Report

Report: DMCDC: 2018-01

Page 2 of 2

REASONS FOR RECOMMENDATIONS:

The attached draft unaudited financial statements are required to comply with the Shareholder Direction and *Ontario Business Corporation Act* (OBCA).

EXECUTIVE OVERVIEW:

DMCDC was created to oversee the redevelopment of TCHC's residential complex located on Don Mount Court. DMCDC is responsible for the establishment and implementation of a project budget and financial plan for the management of the redevelopment project.

DMCDC did not carry on any active business during the years ended December 31, 2011 thru to 2017. Management is in the process of winding down this entity.

SIGNATURE:

"Rose-Ann Lee"

Rose-Ann Lee
Treasurer
Don Mount Court Development Corporation

- Attachment:**
- 1: Appendix A: Draft Unaudited Financial Statements as at and for the year ended December 31, 2017
 - 2: Appendix B: PWC year-end report to Board of Directors

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Nagesh Dinavahi.....416-981-4315
TCHC Corporate Controller
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Don Mount Court Development Corporation

**Financial Statements
(Unaudited - See Notice to Reader)
December 31, 2017**

DRAFT

**FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
NOT TO BE FURTHER COMMUNICATED**

June 25, 2018

Notice to Reader

On the basis of information provided by management, we have compiled the statement of financial position of Don Mount Court Development Corporation as at December 31, 2017 and the statements of operations, statement of changes in shareholder equity (deficiency) and cash flows for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these financial statements may not be appropriate for their purposes.

Chartered Professional Accountants, Licensed Public Accountants

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Don Mount Court Development Corporation

Statement of Financial Position

(Unaudited - See Notice to Reader)Error! AutoText entry not defined.As at December 31, 2017

	2017 \$	2016 \$
Assets	-	-
Liabilities		
Current liabilities		
Accrued liabilities	204	204
Due to Toronto Community Housing Corporation (note 3)	66,647	66,433
	<u>66,851</u>	<u>66,637</u>
Shareholder's Deficiency		
Share capital		
Authorized		
Unlimited common shares		
Issued and outstanding		
1 common share	1	1
Deficit	<u>(66,852)</u>	<u>(66,638)</u>
	<u>(66,851)</u>	<u>(66,637)</u>
	<u>-</u>	<u>-</u>

Approved by the Board of Directors

_____ Director _____ Director

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

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 NOT TO BE FURTHER COMMUNICATED**

Don Mount Court Development Corporation

Statement of Operations

(Unaudited - See Notice to Reader)Error! AutoText entry not defined.For the year ended December 31, 2017

	2017 \$	2016 \$
Expenses		
Other	214	839
Deficiency of revenue over expenses for the year	(214)	(839)
Deficit - Beginning of year	(66,638)	(65,799)
Deficit - End of year	(66,852)	(66,638)

DRAFT

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

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Don Mount Court Development Corporation

Statement of Changes in Shareholders Equity (Deficiency)

(Unaudited - See Notice to Reader)Error! AutoText entry not defined.For the year ended December 31, 2017

	2017		
	Share capital \$	Deficit \$	Total \$
Deficit - Beginning of year	1	(66,638)	(66,638)
Excess of expenses over revenue for the year	-	(214)	(214)
Deficit - End of year	1	(66,852)	(66,862)
	2016		
	Share capital \$	Deficit \$	Total \$
Deficit - Beginning of year	1	(65,799)	(65,799)
Excess of expenses over revenue for the year	-	(839)	(839)
Deficit - End of year	1	(66,638)	(66,638)

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

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Don Mount Court Development Corporation

Statement of Cash Flows

(Unaudited - See Notice to Reader)Error! AutoText entry not defined.For the year ended December 31, 2017

	2017 \$	2016 \$
Cash provided by (used in)		
Operating activities		
Deficiency of revenue over expenses for the year	(214)	(839)
	(214)	(839)
Financing activities		
Increase in due to Toronto Community Housing Corporation	214	839
Increase in cash during the year	-	-
Cash - Beginning of year	-	-
Cash - End of year	-	-

**FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
 NOT TO BE FURTHER COMMUNICATED**

Don Mount Court Development Corporation

Notes to Financial Statements

(Unaudited - See Notice to Reader)

December 31, 2017

1 The organization

Don Mount Court Development Corporation (DMCDC) was incorporated under the provisions of the Ontario Business Corporations Act on August 28, 2001. DMCDC is wholly owned by the Toronto Community Housing Corporation (TCHC). According to shareholder direction as at December 13, 2002, DMCDC was created to oversee the redevelopment of TCHC's residential complex located on Don Mount Court. DMCDC is responsible for the establishment and implementation of project budgets and financial plans and management of the redevelopment project.

As TCHC is a not-for-profit organization (NPO), DMCDC is an extension of TCHC and is viewed as providing services to aid TCHC in achieving its NPO mandate. As such, DMCDC is an extension of an NPO.

Pursuant to Section 149, paragraph (1)(d.6) of the Income Tax Act (Canada) (the ITA), DMCDC is exempt from federal Part I tax, as it is a subsidiary of a municipal corporation. DMCDC qualifies as a subsidiary of TCHC having met the following conditions:

- TCHC, a municipal corporation, directly controls DMCDC;
- no rights have been issued to acquire shares or capital in DMCDC, either immediately or in the future, either absolutely or contingently; and
- no more than 10% of income for the taxation year is earned outside of the geographical boundaries of DMCDC, or those of TCHC.

Per subsection 27(2) of the Taxation Act (Ontario), DMCDC is exempt from Ontario income taxes because it is exempt from federal Part I tax pursuant to Section 149 of the ITA.

2 Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS), including accounting standards that apply to government not-for-profit organizations.

The significant accounting policies are summarized below:

Financial instruments

At initial recognition, DMCDC classifies its financial instruments in the following categories depending on the purpose for which the instruments were acquired:

Assets/liabilities	Category	Measurement
Cash	loans and receivables	amortized cost
Due to TCHC	financial liabilities	amortized cost
Accrued liabilities	financial liabilities	amortized cost

**FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
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Don Mount Court Development Corporation

Notes to Financial Statements

(Unaudited - See Notice to Reader)

December 31, 2017

3 Due to TCHC

The amount due to TCHC is non-interest bearing and is due on demand. TCHC has confirmed it will continue to support the liquidity of DMCDC and not demand repayment of amounts owing for a period of 12 months.

4 Capital management

In managing capital, DMCDC focuses on resources available for operations and capital expenditures. DMCDC's objective is to have sufficient liquidity to fund operating expenditures. As at December 31, 2017, DMCDC has met its objective of having sufficient liquidity to meet its current budgeted requirements.

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**FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
NOT TO BE FURTHER COMMUNICATED**



DON MOUNT COURT DEVELOPMENT CORPORATION
Board Meeting Agenda
2017 NTR

Status

Review is substantially complete and outstanding items are as follows:

- Approval of final financial statements
- Subsequent event update

Nature of engagement

On the basis of information provided by management, we have compiled the statement of financial position of DON MOUNT COURT DEVELOPMENT CORPORATION, as at December 31, 2017 and the statements of operations, statement of changes in shareholder equity (deficiency) and cash flows for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements.

Internal control, fraud and error

We have not performed an audit or a review engagement in respect of these financial statements.

Our engagement cannot be relied upon to prevent and detect errors, fraud or illegal acts that may exist.

The control over and the responsibility for the prevention and the detection of fraud, error or illegal acts remains solely with you.

Significant difficulties or disagreements that occurred during the review

No difficulties or disagreements with management occurred while performing our review that requires the attention of the **DON MOUNT COURT DEVELOPMENT CORPORATION**, Board of Directors.