

**THE BOARD OF MANAGEMENT FOR THE
CORSO ITALIA
BUSINESS IMPROVEMENT AREA**

**Financial Statements
For the Year Ended December 31, 2007**

**CORSO ITALIA
BUSINESS IMPROVEMENT AREA**

DECEMBER 31, 2007

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AUDITOR'S REPORT

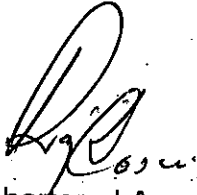
**To the Council of the Corporation of the City of Toronto and the
Board of Management for the Corso Italia Business Improvement Area**

I have audited the statement of financial position of the Board of Management for the Corso Italia Business Improvement Area as at December 31, 2007 and the statements of revenue, expenditure and operating surplus and changes in financial position for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly in all material respects, the financial position of the Board as at December 31, 2007 and the results of its operations and changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.


Toronto, Ontario
May 2, 2008


Chartered Accountant
Licensed Public Accountant

**THE BOARD OF MANAGEMENT FOR THE
 CORSO ITALIA BUSINESS IMPROVEMENT AREA
 STATEMENT OF FINANCIAL POSITION
 AS AT DECEMBER 31, 2007**

	2007 \$	2006 \$
ASSETS		
Current		
Cash and Short-term investments	437,299	433,639
Accounts receivable		
City of Toronto - special charges (Note 3)	19,034	10,397
- other	-	1,350
Other receivable	17,793	10,231
	<u>474,126</u>	<u>455,617</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities		
City of Toronto	29,142	58,036
Other	40,467	30,331
	<u>69,609</u>	<u>88,367</u>
ACCUMULATED SURPLUS		
Operating	<u>404,517</u>	<u>367,250</u>
	<u>474,126</u>	<u>455,617</u>

Approved on behalf of the Board of Management:



Chair



Treasurer

**THE BOARD OF MANAGEMENT FOR THE
 CORSO ITALIA BUSINESS IMPROVEMENT AREA
 STATEMENT OF REVENUE, EXPENDITURE AND OPERATING SURPLUS
 FOR THE YEAR ENDED DECEMBER 31, 2007**

	2007 \$ Budget	2007 \$ Actual	2006 \$ Actual
REVENUE			
City of Toronto – special levies	206,017	206,017	209,759
Grants	31,000	21,300	31,350
Interest	14,000	14,474	13,442
Other income	4,300	3,500	1,000
	<u>255,317</u>	<u>245,291</u>	<u>255,551</u>
EXPENDITURE			
Administration	32,815	31,591	32,403
Promotion and advertising	167,800	120,575	134,565
Capital and maintenance	49,000	58,763	86,543
Provision for (recovery of) uncollected levies (Note 3)	5,702	(2,905)	10,029
	<u>255,317</u>	<u>208,024</u>	<u>263,540</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FOR THE YEAR	-	37,267	(7,989)
OPERATING SURPLUS, BEGINNING OF YEAR	<u>367,250</u>	<u>367,250</u>	<u>375,239</u>
OPERATING SURPLUS, END OF YEAR	<u>367,250</u>	<u>404,517</u>	<u>367,250</u>

**THE BOARD OF MANAGEMENT FOR THE
 CORSO ITALIA BUSINESS IMPROVEMENT AREA
 STATEMENT OF CHANGES IN FINANCIAL POSITION
 FOR THE YEAR ENDED DECEMBER 31, 2007**

	2007 \$	2006 \$
CASH PROVIDED BY OPERATIONS		
Excess (deficiency) of revenue over expenditure for the year	37,267	(7,989)
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	(7,287)	2,104
Accounts receivable - Other	(7,562)	16,603
Accounts payable - Other	10,136	5,501
Accounts payable - City of Toronto	(28,894)	43,757
CASH PROVIDED BY OPERATIONS	<u>3,660</u>	<u>59,976</u>
CASH AND SHORT-TERM INVESTMENTS, BEGINNING OF YEAR	<u>433,639</u>	<u>373,663</u>
CASH AND SHORT-TERM INVESTMENTS, END OF YEAR	<u>437,299</u>	<u>433,639</u>

THE BOARD OF MANAGEMENT FOR THE
CORSO ITALIA BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

1. ESTABLISHMENT AND OPERATIONS

The Corso Italia Business Improvement Area (BIA) is established as a Business Improvement Area under the management and control of a Board of Management appointed by Council of the City of Toronto.

The Board is entrusted with the improvements, beautification and maintenance of municipally owned lands, buildings and structures in the area, together with the promotion of the area as a business or shopping area. Funding is provided by property owners of the BIA who are levied a special charge based on an annual operating budget prepared by the Board and approved by Council under Section 220(17) of the Municipal Act, as amended.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the representation of management and have been prepared in accordance with generally accepted accounting principles for local governments as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA), the most significant of which are as follows:

- (a) Revenues and expenditures are recorded using the accrual basis of accounting.
- (b) Capital expenditures are charged to operations in the year of acquisition.
- (c) Services provided without charge by the City of Toronto and others are not recorded in these financial statements.

THE BOARD OF MANAGEMENT FOR THE
 CORSO ITALIA BUSINESS IMPROVEMENT AREA
 NOTES TO THE FINANCIAL STATEMENTS, CONT'D
 FOR THE YEAR ENDED DECEMBER 31, 2007

3. CITY OF TORONTO – SPECIAL CHARGES

Special charges levied by the City are collected and remitted to the Board by the City. The total special charges outstanding consist of amounts collected by the City not yet remitted to the Board and amounts uncollected by the City.

The Board records special charges receivable net of an allowance for uncollected amounts. The special charges receivable from the City of Toronto are comprised of:

	2007	2006
	\$	\$
Total special charges outstanding	30,134	24,997
Less: allowance for uncollected special charges	(11,100)	(14,600)
Special charges receivable	<u>19,034</u>	<u>10,397</u>

The provision for (recovery of) uncollected levies reported on the Statement of Revenue, Expenditure and Operating Surplus comprises:

	2007	2006
	\$	\$
Special charges written-off	595	4,029
Change in allowance for uncollected special charges	(3,500)	6,000
	<u>(2,905)</u>	<u>10,029</u>

**THE BOARD OF MANAGEMENT FOR THE
CORSO ITALIA BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2007.**

4. COMMITMENTS

The Board, in co-operation with the City, has implemented cost-shared capital improvement projects on publicly owned property for several years. The projects are long-term in nature and are usually completed subsequent to the year of Council's approval. The Board is committed to capital improvement projects of which the Board's share of \$nil (2006-\$5,000) was outstanding as at December 31, 2007.

In addition, the Board has also approved the expenditure of approximately \$140,000 for streetlight pole banners, wiring to prepare new pedestrian lights for sound and for "gateway" signs.

5. INSURANCE

The Board is required to deposit with the Treasurer, City of Toronto, insurance policies indemnifying the City against public liability and property damage in respect of the activities of the Board. Insurance coverage providing \$5,000,000 for each occurrence or accident has been obtained by the Board, through the City of Toronto.