



STAFF REPORT ACTION REQUIRED

Leaside Memorial Community Gardens Arena – 2007 Audited Financial Statements and Management Letter

Date:	February 6, 2009
To:	Audit Committee
From:	Jeff Griffiths, Auditor General
Wards:	All
Reference Number:	

SUMMARY

The purpose of this report is to provide the Audit Committee and City Council with the 2007 audited financial statements and management letter of Leaside Memorial Community Gardens Arena. The audited financial statements and management letters for all other Arenas were previously submitted to Audit Committee.

RECOMMENDATIONS

The Auditor General recommends that:

1. City Council receive the 2007 audited financial statements and management letter of Leaside Memorial Community Gardens Arena.

FINANCIAL IMPACT

The recommendation in this report has no financial impact.

ISSUE BACKGROUND

The protocol relating to financial statements and management letters for Agencies, Boards and Commissions requires that “the governing body of each entity, subsequent to approval and review, be required to submit to the Audit Committee, for information purposes, copies of audited financial statements and management letters. Management responses should be appended to each management letter”.

The Audit Committee also requested that the financial statements and management letters of all Community Centres and Arenas be submitted to Audit Committee at the same time.

The financial statements were delayed due to changes in accounting policy, which necessitated a restatement of the financial statements. Certain of the changes were a result of policy changes made by the Canadian Institute of Chartered Accountants. There was also a change made by management.

The change made by management related to repayment of debt to the City. Previously, debt repayments were expensed in the year the payment was made. In management's opinion, this led to an understatement of expenses in a year when a debt repayment was not made and a corresponding overstatement of expenditures in a year when an extra payment was made to make up for any missed payment. Resolving this change involved discussion between management and the auditors.

The impact of all accounting changes is explained in notes 2 and 3 to the financial statements.

COMMENTS

Appended to this report are the 2007 financial statements and management letter of Leaside Memorial Community Gardens Arena.

CONTACT

Jeffrey Griffiths, Auditor General

Tel: 416-392-8461; Fax: 416-392-3754; E-mail: Jeff.Griffiths@toronto.ca

Jerry Shaubel, Director, Auditor General's Office

Tel: 416-392-8462; Fax: 416-392-3754; E-mail: JShaubel@toronto.ca

SIGNATURE

Jeffrey Griffiths, Auditor General

08-AAS-12

ATTACHMENTS

Appendix 1: Leaside Memorial Community Gardens Arena - 2007 Audited Financial Statements

Appendix 2: Leaside Memorial Community Gardens Arena - 2007 Management Letter