

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

**Financial Statements  
For the Year Ended December 31, 2008**

# **CORSO ITALIA BUSINESS IMPROVEMENT AREA**

**DECEMBER 31, 2008**

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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, 2008 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, 2008 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  
April 3, 2009

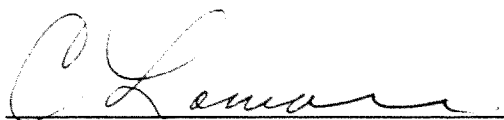


Chartered Accountant  
Licensed Public Accountant

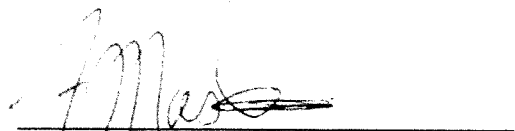
THE BOARD OF MANAGEMENT FOR THE  
 CORSO ITALIA BUSINESS IMPROVEMENT AREA  
 STATEMENT OF FINANCIAL POSITION  
 AS AT DECEMBER 31, 2008

	2008 \$	2007 \$
<b>ASSETS</b>		
<b>Current</b>		
Cash and Short-term investments	434,190	437,299
Accounts receivable		
City of Toronto - special charges (Note 4)	19,530	19,034
Other receivable	14,436	17,793
	<u>468,156</u>	<u>474,126</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities		
City of Toronto	318,144	29,142
Other	29,903	40,467
	<u>348,047</u>	<u>69,609</u>
<b>ACCUMULATED SURPLUS</b>		
Operating (Note 5)	120,109	404,517
	<u>468,156</u>	<u>474,126</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, 2008**

	<b>2008 \$ Budget</b>	<b>2008 \$ Actual</b>	<b>2007 \$ Actual</b>
<b>REVENUE</b>			
City of Toronto – special levies	165,547	165,547	206,017
Grants	25,000	15,000	21,300
Interest	14,000	13,924	14,474
Other income	4,000	-	3,500
	<u>208,547</u>	<u>194,471</u>	<u>245,291</u>
<b>EXPENDITURE</b>			
Administration	36,410	34,083	31,591
Promotion and advertising	168,000	124,449	120,575
Capital and maintenance (Note 3)	287,500	321,921	58,763
Provision for (recovery of) uncollected levies (Note 4)	(1,078)	(1,574)	(2,905)
	<u>490,832</u>	<u>478,879</u>	<u>208,024</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FOR THE YEAR</b>	(282,285)	(284,408)	37,267
<b>OPERATING SURPLUS, BEGINNING OF YEAR</b>	<u>404,517</u>	<u>404,517</u>	<u>367,250</u>
<b>OPERATING SURPLUS, END OF YEAR</b>	<u>122,232</u>	<u>120,109</u>	<u>404,517</u>

**THE BOARD OF MANAGEMENT FOR THE  
CORSO ITALIA BUSINESS IMPROVEMENT AREA  
STATEMENT OF CHANGES IN FINANCIAL POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>CASH PROVIDED BY (USED IN) OPERATIONS</b>		
Excess (deficiency) of revenue over expenditure for the year	(284,408)	37,267
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	(496)	(7,287)
Accounts receivable – Other	3,357	(7,562)
Accounts payable – Other	(10,564)	10,136
Accounts payable – City of Toronto	289,002	(28,894)
<b>CASH PROVIDED BY (USED IN) OPERATIONS</b>	<b>(3,109)</b>	<b>3,660</b>
<b>CASH AND SHORT-TERM INVESTMENTS, BEGINNING OF YEAR</b>	<b>437,299</b>	<b>433,639</b>
<b>CASH AND SHORT-TERM INVESTMENTS, END OF YEAR</b>	<b>434,190</b>	<b>437,299</b>

**THE BOARD OF MANAGEMENT FOR THE  
CORSO ITALIA BUSINESS IMPROVEMENT AREA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008**

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**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.

**3. CAPITAL AND MAINTENANCE**

In order to finance major capital expenses, the BIA annually budgets certain amounts and accumulates them as surplus. Once adequate funds have accumulated, the BIA undertakes cost-shared capital improvement projects with the City. For this reason the actual expenses in a given year could significantly differ from the amount budgeted for the year. The excess actual expenses are financed out of accumulated surplus.

THE BOARD OF MANAGEMENT FOR THE  
 CORSO ITALIA BUSINESS IMPROVEMENT AREA  
 NOTES TO THE FINANCIAL STATEMENTS, CONT'D  
 FOR THE YEAR ENDED DECEMBER 31, 2008

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**4. 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:

	2008 \$	2007 \$
Total special charges outstanding	24,130	30,134
Less: allowance for uncollected special charges	(4,600)	(11,100)
Special charges receivable	<u>19,530</u>	<u>19,034</u>

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

	2008 \$	2007 \$
Special charges written-off	4,926	595
Change in allowance for uncollected special charges	(6,500)	(3,500)
	<u>(1,574)</u>	<u>(2,905)</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, 2008**

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**5. 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 \$ 44,000 was outstanding as at December 31, 2008.

**6. 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.