

**THE BOARD OF MANAGEMENT FOR THE  
FAIRBANK VILLAGE  
BUSINESS IMPROVEMENT AREA**

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

# **FAIRBANK VILLAGE 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 Fairbank Village Business Improvement Area**

I have audited the statement of financial position of the Board of Management for the Fairbank Village 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 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.

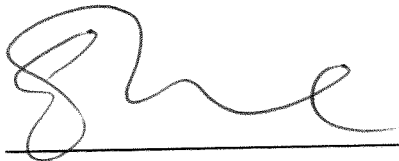
Toronto, Ontario  
June 3, 2009

  
Chartered Accountant  
Licensed Public Accountant

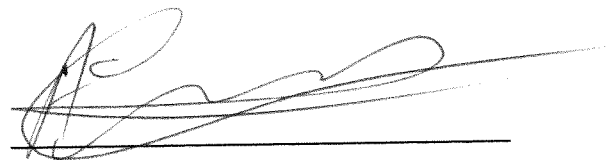
**THE BOARD OF MANAGEMENT FOR THE  
FAIRBANK VILLAGE BUSINESS IMPROVEMENT AREA  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>		
<b>Current</b>		
Cash and short-term investments	105,171	49,462
Accounts receivable		
City of Toronto – special charges (Note 4)	2,729	673
Receivable from York Eglinton BIA (Note 5)	-	49,207
Other	1,523	1,062
	<u>109,423</u>	<u>100,404</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities		
City of Toronto	-	-
Other	13,792	9,908
	<u>13,792</u>	<u>9,908</u>
<b>ACCUMULATED SURPLUS</b>		
Operating (Note 6)	95,631	90,496
	<u>109,423</u>	<u>100,404</u>

Approved on behalf of the Board of Management:



Chair



Treasurer

**THE BOARD OF MANAGEMENT FOR THE  
FAIRBANK VILLAGE 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 charges	78,340	78,340	79,003
Municipal grants	-	-	-
Interest	-	2,007	580
	<u>78,340</u>	<u>80,347</u>	<u>79,583</u>
<b>EXPENDITURE</b>			
Administration	22,504	8,772	8,321
Promotion and advertising	54,316	52,976	12,540
Capital and maintenance	50,000	9,000	14,633
Provision for uncollected special charges (Note 4)	6,520	4,464	2,800
	<u>133,340</u>	<u>75,212</u>	<u>38,294</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FOR THE YEAR</b>	(55,000)	5,135	41,289
<b>TRANSFER OF SURPLUS (Note 5)</b>	-	-	49,207
<b>OPERATING SURPLUS, BEGINNING OF YEAR</b>	<u>90,496</u>	<u>90,496</u>	<u>-</u>
<b>OPERATING SURPLUS, END OF YEAR</b>	<u>35,496</u>	<u>95,631</u>	<u>90,496</u>

THE BOARD OF MANAGEMENT FOR THE  
FAIRBANK VILLAGE BUSINESS IMPROVEMENT AREA  
STATEMENT OF CHANGES IN FINANCIAL POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2008

	2008 \$	2007 \$
<b>CASH PROVIDED BY OPERATIONS</b>		
Excess of revenue over expenditure for the year	5,135	41,289
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	(2,056)	(673)
Accounts receivable from York Eglinton BIA (Note 5)	49,207	(49,207)
Accounts receivable – other	(461)	(1,062)
Accounts payable - City of Toronto	-	-
Accounts payable – other	3,884	9,908
<b>CASH PROVIDED BY OPERATIONS</b>	55,709	255
<b>TRANSFER OF SURPLUS (NOTE 5)</b>	-	49,207
<b>CASH, BEGINNING OF YEAR</b>	49,462	-
<b>CASH, END OF YEAR</b>	105,171	49,462

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

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**1. ESTABLISHMENT AND OPERATIONS**

The Fairbank Village 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  
FAIRBANK VILLAGE 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	9,129	3,473
Less: allowance for uncollected special charges	(6,400)	(2,800)
Special charges receivable	<u>2,729</u>	<u>673</u>

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

	2008 \$	2007 \$
Special charges written-off	864	-
Change in provision for losses on assessment appeals	3,600	2,800
	<u>4,464</u>	<u>2,800</u>



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

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**5. TRANSFER OF SURPLUS**

The City received a request from the former Board of Management of the York-Eglinton BIA to re-align the western boundaries of the BIA. The City conducted a poll in 2006, which resulted in the shortening of the western boundaries of the York-Eglinton BIA. In the early part of 2007, City Council approved a new BIA named Fairbank Village BIA extending from the West Side of Dufferin to Chamberlain.

The Fairbank Village BIA's share of the accumulative operating surplus of prior years amounting to \$49,207 was received during the year.

**6. 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 \$30,000 was outstanding as at December 31, 2008.

**7. 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.