



TO BE SIGNED AND
RETURNED TO
GRANT THORNTON

Financial Statements

Committee of Management for the
William H. Bolton Arena

December 31, 2008

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Auditor's Report

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To the Council of the Corporation of the
City of Toronto and the Committee of Management for the
William H. Bolton Arena

We have audited the balance sheet of the Committee of Management for the William H. Bolton Arena as at December 31, 2008 and the statements of revenue and expenditure, changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Arena's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards, those standards require that we 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 our opinion, these financial statements present fairly, in all material respects, the financial position of the William H. Bolton Arena as at December 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Toronto, Ontario
May 21, 2009

Chartered Accountants
Licensed Public Accountants

**Committee of Management for the
William H. Bolton Arena**

Balance Sheet

December 31 2008 2007

Assets

Current

Cash and short term deposits	\$ 190,661	\$ 108,163
Receivables - ice rentals and other	32,257	52,330
Interest receivable	2,858	2,325
Inventories	31,904	35,992
Operating deficit due from the City of Toronto (Note 4)	<u>82,391</u>	<u>118,585</u>
	<u>\$ 340,171</u>	<u>\$ 317,395</u>

Liabilities

Current

Payables and accruals		
- City of Toronto (Note 3)	\$ 38,215	\$ 17,217
- Other	33,431	24,580
Deferred revenue	<u>211,009</u>	<u>221,195</u>
	<u>282,655</u>	<u>262,992</u>

Long term

Employee related liabilities (Note 5)	47,516	44,403
City of Toronto - working capital advance	<u>10,000</u>	<u>10,000</u>
	<u>57,516</u>	<u>54,403</u>
	<u>\$ 340,171</u>	<u>\$ 317,395</u>

Approved on behalf of the Committee of Management

 Chair

 Member

See accompanying notes to the financial statements.

**Committee of Management for the
William H. Bolton Arena
Statement of Revenue and Expenditure**

Year Ended December 31	2008	2007
Revenue		
Ice rentals	\$ 251,696	\$ 202,266
Program registration	392,416	310,887
Snack bar and vending machine operations (Page 7)	24,854	28,453
Pro shop operations (Page 8)	26,417	22,602
Interest	2,858	2,413
Other	<u>6,103</u>	<u>6,340</u>
	<u>704,344</u>	<u>572,961</u>
Expenditure		
Salaries and wages	311,784	305,301
Employee benefits	67,073	69,057
Utilities	102,289	101,191
Program material and supplies	133,403	105,704
Maintenance and repairs	65,409	65,099
General administration	23,511	17,397
Insurance	10,060	9,819
Professional fees	4,035	3,992
Furniture and equipment	<u>2,238</u>	<u>4,486</u>
	<u>719,802</u>	<u>682,046</u>
Operating deficit	(15,458)	(109,085)
Vehicle and equipment replacement reserve contribution (Note 6)	<u>9,500</u>	<u>9,500</u>
Deficit due from the City of Toronto	\$ <u>(24,958)</u>	\$ <u>(118,585)</u>

See accompanying notes to the financial statements.

**Committee of Management for the
William H. Bolton Arena
Statement of Cash Flows**

Year Ended December 31	2008	2007
Increase (decrease) in cash and short term deposits		
Operating activities		
Excess of expenditures over revenues	\$ (24,958)	\$ (118,585)
Increase (decrease) resulting from changes in:		
Receivables	19,973	(15,788)
Inventories	4,088	(9,838)
Payables and accruals - City of Toronto	20,998	4,719
Payables and accruals - other	8,851	(6,938)
Interest receivable	(533)	(637)
Employee related liabilities	3113	3,902
Deferred revenue	<u>(10,186)</u>	<u>47,189</u>
	<u>21,346</u>	<u>(95,976)</u>
Financing activity		
Funding from City of Toronto - net	<u>61,152</u>	<u>10,036</u>
Net decrease in cash and short term deposits	82,498	(85,940)
Cash and short term deposits, beginning of year	<u>108,163</u>	<u>194,103</u>
Cash and short term deposits, end of year	\$ <u>190,661</u>	\$ <u>108,163</u>

See accompanying notes to the financial statements.

Committee of Management for the William H. Bolton Arena

Notes to the Financial Statements

December 31, 2008

1. Establishment and operations

The William H. Bolton Arena was established as a community recreation centre under the Community Recreation Centres Act, pursuant to Chapter 25 of the City of Toronto Municipal Code, By-Law No. 318-71, as amended. The Committee of Management operates and manages the Arena on behalf of the City of Toronto.

Under the By-Law, the Committee of Management, at the end of each fiscal year, shall pay to the City all revenue received by the Committee over and above that necessary to pay all the charges, costs and expenses resulting from or incidental to the management and control of the premises.

The Committee retains a working cash advance provided by the City, for the management and control of the premises, to be returned to the City upon the Committee's ceasing to function for any reason.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments as prescribed by the Public Sector Accounting Board. Significant accounting policies included the following:

Revenue recognition

Revenues and expenditures are recorded on an accrual basis.

Inventories

Inventories are valued at cost.

Furniture and equipment

The cost of furniture and equipment is charged to operations in the year of acquisition.

Other

Major capital expenditures are financed by the City of Toronto, which owns the facility, and are not recorded in these financial statements.

Ice rentals, hockey schools and camp fees paid in advance are recorded as deposits.

Services provided without charge by the City are not recorded in these financial statements.

The vested sick leave benefit is calculated at the salary levels in effect at the end of each year for all unused vested sick pay credit accruing to employees.

**Committee of Management for the
William H. Bolton Arena
Notes to the Financial Statements**

December 31, 2008

3. Accrued liabilities owing to the City of Toronto 2008 2007

The amount due to the City of Toronto consists of the following:

Hydro	\$ <u>38,215</u>	\$ <u>17,218</u>
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4. Operating deficit due from the City of Toronto 2008 2007

The amount due (from) to the City of Toronto consists of the following:

Balance, beginning of year	\$ 118,585	\$ (10,036)
Net settled during year	-	10,036
Current year's operating deficit	24,958	118,585
City funding 2008	(61,510)	-
City adjustments 2007	<u>358</u>	<u>-</u>
Balance, end of year	\$ <u>82,391</u>	\$ <u>118,585</u>

5. Employee-related liabilities

The Committee provides pension and other benefits to its employees including health, dental, life insurance and long term disability benefits. Sick leave benefit payable amounts to \$47,516 (2007 - \$44,403).

The Committee participates in the Ontario Municipal Employees Retirement Systems (OMERS), which is a multi-employed plan, on behalf of its full time employees. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

6. Vehicle and equipment replacement reserve

These contributions are for the financing of replacement ice resurfacer machines required by the Arena Boards in future years. The board will contribute \$9,355 per year for the first two years and \$9,500 per year for three years for the Vehicle and Equipment reserve commencing in 2004.

**Committee of Management for the
William H. Bolton Arena**

Schedule of Snack Bar and Vending Machine Operations

Year Ended December 31

2008

2007

Sales

Snack Bar	\$ 45,062	\$ 42,447
Vending machine	<u>20,287</u>	<u>17,686</u>
	65,349	60,133

Cost of goods sold	<u>40,495</u>	<u>31,680</u>
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Gross profit	\$ <u>24,854</u>	\$ <u>28,453</u>
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**Committee of Management for the
William H. Bolton Arena**

Schedule of Pro Shop Operations

Year Ended December 31

2008

2007

Sales

Pro shop

\$ 32,145

\$ 22,846

Skate sharpening

17,549

14,506

49,694

37,352

Cost of goods sold

23,277

14,750

Gross profit

\$ 26,417

\$ 22,602