



TO BE SIGNED AND  
RETURNED TO  
GRANT THORNTON

Financial Statements

Committee of Management for the  
William H. Bolton Arena

December 31, 2009

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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 statement of financial position of the Committee of Management for the William H. Bolton Arena as at December 31, 2009 and the statements of operations, 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, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario  
April 7, 2010

*Grant Thornton LLP*

Chartered Accountants  
Licensed Public Accountants

**Committee of Management for the  
William H. Bolton Arena  
Statement of Financial Position**

December 31 2009 2008

**Financial Assets**

Cash and short term deposits	\$ 200,186	\$ 190,661
Receivables - ice rentals and other	68,254	32,357
Interest receivable	421	2,858
Operating deficit due from the City of Toronto (Note 4)	42,456	82,391
Inventory	<u>28,249</u>	<u>31,904</u>
	<u>339,566</u>	<u>340,171</u>

**Liabilities**

Payables and accruals		
- City of Toronto (Note 3)	13,568	\$ 38,215
- Other	23,828	33,431
Deferred revenue	239,574	211,009
Employee related liabilities (Note 5)	52,596	47,516
City of Toronto - working capital advance	<u>10,000</u>	<u>10,000</u>
	<u>339,566</u>	<u>340,171</u>

**Net Financial Liabilities**

\_\_\_\_\_ - \_\_\_\_\_ -

**Non Financial Assets**

Tangible capital assets (Page 11)	<u>3,784</u>	_____ -
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**Accumulated surplus**

\$ 3,784 \$ \_\_\_\_\_ -

Approved on behalf of the Committee of Management

*Robert S. Jones* Chair

*[Signature]* Member

See accompanying notes to the financial statements.

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

Year Ended December 31

**2009**

**2008**

**Revenue**

Ice rentals	<b>\$ 250,636</b>	\$ 251,696
Program registration	<b>423,534</b>	392,416
Snack bar and vending machine operations (Page 9)	<b>30,719</b>	24,854
Pro shop operations (Page 10)	<b>28,780</b>	26,417
Interest	<b>1,496</b>	2,858
Other	<b>4,236</b>	6,103
	<b><u>739,401</u></b>	<u>704,344</u>

**Expenditure**

Salaries and wages	<b>325,972</b>	311,784
Employee benefits	<b>77,620</b>	67,073
Utilities	<b>108,758</b>	102,289
Program material and supplies	<b>136,592</b>	133,403
Maintenance and repairs	<b>51,622</b>	65,409
General administration	<b>24,799</b>	23,511
Insurance	<b>10,034</b>	10,060
Professional fees	<b>5,000</b>	4,035
Furniture and equipment	<b>-</b>	2,238
Amortization	<b>1,205</b>	-
	<b><u>741,602</u></b>	<u>719,802</u>

**Net expenditure** (2,201) (15,458)

Vehicle and equipment replacement reserve contribution  
(Note 6) (11,000) (9,500)

Net revenue receivable from the City of Toronto 16,985 24,958

**Annual surplus** 3,784 -

Opening accumulated surplus - -

Ending accumulated surplus **\$ 3,784** \$ -

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See accompanying notes to the financial statements.

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**Committee of Management for the  
William H. Bolton Arena  
Statement of Net Assets**

Year Ended December 31	2009	2008
Annual surplus	\$ 3,784	\$ -
Acquisition of tangible capital assets	(4,989)	-
Amortization of tangible capital assets	<u>1,205</u>	<u>-</u>
Change in net financial assets	-	-
Net financial assets (liabilities), beginning of year	<u>-</u>	<u>-</u>
Net financial assets (liabilities), end of year	\$ <u>-</u>	\$ <u>-</u>

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See accompanying notes to the financial statements.

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

Year Ended December 31 2009 2008

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Increase (decrease) in cash and short term deposits

**Cash flows from operating transactions**

Annual surplus	\$ 3,784	\$ -
<b>Non cash charges to operations</b>		
Amortization	1,205	-
Receivables	(35,897)	19,973
Inventories	3,655	4,088
Net receivable from City of Toronto	15,288	57,192
Payables and accruals - other	(9,603)	8,851
Interest receivable	2,437	(533)
Employee related liabilities	5,080	3113
Deferred revenue	<u>28,565</u>	<u>(10,186)</u>
	<u>14,514</u>	<u>82,498</u>

**Capital transactions**

Purchase of tangible capital assets	<u>(4,989)</u>	-
Cash used in capital transactions	<u>(4,989)</u>	-
Net increase (decrease) in cash and short term deposits	9,525	82,498
Cash and short term deposits, beginning of year	<u>190,661</u>	<u>108,163</u>
Cash and short term deposits, end of year	\$ <u>200,186</u>	\$ <u>190,661</u>

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See accompanying notes to the financial statements.

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# Committee of Management for the William H. Bolton Arena

## Notes to the Financial Statements

December 31, 2009

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### 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.

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### 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.

#### Tangible capital assets

Capital assets acquisitions are recorded at cost. Amortization is provided on a straight-line basis over their estimated useful lives as follows:

Computer equipment	- 3 years straight-line
Furniture and equipment	- 5 years straight-line

Prior to 2009, it was the Arena's policy to expense these purchases in the period acquired. Commencing January 2009, Canadian generally accepted accounting principles for local governments as prescribed by the Public Sector Accounting Board required entities to retroactively record these purchases as capital assets and amortize them over their useful lives, except in those circumstances where the necessary financial information was not reasonably determinable. As the Arena could not readily determine the financial information necessary to retroactively record capital assets, all capital asset purchases prior to 2009 have been recorded at a nominal amount and all capital assets acquired subsequent are being capitalized and amortized in accordance with the Arena's policies



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

### Notes to the Financial Statements

December 31, 2009

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#### 2. Summary of significant accounting policies

##### 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.

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#### 3. Accrued liabilities owing to the City of Toronto

	<u>2009</u>	<u>2008</u>
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The amount due to the City of Toronto consists of the following:

Hydro	\$ <u>13,568</u>	\$ <u>38,215</u>
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#### 4. Operating deficit due from the City of Toronto

	<u>2009</u>	<u>2008</u>
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The amount due from the City of Toronto consists of the following:

Balance, beginning of year	\$ <u>82,391</u>	\$ 118,585
Net settled during year	<u>(56,920)</u>	-
Current year's receivable	<u>16,985</u>	24,958
City funding	-	(61,510)
City adjustments	<u>-</u>	<u>358</u>
Balance, end of year	\$ <u>42,456</u>	\$ <u>82,391</u>

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#### 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 benefits payable amounts to \$52,596 (2008 - \$47,516).

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. Total contribution by the Arena and the employees during the year was \$17,243 (2008 - \$16,280).

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

**Notes to the Financial Statements**

December 31, 2009

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**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. In 2009 the City of Toronto increased the contribution to \$11,000.

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

**Schedule of Snack Bar and Vending Machine Operations**

Year Ended December 31

**2009**

**2008**

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**Sales**

Snack Bar	\$ 40,261	\$ 45,062
Vending machine	<u>21,667</u>	<u>20,287</u>
	<b>61,928</b>	<b>65,349</b>
 Cost of goods sold	 <u>31,209</u>	 <u>40,495</u>
 <b>Gross profit</b>	 <b>\$ <u>30,719</u></b>	 <b>\$ <u>24,854</u></b>

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**Committee of Management for the  
William H. Bolton Arena  
Schedule of Pro Shop Operations**

<b>Year Ended December 31</b>	<b>2009</b>	<b>2008</b>
<b>Sales</b>		
Pro shop	\$ 35,059	\$ 32,145
Skate sharpening	<u>19,398</u>	<u>17,549</u>
	<b>54,457</b>	49,694
 Cost of goods sold	 <u>25,677</u>	 <u>23,277</u>
 <b>Gross profit</b>	 <b>\$ <u>28,780</u></b>	 <b>\$ <u>26,417</u></b>

**Committee of Management for the  
William H. Bolton Arena  
Schedule of Tangible Capital Assets**

Year Ended December 31, 2009

	<u>Computer Equipment</u>	<u>Furniture and Equipment</u>	<u>2009</u>	<u>2008</u>
<b>Cost</b>				
Balance, beginning of year	\$ -	\$ 1	\$ 1	\$ 1
Add: Additions during the year	1,554	3,435	<b>4,989</b>	-
Less: Disposals during the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,554</u>	<u>3,436</u>	<u>4,990</u>	<u>1</u>
<b>Accumulated amortization</b>				
Balance, beginning of year	-	1	1	1
Add: Amortization during the year	518	687	<b>1,205</b>	-
Less: Amortization on disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>518</u>	<u>688</u>	<u>1,206</u>	<u>1</u>
<b>Net book value of Tangible Capital Assets</b>	<b>\$ <u>1,036</u></b>	<b>\$ <u>2,748</u></b>	<b>\$ <u>3,784</u></b>	<b>\$ <u>-</u></b>