

SAMPLE: Financial Statement

The Board of Management for the (NAME) Business Improvement Area:

Year ended December 31, 2008

	2008	2007
	\$	\$
Assets		
Current		
Cash and short-term investments	30,000	15,000
Accounts receivable		
City of Toronto – special charges (note 3)	44,000	28,000
Other receivables – trade	1,000	2,000
	<hr/> 75,000	<hr/> 45,000
Liabilities		
Current		
Accounts payable and accrued liabilities		
City of Toronto	20,000	14,000
Other trade payables	5,000	1,000
	<hr/> 25,000	<hr/> 15,000
Accumulated Surplus		
Operating surplus	<hr/> 50,000	<hr/> 30,000
	<hr/> 75,000	<hr/> 45,000

Approved on behalf of the Board of Management:

Chair

Treasurer

THE BOARD OF MANAGEMENT FOR THE
(SAMPLE) BUSINESS IMPROVEMENT AREA
Statement of Revenue, Expenditure and Operating Surplus
FOR THE YEAR ENDED DECEMBER 31, 2008

	2008	2007
	\$	\$
Revenue		
City of Toronto – Special Charges	105,000	100,000
Donations and sponsorship	-	2,000
Municipal grants	3,000	2,000
Other revenue	2,000	1,000
	110,000	105,000
Expenditure		
Administration	7,000	8,000
Promotion and advertising	35,000	36,000
Capital and maintenance	45,000	35,000
Provision for uncollected levies	3,000	1,000
	90,000	80,000
Excess of revenue over expenditure for the year	20,000	25,000
Operating surplus, beginning of year	30,000	5,000
Operating surplus, end of year	50,000	30,000

THE BOARD OF MANAGEMENT FOR THE
(SAMPLE) BUSINESS IMPROVEMENT AREA
Statement of Changes in Financial Position
FOR THE YEAR ENDED DECEMBER 31, 2008

	2008 \$	2007 \$
Cash Provided by (Used In) Operations		
Excess of revenue over expenditure for the year	20,000	25,000
Increase (decrease) resulting from changes in Accounts receivable - City of Toronto	(16,000)	5,000
Accounts receivable – other	1,000	1,000
Accounts payable and accrued liabilities – City	6,000	(20,000)
Accounts payable and accrued liabilities – other	4,000	(1,000)
Cash Provided by Operations	15,000	10,000
Cash and short-term investments, beginning of year	15,000	5,000
Cash and short-term investments, end of year	30,000	15,000

THE BOARD OF MANAGEMENT FOR THE
(SAMPLE) BUSINESS IMPROVEMENT AREA
Notes to the Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2008

1.0 Establishment and Operations

The (Sample) 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 the Municipal Act, as amended.

2.0 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:

- Revenues and expenditures are recorded using the accrual basis of accounting.
- Capital expenditures are charged to operations in the year of acquisition.
- Services provided without charge by the City of Toronto and others are not recorded in these financial statements.

3.0 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	48,000	29,000
Less: allowance for uncollected special charges	(4,000)	(1,000)
Special charges receivable	<u>44,000</u>	<u>28,000</u>

4.0 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 \$ 20,000 is outstanding as at December 31, 2008.

5.0 Insurance

The Board is required to deposit with the City 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.