



2018 Annual Report

**ANNUAL GENERAL MEETING
OF THE BELLS CORNERS BUSINESS IMPROVEMENT AREA
BCBIA**

TUESDAY, FEBRUARY 6, 2018.

6:30 P.M.

AT HIGH FIVES SPORTS PUB
1876 ROBERTSON ROAD

Attendees: Jim Sources (Chairman), Betty Montsko (Vice-Chair), Ed Montsko, Carlos Naldinho, Karen Parkinson, Armand Montpellier; Rick Chiarelli (Councilor), Frank Dinardo, Sue Burger, Paula Johnson, Christine Rothschild, Angelica Chamber, Dan Bourgeau, Nancy Davis, Ray Bartlett, Chantal Erdogan, Dr. Farifteh Haeri, Chandra Arya MP. Regrets: Lisa MacLeod MPP

1. Welcome/Introductions

The Chairman welcomed the Bells Corners BIA Members and introduced the existing Board of Management.

Jim Sources conducted a roundtable introduction, discussed the Community Improvement Plan and developments in the BIA in 2017. The Chair passed along regrets from Lisa MacLeod MPP.

2. Approval of Agenda

MOTION: Made by Nancy David

"That the Bells Corners BIA Board of Management approve the Agenda for the 2017 Annual General Meeting."

SECOND: Armand Montpellier

All in favor: CARRIED

3. Approval of Minutes from last year`s AGM

MOTION: Made by Betty Montsko

"That the Bells Corners BIA Board of Management waive approval of the meeting minutes for the 2017 Annual General Meeting."

SECOND: Sue Berger

All in favor: CARRIED

4. Financial Statements

- The Chairman went over the statement of the Bells Corners BIA financial positions from the Ernest and Young audited financial statements 2016 and presented the Board of Management approved budget for 2017.

5. Chair's Report

- Mr. Jim Sourges, the Chairman, provided a brief synopsis of the 2017 operating year including such items as our long-standing banner program; tartan; planters, Christmas tree lighting and Cameron Highlander Park.
- There was a robust discussion of our BIA website and a commitment to redesigning and updating the website with the kind assistance of Carlos Naldinho..
- The Chair and Board Members discussed the increased community involvement by the BIA in Bells Corners as a whole during the past year.

Remarks were provided by our City Councilor Rick Chiarelli, and Chandra Arya MP.

9. Motion to Close

MEETING AJOURNMENT
Motion: Armand Montpellier
Second: Dan Bourgeau
All in Favor: CARRIED

Financial Statements

The Bells Corners Business Improvement Area

December 31, 2017

INDEPENDENT AUDITORS' REPORT

To the Board Members, Members of Council, Inhabitants and Ratepayers of
The Bells Corners Business Improvement Area

We have audited the accompanying financial statements of **The Bells Corners Business Improvement Area**, which comprise the statement of financial position as at December 31, 2017, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **The Bells Corners Business Improvement Area** as at December 31, 2017, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Ottawa, Canada

July 23, 2018

Ernst + Young LLP

Chartered Professional Accountants
Licensed Public Accountants

THE BELLS CORNERS BUSINESS IMPROVEMENT AREA

STATEMENT OF FINANCIAL POSITION

As at December 31, 2017, with comparative information for 2016

Table 1 - Statement of Financial Position - Financial Assets

Financial assets	2017	2016
Cash on deposit with the Corporation of the City of Ottawa	\$18,965	\$14,683
Total financial assets	18,965	14,683

Table 2 - Statement of Financial Position - Liabilities

Liabilities	2017	2016
Accounts payable and accrued liabilities <i>[note 2]</i>	5,499	6,494
Total liabilities	5,499	6,494
Net financial assets	13,466	8,189

Table 3 - Statement of Financial Position - Non-Financial Assets

Non-financial assets	2017	2016
Prepaid expenses	1,827	2,436
Tangible capital assets <i>[note 4]</i>	17,528	20,224
Total non-financial assets	19,355	22,660
Accumulated surplus	\$32,821	\$30,849

See accompanying notes

THE BELLS CORNERS BUSINESS IMPROVEMENT AREA

STATEMENT OF OPERATIONS

For the year ended December 31, 2017, with comparative information for 2016

Table 4 - Statement of Operations - Revenue

Revenue	Budget 2017 [note 5]	Actual 2017	Actual 2016
Tax revenue [note 3]	\$165,934	\$165,347	\$155,924
Sundry	-	1,240	-
Payments in lieu of taxation	423	469	453
Total revenue	166,357	167,056	156,377

Table 5 - Statement of Operations - Expenses

Expenses	Budget 2017 [note 5]	Actual 2017	Actual 2016
Salaries	70,500	74,020	65,600
Office	23,500	8,755	12,574
Advertising	63,389	54,869	48,317
Audit fees	1,968	1,640	1,437
Maintenance	2,500	1,701	-
Rent	14,000	17,378	15,707
Professional and consulting	2,500	417	717
Insurance	3,000	3,608	3,551
Depreciation	-	2,696	2,696
Total expenses	181,357	165,084	150,599
Annual surplus (deficit)	(15,000)	1,972	5,778
Accumulated surplus, beginning of year	30,849	30,849	25,071
Accumulated surplus, end of year	\$15,849	\$32,821	\$30,849

See accompanying notes

THE BELLS CORNERS BUSINESS IMPROVEMENT AREA

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the year ended December 31, 2017, with comparative information for 2016

Table 6 - Statement of Changes in Net Financial Assets

	Budget 2017 [note 5]	Actual 2017	Actual 2016
Annual surplus (deficit)	\$(15,000)	\$1,972	\$5,778
Decrease in prepaid expenses	-	609	1,894
Depreciation of capital assets	-	2,696	2,696
Increase (decrease) in net financial assets	(15,000)	5,277	10,368
Net financial assets (debt), beginning of year	8,189	8,189	(2,179)
Net financial assets (debt), end of year	\$(6,811)	\$13,466	\$8,189

See accompanying notes

THE BELLS CORNERS BUSINESS IMPROVEMENT AREA

STATEMENT OF CASH FLOWS

For the year ended December 31, 2017, with comparative information for 2016

Table 7 - Statement of Cash Flows - Operating Activities

Operating activities	2017	2016
Annual surplus	\$1,972	\$5,778
Add item not affecting cash		
Depreciation	2,696	2,696
Changes in non-cash working capital balances related to operations		
Decrease in prepaid expenses	609	1,894
Decrease in accounts payable and accrued liabilities	(995)	(11,344)
Cash provided by (used in) operating activities	4,282	(976)

Table 8 - Statement of Cash Flows - Change in cash and cash equivalents

Change in cash and cash equivalents	2017	2016
Net increase (decrease) in cash and cash equivalents during the year	4,282	(976)
Cash and cash equivalents, beginning of year	14,683	15,659
Cash and cash equivalents, end of year	\$18,965	\$14,683

Table 9 - Statement of Cash Flows - Cash breakdown

Cash consists of	2017	2016
Cash on deposit with the Corporation of the City of Ottawa	\$18,965	\$14,683

See accompanying notes

THE BELLS CORNERS BUSINESS IMPROVEMENT AREA

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of The Bells Corners Business Improvement Area [the "BIA"] are the representation of management prepared in accordance with accounting principles generally accepted for the public sector as prescribed by the Public Sector Accounting Board of Chartered Professional Accountants of Canada. Since a precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These estimates and approximations have been made using careful judgment.

Accrual accounting

Revenue and expenses are reported on the accrual basis of accounting.

The accrual basis of accounting recognizes revenue as it becomes earned and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services.

Government transfers are recognized in revenue in the fiscal years during which events giving rise to the transfer occur, provided the transfers are authorized, eligibility criteria and stipulations have been met and reasonable estimates of the amounts can be made.

Tangible capital assets

Capital assets are initially recorded at cost and amortized over their estimated useful lives using the straight-line method. Capital expenditures that do not generate future economic benefits to the BIA are charged to operations in the year of acquisition.

The equipment, less residual value, is amortized over ten years on a straight-line basis.

Financial instruments

The financial instruments of the BIA consist of cash and cash equivalents, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the BIA is not exposed to significant interest rate, currency or credit risks arising from these financial instruments.

Tax revenue

Annually, the City of Ottawa bills and collects tax levies as well as payments in lieu of taxes on behalf of the BIA. Tax revenue consists of non-exchange transactions. It is recognized in the period in which the assessment relates and reasonable estimates of amounts can be made. Annual revenue also includes adjustments related to reassessments or appeals related to prior years.

2. RELATED PARTY TRANSACTIONS

The BIA purchases certain services from companies by the Board of Directors' members and company executives in the normal course of business at commercial rates. In addition, the BIA is related to all entities under control of the City of Ottawa. As at December 31, 2017, nil [2016 – nil] is included in accounts payable and accrued liabilities.

3. TAX REVENUE

Tax revenue comprises the following:

Table 10 - Tax revenue breakdown

	2017	2016
	\$	\$
General tax levy	170,404	163,882
Supplementary assessments	14,798	70
Remissions	(16,091)	(5,080)
Vacancy rebates	(3,764)	(2,948)
	165,347	155,924

4. TANGIBLE CAPITAL ASSETS

Tangible capital assets comprise the following:

Table 11 - Capital assets breakdown

	2017	2016
	\$	\$
Tangible capital assets		
Equipment	26,964	26,964
Accumulated amortization	(9,436)	(6,740)
Net book value	17,528	20,224

5. BUDGET AMOUNTS

Budget data presented in these financial statements is based upon the 2017 budget approved by the Board of Directors. The Board-approved budget is prepared on a basis that differs from budget amounts reported on the statements of operations and changes in net financial assets, which are prepared in accordance with Canadian public sector accounting standards. The total approved revenue budget of \$166,357 reconciles to the budget figures reported in these financial statements after deducting the budgeted contribution from reserves of \$15,000, which is not included in revenue for purposes of the financial statement presentation.

**Bells Corners Draft Budget 2019
(with comments)**

		2018 Budget	2019 Budget 3%
179652 - BIA BC Taxation	407001 - General Taxes	-177,195	-182,511
	407101 - Supplementary Assessment	-2,554	-2,554
	407104 - Payment In Lieu	-423	-423
	507431 - Remissions	5,000	5,000
	507434 - Vacancy Rebate General Taxes	2,000	2,000
Revenues		-173,172	-178,488
179650 - BIA BC Administration	406005 - Contributions From Reserve Funds	-13,439	-13,439
	407015 - Other Revenue	-2,000	-1,500
Administration		-15,439	-14,939
Total Revenue		-188,611	-193,427
179651 - BIA BC Grants	502330 - Professional Service	-	-
Revenues		-	-
179650 - BIA BC Administration	501110 - Compensation	70,000	70,500
	501405 - CPP Employer Contribution	3,000	3,000
	501406 - EI Employer Premiums	2,000	2,000
	502112 - Staff Training & Development	-	-
	502113 - Local Transportation	300	300
	502115 - Non-Taxable Car Mileage	2,600	2,000
	502121 - Postage	2,000	2,000
	502131 - Cablevision & Communications	500	200
	502134 - Cellular Phone	3,000	2,000
	502210 - Advertising/Promotion	62,000	67,316
	502310 - Audit Fees	1,968	2,000
	502330 - Professional Service	1,500	1,500
	502373 - Insurance Premiums	5,000	5,000
	502394 - Receptions / Luncheons / Hospitality	6,500	3,500
	502395 - Corporate Memberships	1,500	1,500

	502396 - Outside Printing and Photography	2,800	2,168
	502619 - Rental Buildings	16,000	17,500
	502620 - Rental Vehicle		
	502692 - Parking	300	300
	502896 - Graffiti Removal		500
	502928 - Community Events	2,500	2,500
	505772 - Signage	1,000	1,000
	505990 - Office Supplies	1,500	1,300
	506173 - Office Furniture & Equipment	1,000	1,000
	506175 - Computers/Peripherals/Software	1,000	1,000
	507197 - Donations/Sponsorships	643	643
	508807 - Depreciation		2,700
Administration		188,611	193,427
179658 - Community Landscape Improvement	502394 - Receptions / Luncheons / Hospitality	-	-
	502441 - R & M - Grounds		
	502442 - R & M - Buildings	-	-
Maintenance		-	-
Total Expense		188,611	193,427
Total		-	-0