



## 2019 Annual Report

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## Highlights 2019:

The Summer saw a renewal of the planter program with planter boxes on Bells Corners street medians and the Summer Winter Banner program showed off three brilliantly designed-by Tab-It Plus Summer themed and Christmas season banners.

As well, this August long weekend, saw our first Summer Concert in the Parking Lot at Robertson Centre Mall featuring three live bands and local merchants and vendors and attracted over 700 people.

Our Marque event remains the Christmas Tree Lighting in Bells Corners at the Electrical and Plumbing Store Parking Lot, corner of Northside and Robertson Road on December 1st, 2019. The lighting of the 30-foot Christmas tree is supported by the Business Improvement Area businesses, with several booths, and added attractions such as carnival rides, and draws over 1000 families to the area leaving them time for leisurely shopping before children's bed-times. Santa makes an appearance. Guests included Councilor Chiarelli, MPP Lisa MacLeod, and MP Chandra Arya.

**ANNUAL GENERAL MEETING OF THE BELLS CORNERS BUSINESS  
IMPROVEMENT AREA  
BCBIA  
TUESDAY, JANUARY 22, 2019.  
6:00 P.M.  
AT HIGH FIVES SPORTS PUB  
1876 ROBERTSON ROAD**

**Attendees: Jim Sourges (Chairman), Betty Montsko (Vice-Chair), Ed Montsko, Carlos Naldinho, Karen Parkinson, Scott Statham, Dinakar Vaidya, Parminder Chhatwal, William Swietochowski, Dan Bourgeau, Rick Chiarelli (Councilor), Hon. Lisa MacLeod, MPP. Regrets: Chandra Arya MP.**

**1. Welcome/Introductions**

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

Jim Sourges conducted a roundtable introduction of all those present and thanked outgoing Board of Management Members for their service. The Chair passed along regrets from Chandra Arya, MP.

**2. Approval of Agenda**

**MOTION: Made by Scott Statham**

***“That the Bells Corners BIA Board of Management approve the Agenda for the 2018 Annual General Meeting.”***

**SECOND: Dan Bourgeau**

**All in favor: CARRIED**

**3. Approval of Minutes from last year`s AGM**

**MOTION: Made by Betty Montsko**

***“That the Bells Corners BIA approve the meeting minutes for the 2017 Annual General Meeting.”***

**SECOND: Dan Bourgeau**

**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 2017 and presented the Board of Management approved budget for 2019.

**5. Chair`s Report**

Mr. Jim Sourges, the Chairman, provided a brief synopsis of the 2018 operating year including such items as our long-standing banner program, planters, Christmas tree lighting, and our new Website. Mr. Sourges thanked Carlos Naldinho for his development of our new and robust Bells Corners BIA website. Jim announced that we would have an intern from St. Lawrence College who would be helping us further digitalize Bells Corners. He again thanked out-going Board Members: Armand Montpelier, Manny Mellios, Gina Vacchio, and subsequently Grant Woolsey for their service.

**Remarks were provided by our City Councilor Rick Chiarelli, and Hon. Lisa MacLeod MPP.**

Board Member, and returning City Councilor, Rick Chiarelli, brought greetings from the City and discussed new developments in Bells Corners including the Community Improvement Plan successes which he stated was the most successful in the City's history, a new residential development, the DND campus, and Light Rail coming to Moodie Drive. Board Chair, Jim Sourges, congratulated the councilor on his re-election to Ottawa City Council and thanked Councilor Chiarelli for his long-service.

The Hon. Lisa MacLeod, MPP and Minister of Children, Community and Social Services brought greetings from the Province of Ontario including the most recent announcement on approval of the new phase in bringing Light Rail to Moodie Drive in Bells Corners. MacLeod congratulated the Board on their good works and community spirit singling out Todd Hamstra and Parminder Chhatwal for their recent assistance to the greater Nepean community in the aftermath of the 2018 Tornado strikes on the City. Chair, Jim Sourges congratulated Minister MacLeod on her recent re-election and thanked her for her support of Bells Corners and the BIA.

## **6. Election of Directors and Officers**

The Following Slate was presented:

Jim Sourges, Chair  
Betty Montsko, Vice Chair  
Ivan Milev, CFO  
Grant Woolsey, Director  
Joanne Goneau, Director  
Cheryl Mason, Director  
Parminder Nippi Chhatwal, Director  
Todd Hamstra, Director  
Councillor Rick Chiarelli Ex-Officio

Two nominations were received from the floor:

Scott Statham  
Dinakar Vaidya

Nominations were closed and an election by secret ballot was conducted among BIA members. The following Directors and Officers were elected to the Board of Management for the Term beginning 2019:

Jim Sourges, Chair  
Betty Montsko, Vice Chair  
Ivan Milev, CFO  
Joanne Goneau, Director  
Scott Statham, Director  
Dinakar Vaidya, Director  
Parminder Nippi Chhatwal, Director  
Todd Hamstra, Director  
Councilor Rick Chiarelli Ex-Officio

## **7. Motion to Close**

### **MEETING AJOURNMENT**

**Motion: Scott Statham**

**Second: Dan Bourgeau**

**All in Favor: CARRIED**

**Financial Statements**

**The Bells Corners Business Improvement Area**

**December 31, 2018**

## Independent auditor's report

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

### Opinion

We have audited the financial statements of **The Bells Corners Business Improvement Area** [the "BIA"], which comprise the statement of financial position as at December 31, 2018, and the statement of operations, statement of changes in net financial assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the BIA as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the BIA in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the BIA's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the BIA or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the BIA's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 BIA's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the BIA's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the BIA to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ottawa, Canada  
July 23, 2019

*Ernst + Young LLP*

Chartered Professional Accountants  
Licensed Public Accountants



# THE BELLS CORNERS BUSINESS IMPROVEMENT AREA

## STATEMENT OF FINANCIAL POSITION

As at December 31, 2018, with comparative information for 2017

Table 1 - Statement of Financial Position - Financial Assets

<b>Financial assets</b>	<b>2018</b>	<b>2017</b>
Cash on deposit with the Corporation of the City of Ottawa	<b>\$29,739</b>	\$18,965
Accounts receivable	<b>107</b>	-
<b>Total financial assets</b>	<b>29,846</b>	18,965

Table 2 - Statement of Financial Position - Liabilities

<b>Liabilities</b>	<b>2018</b>	<b>2017</b>
Accounts payable and accrued liabilities <i>[note 2]</i>	<b>20,335</b>	5,499
<b>Total liabilities</b>	<b>20,335</b>	5,499
<b>Net financial assets</b>	<b>9,511</b>	13,466

Table 3 - Statement of Financial Position - Non-Financial Assets and Accumulated Surplus

<b>Non-financial assets</b>	<b>2018</b>	<b>2017</b>
Prepaid expenses	<b>2,963</b>	1,827
Tangible capital assets <i>[note 4]</i>	<b>14,832</b>	17,528
<b>Total non-financial assets</b>	<b>17,795</b>	19,355
<b>Accumulated surplus</b>	<b>\$27,306</b>	\$32,821

*See accompanying notes*

# THE BELLS CORNERS BUSINESS IMPROVEMENT AREA

## STATEMENT OF OPERATIONS

For the year ended December 31, 2018, with comparative information for 2017

Table 4 - Statement of Operations - Revenue

<b>Revenue</b>	<b>Budget 2018 [note 5]</b>	<b>Actual 2018</b>	<b>Actual 2017</b>
Tax revenue [note 3]	\$172,749	<b>\$157,107</b>	\$165,347
Sundry	2,000	<b>629</b>	1,240
Payments in lieu of taxation	423	<b>442</b>	469
<b>Total revenue</b>	<b>175,172</b>	<b>158,178</b>	<b>167,056</b>

Table 5 - Statement of Operations - Expenses

<b>Expenses</b>	<b>Budget 2018 [note 5]</b>	<b>Actual 2018</b>	<b>Actual 2017</b>
Salaries	75,000	<b>73,998</b>	74,020
Advertising	66,143	<b>54,841</b>	54,869
Office	23,000	<b>8,404</b>	8,755
Rent	16,000	<b>17,284</b>	17,378
Insurance	5,000	<b>3,816</b>	3,608
Audit fees	1,968	<b>1,827</b>	1,640
Professional and consulting	1,500	<b>198</b>	417
Maintenance	-	<b>629</b>	1,701
Depreciation	-	<b>2,696</b>	2,696
<b>Total expenses</b>	<b>188,611</b>	<b>163,693</b>	<b>165,084</b>
<b>Annual (deficit) surplus</b>	<b>(13,439)</b>	<b>(5,515)</b>	<b>1,972</b>
Accumulated surplus, beginning of year	32,821	<b>32,821</b>	30,849
<b>Accumulated surplus, end of year</b>	<b>\$19,382</b>	<b>\$27,306</b>	<b>\$32,821</b>

See accompanying notes

## THE BELLS CORNERS BUSINESS IMPROVEMENT AREA

### STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the year ended December 31, 2018, with comparative information for 2017

Table 6 - Statement of Changes in Net Financial Assets

	<b>Budget 2018 <i>[note 5]</i></b>	<b>Actual 2018</b>	<b>Actual 2017</b>
<b>Annual (deficit) surplus</b>	<b>\$(13,439)</b>	<b>\$(5,515)</b>	<b>\$1,972</b>
(Increase) decrease in prepaid expenses	-	<b>(1,136)</b>	609
Depreciation of capital assets	-	<b>2,696</b>	2,696
<b>(Decrease) increase in net financial assets</b>	<b>(13,439)</b>	<b>(3,955)</b>	<b>5,277</b>
Net financial assets, beginning of year	13,466	<b>13,466</b>	8,189
<b>Net financial assets, end of year</b>	<b>\$27</b>	<b>\$9,511</b>	<b>\$13,466</b>

*See accompanying notes*

# THE BELLS CORNERS BUSINESS IMPROVEMENT AREA

## STATEMENT OF CASH FLOWS

For the year ended December 31, 2018, with comparative information for 2017

Table 7 - Statement of Cash Flows - Operating Activities

<b>Operating activities</b>	<b>2018</b>	<b>2017</b>
Annual (deficit) surplus	<b>\$(5,515)</b>	\$1,972
Add item not affecting cash		
Depreciation	<b>2,696</b>	2,696
Changes in non-cash working capital balances related to operations		
Increase in accounts receivable	<b>(107)</b>	-
(Increase) decrease in prepaid expenses	<b>(1,136)</b>	609
Increase (decrease) in accounts payable and accrued liabilities	<b>14,836</b>	(995)
<b>Cash provided by operating activities</b>	<b>10,774</b>	4,282

Table 8 - Statement of Cash Flows - Change in Cash and Cash Equivalents

<b>Change in cash and cash equivalents</b>	<b>2018</b>	<b>2017</b>
Net increase in cash and cash equivalents during the year	<b>10,774</b>	4,282
Cash and cash equivalents, beginning of year	<b>18,965</b>	14,683
<b>Cash and cash equivalents, end of year</b>	<b>\$29,739</b>	\$18,965

Table 9 - Statement of Cash Flows - Cash Breakdown

<b>Cash and cash equivalents consist of</b>	<b>2018</b>	<b>2017</b>
Cash on deposit with the Corporation of the City of Ottawa	<b>\$29,739</b>	\$18,965

*See accompanying notes*

# THE BELLS CORNERS BUSINESS IMPROVEMENT AREA

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2018

### 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 the 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 depreciated 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 depreciated over ten years on a straight-line basis.

#### **Financial instruments**

The financial instruments of the BIA consist of cash on deposit with the Corporation of the City of Ottawa, accounts receivable and 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.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **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.

### **New Accounting Standards**

The Public Sector Accounting Board issued new accounting standards effective for fiscal years beginning on or after April 1, 2017.

Of these pronouncements, PS 2200 *Related Party Disclosures*, PS 3320 *Contingent Assets*, and PS 3380 *Contractual Rights* provide guidance on disclosure requirements only. The adoption of these standards did not result in additional note disclosures.

In addition to these disclosure standards, the BIA adopted PS 3420 *Inter-entity Transactions* which establishes the accounting and reporting for transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The adoption of this new standard did not result in any financial impact on the BIA's financial statements.

## **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, 2018, nil [2017 – nil] is included in accounts payable and accrued liabilities.

### 3. TAX REVENUE

Tax revenue comprises the following:

Table 10 - Tax Revenue Breakdown

	2018 \$	2017 \$
General tax levy	177,296	170,404
Supplementary assessments	-	14,798
Remissions	(19,396)	(16,091)
Vacancy rebates	(793)	(3,764)
	<u>157,107</u>	<u>165,347</u>

### 4. TANGIBLE CAPITAL ASSETS

Tangible capital assets comprise the following:

Table 11 - Tangible Capital Assets Breakdown

	2018 \$	2017 \$
<b>Tangible capital assets</b>		
Equipment	26,964	26,964
Accumulated depreciation	(12,132)	(9,436)
<b>Net book value</b>	<u>14,832</u>	<u>17,528</u>

### 5. BUDGET AMOUNTS

Budget data presented in these financial statements is based upon the 2018 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 \$175,172 reconciles to the budget figures reported in these financial statements after deducting the budgeted contribution from reserves of \$13,439, which is not included in revenue for purposes of the financial statement presentation.

# Operating Status Report - Bell Corners BIA

Bells Corners 2020 Budget Revised

		2020 Budget
179652 - BIA BC Taxation	407001 - General Taxes	-182,511
	407101 - Supplementary Assessment	-2,554
	407104 - Payment In Lieu	-423
	507431 - Remissions	5,000
	507434 - Vacancy Rebate General Taxes	2,000
<b>Revenues</b>		<b>-178,488</b>
179650 - BIA BC Administration	406005 - Contributions From Reserve Funds	-13,439
	407015 - Other Revenue	-1,500
<b>Administration</b>		<b>-14,939</b>
<b>Total Revenue</b>		<b>-193,427</b>
179651 - BIA BC Grants	502330 - Professional Service	-
<b>Revenues</b>		<b>-</b>
179650 - BIA BC Administration	501110 - Compensation	70,500
	501405 - CPP Employer Contribution	3,000
	501406 - EI Employer Premiums	2,000
	502112 - Staff Training & Development	-
	502113 - Local Transportation	300
	502115 - Non-Taxable Car Mileage	2,000
	502121 - Postage	2,000
	502131 - Cablevision & Communications	200
	502134 - Cellular Phone	2,000
	502210 - Advertising/Promotion	67,316
	502310 - Audit Fees	2,000
	502330 - Professional Service	1,500
	502373 - Insurance Premiums	5,000
	502394 - Receptions / Luncheons / Hospitality	3,500
	502395 - Corporate Memberships	1,500
	502396 - Outside Printing and Photography	2,168
	502619 - Rental Buildings	17,500
	502620 - Rental Vehicle	
	502692 - Parking	300
	502896 - Graffiti Removal	500
	502928 - Community Events	2,500
	505772 - Signage	1,000
	505990 - Office Supplies	1,300
	506173 - Office Furniture & Equipment	1,000
	506175 - Computers/Peripherals/Software	1,000
	507197 - Donations/Sponsorships	643
	508807 - Depreciation	2,700
<b>Administration</b>		<b>193,427</b>
179658 - Community Landscape Improvement	502394 - Receptions / Luncheons / Hospitality	-
	502441 - R & M - Grounds	
	502442 - R & M - Buildings	-
<b>Maintenance</b>		<b>-</b>
<b>Total Expense</b>		<b>193,427</b>
<b>Total</b>		<b>-</b>