

CFO Financial Report

Board Meeting
April 2, 2008



WATERFRONToronto

Q3 2007/08 Financial Statements

Quarter Ended
December 31, 2007



WATERFRONToronto

Q3 2007/08 Financial Statements

- Final Financial Statements for quarter ending December 31, 2007 have been included in Board package for review and approval
- These have been reviewed by the Corporation's external auditors and were approved by the Audit Committee February 19, 2008
- There are no material changes from the preliminary results presented to the Board on January 30, 2008

Resolution

That the financial statements for the quarter ended December 31, 2007 be approved by the Board of Directors.

Corporate Budget

Revised 2007/08
Preliminary 2008/09



WATERFRONTToronto

Corporate Budget - Overview

- The Revised 2007/08 and Preliminary 2008/09 Corporate Budgets were reviewed and approved by the Audit Committee February 19, 2008
- The Budgets have been prepared based on actuals to date and consultations with department heads

	2007-08			2008-09		
	Original	Revised	Variance from Original	Preliminary 2008/09	% Var. from Revised 2007/08	\$ Var. from Original 2007/08
Corporate Operating Costs	\$ 14,095,106	\$ 12,515,115	\$ (1,579,991)	\$ 15,590,832	25%	\$ 1,495,726
Corporate Capital Costs	291,000	557,749	266,749	373,500	-33%	82,500
Corporate Costs Charged to Projects	(4,704,757)	(3,886,322)	818,435	(5,641,752)	45%	(936,995)
Corporate Net of Charges to Projects	\$ 9,681,349	\$ 9,186,542	\$ (494,807)	\$ 10,322,579	12%	\$ 641,230
less Amortization (Non-Cash)	(320,353)	(350,194)	(29,841)	(400,000)	14%	(79,647)
CORPORATE CASH BUDGET	\$ 9,360,996	\$ 8,836,348	\$ (524,648)	\$ 9,922,579	12%	\$ 561,583

- The revised 2007/08 budget is \$0.5M less than originally forecast
- The preliminary 2008/09 budget is \$0.6M more than the original 2007/08 budget and \$1.1M (12%) more than the revised 2007/08 budget.

Corporate Budget by Department

Cost Category	Responsible Department Head	2007-08			2008-09		
		Original	Revised	Variance	Original	% Var. from Revised 2007/08	\$ Var. from Original 2007/08
Payroll & Related Costs	CFO	\$ 7,805,851	\$ 7,098,328	\$ (707,523)	\$ 8,669,896	22%	\$ 864,045
General Administration	CFO	1,624,860	1,589,644	(35,216)	1,754,894	10%	130,034
Audit Fees	CFO	431,920	713,287	281,367	614,200	-14%	182,280
Communication & Marketing	VP, G.R. & Comm.	898,100	548,804	(349,296)	899,000	64%	900
Business Development	VP, GR & SI	330,000	195,000	(135,000)	275,000	41%	(55,000)
Legal fees	VP, Legal	515,000	606,000	91,000	395,000	-35%	(120,000)
Human Resource Management	Manager, HR	300,000	501,317	201,317	475,000	-5%	175,000
Information Technology Costs	Director, IT	939,542	468,410	(471,132)	668,641	43%	(270,901)
Sustainability	Director, Sust.	265,500	244,325	(21,175)	339,200	39%	73,700
Program Mgmt. & Construction Costs	Director, PC & RM	984,333	550,000	(434,333)	1,500,000	173%	515,667
Corporate Operating Costs		\$ 14,095,106	\$ 12,515,115	\$ (1,579,991)	\$ 15,590,832	25%	\$ 1,495,726
Add Capital Costs	Dir, IT & Off Mgr	291,000	557,749	266,749	373,500	-33%	82,500
Total Corporate Costs (Including Capital)		\$ 14,386,106	\$ 13,072,864	\$ (1,313,242)	\$ 15,964,332	22%	\$ 1,578,226
Less Costs Charged to Projects	CFO	\$ (4,704,757)	\$ (3,886,322)	\$ 818,435	\$ (5,641,752)	45%	\$ (936,995)
Total Costs Net of Charges to Projects		\$ 9,681,349	\$ 9,186,542	\$ (494,807)	\$ 10,322,579	12%	\$ 641,230
less Amortization (Non-Cash)	CFO	(320,353)	(350,194)	(29,841)	(400,000)	14%	(79,647)
CORPORATE CASH BUDGET		\$ 9,360,996	\$ 8,836,348	\$ (524,648)	\$ 9,922,579	12%	\$ 561,583

Corporate Budget - Funding

	2007-08			2008-09		
	Original	Revised	Variance from Original	Preliminary 2008/09	% Var. from Revised 2007/08	\$ Var. from Original 2007/08
CORPORATE CASH BUDGET	\$ 9,360,996	\$ 8,836,348	\$ (524,648)	\$ 9,922,579	12%	\$ 561,583
Funding (per Jun/07 LTP):						
WT Interest Income	\$ 1,841,996	\$ 1,200,000	641,996	\$ 1,350,000	13%	\$ (491,996)
WT Rent Income		117,348	(117,348)	500,000	326%	500,000
Government Contributions	7,519,000	7,519,000	-	5,748,000	-24%	(1,771,000)
	\$ 9,360,996	\$ 8,836,348	\$ 524,648	\$ 7,598,000	-14%	\$ (1,762,996)
FUNDING SURPLUS/ (DEFICIT)	\$ -	\$ (0)	\$ -	\$ (2,324,579)	100%	\$ (2,324,579)

- Due to a decrease in government funding for Corporate Costs in 08/09 by \$1.8M as well as an increase in costs of \$0.5M, management forecasts a deficit of \$2.3M in 08/09 Corporate Costs to be funded.
- Management proposes to deal with this matter as part of the negotiations with governments on the long term plan.

Resolution

The Audit Committee recommends that the Revised 2007/08 Corporate Budget and the Preliminary 2008/09 Corporate Budget be approved by the Board of Directors