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June 2, 2008

Mr. William Switzer
Rosedale Main Street Business Improvement Area
100 Avenue Road, Unit B
TORONTO, ON
M5R 2H3

Dear Mr. Switzer:

**MANAGEMENT LETTER
YEAR ENDED DECEMBER 31, 2007**

The audit of the financial statements of the Rosedale Main Street Business Improvement Area (BIA) for the year ended December 31, 2007 has recently been completed. The primary purpose of the audit was to express an opinion on the financial position of the BIA as at that date and on the results of its operations for the year then ended.

Given the test nature of my audit, you will appreciate that reliance must be placed on adequate methods of internal control as the Board's principal safeguard against irregularities which a test examination may not disclose. This letter provides my observation and recommendation on a matter arising from the audit for your consideration.

During the course of the audit I followed up actions taken on recommendations made in the previous years and noted that the BIA has implemented all of my recommendations.

Observation:

Supporting Documents

The expenses paid by the coordinator for BIA activities are sometimes reimbursed without supporting documents. In certain cases copies of invoices are attached. The BIA is entitled to 100 percent GST rebate. Because of the lack of documentation, it is not possible to determine the exact amount of GST payments made by the coordinator. In addition, the Revenue Canada Agency requires original invoices for the GST rebate.

Recommendation:

In order to comply with the Revenue Canada Agency guidelines all reimbursements of expenses should be supported by original invoices.

Management Response:

Agreed with the audit recommendation. Effective immediately all expense reimbursements will be supported by original receipts.

I would like to extend my appreciation to you for your cooperation and assistance throughout the audit.

Yours truly,



Rafiq Dosani