

**THE BOARD OF MANAGEMENT FOR THE  
BLOOR ANNEX  
BUSINESS IMPROVEMENT AREA**

**Financial Statements  
For the Year Ended December 31, 2007**

**BLOOR ANNEX  
BUSINESS IMPROVEMENT AREA  
DECEMBER 31, 2007**

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## AUDITOR'S REPORT

### To the Council of the Corporation of the City of Toronto and the Board of Management for the Bloor Annex Business Improvement Area

I have audited the statement of financial position of the Board of Management for the Bloor Annex Business Improvement Area as at December 31, 2007 and the statements of revenue, expenditure and operating surplus and changes in financial position for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly in all material respects, the financial position of the Board as at December 31, 2007 and the results of its operations and changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario  
August 7, 2008

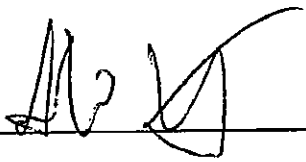



Chartered Accountant  
Licensed Public Accountant

**THE BOARD OF MANAGEMENT FOR THE  
BLOOR ANNEX BUSINESS IMPROVEMENT AREA  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2007**

	<u>2007</u>	<u>2006</u>
	\$	\$
<b>ASSETS</b>		
<b>Current</b>		
Cash and short-term investments	44,176	52,985
Accounts receivable		
City of Toronto - special charges (Note 3)	5,334	4,042
- other	-	950
Other	3,196	792
	<u>52,706</u>	<u>58,769</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	2,270	1,968
<b>ACCUMULATED SURPLUS</b>		
Operating	<u>50,436</u>	<u>56,801</u>
	<u>52,706</u>	<u>58,769</u>

Approved on behalf of the Board of Management:

  
\_\_\_\_\_  
Chair

  
\_\_\_\_\_  
Treasurer

**THE BOARD OF MANAGEMENT FOR THE  
BLOOR ANNEX BUSINESS IMPROVEMENT AREA  
STATEMENT OF REVENUE, EXPENDITURE AND OPERATING SURPLUS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<b>2007 \$ Budget</b>	<b>2007 \$ Actual</b>	<b>2006 \$ Actual</b>
<b>REVENUE</b>			
City of Toronto – special charges	51,408	51,408	51,743
Municipal grants	-	-	950
Interest and other	300	873	2,500
	<u>51,708</u>	<u>52,281</u>	<u>55,193</u>
<b>EXPENDITURE</b>			
Administration	21,790	19,295	19,009
Promotion and advertising	27,787	29,603	10,626
Capital and maintenance	16,845	8,224	5,696
Provision for uncollected special charges (Note 3)	2,786	1,524	1,210
	<u>69,208</u>	<u>58,646</u>	<u>36,541</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FOR THE YEAR</b>	<b>(17,500)</b>	<b>(6,365)</b>	<b>18,652</b>
<b>OPERATING SURPLUS, BEGINNING OF YEAR</b>	<b>56,801</b>	<b>56,801</b>	<b>38,149</b>
<b>OPERATING SURPLUS, END OF YEAR</b>	<b>39,301</b>	<b>50,436</b>	<b>56,801</b>

**THE BOARD OF MANAGEMENT FOR THE  
 BLOOR ANNEX BUSINESS IMPROVEMENT AREA  
 STATEMENT OF CHANGES IN FINANCIAL POSITION  
 FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>2007</u> \$	<u>2006</u> \$
<b>CASH PROVIDED BY (USED IN) OPERATIONS</b>		
Excess (deficiency) of revenue over expenditure for the year	(6,365)	18,652
Increase (decrease) resulting from changes in		
Accounts receivable – City of Toronto	(342)	3,069
Accounts receivable – Other	(2,404)	(318)
Accounts payable – Other	302	(452)
<b>CASH PROVIDED BY (USED IN) OPERATIONS</b>	(8,809)	20,951
<b>CASH, BEGINNING OF YEAR</b>	<u>52,985</u>	<u>32,034</u>
<b>CASH AND SHROT-TERM INVESTMENTS, END OF YEAR</b>	<u>44,176</u>	<u>52,985</u>

**THE BOARD OF MANAGEMENT FOR THE  
BLOOR ANNEX BUSINESS IMPROVEMENT AREA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

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**1. ESTABLISHMENT AND OPERATIONS**

The Bloor Annex 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 Section 220(17) of the Municipal Act, as amended.

**2. 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:

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

**THE BOARD OF MANAGEMENT FOR THE  
BLOOR ANNEX BUSINESS IMPROVEMENT AREA  
NOTES TO THE FINANCIAL STATEMENTS, CONT'D  
FOR THE YEAR ENDED DECEMBER 31, 2007**

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**3. 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:

	2007	2006
	\$	\$
Total special charges outstanding	10,834	9,042
Less: allowance for uncollected special charges	(5,500)	(5,000)
Special charges receivable	<u>5,334</u>	<u>4,042</u>

The provision for uncollected levies reported on the Statement of Revenue, Expenditure and Operating Surplus comprises:

	2007	2006
	\$	\$
Special charges written-off	1,024	410
Change in allowance for uncollected special charges	500	800
	<u>1,524</u>	<u>1,210</u>



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NOTES TO THE FINANCIAL STATEMENTS, CONT'D  
FOR THE YEAR ENDED DECEMBER 31, 2007**

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**4. 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 \$ Nil (2006 - \$7,500) was outstanding as at December 31, 2007.

**5. INSURANCE**

The Board is required to deposit with the 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.