

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

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

**BLOOR STREET  
BUSINESS IMPROVEMENT AREA**

**DECEMBER 31, 2007**

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## AUDITOR'S REPORT

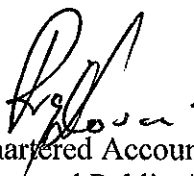
### **To the Council of the Corporation of the City of Toronto and the Board of Management for the Bloor Street Business Improvement Area**

I have audited the statement of financial position of the Board of Management for the Bloor Street Business Improvement Area as at December 31, 2007 and the statements of capital operations 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 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  
June 20, 2008

  
Chartered Accountant  
Licensed Public Accountant

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

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2007  
\$

**ASSETS**

**Current**

|  |                  |
|--|------------------|
| Cash and short-term investments            | 1,135,249        |
| Accounts receivable                        |                  |
| City of Toronto – special charges (Note 3) | -                |
| Other                                      | 22,939           |
|  | <u>1,158,188</u> |

**LIABILITIES**

**Current**

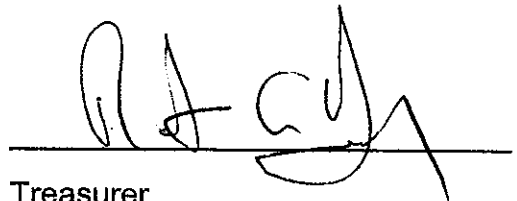
|  |                |
|--|----------------|
| Accounts payable and accrued liabilities   |                |
| City of Toronto – special charges (Note 3) | 91,482         |
| Other                                      | 63,057         |
|  | <u>154,539</u> |

|                      |                  |
|----------------------|------------------|
| Capital fund balance | 1,003,649        |
|                      | <u>1,158,188</u> |

Approved on behalf of the Board of Management:



Chair



Treasurer

**THE BOARD OF MANAGEMENT FOR THE  
 BLOOR STREET BUSINESS IMPROVEMENT AREA  
 STATEMENT OF CAPITAL OPERATIONS  
 FOR THE YEAR ENDED DECEMBER 31, 2007**

|  | <b>2007<br/>\$<br/>Budget</b> | <b>2007<br/>\$<br/>Actual</b> |
|--|-------------------------------|-------------------------------|
| <b>REVENUE</b>   |                               |                               |
| City of Toronto – special charges                            | 1,650,000                     | 1,651,998                     |
| Interest   | -                             | 22,670                        |
|  | <u>1,650,000</u>              | <u>1,674,668</u>              |
| <b>EXPENDITURE</b>   |                               |                               |
| Capital  | 1,500,000                     | 427,509                       |
| Provision for uncollected special charges (Note 3)           | 150,000                       | 243,510                       |
|  | <u>1,650,000</u>              | <u>671,019</u>                |
| <b>NET INCREASE IN CAPITAL FUND BALANCE<br/>FOR THE YEAR</b> | -                             | 1,003,649                     |
| <b>CAPITAL FUND BALANCE, BEGINNING OF<br/>YEAR</b>           | -                             | -                             |
| <b>CAPITAL FUND BALANCE, END OF YEAR</b>                     | -                             | <u>1,003,649</u>              |

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

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|   | <b>2007</b>                  |
|---|------------------------------|
|   | <b>\$</b>                    |
| <b>CASH PROVIDED BY OPERATIONS</b>                        |                              |
| Net increase in capital fund balance for the year         | 1,003,649                    |
| Increase (decrease) resulting from changes in             |                              |
| Accounts receivable - City of Toronto                     | -                            |
| Accounts receivable – other                               | (22,939)                     |
| Accounts payable - City of Toronto                        | 91,482                       |
| Accounts payable – other                                  | 63,057                       |
|   | <hr/>                        |
| <b>CASH PROVIDED BY OPERATIONS</b>                        | <b>1,135,249</b>             |
| <b>CASH AND SHORT-TERM INVESTMENTS, BEGINNING OF YEAR</b> | <hr/> -                      |
| <b>CASH AND SHORT-TERM INVESTMENTS, END OF YEAR</b>       | <hr/> <b>1,135,249</b> <hr/> |

**THE BOARD OF MANAGEMENT FOR THE  
BLOOR STREET 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 Street Business Improvement Area (BIA) has been created solely for the purpose of enabling the City of Toronto to recover all costs associated with the Bloor Street Transformation Project. Its mandate is to complete the Bloor Street Transformation Project with a loan from the City and approve an annual budget to repay the loan, including interest, to the City. The loan will be amortized over a 20 year recovery period.

Although the City Council approved the establishment of the Bloor Street BIA in 2006, no business was carried out during 2006 other than the election of the Board members and approval of year 2007 BIA budget.

**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 STREET 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/payable net of an allowance for uncollected amounts. The special charges receivable from (payable to) the City of Toronto are comprised of:

|   |                 |
|---|-----------------|
|   | 2007<br>\$      |
| Total special charges outstanding               | 152,218         |
| Less: allowance for uncollected special charges | (243,700)       |
| Special charges receivable (payable)            | <u>(91,482)</u> |

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

|  |                |
|--|----------------|
|  | 2007<br>\$     |
| Special charges written-off (recovered)    | (190)          |
| Provision for losses on assessment appeals | 243,700        |
|  | <u>243,510</u> |



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

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**4. 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.