

**THE BOARD OF MANAGEMENT FOR THE
FAIRBANK VILLAGE
BUSINESS IMPROVEMENT AREA**

**Financial Statements
For the Period from March 6, 2007 (designated as BIA)
To December 31, 2007**

**FAIRBANK VILLAGE
BUSINESS IMPROVEMENT AREA**

DECEMBER 31, 2007

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CHARTERED ACCOUNTANT

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AUDITOR'S REPORT

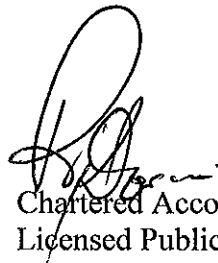
To the Council of the Corporation of the City of Toronto and the Board of Management for the Fairbank Village Business Improvement Area

I have audited the statement of financial position of the Board of Management for the Fairbank Village Business Improvement Area as at December 31, 2007 and the statements of revenue, expenditure and operating surplus and changes in financial position for the period from March 6, 2007 (designated as BIA) to December 31, 2007. 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 period then ended in accordance with Canadian generally accepted accounting principles.

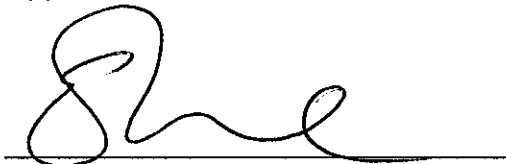
Toronto, Ontario
September 23, 2008


Chartered Accountant
Licensed Public Accountant

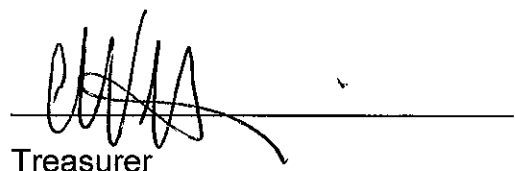
**THE BOARD OF MANAGEMENT FOR THE
FAIRBANK VILLAGE BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2007**

	2007 \$
ASSETS	
Current	
Cash and short-term investments	49,462
Accounts receivable	
City of Toronto – special charges (Note 3)	673
Receivable from York Eglinton BIA (Note 4)	49,207
Other	1,062
	<u>100,404</u>
LIABILITIES	
Current	
Accounts payable and accrued liabilities	
City of Toronto	-
Other	9,908
	<u>9,908</u>
ACCUMULATED SURPLUS	
Operating	90,496
	<u>100,404</u>

Approved on behalf of the Board of Management:



Chair



Treasurer

**THE BOARD OF MANAGEMENT FOR THE
 FAIRBANK VILLAGE BUSINESS IMPROVEMENT AREA
 STATEMENT OF REVENUE, EXPENDITURE AND OPERATING SURPLUS
 FOR THE PERIOD FROM MARCH 6, 2007 TO DECEMBER 31, 2007**

	2007 \$ Budget	2007 \$ Actual
REVENUE		
City of Toronto – special charges	79,003	79,003
Municipal grants	-	-
Interest	-	580
	79,003	79,583
EXPENDITURE		
Administration	12,910	8,321
Promotion and advertising	34,650	12,540
Capital and maintenance	28,000	14,633
Provision for uncollected special charges (Note 3)	3,443	2,800
	79,003	38,294
EXCESS OF REVENUE OVER EXPENDITURE FOR THE PERIOD	-	41,289
TRANSFER OF SURPLUS (Note 4)	-	49,207
OPERATING SURPLUS, BEGINNING OF PERIOD	-	-
OPERATING SURPLUS, END OF PERIOD	-	90,496

**THE BOARD OF MANAGEMENT FOR THE
 FAIRBANK VILLAGE BUSINESS IMPROVEMENT AREA
 STATEMENT OF CHANGES IN FINANCIAL POSITION
 FOR THE PERIOD FROM MARCH 6, 2007 TO DECEMBER 31, 2007**

	2007
	\$
CASH PROVIDED BY OPERATIONS	
Excess of revenue over expenditure for the period	41,289
Increase (decrease) resulting from changes in	
Accounts receivable - City of Toronto	(673)
Accounts receivable from York Eglinton BIA (Note 4)	(49,207)
Accounts receivable – other	(1,062)
Accounts payable - City of Toronto	-
Accounts payable – other	9,908
	<hr/>
CASH PROVIDED BY OPERATIONS	255
TRANSFER OF SURPLUS (NOTE 4)	49,207
CASH, BEGINNING OF PERIOD	<hr/> -
CASH, END OF PERIOD	<hr/> 49,462 <hr/>

**THE BOARD OF MANAGEMENT FOR THE
FAIRBANK VILLAGE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM MARCH 6, 2007 TO DECEMBER 31, 2007**

1. ESTABLISHMENT AND OPERATIONS

The Fairbank Village 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
 FAIRBANK VILLAGE BUSINESS IMPROVEMENT AREA
 NOTES TO THE FINANCIAL STATEMENTS, CONT'D
 FOR THE PERIOD FROM MARCH 6, 2007 TO DECEMBER 31, 2007

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
	\$
Total special charges outstanding	3,473
Less: allowance for uncollected special charges	(2,800)
Special charges receivable	<u>673</u>

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

	2007
	\$
Special charges written-off	-
Provision for losses on assessment appeals	2,800
	<u>2,800</u>

**THE BOARD OF MANAGEMENT FOR THE
FAIRBANK VILLAGE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE PERIOD FROM MARCH 6, 2007 TO DECEMBER 31, 2007**

4. TRANSFER OF SURPLUS

The City received a request from the former Board of Management of the York-Eglinton BIA to re-align the western boundaries of the BIA. The City conducted a poll in 2006, which resulted in the shortening of the western boundaries of the York-Eglinton BIA. In the early part of 2007, City Council approved a new BIA named Fairbank Village BIA extending from the West Side of Dufferin to Chamberlain.

The Fairbank Village BIA's share of the accumulative operating surplus of prior years amounting to \$49,207 was receivable 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.