

Appendix D-2:

RAFIQ DOSANI, B.Comm. CFE CA
CHARTERED ACCOUNTANT

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Mr. D. Jure, Chair
Bloor-Yorkville Business Improvement Area
220-55 Bloor Street West
TORONTO, ON M4W 1A5

Dear Mr. Jure:

MANAGEMENT LETTER YEAR ENDED DECEMBER 31, 2009

The audit of the financial statements of the Bloor-Yorkville Business Improvement Area (BIA) for the year ended December 31, 2009 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 the 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.

Considering the size of the organization the internal controls are well maintained and consistently applied. During the course of the audit I followed-up on actions taken on recommendations made in previous management letters and noted that the BIA has implemented all of the recommendations. This letter provides an observation and recommendation on matters arising from the 2009 audit for your consideration

HYDRO CHARGES

Observation:

For the last four years the City of Toronto has been recovering a certain amount from the BIA levy revenue for the hydro used by LED lights during Christmas season. In aggregate \$61,000 has been deducted from the BIA levy.


In addition, the BIA has been directly receiving bills and making payments to Toronto Hydro for LED lights. It is quite conceivable that the BIA could be making payments twice for the power usage for the same lights.

I have been advised that the General Manager of the BIA has written a number of letters to City staff members to obtain documentary evidence such as hydro billings and meter readings to substantiate these hydro charges but has had no response.

Recommendation:

In order to eliminate potential duplicate charges, the BIA Treasurer should contact the Deputy City Manager to obtain detailed documentation regarding hydro charges and direct the BIA General Manager to review hydro billing to ensure the charges are valid and reasonable.

Yours truly,

A handwritten signature in black ink, appearing to read 'Rafiq Dosani', written over a faint circular stamp.

Rafiq Dosani