

**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH
BUSINESS IMPROVEMENT AREA**

**Financial Statements
For the Year Ended December 31, 2023**

GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA

DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Council of the Corporation of the City of Toronto and the
Board of Management for Greektown on the Danforth Business Improvement Area

Opinion

I have audited the financial statements of Greektown on the Danforth Business Improvement Area (BIA), which comprise the statement of financial position as at December 31, 2023, and the statement of operations and accumulated surplus, statement of changes in net financial assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the BIA as at December 31, 2023 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for local governments as prescribed by the Public Sector Accounting Board (PSAB).

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the BIA in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for local governments as prescribed by the Public Sector Accounting Board (PSAB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the BIA's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the BIA or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the BIA's financial reporting process.

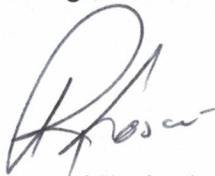
Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the BIA's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the BIA's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the BIA to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Toronto, Ontario
April 25 2024


Chartered Professional Accountant
Licensed Public Accountant

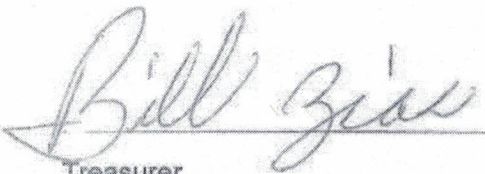
**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023**

	2023 \$	2022 \$
FINANCIAL ASSETS		
Cash	114,483	464,809
Short-term investment (Note 3)	689,164	665,570
Accounts receivable		
City of Toronto – special charges (Note 4)	37,384	-
Other	358,306	50,736
	<u>1,199,337</u>	<u>1,181,115</u>
LIABILITIES		
Accounts payable and accrued liabilities		
City of Toronto – special charges (Note 4)	-	7,201
- capital cost share	364,452	44,389
Other	43,198	15,000
	<u>407,650</u>	<u>66,590</u>
NET FINANCIAL ASSETS	791,687	1,114,525
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 5)	339,847	34,724
ACCUMULATED SURPLUS	<u>1,131,534</u>	<u>1,149,249</u>

Approved on behalf of the Board of Management:



Chair



Treasurer

**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023 \$ Budget (Note 9)	2023 \$ Actual	2022 \$ Actual
REVENUE			
City of Toronto – special charges	424,899	424,899	425,372
Grants and other revenue	301,518	268,180	62,162
Taste of the Danforth (Schedule 1)	592,000	647,707	-
	<u>1,318,417</u>	<u>1,340,786</u>	<u>487,534</u>
EXPENSES			
Administration	169,043	196,736	164,859
Promotion and advertising	67,750	59,212	166,943
Taste of the Danforth (Schedule 1)	592,000	880,534	-
Maintenance	153,500	126,935	142,641
Capital (Note 8)	436,232	-	6,774
Amortization	-	90,555	11,439
Provision for (recovery of) uncollected special charges (Note 4)	49,020	4,529	26,282
	<u>1,467,545</u>	<u>1,358,501</u>	<u>518,938</u>
(DEFICIT) FOR THE YEAR	(149,128)	(17,715)	(31,404)
OPERATING SURPLUS, BEGINNING OF YEAR	1,149,249	1,149,249	1,180,653
OPERATING SURPLUS, END OF YEAR	1,000,121	1,131,534	1,149,249

**THE BOARD OF MANAGEMENT FOR THE
 GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
 STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023	2022
	\$	\$
Surplus (deficit) for the year	(17,715)	(31,404)
Acquisition of tangible capital assets	(395,678)	(20,097)
Amortization of tangible capital assets	90,555	11,439
	(322,838)	(40,062)
Balance - Beginning of year	1,114,525	1,154,587
Balance - End of year	<u>791,687</u>	<u>1,114,525</u>

**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023	2022
	\$	\$
Cash flows from operating activities		
Surplus (deficit) for the year	(17,715)	(31,404)
Non-cash changes to operations		
Add: Non-cash item Amortization of capital assets	90,555	11,439
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	(37,384)	4,556
Accounts receivable – other	(307,570)	(5,865)
Accounts payable – City of Toronto	312,862	7,201
Accounts payable – Other	28,198	17,534
Cash Used In Operations	68,946	3,484
Investing activities		
Purchase of tangible capital assets	(395,678)	(20,097)
(Increase) decrease in short-term investment	(23,594)	68,479
Cash, beginning of year	464,809	412,943
Cash, end of year	114,483	464,809

**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

1. ESTABLISHMENT AND OPERATIONS

The Greektown on the Danforth 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 Canadian accounting standards for local governments as prescribed by the Public Sector Accounting Board (PSAB), the most significant of which are as follows:

Revenue recognition:

The BIA receives special charges from its members which are levied and collected by the City of Toronto. It also receives cash donations and sponsorships from corporate and private donors and grants from local, provincial and federal governments for events and festivals. Revenue is being recorded upon the signing of contracts and when collection can be reasonably ascertained.

Short-term Investments:

Short-term investments are highly liquid financial instruments with original maturities greater than three months but less than one year and are classified as "short-term" investments. BIA classifies short-term investments as current assets and reports them at their fair market value.

Capital assets:

Purchased capital assets are recorded at cost. Amortization is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Street lights	5 years	Planters	5 years
Pole Wraps	5 years	Alexander Parkette	5 years
Banner Poles	3 years	Furniture	5 years

Contributed services:

Services provided without charge by the City of Toronto and others are not recorded in these financial statements.

Financial instruments:

Financial instruments are recorded at the approximated fair value.

THE BOARD OF MANAGEMENT FOR THE
 GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
 NOTES TO THE FINANCIAL STATEMENTS, CONT'D
 FOR THE YEAR ENDED DECEMBER 31, 2023

SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Use of estimates:

The preparation of these financial statements in accordance with PSAB requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include determining the useful lives of tangible capital assets for amortization, the allowance for uncollectible levies and accounts receivable and contingent liabilities. Actual results could differ from management's best estimates; as additional information becomes available in the future.

3. SHORT-TERM INVESTMENT

Short-term investment consists of a Balanced Mutual Fund with the Royal Bank of Canada. This investment is cashable with a short notice.

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

	2023	2022
	\$	\$
Total special charges outstanding	44,284	1,299
Less: allowance for uncollected special charges	(6,900)	(8,500)
Special charges receivable (payable)	<u>37,384</u>	<u>(7,201)</u>

The provision for (recovery of) uncollected levies reported on the Statement of Operations and Accumulated Surplus comprises of:

	2023	2022
	\$	\$
Special charges written-off	6,129	33,682
Change in allowance for uncollected special charges	(1,600)	(7,400)
	<u>4,529</u>	<u>26,282</u>

THE BOARD OF MANAGEMENT FOR THE
 GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
 NOTES TO THE FINANCIAL STATEMENTS, CONT'D
 FOR THE YEAR ENDED DECEMBER 31, 2023

5. CAPITAL ASSETS

	2023			
	Lights	Pole Wraps	Alexander Parkette	Total
Cost				
Beginning	414,198	-	31,675	445,873
Additions		30,634	365,044	395,678
Disposals				
Ending	414,198	30,634	396,719	841,551
Accumulated Amortization				
Beginning	398,886	-	12,263	411,149
Amortization	5,104	6,107	79,344	90,555
Disposals				
Ending	403,990	6,107	91,607	501,704
Net Book Value	10,208	24,527	305,112	339,847
	2022			
	Lights	Banner	Alexander Parkette	Total
Cost				
Beginning	414,198	18,775	11,578	444,551
Additions			20,097	20,097
Disposals				
Ending	414,198	18,775	31,675	464,648
Accumulated Amortization				
Beginning	393,782	18,775	5,928	418,485
Amortization	5,104		6,335	11,439
Disposals				
Ending	398,886	18,775	12,263	429,924
Net Book Value	15,312	-	19,412	34,724

**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2023**

6. 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.

7. FINANCIAL INSTRUMENTS

The carrying value of the BIA's financial instruments approximates their values. The BIA is subject to an interest rate risk with respect to its investments; however, as these instruments are short-term investments the risk is minimal.

8. CAPITAL EXPENSES

In order to finance major capital expenses the BIA annually budgets certain amounts and accumulates them as surplus. Once adequate funds have accumulated, the BIA undertakes cost-shared capital improvement projects with the City. For this reason the actual expenses in a given year could significantly differ from the amount budgeted for the year. Any excess actual capital expenses are financed out of the accumulated surplus.

9. BUDGET

Budget Figures are provided for comparative purposes only and have not been subject to audit procedures.

10. 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 \$913,293 (2022 - \$869,185) was outstanding as at December 31, 2023.

**THE BOARD OF MANAGEMENT FOR THE
GREEKTOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2023**

11. CONTIGENT LIABILITY

A person alleging that he was a consultant for the BIA commenced litigation on October 14, 2021 for alleged past consulting fees. The BIA is defending against the allegations. The next step in the process is mandatory mediation.

THE BOARD OF MANAGEMENT FOR THE
GREEK TOWN ON THE DANFORTH BUSINESS IMPROVEMENT AREA

SCHEDULE 1

STATEMENT OF OPERATIONS – 2023 GREEK TOWN’S TASTE OF THE DANFORTH

	2023 \$ Budget	2023 \$ Actual
REVENUE		
Sponsorships	425,000	234,614
Other revenue	107,000	130,143
Grants	60,000	220,000
Contributions from members (note 3)	0	62,950
	<u>592,000</u>	<u>647,707</u>
EXPENDITURE		
Logistics and staffing	310,500	475,513
Consulting and coordination	91,000	185,000
Entertainment	90,000	133,115
Beer and wine garden	15,000	20,319
Marketing and media	85,500	66,587
Donations (note 3)	0	0
	<u>592,000</u>	<u>880,534</u>
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURE	<u>0</u>	<u>(232,827)</u>