

**THE BOARD OF MANAGEMENT FOR THE
GERRARD INDIA BAZAAR
BUSINESS IMPROVEMENT AREA**

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

GERRARD INDIA BAZAAR BUSINESS IMPROVEMENT AREA

DECEMBER 31, 2023

CONTENTS

	<u>Page</u>
Independent auditor's report	3 - 4
Financial statements	
Statement of financial position	5
Statement of operations and accumulated surplus	6
Statement of changes in net financial assets	7
Statement of cash flows	8
Notes to financial statements	9 – 12
Festival Revenue and Expenses (Schedule 1)	13

INDEPENDENT AUDITOR'S REPORT

To the Council of the Corporation of the City of Toronto and the Board of Management for the Gerrard India Bazaar Business Improvement Area

I have audited the accompanying financial statements of Gerrard India Bazaar Business Improvement Area, 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 Board 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 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 generally accepted auditing standards will always detect a material misstatement when it exists.

RAFIQ DOSANI, B.Comm. CPA, CA.
CHARTERED PROFESSIONAL ACCOUNTANT

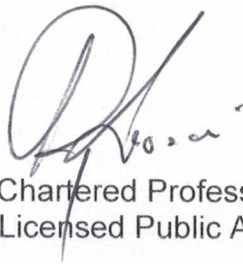
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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted 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
September 4, 2024


Chartered Professional Accountant
Licensed Public Accountant

**THE BOARD OF MANAGEMENT FOR THE
GERRARD INDIA BAZAAR BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023**

	2023 \$	2022 \$
FINANCIAL ASSETS		
Cash	72,691	34,972
Short-term investments (Note 3)	211,493	287,287
Accounts receivable		
City of Toronto – special charges (Note 4)	14,544	15,726
Other	60,304	33,106
	359,032	371,091
LIABILITIES		
Accounts payable and accrued liabilities		
City of Toronto – other	-	-
Other	17,779	14,523
	17,779	14,523
NET FINANCIAL ASSETS	341,253	356,568
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 5)	-	-
ACCUMULATED SURPLUS	341,253	356,568

Approved on behalf of the Board of Management:



G. S. Khorana

Chair

Treasurer

**THE BOARD OF MANAGEMENT FOR THE
 GERRARD INDIA BAZAAR 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	159,954	160,000	157,956
Festivals, grants & sponsorships (Schedule 1)	112,500	138,200	76,750
Interest and other	-	12,370	2,557
	<u>272,454</u>	<u>310,570</u>	<u>237,263</u>
EXPENSES			
Promotion and advertising	18,000	7,410	18,587
Festivals (Schedule 1)	150,000	225,379	131,838
Administration	59,276	60,533	74,077
Maintenance	44,000	32,563	37,949
Capital (note 8)	67,500	-	-
Amortization	-	-	4,544
Provision for uncollected levies (note 4)	(1,322)	-	178
	<u>337,454</u>	<u>325,885</u>	<u>267,173</u>
SURPLUS (DEFICIT) FOR THE YEAR	(65,000)	(15,315)	(29,910)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>356,568</u>	<u>356,568</u>	<u>386,478</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>291,568</u>	<u>341,253</u>	<u>356,568</u>

**THE BOARD OF MANAGEMENT FOR THE
 GERRARD INDIA BAZAAR BUSINESS IMPROVEMENT AREA
 STATEMENT OF CHANGES IN NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023 \$	2022 \$
Surplus (deficit) for the year	(15,315)	(29,910)
Acquisition of tangible capital assets	-	-
Amortization of tangible capital assets	-	4,544
	(15,315)	(25,366)
Balance - Beginning of year	356,568	381,934
Balance - End of year	<u>341,253</u>	<u>356,568</u>

THE BOARD OF MANAGEMENT FOR THE
 GERRARD INDIA BAZAAR 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	(15,315)	(29,910)
Non-cash changes to operations		
Add: Non-cash item Amortization of capital assets	-	4,544
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	1,182	8,703
Accounts receivable – other	(27,198)	(4,366)
Accounts payable - City of Toronto	5,000	-
Accounts payable – other	(1,744)	(1,795)
Cash Provided By Operations	(38,075)	(22,824)
Investing activities		
Purchase of tangible capital assets	-	-
(Increase) decrease in short-term investments	75,794	(31,907)
Financing activities		
Loan payable	-	-
Cash, Beginning Of Year	34,972	89,703
Cash, End Of Year	72,691	34,972

**THE BOARD OF MANAGEMENT FOR THE
GERRARD INDIA BAZAAR BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

1. ESTABLISHMENT AND OPERATIONS

The Gerrard India Bazaar 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:

Banners	3 years
Lights	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
GERRARD INDIA BAZAAR 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 INVESTMENTS

Short-term investments consist of GICs with the Royal Bank of Canada. These investments earn interest ranging from 1.75% to 4.25% per annum and will be maturing in 2024.

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 net of an allowance for uncollected amounts. The special charges receivable from the City of Toronto are comprised of:

	2023	2022
	\$	\$
Total special charges outstanding	14,544	15,726
Less: allowance for uncollected special charges	-	-
Special charges receivable	<u>14,544</u>	<u>15,726</u>

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

	2023	2022
	\$	\$
Special charges written-off	-	278
Change in allowance for uncollected special charges	-	(100)
	<u>-</u>	<u>178</u>

THE BOARD OF MANAGEMENT FOR THE
GERRARD INDIA BAZAAR BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2023

5. CAPITAL ASSETS

		2023		
	Lights	Computers	Banners	Total
Cost				
Beginning	113,284	900	18,729	132,913
Additions	-	-	-	-
Disposals	-	-	-	-
Ending	113,284	900	18,729	132,913
Accumulated Amortization				
Beginning	113,284	900	18,729	132,913
Amortization	-	-	-	-
Disposals	-	-	-	-
Ending	113,284	900	18,729	132,913
Net Book Value	-	-	-	-

		2022		
	Lights	Computers	Banners	Total
Cost				
Beginning	113,284	900	18,729	132,913
Additions	-	-	-	-
Disposals	-	-	-	-
Ending	113,284	900	18,729	132,913
Accumulated Amortization				
Beginning	113,284	900	14,185	128,369
Amortization	-	-	4,544	4,544
Disposals	-	-	-	-
Ending	113,284	900	18,729	132,913
Net Book Value	-	-	-	-

**THE BOARD OF MANAGEMENT FOR THE
GERRARD INDIA BAZAAR 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.

THE BOARD OF MANAGEMENT FOR THE
GERRARD INDIA BAZAAR BUSINESS IMPROVEMENT AREA
FESTIVAL REVENUE AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

SCHEDULE 1

		2023	2022
		\$	\$
INCOME	<u>Sponsorship -Festival</u>		
	Eid Festival (Canada Dry)		
	FSA (TD/Trinity/Connect6)	84,800	
	The Frozen Heritage (Grant)	50,000	
	Misc. other	3,400	
		<u>138,200</u>	<u>76,750</u>
EXPENSES	<u>Baisakhi</u>		3,858
	<u>Diwali</u>		
	Site set up	1,714	
	Marketing	4,114	
	Misc.	2,017	
	Music & Décor	2,543	
	Activities	2,595	
		<u>12,984</u>	<u>5,041</u>
	<u>Easter</u>		
	Music & Décor		425
	<u>Eid</u>		
	Set up	2,013	
	Marketing	430	
	Entertainment	6,317	
	Music & Décor		
	Fees & misc.	19	
		<u>8,779</u>	<u>9,521</u>
	<u>The Frozen Heritage</u>		
	Production	46,081	
	Marketing	10,743	
		<u>56,824</u>	<u>-</u>
	<u>Christmas</u>		
	Santa	622	
	Decorations and backdrop	379	
	Hot Chocolate	660	
	Labour	99	
	Social Media and Misc	280	
		<u>2,182</u>	<u>-</u>
	<u>Adivasi Aakruti Art Jam</u>		
	Hardware	479	
	Artists	3,750	
		<u>4,229</u>	<u>-</u>

THE BOARD OF MANAGEMENT FOR THE
 GERRARD INDIA BAZAAR BUSINESS IMPROVEMENT AREA
 FESTIVAL REVENUE AND EXPENSES
 FOR THE YEAR ENDED DECEMBER 31, 2023

SCHEDULE 1 - CONTINUED

<u>Roden Fun Fair</u>			
Balloonist	311		
Stage	1695		
Sponsorship	495	2,501	-
<u>FSA</u>			
Artist Performance			
Casual Labour	2,400		
Attractions	7,254		
Media marketing	10,626		
Set up admin cost	53,445		
Site Management	14,410		
Design and graphics	2,750		
Photography/video	2,150		
Management and Misc.	23,108		
Media and Entertainment	21,736	137,880	112,993
TOTAL EXPENSES		225,379	131,838
EXCESS OF EXPENSES OVER REVENUE		87,179	55,088