

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

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

BLOORCOURT VILLAGE 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 Bloorcourt Village Business Improvement Area

Opinion

I have audited the financial statements of Bloorcourt Village 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.

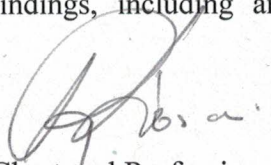
Auditor's Responsibilities for the Audit of the Financial Statements

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 generally accepted 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 generally accepted auditing standards, I exercise professional judgment and maintain professional scepticism 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
January 9, 2025


Chartered Professional Accountant
Licensed Public Accountant


THE BOARD OF MANAGEMENT FOR THE
BLOORCOURT VILLAGE BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

	2023 \$	2022 \$
FINANCIAL ASSETS		
Cash	341,533	312,071
Short-term Investment	-	-
Accounts receivable		
City of Toronto – special charges (Note 3)	15,277	16,233
Other	11,386	26,036
	<u>368,196</u>	<u>354,340</u>
LIABILITIES		
Accounts payable and accrued liabilities		
City of Toronto	2,740	27,715
Other	<u>2,740</u>	<u>27,715</u>
NET FINANCIAL ASSETS	365,456	326,625
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 4)	23,010	76,783
ACCUMULATED SURPLUS	<u>388,466</u>	<u>403,408</u>

Approved on behalf of the Board of Management:



Chair *Toula Bekiaris*



Treasurer *Antonia Yee*

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

	2023 \$ Budget (Note 8)	2023 \$ Actual	2022 \$ Actual
REVENUE			
City of Toronto – special charges	203,488	203,492	203,580
Interest income	-	-	358
Grants, sponsorship & other revenue	12,700	21,136	44,283
	<u>216,188</u>	<u>224,628</u>	<u>248,221</u>
EXPENSES			
Administration	59,146	56,697	55,764
Promotion and advertising	75,000	53,889	51,751
Maintenance	111,000	72,336	49,392
Capital (note 7)	59,000	-	-
Amortization	-	53,773	76,681
Provision for uncollected special charges (note 3)	1,821	2,875	3,421
	<u>305,967</u>	<u>239,570</u>	<u>237,009</u>
SURPLUS (DEFICIT) FOR THE YEAR	(89,779)	(14,942)	11,212
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>403,408</u>	<u>403,408</u>	<u>392,196</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>313,629</u>	<u>388,466</u>	<u>403,408</u>

THE BOARD OF MANAGEMENT FOR THE
BLOORCOURT VILLAGE BUSINESS IMPROVEMENT AREA
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 \$	2022 \$
Surplus (deficit) for the year	(14,942)	11,212
Acquisition of tangible capital assets	-	(40,478)
Amortization of tangible capital assets	53,773	76,681
	38,831	47,415
Balance - Beginning of year	326,625	279,210
Balance - End of year	365,456	326,625

THE BOARD OF MANAGEMENT FOR THE
BLOORCOURT VILLAGE 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	(14,942)	11,212
Non-cash changes to operations		
Add: Non-cash item Amortization of capital assets	53,773	76,681
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	956	46,542
Accounts receivable – other	14,650	1,068
Accounts payable - other	(24,975)	25,715
Accounts payable – City of Toronto	-	-
Cash Provided By Operations	29,462	161,218
Investing activities		
Purchase of tangible capital assets	-	(40,478)
Decrease (Increase) in Investment	-	102,281
Cash, Beginning Of Year	312,071	89,050
Cash, End Of Year	341,533	312,071

**THE BOARD OF MANAGEMENT FOR THE
BLOORCOURT VILLAGE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

1. ESTABLISHMENT AND OPERATIONS

The Bloorcourt 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 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:

Streetscape	5 years	Banners	3 years
Planters	5 YEARS	STREET 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
BLOORCOURT VILLAGE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
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. 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	18,477	20,233
Less: allowance for uncollected special charges	(3,200)	(4,000)
Special charges receivable	<u>15,277</u>	<u>16,233</u>

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

	2023	2022
	\$	\$
Special charges written-off	3,675	3,520
Change in allowance for uncollected special charges	(800)	(100)
	<u>2,875</u>	<u>3,420</u>

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

4. TANGIBLE CAPITAL ASSETS

	2023				
	Streetscape	Planters	Street furniture	Banners	Total
Cost					
Beginning	602,580	1,018	34,162	6,316	644,076
Additions					
Disposals					
Ending	602,580	1,018	34,162	6,316	644,076
Accumulated Amortization					
Beginning	557,948	408	6,832	2,105	567,293
Amortization	44,632	204	6,832	2,105	53,773
Disposals					
Ending	602,580	612	13,664	4,210	621,066
Net Book Value	-	406	20,498	2,106	23,010

	2022				
	Streetscape	Planters	Street furniture	Banners	Total
Cost					
Beginning	602,580	1,018	-	-	603,598
Additions			34,162	6,316	40,478
Disposals					
Ending	602,580	1,018	34,162	6,316	644,076
Accumulated Amortization					
Beginning	490,408	204	-	-	490,612
Amortization	67,540	204	6,832	2,105	76,681
Disposals					
Ending	557,948	408	6,832	2,105	567,293
Net Book Value	44,632	610	27,330	4,211	76,783

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

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.

6. FINANCIAL INSTRUMENTS

The carrying values of the BIA's financial instruments approximate their values.

7. Capital Expenses

In order to finance major capital expenses the BIA annually budgets certain amounts and accumulates them as operating 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.

8. BUDGET

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

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

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January 9, 2025

Ms Antonia Yee, Treasurer
Bloorcourt village Business Improvement Area
Toronto, Ontario

Dear Ms Yee :

**MANAGEMENT LETTER
YEAR ENDED DECEMBER 31, 2023**

The audit of the financial statements of the Bloorcourt Village Business Improvement Area (BIA) for the year ended December 31, 2023 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 my 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. This letter provides my comments and recommendations on matters arising from the audit for your consideration.

INTERIM FINANCIAL STATEMENTS

Observation:

The books of the BIA are written-up once a year consequently no interim financial statements are provided to the Board for their review. Interim financial statements would provide a better financial position of the BIA to the Board throughout the year.

Recommendation:

1. Consideration should be given to writing-up books of accounts on an ongoing basis and periodically interim financial statements should be presented to the Board for their review and approval.

Management response:

We agreed with the recommendation. The BIA will be providing the documents to its Bookkeeper to write-up books on an on-going basis and prepare quarterly financial statements for the board's review and approval.

CASH

Observation:

During the year the BIA maintained a significant amount of cash in a current account earning no interest income. At the December 2024 Board meeting the Board approved an investment of \$100,000 in a Guaranteed Investment Certificate. However, the BIA had significantly higher cash available to be invested.

Recommendation:

- 2. Consideration should be given to prepare a cash flow statement and excess cash, which is not immediately required, should be invested in short-term investments to earn interest income.**

Management response:

We agreed with the recommendation. The BIA will prepare a cash flow statement and invest excess cash in short-term investments.

I appreciate the cooperation of the BIA Manager throughout the audit. I will be available to discuss the observations and recommendations on a mutually convenient time.

Yours truly,



Rafiq Dosani