

**THE BOARD OF MANAGEMENT FOR THE
BLOOR YORKVILLE
BUSINESS IMPROVEMENT AREA**

**Financial Statements
For the Year Ended December 31, 2024**

BLOOR YORKVILLE BUSINESS IMPROVEMENT AREA

DECEMBER 31, 2024

CONTENTS

	<u>Page</u>
Independent auditor's report	3 - 4
Financial statements	
Statement of financial position	5
Statement of operations and accumulated capital fund	6
Statement of changes in net financial assets	7
Statement of cash flows	8
Notes to financial statements	9 – 14

INDEPENDENT AUDITOR'S REPORT

To the Council of the Corporation of the City of Toronto and the
Board of Management for the Bloor Yorkville Business Improvement Area

Opinion

I have audited the financial statements of Bloor Yorkville Business Improvement Area (BIA), which comprise the statement of financial position as at December 31, 2024, 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, 2024 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 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 Board 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 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
April 30, 2025




Chartered Professional Accountant
Licensed Public Accountant

THE BOARD OF MANAGEMENT FOR THE
BLOOR YORKVILLE BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
As At DECEMBER 31, 2024

	2024 \$	2023 \$
FINANCIAL ASSETS		
CURRENT		
Cash	865,779	83,928
Short-term investments (Note 3)	2,973,873	4,017,670
Accounts receivable		
City of Toronto (Note 4)	465,506	358,399
Other	276,407	161,681
	<u>4,581,565</u>	<u>4,621,678</u>
LONG-TERM		
Investments (note 3)	700,000	-
	<u>5,281,565</u>	<u>4,621,678</u>
 LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities		
City of Toronto	13,077	-
Other (Note 6)	2,078,617	1,956,087
	<u>2,091,694</u>	<u>1,956,087</u>
 NET FINANCIAL ASSETS	 3,189,871	 2,665,591
 NON-FINANCIAL ASSETS		
Prepaid expenses	36,061	23,643
Tangible Capital Assets (Note 5)	214,737	836,463
ACCUMULATED SURPLUS	<u>3,440,669</u>	<u>3,525,697</u>

Approved on behalf of the Board of Management:


Chair


Treasurer

THE BOARD OF MANAGEMENT FOR THE
 BLOOR YORKVILLE BUSINESS IMPROVEMENT AREA
 STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 \$ Budget (Note 11)	2024 \$ Actual	2023 \$ Actual
REVENUE			
City of Toronto – special charges	4,571,938	4,599,627	4,444,606
Interest	-	249,891	133,836
Sponsorships and other	45,000	59,500	87,500
	<u>4,616,938</u>	<u>4,909,018</u>	<u>4,665,942</u>
EXPENSES			
Administration	714,400	727,094	749,342
Communication and member relations	77,550	68,567	59,875
Design, improvements and maintenance	2,328,073	2,245,638	1,721,317
Capital (Note 7)	500,000	-	-
Amortization	-	707,344	817,663
Promotion and marketing	1,281,284	1,287,099	1,323,718
Provision for (recovery of) uncollected special charges (Note 4)	415,631	(41,696)	39,175
	<u>5,316,938</u>	<u>4,994,046</u>	<u>4,711,090</u>
SURPLUS (DEFICIT) FOR THE YEAR	(700,000)	(85,028)	(45,148)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>3,525,697</u>	<u>3,525,697</u>	<u>3,570,845</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>2,825,697</u>	<u>3,440,669</u>	<u>3,525,697</u>

THE BOARD OF MANAGEMENT FOR THE
 BLOOR YORKVILLE BUSINESS IMPROVEMENT AREA
 STATEMENT OF CHANGES IN NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 \$	2023 \$
Surplus (deficit) for the year	(85,028)	(45,148)
Decrease (increase) in prepaid expenses	(12,418)	81,519
Acquisition of tangible capital assets	(85,618)	(78,672)
Amortization of tangible capital assets	707,344	817,663
	524,280	775,362
Balance - Beginning of year	2,665,591	1,890,229
Balance - End of year	3,189,871	2,665,591

THE BOARD OF MANAGEMENT FOR THE
BLOOR YORKVILLE BUSINESS IMPROVEMENT AREA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 \$	2023 \$
Cash flows from operating transactions		
Surplus (deficit) for the year	(85,028)	(45,148)
Non-cash changes to operations		
Add: Non-cash item Amortization of capital assets	707,344	817,663
Increase (decrease) resulting from changes in		
Accounts receivable - City of Toronto	(107,107)	(4,584)
Prepaid expenses	(12,418)	81,519
Accounts receivable – other	(114,726)	(29,962)
Accounts payable - City of Toronto	13,077	-
Deferred revenue	-	(59,500)
Accounts payable – other	122,530	1,470,387
Cash Provided by Operations	<u>523,672</u>	<u>2,230,375</u>
Investing Activities		
Purchase of tangible capital assets	(85,618)	(78,672)
(Increase) decrease in short-term investment	1,043,797	(2,131,995)
(Increase) decrease in long-term investment	(700,000)	-
	<u>258,179</u>	<u>(2,210,667)</u>
Cash, Beginning of Year	<u>83,928</u>	<u>64,220</u>
Cash, End of Year	<u>865,779</u>	<u>83,928</u>

**THE BOARD OF MANAGEMENT FOR THE
BLOOR YORKVILLE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

1. ESTABLISHMENT AND OPERATIONS

The Bloor Yorkville 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:

These investments are highly liquid financial instruments with maturities less than one year. All these investments are invested with Schedule A banks and are fully guaranteed by the Canada Deposit Insurance Corporation. The BIA classifies these investments as current assets and reports them at their fair market value.

Long-term investments:

Long term investments are financial instruments with maturities greater than one year. All these investments are invested with Schedule A banks and are fully guaranteed by the Canada Deposit Insurance Corporation. The BIA classifies these investments as long-term assets and reports them at their fair market value.

THE BOARD OF MANAGEMENT FOR THE
BLOOR YORKVILLE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2024

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:

Benches	5 years	Street Signs	5 years
Bloor St. Bench/Light	5 years	Office Furniture	5 years
Computers	3 years	Planters	5 years
Lampposts	5 years	Holiday Decorations	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.

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. INVESTMENTS

Short-term investments:

Short-term investments consist of Guaranteed Investment Certificates with Schedule A banks. These investments earn interest at rates ranging from 3.9% to 5.16% and will be maturing in 2025.

Long-term investments:

Long-term investments consist of Guaranteed Investment Certificates with Schedule A banks. These investments earn interest at rates ranging from 4.77% to 4.88% and will be maturing in 2026 and 2027.

THE BOARD OF MANAGEMENT FOR THE
BLOOR YORKVILLE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 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 (payable) net of an allowance for uncollected amounts. The special charges receivable from the City of Toronto are comprised of:

	2024 \$	2023 \$
Total special charges outstanding	542,406	495,115
Less: allowance for uncollected special charges	(76,900)	(141,300)
Special charges receivable (payable)	<u>465,506</u>	<u>353,815</u>

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

	2024 \$	2023 \$
Special charges written-off (recovered)	(18,796)	761,525
Change in provision for assessment appeals	(22,900)	(391,800)
	<u>(41,696)</u>	<u>369,725</u>

THE BOARD OF MANAGEMENT FOR THE
BLOOR YORKVILLE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2024

5. TANGIBLE CAPITAL ASSETS

2024

	Street Signs	Holiday Décor	Bloor St Bench/Light	Computers	Total
Cost					
Beginning	13,077	784,587	3,320,117	33,054	4,150,835
Additions	-	37,333	48,285	-	85,618
Ending	13,077	821,920	3,368,402	33,054	4,236,453
Accumulated Amortization					
Beginning	2,615	763,341	2,517,698	30,718	3,314,372
Amortization	2,615	28,713	673,680	2,336	707,344
Ending	5,230	792,054	3,191,378	33,054	4,021,716
Net Book Value	7,847	29,866	177,024	-	214,737

2023

	Street Signs	Holiday Décor	Bloor St Bench/Light	Computers	Total
Cost					
Beginning	-	758,009	3,284,585	29,549	4,072,143
Additions	13,077	26,558	35,532	3,505	78,672
Ending	13,077	784,587	3,320,117	33,054	4,150,835
Accumulated Amortization					
Beginning	-	615,581	1,853,675	27,453	2,496,709
Amortization	2,615	147,760	664,023	3,265	817,663
Ending	2,615	763,341	2,517,698	30,718	3,314,372
Net Book Value	10,462	21,246	802,419	2,336	836,463

THE BOARD OF MANAGEMENT FOR THE
BLOOR YORKVILLE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2024

6. ACCOUNTS PAYABLE – OTHER

Accounts payable – other, amounting to \$1,823,990 includes funds held for Bloor Street capital projects to be completed.

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. 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.

9. FINANCIAL INSTRUMENTS

(a) Fair value

The financial instruments recognized in the statement of financial position consist of cash, short-investments, accounts receivable, prepaid expenses, accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying amounts due to the short-term maturity of these instruments.

(b) Interest rate risk

Interest rate risk is from the possibility that changes in interest rates will affect the value of investments disclosed in Note 3. As these investments are cashable on demand, the BIA is not exposed to this risk.

(c) Liquidity risk

Liquidity risk is that the BIA will encounter difficulties in meeting obligations associated with financial liabilities. The BIA manages its liquidity risk by maintaining sufficient readily available funds in order to meet its liquidity requirements at any point in time.

THE BOARD OF MANAGEMENT FOR THE
BLOOR YORKVILLE BUSINESS IMPROVEMENT AREA
NOTES TO THE FINANCIAL STATEMENTS, CONT'D
FOR THE YEAR ENDED DECEMBER 31, 2024

10. COMMITMENTS

- (a) The Board is committed to minimum annual operating payments for office space lease as follows:

Year	\$
2025	45,480
2026	46,996
2027	48,512
2028	50,028
	<u>191,016</u>

- (b) 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 \$1,014,845 (2023- \$27,096) was outstanding as at December 31, 2024.

11. BUDGET

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