

**ST. CLAIR GARDENS  
BUSINESS IMPROVEMENT AREA  
FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**ST. CLAIR GARDENS  
BUSINESS IMPROVEMENT AREA  
DECEMBER 31, 2024**

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## INDEPENDENT AUDITORS' REPORT

To the Council of the Corporation of the City of Toronto, the  
Board of Management and Members of for the St. Clair Gardens Business Improvement Area:

### Opinion

We have audited the financial statements of St. Clair Gardens Business Improvement Area ("the BIA"), which comprise the statement of financial position as at December 31, 2024 and the statements of operations, net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the BIA as at December 31, 2024 and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, 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 these financial statements, management is responsible for assessing the BIA's ability to continue as a going concern, disclosing, as applicable, matters related to a 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 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

Our 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 our 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, we exercise professional judgment and maintain professional skepticism throughout the audit.

We 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 our 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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

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

#### **Other Matters**

The prior year comparative figures were audited by another firm of Chartered Professional Accountants.

Toronto, Ontario  
September 12, 2025



Chartered Professional Accountants  
Licensed Public Accountants

**ST. CLAIR GARDENS  
BUSINESS IMPROVEMENT AREA  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2024**

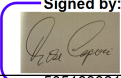
FINANCIAL ASSETS

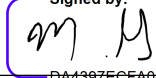
	<u>2024</u>	<u>2023</u>
Cash	\$ 43,373	\$ 48,958
Accounts receivable		
City of Toronto - special charges (Note 3)	10,897	7,145
Other (Note 4)	<u>45,730</u>	<u>9,788</u>
	<u>100,000</u>	<u>65,891</u>

LIABILITIES

Accounts payable and accrued liabilities		
Other (Note 4)	\$ <u>45,323</u>	\$ <u>3,870</u>
Net financial assets	<u>54,677</u>	<u>62,021</u>
Accumulated surplus (Note 5)	<u><u>\$ 54,677</u></u>	<u><u>\$ 62,021</u></u>

Approved on behalf of the Board of Management:


  
 Signed by: \_\_\_\_\_, Chair  
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 Signed by: \_\_\_\_\_, Treasurer  
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**ST. CLAIR GARDENS  
BUSINESS IMPROVEMENT AREA**

**STATEMENT OF OPERATIONS  
YEAR ENDED DECEMBER 31, 2024**

	<u>2024</u>		<u>2023</u>
	<u>Actual</u>	<u>Budget</u> (Note 10)	
Revenue			
City of Toronto - levies	\$ 105,288	\$ 100,844	\$ 97,173
Grants	38,523	17,472	-
Sponsorships	<u>8,488</u>	<u>-</u>	<u>7,083</u>
	<u>152,299</u>	<u>118,316</u>	<u>104,256</u>
Expenses			
Maintenance	68,360	71,500	71,458
General and administrative	45,365	17,284	33,685
Festival and events	22,993	21,000	14,777
Streetscape improvements	15,835	16,000	-
Advertising	4,230	2,900	5,834
Provision for levies in appeals	<u>2,860</u>	<u>9,168</u>	<u>2,198</u>
	<u>159,643</u>	<u>137,852</u>	<u>127,952</u>
Annual deficit	<u>\$ (7,344)</u>	<u>\$ (19,536)</u>	<u>\$ (23,696)</u>

**ST. CLAIR GARDENS**  
**BUSINESS IMPROVEMENT AREA**  
**STATEMENT OF NET FINANCIAL ASSETS**  
**DECEMBER 31, 2024**

	<u>2024</u>	<u>2023</u>
Annual deficit	\$ (7,344)	\$ (23,696)
Net financial assets, beginning of year	<u>62,021</u>	<u>85,717</u>
Net financial assets, end of year	<u>\$ 54,677</u>	<u>\$ 62,021</u>

**ST. CLAIR GARDENS  
BUSINESS IMPROVEMENT AREA**

**STATEMENT OF CASH FLOWS**

**DECEMBER 31, 2024**

	<u>2024</u>	<u>2023</u>
Cash from operating activities		
Annual deficit	\$ (7,344)	(23,696)
Changes in non-cash working capital balances:		
Decrease (increase) in accounts receivable		
City of Toronto - levies	(3,752)	(7,145)
Other	(35,942)	5,278
Increase (decrease) in accounts payable and accrued liabilities		
City of Toronto	-	(6,318)
Other	<u>41,453</u>	<u>2,420</u>
	<u>(5,585)</u>	<u>(29,461)</u>
Decrease in cash	(5,585)	(29,461)
Cash, beginning of year	<u>48,958</u>	<u>78,419</u>
Cash, end of year	<u>\$ 43,373</u>	<u>\$ 48,958</u>

**ST. CLAIR GARDENS**  
**BUSINESS IMPROVEMENT AREA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

1. Establishment of operations

The St. Clair Gardens Business Improvement Area was designated as a business improvement area through City of Toronto By-Laws. The appointment of members to a Board of Management ("Board") to manage the Business Improvement Area ("BIA") was approved 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, through property tax billings, based on an annual operating budget prepared by the Board and approved by Council as required by Section 220 (17) of the Municipal Act, as amended.

2. Significant accounting policies

The financial statements of the BIA are prepared by management in accordance with Canadian public sector accounting standards ("CPSAS") as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. The significant accounting policies are summarized as follows:

a) Accrual basis of accounting

The BIA follows the accrual method of accounting for revenues and expenses. Expenses are recorded on the accrual basis of accounting, whereby they are reflected in the financial statements in the period in which they have been incurred, whether or not such transaction have been finally settled by the payment of money.

b) Revenue recognition

i) City of Toronto levies - The City of Toronto levies special charges to land owners within the BIA boundaries through the property tax system. Levies revenue is recognized when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

ii) Grants - revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

ii) Sponsorships - revenue is recognized when earned and collection is reasonably assured.

**ST. CLAIR GARDENS**  
**BUSINESS IMPROVEMENT AREA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

2. Significant accounting policies (continued)

c) Use of estimates

The preparation of financial statements in conformity with CPSAS require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

d) Tangible capital assets are recorded at cost less accumulated amortization. Amortization is calculated at a rate that, in the opinion of management, allocates the cost of such assets over their estimated useful lives. These assets are tested for impairment when events or changes in circumstances indicate the carrying value may no longer be recoverable. Management believes that no such events have indicated impairment. The BIA records amortization over 5 years straight line.

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

f) Cost-share expenditures

The Board, in co-operation with the City, agrees to cost-shared capital improvement projects on publicly owned property. The projects are long-term in nature and are usually incorporated in a multi-year tender by the city. The BIA's share of the cost are not invoiced by the City until contracts are closed. The BIA accrues the costs in the financial statements when the invoices are received from the City. At year end there was cost sharing amounts payable to the City as described in Note 4.

**ST. CLAIR GARDENS  
BUSINESS IMPROVEMENT AREA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

3. City of Toronto - levies

Special charges levied by the City of Toronto ("City") are collected and remitted to the Board by the City. The total levies outstanding (owing) consist of amounts collected by the City not yet remitted to the Board and amounts uncollected by the City.

The Board records levies receivable net of an allowance for uncollected amounts. The levies receivable from the City of Toronto are comprised of:

	<u>2024</u>	<u>2023</u>
Total levies outstanding	\$ 11,297	\$ 7,145
Less: Allowance for levies in appeals	<u>(400)</u>	<u>-</u>
Levies receivable	<u>\$ 10,897</u>	<u>\$ 7,145</u>

The City increased allowances for levies by \$400 (2023 - nil) for uncollectable amounts. The City also wrote off \$2,460 of levies during the year (2023 - \$2,198).

4. Other accounts receivable and accounts payable

Included in other accounts receivable is \$22,243 due from the City for grants (2023 - nil).

Included in other accounts payable is \$15,834 due to the City for cost sharing projects (2023 - nil).

**ST. CLAIR GARDENS**  
**BUSINESS IMPROVEMENT AREA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

5. Tangible capital assets

	<u>2023</u>	<u>2024</u>		
<u>Cost</u>	<u>Opening</u>	<u>Additions</u>	<u>Disposals</u>	<u>Closing</u>
Lights	\$ 38,880	\$ -	\$ -	\$ 38,880
Hanging baskets	17,445	-	-	17,445
Planters	<u>13,010</u>	<u>-</u>	<u>-</u>	<u>13,010</u>
	<u>\$ 69,335</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,335</u>

	<u>2023</u>	<u>2024</u>		
<u>Accumulated Amortization</u>	<u>Opening</u>	<u>Disposals</u>	<u>Amortization</u>	<u>Closing</u>
Lights	\$ 38,880	\$ -	\$ -	\$ 38,880
Hanging baskets	17,445	-	-	17,445
Planters	<u>13,010</u>	<u>-</u>	<u>-</u>	<u>13,010</u>
	<u>\$ 69,335</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,335</u>

<u>Net Book Value</u>	<u>2023</u>	<u>2024</u>
Lights	\$ -	\$ -
Hanging baskets	-	-
Planters	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>

**ST. CLAIR GARDENS**  
**BUSINESS IMPROVEMENT AREA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

6. Accumulated surplus

	2024			
	Unrestricted surplus	Internally restricted surplus	Invested in capital assets	Total
Accumulated surplus, beginning of year	\$ 62,021	\$ -	\$ -	\$ 62,021
Annual surplus	(7,344)	-	-	(7,344)
Amortization and other	-	-	-	-
Accumulated surplus, end of year	\$ 54,677	\$ -	-	\$ 54,677

	2023			
	Unrestricted surplus	Internally restricted surplus	Invested in capital assets	Total
Accumulated surplus, beginning of year	\$ 85,717	\$ -	\$ -	\$ 85,717
Annual surplus	(23,696)	-	-	(23,696)
Amortization	-	-	-	-
Accumulated surplus, end of year	\$ 62,021	\$ -	-	\$ 62,021

7. Contractual commitments

i) The Board, in co-operation with the City, agrees to annual cost-shared capital improvement projects on publicly owned property. The projects are long-term in nature and are usually completed subsequent to the year of Council's approval. As at December 31, 2024 the BIA has \$nil (2023 - \$31,670) of commitments outstanding relating to their ongoing capital improvement projects to be completed in 2025.

**ST. CLAIR GARDENS**  
**BUSINESS IMPROVEMENT AREA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

8. Insurance

The Board is required to deposit with the City 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 risks

a) Fair value

The financial instruments recognized in the statement of financial position consist of cash, accounts receivable and 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) Liquidity risk

Liquidity risk is the risk 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.

There have been no material changes to these risks from the prior year.

**ST. CLAIR GARDENS**  
**BUSINESS IMPROVEMENT AREA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

10. 2024 Budget

The 2024 budget figures on the statement of operations are presented for information purposes only and are not commented on by the opinion of Rosenswig McRae Rosso LLP dated September 12, 2025.

11. Annual surplus

The City of Toronto requires the BIA to budget tangible capital assets as annual expenditures. Through the year as assets are purchased they are capitalized and amortized over their useful lives. Capital assets of \$nil (2023 - nil) were purchased during the year. The amortization of tangible capital assets during the year amounted to \$nil which reduced the annual surplus (2023 - \$nil). The amount of surplus (deficit) not invested in tangible capital assets for the year is \$(7,344) (2023 - \$(23,696)).

12. Comparative figures

Prior year figures have been restated to conform with current year presentation.

Chartered Professional Accountants  
Associated with MGI Worldwide

September 12, 2025

Board of Directors  
St. Clair Gardens Business Improvement Area  
1600 St Clair Avenue West  
Toronto, Ontario  
M6N 1H8

Dear Board of Directors:

As part of our annual audit of your consolidated financial statements for the year ended December 31, 2024 we wish to report to you on our findings.

We wish to thank Eric Francis and Rose Capocci for assisting us during the audit. Attached is our list of adjustments we have identified during the audit which have not been adjusted for. Based on our materiality of \$2,500, there are no material differences nor were there any significant unrecorded items.

We would like to report to you the following financial reporting matters:

*Vendor payables and accruals*

We understand the BIA liabilities to vendors are currently being recorded in the accounting records on somewhat of a cash basis, ie when payment is processed for the underlying vendor invoice. We recommend that this be adjusted to more of an accrual basis of accounting whereby vendor invoices are being recorded to the Accounts Payable Subledger in Quickbooks as soon as such invoices become payable. We believe doing so will ensure for better cut-off and recognition of outstanding invoices at each year end. The same can be said for revenues under the various funding agreements, in that revenues should be accrued and recognized when they are earned as opposed to when they are received.

*Quickbooks accounting software*

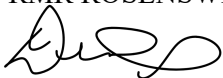
The BIA is currently using banking spreadsheets to summarize financial activity. We think it is prudent to ensure migration to Quickbooks is done so that 2025 records can be transacted through Quickbooks. We understand that the BIA is currently in the process of working with Quickbooks to ensure it feeds into their banking platform correctly.

We did not identify any significant internal control matters to report.

We would be pleased to discuss these items with you in more detail or assist with implementation.

Yours very truly,

RMR ROSENSWIG McRAE ROSSO LLP



Dustin Jainaraine, CPA, CA  
DJ/dj