

Draft Consolidated Financial Statements of Toronto Coach Terminal Inc. for the Year Ended December 31, 2021

Date: June 23, 2022
To: Toronto Coach Terminal Inc. Audit Committee
From: Treasurer, Toronto Coach Terminal Inc.

Summary

The Toronto Coach Terminal Inc.'s (TCTI) consolidated financial statements present TCTI's 2021 financial results and financial position as of December 31, 2021.

Recommendations

It is recommended that the TCTI Audit Committee:

1. Approve the draft consolidated financial statements of Toronto Coach Terminal Inc. for the year ended December 31, 2021; and
2. Approve the forwarding of the unaudited consolidated financial statements of Toronto Coach Terminal Inc. to the Toronto Coach Terminal Inc. Board of Directors for approval at its meeting on June 23, 2022, and to the City of Toronto's City Manager, as requested by the City of Toronto Council at its meeting on May 8, 2012.

Financial Summary

The recommendations in this report have no funding implications.

Equity/Accessibility Matters

This report and its recommendations have no accessibility/equity issues or impact.

Decision History

The mandate of the TCTI Audit Committee includes a requirement to review financial statements intended for circulation amongst the shareholders.

The mandate also includes a requirement to approve the forwarding of the unaudited consolidated financial statements of Toronto Coach Terminal Inc. to the Toronto Coach Terminal Inc. Board of Directors for approval at its meeting on June 23, 2022, and to the City of Toronto's City Manager, as requested by the City of Toronto Council at its meeting on May 8, 2012.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.EX19.13>

At the annual general meeting of shareholders on June 24, 2013, the TCTI Board and the Chair of the Toronto Transit Commission (TTC) Board on behalf of the TTC (as shareholder) approved discontinuing the audit of TCTI as of fiscal 2013. The financial statements of TTCIC continue to be audited.

https://ttc-cdn.azureedge.net/-/media/Project/TTC/DevProto/Documents/Home/Public-Meetings/TTC-Subsidiary-Companies/Toronto-Coach-Terminal-Inc/2013/Jun/Meeting-of-Shareholders/Discontinuance_of_Ex.pdf

Issue Background

The unaudited consolidated financial statements include the results of TCTI's subsidiary, Toronto Transit Commission Insurance Company Ltd. (TTCIC). As TCTI's new business model significantly reduced the number and variety of financial transactions, the TCTI Board and the Chair of the Toronto Transit Commission (TTC) Board on behalf of the TTC (as shareholder) approved discontinuing the audit of TCTI as of fiscal 2013 at the annual general meeting of shareholders on June 24, 2013.. The financial statements of TTCIC continue to be audited.

Comments

TCTI generated a net surplus of \$3.9 million in 2021, of which \$0.6 million was associated with the lease of the 610 Bay Street and 130 Elizabeth Street properties (the "Properties") to Greyhound and Coach Canada Toronto Operations Ltd., which expired on July 7, 2021. The remaining \$3.3 million was related to the net gain recognized upon the transfer of operational management of the Properties to the City of Toronto as of July 8, 2021.

Consistent with the terms of the operational management transfer of the Properties to the City of Toronto approved by the TCTI Board, TCTI will receive \$4.2 million upon the sale, redevelopment or rezoning of the Properties. The ultimate receipt of the \$4.2 million, which was recognized as a receivable due from the City of Toronto is a key condition of the property transfer and is required to facilitate the repayment of TCTI's remaining loan balance to TTC. With the transfer of operational management of the Properties to the City of Toronto, TCTI's real property remaining historical net book value of \$0.9 million was derecognized, resulting in the net gain of \$3.3 million recorded in the financial statements.

Contact

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Signature

Richard J. Leary
President and General Secretary, Toronto Coach Terminal Inc.

Attachments

Attachment 1 - Consolidated Financial Statements of Toronto Coach Terminal Inc. for the year ended December 31, 2021