

PETERBOROUGH HOUSING CORPORATION
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

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**To the Members of the Board of Directors of the
Peterborough Housing Corporation**

www.bakertilly.ca

Opinion

We have audited the consolidated financial statements of the Peterborough Housing Corporation and its subsidiary (the Corporation), which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at December 31, 2024, and the results of its consolidated operations and its consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Corporation'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 Corporation'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 consolidated 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 Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Corporation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 25, 2025



PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2024

	2024 \$	Restated 2023 \$ (Note 23)
FINANCIAL ASSETS		
Cash	8,357,702	6,690,442
Accounts receivable (note 4)	3,275,122	3,310,784
Loans receivable (note 5)	1,257,231	1,460,706
Investments (note 8)	3,079,852	3,496,342
TOTAL FINANCIAL ASSETS	15,969,907	14,958,274
LIABILITIES		
Accounts payable and accrued liabilities	4,336,691	3,485,579
Deferred revenue (note 6)	3,268,319	3,431,669
Long term debt (note 10)	39,902,540	41,004,951
Asset retirement obligation (note 14)	42,461,668	42,461,668
Employee future benefits (note 9)	175,062	165,975
TOTAL LIABILITIES	90,144,280	90,549,842
NET DEBT	(74,174,373)	(75,591,568)
NON-FINANCIAL ASSETS		
Tangible capital assets (note 11)	115,917,543	120,831,739
Prepaid expenses	564,161	506,009
Inventories of supplies	30,132	39,219
TOTAL NON-FINANCIAL ASSETS	116,511,836	121,376,967
	42,337,463	45,785,399
Comprised of:		
Accumulated surplus (note 12)	42,293,871	45,956,726
Accumulated remeasurement gains/(losses)	43,592	(171,327)
	42,337,463	45,785,399

Approved on behalf of the Board:

 Director

 Director

The accompanying notes are an integral part of these financial statements

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2024

	Budget 2024 \$ (Note 22)	Actual 2024 \$	Restated Actual 2023 \$ (Note 23)
REVENUES			
Rent	10,131,780	9,982,330	8,688,860
City of Peterborough subsidy (note 13)	6,973,267	6,734,217	9,298,619
Laundry and miscellaneous recoveries	594,709	668,430	507,196
Other subsidies (note 15)	1,834,525	891,774	1,000,846
Management fees	54,000	103,810	60,689
Investment income	120,000	635,461	429,791
Interest on loans receivable	-	41,141	47,230
Gain on sales of tangible capital assets	-	-	1,034,402
TOTAL REVENUES	19,708,281	19,057,163	21,067,633
EXPENSES			
Materials and services (note 16)	2,356,740	2,664,399	2,655,788
Utilities (note 17)	2,515,202	2,404,650	2,261,455
Administrative overhead (note 18)	518,454	708,910	665,148
Bad debts	138,670	133,845	128,675
Insurance	486,429	582,180	482,420
Salaries and benefits	3,644,974	3,701,694	3,259,233
Property taxes	2,362,942	2,436,161	2,301,286
Major repairs	5,921,114	2,424,418	892,987
Interest on long-term debt	1,510,750	1,744,036	893,025
Rent supplements	335,868	343,010	1,321,327
Food services	412,566	804,228	389,315
Amortization of capital assets	2,650,967	4,772,487	4,328,925
TOTAL EXPENSES	22,854,676	22,720,018	19,579,584
ANNUAL SURPLUS/(DEFICIT)	<u>(3,146,395)</u>	(3,662,855)	1,488,049
ACCUMULATED SURPLUS - beginning of year		45,956,726	44,468,677
ACCUMULATED SURPLUS - end of year		42,293,871	45,956,726

The accompanying notes are an integral part of these financial statements

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the Year Ended December 31, 2024

	Actual 2024 \$	Actual 2023 \$
ACCUMULATED REMEASUREMENT GAINS AND LOSSES		
- beginning of year	(171,327)	-
Adjustment on adoption of the financial instruments standard	-	(362,426)
Unrealized gain/(loss) on portfolio investments during the year	156,334	191,099
Realized gain/(loss) on portfolio investments reclassified to operations	58,585	-
ACCUMULATED REMEASUREMENT GAINS AND LOSSES		
- end of year	43,592	(171,327)

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the Year Ended December 31, 2024

	Budget 2024 \$ (Note 22)	Actual 2024 \$	Restated Actual 2023 \$ (Note 23)
ANNUAL SURPLUS/(DEFICIT)	(3,146,395)	(3,662,855)	1,488,049
Amortization of tangible capital assets	2,650,967	4,772,487	4,328,925
Purchase of tangible capital assets	-	(111,946)	(2,129,278)
Loss/(gain) on disposal of tangible capital assets	-	253,655	(1,034,402)
Proceeds on sales of tangible capital assets	-	-	1,174,300
Change in prepaid expenses	-	(58,152)	(129,540)
Change in inventories of supplies	-	9,087	(23,819)
CHANGE IN NET DEBT	(495,428)	1,202,276	3,674,235
NET DEBT - beginning of year	(75,591,568)	(75,591,568)	(36,632,808)
ADJUSTMENT ON ADOPTION OF THE ASSET RETIREMENT OBLIGATION STANDARD	-	-	(42,461,668)
ADJUSTMENT ON ADOPTION OF THE FINANCIAL INSTRUMENTS STANDARD (note 3)	-	-	(362,426)
NET DEBT - beginning of year, as restated	(75,591,568)	(75,591,568)	(79,456,902)
INCREASE IN ACCUMULATED REMEASUREMENT GAINS	-	214,919	191,099
NET DEBT - end of year	(76,086,996)	(74,174,373)	(75,591,568)

The accompanying notes are an integral part of these financial statements

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2024

	2024 \$	Restated 2023 \$ (Note 23)
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus/(deficit)	(3,662,855)	1,488,049
Items not involving cash		
Amortization of tangible capital assets	4,772,487	4,328,925
Loss/(gain) on disposal of tangible capital assets	253,655	(1,034,402)
Change in employee future benefits	9,087	12,029
Change in non-cash assets and liabilities		
Accounts receivable	35,662	(1,533,843)
Loans receivable	203,475	197,618
Prepaid expenses	(58,153)	(129,540)
Inventories of supplies	9,087	(23,819)
Accounts payable and accrued liabilities	851,112	(3,762,480)
Deferred revenue	(163,350)	(143,331)
Net change in cash from operating activities	2,250,207	(600,794)
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(111,946)	(2,129,278)
Proceeds on disposal of tangible capital assets	-	1,174,300
Net change in cash from capital activities	(111,946)	(954,978)
INVESTING ACTIVITIES		
Purchase of investments	(155,431)	(62,108)
Redemption of investments	786,841	-
Net change in cash from investing activities	631,410	(62,108)
FINANCING ACTIVITIES		
Long term debt issued	-	25,590,900
Debt principal repayments	(1,102,411)	(1,242,530)
Short term debt and loan advances repaid	-	(24,433,000)
Net change in cash from financing activities	(1,102,411)	(84,630)
NET CHANGE IN CASH	1,667,260	(1,702,510)
CASH - beginning of year	6,690,442	8,392,952
CASH - end of year	8,357,702	6,690,442

The accompanying notes are an integral part of these financial statements

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

1. NATURE OF OPERATIONS

The Peterborough Housing Corporation was incorporated on December 14, 2000 under Part III of the Ontario Business Corporations Act. The Corporation provides housing accommodation and rent-geared-to-income assistance to households of low to moderate income in accordance with the Housing Services Act (HSA). The Corporation is one hundred percent owned by the City of Peterborough.

The Corporation is exempt from income tax under section 149(1)(d.5) of the Income Tax Act as a corporation operating exclusively for social welfare. No portion of the Corporation's surplus is available for the personal benefit of any tenant.

In accordance with its operating agreement with the HSA, the Corporation receives funding from the City of Peterborough and provides subsidized housing to its tenants and their families. The Corporation is dependent on this funding for its continued operation.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies are as follows:

(a) Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the following corporations:

- Peterborough Housing Corporation (PHC)
- Finally A Home (FAH) - 100% controlled subsidiary

All interfund assets and liabilities and revenues and expenses are eliminated.

(b) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Buildings	35 years
Building improvements	35 years
Equipment, furniture and fixtures	3 to 5 years

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(c) Recognition of Revenues and Expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues, including rent, in the period in which the transactions or events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

Interest and other revenues

Investment income and other revenues are recorded when earned.

Government Funding

Government funding is recognized in the financial statements as revenues in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Rental Revenue

Rental revenue is recognized as revenue when the services are provided and collection is reasonably assured.

(d) Non-financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the Corporation because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Corporation unless they are sold.

(e) Reserves and Reserve Funds

Certain amounts, as approved by budget, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund when approved.

(f) Deferred Revenue

Deferred revenue represents grants which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(g) Use of Estimates

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Corporation's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. The Corporation's significant estimates include:

- The amounts recorded for amortization of tangible capital assets are based on estimates of useful life and residual values;
- The amount recorded as allowance for doubtful accounts receivable is based on management's estimate of future payments on receivable account balances;
- The values of employee future benefits and the amount of costs charged to operations depend on certain actuarial and economic assumptions; and
- The amount recorded for asset retirement obligations is based on estimates of the assets with potential contaminants and management's estimate of the future costs to retire those assets.

(h) Asset Retirement Obligation

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

(i) Inter-Entity Transactions

Peterborough Housing Corporation is a subsidiary of the Corporation of the City of Peterborough and is consolidated with the City's financial statements.

Allocated costs and recovery of costs are measured at exchange amount, which is the amount of consideration established and agreed to by the related parties.

Unallocated costs are measured at the carrying amount, which is the amount recorded in the records of the City.

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(j) Financial Instruments

Financial instruments are classified into two categories: fair value and amortized cost. The following chart shows the measurement method for each type of financial instrument.

Financial Instrument	Measurement Method
Cash	Amortized Cost
Accounts receivable	Amortized Cost
Loans receivable	Amortized Cost
Investments	Fair Value
Accounts payable and accrued liabilities	Amortized Cost
Long term debt	Amortized Cost

Fair value category: The Corporation manages and reports performance for groups of financial assets on a fair-value basis. Investments traded in an active market are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Consolidated Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Consolidated Statement of Operations and Accumulated Surplus and related balances reversed from the Consolidated Statement of Remeasurement Gains and Losses.

Amortized cost category: Amounts are measured using the effective interest rate method. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period, based on the effective interest rate. It is applied to financial assets or financial liabilities that are not in the fair value category and is now the method that must be used to calculate amortized cost.

The following hierarchy provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

- Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

3. CHANGES IN ACCOUNTING POLICIES

The Corporation has implemented the following sections and guidelines which are now effective under the PSA Handbook: 3160 Public Private Partnerships, 3400 Revenue, and PSG-8 Purchased Intangibles.

Section 3160 establishes standards on accounting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. The adoption of this standard did not have an impact on the Corporation's consolidated financial statements.

Section 3400 establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as 'exchange transactions', and transactions that do not have performance obligations, referred to as 'non-exchange transactions'. The adoption of this standard did not have an impact on the Corporation's consolidated financial statements.

Under PSG-8, an entity may recognize purchased intangibles as an asset in its consolidated financial statements if the intangible meets the asset definition and the general recognition criteria. The adoption of this standard did not have an impact on the Corporation's consolidated financial statements.

4. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	2024	2023
	\$	\$
Tenants	587,439	468,033
City of Peterborough subsidy	1,265,610	1,517,768
Lien deposits	698,991	698,991
Other	1,059,141	882,056
Allowance for doubtful accounts	(336,059)	(256,064)
	3,275,122	3,310,784

The receivables from tenants are reviewed by management quarterly for collectibility.

During 2019, liens were placed on two properties that were under construction. In order for construction financing to continue, the Corporation had to remit to the courts the value of the liens plus 25%. These liens are still being held by the courts.

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

5. LOANS RECEIVABLE

Upon completion of Trailview Terrace and Saunder's Court, the Corporation had met the criteria necessary for the final AHP funds from the Provincial government. The funds will be advanced to the Corporation on a monthly basis to assist with the mortgage payments on the properties.

	2024	2023
	\$	\$
Trailview Terrace AHP	743,797	874,895
Saunder's Court AHP	513,434	585,811
	1,257,231	1,460,706

6. DEFERRED REVENUE

Deferred revenue consists of the following:

	2024	2023
	\$	\$
CMHC	3,116,041	3,391,169
City of Peterborough	100,000	-
Meal allowance	-	40,500
Other	52,278	-
	3,268,319	3,431,669

In 2022, the Corporation received \$3,450,000 from the Canada Mortgage and Housing Corporation (CMHC) to be utilized on repairing Municipally owned Affordable Housing Units. 30% of total project costs are to be funded by CMHC. As of December 31, 2024, \$1,113,198 of costs have been incurred, with CMHC funds recognized as revenue of \$333,959.

7. INTER-ENTITY TRANSACTIONS

The Corporation recognized subsidies from the City of Peterborough, its sole shareholder, in the amount of \$6,734,219 (2023 - \$9,298,619). During the year, the Corporation made payments to the City of Peterborough in the amounts of \$2,311,969 (2023 - \$2,006,691) for property taxes, \$301,269 (2023 - \$112,907) for interest on the short term loan, \$14,894 (2023 - \$45,453) for waste pick up fees, \$36,366 (2023 - NIL) for community revitalization and support initiatives, and \$85,062 (2023 - \$76,689) for information technology maintenance services.

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

8. INVESTMENTS

Investments consist of the following:

	Level	2024 \$	2023 \$
Investments held at amortized costs			
Homeward Bound savings trust accounts		12,486	11,984
Investments held at market value			
World Source - bond portfolio	1	2,053,232	2,287,718
World Source - equity portfolio	1	1,014,134	1,196,640
		3,067,366	3,484,358
		3,079,852	3,496,342

Book cost of World Source - bond portfolio and World Source - equity fund are \$2,169,164 and \$854,610 respectively at December 31, 2024.

The Corporation's fair market value hierarchy is classified as Level 1 for investments that are quoted in an active market. There was no change in the levels during the year.

9. EMPLOYEE FUTURE BENEFITS AND PENSION AGREEMENTS

Certain employees of the Corporation are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan.

The Actuarial Opinion contained in the 2024 Annual Report disclosed total actuarial liabilities of \$142,489 million in respect of benefits accrued for service with actuarial assets of \$139,576 million indicating an actuarial deficit of \$2,913 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Corporation does not recognize any share of the OMERS pension surplus or deficit.

The Corporation's total contributions to OMERS in 2024 were \$508,378 (2023 - \$424,162) of which \$254,189 (2023 - 212,081) was contributed by employees.

As a schedule II WSIB employer, the Corporation has a liability related to future WSIB claims which was actuarially determined. The value of this liability has been assessed by an actuary as at December 31, 2024 to be \$175,062 (2023 - \$165,975) and may require funding in future periods.

The actuarial valuation as at December 31, 2023 was based on a number of assumptions about future events, such as inflation rates and interest rates. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains and losses related to the past service of employees are amortized over the expected average remaining service life of the employee group. The assumptions used reflect management's best estimate.

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

10. LONG TERM DEBT

- (a) The balance of long term debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2024 \$	2023 \$
Gerow Havelock mortgage held with Royal Bank of Canada, payable in blended monthly installments of \$12,794, interest at 2.75% maturing April 1, 2027	3,589,539	3,644,110
Trailview Terrace mortgage held with RBC Insurance, payable in blended monthly installments of \$15,908, interest at 5.46%, maturing June 1, 2030	2,360,174	2,421,833
Woollen Mill mortgage held with Royal Bank of Canada, payable in blended monthly installments of \$17,663, interest at 3.01%, maturing August 1, 2027	1,450,512	1,616,379
Anishnawbe mortgage held with MCAP Financial Corporation, payable in blended monthly installments of \$2,402, interest at 4.895%, maturing December 1, 2027	190,853	209,926
Spruce Corners mortgage held with Canada Mortgage and Housing Corporation, payable in blended monthly installments of \$2,290, interest at 3.70%, maturing December 1, 2027	77,936	102,066
River Ridge mortgage held with Royal Bank of Canada, payable in blended monthly installments of \$12,969, interest at 2.19%, maturing April 1, 2026	919,823	1,053,807
Home Grown Homes mortgage held with Royal Bank of Canada, payable in blended monthly installments of \$1,901, interest at 2.46%, maturing September 16, 2026	311,843	326,811
Home Grown Homes mortgage held with Royal Bank of Canada, payable in blended monthly installments of \$894, interest at 2.46%, maturing September 16, 2026	146,641	153,679
Bradburn House mortgage held with Royal Bank of Canada, payable in blended monthly installments of \$4,864, interest at 2.64%, maturing October 18, 2026	589,299	631,462
Hunt Terraces mortgage held with Canada Mortgage and Housing Corporation, payable in blended monthly installments of \$71,245, interest at 3.84%, maturing Sept 1, 2033	19,004,854	19,090,900
Trailview Terrace demand loan held with Royal Bank of Canada, payable in blended monthly installments of \$13,135, interest at 3.22%, maturing January 14, 2030	738,397	869,732

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

10. LONG TERM DEBT, continued

	2024 \$	2023 \$
Malcolm Court debenture held with the City of Peterborough, payable in semi-annual installments of \$202,932, interest at 4.69%, maturing July 17, 2053	6,397,802	6,500,000
Sunshine Homes mortgage held with Canada Mortgage and Housing Corporation, payable in blended monthly installments of \$39,856, interest at 1.86%, maturing March 1, 2024	-	119,265
Anson House 1st mortgage held with RBC, payable in blended monthly installments of \$4,976, interest at 2.98%, maturing on June 1, 2031	1,331,165	1,351,126
Saunders Court 1st mortgage held with RBC, payable in blended monthly installments of \$5,741, interest at 2.98%, maturing on June 1, 2031	1,535,960	1,558,992
Saunders Court Affordability mortgage held with RBC, payable in blended monthly installments of \$7,226, interest at 2.78%, maturing on April 1, 2031	517,343	589,720
Anson House 2nd mortgage held with RBC, payable in blended monthly installments of \$1,849, interest at 2.91%, maturing on April 1, 2026	336,775	348,030
Saunders Court 2nd mortgage held with RBC payable in blended monthly installments of \$2,134, interest at 2.91%, maturing on April 1, 2026	403,624	417,113
	39,902,540	41,004,951

(b) Interest paid during the year on long term debt amounted to \$708,910 (2023 - \$789,665).

(c) The long term debt reported in (a) of this note is repayable based on current terms as follows:

	Principal \$	Interest \$	Total \$
2025	1,058,897	1,483,052	2,541,949
2026	1,095,057	1,446,892	2,541,949
2027	1,132,543	1,409,134	2,541,677
2028	1,143,469	1,371,005	2,514,474
2029	1,182,727	1,331,747	2,514,474
2030 and subsequent years	34,289,847	27,274,876	61,564,723
	39,902,540	34,316,706	74,219,246

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

11. TANGIBLE CAPITAL ASSETS

The net book value of the tangible capital assets are:

	2024	2023
	\$	\$
General		
Land	11,010,425	11,010,425
Buildings	103,589,970	108,417,132
Building improvements	997,419	1,043,982
Equipment, furniture and fixtures	283,909	360,200
	115,881,723	120,831,739
Assets under construction	35,820	-
	115,917,543	120,831,739

For additional information, see the Consolidated Schedule of Tangible Capital Assets.

During the period there were no write-downs (2023 - \$Nil) and no interest capitalized (2023 - \$752,483).

Tangible capital assets allocated by segment are as follows:

	2024	2023
	\$	\$
Community Housing operations	47,362,553	49,574,845
AHP properties	66,165,660	68,706,872
Anishnawbe	328,773	338,945
Spruce Corners	79,885	101,716
Sunshine Homes	1,980,672	2,109,361
	115,917,543	120,831,739

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

12. ACCUMULATED SURPLUS

(a) Accumulated surplus consists of the following:

	2024	Restated 2023 (Note 23)
	\$	\$
Surplus/(Deficit)		
Unfunded employee future benefits	(175,062)	(165,975)
Community Housing operations - note 12(c)	645,534	(47,601)
Capital	5,039,873	4,466,418
Anishnawbe	189,906	187,804
AHP	(255,370)	1,049,583
Spruce Corners	(24,326)	(8,204)
Rent Supplement	347,257	561,713
Sunshine Homes	305,750	272,131
	6,073,562	6,315,869
Invested In Capital Assets		
Tangible capital assets - net book value	115,917,543	120,831,739
Long term debt	(39,902,540)	(41,004,951)
Unfunded asset retirement obligation	(42,461,668)	(42,461,668)
	33,553,335	37,365,120
Surplus	39,626,897	43,680,989
Reserve Funds		
Community Housing operations - Wind Mobile	24,419	22,073
Anishnawbe capital replacement	155,716	139,627
AHP - note 12(b)	1,058,393	810,436
Sunshine Homes capital replacement	1,386,698	1,297,737
Spruce Corners capital replacement	41,748	5,864
Total Reserve Funds	2,666,974	2,275,737
	42,293,871	45,956,726

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

12. ACCUMULATED SURPLUS, continued

(b) AHP reserve funds include:

	2024	2023
	\$	\$
River Ridge capital replacement	300,947	263,914
Woollen Mill capital replacement	280,437	236,981
Trailview Terrace capital replacement	237,321	206,850
Saunder's Court capital replacement	48,577	37,361
Anson House capital replacement	34,586	35,698
Malcolm Court capital replacement	34,325	14,169
Gerow capital replacement	22,219	9,670
Bradburn capital replacement	11,891	5,793
Hunt Terrace capital replacement	83,892	-
Home Grown Homes capital replacement	4,198	-
	1,058,393	810,436

(c) Community Housing operations surplus/(deficit) includes:

	2024	2023
	\$	\$
Community housing operations	582,003	(107,531)
Finally a Home	63,531	59,930
	645,534	(47,601)

13. CITY OF PETERBOROUGH SUBSIDIES

City of Peterborough subsidies is comprised of:

	2024	2023
	\$	\$
Anishnawbe - operating	76,125	75,000
Community Housing operations - operating	3,385,928	2,733,363
Capital	2,298,351	4,228,403
Sunshine Homes - operating	458,922	674,752
Hunt Terrace food services	172,000	-
Rent supplement	342,893	1,506,743
Social worker	-	80,358
	6,734,219	9,298,619

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

14. ASSET RETIREMENT OBLIGATION

The Corporation's asset retirement obligation consists of the following:

(a) Asbestos obligation

The Corporation owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS 3280 – Asset Retirement Obligations, the Corporation recognized an obligation relating to the removal of the asbestos in these building as estimated at January 1, 2023. The buildings are expected to reach the end of their useful life in 20 years.

Changes to the asset retirement obligation in the year are as follows:

	Asbestos removal \$
Asset Retirement Obligation - restated see note note 23	
Opening balance	42,461,668
Changes in obligation	-
Closing balance	42,461,668

15. OTHER SUBSIDIES

Other subsidies are comprised of the following:

	2024 \$	2023 \$
CMHC funding	399,318	845,439
Spruce Corners MOHLTC funding	62,662	56,357
Miscellaneous subsidies	-	81,446
Sunshine Homes solar	37,437	17,604
Class action lawsuit	392,357	-
	891,774	1,000,846

16. MATERIALS AND SERVICES

Materials and supplies consist of the following:

	2024 \$	2023 \$
Repairs and maintenance	1,622,705	1,564,361
Security	167,471	146,893
Grounds	874,223	944,534
	2,664,399	2,655,788

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

17. UTILITIES

Utilities consist of the following:

	2024	2023
	\$	\$
Electricity	1,198,974	1,098,369
Water	742,748	690,477
Fuel	462,928	472,609
	2,404,650	2,261,455

18. ADMINISTRATIVE OVERHEAD

Administrative overhead consists of the following:

	2024	2023
	\$	\$
Promotion	13,113	82,812
Bank and collection charges	12,596	16,045
Office	99,529	120,409
Legal fees	42,272	41,314
Audit fees	48,743	40,570
Professional fees	197,029	98,742
Information technology	180,604	167,557
Travel	55,804	42,713
Telephone and telecommunications	55,524	51,656
Memberships	3,696	3,330
	708,910	665,148

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

19. CONTINGENT LIABILITIES

The Corporation, in the course of its operations, has been named in lawsuits the outcomes of which are indeterminable at this time. No amounts in connection with these items have been reflected in these financial statements. The majority of these cases are covered by the Corporation's insurance.

The Corporation has received capital grants from the City of Peterborough that are forgivable over a specified period of time. In order to earn forgiveness, the Corporation must continue to own and operate these properties as affordable housing over the specified period of time, otherwise, the loan is repayable. It is the Corporation's intention to operate these facilities within the conditions of the loan agreements as such these loans are not recorded on the statement of financial position. The Corporation has forgivable loans as follows:

Property & Program	Forgiveness Completion date		Original Amount \$	Remaining Forgiveness \$
Bradburn House - AHP	25 years	October 1, 2036	2,160,000	1,015,200
Trailview Terrace - Quad - AHP	25 years	January 1, 2035	480,000	192,000
Trailview Terrace - AHP	20 years	January 1, 2030	1,330,000	332,500
Saunder's Court - AHP	20 years	November 1, 2030	798,000	232,750
Home Grown Homes - AHP	20 years	January 2, 2029	280,000	56,000
Anson House - AHP	20 years	August 1, 2029	1,000,000	229,167
Woollen Mill - ARHP	20 years	July 1, 2027	1,450,000	181,250
River Ridge - AHP	20 years	June 1, 2026	2,000,000	141,667
Home Grown Homes - CMHC	8 years	August 29, 2024	26,478	-
Hunt Terraces - CMHC	20 years	September 1, 2043	736,724	699,888
			10,261,202	3,080,422

20. COMPARATIVE FIGURES

Certain comparative figures were restated, where required, to conform with the current year presentation.

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

21. SEGMENTED INFORMATION

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2. For additional information see the Consolidated Schedule of Segment Disclosure.

AHP Fund

Revenues and expenses related to the Corporation of the Affordable Housing Program (AHP) funded properties are charged to this fund. These include properties known as River Ridge, Woollen Mill, Anson House, Saunder's Court, Trailview Terrace, Bradburn House, Home Grown Homes, Gerow Place, Malcolm Court and Hunt Terraces.

Anishnawbe Fund

Funds received from the City of Peterborough and tenants for the operation of the units of the Anishnawbe properties are charged to this fund. All expenses incurred to operate the units are also charged to this fund.

Spruce Corners Fund

Funds received from the Ministry of Health and Long Term Care and tenants for the operation of the units of Spruce Corners are charged to this fund. All expenses incurred to operate the units are also charged to this fund.

Sunshine Homes Fund

Funds received from the City of Peterborough, Ontario Power Authority and tenants for the operation of the units of the Sunshine Homes properties are charged to this fund. All expenses incurred to operate the units are also charged to this fund.

Capital Fund

Funds received from the City of Peterborough for capital expenditures are accounted for in the Capital Fund. Preventative maintenance expenses are charged to this fund.

Rent Supplement Fund

Funds received from the City of Peterborough to provide rent supplement under the rent supplement program are accounted for in the Rent Supplement Fund. Rent supplement expenses are charged to this fund. Peterborough Housing Corporation has transferred administration of rent supplement back to the City of Peterborough as of April 1, 2024.

Community Housing Operations Fund

All mandated Community Housing responsibilities and activities not included in any of the other funds and Finally A Home are accounted for in this fund.

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

22. BUDGET FIGURES

The budget, approved by the Corporation differs from the budget reflected on the Consolidated Statement of Operations and Accumulated Surplus as the approved budget has been adjusted to comply with PSA reporting requirements.

The following is a reconciliation of Board's approved budget to the annual surplus/(deficit):

	2024 \$
Board approved budgeted surplus/(deficit)	(1,692,202)
Amortization of tangible capital assets	(2,650,967)
Transfers to/(from) reserves and reserve funds	308,624
Mortgage principal payments	888,150
Annual surplus/(deficit) reported on the Consolidated Statement of Operations	(3,146,395)

23. PRIOR PERIOD ADJUSTMENT

The Corporation has restated its 2023 consolidated financial statements to reverse accretion on asset retirement obligations that was previously recorded in error. Adjustments necessary to the 2023 financial information as a result of the prior period adjustment are as follows:

Adjustment to Closing 2023 Asset Retirement Obligation

Asset retirement obligation liability, as previously recorded	\$ 44,117,673
Accretion, previously recorded	(1,656,005)
Closing 2023 asset retirement obligation	\$ 42,461,668

Adjustment to Opening 2023 Accumulated Surplus

Accumulated surplus as previously stated	
Surplus	\$ 6,315,869
Invested in capital assets	35,709,115
Reserves funds	2,275,737
	44,300,721
Add: Accretion expense previously recorded	1,656,005
Opening 2023 accumulated surplus as restated	\$ 45,956,726

Adjustment to 2023 Annual Surplus

2023 annual surplus as previously stated	\$ (167,956)
Add: Accretion expense previously recorded	1,656,005
2023 annual surplus as restated	\$ 1,488,049

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2024

	General					
	Land \$	Buildings \$	Building Improvements \$	Equipment, furniture and fixtures \$	Assets Under Construction \$	Totals \$
COST						
Balance, beginning of year	11,010,425	162,874,726	1,629,453	1,211,465	-	176,726,069
Add: additions during the year	-	47,095	-	29,031	35,820	111,946
Less: disposals during the year	-	253,655	-	-	-	253,655
Balance, end of year	11,010,425	162,668,166	1,629,453	1,240,496	35,820	176,584,360
ACCUMULATED AMORTIZATION						
Balance, beginning of year	-	54,457,594	585,471	851,265	-	55,894,330
Add: additions during the year	-	4,620,602	46,563	105,322	-	4,772,487
Balance, end of year	-	59,078,196	632,034	956,587	-	60,666,817
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	11,010,425	103,589,970	997,419	283,909	35,820	115,917,543

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

For the Year Ended December 31, 2024

	AHP \$	Anishnawbe \$	Spruce Corners \$	Sunshine Homes \$	Capital \$	Rent \$	Supplement \$	Community Housing Operations \$	Consolidated \$
Revenues									
Rent	4,610,550	38,024	42,670	651,643	-	-	-	4,639,443	9,982,330
City of Peterborough subsidy	191,372	84,032	-	555,068	2,174,927	-	342,893	3,385,925	6,734,217
Laundry and miscellaneous recoveries	467,686	-	75,495	22,179	-	-	-	103,070	668,430
Other subsidies	120,509	742	63,404	39,370	-	-	-	667,749	891,774
Management fees	(76,689)	(1,039)	(1,663)	(22,861)	-	-	-	206,062	103,810
Interfunctional rental fees	59,364	-	-	-	-	-	-	(59,364)	-
Investment income	52,152	8,291	612	54,211	126,082	-	62,827	331,286	635,461
Interest on loans receivable	41,141	-	-	-	-	-	-	-	41,141
Total revenues	5,466,085	130,050	180,518	1,299,610	2,301,009	405,720	9,274,171	19,057,163	
Expenses									
Materials and services	822,185	14,130	31,355	185,283	-	-	-	1,611,446	2,664,399
Utilities	668,856	18,140	12,991	29,882	-	-	-	1,674,781	2,404,650
Administrative overhead	61,682	8,775	6,445	16,278	-	-	-	615,730	708,910
Bad debts	48,441	1,200	-	4,725	-	-	-	79,479	133,845
Insurance	121,540	2,013	2,239	88,887	-	-	-	367,501	582,180
Salaries and benefits	1,025,153	10,707	30,465	196,810	-	-	-	2,438,559	3,701,694
Property taxes	363,047	10,446	4,245	284,403	-	-	-	1,774,020	2,436,161
Major repairs	412,815	17,732	14,621	251,696	1,727,554	-	-	-	2,424,418
Interest on long-term debt	1,730,675	9,676	3,269	416	-	-	-	-	1,744,036
Rent supplements	-	-	-	-	-	-	343,010	-	343,010
Food services	773,149	-	31,079	-	-	-	-	-	804,228
Amortization of capital assets	2,376,880	10,172	21,831	128,689	-	-	-	2,234,915	4,772,487
Total expenses	8,404,423	102,991	158,540	1,187,069	1,727,554	343,010	10,796,431	22,720,018	
Net surplus/(deficit)	(2,938,338)	27,059	21,978	112,541	573,455	62,710	(1,522,260)	(3,662,855)	

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2023 - Restated (Note 23)

	AHP \$	Anishnawbe \$	Spruce Corners \$	Sunshine Homes \$	Capital \$	Rent Supplement \$	Community Housing Operations \$	Consolidated \$
Revenues								
Rent	3,518,142	35,773	47,753	640,220	-	-	4,446,972	8,688,860
City of Peterborough subsidy	-	75,000	-	674,752	1,195,190	1,506,743	5,846,934	9,298,619
Laundry and miscellaneous recoveries	286,047	19,855	49,625	10,160	-	-	141,509	507,196
Other subsidies	41,630	1,192	56,357	17,604	-	-	884,063	1,000,846
Management fees	(69,386)	(861)	(1,378)	(18,945)	-	-	151,259	60,689
Interfunctional rental fees	59,364	-	-	-	-	-	(59,364)	-
Investment income	45,069	5,423	496	46,577	30,384	11,453	290,389	429,791
Interest on loans receivable	47,230	-	-	-	-	-	-	47,230
Gain on sales of tangible capital assets	-	-	-	-	-	-	1,034,402	1,034,402
Total revenues	3,928,096	136,382	152,853	1,370,368	1,225,574	1,518,196	12,736,164	21,067,633
Expenses								
Materials and services	839,913	30,910	40,260	161,528	-	-	1,583,177	2,655,788
Utilities	618,321	18,477	15,194	35,035	-	-	1,574,428	2,261,455
Administrative overhead	109,978	750	4,196	12,749	-	-	537,475	665,148
Bad debts	9,023	2,541	-	8,977	-	-	108,134	128,675
Insurance	135,484	2,115	2,378	35,445	-	-	306,998	482,420
Salaries and benefits	872,020	7,756	26,678	170,641	-	-	2,182,138	3,259,233
Property taxes	365,906	10,096	4,093	264,747	-	-	1,656,444	2,301,286
Major repairs	122,940	8,783	19,750	56,408	685,106	-	-	892,987
Interest on long-term debt	872,098	10,580	4,140	6,207	-	-	-	893,025
Rent supplements	-	-	-	-	-	1,321,327	-	1,321,327
Food services	352,825	-	36,490	-	-	-	-	389,315
Amortization of capital assets	1,910,297	10,172	21,831	128,689	-	-	2,257,936	4,328,925
Total expenses	6,208,805	102,180	175,010	880,426	685,106	1,321,327	10,206,730	19,579,584
Net surplus/(deficit)	(2,280,709)	34,202	(22,157)	489,942	540,468	196,869	2,529,434	1,488,049

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED CONTINUITY OF SURPLUS/(DEFICIT) AND RESERVE FUNDS For the Year Ended December 31, 2024

	AHP \$	Anishnawbe \$	Spruce Corners \$	Sunshine Homes \$	Capital \$	Rent Supplement \$	Community Housing Operations \$	Consolidated \$
Surplus/(Deficit)								
Net surplus/(deficit)	(2,938,338)	27,059	21,978	112,541	573,455	62,710	(1,522,260)	(3,662,855)
Add: Amortization	2,376,880	10,172	21,831	128,689	-	-	2,234,915	4,772,487
Unfunded employee future benefits	2,906	34	83	615	-	-	5,449	9,087
Less: Debt principal repayments	(939,942)	(19,074)	(24,130)	(119,265)	-	-	-	(1,102,411)
Net transfer from/(to) Capital	164,332	-	-	-	-	-	(22,623)	141,709
Net transfer from/(to) Reserve Funds	(247,957)	(16,089)	(35,884)	(88,961)	-	-	(2,346)	(391,237)
Internal transfers	277,166	-	-	-	-	(277,166)	-	-
Change in Surplus/(Deficit)	(1,304,953)	2,102	(16,122)	33,619	573,455	(214,456)	693,135	(233,220)
Opening Surplus/(Deficit)	1,049,583	187,804	(8,204)	272,131	4,466,418	561,713	(47,601)	6,481,844
Closing Surplus/(Deficit)	(255,370)	189,906	(24,326)	305,750	5,039,873	347,257	645,534	6,248,624
Reserve Funds								
Add: Interest	52,152	8,291	612	54,211	-	-	-	115,266
Transfer from Operations	207,891	15,150	1,719	183,858	-	-	2,346	410,964
Funding	-	-	45,700	-	-	-	-	45,700
Less: Transfer to Operations	(12,086)	(7,352)	(12,147)	(149,108)	-	-	-	(180,693)
Change in Reserve Funds	247,957	16,089	35,884	88,961	-	-	2,346	391,237
Opening Reserve Funds	810,436	139,627	5,864	1,297,737	-	-	22,073	2,275,737
Closing Reserve Funds	1,058,393	155,716	41,748	1,386,698	-	-	24,419	2,666,974

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED SCHEDULE OF OPERATIONS FOR AHP PROPERTIES For the Year Ended December 31, 2024

	River Ridge \$	Woollen Mill \$	Anson House \$	Saunders Court \$	Trailview Terrace \$	Bradburn House \$	Home Grown Homes \$	Malcolm Court \$	Gerow Havelock \$	Hunt Terraces \$	Total \$
Revenues											
Rent	545,149	556,569	243,661	244,419	448,662	145,390	110,617	474,067	313,584	1,528,432	4,610,550
City of Peterborough subsidy	2,275	6,826	3,888	2,535	102	1,741	81	1,073	400	172,451	191,372
Laundry and miscellaneous recoveries	186	19,929	1,793	5,404	9,779	516	-	14,659	6,815	408,605	467,686
Other subsidies	25,844	65,191	10,584	1,418	1,381	5,760	3,261	5,412	-	1,658	120,509
Management fees	(8,313)	(10,391)	(5,404)	(6,235)	(11,223)	(3,741)	(1,663)	(7,066)	(4,988)	(17,665)	(76,689)
Interfunctional rental fees	-	52,020	-	-	-	7,344	-	-	-	-	59,364
Investment income	15,913	19,236	1,251	1,614	12,637	117	40	336	218	790	52,152
Interest on loans receivable	-	-	-	14,912	26,229	-	-	-	-	-	41,141
Total revenues	581,054	709,380	255,773	264,067	487,567	157,127	112,336	488,481	316,029	2,094,271	5,466,085
Expenses											
Materials and services	62,678	93,229	61,871	57,245	82,582	29,120	10,159	85,707	98,195	241,399	822,185
Utilities	138,647	110,480	42,225	24,316	38,706	29,271	11,615	63,701	77,366	132,529	668,856
Administrative overhead	3,638	3,897	2,984	3,114	5,329	2,104	638	13,593	8,532	17,853	61,682
Bad debts	5,328	5,430	2,447	2,407	4,356	1,434	1,036	3,576	2,427	20,000	48,441
Insurance	11,153	14,199	7,453	9,602	15,943	5,594	2,834	13,846	9,931	30,985	121,540
Salaries and benefits	71,063	143,671	70,323	79,401	159,023	66,282	14,213	110,053	77,465	233,659	1,025,153
Property taxes	68,749	3,289	46,824	54,028	19,312	22,222	18,158	37,103	34,093	59,269	363,047
Major repairs	88,423	188,309	52,265	21,737	4,706	20,942	10,950	19,114	400	5,969	412,815
Interest on long-term debt	21,397	45,675	49,560	91,377	154,627	12,148	11,559	457,746	98,839	787,747	1,730,675
Food services	-	-	-	-	-	-	-	-	-	773,149	773,149
Amortization of capital assets	139,354	196,320	93,308	135,461	200,795	83,330	27,098	339,357	225,896	935,961	2,376,880
Total expenses	610,430	804,499	429,260	478,688	685,379	272,447	108,260	1,143,796	633,144	3,238,520	8,404,423
Net surplus/(deficit)	(29,376)	(95,119)	(173,487)	(214,621)	(197,812)	(115,320)	4,076	(655,315)	(317,115)	(1,144,249)	(2,938,338)

PETERBOROUGH HOUSING CORPORATION

CONSOLIDATED SCHEDULE OF OPERATIONS FOR AHP PROPERTIES

For the Year Ended December 31, 2023

	River Ridge \$	Woollen Mill \$	Anson House \$	Saunder's Court \$	Trailview Terrace \$	Bradburn House \$	Home Grown Homes \$	Malcolm Court \$	Gerow Havelock \$	Hunt Tarraces \$	Total \$
Revenues											
Rent	534,155	542,717	243,841	243,234	444,656	137,837	107,615	492,047	306,084	465,956	3,518,142
Laundry and miscellaneous recoveries	(385)	19,423	2,248	4,314	8,891	22,109	-	12,361	6,789	210,297	286,047
Other subsidies	6,059	14,579	6,766	-	-	6,328	783	7,115	-	-	41,630
Management fees	(8,581)	(10,303)	(5,295)	(5,984)	(10,117)	(3,100)	(1,378)	(5,856)	(4,133)	(14,639)	(69,386)
Interfunctional rental fees	-	52,020	-	-	-	7,344	-	-	-	-	59,364
Investment income	14,064	17,181	1,176	1,526	11,122	-	-	-	-	-	45,069
Interest on loans receivable	-	-	-	16,878	30,352	-	-	-	-	-	47,230
Total revenues	545,312	635,617	248,736	259,968	484,904	170,518	107,020	505,667	308,740	661,614	3,928,096
Expenses											
Materials and services	55,016	90,049	54,381	53,938	83,657	45,977	10,453	130,438	114,949	201,055	839,913
Utilities	137,541	113,886	38,214	25,485	39,300	28,635	12,254	36,814	73,448	112,744	618,321
Administrative overhead	2,367	5,707	2,161	2,907	7,011	2,244	919	15,628	5,227	65,807	109,978
Bad debts	2,511	3,138	1,332	383	689	230	-	434	306	-	9,023
Insurance	12,581	15,925	8,310	10,420	17,643	6,154	3,013	14,424	9,947	37,067	135,484
Salaries and benefits	62,051	128,242	61,236	71,810	144,048	59,300	12,410	97,227	70,544	165,152	872,020
Property taxes	63,982	3,136	43,577	50,281	46,864	20,681	16,899	44,717	32,458	43,311	365,906
Major repairs	23,164	29,744	25,520	-	13,349	24,058	2,610	3,182	1,313	-	122,940
Interest on long-term debt	24,289	50,570	50,517	93,528	162,117	12,867	12,061	105,043	100,312	260,794	872,098
Amortization of capital assets	139,503	195,283	93,781	134,951	200,429	83,180	27,339	339,078	227,357	469,396	1,910,297
Food services	-	-	-	-	-	-	-	-	-	352,825	352,825
Total expenses	523,005	635,680	379,029	443,703	715,107	283,326	97,958	786,985	635,861	1,708,151	6,208,805
Net surplus/(deficit)	22,307	(63)	(130,293)	(183,735)	(230,203)	(112,808)	9,062	(281,318)	(327,121)	1,046,537	(2,280,709)

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REPORT ON SUPPLEMENTARY MATTERS ARISING FROM AN AUDIT ENGAGEMENT

To the Ministry of Health and Long-Term Care

In accordance with the project operating agreement with the Ministry of Health and Long-Term Care, we have been engaged to report the financial results of Spruce Corners as at and for the year ended December 31, 2024 (the "other reporting responsibility"). This other reporting responsibility relates to our audit of the consolidated financial statements of Peterborough Housing Corporation (PHC) as at December 31, 2024 on which we issued our report dated June 25, 2025. We prepared the supplementary matter.

This report has been prepared in accordance with Canadian Standard on Related Services (CSRS) 4460, Reports on Supplementary matters Arising from an Audit or a Review Engagement. Our responsibility is to report on the supplementary matter. This standard requires us to comply with ethical requirements and to plan and perform procedures to address the other reporting responsibility. The procedures were selected based on our professional judgment to enable us to form a basis for this report. The procedures vary in nature from, and are less in extent than for, those required when providing an audit opinion or a review conclusion. Users are cautioned that the procedures performed may not be suitable for their purposes.

Accordingly, we do not express an audit opinion or a review conclusion on the supplementary matter.

In response to the other reporting responsibility, the financial results of Spruce Corners as at and for the year ended December 31, 2024 are provided in the attached Spruce Corners statements of financial position and operations and the related notes.

This report is intended solely for use by Ministry of Health and Long-Term Care and should not be used by other parties.

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 25, 2025

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Peterborough

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PETERBOROUGH HOUSING CORPORATION

SPRUCE CORNERS STATEMENT OF FINANCIAL POSITION At December 31, 2024

	General Fund \$	Capital Fund \$	2024 Total \$	2023 Total \$
ASSETS				
Cash	-	13,209	13,209	10,878
Due from/(to) PHC	(32,852)	28,539	(4,313)	(23,380)
Tangible capital assets (note 2)	79,052	-	79,052	103,182
	46,200	41,748	87,948	90,680
LIABILITIES AND FUND BALANCES				
CURRENT LIABILITIES				
Mortgage payable	77,936	-	77,936	102,066
FUND BALANCES	(31,736)	41,748	10,012	(11,386)
	46,200	41,748	87,948	90,680

The accompanying notes are an integral part of these financial statements

PETERBOROUGH HOUSING CORPORATION

SPRUCE CORNERS

STATEMENT OF OPERATIONS

For the Year Ended December 31, 2024

	General Fund \$	Capital Fund \$	2024 Total \$	2023 Total \$
REVENUES				
Ministry of Health and Long-Term Care	63,404	1,719	65,123	56,357
Rent	42,670	-	42,670	47,753
Other	29,795	45,700	75,495	49,625
Interest	-	612	612	497
	135,869	48,031	183,900	154,232
EXPENSES				
Salaries and benefits	30,465	-	30,465	26,678
Management fee	1,663	-	1,663	1,378
Administration	6,445	-	6,445	4,196
Maintenance materials and services	31,355	-	31,355	40,266
Property taxes	4,245	-	4,245	4,093
Insurance	2,239	-	2,239	2,378
Utilities	12,991	-	12,991	15,194
Food	31,079	-	31,079	36,490
Interest	3,269	-	3,269	4,140
Amortization	24,130	-	24,130	23,263
Major repairs	2,474	12,147	14,621	19,750
	150,355	12,147	162,502	177,826
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE) FOR THE YEAR	(14,486)	35,884	21,398	(23,594)
FUND BALANCES - beginning of year	(17,250)	5,864	(11,386)	12,208
FUND BALANCES - end of year	(31,736)	41,748	10,012	(11,386)

The accompanying notes are an integral part of these financial statements

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES

This supplementary financial information has been prepared in accordance with Canadian Public Sector Accounting Standards, except for:

- (a) Amortization is not provided on the building over the estimated useful life of the asset but rather at a rate equal to the annual principal reduction of the mortgage on the property;
- (b) Amortization is provided on land proportionally equal to the annual principal reduction of the mortgage on the property rather than not being amortized; and
- (c) Tangible capital assets purchased after the original interest adjustment date are charged to operations of the appropriate fund in the year the expense was incurred rather than being capitalized on the statement of financial position and amortized over their useful lives.

2. TANGIBLE CAPITAL ASSETS

	2024	2023
	\$	\$
Cost		
Land	33,831	33,831
Building	322,285	322,285
	356,116	356,116
Less: accumulated amortization	(277,064)	(252,934)
	79,052	103,182

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REPORT ON SUPPLEMENTARY MATTERS ARISING FROM AN AUDIT ENGAGEMENT

To the City of Peterborough

In accordance with the project operating agreement with the City of Peterborough, we have been engaged to report the financial results of Sunshine Homes as at and for the year ended December 31, 2024 (the "other reporting responsibility"). This other reporting responsibility relates to our audit of the consolidated financial statements of Peterborough Housing Corporation (PHC) as at December 31, 2024 on which we issued our report dated June 25, 2025. We prepared the supplementary matter.

This report has been prepared in accordance with Canadian Standard on Related Services (CSRS) 4460, Reports on Supplementary matters Arising from an Audit or a Review Engagement. Our responsibility is to report on the supplementary matter. This standard requires us to comply with ethical requirements and to plan and perform procedures to address the other reporting responsibility. The procedures were selected based on our professional judgment to enable us to form a basis for this report. The procedures vary in nature from, and are less in extent than for, those required when providing an audit opinion or a review conclusion. Users are cautioned that the procedures performed may not be suitable for their purposes.

Accordingly, we do not express an audit opinion or a review conclusion on the supplementary matter.

In response to the other reporting responsibility, the financial results of Sunshine Homes as at and for the year ended December 31, 2024 are provided in the attached Sunshine Homes statements of financial position and operations and the related notes.

This report is intended solely for use by The City of Peterborough and should not be used by other parties.

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 25, 2025

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PETERBOROUGH HOUSING CORPORATION

SUNSHINE HOMES STATEMENT OF FINANCIAL POSITION At December 31, 2024

	General Fund \$	Capital Fund \$	2024 Total \$	2023 Total \$
ASSETS				
Cash	-	676,050	676,050	563,848
Investments	-	999,803	999,803	951,613
Due from PHC	361,356	-	361,356	139,976
Tangible capital assets (note 2)	-	-	-	119,265
Due from (to) other fund	289,154	(289,154)	-	-
Due from the City of Peterborough	-	-	-	62,646
	650,510	1,386,699	2,037,209	1,837,348
LIABILITIES AND TRUST FUND BALANCES				
CURRENT LIABILITIES				
Due to the City of Peterborough	66,039	-	66,039	152,000
Mortgage payable	-	-	-	119,265
	66,039	-	66,039	271,265
FUND BALANCE	584,471	1,386,699	1,971,170	1,566,083
	650,510	1,386,699	2,037,209	1,837,348

The accompanying notes are an integral part of these financial statements

PETERBOROUGH HOUSING CORPORATION

SUNSHINE HOMES

STATEMENT OF OPERATIONS

For the Year Ended December 31, 2024

	General Fund \$	Capital Fund \$	2024 Total \$	2023 Total \$
REVENUES				
City of Peterborough	589,181	82,596	671,777	674,752
Rent	651,643	-	651,643	640,220
Ontario Power Authority solar	-	37,437	37,437	17,604
Other	24,111	63,826	87,937	10,160
Interest	-	54,211	54,211	46,577
	1,264,935	238,070	1,503,005	1,389,313
EXPENSES				
Salaries and benefits	196,810	-	196,810	170,641
Administration	43,864	-	43,864	40,671
Maintenance materials and services	185,283	149,108	334,391	217,936
Property taxes	284,403	-	284,403	264,747
Insurance	88,887	-	88,887	35,445
Utilities	29,882	-	29,882	35,035
Interest	416	-	416	6,207
Amortization	119,265	-	119,265	471,319
	948,810	149,108	1,097,918	1,242,001
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	316,125	88,962	405,087	147,312
FUND BALANCES - beginning of year	268,346	1,297,737	1,566,083	1,418,771
FUND BALANCES - end of year	584,471	1,386,699	1,971,170	1,566,083

The accompanying notes are an integral part of these financial statements

PETERBOROUGH HOUSING CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES

This supplementary financial information has been prepared in accordance with Canadian Public Sector Accounting Standards, except for:

- (a) Amortization is not provided on the building over the estimated useful life of the asset but rather at a rate equal to the annual principal reduction of the mortgage on the property;
- (b) Amortization is provided on land proportionally equal to the annual principal reduction of the mortgage on the property rather than not being amortized; and
- (c) Tangible capital assets purchased after the original interest adjustment date are charged to operations of the appropriate fund in the year the expense was incurred rather than being capitalized on the statement of financial position and amortized over their useful lives.

2. TANGIBLE CAPITAL ASSETS

The net book value of Sunshine's tangible capital assets are:

	2024 \$	2023 \$
Cost		
Land	898,085	898,085
Building	7,709,440	7,709,440
Equipment, furniture and fixtures	126,620	126,620
	8,734,145	8,734,145
Less: accumulated amortization	(8,734,145)	(8,614,880)
	-	119,265