

# Annual Report 2016



*Providing and maintaining quality, affordable housing  
in a safe, healthy and secure environment.*

## Table of Contents

Board of Directors ..... 3  
Annual Report ..... 4  
Peterborough Housing Corporation ..... 5  
Future Goals ..... 6  
Capital Projects ..... 7-8  
Community Involvement ..... 9-10  
Financial Information 2016..... 11  
2016 Audited Consolidated Financial Statements..... 12-40



## Board of Directors



Bonnie Clark  
Chair



Terry Low  
Vice Chair



Ken Smith  
Treasurer



Malcolm Hunt  
Advisor



Jack Gillan  
Member



Linda Kehoe  
Member



Ken Andrews  
Member



Mary Hay  
Member



Andrew Beamer  
Member



Larry Love  
Member



Bev Matthews  
Member

*Members are appointed by the City of Peterborough, on the recommendation of the PHC Board of Directors and the Nominating Committee.*



# Annual Report 2016

In 2016, Peterborough Housing Corporation worked through a number of consultations and work plans to meet many objectives set out in its Strategic Plan 2013-2018.

## Lead the Way in the Housing Community

PHC staff has been invited to sit at both Provincial and Federal consultation tables to represent housing providers' and tenants' interests for input on housing strategies and legislation. Our organization has been invited to present our innovative plans for the future direction for our housing corporation to other sector organizations, sharing our ideas, success and inspiring replication.

## Increasing Housing Capacity through New Initiatives

We have engaged community partners to create a shared vision that form the basis of new developments in the City and County. Working together we have secured funding for our goal of providing supports for seniors, programming for mother led families and those who are homeless or precariously housed.

## Increased Organizational Capacity

The reorganization of our staff was well on its way in 2016. We said goodbye to long standing employees who have earned their retirement, brought in new staff, some in new positions created by the future needs analysis and effected overall change in the flow of work throughout PHC. All of this was completed with client centered focus as the objective.

## Promoting Excellence in Core Delivery Service

In a thorough Operational Review, PHC was found to provide excellent core delivery service in every area of our organization. The review cited a great team, familiar with the goals of the corporation; the review praised the entrepreneurial spirit of the Board of Directors and amongst all of our staff. PHC earned the support of the Service Manager (City of Peterborough) and was given new responsibilities and confidence through amendments to the Shareholders' Direction.

## Ensure Effective Management of Capital Assets

We have developed a business plan based on the work of our End of Debenture Committee. This Capital Finance and Community Revitalization Plan maps the future of our current properties, inclusive of intensifying sites and providing conceptual models incorporating regeneration and redeveloping of whole communities.

## Expand Capacity to Build Effective Communities

Community engagement is increasingly important to our corporation. We sought input from our communities through listening circles, mediation services and outreach with partner agencies. The Housing Social Worker for PHC assisted in sustaining our community food bank programs, recreation programs for children, homework clubs, cooking classes and community gardens, enhancing opportunities for our residents.



Darlene Cook, CEO

We are achieving our goals with the support of our Shareholder, the guidance of the Board of Directors and the work of dedicated and hard working staff members.



Bonnie Clark, Chair





# Peterborough Housing Corporation

On January 1, 2001, The Peterborough Housing Authority became Peterborough Housing Corporation. The Province of Ontario, at that time, devolved the business and associated costs of social housing to the municipalities, the initial wave encompassed all of the former public housing units which had been part of Ontario Housing Corporation (OHC). The assets of OHC were divided amongst 47 different Service Managers, some to regional governments, some to municipalities and some to district areas. The City of Peterborough, in their role as Service Manager for the City and County of Peterborough, became the "sole shareholder" of PHC, the largest single provider of housing in the social housing portfolio. The City had a choice of models for its local housing corporation and chose to leave it as a stand alone corporation, one of eleven in the Province, with its own Board of Directors, nominated by a Board Committee and appointed by City Council. Under this model PHC has had the flexibility to expand and develop new units under the Affordable Housing Program, reach out and form new partnerships and provide community services for its residents. With the support of the City of Peterborough Housing Division in the Department of Planning and Development Services, PHC has flourished and has been recognized as a leader in housing and in the community.

Peterborough Housing Corporation owns and manages 1052 units of senior, single and family units throughout the city and county. These range from bachelor apartments to single family homes as well as many townhouse communities. Our buildings range from 100 year old recently fully renovated building, to units that are 50 years old and some that are newly built. Some require enormous amounts of pampering and capital expenditure. We are continually looking for innovative energy conservation measures to incorporate into new and existing structures to improve the efficiency of the buildings and increase the enjoyment of our residents. Continuous efforts are made to upgrade the interiors and exteriors and add new physical elements to the buildings to increase accessibility. Safety issues receive a high priority when we are considering capital funding requests.

Our housing corporation also manages, under an operating agreement with the City of Peterborough, the centralized waiting list for all social housing providers and currently has 1,700 households waiting for rent geared to income units. The administration of rent supplement and housing allowance programs also rests with PHC. These programs provide units in the private market whose residents are subsidized and total in excess of two hundred and fifty units of housing.

The mission statement of PHC is to provide and maintain quality, affordable housing in a safe, healthy and secure environment. Working with our communities to support positive community development opportunities, we aspire to bring together residents and support agency staff, promote aging in the place and provide good client service to fulfill our mission statement.

## Future Goals

Peterborough Housing Corporation aspires to be a leader in the housing community and as such is always looking for new opportunities to enhance and enrich the housing environment in which we live. Although we have won the ONPHA Award of Excellence in 2013, we cannot rest on our laurels. The Strategic Plan developed by the Board of Directors in 2012 for the Years 2013-2018 has been an excellent guide for the Corporation's future growth and we will be revisiting that Plan in the coming year to begin planning beyond. The plan focuses on six key objectives to address all aspects of community development, also referenced in the annual report page of this document. Partnerships, core services and tenant empowerment are key elements of the Corporation's Strategic Plan. Staff have continued to update a work plan for delivering on those objectives and keeps us focused on outcomes of this living document.

The Board of PHC have taken a strong step towards planning for the future need of our clients. As an "end of debenture" committee, a group of PHC staff and board members met every month and examined each of our existing communities. End of debentures signify that these properties no longer are tied financially to the Province of Ontario and any permission to change, encumber, leverage or disperse now lies with the Service Manager, in our case, the City of Peterborough. The committee has worked on a plan that evaluated our properties utilizing a software program called Asset Manager. The 10 Year Housing and Homelessness Plan, statistics from Housing Access Peterborough and other growth projections have helped to guide us when we discuss regeneration opportunities. To this end, we secured a contract through RFP for a consultant to take the committee's work, research our findings, outline the best regeneration and redevelopment opportunities and produce a document that will be a 15 Year Capital Finance and Community Revitalization Plan, coming forward in the Fall of 2017 to our Shareholder for approval.

We continue to look outside of our organization for inspiration and direction for growth. Incorporating supportive housing initiatives within our current portfolio and in our new development is becoming an elevated priority for PHC to meet the needs of our residents and applicants. Our properties are incorporating services in partnerships with care agencies to provide additional supports to help our residents "age in place". Providing initiatives that allow tenants to retain their independence improves the quality of life and enriches the fabric of our communities.

We know that stable housing is a factor when providing a foundation for healthy outcomes. To that end we are exploring new funding options in the supportive housing sector to enable us to offer more than bricks and mortar to our residents. Our Housing Social Worker, Maisie Watson, caringly serves our tenant population and has been instrumental in bringing the Food Bank to our residents as well as Day Camp activities, learning and leadership programs and counselling for all those in need. We are inspired to expand this program and have incorporated those values in our new organization chart as we reorganize our staff roles and responsibilities.

PHC will continue to build on its strengths and maximize its resources to sustain our existing services and plan for a bright new tomorrow.

# Capital Projects

**Common Room  
Kitchen Upgrade  
Donegal Street**



**Bathroom Upgrades  
486 Donegal Street**



**Hot Water Tanks  
53 Spring Street  
Norwood**



**New kitchens  
169 Lake Street  
486 Donegal Street**





# Capital Projects



53 Spring St, Norwood

**Roof Replacement  
Norwood  
Lakefield**



85 Concession St, Lakefield



**LED Lighting  
486 Donegal  
611 Rogers**



**Balcony Doors  
Havelock  
Lakefield**



**3 Litre Toilets  
169 Lake  
486 Donegal  
611 Rogers**





# Community Involvement



Murdoch Mysteries



Staff Planning Day Scavenger Hunt



United Way BBQ





# Community Involvement



Maisie's Kids



## Community Gardens



169 Lake St Raised Beds

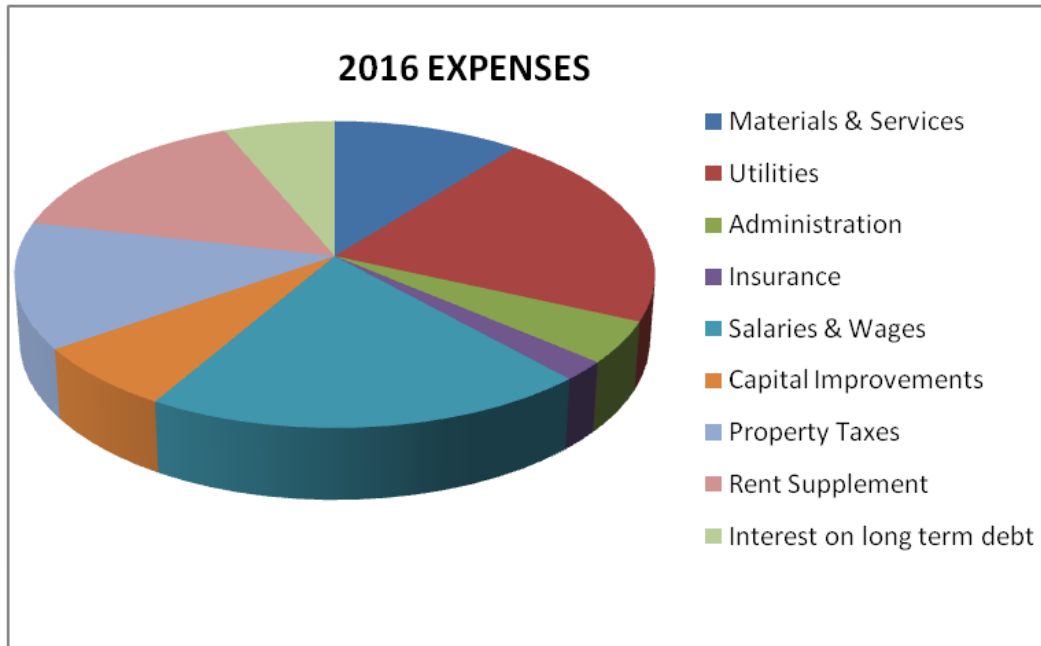
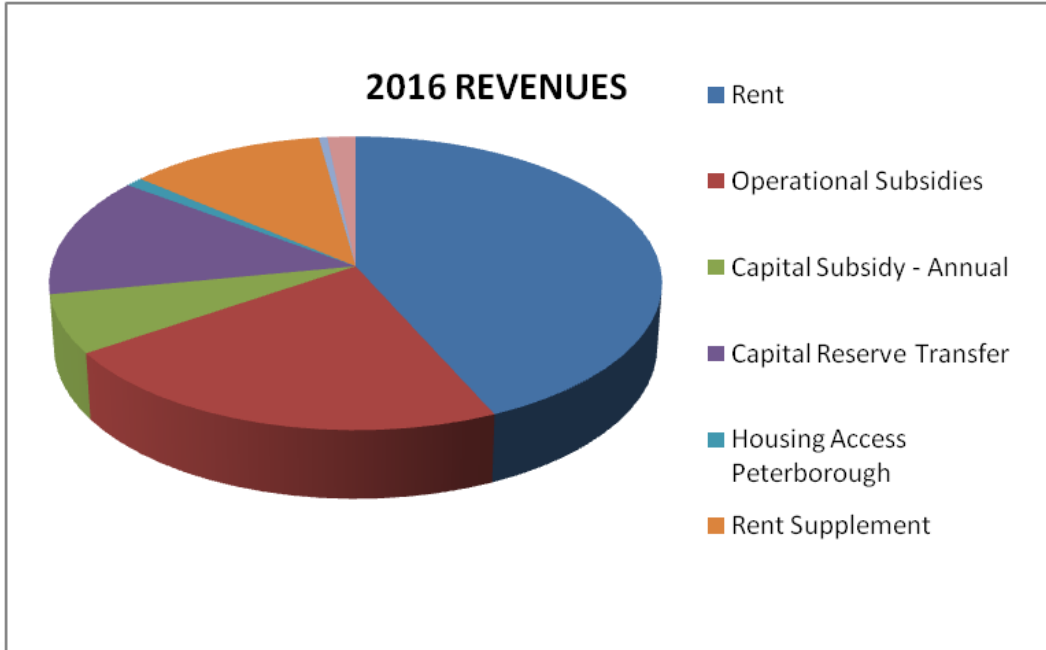


Pollinator Garden 999 Hilliard Street





## Financial Information 2016



**PETERBOROUGH HOUSING CORPORATION**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**PETERBOROUGH HOUSING CORPORATION**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**TABLE OF CONTENTS**

	Page Number
<b>INDEPENDENT AUDITOR'S REPORT</b>	
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	
Statement of Financial Position	1
Statement of Operations and Accumulated Surplus	2
Statement of Change in Net Financial Assets/(Liabilities)	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 - 16
Schedule of Tangible Capital Assets	17
Schedules of Segment Disclosure	18 - 19
Continuity of Surplus/(Deficit) and Reserve Funds	20
Schedules of Operations for AHP Properties	21 - 22
<b>SPRUCE CORNERS</b>	
Auditor's Comments on Supplementary Financial Information	23
Supplementary Statement of Financial Position	24
Supplementary Schedule of Operations	25
Notes to the Supplementary Financial Information	26



**INDEPENDENT AUDITOR'S REPORT****To the Shareholder and Board of Directors  
of the Peterborough Housing Corporation***Report on the Financial Statements*

We have audited the accompanying consolidated financial statements of the Peterborough Housing Corporation, which comprise the consolidated statement of financial position as at December 31, 2016, the consolidated statements of operations and accumulated surplus, change in net financial assets/(liabilities) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Peterborough Housing Corporation as at December 31, 2016 and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

*Collins Barrow Kawartha LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
April 21, 2017

# PETERBOROUGH HOUSING CORPORATION

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION At December 31, 2016

	2016	2015
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash (note 3)	3,903,569	2,081,304
Accounts receivable (note 4)	349,927	561,560
Loans receivable (note 5)	2,650,345	2,791,338
Investments (note 6)	627,916	599,125
<b>TOTAL FINANCIAL ASSETS</b>	<b>7,531,757</b>	<b>6,033,327</b>
<b>LIABILITIES</b>		
Short term debt (note 9)	600,000	-
Accounts payable and accrued liabilities	1,250,993	1,306,916
Long term debt (note 8)	16,136,099	15,892,008
Employee future benefits (note 7)	92,219	87,722
<b>TOTAL LIABILITIES</b>	<b>18,079,311</b>	<b>17,286,646</b>
<b>NET FINANCIAL ASSETS/(LIABILITIES)</b>	<b>(10,547,554)</b>	<b>(11,253,319)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 10)	38,082,233	36,427,749
Prepaid expenses	196,824	212,939
Inventories of supplies	12,700	10,221
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>38,291,757</b>	<b>36,650,909</b>
<b>ACCUMULATED SURPLUS (note 11)</b>	<b>27,744,203</b>	<b>25,397,590</b>

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, 2016

	Budget 2016 \$ (unaudited)	Actual 2016 \$	Actual 2015 \$
<b>REVENUES</b>			
Rent	5,697,477	5,795,499	5,673,146
City of Peterborough subsidy (note 12)	5,115,420	6,867,826	5,066,667
Laundry and miscellaneous recoveries	142,179	221,707	233,728
Other subsidies	63,071	427,691	116,418
Management fees	625	38,624	780
Investment income	20,050	59,546	30,855
Interest on loans receivable	122,097	122,453	128,285
Gain/(loss) on sale of tangible capital assets	-	(31,222)	7,584
Contribution of tangible capital assets	-	250,756	-
<b>TOTAL REVENUES</b>	<b>11,160,919</b>	<b>13,752,880</b>	<b>11,257,463</b>
<b>EXPENSES</b>			
Materials and services (note 13)	1,138,106	1,107,764	1,237,480
Utilities (note 14)	2,321,792	2,195,162	2,144,307
Administrative overhead (note 15)	329,200	352,210	319,964
Bad debts	83,600	110,121	95,363
Insurance	201,068	214,557	206,316
Salaries and benefits	2,131,472	2,098,502	1,987,688
Property taxes	1,375,800	1,388,811	1,351,010
Major repairs	835,000	709,584	943,482
Interest on long-term debt	662,626	654,664	706,267
Rent supplements	1,630,289	1,568,608	1,600,419
Amortization of capital assets	992,611	1,006,284	994,530
<b>TOTAL EXPENSES</b>	<b>11,701,564</b>	<b>11,406,267</b>	<b>11,586,826</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b><u>(540,645)</u></b>	<b>2,346,613</b>	<b>(329,363)</b>
<b>ACCUMULATED SURPLUS - beginning of year</b>		<b>25,397,590</b>	<b>25,726,953</b>
<b>ACCUMULATED SURPLUS - end of year</b>		<b>27,744,203</b>	<b>25,397,590</b>

The accompanying notes are an integral part of these financial statements

# PETERBOROUGH HOUSING CORPORATION

## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS/(LIABILITIES)

For the Year Ended December 31, 2016

	Budget 2016 \$ (unaudited)	Actual 2016 \$	Actual 2015 \$
<b>ANNUAL SURPLUS/(DEFICIT)</b>	(540,645)	2,346,613	(329,363)
Amortization of tangible capital assets	992,611	1,006,284	994,530
Purchase of tangible capital assets	(600,000)	(2,441,234)	(231,700)
Loss/(gain) on disposal of tangible capital assets	-	31,222	(7,584)
Proceeds on sale of tangible capital assets	-	-	7,584
Contributed capital assets	-	(250,756)	-
Change in prepaid expenses	-	16,115	(1,049)
Change in inventories of supplies	-	(2,479)	(10,221)
<b>CHANGE IN NET FINANCIAL ASSETS/(LIABILITIES)</b>	(148,034)	705,765	422,197
<b>NET FINANCIAL ASSETS/(LIABILITIES) - beginning of year</b>	(11,253,319)	(11,253,319)	(11,675,516)
<b>NET FINANCIAL ASSETS/(LIABILITIES) - end of year</b>	(11,401,353)	(10,547,554)	(11,253,319)

*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, 2016

	2016	2015
	\$	\$
<b>CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Annual surplus/(deficit)	2,346,613	(329,363)
Items not involving cash		
Amortization of tangible capital assets	1,006,284	994,530
Loss/(gain) on disposal of tangible capital assets	31,222	(7,584)
Contributed capital assets	(250,756)	-
Employee future benefits	4,497	4,231
Change in non-cash assets and liabilities		
Accounts receivable	211,633	(206,300)
Loans receivable	140,993	135,281
Prepaid expenses	16,115	(1,049)
Inventories of supplies	(2,479)	(10,221)
Accounts payable and accrued liabilities	(55,923)	148,876
<b>Net change in cash from operating activities</b>	<b>3,448,199</b>	<b>728,401</b>
<b>CAPITAL ACTIVITIES</b>		
Purchase of tangible capital assets	(2,441,234)	(231,700)
Proceeds on disposal of tangible capital assets	-	7,584
<b>Net change in cash from capital activities</b>	<b>(2,441,234)</b>	<b>(224,116)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investments	(41,660)	(32,908)
Redemption of investments	12,869	18,818
<b>Net change in cash from investing activities</b>	<b>(28,791)</b>	<b>(14,090)</b>
<b>FINANCING ACTIVITIES</b>		
Long term debt issued	2,782,398	-
Debt principal repayments	(2,538,307)	(497,183)
Short term debt issued	600,000	-
<b>Net change in cash from financing activities</b>	<b>844,091</b>	<b>(497,183)</b>
<b>NET CHANGE IN CASH</b>	<b>1,822,265</b>	<b>(6,988)</b>
<b>CASH - beginning of year</b>	<b>2,081,304</b>	<b>2,088,292</b>
<b>CASH - end of year</b>	<b>3,903,569</b>	<b>2,081,304</b>

*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, 2016

---

### 1. NATURE OF ORGANIZATION

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% owned 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. 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, 2016

---

### 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.

(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) 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.

(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 organization'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 and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates;
- The amount recorded as allowance for doubtful accounts receivable is based on management's estimate of future payments on receivable account balances; and
- The values of employee future benefits and the amount of costs charged to earnings depend on certain actuarial and economic assumptions.

# PETERBOROUGH HOUSING CORPORATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

### 3. CASH

Cash consists of:

	2016	2015
	\$	\$
Petty cash	550	550
Unrestricted cash	1,557,744	1,624,391
Restricted funds	2,345,275	456,363
	<u>3,903,569</u>	<u>2,081,304</u>

### 4. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	2016	2015
	\$	\$
Tenants	158,893	238,457
City of Peterborough subsidy	-	254,187
Other	295,128	205,775
Allowance for doubtful accounts	(104,094)	(136,859)
	<u>349,927</u>	<u>561,560</u>

### 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.

	2016	2015
	\$	\$
Trailview Terrace AHP	1,649,651	1,736,914
Saunder's Court AHP	1,000,694	1,054,424
	<u>2,650,345</u>	<u>2,791,338</u>

# PETERBOROUGH HOUSING CORPORATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

### 6. INVESTMENTS

Investments are comprised of the following:

	2016	2015
	\$	\$
Spruce Corners redeemable Guaranteed Investment Certificates (GIC's), interest at rates between 0.9% and 2.05% maturing between January 13, 2017 and June 22, 2019	32,301	42,070
Social housing bond fund	309,844	305,497
Social housing equity fund	285,771	251,558
	627,916	599,125

### 7. 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 2016 OMERS Annual Report disclosed total actuarial liabilities of \$87,554 million in respect of benefits accrued for service with actuarial assets of \$81,834 million indicating an actuarial deficit of \$5,720 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.

Contributions made by the Corporation to OMERS for 2016 were \$288,481 (2015 - \$286,874) of which 50% were paid by the employer.

As a schedule II WSIB employer, the Corporation has a liability related to future WSIB claims and this was actuarially determined for the first time in 2014. The value of this liability has been assessed by an actuary as at December 31, 2016 to be \$92,219 (2015 - \$87,722) and will require funding in future periods.

The actuarial valuation as at December 31, 2014 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. The main actuarial assumptions employed for the valuation are as follows:

Expected inflation rate	2.0%	
Interest rate	4.5%	
	2016	2015
	\$	\$
Current service costs	14,513	14,012
Interest on accrued benefit obligation	4,174	3,972
Employee future benefits expense	18,687	17,984

# PETERBOROUGH HOUSING CORPORATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2016

### 8. LONG TERM DEBT

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

	2016	2015
	\$	\$
Anishnawbe mortgage held with TD Canada Trust, payable in blended monthly installments of \$2,089, interest at 2.112%, maturing December 1, 2017	340,380	358,092
River Ridge mortgage held with TD Canada Trust, payable in blended monthly installments of \$15,284, interest at 4.52%, maturing March 1, 2016	-	2,024,919
Woollen Mill mortgage held with TD Canada Trust, payable in blended monthly installments of \$19,646, interest at 4.60%, maturing July 1, 2017	2,627,524	2,740,749
Trailview Terrace mortgage held with RBC Insurance, payable in blended monthly installments of \$15,908, interest at 5.46%, maturing June 1, 2030	2,771,805	2,811,877
Spruce Corners mortgage held with Canada Mortgage and Housing Corporation, payable in blended monthly installments of \$2,190, interest at 1.88%, maturing December 1, 2022	261,044	282,217
Bradburn House mortgage held with Royal Bank of Canada, payable in blended monthly installments of \$5,255, interest at 3.80%, maturing October 18, 2021	876,740	905,699
Trailview Terrace demand loan held with Royal Bank of Canada, payable in blended monthly installments of \$14,215, interest at 4.91%, maturing February 1, 2020	1,644,316	1,731,578
Anson House and Saunder's Court debenture held with Infrastructure Ontario, payable in blended monthly installments of \$17,462, interest at 3.97%, maturing November 1, 2050	3,901,923	3,955,398
Saunder's Court debenture held with Infrastructure Ontario, payable in blended monthly installments of \$7,760, interest at 3.81%, maturing November 1, 2020	1,004,619	1,058,350
Vehicle loan, payable in blended monthly installments of \$716, interest at 3.54%, maturing October 1, 2018	15,230	23,129
River Ridge mortgage held with Royal Bank of Canada, payable in blended monthly installments of \$12,889, interest at 2.02%, maturing April 1, 2021	1,921,973	-



# PETERBOROUGH HOUSING CORPORATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

### 8. LONG TERM DEBT, continued

Home Grown Homes mortgage held with Royal Bank of Canada, payable in blended monthly installments of \$936, interest at 2.99%, maturing September 16, 2021	196,163	-
Home Grown Homes mortgage held with Royal Bank of Canada, payable in blended monthly installments of \$1,989, interest at 2.99%, maturing September 16, 2021	417,156	-
Home Grown Homes mortgage held with Royal Bank of Canada, payable in blended monthly installments of \$676, interest at prime plus 0.55%, maturing September 16, 2017	137,769	-
Vehicle loan, payable in blended monthly installments of \$553, interest at 3.21%, maturing January 22, 2020	19,457	-
	<b>16,136,099</b>	<b>15,892,008</b>

(b) Interest paid during the year on long term debt amounted to \$654,664 (2015 - \$706,267).

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

	Principal \$	Interest \$	Total \$
2017	585,971	641,441	1,227,412
2018	606,871	619,087	1,225,958
2019	622,840	595,980	1,218,820
2020	640,635	572,099	1,212,734
2021	664,843	547,340	1,212,183
2022 and subsequent years	13,014,939	5,886,119	18,901,058
	<b>16,136,099</b>	<b>8,862,066</b>	<b>24,998,165</b>

### 9. SHORT TERM DEBT

The Corporation obtained from the seller an interest free, first mortgage on the 2016 purchase of the McRae property. This mortgage was paid out on March 15, 2017. The balance outstanding as at December 31, 2016 is \$600,000 (2015 - \$Nil).

# PETERBOROUGH HOUSING CORPORATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2016

### 10. TANGIBLE CAPITAL ASSETS

The net book value of the tangible capital assets are:

	2016	2015
	\$	\$
General		
Land	11,506,995	10,822,697
Buildings	24,362,430	24,041,621
Building improvements	1,369,923	1,447,708
Equipment, furniture and fixtures	83,389	60,756
	37,322,737	36,372,782
Assets under construction	759,496	54,967
	38,082,233	36,427,749

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

During the year there were no write-downs (2015 - \$Nil) and interest capitalized of 2,460 (2015 - \$Nil).

Tangible capital assets allocated by segment are as follows:

	2016	2015
	\$	\$
Social Housing operations	11,841,692	10,750,888
AHP properties	24,180,155	24,986,324
Anishnawbe	405,116	415,443
Spruce Corners	253,245	275,094
Home Grown Homes	1,402,025	-
	38,082,233	36,427,749

# PETERBOROUGH HOUSING CORPORATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2016

### 11. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2016	2015
	\$	\$
<b>Surplus/(Deficit)</b>		
Unfunded employee future benefits	(92,219)	(87,722)
Social Housing operations	19,754	(58,792)
Capital	2,170,513	453,311
Anishnawbe	60,164	58,460
AHP	2,304,880	2,394,821
Spruce Corners	27,896	23,229
Finally a Home	58,335	58,323
Rent Supplement	1,484,563	1,479,652
Home Grown Homes	(46,995)	-
	<b>5,986,891</b>	<b>4,321,282</b>
<b>Invested In Capital Assets</b>		
Tangible capital assets - net book value	38,082,233	36,427,749
Long term debt	(16,136,099)	(15,892,008)
Short term debt	(600,000)	-
Unfunded capital for McRae acquisition and development	(197,570)	-
	<b>21,148,564</b>	<b>20,535,741</b>
<b>Surplus</b>	<b>27,135,455</b>	<b>24,857,023</b>
<b>Reserve Funds</b>		
Social Housing operations - Wind Mobile	7,485	5,535
Anishnawbe capital replacement	39,774	29,283
AHP	501,851	445,730
Spruce Corners capital replacement	59,638	60,019
<b>Total Reserve Funds</b>	<b>608,748</b>	<b>540,567</b>
	<b>27,744,203</b>	<b>25,397,590</b>



# PETERBOROUGH HOUSING CORPORATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

### 11. ACCUMULATED SURPLUS, continued

AHP reserve funds include:

	2016	2015
	\$	\$
River Ridge capital replacement	183,322	164,069
Woollen Mill capital replacement	185,111	164,482
Trailview Terrace capital replacement	101,420	85,536
Saunder's Court capital replacement	11,370	11,210
Anson House capital replacement	20,628	20,433
	501,851	445,730

### 12. CITY OF PETERBOROUGH SUBSIDIES

City of Peterborough subsidies is comprised of:

	2016	2015
	\$	\$
Anishnawbe - operating	66,000	64,000
Social Housing operations - operating	2,474,000	2,198,000
Capital	850,000	1,110,110
Capital reserve transfer	1,774,123	-
Social Housing Renovation and Retrofit Program	15,223	-
Housing Access Peterborough	136,500	133,800
Rent supplement	1,551,980	1,560,757
	6,867,826	5,066,667

### 13. MATERIALS AND SUPPLIES

Materials and supplies consist of the following:

	2016	2015
	\$	\$
Repairs and maintenance	792,581	936,530
Security	36,552	28,366
Grounds	255,655	248,257
Food - Spruce Corners	22,976	24,327
	1,107,764	1,237,480

# PETERBOROUGH HOUSING CORPORATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

### 14. UTILITIES

Utilities consist of the following:

	2016	2015
	\$	\$
Electricity	1,310,850	1,176,045
Water	632,406	631,326
Fuel	383,111	413,731
Water billing recovery	(131,205)	(76,795)
	2,195,162	2,144,307

### 15. ADMINISTRATIVE OVERHEAD

Administrative overhead consist of the following:

	2016	2015
	\$	\$
Promotion	7,476	7,811
Bank and collection charges	20,944	14,579
Office	72,632	79,296
Legal fees	30,941	22,243
Audit fees	23,446	23,490
Professional fees	23,727	6,702
Information technology	80,980	76,031
Travel	46,340	47,492
Telephone and telecommunications	34,229	31,692
Memberships	11,494	10,628
	352,209	319,964

### 16. BUDGET FIGURES

The budget, approved by the Corporation, for 2016 is reflected on the Consolidated Statement of Operations and Accumulated Surplus and the Consolidated Statement of Change in Net Financial Liabilities. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

# PETERBOROUGH HOUSING CORPORATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2016

### 17. 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 \$
River Ridge	AHP	20 years	June 1, 2026	2,000,000
Anson House	AHP	20 years	August 1, 2029	1,000,000
Woollen Mill	ARHP	20 years	July 1, 2027	1,450,000
Woollen Mill	RRAP	15 years	April 1, 2022	900,000
Trailview Terrace	AHP	20 years	January 1, 2030	1,330,000
Saunders Court	AHP	20 years	November 1, 2030	798,000
Bradburn House	AHP	25 years	October 1, 2036	2,160,000
Trailview Terrace - Quad	AHP	25 years	January 1, 2035	480,000
Peterborough Housing	SHRRP	10 years	Estimated Spring 2022	1,707,051
Home Grown Homes	AHP	20 years	January 2, 2029	280,000
	Peterborough			
Home Grown Homes	Renovates	15 years	March 4, 2030	47,480
Home Grown Homes	CMHC	8 years	August 29, 2024	26,478
				12,179,009

### 18. RELATED PARTIES

The Corporation received subsidies from the City of Peterborough, its sole shareholder, in the amount of \$6,867,826 (2015 - \$5,066,667). During the year, the Corporation made payments to the City of Peterborough in the amounts of \$1,221,153 (2015 - \$1,144,549) for property taxes and \$33,208 (2015 - \$26,868) for information technology maintenance services.

### 19. SUBSEQUENT EVENTS

Effective March 31, 2017 Peterborough Housing Corporation no longer holds ownership of 592/594 George Street, Peterborough. The terms of the sale are proceeds of \$250,888.

# PETERBOROUGH HOUSING CORPORATION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

---

### 20. 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 and Bradburn House.

#### **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.

#### **Home Grown Homes**

Funds received from the City of Peterborough and tenants for the operation of the units of the Home Grown 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 also charged to this fund.

#### **HAP Fund**

Funds received from the City of Peterborough to administer the Co-ordinated Housing Access Program are accounted for in the HAP 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.

#### **Social Housing Operations Fund**

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



# PETERBOROUGH HOUSING CORPORATION

## CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended December 31, 2016

	General					Totals \$
	Land \$	Buildings \$	Building Improvements \$	Equipment, furniture and fixtures \$	Assets Under Construction \$	
<b>COST</b>						
Balance, beginning of year	10,822,697	61,436,992	1,660,675	447,491	54,967	74,422,822
Add: additions during the year	684,298	1,191,475	-	56,549	759,668	2,691,990
Less: disposals during the year	-	-	31,222	-	-	31,222
Internal transfers	-	55,139	-	-	(55,139)	-
Balance, end of year	11,506,995	62,683,606	1,629,453	504,040	759,496	77,083,590
<b>ACCUMULATED AMORTIZATION</b>						
Balance, beginning of year	-	37,395,371	212,967	386,735	-	37,995,073
Add: additions during the year	-	925,805	46,563	33,916	-	1,006,284
Less: disposals during the year	-	-	-	-	-	-
Balance, end of year	-	38,321,176	259,530	420,651	-	39,001,357
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>						
	11,506,995	24,362,430	1,369,923	83,389	759,496	38,082,233

# PETERBOROUGH HOUSING CORPORATION

## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2016

	AHP \$	Anishnawbe \$	Spruce Corners \$	Home Grown Homes \$	Capital \$	HAP \$	Rent Supplement \$	Social Housing Operations \$	FAH \$	Consolidated \$
<b>Revenues</b>										
Rent	1,916,059	20,731	46,394	34,360	-	-	-	3,777,955	-	5,795,499
City of Peterborough subsidy	-	66,000	-	-	2,624,123	136,500	1,551,980	2,489,223	-	6,867,826
Laundry and miscellaneous recoveries	38,100	1,116	29,900	-	-	-	-	152,591	-	221,707
Other subsidies	-	-	54,183	353,958	-	-	-	19,550	-	427,691
Management fees	(70,000)	(6,000)	(6,240)	-	-	-	-	90,240	30,624	38,624
Interfunctional rental fees	54,000	-	-	-	-	-	-	(54,000)	-	-
Investment income	1,493	-	546	-	-	-	21,539	35,814	154	59,546
Interest on loans receivable	122,453	-	-	-	-	-	-	-	-	122,453
Gain/(loss) on sale of tangible capital assets	-	-	-	-	-	-	-	(31,222)	-	(31,222)
Contribution of tangible capital assets	-	-	-	250,756	-	-	-	-	-	250,756
<b>Total revenues</b>	<b>2,062,105</b>	<b>81,847</b>	<b>124,783</b>	<b>639,074</b>	<b>2,624,123</b>	<b>136,500</b>	<b>1,573,519</b>	<b>6,480,151</b>	<b>30,778</b>	<b>13,752,880</b>
<b>Expenses</b>										
Materials and services	195,768	11,405	42,273	3,191	-	-	-	855,127	-	1,107,764
Utilities	341,641	20,735	15,491	4,457	-	-	-	1,812,838	-	2,195,162
Administrative overhead	29,518	1,908	6,756	1,581	-	40,950	-	271,455	42	352,210
Bad debts	10,920	600	-	-	-	-	-	98,601	-	110,121
Insurance	23,147	1,195	1,000	861	-	-	-	188,354	-	214,557
Salaries and benefits	188,275	-	23,528	-	-	95,550	-	1,760,326	30,823	2,098,502
Property taxes	174,820	8,769	3,424	5,269	-	-	-	1,196,529	-	1,388,811
Major repairs	-	-	1,841	-	707,743	-	-	-	-	709,584
Interest on long-term debt	630,213	7,328	5,070	5,870	-	-	-	6,183	-	654,664
Rent supplements	-	-	-	-	-	-	1,568,608	-	-	1,568,608
Amortization of capital assets	829,005	10,327	21,849	13,904	-	-	-	131,199	-	1,006,284
<b>Total expenses</b>	<b>2,423,307</b>	<b>62,267</b>	<b>121,232</b>	<b>35,133</b>	<b>707,743</b>	<b>136,500</b>	<b>1,568,608</b>	<b>6,320,612</b>	<b>30,865</b>	<b>11,406,267</b>
<b>Net surplus/(deficit)</b>	<b>(361,202)</b>	<b>19,580</b>	<b>3,551</b>	<b>603,941</b>	<b>1,916,380</b>	<b>-</b>	<b>4,911</b>	<b>159,539</b>	<b>(87)</b>	<b>2,346,613</b>

# PETERBOROUGH HOUSING CORPORATION

## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2015

	AHP \$	Anishnawbe \$	Spruce Corners \$	Capital \$	HAP \$	Rent Supplement \$	Social Housing Operations \$	FAH \$	Consolidated \$
<b>Revenues</b>									
Rent	1,871,289	20,102	43,279	-	-	-	3,738,476	-	5,673,146
City of Peterborough subsidy	-	64,000	-	1,110,110	133,800	1,560,757	2,198,000	-	5,066,667
Laundry and miscellaneous recoveries	45,172	9,518	28,453	-	-	-	150,585	-	233,728
Other subsidies	-	-	55,900	45,000	-	-	15,518	-	116,418
Management fees	(70,000)	(6,000)	(6,240)	-	-	-	83,020	-	780
Interfunctional rental fees	54,000	-	-	-	-	-	(54,000)	-	-
Investment income	1,263	-	-	-	-	9,429	19,380	211	30,855
Interest on loans receivable	128,285	-	572	-	-	-	-	-	128,285
Gain/(loss) on sale of tangible capital assets	-	-	-	-	-	-	7,584	-	7,584
<b>Total revenues</b>	<b>2,030,009</b>	<b>87,620</b>	<b>121,964</b>	<b>1,155,110</b>	<b>133,800</b>	<b>1,570,186</b>	<b>6,158,563</b>	<b>211</b>	<b>11,257,463</b>
<b>Expenses</b>									
Materials and services	178,621	17,468	42,826	-	-	-	998,565	-	1,237,480
Utilities	342,775	18,503	13,984	-	-	-	1,769,045	-	2,144,307
Administrative overhead	15,536	616	5,948	-	40,140	-	257,724	-	319,964
Bad debts	1,951	1,270	-	-	-	-	92,142	-	95,363
Insurance	19,815	1,281	999	-	-	-	184,221	-	206,316
Salaries and benefits	184,673	-	23,054	-	93,660	-	1,686,201	100	1,987,688
Property taxes	165,124	8,415	3,314	-	-	-	1,174,157	-	1,351,010
Major repairs	24,234	-	-	919,248	-	-	-	-	943,482
Interest on long-term debt	692,150	7,695	5,463	-	-	-	959	-	706,267
Rent supplements	-	-	-	-	-	1,600,419	-	-	1,600,419
Amortization of capital assets	834,319	10,114	21,849	-	-	-	128,248	-	994,530
<b>Total expenses</b>	<b>2,459,198</b>	<b>65,362</b>	<b>117,437</b>	<b>919,248</b>	<b>133,800</b>	<b>1,600,419</b>	<b>6,291,262</b>	<b>100</b>	<b>11,586,826</b>
<b>Net surplus/(deficit)</b>	<b>(429,189)</b>	<b>22,258</b>	<b>4,527</b>	<b>235,862</b>	<b>-</b>	<b>(30,233)</b>	<b>(132,699)</b>	<b>111</b>	<b>(329,363)</b>

# PETERBOROUGH HOUSING CORPORATION

## CONSOLIDATED CONTINUITY OF SURPLUS/(DEFICIT) AND RESERVE FUNDS For the Year Ended December 31, 2016

	AHP \$	Anishnawbe \$	Spruce Corners \$	Home Grown Homes \$	Capital \$	HAP \$	Rent Supplement \$	Social Housing Operations \$	FAH \$	Consolidated \$
<b>Surplus/(Deficit)</b>										
Net surplus/(deficit)	(361,202)	19,580	3,551	603,941	1,916,380	-	4,911	159,539	(87)	2,346,613
Add: Amortization	829,005	10,327	21,849	13,904	-	-	-	131,199	-	1,006,284
Proceeds on short and long term debt	2,001,343	-	-	756,175	-	-	-	624,880	-	3,382,398
Unfunded employee future benefits	465	-	59	-	-	-	-	3,874	99	4,497
Less: Debt principal repayments	(2,481,013)	(17,712)	(21,173)	(5,088)	-	-	-	(13,321)	-	(2,538,307)
Net transfer to Capital	(22,418)	-	-	(1,415,927)	(199,178)	-	-	(825,675)	-	(2,463,198)
Net transfer to Reserve Funds	(56,121)	(10,491)	381	-	-	-	-	(1,950)	-	(68,181)
<b>Change in Surplus/(Deficit)</b>	(89,941)	1,704	4,667	(46,995)	1,717,202	-	4,911	78,546	12	1,670,106
<b>Opening Surplus/(Deficit)</b>	2,394,821	58,460	23,229	-	453,311	-	1,479,652	(58,792)	58,323	4,409,004
<b>Closing Surplus/(Deficit)</b>	2,304,880	60,164	27,896	(46,995)	2,170,513	-	1,484,563	19,754	58,335	6,079,110
<b>Reserve Funds</b>										
Add: Interest	1,521	491	546	-	-	-	-	-	-	2,558
Transfer from Operations	54,600	10,000	1,719	-	-	-	-	1,950	-	68,269
Less: Transfer to Operations	-	-	(2,646)	-	-	-	-	-	-	(2,646)
<b>Change in Reserve Funds</b>	56,121	10,491	(381)	-	-	-	-	1,950	-	68,181
<b>Opening Reserve Funds</b>	445,730	29,283	60,019	-	-	-	-	5,535	-	540,567
<b>Closing Reserve Funds</b>	501,851	39,774	59,638	-	-	-	-	7,485	-	608,748



# PETERBOROUGH HOUSING CORPORATION

## CONSOLIDATED SCHEDULE OF OPERATIONS FOR AHP PROPERTIES For the Year Ended December 31, 2016

	River Ridge \$	Woollen Mill \$	Anson House \$	Saunders Court \$	Trailview Terrace \$	Bradburn House \$	Total \$
<b>Revenues</b>							
Rent	473,748	480,145	219,355	217,119	396,234	129,458	1,916,059
Laundry and miscellaneous recoveries	1,320	12,655	2,210	2,616	14,009	5,290	38,100
Management fees	(20,300)	(20,300)	(9,800)	(9,800)	(9,800)	-	(70,000)
Interfunctional rental fees	-	48,000	-	-	-	6,000	54,000
Investment income	253	-	195	161	884	-	1,493
Interest on loans receivable	-	-	-	39,391	83,062	-	122,453
<b>Total revenues</b>	<b>455,021</b>	<b>520,500</b>	<b>211,960</b>	<b>249,487</b>	<b>484,389</b>	<b>140,748</b>	<b>2,062,105</b>
<b>Expenses</b>							
Materials and services	39,363	49,525	28,306	27,542	39,994	11,038	195,768
Utilities	122,433	98,535	28,695	28,419	37,521	26,038	341,641
Administrative overhead	10,068	3,436	2,198	4,363	3,891	5,562	29,518
Bad debts	2,000	5,000	2,033	1,887	-	-	10,920
Insurance	5,285	4,708	2,466	3,391	5,375	1,922	23,147
Salaries and benefits	-	47,302	30,240	25,022	55,136	30,575	188,275
Property taxes	50,949	1,662	33,292	38,414	33,063	17,440	174,820
Interest on long-term debt	52,612	122,064	73,267	121,840	233,710	26,720	630,213
Amortization of capital assets	138,775	190,791	87,086	132,954	198,061	81,338	829,005
<b>Total expenses</b>	<b>421,485</b>	<b>523,023</b>	<b>287,583</b>	<b>383,832</b>	<b>606,751</b>	<b>200,633</b>	<b>2,423,307</b>
<b>Net surplus/(deficit)</b>	<b>33,536</b>	<b>(2,523)</b>	<b>(75,623)</b>	<b>(134,345)</b>	<b>(122,362)</b>	<b>(59,885)</b>	<b>(361,202)</b>

# PETERBOROUGH HOUSING CORPORATION

## CONSOLIDATED SCHEDULE OF OPERATIONS FOR AHP PROPERTIES For the Year Ended December 31, 2015

	River Ridge \$	Woollen Mill \$	Anson House \$	Saunders's Court \$	Trailview Terrace \$	Bradburn House \$	Total \$
<b>Revenues</b>							
Rent	457,658	477,011	213,623	213,588	386,777	122,632	1,871,289
Laundry and miscellaneous recoveries	3,499	13,246	2,956	9,127	14,192	2,152	45,172
Management fees	(20,300)	(20,300)	(9,800)	(9,800)	(9,800)	-	(70,000)
Interfunctional rental fees	-	48,000	-	-	-	6,000	54,000
Investment income	-	-	216	231	816	-	1,263
Interest on loans receivable	-	-	-	41,039	87,246	-	128,285
<b>Total revenues</b>	<b>440,857</b>	<b>517,957</b>	<b>206,995</b>	<b>254,185</b>	<b>479,231</b>	<b>130,784</b>	<b>2,030,009</b>
<b>Expenses</b>							
Materials and services	51,059	36,354	28,220	19,119	30,268	13,601	178,621
Utilities	113,147	94,299	35,122	25,193	44,620	30,394	342,775
Administrative overhead	2,558	3,074	2,281	1,792	3,981	1,850	15,536
Bad debts	1,801	-	-	-	-	150	1,951
Insurance	3,365	4,325	2,266	3,140	4,951	1,768	19,815
Salaries and benefits	-	47,110	32,820	20,842	53,905	29,996	184,673
Property taxes	48,353	-	31,045	35,821	33,353	16,552	165,124
Major repairs	-	9,992	-	12,716	-	1,526	24,234
Interest on long-term debt	92,538	127,149	74,247	124,599	239,665	33,952	692,150
Amortization of capital assets	138,334	190,375	87,265	135,535	200,388	82,422	834,319
<b>Total expenses</b>	<b>451,155</b>	<b>512,678</b>	<b>293,266</b>	<b>378,757</b>	<b>611,131</b>	<b>212,211</b>	<b>2,459,198</b>
<b>Net surplus/(deficit)</b>	<b>(10,298)</b>	<b>5,279</b>	<b>(86,271)</b>	<b>(124,572)</b>	<b>(131,900)</b>	<b>(81,427)</b>	<b>(429,189)</b>

**INDEPENDENT AUDITOR'S COMMENTS ON  
SUPPLEMENTARY FINANCIAL INFORMATION**

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

The audited consolidated financial statements of Peterborough Housing Corporation (PHC) as at December 31, 2016 and our report thereon dated April 21, 2017 are presented in the preceding section. The financial information presented hereinafter was derived from the accounting records tested by us as part of the auditing procedures followed in our examination of the consolidated financial statements and, in our opinion, it is fairly presented in all material respects in relation to the consolidated financial statements taken as a whole.

We have audited the accompanying consolidated financial statements of Peterborough Housing Corporation, which comprise the consolidated statement of financial position as at December 31, 2016, the consolidated statements of operations and accumulated surplus, change in net financial liabilities and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated April 21, 2017 which contained an unqualified opinion on those consolidated financial statements. The audit was performed to form an opinion on the consolidated financial statements as a whole. The supplementary information is presented for the purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the financial statements including the modifications described in note 1 to the supplementary financial information.

The supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such supplementary information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

*Collins Barrow Kawarthas LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
April 21, 2017

# PETERBOROUGH HOUSING CORPORATION

## SPRUCE CORNERS STATEMENT OF FINANCIAL POSITION At December 31, 2016

	General Fund \$	Capital Fund \$	2016 Total \$	2015 Total \$
<b>FINANCIAL ASSETS</b>				
Cash	-	28,256	28,256	14,889
Investments	-	32,301	32,301	42,070
Due from PHC	16,695	-	16,695	15,147
Capital assets (note 2)	262,160	-	262,160	283,333
	278,855	60,557	339,412	355,439
<b>LIABILITIES AND FUND BALANCES</b>				
<b>CURRENT LIABILITIES</b>				
Due to PHC	-	919	919	-
Mortgage payable	261,044	-	261,044	282,217
	261,044	919	261,963	282,217
<b>FUND BALANCES</b>				
	17,811	59,638	77,449	73,222
	278,855	60,557	339,412	355,439

*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, 2016

	General Fund \$	Capital Fund \$	2016 Total \$	2015 Total \$
<b>RECEIPTS</b>				
Ministry of Health and Long-Term Care	52,464	1,719	54,183	55,900
Rent	46,394	-	46,394	43,279
Other	29,900	-	29,900	28,453
Interest	-	546	546	572
	128,758	2,265	131,023	128,204
<b>EXPENSES</b>				
Salaries and benefits	23,528	-	23,528	23,054
Management fee	6,240	-	6,240	6,240
Administration	714	-	714	1,232
Maintenance materials and services	24,534	2,646	27,180	23,215
Property taxes	3,424	-	3,424	3,314
Insurance	1,000	-	1,000	999
Utilities	15,491	-	15,491	13,984
Food	22,976	-	22,976	24,327
Interest	5,070	-	5,070	5,463
Amortization	21,173	-	21,173	20,782
	124,150	2,646	126,796	122,610
<b>EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR</b>	4,608	(381)	4,227	5,594
<b>FUND BALANCES - beginning of year</b>	13,203	60,019	73,222	67,628
<b>FUND BALANCES - end of year</b>	17,811	59,638	77,449	73,222

*The accompanying notes are an integral part of these financial statements*

# PETERBOROUGH HOUSING CORPORATION

## SPRUCE CORNERS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2016

---

### 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) 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. CAPITAL ASSETS

	2016	2015
	\$	\$
Land	33,831	33,831
Building	322,285	322,285
	356,116	356,116
Less: accumulated amortization	(93,956)	(72,783)
	262,160	283,333

---