

**PETERBOROUGH UTILITIES COMMISSION**  
**FINANCIAL STATEMENTS**  
**AT March 31, 2025**

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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Chair and Members of the Peterborough Utilities Commission**

#### *Opinion*

We have audited the financial statements of Peterborough Utilities Commission (the Commission), which comprise the statement of financial position as at March 31, 2025 and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the three month period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2025, and the results of its operations and cash flows for the three month period then ended in accordance with Canadian Public Sector Accounting Standards.

#### *Basis for Opinion*

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

#### *Emphasis of Matter*

We draw your attention to note 1 of the financial statements which describes the dissolution of the Commission. Our opinion is not qualified in respect of this matter.

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

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

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

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission'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 Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario

DATE

**PETERBOROUGH UTILITIES COMMISSION**  
**STATEMENT OF FINANCIAL POSITION**  
**At March 31, 2025**

	2025 \$ (3 months)	2024 \$ (12 months)
<b>FINANCIAL ASSETS</b>		
Cash (Note 4)	25,158,846	26,270,537
Accounts receivable		
Customer accounts	1,432,622	1,555,333
Sewer surcharge	1,617,620	1,749,263
Sundry	579,331	513,014
Unbilled water revenue on customer accounts	1,791,541	1,796,008
Unbilled sewer surcharge	1,929,296	1,889,630
Prepaid expenses	437,473	-
	<b>32,946,729</b>	<b>33,773,785</b>
<b>LIABILITIES</b>		
Accounts payable and accrued charges	4,367,540	5,009,611
Sewer surcharge payable (Note 6)	3,546,917	4,359,017
Long term debt (Note 3)	9,707,575	9,956,940
Customer deposits	360,135	379,831
Asset retirement obligation (Note 5)	46,050	59,650
	<b>18,028,217</b>	<b>19,765,049</b>
<b>NET FINANCIAL ASSETS</b>	<b>14,918,512</b>	<b>14,008,736</b>
<b>NON-FINANCIAL ASSETS</b>		
Inventories	1,036,639	931,811
Tangible capital assets (Note 7)	125,230,542	126,258,174
	<b>126,267,181</b>	<b>127,189,985</b>
<b>ACCUMULATED SURPLUS (Note 8)</b>	<b>141,185,693</b>	<b>141,198,721</b>

Approved By The Commission

\_\_\_\_\_, Chair

\_\_\_\_\_, Member

The accompanying notes are an integral part of this financial statement.

**PETERBOROUGH UTILITIES COMMISSION**  
**STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS**  
For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

	Actual 2025 \$ (3 months)	Actual 2024 \$ (12 months)
<b>REVENUES</b>		
Sale of water	4,903,350	20,452,210
Contributed capital installation charges	-	138,263
Development charges earned	-	55,144
Fire protection	162,500	650,000
Sewer surcharge billings	133,291	438,333
Riverview Park and Zoo (Note 12)	14,046	301,725
Interest	208,546	1,310,847
Other	112,249	600,466
Electricity	61,263	473,091
Donations	5,328	32,762
	5,600,573	24,452,841
<b>EXPENSES</b>		
Water treatment and storage	1,518,221	4,968,730
Water distribution	593,357	2,216,620
Riverview Park and Zoo (Note 12)	522,881	2,223,290
Administration	1,281,072	4,391,593
Amortization	1,635,662	6,538,914
Interest	62,408	280,581
	5,613,601	20,619,728
<b>ANNUAL SURPLUS/(DEFICIT)</b>	(13,028)	3,833,113
<b>OPENING ACCUMULATED SURPLUS</b>	141,198,721	137,365,608
<b>CLOSING ACCUMULATED SURPLUS</b>	<b>141,185,693</b>	<b>141,198,721</b>

The accompanying notes are an integral part of this financial statement.

# PETERBOROUGH UTILITIES COMMISSION

## STATEMENT OF CASH FLOWS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

	2025 \$ (3 months)	2024 \$ (12 months)
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATIONS</b>		
Annual Surplus/(Deficit)	(13,028)	3,833,113
Add: Non-cash charges to operations		
Amortization	1,635,662	6,538,914
Contributed capital installation charges	-	(138,263)
Loss/(Gain) on disposal of tangible capital assets	12,410	-
	1,635,044	10,233,764
Change in non-cash working capital items (Note 9)	(1,863,330)	(743,566)
	(228,286)	9,490,198
<b>INVESTING ACTIVITY</b>		
Purchase of tangible capital assets	(634,040)	(7,849,620)
<b>FINANCING ACTIVITIES</b>		
Repayment of long term debt	(249,365)	(1,087,083)
<b>NET CHANGE IN CASH DURING THE PERIOD</b>	<b>(1,111,691)</b>	<b>553,495</b>
<b>CASH POSITION - BEGINNING OF PERIOD</b>	<b>26,270,537</b>	<b>25,717,042</b>
<b>CASH POSITION - END OF PERIOD</b>	<b>25,158,846</b>	<b>26,270,537</b>

**PETERBOROUGH UTILITIES COMMISSION**  
**STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**  
For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

	Actual 2025 \$ (3 months)	Actual 2024 \$ (12 months)
<b>ANNUAL SURPLUS</b>	(13,028)	3,833,113
Acquisition of tangible capital assets	(634,040)	(7,987,883)
Amortization of tangible capital assets	1,635,662	6,538,914
Loss/(gain) on disposal of tangible capital assets	12,410	-
Increase in inventories	(104,828)	1,953
Decrease in asset retirement obligation	13,600	-
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>909,776</b>	<b>2,386,097</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF PERIOD</b>	<b>14,008,736</b>	<b>11,622,639</b>
<b>NET FINANCIAL ASSETS, END OF PERIOD</b>	<b>14,918,512</b>	<b>14,008,736</b>

# PETERBOROUGH UTILITIES COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

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### 1. NATURE OF ORGANIZATION

Operating under the authority of the Municipal Act, the Peterborough Utilities Commission (the "Commission") provides water services to the residents of the City of Peterborough along with operational governance and funding for the Riverview Park and Zoo.

Under a service arrangement model, PUG Services Corp., a subsidiary of the City of Peterborough Holdings Inc., a company owned 100% by the City of Peterborough, provides the PUC operations, all of the employees and related supporting assets and systems to run the PUC operations.

On December 11, 2023 the City of Peterborough Council approved in principle the transition of the Water Utility, Riverview Park & Zoo, and the PTS department of the City of Peterborough with transitions to a direct operating service provided by the City of Peterborough on the transition date of April 1, 2025. As a result of this transition the operations were transferred into the City of Peterborough operations and the Commission was dissolved.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Peterborough Utilities Commission have been prepared in accordance with Canadian generally accepted accounting principles for local governments and their local boards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants Canada.

Significant aspects of the accounting policies adopted by the Commission are as follows:

#### (a) Recognition of Revenue and Expenses

Revenue is recorded using the accrual basis of accounting, as water is used by customers. Unbilled revenue is calculated as the estimated consumption between the last meter reading date and the year end date.

The value of distribution systems installed by developers is recorded in revenue as capital installation charges in the year in which the Commission assumes ownership at the fair market value.

Development charges are recognized as revenue when they are transferred out of the reserve fund and spent on growth related projects.

Revenue from fire protection, sewer charges and electricity is recognized when the service is provided.

Expenses are recognized in the period the goods or services are acquired and a legal liability is incurred by transfers are due.

# PETERBOROUGH UTILITIES COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

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### 2. SIGNIFICANT ACCOUNTING POLICIES – (Continued)

#### (b) Management Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the year. Significant estimates and assumptions used in the preparation of financial statements include, but are not limited to: estimates of revenue, allowance for doubtful accounts, and amortization rates, carrying values of property, plant and equipment, and asset retirement obligations. Actual results could differ from these estimates.

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

- Asset retirement obligation is based on estimated future expenses – See Note 2 (i) and related costs added to tangible capital assets – See Note 2 (d); and
- Amortization of tangible capital assets is based on estimated useful life and residual value See Note 2 (d).

#### (c) Inventories

Inventories consist of maintenance supplies and construction materials and are valued at the lower of moving average cost and replacement cost.

#### (d) Tangible Capital Assets

Tangible capital assets are stated at cost or deemed cost. Amortization on the water treatment plant and reservoirs, distribution system and Riverview Park and Zoo (purchased from operating and donated funds) is recorded on a declining balance basis at a rate of 5% per annum. Water meters are amortized on a straight-line basis over 20 years. The Commission capitalizes assets with a value of \$5,000 or greater.

Tangible capital assets categorized as construction-in-progress are not amortized until they are put into service.

# PETERBOROUGH UTILITIES COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

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### 2. SIGNIFICANT ACCOUNTING POLICIES – (Continued)

#### (e) Reserve Funds

Certain amounts as approved by the Commission and those required under legislative or other authority are set aside in reserve funds for future operating or capital purposes. Transfers to and/or from reserve funds are an adjustment to the respective fund when approved or required by agreement.

The following reserve funds are included in the accumulated surplus:

##### (i) Water Treatment Plant Reserve Fund

In December 1990, the City of Peterborough passed a by-law authorizing the Peterborough Utilities Commission to establish a reserve fund for the purpose of upgrading the water treatment plant. The established practice is to appropriate 4.2% of the water revenues to this fund each year. Utilization of these funds is authorized by the Commission.

##### (ii) Park And Zoo Major Projects Reserve Fund

In September 1993, the City of Peterborough passed a by-law authorizing the Peterborough Utilities Commission to establish a reserve fund for major projects at the Riverview Park and Zoo. The revenues received for this fund include donations from estates and the general public, the utility's share of profits from the refreshment booth operations and profits from the sale of birds and animals. Utilization of these funds is authorized by the Commission on a project-by-project basis based upon the recommendation of the Riverview Park and Zoo Advisory Committee.

##### (iii) Park and Zoo Animal Care Reserve Fund

In July 1999, the City of Peterborough passed a by-law authorizing the Peterborough Utilities Commission to establish a reserve fund for animal care at the Riverview Park and Zoo. The fund was established through a capital donation from a Peterborough resident. The income generated annually will be used for the care, treatment, habitat or display of the animals at the Riverview Park and Zoo for special or exceptional purposes beyond standard care.

##### (iv) Park and Zoo State of Good Repair Reserve Fund

In November 2016, the Commission authorized the establishment of an internally restricted Riverview Park and Zoo state of good repair reserve fund. The purpose of the fund is to cover major repair and maintenance costs incurred by the Riverview Park and Zoo that would be required to maintain the quality of its tangible capital assets.

# PETERBOROUGH UTILITIES COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

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### 2. SIGNIFICANT ACCOUNTING POLICIES – (Continued)

#### (f) Non-Financial Assets

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

#### (g) Inter-Entity Transactions

The Commission has an agreement with the City of Peterborough, which results in transactions between the two entities.

Allocated costs between the City of Peterborough and the Commission, are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

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

#### (h) Financial Instruments

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

<b>Financial Instrument</b>	<b>Measured Method</b>
Cash	Amortized Cost
Accounts receivable	Cost
Unbilled revenue	Amortized Cost
Accounts payable	Amortized Cost
Sewer surcharge payable	Amortized Cost
Customer deposits	Amortized Cost
Long term debt	Amortized Cost

Fair value category: The Commission 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 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 Statement of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains and Losses. The Commission has no such investments at the reporting date and therefore, the Statement of Remeasurement Gains and Losses is not provided.

# PETERBOROUGH UTILITIES COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

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### 2. SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Amortized cost: 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.

Cost category: Amounts are measured at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt.

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.

#### (i) 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.

The liability for the removal of asbestos in several of the buildings owned by the Commission has been recognized based on estimated future expenses on closure or remediation of the site.

The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the depreciation accounting policies outlined in (d).

# PETERBOROUGH UTILITIES COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

### 3. LONG TERM DEBT

Long term debt is issued on behalf of the Commission by The Corporation of the City of Peterborough and consists of the following:

Date of Maturity/Payment Terms	Interest Rate %	2025 \$	2024 \$
July 5, 2027, semi-annual blended payments of \$274,120	3.18	1,307,575	1,556,940
November 6, 2036, semi-annual principal payments of \$150,000 plus interest	2.79	3,600,000	3,600,000
December 15, 2040, semi-annual principal payments of \$150,000 plus interest	2.04	4,800,000	4,800,000
		9,707,575	9,956,940

Future repayments for the long term debt are as follows:

	Principal \$	Interest \$	Total \$
2025 (April to December)	853,330	215,507	1,068,837
2026	1,118,808	209,659	1,328,467
2027	1,135,437	178,540	1,313,977
2028	600,000	151,670	751,670
2029	600,000	136,756	736,756
Thereafter	5,400,000	607,025	6,007,025
	9,707,575	1,499,157	11,206,732

# PETERBOROUGH UTILITIES COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

### 4. CASH

	2024 \$	2024 \$
Unrestricted cash	13,629,536	15,040,156
Restricted cash	11,529,310	11,230,381
	25,158,846	26,270,537

### 5. ASSET RETIREMENT OBLIGATION

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

#### Asbestos Obligation

The Commission owns and operates several buildings that are known to have asbestos, which represent a health hazard upon demolition or remediation of the buildings and there is a legal obligation to remove it. Following the adoption of PS3280 – Asset retirement obligations, the Commission recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings as estimated at January 1, 2023. There have been no changes in the current estimate. Remediation work was completed reducing the Water Treatment Plant ARO by \$13,600.

# PETERBOROUGH UTILITIES COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

### 6. RELATED PARTY AND INTER-ENTITY TRANSACTIONS

The Commission is a board of the City of Peterborough and is consolidated with the City's financial statements. In the ordinary course of business, the Commission enters into transactions with the Corporation of the City of Peterborough and other related corporations. These transactions, which include the sale of water and the purchase and sale of other goods and services, are exchanged at the same prices and terms as arm's length customers. The affiliated corporations of the Commission are:

The City of Peterborough Holdings Inc.,  
Peterborough Utilities Services Inc.,  
Peterborough Utilities Inc., and  
PUG Services Corp.

Details of services provided during the year by the affiliated corporations to the Commission are:

	2025 \$ (3 months)	2024 \$ (12 months)
Expenditures		
Professional services	2,726,273	9,948,323
Building rent	108,000	460,280
Software and equipment rent	75,999	122,555
	2,910,272	10,531,158

Billing and collecting for the sewer surcharge is done by the Commission for the City of Peterborough. During the three-month period ended March 31, 2025 of \$133,292 (2024 - \$438,333) was recognized as revenue for providing this service. At March 31, 2025, the sewer surcharge payable of \$3,546,917 (2024 - \$4,359,017) recognized on the Statement of Financial Position is payable to the City of Peterborough. All amounts owing to the City are unsecured, without interest and no specific terms of repayment.

**PETERBOROUGH UTILITIES COMMISSION**

**NOTES TO THE FINANCIAL STATEMENTS**

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

7. **TANGIBLE CAPITAL ASSETS**

	Water Treatment Plant and Reservoirs \$	Water Distribution System \$	Riverview Park and Zoo \$	Other \$	Construction in Progress \$	Total \$
<b>Cost or Deemed Cost</b>						
Balance at January 1, 2023	54,684,268	201,412,565	12,394,452	17,403	4,099,888	272,608,576
Additions	300,399	11,078,630	539,685	-	(3,930,831)	7,987,883
Balance at December 31, 2024	54,984,667	212,491,195	12,934,137	17,403	169,057	280,596,459
Additions	-	-	-	-	634,040	634,040
Asset retirement obligation adjustments	(27,200)	-	-	-	-	(27,200)
Balance at March 31, 2025	54,957,467	212,491,195	12,934,137	17,403	803,097	281,203,299

**PETERBOROUGH UTILITIES COMMISSION**

**NOTES TO THE FINANCIAL STATEMENTS**

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

7. **TANGIBLE CAPITAL ASSETS – (Continued)**

	Water Treatment Plant and Reservoirs \$	Water Distribution System \$	Riverview Park and Zoo \$	Other \$	Construction in Progress \$	Total \$
<b>Accumulated Amortization</b>						
Balance at January 1, 2024	30,410,317	11,090,609	6,281,165	17,280	-	147,799,371
Amortization for the year	1,108,723	5,111,029	319,156	6	-	6,538,914
Balance at December 31, 2024	31,519,040	116,201,638	6,600,321	17,286	-	154,338,285
Amortization for the period	265,354	1,291,134	79,173	1	-	1,635,662
Disposal of amortization	1,190	-	-	-	-	1,190
Balance at March 31, 2025	31,783,204	117,492,772	6,679,494	17,287	-	155,972,757
<b>Net Book Value</b>						
At December 31, 2024	23,465,627	96,289,557	6,333,816	117	169,057	126,258,174
At March 31, 2025	23,174,263	94,998,423	6,254,643	116	803,097	125,230,542

# PETERBOROUGH UTILITIES COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

### 8. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2025 \$ (3 months)	2024 \$ (12 months)
Operating surplus	14,179,469	13,726,759
Investment in tangible capital assets		
Tangible capital assets - net book value	125,230,542	126,258,174
Long term debt	(9,707,575)	(9,956,940)
Asset retirement obligation	(46,050)	(59,650)
Reserve funds (Note 10)	11,529,307	11,230,378
	141,185,693	141,198,721

### 9. CHANGE IN NON-CASH WORKING CAPITAL ITEMS AND OTHER INFORMATION

	2025 \$	2024 \$
Accounts receivable	188,037	(599,344)
Unbilled revenue and sewer surcharge	(35,199)	(770,396)
Inventories	(104,828)	1,953
Accounts payable and sewer surcharge payable	(1,454,171)	667,601
Customer deposits	(19,696)	(43,380)
Prepaid expenses	(437,473)	-
	(1,863,330)	(743,566)
Other information:		
Interest paid	62,408	270,947

# PETERBOROUGH UTILITIES COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

### 10. RESERVE FUNDS

	Actual 2025 \$ (3 months)	Actual 2024 \$ (12 months)
<b>TRANSFERS FROM OPERATIONS:</b>		
Sale of water	203,965	837,093
Development charges	-	55,144
Interest	89,636	493,566
Donations	5,328	32,762
	298,929	1,418,565
<b>TRANSFERS</b>		
For tangible capital assets	-	-
<b>CHANGE IN RESERVE FUNDS</b>	298,929	1,418,565
<b>OPENING RESERVE FUNDS</b>	11,230,378	9,811,813
<b>CLOSING RESERVE FUNDS</b>	<b>11,529,307</b>	<b>11,230,378</b>
<b>ANALYZED AS FOLLOWS:</b>		
<b>INTERNALLY RESTRICTED</b>		
Water treatment plant reserve fund	9,748,608	9,468,083
Park and zoo state of good repair reserve fund	119,508	118,572
Development charge fund	55,940	55,716
	9,924,056	9,642,371
<b>EXTERNALLY RESTRICTED</b>		
Park and Zoo major projects reserve fund	1,039,991	1,027,172
Park and Zoo major animal care reserve fund	565,260	560,835
	1,605,251	1,588,007
	<b>11,529,307</b>	<b>11,230,378</b>

# PETERBOROUGH UTILITIES COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

### 11. BUDGET FIGURES

There has been no budget prepared or approved by the Organization for March 31, 2025. The budget has not been reflected on the Statement of Operations and Accumulated Surplus or the Statement of Change in Net Financial Assets.

### 12. OPERATIONS FOR RIVERVIEW PARK AND ZOO

	Actual 2025 \$ (3 months)	Actual 2024 \$ (12 months)
<b>EXPENSES</b>		
Maintenance park	221,088	817,300
Maintenance train	1,971	98,398
Animal care and zoo maintenance	299,822	1,307,592
	522,881	2,223,290
<b>REVENUES</b>		
Train	-	90,230
Miscellaneous	14,046	211,495
	14,046	301,725
<b>NET EXPENSES FOR THE YEAR</b>	<b>508,835</b>	<b>1,921,565</b>

# PETERBOROUGH UTILITIES COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

For The 3 Month Period Ended March 31, 2025 with comparisons for 12 months

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### 13. FINANCIAL INSTRUMENTS

#### **Risks Arising From Financial Instruments and Risk Management**

The Commission's financial instruments consist of cash, accounts receivable, unbilled revenue, accounts payable and accrued charges, sewer surcharge payable, customer deposits and long-term debt. It is the Commission's opinion that the Commission is not exposed to significant market, interest rate, liquidity or currency risks arising from these financial instruments except as otherwise disclosed.

#### *Credit risk*

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Commission's principal financial assets are cash, accounts receivable and unbilled revenue, which are subject to credit risk. The carrying amounts of financial assets on the Statement of Financial Position represent the Commission's maximum credit exposure as at the Statement of Financial Position date.