

**FINANCIAL STATEMENTS OF**

**ONE CITY COMMUNITY  
DEVELOPMENT SERVICES (O/A  
ONE CITY PETERBOROUGH)**

**March 31, 2024**

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**Baker Tilly KDN LLP**  
272 Charlotte Street  
Peterborough, ON  
K9J 2V4

**D:** 705.742.3418  
**F:** 705.742.9775  
peterborough@bakertilly.ca  
[www.bakertilly.ca](http://www.bakertilly.ca)

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
One City Community Development Services (o/a One City Peterborough)

### *Qualified Opinion*

We have audited the financial statements of One City Community Development Services (o/a One City Peterborough), which comprise the statement of financial position as at March 31, 2024, and the statements of changes in fund balances, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of One City Community Development Services (o/a One City Peterborough) as at March 31, 2024 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, the Organization derives revenue from donations and rentals, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donations and rental revenues, assets and fund balances.

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 Organization 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 qualified opinion.

### *Emphasis of Matter*

We draw attention to note 11 to the financial statements, which explains that certain comparative information presented for the year ended March 31, 2023 has been restated. Our opinion is not modified 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 accounting standards for not-for-profit organizations, 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

## **ASSURANCE • TAX • ADVISORY**

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## INDEPENDENT AUDITOR'S REPORT, continued

### *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 Organization'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 Organization'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 Organization 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.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT, continued**

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  
October 3, 2024

# ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)

## STATEMENT OF FINANCIAL POSITION As at March 31, 2024

	2024	2023 Restated (note 11)
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	507,208	338,554
Accounts receivable (note 3)	189,404	120,220
Prepaid expenses	7,825	-
	<u>704,437</u>	<u>458,774</u>
<b>Long-term assets</b>		
Tangible capital assets (note 4)	4,134,541	3,341,841
	<u>4,838,978</u>	<u>3,800,615</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 5)	157,389	112,574
Deferred revenue	371,194	180,741
Forgivable loan (note 6)	4,143	4,558
Callable debt (note 8)	-	372,442
Current portion of deferred capital contributions (note 10)	161,653	17,987
Current portion of loans payable (note 9)	290,550	59,544
	<u>984,929</u>	<u>747,846</u>
<b>Long-term liabilities</b>		
Loans payable (note 9)	1,629,616	1,395,368
Deferred capital contributions (note 10)	1,405,296	886,780
	<u>3,034,912</u>	<u>2,282,148</u>
	<u>4,019,841</u>	<u>3,029,994</u>
<b>Fund balances</b>		
Unrestricted	171,712	160,901
Invested in tangible capital assets	647,425	609,720
	<u>819,137</u>	<u>770,621</u>
	<u>4,838,978</u>	<u>3,800,615</u>

Approved on behalf of the Board

*Julie A Smith*

(Julie Smith - Treasurer)

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

**ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)**

**STATEMENT OF CHANGES IN FUND BALANCES**

For the year ended March 31, 2024

	Unrestricted \$	Invested in tangible capital assets \$	Total 2024 \$	Total 2023 Restated (note 11) \$
<b>Balance - beginning of year</b>	160,901	609,720	770,621	735,953
Excess (deficiency) of revenues over expenses for the year	91,685	(43,169)	48,516	34,668
Externally financed investment in capital assets	51,315	(51,315)	-	-
Proceeds	-	-	-	(35,194)
Repayment of debt	(132,189)	132,189	-	-
<b>Balance - end of year</b>	<b>171,712</b>	<b>647,425</b>	<b>819,137</b>	<b>770,621</b>

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

**ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)**  
**STATEMENT OF OPERATIONS**  
For the year ended March 31, 2024

	2024	2023 Restated (note 11)
	\$	\$
<b>Revenues</b>		
Corrections Canada - CRF	844,117	547,589
Grants	541,053	451,810
City of Peterborough Funding	505,394	-
Donations	376,130	281,395
Rentals	169,607	90,138
Employment program	80,171	131,898
Other	68,692	21,688
CFGP Funding	42,068	-
Property management	23,486	28,821
MCCSS Funding	8,883	12,252
Circles of Support and Accountability (COSA)	-	20,000
	<u>2,659,601</u>	<u>1,585,591</u>
<b>Expenses</b>		
Wages and benefits	1,853,564	1,119,872
Amortization	155,038	75,617
Program supplies	173,211	73,248
Rent	78,236	24,000
Repairs and maintenance	67,358	58,324
Professional fees	51,789	18,672
Interest and bank charges	51,010	30,512
Utilities	38,664	37,764
Telephone and internet	33,301	22,111
Miscellaneous	32,079	21,274
Office	31,358	11,385
Client support	15,509	8,159
Vehicle	12,054	7,696
Insurance	11,005	10,523
Travel	5,973	16,321
Meals and entertainment	936	-
Property taxes	-	3,397
Property management	-	1,346
	<u>2,611,085</u>	<u>1,540,221</u>
<b>Excess of revenues over expenses before undernoted item</b>	48,516	45,370
<b>Other expense</b>		
Loss on sale of donated securities	-	10,702
<b>Excess of revenues over expenses for the year</b>	<u>48,516</u>	<u>34,668</u>

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

**ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY  
PETERBOROUGH)**  
**STATEMENT OF CASH FLOWS**  
For the year ended March 31, 2024

	2024	2023 Restated (note 11)
	\$	\$
<b>CASH PROVIDED FROM (USED FOR)</b>		
<b>Operating activities</b>		
Excess of revenues over expenses for the year	48,516	34,668
Items not affecting cash		
Amortization of tangible capital assets	155,038	75,617
Amortization of deferred capital contributions	(111,869)	(17,987)
Amortization of forgivable loan	(414)	(414)
	91,271	91,884
Change in non-cash working capital items		
Decrease (increase) in accounts receivable	(69,184)	58,572
Increase in prepaid expenses	(7,825)	-
Increase in accounts payable and accrued liabilities	44,813	19,728
Increase in deferred revenue	190,453	62,530
	249,528	232,714
<b>Investing activity</b>		
Purchase of tangible capital assets	(947,737)	(994,117)
<b>Financing activities</b>		
Repayment of debt	(132,189)	(56,184)
Deferred capital contributions received	774,052	407,500
Proceeds of loans payable	225,000	493,500
	866,863	844,816
<b>Increase in cash</b>	<b>168,654</b>	<b>83,413</b>
<b>Cash - beginning of year</b>	<b>338,554</b>	<b>255,141</b>
<b>Cash - end of year</b>	<b>507,208</b>	<b>338,554</b>

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



# ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

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### 1. NATURE OF OPERATIONS

One City Community Development Services (o/a One City Peterborough) ('the Organization') is a non-profit organization incorporated on February 9, 2004 without share capital under the laws of Ontario. One City Community Development Services is registered as a charitable Organization and was created for the purpose of reintegrating persons from correctional institutes as well as housing and supporting individuals exiting homelessness. The Organization carries out operations as One City Peterborough.

### 2. BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES

The Organization applies the Canadian accounting standards for not-for-profit organizations.

#### (a) Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions, including program funding and grants, are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions, including donations, are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Capital grants are deferred and amortized on the same basis and rate as the amortization of the related capital assets.

Forgivable loan balances are amortized and recognized as revenue in equal amounts each year being forgiven.

Rental, property management and other revenue is recognized when the transaction takes place to the extent that the amount to be received can be reasonably estimated and collection is reasonably assured.

#### (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	30 years
Leasehold improvements	3 years
Equipment	5-20 years
Computer equipment	2 years
Automotive	10 years
Paving	12 years

# ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)

## NOTES TO THE FINANCIAL STATEMENTS For the year ended March 31, 2024

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### 2. BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES, continued

#### (c) *Government transfers*

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the funding occur, providing the funding is authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Ultimate reimbursement of these amounts is based upon their acceptance by the various funding agencies.

#### (d) *Income taxes*

The Organization qualifies as a non-profit organization as defined by the Federal and Ontario Income Tax Acts and, as such, is not subject to Federal and Provincial income taxes.

#### (e) *Financial instruments*

##### (i) *Measurement of financial instruments*

The Organization initially measures its financial assets and liabilities at fair value.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, callable debt and loans payable.

The Organization has not designated any financial asset or financial liability to be measured at fair value.

##### (ii) *Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in the statement of operations.

# ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

### 2. BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES, continued

(f) *Management estimates*

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Key areas where management has made complex or subjective judgments (often as a result of matters that are inherently uncertain) include, among others, deferred capital contributions, accounts payable and accrued liabilities, deferred revenue, and the useful lives of tangible capital assets and the related amortization. Actual results could differ from these and other estimates, the impact of which would be recorded in future periods.

(g) *Deferred revenue*

Deferred revenue consists of funding received 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.

(h) *Leases*

Leases are classified as either capital or operating leases. Leases that transfer substantially all of the benefits and inherent risks of ownership of property to the Organization are accounted for as capital leases. At the time a capital lease is entered into, an asset is recorded together with its related long-term obligation to reflect the acquisition and financing. Equipment recorded under capital leases is amortized on the same basis as described above. Payments under operating leases are expensed as incurred.

### 3. ACCOUNTS RECEIVABLE

	2024	2023 Restated (note 11)
	\$	\$
Funding receivable	139,256	101,458
HST receivable	50,148	18,762
	189,404	120,220

# ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended March 31, 2024

## 4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value Restated (note 11)
	\$	\$	\$	\$
Land	987,997	-	987,997	875,497
Buildings	3,153,421	237,097	2,916,324	2,404,018
Leasehold improvements	285,428	102,388	183,040	3,378
Equipment	49,694	29,268	20,426	26,740
Computer equipment	22,588	20,365	2,223	2,227
Automotive	33,488	22,619	10,869	14,218
Paving	26,268	12,606	13,662	15,763
	4,558,884	424,343	4,134,541	3,341,841

At March 31, 2024, \$1,270,106 of Buildings, Equipment and Leasehold improvements were not being depreciated as they were not available for use at that time.

## 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023 Restated (note 11)
	\$	\$
Accrued payroll	86,767	43,305
Trade payables	47,431	40,086
Government remittances	23,191	29,183
	157,389	112,574

**ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended March 31, 2024

**6. FORGIVABLE LOAN**

In 2020 the Organization received a forgivable loan from the City of Peterborough in the amount of \$6,215 in order to assist with the cost of repairs at the 223 Murray Street property. The loan is due on demand and will be forgiven at a rate 6.67% per year, for each year that the Organization owns the property.

Estimated amounts forgiven are as follows:

	\$
2025	414
2026	414
2027	414
2028	414
2029	414
Subsequent years	2,073
	4,143

**7. CREDIT FACILITIES**

The Organization has a revolving credit facility agreement with its main financial institution. The amount available at any time is limited to \$100,000 via a demand revolving overdraft line of credit. Any balance borrowed will accrue interest at the financial institution's prime lending rate plus 2.3%. At March 31, 2024 there was a balance outstanding of \$Nil (2023 - \$Nil). As at March 31, 2024, the Organization is compliant with all covenants.

The Organization holds credit facilities in the form of 16 credit cards with a shared credit limit of \$25,000 and an annual interest rate of 19.99%. As at March 31, 2024, there was a balance outstanding of \$16,144 (2023 - \$13,173) included in accounts payable and accrued liabilities.

**ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended March 31, 2024**

**8. CALLABLE DEBT**

	2024	2023 Restated (note 11)
	\$	\$
Kawartha Credit Union - Loan 705, matures November 15, 2047, is a demand variable rate loan repayable in blended monthly instalments of \$2,810. Converted to a mortgage during the year.	-	372,442

Canadian accounting standards for not-for-profit organizations require that loans that the lender can require to be repaid on demand be classified as current liabilities. Management does not believe that the demand features of the callable debt will be exercised in the current period.

Loan 705 is secured by a general security agreement, general assignments of rents, and a charge/mortgage of land on the property located at 302 & 304 Collison Crescent in the amount of \$776,288. During the fiscal year the loan was converted into a two year closed mortgage as disclosed in note 9.

# ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

### 9. LOANS PAYABLE

	2024	2023 Restated (note 11)
	\$	\$
Kawartha Credit Union - Loan 701, matures July 1, 2040, fixed rate loan repayable in blended monthly instalments of \$603, interest fixed at 2.95% per annum. Secured by a general security agreement, general assignment of rents, a charge/mortgage of land on the properties of the Organization and a standard charge registered in the amount of \$500,000.	93,632	98,024
Kawartha Credit Union - Loan 702, matures August 1, 2036, fixed rate loan repayable in blended monthly instalments of \$2,090, interest fixed at 2.95% per annum. Secured by a general security agreement, general assignment of rents, a charge/mortgage of land on the properties of the Organization and a standard charge registered in the amount of \$500,000.	241,242	257,081
Kawartha Credit Union - Loan 703, matures July 30, 2025, is a fixed rate loan repayable in blended monthly installments of \$1,739, interest fixed at 2.95% for the term of the loan. Secured by a general security agreement, assignment of rents, land of \$115,494 and building with a net book value of \$310,934.	269,123	281,836
Kawartha Credit Union - Loan 704, matures April 1, 2026, is a fixed rate loan repayable in blended monthly installments of \$3,677, interest fixed at 3.14% for the term of the loan. Secured by a general security agreement, assignment of rents, land of \$299,073 and building with a net book value of \$1,225,184.	582,622	607,971
Kawartha Credit Union - Loan 705, matures December 15, 2025, fixed rate loan repayable in blended monthly instalments of \$2,810, interest fixed at 7.59% per annum. secured by a general security agreement, general assignments of rents, and a charge/mortgage of land on the property located at 302 & 304 Collison Crescent in the amount of \$776,288.	370,079	-
Private 2nd mortgage - matures April 1, 2031, repayable from time to time at the Organization's discretion with interest accruing on the outstanding principal at RBC prime rate plus 1.5% per annum. Secured by land of \$299,073 and building with a net book value of \$1,225,184.	90,000	90,000
Carried forward	1,646,698	1,334,912

# ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended March 31, 2024

## 9. LOANS PAYABLE, continued

	2024	2023 Restated (note 11)
	\$	\$
Carried forward	1,646,698	1,334,912
Private 3rd mortgage - matures October 1, 2032, principal repayable from time to time at the request of the lender with interest payable annually on the anniversary date at RBC prime rate plus 1.5% per annum. Secured by land with a net book value of \$299,073 and building with a net book value of \$1,225,184. Repaid during the year.	-	70,000
Promissory note - matures December 20, 2027, interest only payments annually on the anniversary date at the rate of 3.5% per annum. The note is unsecured.	50,000	50,000
Vendor Take Back Mortgage, matures November 1, 2024, repayable in blended monthly installments of \$1,309, interest fixed at 5.0% for the term of the loan. Secured by land of \$112,500 and building with a net book value of \$337,327.	223,468	-
	1,920,166	1,454,912
Less principal payments due within one year	290,550	59,544
Due beyond one year	1,629,616	1,395,368
Estimated principal repayments are as follows:		
		\$
2025		290,550
2026		69,425
2027		121,861
2028		74,397
2029		77,036
Subsequent years		1,286,897
		1,920,166



# ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

### 10. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions consist of the following:

The Organization assumed remaining government assistance payments upon acquiring the property located at 223 Murray Street. These payments are intended to offset the cost of making certain capital improvements as specified under the Provincial Guidelines for Ontario Renovates and Peterborough Renovates Program Guidelines. This assistance has been deferred and is recognized as revenue over the same 30 year term as the related tangible capital asset.

The Organization received a grant from the Luke Four Foundation in the amount of \$20,000 in order to assist with the cost of paving a property located at 1195 Chemong Road. The grant has been deferred and is recognized as revenue over the same 12 year term as the related tangible capital asset.

The Organization has received capital donations from various donors to acquire property located at 550 Water Street, 59 McDonnell Street, 302-304 Collison Crescent and 1220 Monaghan Road. These donations are for the purchase of property to assist with the Organization's housing program. This assistance has been deferred and is recognized as revenue over the same 30 year term as the related tangible capital asset.

The Organization has received capital donations in the amount of \$306,184 from various funders to complete leasehold improvements at their leased property. These improvements are to allow the Organization provide shelter services to at risk individuals. The funding is recognized as revenue over the same three year period as the lease commitment on the premises (note 14).

	2024 \$	2023 Restated (note 11) \$
Opening deferred capital contributions	904,767	515,253
Contributions received	774,051	407,500
Transferred to revenue	(111,869)	(17,986)
<b>Ending deferred capital contributions</b>	<b>1,566,949</b>	<b>904,767</b>

Reported as:

	2024 \$	2023 \$
Current	161,653	17,987
Long-term	1,405,296	886,780
	<b>1,566,949</b>	<b>904,767</b>

# ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)

## NOTES TO THE FINANCIAL STATEMENTS For the year ended March 31, 2024

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### 11. PRIOR PERIOD ADJUSTMENT

In 2024, the Organization realized that their 59 McDonnell Street property that was thought to be available for use, was not. In addition, the Organization learned that some funding received and recognized as revenue in 2023 was eligible for deferral to be used to fund programming in 2024.

Prior period figures were restated to reflect the effects of the retrospective correction as follows:

1. The carrying amount of tangible capital assets, related deferred capital contributions and interest expense as at March 31, 2023, increased by \$50,037 (note 4), \$14,843 (note 10) respectively. Correction of these items resulted in a \$32,459 decrease in amortization expense and a \$14,843 decrease in donation revenue and \$17,578 decrease in interest expense for the year ended March 31, 2023.

2. Deferred revenue related to StopGap program funding was increased by \$105,000. The correction of deferring this funding was that grant revenue decreased by \$105,000 for the year ended March 31, 2023.

As a result of these corrections, the net asset balance as at April 1, 2023 decreased by \$69,805.

### 12. ECONOMIC DEPENDENCE

The Organization receives a significant amount of revenue from Corrections Canada in the form of rentals and contracted services. The nature and extent of this revenue is of such significance as to affect the viability of the Organization and accordingly it may be economically dependent upon Corrections Canada for the continued sustainability of its operations.

### 13. SUBSEQUENT EVENT

Subsequent to year end the City of Peterborough approved an extension agreement to receive an additional \$160,000 to provide over-night drop-in shelter services at 360 Reid Street.

**ONE CITY COMMUNITY DEVELOPMENT SERVICES (o/a ONE CITY PETERBOROUGH)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended March 31, 2024**

**14. LEASE COMMITMENTS**

The Organization is committed to Peterborough Poverty Reduction Network for the lease of workspace and office premises which expire September 30, 2026 and November 30, 2026 respectively.

The Organization's total commitments, under the lease agreements, exclusive of occupancy costs, are as follows:

	\$
2025	145,900
2026	145,900
2027	81,617
	373,417

**15. FINANCIAL INSTRUMENTS**

The main risks the Organization's financial instruments are exposed to are credit, liquidity and interest rate risks, which are discussed below.

*(a) Liquidity risk*

Liquidity risk relates to the risk the Organization will encounter difficulty in meeting its obligations associated with financial liabilities. Management closely monitors cash flow requirements to ensure it has sufficient cash on demand to meet operational and financial obligations.

*(b) 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 Organization is exposed to credit risk from its funders and users of its programs. The Organization is not exposed to significant credit risk with respect to accounts receivable as substantially all amounts outstanding are from government and government related organizations.

*(c) Interest rate risk*

Interest rate risk is the risk the Organization has interest rate exposure on its loans that have variable interest rates. The Organization is exposed to interest rate risk as it has a credit facility (note 7), and a loan payable (note 9) that are subject to variable interest rates. This exposure may have an effect on interest expense in future periods. The Organization reduces its exposure to interest rate risk by regularly monitoring published bank prime interest rates. The Organization has loans payable (note 9) that are at fixed term rates and do not affect interest rate risk. The Organization does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management the interest rate risk exposure to the Organization is low and is not material.

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**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended March 31, 2024

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15. **FINANCIAL INSTRUMENTS, continued**

(d) *Price risk*

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant other price risks arising from these financial instruments.