

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2025

**CORPORATION OF THE COUNTY OF
PETERBOROUGH**

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2025

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CORPORATION OF THE COUNTY OF PETERBOROUGH

For The Year Ended December 31, 2025

MANAGEMENT REPORT

The accompanying consolidated financial statements of the Corporation of the County of Peterborough are the responsibility of management and have been approved by Council.

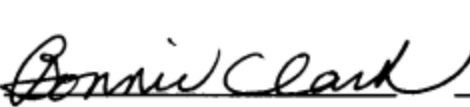
The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The County maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the County's assets are appropriately accounted for and adequately safeguarded.

The County's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving financial statements.

Council reviews and approves the County's financial statements for issuance to the members of Council, inhabitants and ratepayers of the Corporation of the County of Peterborough. Council meets periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities and to review the financial statements and the independent auditor's report.

The consolidated financial statements have been audited by Baker Tilly KDN LLP in accordance with Canadian generally accepted auditing standards on behalf of the County. Baker Tilly KDN LLP has full and free access to Council.


Warden


Treasurer

August 5, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Peterborough

Opinion

We have audited the consolidated financial statements of the Corporation of the County of Peterborough (the County), which comprise the consolidated statement of financial position as at December 31, 2025, the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

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

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

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

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

ASSURANCE • TAX • ADVISORY

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Peterborough

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

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

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

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

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

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario

August 14, 2026



CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2025

	2025 \$	2024 \$
FINANCIAL ASSETS		
Cash	27,881,712	17,811,087
Investments (note 3)	40,942,831	39,105,026
Accounts receivable	5,380,280	9,854,920
Loan receivable (note 4)	600,787	653,144
TOTAL FINANCIAL ASSETS	74,805,610	67,424,177
LIABILITIES		
Accounts payable and accrued liabilities	14,510,911	10,820,519
Deferred revenue - obligatory reserve funds (note 5)	8,719,077	8,503,671
Deferred revenue - other	1,392,998	1,278,421
Long term debt (note 6)	881,781	1,289,862
Asset retirement obligations (note 8)	19,813,799	20,943,573
Employee future benefits payable (note 10)	2,176,224	2,008,331
TOTAL LIABILITIES	47,494,790	44,844,377
NET FINANCIAL ASSETS	27,310,820	22,579,800
NON-FINANCIAL ASSETS		
Tangible capital assets (note 11)	181,935,313	179,888,981
Prepaid expenses	2,781,372	1,903,171
TOTAL NON-FINANCIAL ASSETS	184,716,685	181,792,152
	212,027,505	204,371,952
Comprised of:		
Accumulated surplus (note 12)	211,956,841	204,171,181
Accumulated remeasurement gains	70,664	200,771
	212,027,505	204,371,952

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2025

	Budget 2025 \$ (note 17)	Actual 2025 \$	Actual 2024 \$
REVENUES			
Property taxation	64,235,352	64,923,368	58,527,517
User charges	4,285,646	5,115,151	5,826,628
Government of Canada	10,248	16,521	1,281,349
Province of Ontario	16,551,966	16,773,988	15,766,055
Other municipalities	7,644,890	8,408,382	8,209,219
Provincial Offenses Act - fines	156,159	193,779	249,088
Investment income	360,000	2,280,438	2,109,503
Donations	7,700	2,937	3,047
Other grants	80,000	142,477	136,308
Development charges earned (note 5)	1,733,614	995,682	1,677,221
Canada Community-Building Fund earned (note 5)	2,629,418	2,629,418	1,374,428
Provincial gas tax earned (note 5)	41,648	53,042	50,555
TOTAL REVENUES	97,736,641	101,535,183	95,210,918
EXPENSES			
General government	12,510,761	11,289,896	11,628,150
Protection services	284,309	1,034,525	181,920
Transportation services	34,672,932	35,062,836	26,926,204
Environmental services	5,247,833	3,179,532	5,588,000
Health services	29,663,894	29,546,667	27,322,983
Social and family services	2,965,925	2,822,092	2,980,153
Social housing	7,288,396	7,169,560	6,727,740
Recreation and cultural services	1,407,180	1,257,753	1,078,503
Planning and development	2,829,448	2,386,662	2,474,214
TOTAL EXPENSES	96,870,678	93,749,523	84,907,867
ANNUAL SURPLUS	<u>865,963</u>	7,785,660	10,303,051
ACCUMULATED SURPLUS - beginning of year		204,171,181	193,868,130
ACCUMULATED SURPLUS - end of year		211,956,841	204,171,181

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the Year Ended December 31, 2025

	2025 \$	2024 \$
ACCUMULATED REMEASUREMENT GAINS (LOSSES)		
- beginning of year	200,771	(121,226)
Unrealized gain/(loss) on portfolio investments during the year	(130,107)	321,997
ACCUMULATED REMEASUREMENT GAINS - end of year	70,664	200,771

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the Year Ended December 31, 2025

	Budget 2025 \$ (note 17)	Actual 2025 \$	Actual 2024 \$
ANNUAL SURPLUS	865,963	7,785,660	10,303,051
Amortization of tangible capital assets	9,826,424	10,764,814	9,826,424
Purchase of tangible capital assets	(20,831,303)	(12,957,120)	(22,582,406)
Loss/(gain) on disposal of tangible capital assets	-	105,740	290,123
Proceeds on sale of tangible capital assets	-	40,234	142,657
Change in prepaid expenses	-	(878,201)	(29,367)
INCREASE/(DECREASE) IN NET FINANCIAL ASSETS	(10,138,916)	4,861,127	(2,049,518)
NET FINANCIAL ASSETS - beginning of year	22,579,800	22,579,800	24,307,321
INCREASE/(DECREASE) IN ACCUMULATED REMEASUREMENT GAINS	-	(130,107)	321,997
NET FINANCIAL ASSETS - end of year	12,440,884	27,310,820	22,579,800

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2025

	2025 \$	2024 \$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus	7,785,660	10,303,051
Items not involving cash		
Amortization of tangible capital assets	10,764,814	9,826,424
Loss on disposal of tangible capital assets	105,740	290,123
Accretion expense	745,947	991,700
Change in employee future benefits payable	167,893	994,541
Change in asset retirement obligation valuation	(1,875,721)	-
Change in non-cash assets and liabilities		
Accounts receivable	4,474,640	(4,408,788)
Prepaid expenses	(878,201)	(29,367)
Accounts payable and accrued liabilities	3,690,392	(1,475,386)
Deferred revenue - obligatory reserve funds	215,406	823,391
Deferred revenue - other	114,577	(1,130,248)
Net change in cash from operating activities	25,311,147	16,185,441
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(12,957,120)	(22,582,406)
Proceeds on disposal of tangible capital assets	40,234	142,657
Net change in cash from capital activities	(12,916,886)	(22,439,749)
INVESTING ACTIVITIES		
Purchase of investments	(8,946,449)	(17,760,544)
Loan issued	-	(653,144)
Loan repaid	52,357	-
Proceeds on disposal of investments	6,978,537	27,174,472
Net change in cash from investing activities	(1,915,555)	8,760,784
FINANCING ACTIVITIES		
Debt principal repayments	(408,081)	(387,660)
NET CHANGE IN CASH	10,070,625	2,118,816
CASH - beginning of year	17,811,087	15,692,271
CASH - end of year	27,881,712	17,811,087

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

The County of Peterborough is an upper tier municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

1. 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 reporting entity.

The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the County and which are owned and controlled by the County. These consolidated financial statements include:

- Peterborough County-City Waste Management Facility - 50% (2024 - 50%)

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

(b) Trust funds

Trust funds and their related operations administered by the County are not included in these consolidated financial statements but are reported on separately on the Trust Funds Statement of Continuity and Statement of Financial Position.

(c) 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, as well as legally or contractually required retirement activities. When historical cost records were not available, other methods were used to estimate costs. The cost, less residual value, if any, is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	20 years
Buildings	50 years
Machinery and equipment	5-15 years
Roads and bridges	6-50 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.

Works of art and historical treasures are not included in tangible capital assets.

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Recognition of revenues and expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues 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.

Property taxation

The County establishes the tax rates annually based on the amount required to be raised. These tax rates are used to levy amounts to the lower tier municipalities based on their annual assessment. Adjustments to the lower tier levy amounts for additions to and reductions in assessment are reported in the financial statements when amounts can be reasonably determined.

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.

Other revenue

User charges are recognized as revenue in the year the goods and services are provided.

Investment income is recorded in the year in which it is earned.

Canada Community-Building Fund, Provincial gas tax and development charges are recognized in the period in which the related expenditures are recorded.

Fines levied under the Provincial Offenses Act 1997 are recognized when the funds are received.

Donations are recorded as received, or as receivable if the amount can be reasonably estimated and if collection is reasonably assured.

(e) Non-financial assets

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

(f) Reserves

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

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(g) Financial instruments

Financial instruments are classified as either fair value or amortized cost. The following chart shows the measurement method for each type of financial instrument.

Financial Instrument	Measurement Method
Cash	Amortized Cost
Investments:	
Bonds	Fair Value
Guaranteed investment certificates	Amortized Cost
Accounts receivable	Amortized Cost
Loan receivable	Amortized Cost
Accounts payable and accrued liabilities	Amortized Cost
Long term debt	Amortized Cost

Fair value category: The County 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.

Amortized cost category: Amounts are measured at the initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. 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. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial instrument asset or financial instrument liability.

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.

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(h) Deferred revenue

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

(i) Use of estimates

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

- The amount recorded for asset retirement obligation is based on estimates of the assets with potential contaminants and management's estimate of the costs to retire those assets - See Note 1(j) and related costs added to tangible capital assets - See Note 1(c)
- Amortization of tangible capital assets is based on estimated useful life and residual value - See Note 1(c)
- Employee future amounts payable depend on certain actuarial and economic assumptions

(j) 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 closure of operational sites and post-closure care relating to landfill sites has been recognized based on estimated future expenses. An additional liability for the removal of asbestos in several of the buildings owned by the County has also been recognized based on estimated future expenses for remediation or disposal.

The liability is discounted using a present value calculation, and adjusted yearly for accretion expense and any amounts paid. The recognition of the 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 accounting policies outlined in (c).

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

2. TRUST FUNDS

Trust funds administered by the County amounting to \$28,474 (2024 - \$27,959) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus. As such balances are held in trust by the County for the benefit of others, they are not presented as part of the County's financial position or operations.

3. INVESTMENTS

Investments consist of the following:

	Level (note 1(g))	2025 \$	2024 \$
Held at amortized cost			
Cash held in investment accounts		82,841	89,447
Guaranteed investment certificates, maturity dates from May 2026 to November 2030, interest rates ranging from 1.60% to 5.25% per annum.		39,057,155	33,898,808
		39,139,996	33,988,255
Held at fair value			
Bonds	1	1,802,835	5,116,771
		40,942,831	39,105,026

Book cost of bonds at December 31, 2025 is equal to \$1,916,000 (2024 - \$4,916,000).

There were no transfers in or out of level 2 and level 3 during the year.

4. LOANS RECEIVABLE

Loans receivable consist of a major capital receivable due from the Township of Marmora and Lake related to the construction of the Crowe River Bridge. The loan is repayable in blended annual payments of \$82,063 over 10 years at an interest rate of 4.72% per annum.

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

5. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the County are summarized below:

	2025	2024
	\$	\$
Development charges	8,463,399	7,693,794
Canada Community-Building Fund	226,456	773,721
Provincial gas tax	29,222	36,156
	8,719,077	8,503,671

The continuity of deferred revenue - obligatory reserve funds is as follows:

	2025	2024
	\$	\$
Balance - beginning of year	8,503,671	7,680,280
Add amounts received:		
Development charges	1,503,043	1,471,169
Canada Community-Building Fund	2,045,082	1,990,840
Provincial gas tax	41,007	41,007
Interest	304,416	422,579
	3,893,548	3,925,595
Less transfer to operations:		
Development charges earned	995,682	1,677,221
Canada Community-Building Fund earned	2,629,418	1,374,428
Provincial gas tax earned	53,042	50,555
	3,678,142	3,102,204
Balance - end of year	8,719,077	8,503,671

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

6. LONG TERM DEBT

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

	2025	2024
	\$	\$

Long term debt to finance 310 Armour Road - EMS base requiring semi-annual payments of principal and interest totalling \$234,958 until November 1, 2027. The debt bears interest at 5.20% per annum.

881,781	1,289,862
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- (b) The long term debt in (a) issued in the name of the County has been approved by by-law. The annual principal and interest payments required to service this liability is within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

- (c) Interest paid during the year on long term debt amounted to \$61,836 (2024 - \$82,256).

- (d) The long term debt reported in (a) of this note is repayable as follows:

	Principal \$	Interest \$	Total \$
2026	429,576	40,340	469,916
2027	452,205	17,710	469,915
	881,781	58,050	939,831

7. PENSION AGREEMENTS

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

The Actuarial Opinion contained in the 2025 Annual Report disclosed total actuarial liabilities of \$151,365 million in respect of benefits accrued for service with actuarial assets of \$150,043 million indicating an actuarial deficit of \$1,322 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 County does not recognize any share of the OMERS pension surplus or deficit.

The County's total contributions to OMERS in 2025 were \$5,194,430 (2024 - \$4,353,148) of which \$2,597,215 (2024 - \$2,176,574) was contributed by employees.

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

8. ASSET RETIREMENT OBLIGATION

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

(a) Landfill obligation

The County operates one landfill site under a joint agreement with the City of Peterborough. The liability for the remaining closure costs of operational sites as well as the post-closure costs for all sites has been recognized under PS 3280 - Asset Retirement Obligations. The costs have been estimated based upon the presently known obligations that will exist at the estimated year of closure of the site and for 164 years after the closure date using a discount rate of 5.3% and an inflation rate of 2.5%.

(b) Asbestos obligation

The County owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS 3280 – Asset Retirement Obligations, the County recognized an obligation relating to the removal of the asbestos in these building as estimated at January 1, 2023. Estimated costs have been discounted to the present value using a discount rate of 6.0% per annum.

(c) Other

The County owns and operates four gravel pits and various other assets. The liability for the closure of these sites and the costs to return the property to its original state has been recognized under PS 3280 – Asset Retirement Obligations. The costs were based on presently known obligations that will exist at the estimated year of closure of the sites. These costs have been discounted to the present value using a discount rate of 6.0% per annum.

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

	Landfill	Asbestos removal	Other	Total 2025	Total 2024
Asset Retirement Obligation	\$	\$	\$	\$	\$
Opening balance	19,589,987	895,585	458,001	20,943,573	19,951,873
Revaluation of liability	(1,875,721)	-	-	(1,875,721)	-
Accretion expense	652,233	59,983	33,731	745,947	991,700
Closing balance	18,366,499	955,568	491,732	19,813,799	20,943,573

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

9. PARTNERSHIP WITH THE CITY OF PETERBOROUGH

Certain services are provided by joint local boards in partnership with the City of Peterborough. Under the agreements created at the time each board was established, decisions related to the financial and operating activities are shared, neither partner is in a position to exercise unilateral control. The operations of the Peterborough County-City Waste Management Facility ("the Facility") are included in the financial statements based on the share of net operating expenditures contributed by the County during the fiscal period being reported.

The following provides a brief description of the nature and purpose of the consolidated entity and its condensed financial information.

Peterborough County-City Waste Management Facility

On July 1, 2002, the City and County of Peterborough entered into an agreement to jointly develop and operate a waste disposal facility. The Facility receives non-hazardous waste from the County and City in accordance with the applicable regulations and the Certificate of Approval issued by the Ministry of the Environment and Energy to develop, operate and close the Facility. All revenues and costs related to the development, management, closure, post-closure care and monitoring of the Facility are shared equally by both municipalities.

On the Consolidated Statement of Financial Position is an amount receivable from the City of Peterborough of \$12,382 (2024 - \$223,849 payable).

	2025		2024	
	Total	County Portion	Total	County Portion
	\$	\$	\$	\$
Operations				
Revenues	3,903,483	1,951,742	4,625,561	2,312,780
Expenditures	4,558,807	2,279,404	4,661,720	2,330,860
Net (loss) from operations	(655,324)	(327,662)	(36,159)	(18,080)

During 2025, the Peterborough County-City Waste Management Facility incurred capital expenditures of \$24,764 (2024 - \$599,668). The County's portion of the capital expenditures was \$12,382 (2024 - \$299,834).

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

10. EMPLOYEE FUTURE AMOUNTS PAYABLE

The County provides certain employee benefits which will require payments in future periods. The County provides defined benefit plans to pay costs of certain health and other insurance benefits for eligible employees after they retire. There are no specific assets designated for settling this liability.

	2025	2024
	\$	\$
Accrued benefit obligation	2,066,224	1,900,416
Unamortized actuarial gain (loss)	110,000	107,915
Employee future benefits payable	2,176,224	2,008,331

The actuarial valuation as at December 31, 2023 was based on a number of assumptions about future events, such as inflation rates, interest rates, medical inflation rates, wage and salary increases and employee turnover and mortality. 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, which was 16 years. The assumptions used reflect management's best estimate. The main actuarial assumptions employed for the valuation are as follows:

Future health care premiums - first year 2024	4.67%
- decrease over 3 years to	4.00%
Future dental premiums rates	4.00%
Interest rate	4.50%

The post-employment benefit is reported as an expense on the Consolidated Statement of Operations and Accumulated Surplus. Composition of the liability is as follows:

	2025	2024
	\$	\$
Employee future benefits payable at January 1	2,008,331	1,013,790
Current year benefit cost	122,971	115,369
Interest on post-employment benefit liability	87,285	80,234
Amortized actuarial loss (gain)	2,085	2,085
Benefit payments	(44,448)	(40,976)
Plan amendment	-	837,829
Liability at December 31	2,176,224	2,008,331

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

11. TANGIBLE CAPITAL ASSETS

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

	2025	2024
	\$	\$
General		
Land	5,650,834	5,730,761
Land improvements	12,873,533	13,363,887
Buildings	8,633,826	8,967,434
Machinery and equipment	8,489,834	8,194,931
Infrastructure		
Roads and bridges	143,096,901	140,290,064
	178,744,928	176,547,077
Assets under construction	3,190,385	3,341,904
	181,935,313	179,888,981

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

During the year there were no write-downs of assets (2024 - \$Nil), no interest capitalized (2024 - \$Nil) and no contributed assets (2024 - \$Nil).

Tangible capital assets allocated by segment are as follows:

	2025	2024
	\$	\$
General government	2,988,198	3,079,650
Protection services	41,815	8,317
Transportation services	151,653,859	149,134,914
Environmental services	15,705,630	16,275,308
Health services	7,387,588	7,064,402
Recreation and cultural services	4,151,114	4,225,268
Planning and development	7,109	101,122
	181,935,313	179,888,981

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

12. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2025	2024
	\$	\$
Surplus/(Deficit)		
County operations	4,727,793	4,903,579
Unfunded employee future benefits	(2,176,224)	(2,008,331)
	2,551,569	2,895,248
Invested In Capital Assets		
Tangible capital assets - net book value	181,935,313	179,888,981
Long term debt	(881,781)	(1,289,862)
Asset retirement obligations	(19,813,799)	(20,943,573)
	161,239,733	157,655,546
Surplus	163,791,302	160,550,794
Reserves		
Working funds	14,199,361	11,836,766
L.S.R. costs	987,860	890,015
Waste management	4,407,375	4,389,757
Recycling	1,419,248	1,274,220
Acquisition of capital assets	20,932,178	18,635,591
Recreation programs and facilities	150,130	176,371
Landfill site post-closure costs	4,719,019	4,456,519
Employee future benefits	-	725,801
Other	1,325,415	1,235,347
Police	24,953	-
Total Reserves	48,165,539	43,620,387
	211,956,841	204,171,181

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

13. CONTRIBUTIONS TO UNCONSOLIDATED JOINT BOARDS

The Consolidated Statement of Operations and Accumulated Surplus includes contributions made by the County to the following local boards:

	2025	2024
	\$	\$
Lakelands Public Health	1,443,249	1,387,739
Fairhaven	1,062,500	1,013,250
Peterborough & the Kawarthas Economic Development	-	820,670
	2,505,749	3,221,659

14. EXPENSES BY OBJECT

The expenses for the year reported on the Consolidated Statement of Operations and Accumulated Surplus by object are as follows:

	Budget 2025 \$ (note 17)	Actual 2025 \$	Actual 2024 \$
Salaries and benefits	37,199,785	37,470,048	35,048,706
Interest charges	61,836	61,836	82,256
Materials	30,700,560	25,762,623	20,673,805
Contracted services	6,344,507	6,423,975	5,310,178
Rents and financial	580,502	1,452,818	1,554,991
External transfers	12,157,064	11,707,669	12,121,384
Amortization	9,826,424	10,764,814	9,826,424
Loss (gain) on disposal of tangible capital assets	-	105,740	290,123
	96,870,678	93,749,523	84,907,867

15. CONTINGENT LIABILITIES

The County, in the course of its operations, is often 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.

16. COMPARATIVE FIGURES

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

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

17. BUDGET FIGURES

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

The following is a reconciliation of Council's approved budget to the PSA presented budget:

	2025 \$
Council approved budgeted surplus	-
Tangible capital asset additions	20,831,303
Amortization of tangible capital assets	(9,826,424)
Principal repayment of long term debt	408,080
Transfers to/(from) reserves	(10,546,996)
Budgeted surplus reported on the Consolidated Statement of Operations	865,963

18. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in the County assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

The County is exposed to the following risks in respect of certain of the financial instruments held:

(a) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The value of fixed income securities will generally rise if interest rates fall and conversely fall when rates rise.

(b) Market risk

The County is exposed to certain market risks related to the bond portfolio including changes in pricing. These are normally out of the control of the County but this is mitigated by the County investment policies.

In the opinion of management, the County is not exposed to any significant credit, liquidity or currency risk.

19. CREDIT FACILITY AGREEMENT

The County has a revolving credit facility agreement with its main financial institution. The amount available at any time is limited to \$5,000,000 via an operating loan. Any balance borrowed will accrue interest at the bank's prime lending rate less 0.50% per annum. Council authorized the temporary borrowing limit by By-law 2024-28. At December 31, 2025 there was a balance outstanding of \$Nil (2024 - \$Nil).

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2025

20. SEGMENTED INFORMATION

The County of Peterborough is a municipal government organization that provides a range of services to its residents. County services are reported by function and their activities are separately disclosed in the segmented information.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation, payments-in-lieu of taxes and certain unconditional government transfers are apportioned based on each segment's net requirements.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Consolidated Schedule of Segment Disclosure.

General Government

General government consists of the activities of Council and general financial and administrative management of the County and its programs and services.

Protection Services

Protection services include emergency measures and the County's share of provincial offences operations provided by the City of Peterborough.

Transportation Services

The activities of the transportation function include construction and maintenance of the County's roads and bridges, winter control, and transit.

Environmental Services

The environmental function is responsible for the County's share of waste disposal operations provided by the City of Peterborough and recycling services to ratepayers.

Health Services

The health services function consists of external transfers to the local Health Unit and the cost of Land Ambulance services shared with the City of Peterborough.

Social and Family Services

The social and family services consist of general assistance to inhabitants, homes for the aged and child care services for the County provided by the City of Peterborough.

Social Housing

The social housing services consist of affordable housing provided by the City of Peterborough to qualified inhabitants of the County.

Recreation and Cultural Services

The recreation and cultural services function consists of the County's park and Lang Pioneer Village.

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2025

20. SEGMENTED INFORMATION, continued

Planning and Development

The planning and development services function manages commercial, industrial and residential development and broadband infrastructure within the County.

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2025

	General				Infrastructure	Assets Under Construction	Totals
	Land \$	Land Improvements \$	Buildings \$	Machinery and Equipment \$	Roads and Bridges \$	\$	\$
COST							
Balance, beginning of year	7,530,943	17,882,194	14,141,461	19,589,618	257,203,444	3,341,904	319,689,564
Add: additions during the year	-	27,440	50,584	2,424,180	10,606,435	(151,519)	12,957,120
Less: disposals during the year	-	-	-	952,733	1,951,622	-	2,904,355
Balance, end of year	7,530,943	17,909,634	14,192,045	21,061,065	265,858,257	3,190,385	329,742,329
ACCUMULATED AMORTIZATION							
Balance, beginning of year	1,800,182	4,518,307	5,174,027	11,394,687	116,913,380	-	139,800,583
Add: additions during the year	79,927	517,794	384,192	2,076,660	7,706,241	-	10,764,814
Less: disposals during the year	-	-	-	900,116	1,858,265	-	2,758,381
Balance, end of year	1,880,109	5,036,101	5,558,219	12,571,231	122,761,356	-	147,807,016
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	5,650,834	12,873,533	8,633,826	8,489,834	143,096,901	3,190,385	181,935,313

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2025

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Social and Family Services \$	Social Housing \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues										
Property taxation	10,024,955	58,487	31,318,031	2,340,619	7,763,389	2,965,925	7,288,396	977,760	2,185,806	64,923,368
User charges	1,686,113	-	140,164	2,024,113	806,813	-	-	189,098	268,850	5,115,151
Government transfers - operating	-	725,997	-	-	14,849,530	-	-	69,500	-	15,645,027
Government transfers - capital	-	-	1,145,482	-	-	-	-	-	-	1,145,482
Other municipalities	113,440	49,966	256,019	-	7,988,286	-	-	-	671	8,408,382
Provincial Offenses Act - fines	-	193,779	-	-	-	-	-	-	-	193,779
Investment income	2,280,438	-	-	-	-	-	-	-	-	2,280,438
Donations	-	500	-	-	-	-	-	2,437	-	2,937
Other grants	-	-	132,076	-	-	-	-	-	10,401	142,477
Development charges earned	-	-	925,851	-	1,511	-	-	-	68,320	995,682
Canada Community-Building Fund earned	-	-	2,629,418	-	-	-	-	-	-	2,629,418
Provincial gas tax earned	-	-	53,042	-	-	-	-	-	-	53,042
Total revenues	14,104,946	1,028,729	36,600,083	4,364,732	31,409,529	2,965,925	7,288,396	1,238,795	2,534,048	101,535,183
Expenses										
Salaries and benefits	6,662,084	83,222	6,614,808	529,111	21,110,328	-	-	685,947	1,784,548	37,470,048
Interest charges	-	-	-	-	61,836	-	-	-	-	61,836
Materials	2,698,277	84,672	18,725,195	442,968	3,371,838	-	-	290,334	149,339	25,762,623
Contracted services	2,587,451	851,295	860,300	1,003,826	877,045	-	-	169,516	74,542	6,423,975
Rents and financial	570,262	-	39,626	652,233	190,697	-	-	-	-	1,452,818
External transfers	-	10,000	106,681	-	1,443,249	2,822,092	7,169,560	-	156,087	11,707,669
Amortization	158,684	5,336	8,643,767	551,394	1,292,331	-	-	111,956	1,346	10,764,814
Loss (gain) on disposal of tangible capital assets	-	-	75,359	-	30,381	-	-	-	-	105,740
Internal transfers	(1,386,862)	-	(2,900)	-	1,168,962	-	-	-	220,800	-
Total expenses	11,289,896	1,034,525	35,062,836	3,179,532	29,546,667	2,822,092	7,169,560	1,257,753	2,386,662	93,749,523
Net surplus/(deficit)	2,815,050	(5,796)	1,537,247	1,185,200	1,862,862	143,833	118,836	(18,958)	147,386	7,785,660

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2024

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Social and Family Services \$	Social Housing \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues										
Property taxation	8,252,921	65,640	28,014,456	2,274,458	7,222,142	2,903,648	6,732,444	892,204	2,169,604	58,527,517
User charges	2,079,662	-	225,336	2,603,768	412,640	-	-	187,922	317,300	5,826,628
Government transfers - operating	241,010	-	-	30,321	13,470,861	-	-	76,638	136,437	13,955,267
Government transfers - capital	-	-	3,092,137	-	-	-	-	-	-	3,092,137
Other municipalities	56,528	-	828,485	-	7,322,688	-	-	-	1,518	8,209,219
Provincial Offenses Act - fines	-	249,088	-	-	-	-	-	-	-	249,088
Investment income	2,109,503	-	-	-	-	-	-	-	-	2,109,503
Donations	-	-	-	-	-	-	-	3,047	-	3,047
Other grants	-	-	136,308	-	-	-	-	-	-	136,308
Development charges earned	-	-	1,486,495	-	189,046	-	-	-	1,680	1,677,221
Canada Community-Building Fund earned	-	-	1,374,428	-	-	-	-	-	-	1,374,428
Provincial gas tax earned	-	-	50,555	-	-	-	-	-	-	50,555
Total revenues	12,739,624	314,728	35,208,200	4,908,547	28,617,377	2,903,648	6,732,444	1,159,811	2,626,539	95,210,918
Expenses										
Salaries and benefits	6,931,294	55,800	5,937,369	479,991	19,556,736	-	-	663,064	1,424,452	35,048,706
Interest charges	-	-	-	-	82,256	-	-	-	-	82,256
Materials	2,636,640	85,614	11,843,709	2,457,026	3,256,047	-	-	311,712	83,057	20,673,805
Contracted services	2,468,983	24,808	650,867	1,344,515	769,816	-	-	-	51,189	5,310,178
Rents and financial	463,617	-	24,552	903,113	163,691	-	-	18	-	1,554,991
External transfers	20,000	10,000	97,582	-	1,387,739	2,980,153	6,727,740	-	898,170	12,121,384
Amortization	179,856	5,698	8,050,753	403,355	1,074,355	-	-	111,061	1,346	9,826,424
Loss (gain) on disposal of tangible capital assets	-	-	324,572	-	(27,097)	-	-	(7,352)	-	290,123
Internal transfers	(1,072,240)	-	(3,200)	-	1,059,440	-	-	-	16,000	-
Total expenses	11,628,150	181,920	26,926,204	5,588,000	27,322,983	2,980,153	6,727,740	1,078,503	2,474,214	84,907,867
Net surplus/(deficit)	1,111,474	132,808	8,281,996	(679,453)	1,294,394	(76,505)	4,704	81,308	152,325	10,303,051

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Peterborough

Opinion

We have audited the financial statements of the Trust Fund of the Corporation of the County of Peterborough (the Trust Fund), which comprise the statement of financial position as at December 31, 2025, the statement of continuity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Trust Fund as at December 31, 2025, and the continuity of the Trust Fund for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust Fund 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.

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 Standards, 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 Trust Fund'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 Trust Fund or to cease operations, or has no realistic alternative but to do so.

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

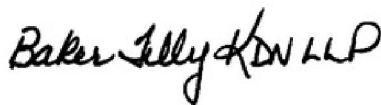
Auditor's Responsibilities for the Audit of the Financial Statements

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 Trust Fund'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 Trust Fund'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 Trust Fund 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
August 14, 2026

CORPORATION OF THE COUNTY OF PETERBOROUGH

TRUST FUND STATEMENT OF FINANCIAL POSITION At December 31, 2025

	2025 \$	2024 \$
FINANCIAL ASSETS		
Cash	14,449	14,003
Due from County of Peterborough	18,185	17,675
	32,634	31,678
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Due to recipients	4,160	3,719
TRUST FUND BALANCES	28,474	27,959
	32,634	31,678

TRUST FUND STATEMENT OF CONTINUITY For the Year Ended December 31, 2025

	2025 \$	2024 \$
BALANCE - beginning of year	27,959	27,141
RECEIPTS		
Interest earned	956	1,514
EXPENSES		
Beneficiary distribution	441	696
BALANCE - end of year	28,474	27,959

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE COUNTY OF PETERBOROUGH

TRUST FUND NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2025

1. PURPOSE OF TRUST

The trust fund is administered by the County to provide bursaries and other distributions to beneficiaries.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook.

(a) Basis of accounting

Revenue and expenses are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions 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 revenue and expenses during the period and are based on the County's best information and judgment. Actual results could differ from these estimates.