

Q1 2025 FINANCIAL REPORT

# **YORK REGION RAPID TRANSIT CORPORATION**

For the period ended March 31, 2025

*\* Unaudited - For Discussion Purposes Only \**

Draft

## YORK REGION RAPID TRANSIT CORPORATION

### Statement of Financial Position

March 31, 2025 with comparative information for 2024

	MAR 2025	DEC 2024
<b>Financial Assets</b>		
Due from Regional Municipality (note 4)	\$ 393,669	\$ 518,732
<b>Financial Liabilities and Shareholder's Equity</b>		
Current Liabilities:		
Due to the Regional Municipality of York (note 5)	\$ 393,668	\$ 518,731
	393,668	518,731
Shareholder's Equity:		
Share capital	1	1
Accumulated surplus (note 6)	1	1
	\$ 393,669	\$ 518,732

See accompanying notes to financial statements.

# YORK REGION RAPID TRANSIT CORPORATION

## Statement of Operations and Accumulated Surplus

Period ended March 31, 2025, with comparative information for 2024

	Annual Budget 2025	Actual Year-to-date MAR 2025	Forecast Q2-Q4 2025	FULL YEAR 2025	FULL YEAR 2024
<b>Revenue:</b>					
Program management fee (note 7)	\$ 5,009,196	\$ 839,424	\$ 4,169,773	\$ 5,009,196	\$ 4,402,717
<b>Expenses:</b>					
York Region Rapid Transit Program Management:					
Salaries and benefits	6,579,149	1,335,716	5,243,433	6,579,149	6,561,345
External professional contracted services (note 8)	1,901,648	89,614	1,812,034	1,901,648	926,531
Regional Municipality of York professional contracted services (note 9)	524,600	112,290	412,310	524,600	433,582
Office administration	686,941	97,646	589,294	686,941	294,151
Occupancy and rent	132,251	24,227	108,024	132,251	96,310
	9,824,588	1,659,493	8,165,095	9,824,588	8,311,919
Regional Municipality of York Corporate Allocation:					
Legal	691,026	172,757	518,270	691,026	518,667
Computers hardware	198,802	49,701	149,102	198,802	162,327
Telephone and data management	95,141	23,785	71,356	95,141	74,399
Supplies services	87,362	21,841	65,522	87,362	94,480
Computer software	39,542	9,885	29,657	39,542	17,357
Finance charges	33,813	8,453	25,360	33,813	60,118
Human resources	20,147	5,037	15,110	20,147	41,322
	1,165,834	291,459	874,375	1,165,834	968,670
Operating Recoveries:					
Recoveries from the Metrolinx BRT Capital Projects					
Recoveries from the Metrolinx YNSE Projects	(5,981,226)	(1,111,528)	(4,869,698)	(5,981,226)	(4,877,872)
Recoveries from the Regional Capital Projects					
	(5,981,226)	(1,111,528)	(4,869,698)	(5,981,226)	(4,877,872)
<b>Total Expenses</b>	<b>5,009,196</b>	<b>839,424</b>	<b>4,169,772</b>	<b>5,009,196</b>	<b>4,402,717</b>
Annual surplus	-	-	-	-	-
Accumulated surplus, beginning of year	-	1	-	1	1
<b>Accumulated surplus, end of period</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 1</b>

See accompanying notes to financial statements.

## YORK REGION RAPID TRANSIT CORPORATION

### Statement of Cash Flows

Period ended March 31, 2025, with comparative information for 2024

	MAR 2025	DEC 2024
<b>Operating activities</b>		
Annual surplus	\$ -	\$ -
Change in non-cash assets and liabilities:		
Due from Regional Municipality of York	125,063	(124,653)
Due to Regional Municipality of York	(125,063)	124,653
<b>Cash, end of period</b>	<b>-</b>	<b>-</b>

See accompanying notes to financial statements.

# THE YORK REGION RAPID TRANSIT CORPORATION

## Notes to Financial Statements

Period ended March 31, 2025

The York Region Rapid Transit Corporation ("Organization") was incorporated on July 2, 2003 under the Ontario Business Corporations Act. The Organization is responsible for the planning, design and construction of the Region's rapid transit network and related infrastructure. The expertise of the Organization lies in project management - design and engineering, procurement and financial management and community relations.

The Organization manages the capital projects funded by the Regional Municipality of York such as road widening, sidewalks, landscaping, storm sewers and fiber communications. In addition, the Organization also manages the capital projects funded by Metrolinx.

The Organization is exempt from income taxes if certain requirements of the Income Tax Act (Canada) are met.

### 1. Significant accounting policies:

(a) Basis of presentation:

These financial statements have been prepared in accordance with generally accepted accounting principles established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

(b) Accrual basis of accounting:

The financial statements are prepared using accrual basis of accounting. Revenue is recognized as earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of a legal obligation to pay.

(c) Revenue recognition:

The program management fee is recognized as revenue in the year in which related expenses are recognized.

(d) Budget figures:

Budget figures presented in the financial statements are based on the 2024 budget approved by Council on December 21, 2023.

(e) Related party:

A related party exists when one party has the ability to exercise control or shared control over the other. Related parties include key management personnel, their close family members and the entities they control or have shared control over. Related party transactions are disclosed if they occurred at a value different from that which would have been arrived at if parties were unrelated and the transaction has material effect on the financial statements.

(f) Expense allocations and operating recoveries:

The Organization classifies expenses on the statement of operations and accumulated surplus. Expenses are allocated to the Organization based on corporate allocation from the Regional Municipality of York. Operating recoveries represent salaries and benefits and general administrative costs related to the capital projects managed by the Organization.

(g) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Estimates are based on the best information available to management at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

(h) Operating recoveries:

Staff and related cost are charged to operating expenses and then allocated to respective capital projects including Bus Rapid Transit, Yonge north subway extension projects. These recoveries from the capital projects are shown under the operating recoveries.

### 2. Future accounting pronouncements

(a) Standards applicable for fiscal years beginning on or after April 1, 2023 (in effect for the Organization for the year ending on December 31, 2024):

PS 3160 - Public Private Partnerships ("P3s"), identifies requirements on how to account for and disclose transactions in which public sector entities procure major infrastructure assets and/or services from private sector entities. Recognition of assets arising from P3 arrangements is ultimately dependent on whether public sector entities control the purpose and use of the assets, access to the future economic benefits and exposure to the risks associated with the assets, and significant residual interest in the asset, if any, at the end of the term of P3s. Measurement of the asset and related liability will also be dependent on the overall model used to compensate the private sector entity.

PS 3400 - Revenue, establishes standards on how to account for and report on revenue, specifically differentiating between revenue arising from transactions that include performance obligations, referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions.

PSG-8 - Purchased Intangibles, provides guidelines on accounting and reporting for purchased intangibles. Concurrently, PS 1000 - Financial Statement Concepts, has been amended to remove the prohibition against recognizing intangibles purchased in an exchange transaction in public sector financial statements.

There is no impact of these new standards on the financial statements.

- (b) Standards applicable for fiscal years beginning on or after April 1, 2026 (in effect for the Organization for the year ending on December 31, 2027):

The Conceptual Framework for Financial Reporting in the Public Sector:

The new Conceptual Framework provides a meaningful foundation for formulating consistent financial reporting standards. The Conceptual Framework will replace current guidance in Section PS 1000 and PS 1100. A Conceptual Framework is a coherent set of interrelated concepts underlying accounting and financial reporting standards. It prescribes the nature, function and limits of financial accounting and reporting. It is the foundation on which standards are developed and professional judgment is applied. While the impact of any changes on Region's consolidated financial statements is not reasonably determinable at this time. Region intends to implement the Conceptual Framework effective January 1, 2027.

PS 1202 - Financial Statement Presentation. The new standard provides updated guidance on the general and specific requirements for the presentation of information in general purpose financial statements. PS 1202 will replace PS 1201. While the impact of any changes on Region's consolidated financial statements is not reasonably determinable at this time. Region intends to implement the standard effective January 1, 2027.

### 3. Statement of change in net debt:

A statement of change in net debt has not been presented, as the amount of net debt remains unchanged year over year and any other information which would be contained within the statement is readily available elsewhere in these financial statements.

### 4. Due from the Regional Municipality of York:

Amounts due from the Regional Municipality of York are non-interest bearing and have no specific terms of repayment.

### 5. Due to Regional Municipality of York:

Due to Regional Municipality of York is primarily comprised of payroll related liabilities at the end of the year. They are non-interest bearing and are normally settled on 30-day terms; therefore, their carrying amount approximates the fair value.

### 6. Accumulated surplus:

The accumulated surplus as March 31 comprises:

	MAR 2025	DEC 2024
Share capital	\$1	\$1

### 7. Program management fees:

Per the Rapid Transit Agreement, the Organization is the Program Manager tasked with delivering the rapid transit infrastructure projects for the Regional Municipality of York.

In 2017, the Organization and the Regional Municipality of York entered into a Memorandum of Understanding, whereby the Organization will invoice project management fees to the Regional Municipality of York on a semi-annual basis for project management services rendered in the year.

### 8. External professional contracted services:

Expenses on professional contracted services include external legal counsel, external communications, public relations, consulting services and audit services.

### 9. Related party transactions - Regional Municipality of York professional contracted services:

For efficiency purposes, York Region Departments provided contracted services to the Organization per Dedicated Charges Agreements between the Regional Municipality of York and the Organization. These charges were fully recovered against capital projects.

	Budget	MAR 2025	DEC 2024
Regional Municipality of York professional contracted services:			
Legal services	524,600	112,290	433,582
	<b>\$ 524,600</b>	<b>\$ 112,290</b>	<b>\$ 433,582</b>