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REPORT ON THE RESULTS OF APPLYING SPECIFIED AUDITING PROCEDURES ON THE ANNUAL INFORMATION RETURN

To the Regional Municipality of York (the "Service Manager")

As specifically agreed, we have performed the procedures described in Appendix A, to assist the Service Manager in assessing Housing York Inc.'s (the "Corporation") compliance with the Social Housing Reform Act and regulations and the information in the Annual Information Return for the year ended December 31, 2005. This engagement to apply agreed-upon procedures was performed in accordance with standards established by The Canadian Institute of Chartered Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described in Appendix A either for the purpose for which this report has been requested or for any other purpose.

The results of our procedures are documented in Appendix A. Our audit of the Corporation's financial statements for the year ended December 31, 2005 was not directed to the information in the Annual Information Return. The procedures in Appendix A do not constitute an audit of the Annual Information Return and, therefore, we express no opinion on the information in the Annual Information Return for the year ended December 31, 2005. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This letter is for use solely by the Service Manager in assessing the Corporation's compliance with the Social Housing Reform Act and regulations and the information in the Annual Information Return, and is not intended to be and should not be used by anyone else.

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, stylized font. A horizontal line is drawn underneath the signature.

Chartered Accountants

Toronto, Canada

March 17, 2006

Housing York Inc.

Results of Specified Auditing Procedures on the Annual Information Return ("AIR")

For the year ended December 31, 2005

APPENDIX A

SPECIFIED AUDITING PROCEDURES ON THE ANNUAL INFORMATION RETURN	RESULTS OF SPECIFIED AUDITING PROCEDURES ON THE ANNUAL INFORMATION RETURN
1. Obtain the completed Annual Information Return (AIR) from those delegated by the Board of Directors to complete the AIR for the year ended December 31, 2005.	We obtained the completed Annual Information Return (AIR) from those delegated by the Board of Directors to complete the AIR for the year ended December 31, 2005.
2. Read the management representations requested in the AIR Page A2 and the corresponding responses from the Corporation.	We read the management representations requested in the AIR Page A2 and the corresponding responses from the Corporation.
3. Ask the questions on the AIR Page A2 to those delegated by the Board of Directors to complete the AIR for the year ended December 31, 2005 and comment on any different responses.	We asked the questions on the AIR Page A2 to those delegated by the Board of Directors to complete the AIR for the year ended December 31, 2005 and found no differences in responses.
4. Agree the financial information of the Corporation as reported in the AIR to the audited financial statements for the year ended December 31, 2005.	We found no significant exceptions.



ANNUAL INFORMATION RETURN PRIVATE NON-PROFIT

IDENTIFICATION

Page 1

Co-operative name

HOUSING YORK INC.

Year ended

31-Dec-05

Program
☒

Provincial

☐ Federal/Provincial☐ Special Purpose
Corporation address

1091 GORHAM STREET, UNIT # 104
NEWMARKET, ON L3Y 8X7

Mailing address

1091 GORHAM STREET, UNIT # 104
NEWMARKET, ON L3Y 8X7

Contact name

Katherine Campbell

Position

Program Manager, Finance and Administration

Telephone number

905-830-4444 x2732

MANAGEMENT DECLARATION

I declare that, to the best of my knowledge and belief, the information provided in this Annual Information Return is true and correct.

Signature	Name	Position	Date
	Mr. T. Taylor	Chair	
Signature	Name	Position	Date
	Ms. S. Sherban	Vice Chair	

Note to auditors:

The Region requires non-profit housing corporations to ensure that their auditors complete two reports on the Annual Information Return, an Auditor's Derivative Report and an Auditor's Report on Financial Information contained in the Annual Information Return. Information on the reports is provided in the Guide to the Operating Budget and Annual Information Return.

Instructions

(1) The Management Declaration must be signed by two authorized officers of the corporation.

MANAGEMENT REPRESENTATION

Page 2

For the year ended:

December 31 2004

RESIDENT RELATIONS

- 1) Did the corporation assist all applicants for housing in accordance with Program Guidelines? ☒ Y ☐ N
- 2) Did the corporation select tenants in accordance with Program Guidelines, including participating in a Co-ordinated Access System, if required? ☒ Y ☐ N
- 3) Have all RGI tenants signed leases, prepared in accordance with Program Guidelines? ☒ Y ☐ N
- 4) Was verification of income obtained from all rent geared-to-income tenants in accordance with Program Guidelines? ☒ Y ☐ N
- 5) Were all geared-to-income rents charged in accordance with Program Guidelines? ☒ Y ☐ N

FINANCIAL MANAGEMENT

- 6a) Were all serious deficiencies, if any, in internal controls or operations reported by the Corporation's auditor in the prior year remedied? ☒ Y ☐ N
- 6b) Did the Corporation receive a management letter from its auditor reporting serious deficiencies in internal controls or operations? (If you answer YES attach a copy of the management letter.) ☐ Y ☒ N
- 7) Did the Corporation incur any expenditures of an excessive and material nature having regard to the normal practice for similar non-profit housing corporations? ☐ Y ☒ N
- 8) Were expenses allocated to the non-shelter component in accordance with Program Guidelines? ☒ Y ☐ N
- 9) Was the shelter component operating surplus used in an appropriate manner in accordance with Program Guidelines? ☒ Y ☐ N
- 10) Was the Capital Reserve Fund operated in accordance with Program Guidelines? ☒ Y ☐ N
- 11) Does the Corporation have adequate fire, fidelity and other insurance as required to protect against catastrophic loss and was this insurance purchased in accordance with Program Guidelines? ☒ Y ☐ N

GOVERNANCE

- 12) Did the Corporation comply with policies and procedures contained in the Ministry's "Conflict of Interest Handbook for Non-Profit Housing Providers"(June 1995), and any Newsletters issued subsequently which update this Handbook? ☒ Y ☐ N
- 13) Were all necessary actions taken to comply with the the Corporation Information Act or any other regulatory statute to retain the Corporation's non-profit status in good standing? ☒ Y ☐ N
- 14) Do all contractual arrangements for the provision of property management services comply with Program Guidelines? ☐ N/A ☒ Y ☐ N

If you answer NO or N/A to any question (YES in the case of 6b or 7), attach an explanation of the circumstances and an outline of your plan to remedy the situation.

I declare that, to the best of my knowledge and belief, the information provided in this Management Representation is true and correct.

Signature	Name	Position	Date
	Mr. T. Taylor	Chair	
Signature	Name	Position	Date
	Ms. S. Sherban	Vice-Chair	

Instructions: This declaration must be signed by two authorized officers of the corporation.

ASSETS, LIABILITIES AND SURPLUS*

Page 3

ASSETS

Cash and investments	:Capital Reserve Fund	Line 390	10	5,931,588
	:Other		15	5,131,261
Subsidies receivable from the Region			20	
Land, building and equipment				
Cost: Shelter			25	99,895,775
Non-shelter			30	
Total		Line 25+30	35	99,895,775
Accumulated depreciation			40	16,805,597
Net		Line 35 - 40	45	83,090,178
Construction in progress			47	
Other Assets			50	554,409
TOTAL ASSETS		Line 10+15+20+45+47+50	55	94,707,436

LIABILITIES

Subsidies payable to the Region			60	210,638
Mortgage loans			65	82,775,178
Construction loans			67	
Other loans (specify)			70	
Other liabilities			75	2,880,241

SURPLUS

Contributed surplus			80	3,090,931
Capital Reserve Fund		Line 370	85	5,717,629
Other reserve funds (specify)	Region Housing Program		86	32,820
			87	
			88	
Accumulated surplus/(deficit)			92	
TOTAL LIABILITIES AND SURPLUS		Line 60 to 92	95	94,707,436

* Includes Consolidated Assets, Liabilities and Surplus of Housing york Inc.

ANNUAL INFORMATION RETURN- PRIVATE NON-PROFIT

SHELTER EXPENSES

Page 4

OPERATING COSTS

Maintenance salaries, wages and benefits

105

646,145

Maintenance materials and services

Building and equipment

106

425,483

Elevators

107

26,144

Electrical systems

108

33,777

Heating, air conditioning, ventilation and plumbing systems

109

93,137

Grounds

110

127,609

Painting

111

78,161

Waste removal

112

59,918

Security

113

26,232

Other

114

74,200

Total

Line 106 to 114

120

944,661

Utilities

Electricity

121

398,117

Fuel

122

164,838

Water and sewage

123

95,220

Total

Line 121 to 123

130

658,176

Administration

Salaries, wages and benefits

131

557,905

Management fees

132

0

Materials and services

133

26,722

Other

134

163,013

Total

Line 131 to 134

140

747,640

Other

Insurance

141

67,582

Bad debts

142

34,128

Total

Line 141+142

150

101,710

Total Operating Costs

Line 105+120+130+140+150

155

3,098,331

Municipal Taxes

160

830,989

Mortgage Payments

Interest

171

4,719,918

Principal repaid

172

2,008,166

Total

Line 171+172

175

6,728,084

Transfer to Capital Reserve Fund

185

444,730

Transfer to Other Funds

195

Total Shelter Expenses

Line 155+160+175+185+195

199

11,102,134

ANNUAL INFORMATION RETURN- PRIVATE NON-PROFIT

REVENUE

Page 5

RENTAL REVENUE

All Projects

Federal/Provincial Program Only (excluding 2%)

Geared-to-income - Highest Need

201a 1,525,910

Geared-to-income - Remaining RGI

201b 1,084,054

Geared-to-income - Provincial and Special Purpose projects

201d 0

Total geared-to-income

Line 201a to 201d 201 2,609,964

Market

205 2,786,131

Subtotal

Line 201+205 210 5,396,095

Less: Vacancy loss on market units

212 75,005

Net

Line 210 - 212 215 5,321,090

NON-RENTAL REVENUE

Parking and laundry

221 117,005

Interest

222 54,108

Other

223 35,106

Total

Line 221 to 223 225 206,219

OTHER REVENUE

Gifts, donations and other

232

Net non-shelter revenue

Line 340 233 15,753

Total

Line 232+233 235 15,753

SUBSIDIES- REGION

Operating and Rent

Line 590 250 5,662,161

Other (specify)

251

252

253

Line 251 to 253 255 0

Total Revenue and Subsidy

Line 215+225+235+250+255 260 11,205,223

Less: Shelter Expenses

Line 199 270 11,102,134

Excess (Deficiency) of Revenue over Expenses - Shelter
for Provincial and Federal/Provincial programs

Line 260 - 270 - 235 295 87,335

Excess (Deficiency) of Revenue over Expenses - Non-Shelter
for other programs and activities

Line 235 297 15,753

Excess (Deficiency) of Revenue over Expenses - Total

Line 295+297 299 103,089

Calculation of non-rental revenue retained by non-profit housing providers
Fiscal years beginning in 2000

2001 non-rental revenue subject to Incentive

Line 221 - Parking and laundry
 Line 223 - Other

	117,005	A
	35,106	B
A + B	152,110	C

1995 non-rental revenue (base for incentive)

Line 221 - Parking and laundry
 Line 223 - Other

	87,034	D
		E
D + E	87,034	F

1999 non-rental revenue retained by non-profit
 (enter NIL if amount is negative)

C - F	65,076	G
--------------	---------------	----------

Non-rental revenue to be reported in subsidy calculation

Line 222 - Interest (from 2004 Annual Information Return)
 Base amount of non-rental revenue, lesser of line C or F

	54,108	H
	87,034	I
H + I	141,142	J

NON-SHELTER REVENUE AND EXPENSES

Page 6

NON-SHELTER REVENUE

		CARE	COMMERCIAL AND OTHER	TOTAL
Commercial rent		n/a		0
Other (specify)			n/a	0
Other			n/a	0
Other	ACL offices	15,400		15,400
	Keswick Adult Day Care	33,100		33,100
TOTAL NON-SHELTER REVENUE	Line 301 to 305	48,500	0	48,500

NON-SHELTER EXPENSES

Operating costs				
Maintenance salaries, wages and benefits	311	2,310		2,310
Maintenance materials and services	312	2,310		2,310
Utilities	313	7,959		7,959
Administration	314	770		770
Other	315	301		301
Total operating costs	Line 311 to 315	13,650	0	13,650
Municipal taxes	320	2,316		
Mortgage payments	325	16,781		
TOTAL NON-SHELTER EXPENSES	Line 316+320+325	32,747	0	32,747
NET NON-SHELTER REVENUE	Line 310 - 330	15,753	0	15,753

Description of Allocation Methods Used

Maintenance salaries, wages and benefits	ACL units - same as previous years
Maintenance materials and services	ACL units - same as previous years
Utilities	ACL units - same as perv years + 2% of total utilities at Keswick Gardens for Day Care
Administration	ACL units - same as previous years
Other	2% of total groundskeeping costs at Keswick Gardens for Day Care
Municipal Taxes	2% of total municipal tax costs at Keswick Gardens for Day Care
Mortgage Payments	2% of total mortgage costs at Keswick Gardens for Day Care

ANNUAL INFORMATION RETURN- PRIVATE NON-PROFIT

CAPITAL RESERVE FUND

Page 7

BALANCE, BEGINNING OF YEAR

350 5,778,938

Revenue

Transfer from operations

Line 185 351 444,730

Transfer from operations (first year projects)

Line 185f 352

Capital funding

353

Interest earned

354 162,193

Other

355

Total

Line 351 to 355 359 606,923

Expenses (list)

Roofing Capital

360 189,939

Building Capital

361 128,546

Elevators Capital

362 2,280

Electrical Capital

363 20,645

Equipment Capital

364 21,866

Grounds Capital

365 259,365

Life Safety Systems Capital

366 3,767

Heating & Ventilization Capital

367 95,189

Plumbing Capital

368 21,843

Total

Line 360 to 368 369 743,440

BALANCE, END OF YEAR

Line 350 + 359 - 369 370 5,642,421

ASSETS, END OF YEAR

Cash and investments

Line 10 390 5,643,000

DIFFERENCE

Line 370 - 390 395 (579)

Explanation of the difference on line 395 if it exceeds \$1,000 and the corporation's plan to remedy the situation

PRIVATE NON-PROFIT OPERATING BUDGET

OPERATING SUBSIDY

Page 8

TOTAL COSTS

Adjusted Operating Costs

Previous year

Prior year budget line 535 531 2,887,883

Cost factor

Ministry Newsletter 532 1.0329

Subtotal

Line 531 x Line 532 533 2,982,894

Operating costs for the second year of new projects

Line 155s 534

Adjusted operating costs

Line 533+534 535 2,982,894

Municipal Taxes

Line 160 536 830,989

Mortgage payments

Line 175 537 6,728,084

Capital reserve allowance

Line 185 538 444,730

TOTAL COSTS for subsidy calculation purposes

Line 535 to 538 540 10,986,698

If the corporation's portfolio is 100% RGI go directly to Total Subsidy on page 9 for short form calculation.

REVENUE

Unit Revenue

Rent District Code

C13E

Unit Type	Total Units	Market Units	Unit Rent Factor	Unit Revenue for market units (B x C x 12)	Unit Revenue for total units (A x C x 12)
	A	B	C	D	E
Glenwood - 2BTH	G 12	2.00	794	19,056	114,336
Glenwood - 3BTH	G 48	10.08	922	111,525	531,072
Glenwood - 4BTH	G 4	1.00	977	11,724	46,896
Keswick - 1BAPT	G 87	12.58	660	99,634	689,040
Keswick - 2BAPT	G 33	22.67	737	200,493	291,852
Springbrook - 2BTH	R 36	12.00	965	138,960	416,880
Springbrook - 3BTH	R 54	15.75	1,085	205,065	703,080
Springbrook - 4BTH	R 3	1.00	1,148	13,776	41,328
Mulock - 2BTH	N 33	6.92	935	77,642	370,260
Mulock - 3BTH	N 68	11.67	1,058	148,162	863,328
Mulock - 4BTH	N 3	-	1,103	-	39,708
Heritage - 1BAPT	N 44	8.50	723	73,746	381,744
Heritage - 2BAPT	N 70	24.92	834	249,399	700,560
Heritage - 3BAPT	N 6	4.00	970	46,560	69,840
Hadley - 1BAPT	A 56	10.00	723	86,760	485,856
Hadley - 2BAPT	A 24	17.83	834	178,443	240,192
Brayfield - 2BTH	N 16	4.67	935	52,397	179,520
Brayfield - 3BTH	N 60	20.42	1,058	259,252	761,760
Brayfield - 4BTH	N 5	1.00	1,103	13,236	66,180
Oxford - 1BAPT	G 28	8.00	660	63,360	221,760
Oxford - 2BAPT	G 8	6.00	737	53,064	70,752
Rosetown - 1BAPT	R 93	11.00	772	101,904	861,552
Rosetown - 2BAPT	R 32	22.08	874	231,575	335,616
				-	-
Total of column	823	234.09		541 2,435,735	
UNIT REVENUE for total units				Total column E	542 8,483,112
NON-RENTAL REVENUE				Line 225	543 141,142
RENT INCENTIVE					
Net rental revenue for market units				Line 205 - 212	544 2,711,126
Unit Revenue for market units				Line 541	545 2,435,735
				Line 544 - 545	546 275,391
RENT INCENTIVE				50% of line 546; if negative, enter nil	547 137,696
OPERATING SUBSIDY				Line 540 - 542 - 543 - 547	550 2,224,748

RENT SUBSIDY CALCULATION AND YEAR END SETTLEMENT

Page 9

RENT SUBSIDY

Unit Revenue for total units	Line 542	561	8,483,112
Less: Unit Revenue for market units	Line 541	562	2,435,735
Unit Revenue for RGI units	Line 561 - 562	563	6,047,377
Less: Geared-to-income rent revenue	Line 201	564	2,609,964
RENT SUBSIDY	Line 563 - 564	570	3,437,413

TOTAL SUBSIDY

First year subsidy	Line 250f	581	0
Operating subsidy	Line 550	582	2,224,748
Rent Subsidy	Line 570	583	3,437,413
TOTAL SUBSIDY	Line 581 to 583	590	5,662,161
Less: Subsidy received		595	5,746,099
PAYABLE TO THE CORPORATION (Region)	Line 590 - 595	599	(83,938)

TOTAL SUBSIDY

Short form calculation for 100% RGI portfolios

NO

First year subsidy	Line 250f	581x	0
Operating and rent subsidy			
Total costs	Line 540	585x	0
Less: Geared-to-income rent revenue	Line 201	586x	0
Non rental revenue	Line 225	587x	0
Subtotal	Line 586x+587x	588x	0
 Total	Line 585x - 588x	589x	0
TOTAL SUBSIDY	Line 581x+589x	590x	0
Less: Subsidy received		595x	0
PAYABLE TO THE CORPORATION(REGION)	Line 590x - 595x	599x	0

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MINIMUM RGI UNIT REQUIREMENTS:

PROJECT ADDRESS	TOTAL RGI	
	Units at year end	
	Required	Actual
Glenwood Mews	52	53
Keswick Gardens	90	84
Springbrook Gardens	65	65
Mulock Village	84	85
Heritage East	97	81
Hadley Grange	52	52
Brayfield Manors	57	56
Oxford Village	27	22
Rosetown	93	90
Total	617	588

ADDITIONAL REQUIREMENTS FOR PROVINCIAL NON-PROFIT HOUSING PROGRAM PROJECTS

(Report in summary for all projects in Provincial program portfolio)

MINIMUM UNITS	
Units at year end	
Required	Actual

Tenants whose Household Income is below the income cut-off level established by the Region (Clause 6.8 b) i))

617	588
-----	-----

Market Rent Households (Clause 6.8 b) ii))

206	235
-----	-----

Tenants who meet the criteria for a group that has particular difficulty in obtaining accomodation (Clause 6.8 b) iii))

n/a	n/a
-----	-----

Units modified to provide physical accessibility (Schedule A)

n/a	77
-----	----

Tenants requiring support services (Schedule A)

n/a	100
-----	-----

MOVE-OUTS AND VACANCIES

Number of move-outs during the year:

143

Vacant Units: 31

Geared-to-income
Market

n/a
n/a

During year At year end

PROJECT LEVEL EXPENSE INFORMATION

Page 12

FEDERAL/PROVINCIAL NON-PROFIT HOUSING PROGRAM PROJECTS

PROJECT ADDRESS		TOTAL UNITS	UTILITIES (SHELTER)	TAXES (SHELTER)	MORTGAGE PAYMENTS (SHELTER)	CAPITAL RESERVE ALLOWANCE
		A	B	C	D	E
Glenwood Mews		64	12,679	88,509	472,447	43,955
Mulock Village		104	10,900	129,772	1,015,620	68,758
Oxford Village		36	43,236	27,862	231,756	15,384
Rosetown		125	123,957	104,347	559,856	54,080
Subtotal		329	190,771	350,491	2,279,679	182,177
Total all columns		910				

PROVINCIAL AND SPECIAL PURPOSE NON-PROFIT HOUSING PROGRAM PROJECTS

PROJECT ADDRESS	"X"	TOTAL UNITS	UTILITIES (SHELTER)	TAXES (SHELTER)	MORTGAGE PAYMENTS (SHELTER)	CAPITAL RESERVE ALLOWANCE
		A	B	C	D	E
Brayfield Manor		81	9,607	77,858	847,991	54,630
Heritage East		120	203,907	109,012	1,208,361	59,967
Hadley Grange		80	105,959	73,526	516,778	35,164
Keswick Gardens		120	147,709	115,813	839,029	52,275
Springbrooks Gardens		93	8,181	106,605	1,053,027	60,517
Subtotal						
Total all columns	920	494	475,363	482,815	4,465,185	262,553

Note: Special Purposes projects should be identified by marking an "X" in the "X" column.

Total

Line 910+920

930

823

666,135

833,306

6,744,864

444,730

Social Housing Annual Information Return

Housing York Inc.

Combined Statistical Information

Unit of Measure		Public Housing 01	Rent Supplement 02	Limited Dividend 03	Section 26 & 27 04	Section 95 PNP/IMP 05	Provincial Reformed 06	Pre-1986 Urban Native 07	Post-1985 Urban Native 08
I. Households assisted by program type									
RGI households with incomes at or below the HILs									
Households assisted by program (at end of year)	2101 Households	872	67				574		
Non-RGI households and RGI households with incomes above the HILs									
Households assisted by program (at end of year)	2105 Households	-	7				233		
II. Household types assisted and average gross incomes (at year end)									
Families									
RGI households with incomes at or below the HILs									
Total number of targeted households	2111 Households	10	4				294		
Average annual gross household income	2113 \$	22,876	14,840				11,086		
Non-RGI households and RGI households with incomes above the HILs									
Total number of non-targeted households	2115 Households						101		
Seniors									
RGI households with incomes at or below the HILs									
Total number of targeted households	2121 Households	862	63				280		
Average annual gross household income	2123 \$	15,267	20,428				17,816		
Non-RGI households and RGI households with incomes above the HILs									
Total number of non-targeted households	2125 Households						133		
Non-elderly singles									
RGI households with incomes at or below the HILs									
Total number of targeted households	2131 Households								
Average annual gross household income	2133 \$								
Non-RGI households and RGI households with incomes above the HILs									
Total number of non-targeted households	2135 Households								
Special needs									
RGI households with incomes at or below the HILs									
Total number of targeted households	2141 Households								
Average annual gross household income	2143 \$								
Non-RGI households and RGI households with incomes above the HILs									
Total number of non-targeted households	2145 Households								
III. ADDITIONAL REQUIREMENTS									
Households receiving RGI whose household income is at or below the household income limit established in regulation.									
	2101 Households	872	67				574		
High need households	2152 Households	690	46				432		
Units modified to provide physical accessibility	2153 Households	1	2				77		
Households receiving support services (All of the above information is as of year end.)	2154 Households	1	26				100		



ANNUAL INFORMATION RETURN PRIVATE NON-PROFIT

IDENTIFICATION

Page 1

Co-operative nameHOUSING YORK INC. - WOODBIDGE LANE ONLY**Year ended**

31-Dec-05

Program☒

Provincial

☐ Federal/Provincial☐ Special Purpose**Corporation address**1091 GORHAM STREET, UNIT # 104
NEWMARKET, ON L3Y 8X7**Mailing address**1091 GORHAM STREET, UNIT # 104
NEWMARKET, ON L3Y 8X7**Contact name**

Katherine Campbell

Position

Program Manager, Finance and Administration

Telephone number

90-830-4444 x2732

MANAGEMENT DECLARATION

I declare that, to the best of my knowledge and belief, the information provided in this Annual Information Return is true and correct.

Signature**Name****Position****Date**

Mr. T. Taylor

Chair

Signature**Name****Position****Date**

Ms. S. Sherban

Vice Chair

Note to auditors:

The Region requires non-profit housing corporations to ensure that their auditors complete two reports on the Annual Information Return, an Auditor's Derivative Report and an Auditor's Report on Financial Information contained in the Annual Information Return. Information on the reports is provided in the Guide to the Operating Budget and Annual Information Return.

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(1) The Management Declaration must be signed by two authorized officers of the corporation.

MANAGEMENT REPRESENTATION

Page 2

For the year ended:

December 31 2004

RESIDENT RELATIONS

- 1) Did the corporation assist all applicants for housing in accordance with Program Guidelines? ☒ Y ☐ N
- 2) Did the corporation select tenants in accordance with Program Guidelines, including participating in a Co-ordinated Access System, if required? ☒ Y ☐ N
- 3) Have all RGI tenants signed leases, prepared in accordance with Program Guidelines? ☒ Y ☐ N
- 4) Was verification of income obtained from all rent geared-to-income tenants in accordance with Program Guidelines? ☒ Y ☐ N
- 5) Were all geared-to-income rents charged in accordance with Program Guidelines? ☒ Y ☐ N

FINANCIAL MANAGEMENT

- 6a) Were all serious deficiencies, if any, in internal controls or operations reported by the Corporation's auditor in the prior year remedied? ☒ Y ☐ N
- 6b) Did the Corporation receive a management letter from its auditor reporting serious deficiencies in internal controls or operations? (If you answer YES attach a copy of the management letter.) ☐ Y ☒ N
- 7) Did the Corporation incur any expenditures of an excessive and material nature having regard to the normal practice for similar non-profit housing corporations? ☐ Y ☒ N
- 8) Were expenses allocated to the non-shelter component in accordance with Program Guidelines? ☒ Y ☐ N
- 9) Was the shelter component operating surplus used in an appropriate manner in accordance with Program Guidelines? ☒ Y ☐ N
- 10) Was the Capital Reserve Fund operated in accordance with Program Guidelines? ☒ Y ☐ N
- 11) Does the Corporation have adequate fire, fidelity and other insurance as required to protect against catastrophic loss and was this insurance purchased in accordance with Program Guidelines? ☒ Y ☐ N

GOVERNANCE

- 12) Did the Corporation comply with policies and procedures contained in the Ministry's "Conflict of Interest Handbook for Non-Profit Housing Providers"(June 1995), and any Newsletters issued subsequently which update this Handbook? ☒ Y ☐ N
- 13) Were all necessary actions taken to comply with the the Corporation Information Act or any other regulatory statute to retain the Corporation's non-profit status in good standing? ☒ Y ☐ N
- 14) Do all contractual arrangements for the provision of property management services comply with Program Guidelines? ☐ N/A ☒ Y ☐ N

If you answer NO or N/A to any question (YES in the case of 6b or 7), attach an explanation of the circumstances and an outline of your plan to remedy the situation.

I declare that, to the best of my knowledge and belief, the information provided in this Management Representation is true and correct.

Signature	Name	Position	Date
	Mr. T. Taylor	Chair	
Signature	Name	Position	Date
	Ms. S. Sherban	Vice-Chair	

Instructions: This declaration must be signed by two authorized officers of the corporation.

ASSETS, LIABILITIES AND SURPLUS*

Page 3

ASSETS

Cash and investments :Capital Reserve Fund
:Other

Line 390

10

15

Subsidies receivable from the Region

20

Land, building and equipment

Cost: Shelter

25

Non-shelter

30

Total

Line 25+30

35

0

Accumulated depreciation

40

Net

Line 35 - 40

45

0

Construction in progress

47

Other Assets

50

TOTAL ASSETS

Line 10+15+20+45+47+50

55

0

LIABILITIES

Subsidies payable to the Region

60

Mortgage loans

65

Construction loans

67

Other loans (specify)

70

Other liabilities

75

SURPLUS

Contributed surplus

80

Capital Reserve Fund

Line 370

85

Other reserve funds (specify)

86

87

88

Accumulated surplus/(deficit)

92

TOTAL LIABILITIES AND SURPLUS

Line 60 to 92

95

0

*Final transfer pending completion in 2006

ANNUAL INFORMATION RETURN- PRIVATE NON-PROFIT

SHELTER EXPENSES

Page 4

OPERATING COSTS

Maintenance salaries, wages and benefits

105 17,939

Maintenance materials and services

Building and equipment

106 10,850

Elevators

107 0

Electrical systems

108 399

Heating, air conditioning, ventilation and plumbing systems

109 8,831

Grounds

110 2,439

Painting

111 190

Waste removal

112 422

Security

113 0

Other

114 1,323

Total

Line 106 to 114 120 24,454

Utilities

Electricity

121 2,495

Fuel

122 651

Water and sewage

123 2,991

Total

Line 121 to 123 130 6,137

Administration

Salaries, wages and benefits

131 7,658

Management fees

132 0

Materials and services

133 1,998

Other

134 0

Total

Line 131 to 134 140 9,656

Other

Insurance

141 895

Bad debts

142

Total

Line 141+142 150 895

Total Operating Costs

Line 105+120+130+140+150 155 59,080

Municipal Taxes

160 12,944

Mortgage Payments

Interest

171 61,308

Principal repaid

172 24,805

Total

Line 171+172 175 86,113

Transfer to Capital Reserve Fund

185 5,024

Transfer to Other Funds

195

Total Shelter Expenses

Line 155+160+175+185+195 199 163,160.41

ANNUAL INFORMATION RETURN- PRIVATE NON-PROFIT

REVENUE

Page 5

RENTAL REVENUE

All Projects

Federal/Provincial Program Only (excluding 2%)

Geared-to-income - Highest Need

Geared-to-income - Remaining RGI

201a

201b

Geared-to-income - Provincial and Special Purpose projects

201d

Total geared-to-income

Line 201a to 201d

201

Market

205

Subtotal

Line 201+205

210

Less: Vacancy loss on market units

212

Net

Line 210 - 212

215

NON-RENTAL REVENUE

Parking and laundry

221

Interest

222

Other

223

Total

Line 221 to 223

225

OTHER REVENUE

Gifts, donations and other

232

Net non-shelter revenue

Line 340

233

Total

Line 232+233

235

SUBSIDIES- REGION

Operating and Rent

Line 590

250

Other (specify)

251

252

253

Line 251 to 253

255

Total Revenue and Subsidy

Line 215+225+235+250+255

260

Less: Shelter Expenses

Line 199

270

Excess (Deficiency) of Revenue over Expenses - Shelter
for Provincial and Federal/Provincial programs

Line 260 - 270 - 235

295

Excess (Deficiency) of Revenue over Expenses - Non-Shelter
for other programs and activities

Line 235

297

Excess (Deficiency) of Revenue over Expenses - Total

Line 295+297

299

**Calculation of non-rental revenue retained by non-profit housing providers
Fiscal years beginning in 2000**

2001 non-rental revenue subject to Incentive

Line 221 - Parking and laundry
Line 223 - Other

	2,741	A
	0	B
A + B	2,741	C

1995 non-rental revenue (base for incentive)

Line 221 - Parking and laundry
Line 223 - Other

	0	D
		E
D + E	0	F

1999 non-rental revenue retained by non-profit
(enter NIL if amount is negative)

C - F	2,741	G
--------------	--------------	----------

Non-rental revenue to be reported in subsidy calculation

Line 222 - Interest (from 2004 Annual Information Return)
Base amount of non-rental revenue, lesser of line C or F

	0	H
	0	I

H + I	0	J
--------------	----------	----------

NON-SHELTER REVENUE AND EXPENSES

Page 6

NON-SHELTER REVENUE

		CARE	COMMERCIAL AND OTHER	TOTAL
Commercial rent		n/a		0
Other (specify)			n/a	0
Other			n/a	0
Other				0
				0
TOTAL NON-SHELTER REVENUE	Line 301 to 305	0	0	0

NON-SHELTER EXPENSES

Operating costs				
Maintenance salaries, wages and benefits	311			0
Maintenance materials and services	312			0
Utilities	313			0
Administration	314			0
Other	315			0
Total operating costs	Line 311 to 315	0	0	0
Municipal taxes	320			
Mortgage payments	325			
TOTAL NON-SHELTER EXPENSES	Line 316+320+325	0	0	0
NET NON-SHELTER REVENUE	Line 310 - 330	0	0	0

Description of Allocation Methods Used

ANNUAL INFORMATION RETURN- PRIVATE NON-PROFIT

CAPITAL RESERVE FUND

Page 7

BALANCE, BEGINNING OF YEAR

350 74,039

Revenue

Transfer from operations

Line 185 351 5,024

Transfer from operations (first year projects)

Line 185f 352

Capital funding

353

Interest earned

354

Other

355

Total

Line 351 to 355 359 5,024

Expenses (list)

Roofing Capital

360

Building Capital

361

Elevators Capital

362

Electrical Capital

363

Equipment Capital

364

Grounds Capital

365 4,434

Life Safety Systems Capital

366

Heating & Ventilization Capital

367

Plumbing Capital

368

Total

Line 360 to 368 369 4,434

BALANCE, END OF YEAR

Line 350 + 359 - 369 370 74,629

ASSETS, END OF YEAR

Cash and investments

Line 10 390 74,629

DIFFERENCE

Line 370 - 390 395 0

Explanation of the difference on line 395 if it exceeds \$1,000 and the corporation's plan to remedy the situation

OPERATING SUBSIDY		Page 8
TOTAL COSTS		
Adjusted Operating Costs		
Previous year	Prior year budget line 535	531
Cost factor	Ministry Newsletter	532
Subtotal	1.0329	
Operating costs for the second year of new projects	Line 531 x Line 532	533
Adjusted operating costs	Line 155e	534
	Line 533+534	535
Municipal Taxes	Line 160	536
Mortgage payments	Line 175	537
Capital reserve allowance	Line 185	538
TOTAL COSTS for subsidy calculation purposes	Line 535 to 538	540

If the corporation's portfolio is 100% RGI go directly to Total Subsidy on page 9 for short form calculation.

Unit Revenue	Rent District Code	C13E
--------------	--------------------	------

Unit Type	Total Units	Market Units	Unit Rent Factor	Unit Revenue for market units (B x C x 8)	Unit Revenue for total units (A x C x 8)
	A	B	C	D	E
WBL - 2BTH	V	3	-	934	22,416
WBL - 3BTH	V	8	-	1,067	68,288
WBL - 4BTH	V	3	-	1,125	27,000
				-	-
				-	-
				-	-
				-	-
				-	-
				-	-
				-	-
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				-	-
				-	-
				-	-
				-	-
				-	-
				-	-
				-	-
				-	-
Total of column	14	-	541	-	-
UNIT REVENUE for total units				Total column E	542 117,704
NON-RENTAL REVENUE				Line 225	543 2,741
RENT INCENTIVE					
Net rental revenue for market units				Line 205 - 212	544 0
Unit Revenue for market units				Line 541	545 0
				Line 544 - 545	546 0
RENT INCENTIVE				50% of line 546; if negative, enter nil	547 0
OPERATING SUBSIDY				Line 540 - 542 - 543 - 547	550 15,607

RENT SUBSIDY CALCULATION AND YEAR END SETTLEMENT

Page 9

RENT SUBSIDY

Unit Revenue for total units	Line 542	561	117,704
Less: Unit Revenue for market units	Line 541	562	0
Unit Revenue for RGI units	Line 561 - 562	563	117,704
Less: Geared-to-income rent revenue	Line 201	564	46,227
RENT SUBSIDY	Line 563 - 564	570	71,477

TOTAL SUBSIDY

First year subsidy	Line 250f	581	0
Operating subsidy	Line 550	582	15,607
Rent Subsidy	Line 570	583	71,477
TOTAL SUBSIDY	Line 581 to 583	590	87,085
Less: Subsidy received		595	113,864
PAYABLE TO THE CORPORATION (Region)	Line 590 - 595	599	(26,779)

TOTAL SUBSIDY

Short form calculation for 100% RGI portfolios

NO

First year subsidy	Line 250f	581x	0
Operating and rent subsidy			
Total costs	Line 540	585x	0
Less: Geared-to-income rent revenue	Line 201	586x	0
Non rental revenue	Line 225	587x	0
Subtotal	Line 586x+587x	588x	0
 Total	Line 585x - 588x	589x	0
TOTAL SUBSIDY	Line 581x+589x	590x	0
Less: Subsidy received		595x	0
PAYABLE TO THE CORPORATION(REGION)	Line 590x - 595x	599x	0

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TOTAL RGI	
Units at year end	
Required	Actual
11	14
11	14

MINIMUM UNITS	
Units at year end	
Required	Actual

11	14
----	----

3	0
---	---

n/a	n/a
-----	-----

n/a	1
-----	---

n/a	0
-----	---

n/a
n/a

0	0
0	0

PROJECT LEVEL EXPENSE INFORMATION

Page 12

FEDERAL/PROVINCIAL NON-PROFIT HOUSING PROGRAM PROJECTS

PROJECT ADDRESS		TOTAL UNITS	UTILITIES (SHELTER)	TAXES (SHELTER)	MORTGAGE PAYMENTS (SHELTER)	CAPITAL RESERVE ALLOWANCE
		A	B	C	D	E
Subtotal		Total all columns	910	0	0	0

PROVINCIAL AND SPECIAL PURPOSE NON-PROFIT HOUSING PROGRAM PROJECTS

PROJECT ADDRESS	"X"	TOTAL UNITS	UTILITIES (SHELTER)	TAXES (SHELTER)	MORTGAGE PAYMENTS (SHELTER)	CAPITAL RESERVE ALLOWANCE	
		A	B	C	D	E	
Woodbridge Lane		14	6,137	12,944	86,113	5,024	
Subtotal	Total all columns	920	14	6,137	12,944	86,113	5,024

Note: Special Purposes projects should be identified by marking an "X" in the "X" column.

Total

Line 910+920

930

14

6,137

12,944

86,113

5,024

