

Financial Statements of

**CORPORATION OF THE CITY OF
NIAGARA FALLS, ONTARIO**

Trust Funds

Year ended December 31, 2025

CORPORATION OF THE CITY OF NIAGARA FALLS, ONTARIO

Trust Funds

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Year ended December 31, 2025

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Management Report

The accompanying financial statements of the Corporation of the City of Niagara Falls, Ontario – Trust Funds (the "Entity") are the responsibility of the Entity's management and have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

The preparation of financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Entity's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in accordance with Canadian public sector accounting standards and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Board members meet with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by KPMG LLP, Chartered Professional Accountants, independent external auditors appointed by the Entity. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Entity's financial statements.

[signature of]

Jim Diodati

Mayor

[signature of]

Jason Burgess

Chief Administrative Officer

May 12, 2026



KPMG LLP

80 King Street, Suite 620
St. Catharines, ON L2R 7G1
Canada
Telephone 905 685 4811
Fax 905 682 2008

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the City of Niagara Falls, Ontario – Trust Funds:

Opinion

We have audited the financial statements of the Corporation of the City of Niagara Falls, Ontario – Trust Funds (the “Entity”), which comprise:

- the statement of financial position as at December 31, 2025
- the statement of financial activities and changes in fund balances for the year then ended
- the statement of remeasurement gains and losses at December 31, 2025
- the statement of cash flows for the year then ended; and
- notes to the financial statements, including a summary of significant accounting policies and other explanatory information

(hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2025, and statement of financial activities and changes in fund balances 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 auditor’s report.

We are independent of the Entity 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.



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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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the end.

Chartered Professional Accountants, Licensed Public Accountants

St. Catharines, Canada

May 12, 2026

CORPORATION OF THE CITY OF NIAGARA FALLS, ONTARIO

Trust Funds

Statement of Financial Position

December 31, 2025, with comparative information for 2024

Description	Cemetery		Total 2025	Total 2024
	Perpetual Care	Other		
Assets:				
Cash	\$278	\$22	\$300	\$1,778
Investments (note 3):				
Federal	6,250	0	6,250	4,066
Corporate	0	1	1	1
Subtotal investments	6,250	1	6,251	4,067
Due from the City of Niagara Falls	14	5	19	78
Total assets	\$6,542	\$28	\$6,570	\$5,923
Fund balances:				
Fund balances	\$6,542	\$28	\$6,570	\$5,923
Fund balances consist of:				
Accumulated operating surplus	\$6,372	\$28	\$6,400	\$5,925
Accumulated remeasurement gains (losses)	170	0	170	(2)
Total fund balances	\$5,900	\$28	\$6,570	\$5,923

See accompanying notes to financial statements.

On behalf of the Trusts:

[signature of] Jim Diodati, Mayor

[signature of] Jason Burgess, Chief Administrative Officer

CORPORATION OF THE CITY OF NIAGARA FALLS, ONTARIO

Trust Funds

Statement of Financial Activities and Changes in Fund Balances

Year ended December 31, 2025, with comparative information for 2024

Description	Cemetery		Total 2025	Total 2024
	Perpetual Care	Other		
Receipts:				
Cemetery lot receipts	\$236	\$0	\$236	\$274
Interest	179	1	180	224
Other income	0	4	4	4
Total receipts	415	5	420	502
Expenditures	0	0	0	0
Excess of receipts over expenditures	415	5	420	502
Net realized gains (losses)	55	0	55	(9)
Net remeasurement gains (losses)	172	0	172	(6)
Fund balance, beginning of year	5,900	23	5,923	5,436
Fund balance, end of year	\$6,542	\$28	\$6,570	\$5,923

See accompanying notes to financial statements.

CORPORATION OF THE CITY OF NIAGARA FALLS, ONTARIO

Trust Funds

Statement of Remeasurement Gains and Losses

Year ended December 31, 2025, with comparative information for 2024

Description	Cemetery		Total 2025	Total 2024
	Perpetual Care	Other		
Accumulated remeasurement gains (losses), beginning of year	\$ (2)	\$ 0	\$ (2)	\$ 4
Unrealized gains (losses) attributable to:				
Investments	172	0	172	(6)
Accumulated remeasurement gains (losses), end of year	\$ 170	\$ 0	\$ 170	\$ (2)

See accompanying notes to financial statements.

CORPORATION OF THE CITY OF NIAGARA FALLS, ONTARIO

Trust Funds

Notes to Financial Statements

Year ended December 31, 2025

1. Significant accounting policies:

The financial statements of The Corporation of the City of Niagara Falls (the “City”) trust funds (the “Trust”) are the representations of management prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada.

(a) Basis of accounting:

Revenue and expenses are reported on the accrual basis of accounting. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as the result of receipt of goods or services and/or the creation of a legal obligation to pay.

(b) Interest income:

Interest income is reported as revenue in the period earned.

(c) Investments:

Investments consist of principal protected notes “PPNs” which are recorded at fair market value. Remeasurement of PPNs are measured through the statement of remeasurement gains and losses at December 31, 2025. The Trust also holds portfolio investments which are recorded at cost. When the investments incur a loss in value that is other than temporary, the investments are written down to their fair value and the loss is recognized in the statement of financial activities and changes in fund balances.

2. Investments:

Trust fund investments of \$2,919,864 (2024 – \$973,196) are carried at fair market value. Investments of \$3,330,413 (2024 - \$3,092,865) are carried at cost and have a fair market value as at December 31, 2025 of \$3,420,412 (2024 - \$3,137,995). The fair market value represents the realizable value of investments if they were to be sold at December 31, 2025. These investments consist of bonds, treasury bills and portfolio investments.

CORPORATION OF THE CITY OF NIAGARA FALLS, ONTARIO

3. Due to/from operating fund:

The amounts owing to/from the operating fund are held with the City and are non-interest bearing with no fixed terms of repayment.

4. Other trust funds:

Description	2025	2024
Rigg Estate	\$569	\$553
W.L. Doran Estate	1,138	1,106
Moore Estate	14,015	9,351
McNiven Estate	569	553
McDonald Estate	455	442
Woodruff Estate	9,439	9,171
Coulsen Estate	341	332
Wilson Estate	569	553
C.J. Doran Estate	569	553
	\$27,664	\$22,614