



## STAFF REPORT ACTION REQUIRED

### Toronto Hydro Corporation – Unaudited 1<sup>st</sup> Quarter 2009 Financial Results

<b>Date:</b>	May 21, 2009
<b>To:</b>	Executive Committee
<b>From:</b>	Deputy City Manager and Chief Financial Officer
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2009\Internal Services\Cf\Ec09017Cf – et (AFS #10125)

#### **SUMMARY**

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This report summarizes unaudited financial results for Toronto Hydro Corporation for the period ended March 31, 2009 and recommends receipt of the Financial Statements, released on May 20, 2009. These documents are filed with the City Clerk's office and are posted on the internet on the Toronto Hydro Corporation website ([www.torontohydro.com](http://www.torontohydro.com)) and via the SEDAR website ([www.sedar.com](http://www.sedar.com)) for Canadian public securities documents.

#### **RECOMMENDATION**

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1. The Deputy City Manager and Chief Financial Officer recommends receipt of Toronto Hydro Corporation's unaudited Financial Statements for the period ended March 31, 2009.

#### **Financial Impact**

There are no financial implications from this report.

#### **DECISION HISTORY**

The 2008 Audited Financial Statements for Toronto Hydro Corporation are the subject of a City Managers Report titled "Toronto Hydro Corporation - 2008 Annual General Meeting and Annual Audited Financial Statements" to be considered by Executive Committee at its meeting of June 2, 2009.

On May 20, 2009, subsequent to the above-mentioned report being submitted for consideration to the Executive Committee, Toronto Hydro released its unaudited financial results for the period ended March 31, 2009.

## Financial Results

For the fiscal quarter ended March 31, 2009, the Corporation generated a consolidated net income of \$7.0 million, compared with \$22.5 million for the same period in 2008.

Contributing to the \$15.5 million lower net income were:

<b>Unaudited Consolidated Financial Results of Toronto Hydro Corporation</b>			
(\$ millions)			
	Quarter ended March 31, 2009	Quarter ended March 31, 2008	Change
Net Revenue	125.1	115.8	9.3
Income from Discontinued Operations		1.8	(1.8)
Less Expenses:			
Operating Expenses	59.3	50.7	(8.6)
Depreciation & Amortization	40.8	39.0	(1.8)
Net Interest Expense	17.4	16.1	(1.3)
Change in fair value of Investments	(2.1)	9.4	11.5
Provisions for PIL's <sup>(1)</sup>	2.7	(20.1)	(22.8)
Net Income	7.0	22.5	(15.5)

(1) Recovery recorded in 2008 resulted from Ministry of Finance Audit for 2001 & 2002

## CONTACT

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## SIGNATURE

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Cam Weldon  
 Deputy City Manager and Chief Financial Officer