

Unaudited Financial Report for Q2 & Q3 2026

Date: October 20, 2026
To: Board of Directors of the Toronto Atmospheric Fund
From: Director of Finance

SUMMARY

The unaudited financial results for the two quarters ended June 30, 2026, and September 30, 2026 (Q2 & Q3) are provided in Attachments 1 and 2.

FINANCIAL IMPACT

None to the City.

COMMENTS

For Q2 and Q3, TAF's publicly traded investments had overall strong results, with positive results in Q2 and a small decline in Q3. Q2 had realized/unrealized gains totalling \$6.3M and in Q3 there was \$286 thousand realized/ unrealized losses. Annual budget of the publicly traded investments is \$4.6M.

In Q2, every investment had positive realized/unrealized gains in both fixed income and equity categories. In Q3 all Canadian fixed income and public equities had realized/ unrealized losses of \$1.2M, while the US equity investments had a \$910K (C\$) in realized/unrealized gains. Year to date total gains net of management/oversight fees are \$4.9M and \$1.4 over budget.

Direct Investments in both Q2 and Q3 performed well with revenue exceeding budget by \$525K year to date due to new investments being advanced that had not been budgeted.

External revenues are slightly above budget by \$107K year to date due to momentum in advancing retrofit projects.

Program Expenses were over budget by \$1.9M, largely due to a Direct Investment write-off of \$1.5M. A secured creditor of a TAF investee issued a Notice of default to the investee resulting in a bankruptcy trustee being appointed. In addition, in Q3 TAF paid the secured creditor a contractual guarantee for the same investee amounting to \$3.5M.

Grant payments/ Project Contributions budget amounts are combined. The grants budget is \$1.028M YTD and actual is \$517K net of a \$171K recission. The project contribution budget is \$1.007M YTD and project contributions will be calculated in Q4.

Corporate Expenses are significantly under-budget at \$272K year to date due to labour vacancies which resulted in a variance of \$258K year to date. Corporate expenses are \$14K under budget year to date and the savings due to lower IT and governance costs are not expected to fully reverse by year end.

The Q3 unaudited Net Asset Value stood at \$98.6M in total, and \$38.2M, \$19.2M, \$41M for the Toronto, Ontario, and Canada endowments respectively.

The following procurement was completed during this reporting period:

Goods or Services Procured	Process Followed	Selected Provider	Contract Value (exclusive of applicable taxes)
Grants management software platform	Competitive Request for Proposals	SmartyGrants	Up to \$45,000
Integrated Project Delivery (IPD) facilitation and procurement support services for a deep retrofit project (Indigenous-owned consulting firm).	Non-competitive procurement approved due to the vendor's specialized IPD expertise, project knowledge, and ability to meet project timelines.	Énska Advisors Ltd.	Up to \$30,000
Design and delivery of a domestic hot water (DHW) heat pump right-sizing pilot program for multi-unit residential building retrofits.	Non-competitive procurement approved due to the vendor's specialized expertise and unique ability to deliver the pilot program within required timelines.	Purpose Building	Up to \$454,050.
Resident recruitment and survey administration services for residential retrofit programs.	Invitational Request for Quotations	Canadian Viewpoint	Up to \$120,000

Goods or Services Procured	Process Followed	Selected Provider	Contract Value (exclusive of applicable taxes)
Virtual Decarbonization Plan (VDP) software and assessment services for multi-unit residential buildings.	Non-competitive procurement approved due to project timelines, interoperability with partners, and the vendor's demonstrated ability to meet program requirements.	OPEN Technologies.	Up to \$118,750

CONTACT

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SIGNATURE

Robert Wotten
Director of Finance

ATTACHMENTS

1. Quarterly Financial Statement of Revenues and Expenditures (Unaudited) for three months ended June 30, 2026
2. Quarterly Financial Statement of Revenues and Expenditures (Unaudited) for three months ended September 30, 2026