

Thunder Bay Chamber of Commerce
Financial Statements
For the year ended October 31, 2023

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BDO Canada LLP
1095 Barton Street
Thunder Bay ON P7B 5N3
Canada

Independent Auditor's Report

To the Board of Directors of Thunder Bay Chamber of Commerce

Opinion

We have audited the accompanying financial statements of Thunder Bay Chamber of Commerce (the Organization), which comprise the statement of financial position as at October 31, 2023 and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as at October 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 report. We are independent of the Organization 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. 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 accounting standards for not-for-profit organizations, 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 these financial statements.

Independent Auditor's Report (cont'd)

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 Organization'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 Organization'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 Organization 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.

We 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Thunder Bay, Ontario
January 10, 2024

Thunder Bay Chamber of Commerce Statement of Financial Position

October 31 2023 2022

Assets

Current

Cash	\$ 257,518	\$ 218,871
Short term investments (Note 2)	275,000	300,000
Accounts receivable	16,506	19,154
Government remittances	7,288	5,717
Prepaid expenses	3,128	2,837

	559,440	546,579
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Capital assets (Note 3)

Long term investments (Note 2)	56,047	75,447
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	75,000	-
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	\$ 690,487	\$ 622,026
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Liabilities and Net Assets

Current

Accounts payable and accrued liabilities	\$ 46,544	\$ 20,981
Deferred revenue (Note 4)	9,158	8,318

	55,702	29,299
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Net Assets


Operating

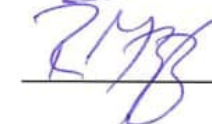
Internally restricted (Note 5)	454,976	387,433
Unrestricted	179,809	205,294

	634,785	592,727
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	\$ 690,487	\$ 622,026
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On behalf of the Board:


 _____ Director


 _____ Director

Thunder Bay Chamber of Commerce Statement of Operations

For the year ended October 31	2023	2022
Revenue		
Membership	\$ 335,730	\$ 326,567
Interest	15,339	5,293
Administration	12,250	11,400
Northern Ontario Heritage Fund/Youth Internship Funding	42,746	11,794
Donations - economic development	23,947	23,187
Commissions and advertising	77,026	67,954
Programs and special events (Schedule 1)	358,453	306,130
	<u>865,491</u>	<u>752,325</u>
Expenditure		
Affiliation fees	11,278	8,806
Amortization	19,400	18,233
Bank charges	11,830	9,275
Board activities	14,544	9,236
Computer training and supplies	21,845	20,408
Conventions	9,609	4,309
Economic development	14,000	42,000
General office	25,072	30,901
Insurance	12,422	11,239
Marketing and promotions	11,008	14,297
Professional fees	10,812	4,494
Programs and special events (Schedule 1)	216,379	225,985
Rent	27,158	26,670
Salaries and employee benefits	427,428	357,919
Staff professional development	5,448	4,517
	<u>838,233</u>	<u>788,289</u>
Excess (deficiency) of revenue over expenditure before the undernoted	27,258	(35,964)
Ontario Chamber of Commerce	14,800	80,045
Excess of revenue over expenditure	\$ 42,058	\$ 44,081

The accompanying notes are an integral part of these financial statements.

Thunder Bay Chamber of Commerce Statement of Changes in Net Assets

For the year ended October 31

2023

2022

	Operating					Total	Total
	Unrestricted	Lease Contingency	Internally Restricted		Strategic Opportunities		
			Economic Development	Membership Contingency			
Net assets, beginning of year	\$ 205,294	\$ 50,587	\$ 72,255	\$ 125,000	\$ 139,591	\$ 592,727	\$ 548,646
Excess (deficiency) of revenue over expenses for the year	59,458	(17,400)	-	-	-	42,058	44,081
Transfer to internally restricted	(84,943)	-	9,943	75,000	-	-	-
Net assets, end of year	\$ 179,809	\$ 33,187	\$ 82,198	\$ 200,000	\$ 139,591	\$ 634,785	\$ 592,727

The accompanying notes are an integral part of these financial statements.

Thunder Bay Chamber of Commerce Statement of Cash Flows

For the year ended October 31	2023	2022
Cash flows from operating activities		
Excess of revenue over expenditures for the year	\$ 42,058	\$ 44,081
Items not involving cash:		
Amortization	19,400	18,233
	61,458	62,314
Changes in non-cash working capital balances		
Accounts receivable	2,648	757
Government remittances	(1,571)	740
Prepaid expenses	(291)	18,923
Accounts payable	25,563	(6,889)
Deferred revenue	840	(60,498)
	88,647	15,347
Cash flows from (used in) investing activities		
Purchases of capital assets	-	(9,999)
Purchase of investments	(175,000)	(300,000)
Disposal of investments	125,000	275,000
	(50,000)	(34,999)
Cash flows from financing activities		
Repayments on loans	-	(30,000)
	38,647	(49,652)
Increase (decrease) in cash during the year	218,871	268,523
Cash, beginning of year		218,871
Cash, end of year	\$ 257,518	\$ 218,871

The accompanying notes are an integral part of these financial statements.

Thunder Bay Chamber of Commerce Notes to Financial Statements

October 31, 2023

1. Significant Accounting Policies

Basis of Accounting	These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations. These standards use the accrual basis of accounting. The accrual basis recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipts of goods or services and the creation of a legal obligation to pay.
Nature and Purpose of Organization	Thunder Bay Chamber of Commerce is a non-profit organization incorporated without share capital under the laws of Ontario and is exempt from income taxes under The Income Tax Act (Canada). The purpose is to bring the collective voice of the business community in an effective manner to all levels of government on matters affecting business and industry in Thunder Bay and Northwestern Ontario.
Financial Instruments	Financial instruments are recorded at fair value when acquired or issued. All guaranteed investment certificates have been designated to be in the fair value category, with gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each balance sheet date and charged to the financial instrument for those measured at amortized cost.
Capital Assets	<p>Capital assets purchased are stated at cost less accumulated amortization. Amortization based on estimated useful life of the assets is as follows:</p> <p>Amortization on furniture and equipment is recorded on a straight line basis over five years with half being taken in the first year and half in the last year.</p> <p>Amortization on computer hardware and software is recorded at a rate of 100% in the year of acquisition.</p> <p>Amortization on leasehold improvements is recorded on a straight line basis over the current term of the lease plus one fixed rate renewal term if such an option exists in the lease. Amortization is calculated monthly beginning in the month the leasehold improvement is made.</p>

Thunder Bay Chamber of Commerce Notes to Financial Statements

October 31, 2023

1. Significant Accounting Policies (cont'd)

Revenue Recognition

The Chamber of Commerce follows the deferral method of accounting for contributions, which include Government Grants. Membership fees and Events and Shows revenue are recognized as income to the extent that the related services are provided within the fiscal year of the Chamber of Commerce.

Revenue is recognized when earned on the accrual basis. Where funds have been received for special projects, programs or events, and the funds have not been expended, the revenue is deferred into the subsequent year and will be recognized in the same period as the actual expenditures are incurred.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted investment income is recognized as revenue when earned.

Contributed Materials and Services

Contributed materials and services which are used in the normal course of the Chamber of Commerce operations and would otherwise have been purchased are disclosed in the notes to the financial statements at their fair value during the year of contribution if fair value can be reasonably estimated.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Significant estimates used in the preparation of these financial statements include the useful life of capital assets and accruals.

Government Assistance

The Chamber of Commerce makes periodic applications for financial assistance under government assistance programs. Government assistance received during the year for current expenses is recorded as revenue in the year.

Thunder Bay Chamber of Commerce Notes to Financial Statements

October 31, 2023

2. Investments

Investments are split between long term and short term as follows:

	2023	2022
Short term		
GIC, 4.36% per annum, maturing April 2024	\$ 100,000	\$ -
GIC, 1.50% per annum, maturing December 2023	175,000	175,000
Cashable GIC, matured	-	125,000
	\$ 275,000	\$ 300,000
Long term		
GIC, 4.15% per annum, maturing April 2025	\$ 75,000	\$ -

3. Capital Assets

	2023		2022	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Equipment	\$ 9,999	\$ 2,833	\$ 9,999	\$ 833
Furniture and equipment	102,374	97,407	102,374	90,807
Leasehold improvements	88,034	44,120	88,034	33,320
	\$ 200,407	\$ 144,360	\$ 200,407	\$ 124,960
Net book value		\$ 56,047		\$ 75,447

4. Deferred Revenue

	2023	2022
Aboriginal Partnership Exchange	\$ -	\$ 1,750
Prosperity Northwest	6,957	5,380
Membership Renewal	1,040	-
Other	1,161	1,188
	\$ 9,158	\$ 8,318

Thunder Bay Chamber of Commerce Notes to Financial Statements

October 31, 2023

5. Internally Restricted Net Assets

	2023	2022
Economic Development Fund	\$ 82,198	\$ 72,255
Membership Contingency	200,000	125,000
Lease Contingency	33,187	50,587
Strategic Opportunities Fund	139,591	139,591
Balance, end of year	\$ 454,976	\$ 387,433

Economic Development Fund

A directors' resolution has been approved to establish an Economic Development Fund. Voluntary donations are collected from the membership during the fiscal period. These donations are held for and distributed to applicants from the community who meet the criteria to receive funding from the Economic Development Fund.

Membership Contingency Fund

During 1988, the Board of Directors passed a resolution establishing a membership contingency fund. In November 2012, the Board of Directors passed a resolution to set the contingency reserve fund at \$125,000. In May 2023, the Board of Directors passed a resolution to set the contingency fund at \$200,000

Lease Contingency Fund

During 2016, the Board of Directors passed a resolution establishing a lease contingency reserve fund.

Strategic Opportunities Fund

During 2021, the Board of Directors passed a resolution establishing a strategic opportunities fund. These funds are to be used for future initiatives that align with the strategic plan of the Chamber of Commerce.

6. Contributed Goods and Services

The contributed portion of the audit fee for 2023 was \$8,000 (2022 - \$14,000). Numerous other organizations contributed goods and services, the value of which cannot be readily quantified.

7. Lease Commitment

The Chamber has a lease for its premises at \$2,263 per month, expiring in September 2024.

8. Credit Facilities

The Chamber has a \$100,000 operating line of credit with the Royal Bank of Canada that bears interest at the Royal Bank prime lending rate plus 1.30% (8.50% at year end) and is secured by a general security agreement. At year end, the Organization had an undrawn capacity of \$100,000 (2022 - \$100,000) on this line of credit.

Thunder Bay Chamber of Commerce Notes to Financial Statements

October 31, 2023

9. Financial Instruments

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Chamber of Commerce is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of fixed income denominated GIC investments.

b) Currency and Market Rate Risks

It is management's opinion that the Chamber of Commerce is not exposed to significant currency or market risk arising from financial instruments.

c) Credit Risk

Credit risk is the risk of financial loss to the Chamber of Commerce if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Organization's membership receivables. As a result, the Chamber of Commerce is exposed to credit risk from its members, which is mitigated through proactive credit management practices.

d) Liquidity Risk

Liquidity risk is the risk that the Chamber of Commerce encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Chamber of Commerce will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable. Management feels they are not exposed to significant liquidity risk.

**Thunder Bay Chamber of Commerce
Schedule 1 - Programs and Special Events**

For the year ended October 31							2023	2022
	BrewHa Festival	Special Meetings/ Seminars	Business Awards	Prosperity Northwest	Golf Tournament	After Business	Total	Total
Revenue	\$ 150,769	\$ 24,860	\$ 60,004	\$ 79,639	\$ 35,230	\$ 7,951	\$ 358,453	\$ 306,130
Expenditures	105,639	11,318	31,358	49,549	16,243	2,272	216,379	225,985
Excess of revenue over expenditures for the year	\$ 45,130	\$ 13,542	\$ 28,646	\$ 30,090	\$ 18,987	\$ 5,679	\$ 142,074	\$ 80,145

The accompanying notes are an integral part of these financial statements.

Thunder Bay Chamber of Commerce
Financial Statements
For the year ended October 31, 2023

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In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as at October 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 report. We are independent of the Organization 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. 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

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Independent Auditor's Report (cont'd)

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 Organization'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 Organization'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 Organization to cease to continue as a going concern.
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BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Thunder Bay, Ontario
January 10, 2024

Thunder Bay Chamber of Commerce Statement of Financial Position

October 31	2023	2022
Assets		
Current		
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Short term investments (Note 2)	275,000	300,000
Accounts receivable	16,506	19,154
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Long term investments (Note 2)	75,000	-
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Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 46,544	\$ 20,981
Deferred revenue (Note 4)	9,158	8,318
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Net Assets		
Operating		
Internally restricted (Note 5)	454,976	387,433
Unrestricted	179,809	205,294
	634,785	592,727
	\$ 690,487	\$ 622,026

On behalf of the Board:

_____ Director

_____ Director

Thunder Bay Chamber of Commerce Statement of Operations

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Ontario Chamber of Commerce	14,800	80,045
Excess of revenue over expenditure	\$ 42,058	\$ 44,081

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Thunder Bay Chamber of Commerce Statement of Changes in Net Assets

For the year ended October 31

2023

2022

	Operating					Total	Total
	Unrestricted	Lease Contingency	Internally Restricted		Strategic Opportunities		
			Economic Development	Membership Contingency			
Net assets, beginning of year	\$ 205,294	\$ 50,587	\$ 72,255	\$ 125,000	\$ 139,591	\$ 592,727	\$ 548,646
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Net assets, end of year	\$ 179,809	\$ 33,187	\$ 82,198	\$ 200,000	\$ 139,591	\$ 634,785	\$ 592,727

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Thunder Bay Chamber of Commerce Statement of Cash Flows

For the year ended October 31	2023	2022
Cash flows from operating activities		
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Accounts payable	25,563	(6,889)
Deferred revenue	840	(60,498)
	88,647	15,347
Cash flows from (used in) investing activities		
Purchases of capital assets	-	(9,999)
Purchase of investments	(175,000)	(300,000)
Disposal of investments	125,000	275,000
	(50,000)	(34,999)
Cash flows from financing activities		
Repayments on loans	-	(30,000)
	38,647	(49,652)
Increase (decrease) in cash during the year	218,871	268,523
Cash, beginning of year		218,871
Cash, end of year	\$ 257,518	\$ 218,871

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Thunder Bay Chamber of Commerce Notes to Financial Statements

October 31, 2023

1. Significant Accounting Policies

Basis of Accounting	These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations. These standards use the accrual basis of accounting. The accrual basis recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipts of goods or services and the creation of a legal obligation to pay.
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Thunder Bay Chamber of Commerce Notes to Financial Statements

October 31, 2023

1. Significant Accounting Policies (cont'd)

Revenue Recognition

The Chamber of Commerce follows the deferral method of accounting for contributions, which include Government Grants. Membership fees and Events and Shows revenue are recognized as income to the extent that the related services are provided within the fiscal year of the Chamber of Commerce.

Revenue is recognized when earned on the accrual basis. Where funds have been received for special projects, programs or events, and the funds have not been expended, the revenue is deferred into the subsequent year and will be recognized in the same period as the actual expenditures are incurred.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted investment income is recognized as revenue when earned.

Contributed Materials and Services

Contributed materials and services which are used in the normal course of the Chamber of Commerce operations and would otherwise have been purchased are disclosed in the notes to the financial statements at their fair value during the year of contribution if fair value can be reasonably estimated.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Significant estimates used in the preparation of these financial statements include the useful life of capital assets and accruals.

Government Assistance

The Chamber of Commerce makes periodic applications for financial assistance under government assistance programs. Government assistance received during the year for current expenses is recorded as revenue in the year.

Thunder Bay Chamber of Commerce Notes to Financial Statements

October 31, 2023

2. Investments

Investments are split between long term and short term as follows:

	2023	2022
Short term		
GIC, 4.36% per annum, maturing April 2024	\$ 100,000	\$ -
GIC, 1.50% per annum, maturing December 2023	175,000	175,000
Cashable GIC, matured	-	125,000
	\$ 275,000	\$ 300,000
Long term		
GIC, 4.15% per annum, maturing April 2025	\$ 75,000	\$ -

3. Capital Assets

	2023		2022	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Equipment	\$ 9,999	\$ 2,833	\$ 9,999	\$ 833
Furniture and equipment	102,374	97,407	102,374	90,807
Leasehold improvements	88,034	44,120	88,034	33,320
	\$ 200,407	\$ 144,360	\$ 200,407	\$ 124,960
Net book value		\$ 56,047		\$ 75,447

4. Deferred Revenue

	2023	2022
Aboriginal Partnership Exchange	\$ -	\$ 1,750
Prosperity Northwest	6,957	5,380
Membership Renewal	1,040	-
Other	1,161	1,188
	\$ 9,158	\$ 8,318

Thunder Bay Chamber of Commerce Notes to Financial Statements

October 31, 2023

5. Internally Restricted Net Assets

	2023	2022
Economic Development Fund	\$ 82,198	\$ 72,255
Membership Contingency	200,000	125,000
Lease Contingency	33,187	50,587
Strategic Opportunities Fund	139,591	139,591
Balance, end of year	\$ 454,976	\$ 387,433

Economic Development Fund

A directors' resolution has been approved to establish an Economic Development Fund. Voluntary donations are collected from the membership during the fiscal period. These donations are held for and distributed to applicants from the community who meet the criteria to receive funding from the Economic Development Fund.

Membership Contingency Fund

During 1988, the Board of Directors passed a resolution establishing a membership contingency fund. In November 2012, the Board of Directors passed a resolution to set the contingency reserve fund at \$125,000. In May 2023, the Board of Directors passed a resolution to set the contingency fund at \$200,000

Lease Contingency Fund

During 2016, the Board of Directors passed a resolution establishing a lease contingency reserve fund.

Strategic Opportunities Fund

During 2021, the Board of Directors passed a resolution establishing a strategic opportunities fund. These funds are to be used for future initiatives that align with the strategic plan of the Chamber of Commerce.

6. Contributed Goods and Services

The contributed portion of the audit fee for 2023 was \$8,000 (2022 - \$14,000). Numerous other organizations contributed goods and services, the value of which cannot be readily quantified.

7. Lease Commitment

The Chamber has a lease for its premises at \$2,263 per month, expiring in September 2024.

8. Credit Facilities

The Chamber has a \$100,000 operating line of credit with the Royal Bank of Canada that bears interest at the Royal Bank prime lending rate plus 1.30% (8.50% at year end) and is secured by a general security agreement. At year end, the Organization had an undrawn capacity of \$100,000 (2022 - \$100,000) on this line of credit.

Thunder Bay Chamber of Commerce Notes to Financial Statements

October 31, 2023

9. Financial Instruments

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Chamber of Commerce is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of fixed income denominated GIC investments.

b) Currency and Market Rate Risks

It is management's opinion that the Chamber of Commerce is not exposed to significant currency or market risk arising from financial instruments.

c) Credit Risk

Credit risk is the risk of financial loss to the Chamber of Commerce if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Organization's membership receivables. As a result, the Chamber of Commerce is exposed to credit risk from its members, which is mitigated through proactive credit management practices.

d) Liquidity Risk

Liquidity risk is the risk that the Chamber of Commerce encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Chamber of Commerce will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable. Management feels they are not exposed to significant liquidity risk.

**Thunder Bay Chamber of Commerce
Schedule 1 - Programs and Special Events**

For the year ended October 31

2023

2022

	BrewHa Festival	Special Meetings/ Seminars	Business Awards	Prosperity Northwest	Golf Tournament	After Business	Total	Total
Revenue	\$ 150,769	\$ 24,860	\$ 60,004	\$ 79,639	\$ 35,230	\$ 7,951	\$ 358,453	\$ 306,130
Expenditures	105,639	11,318	31,358	49,549	16,243	2,272	216,379	225,985
Excess of revenue over expenditures for the year	\$ 45,130	\$ 13,542	\$ 28,646	\$ 30,090	\$ 18,987	\$ 5,679	\$ 142,074	\$ 80,145

The accompanying notes are an integral part of these financial statements.