

MORDEN & DISTRICT CHAMBER OF COMMERCE INC.

Financial Statements

Year Ended December 31, 2024

MORDEN & DISTRICT CHAMBER OF COMMERCE INC.
Index to Financial Statements
Year Ended December 31, 2024

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Surplus	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of MORDEN & DISTRICT CHAMBER OF COMMERCE INC.

We have reviewed the accompanying financial statements of MORDEN & DISTRICT CHAMBER OF COMMERCE INC. (the organization) that comprise the statement of financial position as at December 31, 2024, and the statements of operations, changes in surplus and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO), 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of MORDEN & DISTRICT CHAMBER OF COMMERCE INC. as at December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Krahn Friesen Neufeld

Morden, MB
March 20, 2025

CHARTERED PROFESSIONAL ACCOUNTANTS

MORDEN & DISTRICT CHAMBER OF COMMERCE INC.

Statement of Financial Position

December 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 67,149	\$ 99,917
Accounts receivable	2,039	1,504
Goods and services tax recoverable	86	214
Prepaid expenses	1,109	1,210
	<u>70,383</u>	<u>102,845</u>
EQUITY - WINKLER CONSUMERS CO-OP	338	338
	<u>\$ 70,721</u>	<u>\$ 103,183</u>
LIABILITIES AND SURPLUS		
CURRENT		
Accounts payable	\$ 2,460	\$ 2,359
Employee deductions payable	4,910	-
Deferred contributions (Note 5)	3,340	6,900
Current portion of long term debt (Note 6)	-	40,000
	<u>10,710</u>	<u>49,259</u>
SURPLUS		
Unrestricted	<u>60,011</u>	<u>53,924</u>
	<u>\$ 70,721</u>	<u>\$ 103,183</u>

MORDEN & DISTRICT CHAMBER OF COMMERCE INC.**Statement of Operations
Year Ended December 31, 2024**

	2024	2023
REVENUE		
Fundraising and special events	\$ 60,280	\$ 58,004
Memberships	41,772	41,370
Grants - City of Morden (Note 7)	25,550	20,500
Group insurance	8,864	8,327
Grants - Federal (Note 7)	4,764	-
Interest income	1,546	3,373
Miscellaneous	100	-
	<u>142,876</u>	<u>131,574</u>
EXPENSES		
Affiliation	3,795	4,012
Bad debt	-	1,328
Committee meetings	1,747	1,711
Convention and travel	3,095	2,898
Fundraising and special events	27,160	31,450
Insurance	1,490	1,413
Interest and bank charges	584	391
Marketing and promotion	2,240	3,668
Office, postage and stationery supplies	2,748	2,861
Professional fees	6,648	5,624
Rent and utilities	13,000	12,000
Salaries and benefits	70,372	62,748
Telephone and internet	780	780
Website	3,130	3,435
	<u>136,789</u>	<u>134,319</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 6,087</u>	<u>\$ (2,745)</u>

MORDEN & DISTRICT CHAMBER OF COMMERCE INC.

Statement of Changes in Surplus

Year Ended December 31, 2024

	2024	2023
SURPLUS - BEGINNING OF YEAR	\$ 53,924	\$ 56,669
Excess (Deficiency) of revenue over expenses	<u>6,087</u>	<u>(2,745)</u>
SURPLUS - END OF YEAR	\$ 60,011	\$ 53,924

MORDEN & DISTRICT CHAMBER OF COMMERCE INC.

Statement of Cash Flows

Year Ended December 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Cash receipts from customers and fundraising	\$ 106,921	\$ 105,566
Cash received from government entities	30,314	20,500
Cash paid to suppliers and employees	(131,094)	(135,471)
Interest received	1,546	3,373
Interest paid	(584)	(391)
Goods and services tax	129	(281)
	<hr/>	<hr/>
Cash flow from (used by) operating activities	7,232	(6,704)
INVESTING ACTIVITY		
Proceeds from sale of marketable securities	-	60,000
FINANCING ACTIVITY		
Repayment of long term debt	(40,000)	-
	<hr/>	<hr/>
INCREASE (DECREASE) IN CASH FLOW	(32,768)	53,296
Cash - beginning of year	99,917	46,621
	<hr/>	<hr/>
CASH - END OF YEAR	\$ 67,149	\$ 99,917

MORDEN & DISTRICT CHAMBER OF COMMERCE INC.

Notes to Financial Statements

Year Ended December 31, 2024

1. DESCRIPTION OF ENTITY

The purpose of the Morden & District Chamber of Commerce Inc. (the "organization") is to undertake an organizing and coordinating role in Morden and district in terms of commercial, tourism and industrial development and civic affairs as it relates to the progress and development of Morden and district. As a not-for profit organization, the organization is tax exempt under the provisions of the Income Tax Act.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). ASNPO are part of Canadian generally accepted accounting principles (GAAP).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The organizations follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees are recognized as revenue in the year in which the membership relates to.

Government grants are recognized as revenue in the year in which the related expenses are incurred.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

Measurement uncertainty

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Capital assets

The organization's policy is to expense capital acquisitions in the year of purchase.

(continues)

MORDEN & DISTRICT CHAMBER OF COMMERCE INC.

Notes to Financial Statements

Year Ended December 31, 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments policy

The organization carries various financial instruments and measures financial assets and financial liabilities on the balance sheet when they become a party to the contractual provisions of a financial instrument. The organization subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in net income in the period incurred.

Financial assets measured at amortized cost on a straight-line basis include cash and trade and other receivables.

Financial liabilities measured at amortized cost on a straight-line basis include bank overdrafts and trade accounts payable.

Government assistance

Government assistance towards current expenses, including salaries, are recognized as revenue in the period in which these expenses are incurred, provided there is reasonable assurance that the organization has complied and will continue to comply with all the conditions of the assistance.

4. FINANCIAL INSTRUMENTS

The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2024.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The company is exposed to credit risk from customers. The organization has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and accounts payable.

5. DEFERRED CONTRIBUTIONS

	<u>2024</u>	<u>2023</u>
<u>Deferred Contributions</u>		
Restricted contributions received	\$ 3,340	\$ 6,900

Deferred contributions represent externally restricted funds received for specific purposes to be spent in future years. Contributions are recognized as revenue when the specified expenditures have been incurred.

MORDEN & DISTRICT CHAMBER OF COMMERCE INC.

Notes to Financial Statements

Year Ended December 31, 2024

6. LONG TERM DEBT

	<u>2024</u>	<u>2023</u>
Canada Emergency Business Account loan paid off in the current year.	\$ -	\$ 40,000
Amounts payable within one year	-	(40,000)
	<u>\$ -</u>	<u>\$ -</u>

7. GOVERNMENT ASSISTANCE

The organization received an operating grant from the City of Morden totaling \$25,550 (2023: \$20,500). There is no contingent requirement for repayment.

The organization received the Canada Summer Jobs grant from the Federal Government of Canada totaling \$4,764 (2023: nil). There is no contingent requirement for repayment.

All grants were coded directly to income in the current year.

8. RELATED PARTY TRANSACTIONS

The following is a summary of the organization's related party transactions:

	<u>2024</u>	<u>2023</u>
Morden Enrichment Corporation		
Rent and utilities paid	\$ 13,000	\$ 12,000
Office supplies	794	1,130
	<u>13,794</u>	<u>13,130</u>
	<u>\$ 13,794</u>	<u>\$ 13,130</u>

Three individuals with significant influence sit on the board of both the Morden Enrichment Corporation and the organization. There were no amounts owing to the Morden Enrichment Corporation at the end of December 31, 2024 (2023: \$-nil). These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.
