

**MORDEN & DISTRICT CHAMBER OF COMMERCE INC.**

**Financial Statements**

**Year Ended December 31, 2025**

**MORDEN & DISTRICT CHAMBER OF COMMERCE INC.**  
**Index to Financial Statements**  
**Year Ended December 31, 2025**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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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, 2025, 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, 2025, 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 19, 2026

CHARTERED PROFESSIONAL ACCOUNTANTS

**MORDEN & DISTRICT CHAMBER OF COMMERCE INC.**

**Statement of Financial Position**

**December 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 31,023	\$ 67,149
Term deposits (Note 5)	45,000	-
Accounts receivable	1,493	2,039
Goods and services tax recoverable	1,454	86
Prepaid expenses	1,310	1,109
	<u>80,280</u>	<u>70,383</u>
<b>EQUITY - GARDENLAND CO-OP</b>	<b>352</b>	<b>338</b>
	<u>\$ 80,632</u>	<u>\$ 70,721</u>
<b>LIABILITIES AND SURPLUS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 7,123	\$ 2,461
Employee deductions payable	6,478	4,910
Deferred contributions (Note 6)	240	3,340
	<u>13,841</u>	<u>10,711</u>
<b>SURPLUS</b>		
Unrestricted	<u>66,791</u>	<u>60,010</u>
	<u>\$ 80,632</u>	<u>\$ 70,721</u>

**MORDEN & DISTRICT CHAMBER OF COMMERCE INC.**

**Statement of Operations**

**Year Ended December 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>REVENUE</b>		
Sponsorships	\$ 55,924	\$ -
Memberships	48,073	41,772
Fundraising and special events	45,557	60,280
Grants - City of Morden (Note 7)	22,550	25,550
Group insurance	10,856	8,864
Interest income	1,379	1,546
Miscellaneous	277	100
Grants - Federal (Note 7)	-	4,764
	<u>184,616</u>	<u>142,876</u>
<b>EXPENSES</b>		
Affiliation	3,645	3,795
Committee meetings	2,548	1,747
Convention and travel	4,330	3,095
Equipment (Note 8)	2,391	-
Fundraising and special events	45,859	27,160
Insurance	1,513	1,490
Interest and bank charges	1,460	584
Marketing and promotion	8,126	2,240
Office, postage and stationery supplies	2,881	2,748
Professional fees	6,693	6,648
Rent and utilities	13,000	13,000
Salaries and benefits	80,695	70,372
Telephone and internet	780	780
Website	3,914	3,130
	<u>177,835</u>	<u>136,789</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>\$ 6,781</u>	<u>\$ 6,087</u>

**MORDEN & DISTRICT CHAMBER OF COMMERCE INC.**  
**Statement of Changes in Surplus**  
**Year Ended December 31, 2025**

	2025	2024
<b>SURPLUS - BEGINNING OF YEAR</b>	<b>\$ 60,010</b>	<b>\$ 53,923</b>
Excess of revenue over expenses	<u>6,781</u>	<u>6,087</u>
<b>SURPLUS - END OF YEAR</b>	<b>\$ 66,791</b>	<b>\$ 60,010</b>

**MORDEN & DISTRICT CHAMBER OF COMMERCE INC.**

**Statement of Cash Flows  
Year Ended December 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>OPERATING ACTIVITIES</b>		
Cash receipts from customers and fundraising	\$ 158,118	\$ 106,921
Cash received from government entities	22,550	30,314
Cash paid to suppliers and employees	(170,345)	(131,094)
Interest received	1,379	1,546
Interest paid	(1,460)	(584)
Goods and services tax	(1,368)	129
	<hr/>	<hr/>
Cash flow from operating activities	8,874	7,232
<b>INVESTING ACTIVITY</b>		
Purchase of 12 month term deposit	(15,000)	-
<b>FINANCING ACTIVITY</b>		
Repayment of long term debt	-	(40,000)
<b>DECREASE IN CASH FLOW</b>		
	(6,126)	(32,768)
Cash - beginning of year	67,149	99,917
<b>CASH - END OF YEAR</b>		
	\$ 61,023	\$ 67,149
<b>CASH CONSISTS OF:</b>		
Cash	\$ 31,023	\$ 67,149
Royal Bank of Canada - 90 day term deposit	30,000	-
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	\$ 61,023	\$ 67,149

**MORDEN & DISTRICT CHAMBER OF COMMERCE INC.**

**Notes to Financial Statements**

**Year Ended December 31, 2025**

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**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.

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**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).

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**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.

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MORDEN & DISTRICT CHAMBER OF COMMERCE INC.

Notes to Financial Statements

Year Ended December 31, 2025

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, 2025.

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. TERM DEPOSITS

	<u>Purchase date</u>	<u>Maturity date</u>	<u>Interest rate %</u>	<u>2025</u>	<u>2024</u>
Royal Bank of Canada	July 21, 2025	July 21, 2026	2.05	\$ 15,000	\$ -
Royal Bank of Canada	November 20, 2025	February 18, 2026	2.7	30,000	-
				<u>\$ 45,000</u>	<u>\$ -</u>

**MORDEN & DISTRICT CHAMBER OF COMMERCE INC.**  
**Notes to Financial Statements**  
**Year Ended December 31, 2025**

**6. DEFERRED CONTRIBUTIONS**

	2025	2024
<b><u>Deferred Contributions</u></b>		
Restricted contributions received	\$ 240	\$ 3,340

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.

**7. GOVERNMENT ASSISTANCE**

The organization received an operating grant from the City of Morden totaling \$22,550 (2024: \$25,550). There is no contingent requirement for repayment.

The organization received the Canada Summer Jobs grant from the Federal Government of Canada totaling \$-nil (2024: \$4,764). There is no contingent requirement for repayment.

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

**8. CAPITAL ASSETS**

In the current year the organization purchased equipment totalling \$2,391 (2024: \$-nil).

**9. RELATED PARTY TRANSACTIONS**

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

	2025	2024
Morden Enrichment Corporation		
Rent and utilities paid	\$ 13,000	\$ 13,000
Office supplies	969	794
	<b>13,969</b>	<b>13,794</b>
	<b>\$ 13,969</b>	<b>\$ 13,794</b>

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, 2025 (2024: \$-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.