

Brockville and District Chamber of Commerce
Financial Statements
December 31, 2024

Brockville and District Chamber of Commerce Contents

For the year ended December 31, 2024

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To the Members of Brockville and District Chamber of Commerce:

We have reviewed the accompanying financial statements of Brockville and District Chamber of Commerce (the "Chamber") which comprise the statement of financial position as at December 31, 2024, 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.

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, 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 Chamber, 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 Brockville and District Chamber of Commerce as at December 31, 2024, 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.

Brockville, Ontario

March 25, 2025



Chartered Professional Accountants

Licensed Public Accountants

Brockville and District Chamber of Commerce Statement of Financial Position

As at December 31, 2024

	2024	2023
Assets		
Current		
Cash and cash equivalents <i>(Note 4)</i>	149,593	177,053
Short-term guaranteed investment certificate <i>(Note 5)</i>	52,650	50,000
Accounts receivable <i>(Note 6)</i>	4,718	7,350
Prepaid expenses	599	-
	207,560	234,403
Long-term guaranteed investment certificates <i>(Note 5)</i>	52,500	100,000
Capital assets <i>(Note 7)</i>	3,755	8,219
	263,815	342,622
Liabilities		
Current		
Accounts payable and accrued liabilities	17,380	48,074
Deferred revenue	1,888	1,460
	19,268	49,534
Net Assets		
Investment in capital assets	3,755	8,219
Internally restricted <i>(Note 8)</i>	64,139	64,139
Internally restricted - Young Professionals <i>(Note 9)</i>	1,365	2,408
Unrestricted - General	175,288	218,322
	244,547	293,088
	263,815	342,622

Approved on behalf of the Board of Directors



Director



Director

Brockville and District Chamber of Commerce Statement of Operations

For the year ended December 31, 2024

	2024	2023
Revenue		
Functions and networking events	121,347	98,487
Membership fees	88,704	82,648
Interest and other	10,994	3,185
Chamber events banner	10,125	9,000
Insurance commissions	8,547	6,636
Canada Summer Jobs wage subsidy	5,249	9,800
Ontario Chamber of Commerce dues	2,748	2,889
Electronic mass mail fees	1,000	577
Federal Economic Development Agency for Southern Ontario Tourism Relief Fund <i>(Note 10)</i>	-	300,500
Ontario Chamber of Commerce Safe Restart Initiative <i>(Note 10)</i>	-	25,022
	248,714	538,744
Expenses		
Salaries, wages and benefits	151,955	140,188
Functions and networking events	70,908	58,747
Advertising and promotion	13,160	26,778
Accounting services	12,649	14,390
Professional fees	10,951	15,433
Rent and insurance	7,679	7,350
Telephone, office supplies, bank and credit card fees	7,617	9,034
Technology	7,307	4,863
Amortization of capital assets	4,464	5,160
Dues and fees	3,991	3,840
Miscellaneous	3,358	1,285
Meetings, conferences and travel	2,539	1,748
Member services	677	1,120
Brockville Winter Classic hockey festival <i>(Note 10)</i>	-	93,818
Equipment donated to the City of Brockville <i>(Note 10)</i>	-	178,556
	297,255	562,310
Deficiency of revenue over expenses	(48,541)	(23,566)

The accompanying notes are an integral part of these financial statements

Brockville and District Chamber of Commerce Statement of Changes in Net Assets

For the year ended December 31, 2024

	<i>Investment in capital assets</i>	<i>Internally restricted (Note 8)</i>	<i>Internally restricted - Young Professionals (Note 9)</i>	<i>Unrestricted - General</i>	2024	2023
Balance, beginning of year	8,219	64,139	2,408	218,322	293,088	316,654
Deficiency of revenue over expenses	(4,464)	-	-	(44,077)	(48,541)	(23,566)
Transfers between funds	-	-	(1,043)	1,043	-	-
Net assets, end of year	3,755	64,139	1,365	175,288	244,547	293,088

The accompanying notes are an integral part of these financial statements

Brockville and District Chamber of Commerce Statement of Cash Flows

For the year ended December 31, 2024

	2024	2023
Cash provided by (used for):		
Operating		
Deficiency of revenue over expenses	(48,541)	(23,566)
Amortization of capital assets	4,464	5,160
Increase in accrued interest on guaranteed investment certificates	(5,150)	-
	(49,227)	(18,406)
Changes in working capital accounts		
Accounts receivable	2,632	18,601
Prepaid expenses	(599)	4,000
Accounts payable and accrued liabilities	(30,694)	3,239
Deferred revenue	428	295
	(77,460)	7,729
Financing		
Repayment of long-term debt	-	(40,000)
Investing		
Purchase of guaranteed investment certificates	-	(100,000)
Proceeds on maturity of guaranteed investment certificate	50,000	-
	50,000	(100,000)
Decrease in cash resources	(27,460)	(132,271)
Cash resources, beginning of year	177,053	309,324
Cash resources, end of year	149,593	177,053
Cash resources are composed of:		
Cash	49,593	177,053
Redeemable guaranteed investment certificate	100,000	-
	149,593	177,053

The accompanying notes are an integral part of these financial statements

Brockville and District Chamber of Commerce

Notes to the Financial Statements

For the year ended December 31, 2024

1. Incorporation and nature of the organization

The Brockville and District Chamber of Commerce (the "Chamber") was formed in 1906 and is part of a network of community Chambers of Commerce and Boards of Trade that exist across Canada. The Chamber's mission is, through proactive leadership in advocacy and networking, to support and grow business to build a strong economic community. The Chamber is incorporated under the Boards of Trade Act - Part 1 (Canada) and is exempt from income taxes, providing certain requirements of the Income Tax Act (Canada) are met.

2. Change in accounting policies

Customer's accounting for cloud computing arrangements

Effective January 1, 2024, the Chamber adopted the Accounting Standard for Private Enterprises' (ASPE) new guideline AcG-20 *Customer's Accounting for Cloud Computing Arrangements*. Applying the new guideline results in the recognition, measurement, and disclosure of cloud computing arrangements, including the allocation of the arrangement consideration to significant separable elements of cloud computing arrangement.

There was no material impact on the financial statements from the application of the new accounting guideline.

3. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Revenue recognition

The Chamber follows the deferral method of accounting for contributions.

Federal, provincial and other restricted contributions and wage subsidies are recognized as revenue in the period in which the related expenditures have been 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 fiscal year encompassing the membership term.

Revenue from functions and networking events are recognized when the services are provided or the goods are delivered.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and redeemable guaranteed investment certificates.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repair and maintenance costs are charged to expense. Betterments which extend the estimated life and capacity of an asset are capitalized.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Computer equipment	20 %
Office furniture and equipment	10 %
Website and mobile application	33 %
Event centre equipment	20 %

Brockville and District Chamber of Commerce

Notes to the Financial Statements

For the year ended December 31, 2024

3. Significant accounting policies (Continued from previous page)

Impairment of long-lived assets

Long-lived assets consists of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Chamber writes down long-lived assets held for use when conditions indicate that the asset no longer has any long-term service potential to the organization. The assets are also written down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Chamber determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

Contributed services and materials

The Chamber records in the financial statements contributions of services and materials when:

- (i) the fair value of the contributions can be reasonably estimated;
- (ii) the contributed services and materials are used in the normal course of operations; and
- (iii) the Chamber would have purchased the services and materials if they had not been contributed.

No contributed materials and services were recorded for the year ended December 31, 2024 (2023 - \$nil).

Customer's accounting for cloud computing arrangement

The Chamber has applied the simplification approach to account for expenditures in a cloud computing arrangement. Under the simplification approach, the Chamber recognizes expenditures related to the elements in the cloud computing arrangement as an expense as incurred. In the current year, expenses of \$6,945 (2023 - \$4,788) have been recognized as technology expenses.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity 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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be significant. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in deficiency of revenue over expenses in the years in which they become known.

Financial instruments

The Chamber recognizes financial instruments when the Chamber becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Chamber may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Chamber has not made such an election during the year. The Chamber subsequently measures all arm's length financial assets and liabilities at amortized cost.

Transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Brockville and District Chamber of Commerce

Notes to the Financial Statements

For the year ended December 31, 2024

3. Significant accounting policies *(Continued from previous page)*

Financial instruments *(Continued from previous page)*

Financial asset impairment

The Chamber assesses impairment of all its financial assets measured at cost or amortized cost. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments; etc. in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Chamber determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Chamber reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year deficiency of revenue over expenses. The Chamber reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in deficiency of revenue over expenses in the year the reversal occurs.

4. Cash and cash equivalents

	2024	2023
Cash	49,593	177,053
Redeemable guaranteed investment certificates	100,000	-
	149,593	177,053

The redeemable guaranteed investment certificates bear interest at rates ranging from 3.00% to 3.10%, and mature in June 2025 to November 2025.

5. Investments

	2024	2023
Guaranteed investment certificate, bearing interest at 4.45%, matured November 2024	-	50,000
Guaranteed investment certificate, bearing interest at 5.30%, maturing December 2025	52,650	50,000
Guaranteed investment certificate, bearing interest at 5.00%, maturing December 2026	52,500	50,000
	105,150	150,000
Less: short-term portion	52,650	50,000
	52,500	100,000

6. Accounts receivable

	2024	2023
Trade receivables	4,138	4,047
Harmonized Sales Tax recoverable	580	3,303
	4,718	7,350

Brockville and District Chamber of Commerce Notes to the Financial Statements

For the year ended December 31, 2024

7. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2024 Net book value</i>	<i>2023 Net book value</i>
Computer equipment	32,058	30,815	1,243	2,316
Office furniture and equipment	9,872	9,596	276	388
Website and mobile application	8,760	6,524	2,236	5,110
Event centre equipment	7,035	7,035	-	405
	57,725	53,970	3,755	8,219

8. Internally restricted net assets

The Board of Directors had approved the internal restriction of \$300 monthly to be used for the development of a long-term office space strategy. The Board of Directors decided to waive this internal transfer beginning in March 2016.

9. Interfund transactions

The Board of Directors has approved the internal restriction of the net proceeds from the events and activities of the Young Professionals Committee from the general unrestricted net assets to be used for future Young Professionals events.

10. Grant funding

The Tourism Relief Fund grant was funded by the Federal Economic Development Agency for Southern Ontario with the objective of enhancing tourism experiences in Brockville, Kingston and Gananoque by organizing a hockey festival, including purchasing and installing winter bleachers and lighting at the Rotary Park owned by the City of Brockville. The festival ran from February 16 to 20, 2023.

The Safe Restart Initiative was funded by the Ontario Chamber of Commerce, in partnership with the Canadian Chamber of Commerce and the Ontario and federal governments. The initiative consists of providing COVID-19 rapid antigen tests at no charge to small and medium sized businesses and ran from July 12, 2021 to June 30, 2023.

Amounts claimed under these programs are subject to validation and detailed verification by funding agencies.

11. Financial instruments

The Chamber, as part of its operations, carries a number of financial instruments. It is management's opinion that the Chamber is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed. There have been no changes to risk exposures from the prior year.

Liquidity risk

Liquidity risk is the risk that the Chamber will not be able to meet a demand for cash or fund its obligations as they become due. The Chamber meets its liquidity requirements by monitoring cash flows from operations and anticipating financing and investing activities.

12. Commitment

The Chamber has entered into a long-term lease agreement for its premises that expires on December 31, 2026. The minimum annual payment for the year ending December 31, 2025 is \$4,859, increasing annually by the Consumer Price Index, for a minimum aggregated commitment of approximately \$9,718.