

Minutes of the Annual General Meeting

Date: 30 December 2020

Time: 4:30 pm onward

Venue: Zoom

Agenda for Annual and Special Meeting

1. Call to order
2. Special Resolution Confirming By-law Amendments (see note below)
3. Approval of Minutes of 2019 AGM and SGM
4. President's Message and Board Report
5. Auditor's Report and Approval of Financial Statements
6. Appointment of Auditor and Authorization of Board to fix Auditor's remuneration
7. Election of Directors
8. Any other business with approval of Chair
9. Meeting concluded

1. Call to order

Pramod Goyal, President, officiated as the chair for the first annual general meeting to be held virtually on the Zoom platform. Altogether, 90 members registered to participate in the virtual meeting. After the meeting commenced, 13 other members also joined.

Pramod Goyal called the meeting to order at 4:30 pm. Clarification was sought by a former president of the Chamber about the presence of the ED at the meeting, and whether he could participate in a members-only meeting. Pramod Goyal clarified that the ED has been a member since 2014, and life member since 2017.

2. Special Resolution confirming by-laws amendment

Pramod Goyal informed members that the special resolution to the amendment of the by-laws was being withdrawn and that the members would not be required to weigh in on the amendment or vote on it.

Proposed: Pramod Goyal

Seconded: Sanjay Kulkarni

3. Approval of AGM and SGM Minutes of 2019

The draft minutes of the AGM and the SGM 2019 had been uploaded to the website and circulated to members along with audited financial statements as part of the notice of the meeting. The minutes of both the AGM 2019 and the SGM 2019 were unanimously approved by the general body.

Proposed: Tauseef Sheikh

Seconded: Don Patel

4. President's Message and Board Report

See Annexure 1

5. Auditor's Report and Approval of Financial Statements

See Annexure 2

6. Appointment of Auditor and Authorization of Board to fix Auditor's remuneration

Members approved of the re-appointment of MNP LLP as the auditor for 2021, and authorized the board to fix the auditor's remuneration.

Proposed: Sanjay Kulkarni

Seconded: Vikas Sharma

7. Election of Directors

Elections were held electronically for two (2) vacant positions on the board. At the 2020 AGM, the following Seven (7) elected Directors were in the middle of their two-year term and are eligible to continue till the next AGM in September 2021:

- 1) Pramod Goyal
- 2) Tauseef Sheikh
- 3) Sanjay Kulkarni
- 4) Surinder Sharma
- 5) Vijay Thomas
- 6) Don Patel
- 7) Vikas Sharma

The following Two (2) directors were to complete their term at the upcoming AGM and were eligible to contest for another two-year term.

- 1) Virender Rathi
- 2) Ripudaman Singh Dhillon

The following nominated / appointed director is eligible to contest for a two-year term.

1. Bhavik Parikh

Nominations for the vacant positions were called by the Nominations Committee, comprising of Mr. Hari Panday, Chair, Mr. Vinod Munshi, and Mr. Pramod Goyal (Board Executive Representative).

Altogether 8 (EIGHT) nominations were received by the Nominations committee.

All incumbent directors and new applicants were assessed for continuing in the office and brought onboard, respectively, against ICCCs skill-matrix and other selection criteria to satisfy ICCC's upcoming governance needs.

This assessment was undertaken in the sole discretion of the Nominations Committee and a short-list recommended to the Board for final approval by the members at the AGM.

The committee recommended, that the following two nominations may be considered by the general body for the position of elected directors:

1. Virender Rathi
2. Bhavik Parikh

As per the nomination committee's recommendation, Virender Rathi and Bhavik Parikh were eligible to contest the elections to the vacant positions and were declared elected on the day of AGM.

Ashwini Tangri is the Returning Officer for the 2020 election, announced the election results. Altogether 219 votes were cast. Virender Rathi had garnered 42.1% votes in his favour (with 9.1% withholds), and Bhavik Parikh had garnered an equal number of for and withhold votes (24.4%).

8. Any other business with approval of Chair

There was no other business to be transacted.

9. Meeting concluded

The meeting was adjourned at 6:00 pm.

Annexure 1 (2020 AGM Minutes)

President Pramod Goyal's message and board report

Good afternoon members and welcome to the Annual General Meeting of the Indo-Canada Chamber of Commerce.

The AGM is an annual occasion for our organisation to look at the past and plan our future. We implement change even while ensuring continuity.

2020 has been a very unusual year for everyone. As I had recently observed, it is a year that we will all remember forever even though we would like to forget it quickly. The Covid-19 pandemic has transformed our world forever. In most cases, the transformation was fraught

with challenges but in some rare cases, it ushered in a dawn of a new era – an era underlines prerequisite of resilience, the necessity to rebuild and the willingness to rejuvenate.

I want to highlight some of our major achievements during the year.

Webinar series:

I am proud to say that the Indo-Canada Chamber of Commerce was among the latter in terms of swiftly adjusting to the new realities. We launched our highly successful webinar series that fulfilled our basic mandate of providing a networking platform for our members to continue to interact and create business opportunities.

The unprecedented success of our outreach has been overwhelming. Some of our webinars reached an audience of over 10,000, and all of them averaged over 2,000. Even in the post-Covid-19 scenario, we will continue to harness the outreach potential that our online platforms have created for us.

Trade focus

From 2019 onwards, we had taken a conscious decision of focusing on the core mandate of fostering bilateral trade between Canada and India.

We took the initiative to organize bilateral trade conferences that for the first time ever brought the trade ministers of Canada and India together. The conference also featured the high commissioners of India and Canada who spoke of the steady progress of bilateral trade and investments; the program culminated with a panel discussion among representatives of trade organizations on specific measures to be taken to enhance trade. We followed it with launching a trade and investment collaboration initiative between Uttar Pradesh and Ontario.

A five-member team from the Chamber participated in the Ontario Business Delegation led by Ontario Minister Hon. Vic Fidelli In November 2019 to India. Earlier in 2019, we hosted three back-to-back trade delegations from India led respectively by the Trade Promotion Council of India, the Federation of Indian Exporters Organization, and the Indian Trade Promotion Organization. Together, the Chamber organized over a hundred one-on-one meetings for 35 Indian companies from multiple sectors.

Financial discipline

My colleague on the board Sanjay Kulkarni will provide detailed information about the financial status of our organisation when he presents the audited financial report. I want to take a moment to emphasize on a few salient aspects of our financial position.

Covid-19 caused shrinkage of economic activities globally, and nobody was spared. The direct fallout of this on our organisation has been the dwindling of our sponsorship revenue. Some of our traditional sponsors have not been able to sustain their support to us this year, citing the pandemic. We hope that in the post-Covid-19 scenario, we would be able to revive their association with us.

Pertinently, despite the reduction in the sponsorship revenue, we have managed our finances properly and have, in fact, registered a nominal profit, after several years. In addition, we have also streamlined our finances to better reflect our real position by writing off long overdue receivables and payables.

And finally, we have continued to maintain our “hands-off policy” with regard to the proceeds from the sale of the building. Unlike the boards in 2017 and 2018, under my leadership, the 2019 and 2020 boards adhered to the decision of not touching the proceeds from the sale of the building. Last year, from the proceeds of the building sale, we made two deposits with SBI Bank Canada.

The first is for \$2.35 million and the other is for \$425,000. Against the smaller GIC, a line of credit for \$400,000 for operational funds, was secured. Besides, the funds from the line could be accessed without having to break the GIC, in case of any down payment requirements for future building/ asset purchase.

This year, we have renewed our deposit and line of credit with the SBI Bank Canada on better terms. Both are for one-year term at 2.15% interest pa.

Structural & Administrative reforms

We have continued to maintain a strict vigil over our membership – both new and renewals. The direct fallout of the strict adherence to norms has resulted in a slight dwindling of numbers but has also resulted in better quality of members.

We continued with our skills-based selection process for the nomination and selection of the directors eligible to contest elections. This year, we added personal interview of the candidates to this process to ensure that the selection process is made watertight.

On behalf of our members, I congratulate the Nominations Committee and the Returning Officer for having devoted so much of their time voluntarily to select the right candidates.

Court cases

I want to briefly dwell upon the court cases that were filed against the Chamber and me personally by vested interests who have personal agendas and who misinterpret and misuse democratic rights that our bylaws guarantee.

In March 2020, the Brampton small claims court decided in my favour a case filed against me by a former member. Similarly, in November 2020, the Brampton court decided in favour of the Chamber’s decision to hold the AGM as scheduled. A group had sought the court’s intervention to set aside the 2019 elections and postpone the AGM.

As members of the organisation, many of us often wonder why is it that a four-decades-old organisation like ours has not been able to emerge from its formative struggles and marched ahead as the sole representative of Indo-Canadian entrepreneurs and professionals?

This is because we are unwilling to serve the interests of the Chamber and focus upon building its capacity. We don't care if the institution is irreparably damaged as long as it serves our personal needs.

As a board, we made a small start this year, to bring the interests of the institution back into focus, but it is an uphill task that requires all of us to rededicate ourselves to the cause of institution building.

Thank you.

Pramod Goyal

Annexure 2: 2020 AGM Minutes

Indo-Canada Chamber of Commerce

Financial Statements

June 30, 2020

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Independent Auditor's Report

To the Members of Indo-Canada Chamber of Commerce:

Qualified Opinion

We have audited the financial statements of Indo-Canada Chamber of Commerce (the "Chamber"), which comprise the statement of financial position as at June 30, 2020, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Chamber as at June 30, 2020, 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 Qualified Opinion

In common with many not-for-profit organizations, the Chamber derives a significant portion of its revenue in cash, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenue from these sources was limited to the amounts recorded by the Chamber and we were not able to determine whether any adjustments might be necessary to revenues or excess of revenue over expenses for the years ended June 30, 2020 and 2019, current assets as at June 30, 2020 and 2019 and net assets as at June 30, 2020 and July 1 and June 30 2019

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 Chamber 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 qualified opinion.

Other Matter

The financial statements of the Chamber for the year ended June 30, 2019 were audited by another firm of licensed accountants, who expressed a qualified opinion on those statements on September 27, 2019 for the same reasons described in the Basis for Qualified opinion paragraph above.

The comparative information for the year ended June 30, 2019 presented in these financial statements, have been restated for the correction of several errors described in Note 12.

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 Chamber'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 Chamber or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Chamber'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.

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 Chamber'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 Chamber'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 Chamber 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.

Mississauga, Ontario

Chartered Professional Accountants

Licensed Public Accountants

Indo-Canada Chamber of Commerce
Statement of Financial Position

As at June 30, 2020

	2020	<i>2019</i> <i>Restated</i> <i>(Note 12)</i>
Assets		
Current		
Cash	27,011	2,848,608
Short-term investments (Note 4)	2,800,516	-
Harmonized sales tax recoverable	2,860	2,347
Accounts receivable	36,474	76,904
Prepaid expenses	750	3,430
Current portion lease inducement (Note 5)	10,000	10,000
	2,877,611	2,941,289
Restricted cash (Note 3)	43,140	42,267
Capital assets (Note 6)	51,497	64,769
Lease inducement (Note 5)	8,333	18,333
	2,980,581	3,066,658
Liabilities		
Current		
Accounts payable and accrued liabilities	23,650	83,645
Deferred revenue	28,958	138,867
Deferred membership fees	40,041	30,887
Current portion deferred life membership fees	8,736	8,736
Demand loan (Note 9)	40,000	-
	141,385	262,135
Deferred life membership fees (Note 10)	83,294	87,111
	224,679	349,246
Net Assets		
Unrestricted fund	2,708,049	2,656,287
Capital asset fund	47,853	61,125
	2,755,902	2,717,412
	2,980,581	3,066,658

Approved on behalf of the Board

Director

Director

The accompanying notes are an integral part of these financial statements

Indo-Canada Chamber of Commerce
Statement of Operations

For the year ended June 30, 2020

	2020	<i>2019</i> <i>Restated</i> <i>(Note 12)</i>
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Revenue		
Membership fees <i>(Note 10)</i>	70,236	138,015
Sponsorship	171,908	203,025
Interest	50,516	-
Programs and functions	39,966	127,543
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	332,626	468,583
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Expenses		
Programs and functions <i>(Note 7)</i>	98,942	233,081
Professional fees	82,659	17,310
Salaries and wages <i>(Note 13)</i>	76,514	95,122
Web support and maintenance	11,500	9,449
Insurance	10,080	-
Occupancy costs	10,000	1,667
Interest, bank fees and credit card fees	6,155	15,259
Bad debts (recovery)	5,699	(4,859)
Office and general	5,692	15,790
Telephone	3,364	10,069
Meeting expenses <i>(Note 7)</i>	2,921	2,533
Utilities	2,790	4,828
Travel <i>(Note 7)</i>	699	3,609
Property taxes	-	26,053
Interest on long-term debt	-	13,531
Amortization	13,272	47,001
	<hr/>	
	330,287	490,443
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Other income		
Recovery of expenses	36,151	-
Gain on sale of commercial condo unit	-	2,561,920
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	36,151	2,561,920
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Excess of revenue over expenses	38,490	2,540,060
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The accompanying notes are an integral part of these financial statements

Indo-Canada Chamber of Commerce Statement of Changes in Net Assets

For the year ended June 30, 2020

	<i>Unrestricted fund</i>	<i>Capital asset fund</i>	2020	<i>2019 Restated (Note 12)</i>
Net assets, beginning of year	2,656,287	61,125	2,717,412	329,644
Correction of an error (Note 12)	-	-	-	(152,292)
Net assets, beginning of year, as restated	2,656,287	61,125	2,717,412	177,352
Excess of revenue over expenses	51,762	(13,272)	38,490	2,540,060
Net assets, end of year	2,708,049	47,853	2,755,902	2,717,412

Indo-Canada Chamber of Commerce

Indo-Canada Chamber of Commerce
Statement of Cash Flows

For the year ended June 30, 2020

	2020	<i>2019</i> <i>Restated</i> <i>(Note 12)</i>
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	38,490	2,540,060
Amortization of capital assets	13,272	47,001
Amortization of lease inducement	10,000	1,667
Gain on sale of commercial condo unit	-	(2,561,920)
Deferred life membership fees	(3,817)	(1,269)
	57,945	25,539
Net changes in non-cash working capital		
Harmonized sales tax recoverable	(513)	18,839
Accounts receivable	40,430	38,494
Prepaid expenses	2,680	(2,084)
Accounts payable and accrued liabilities	(59,995)	(108,488)
Deferred revenue	(109,909)	(13,425)
Deferred membership fees	9,154	(51,156)
	(60,208)	(92,281)
Financing		
Advances of demand loan	40,000	-
Repayment of long-term debt	-	(436,104)
Line of credit	-	(149,525)
Repayment of capital lease	-	(21,134)
	40,000	(606,763)
Investing		
Purchase of short-term investments	(2,800,516)	-
Proceeds on sale of commercial condo unit	-	3,401,180
Purchase of capital assets	-	(3,644)
Repayments of restricted cash	(873)	(125)
	(2,801,389)	3,397,411
(Decrease) increase in cash	(2,821,597)	2,698,367
Cash, beginning of year	2,848,608	150,241
Cash, end of year	27,011	2,848,608

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the chamber

Indo-Canada Chamber of Commerce (the "Chamber") was incorporated in 1995 without share capital under the Canada Not-for-Profit Corporations Act. and is therefore exempt from income taxes while meeting certain requirements of the Income Tax Act.

The Chamber promotes the business, professional and general well being of people originating from India who have immigrated to Canada from all over the world or who are Canadian citizens. The Chamber also assists members with business related issues by drawing on the available expertise and resources within the association; provides recognition for the achievements of youths, business professionals and community leaders who originated from India; and fosters international commerce between Canada and Indian sub-continent as well as other countries around the world.

2. Significant accounting policies

Basis of accounting

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

Revenue recognition

The Chamber 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 over the membership term. Membership fees that relate to the following year are deferred and included in revenue in the following year. Life membership fees are deferred and taken into income over 15 years, the term of the life membership. Sponsorship revenue is recognized in accordance with the terms of the sponsorship agreement and when collection is reasonably assured. Revenue from programs and functions is recognized in the year in which the programs and functions are held.

Description of funds

The unrestricted fund accounts for the Chamber's program delivery and administrative activities. This fund reports unrestricted resources and excess of revenue over expenses. The capital asset fund reports the amounts invested in the capital assets

Contributed services

Contributions of services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials are used in the normal course of the Chamber's operations and would otherwise have been purchased.

Volunteers contribute an indeterminate number of hours during the year to assist the Chamber in carrying out its services. Because of the difficulty in determining their fair value, these contributed services are not recognized in the financial statements.

Short-term investments

Short-term investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

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

	Method	Rate
Computer equipment	declining balance	30 %
Furniture and fixtures	declining balance	20 %

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

Financial instruments

The Chamber recognizes its financial instruments when the Chamber becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 Related Party Transactions.

At initial recognition, the Chamber may irrevocably elect to subsequently measure any financial instrument at fair value. The Chamber has not made such an election during the year.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenue over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial assets measured at amortized cost include cash, restricted cash, and accounts receivable. Financial liabilities at amortized cost include accounts payable and accrued liabilities and demand loan.

Financial asset impairment:

The Chamber assesses impairment of all of its financial assets measured at cost or amortized cost. The Chamber groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Management considers several factors 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. If so, 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; 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 excess of revenues 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 the excess of excess in the year the reversal occurs.

Measurement uncertainty

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 collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Government assistance

Government grants and assistance are recognized where there is a reasonable assurance that the grants and assistance will be received and conditions will be complied with. Government grants and assistance are recorded as a reduction in the related cost over the periods in which the Chamber recognizes expenses which the grants and assistance are intended to compensate.

3. **Restricted cash**

The Chamber by-laws require an amount of cash to be set aside equal to the amount of deferred life membership fees. A separate bank account has been established and will be added to as funds are available to meet this requirement. At June 30, 2020, the amount transferred to the separate account is \$43,140 and as such there is a shortfall of \$48,890 to be transferred once funds are available.

Indo-Canada Chamber of Commerce

Notes to the Financial Statements

4. Short-term investments

Short-term investments consists of Gauranteed Investment Certificates earning interest at the following rates. the carrying value of the investments approximates their fair value at year end.

	2020	2019
Maturing August 23, 2020, 2.15% per annum	2,367,709	-
Maturing August 23, 2020, 2.15% per annum	432,807	-
	2,800,516	-

5. Lease inducement

Lease inducements received in the form of free rent periods have been deferred and are being amortized on a straight-line basis over the term of the leases as follows:

	2020	2019
Lease inducements	18,333	28,333
Less: current portion	(10,000)	(10,000)
	8,333	18,333

6. Capital assets

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Computer equipment	52,065	49,838	2,227	3,181
Furniture and fixtures	165,344	116,074	49,270	61,588
	217,409	165,912	51,497	64,769

7. Related party transactions

During the year, directors have been reimbursed for expenses incurred relating to travel, programs and functions and meeting expenses in pursuit of the mandate of the Chamber in the amount of \$3,000 (2019 - \$4,708).

8. Line of credit

In the prior year, the Chamber had a credit facility with State Bank of India (Canada), which included an approved operating line that could be drawn upon to a maximum of \$400,000, bearing interest at 2.90%. The Chamber granted the bank issuing the facility a first priority security interest in deposits of \$425,000. This facility was repayable on the earlier of demand by the bank or August 23, 2020.

Subsequent to year end, the Chamber entered into a new facility agreement during the year, with an initial credit limit of \$400,000 and bearing interest at 2.00%. The organization has granted the bank issuing the facility a first priority security interest in deposits of \$425,000. The facility is repayable on the earlier of demand by the bank or August 23, 2021.

Indo-Canada Chamber of Commerce

Notes to the Financial Statements

9. Demand loan

During the year, the Chamber received \$40,000 under the Canada Emergency Business Account ("CEBA") program funded by the Government of Canada. The CEBA loan is non-interest bearing and can be repaid at any time without penalty. If 75% of the CEBA loan has been repaid on or before December 31, 2022, then repayment of the remaining 25% shall be forgiven. Alternatively, on December 31, 2022 the Chamber may exercise the option for a 3-year term extension bearing interest at 5% on any balance remaining.

10. Deferred life membership fees

Life membership fees are being amortized over a period of 15 years.

	2020	2019
Opening balance	95,847	97,116
Funds received	10,500	12,000
Recognized in income during the year	(14,317)	(13,269)
Current portion	(8,736)	(8,736)
	83,294	87,111

11. Environmental risk

In early 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses and organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Chamber as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced revenue, supply chain disruptions, and increased government regulations, all of which may negatively impact the Chamber's operations and financial condition.

12. Correction of an error

During the year, the Chamber determined that sponsorship revenue should have been recorded in the financial statements over the period of the sponsorship agreement. This error caused sponsorship revenue to be understated by \$13,425, opening net assets to be overstated by \$152,292, and deferred revenue to be understated by \$138,867. As of June 30, 2019, the impact of this correction resulted in an increase to sponsorship revenue of \$13,425, a decrease to opening net assets of \$152,292 and an increase to deferred revenue by \$138,867.

The Chamber also determined that the rent free period subsequent to the commercial condo unit sale allowing the Chamber to remain in the premises for 3 years subsequent to the sale should have been recorded in the financial statements in the gain on sale of commercial condo unit. This error caused the gain on sale of commercial condo unit to be understated by \$30,000, occupancy expenses to be understated by \$1,667, lease inducement (current portion) understated by \$10,000 and lease inducement (long-term) understated by \$18,333. As of June 30, 2019, the impact of this correction resulted in an increase to gain on sale of commercial condo unit of \$30,000, increase of occupancy expenses of \$1,667, an increase in lease inducement (current portion) of \$10,000, and an increase in lease inducement (long-term) by \$18,333.

The Chamber also determined that the current portion of deferred life membership fees should have been reclassified to current liabilities. This error caused deferred life membership fees (current portion) to be understated by \$8,736 and deferred life membership fees (long-term) to be overstated by \$8,736. As of June 30, 2019, the impact of this correction resulted in an increase to deferred life membership fees (current portion) and a decrease in deferred life membership fees (long-term) by \$8,736.

During the year, the Chamber received \$7,583 (2019 - \$Nil) of government assistance received by the Chamber through the Canada Emergency Wage Subsidy (CEWS) program in response to the impact of COVID-19. In order to access the CEWS subsidy for the period of March 15, 2020 to May 15, 2020, the Chamber had to experience a 15% to 30% drop in revenue for the period, for the subsidy to be claimed. The revenue drop is calculated by comparing eligible revenue in that month to that same month in the previous year or the average revenue from the months of January and February 2020.

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