

**THE CORPORATION OF THE CITY OF THUNDER BAY
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT**

As at December 31,	2013	2012
	\$	\$
Annual surplus	4,621,393	19,413,881
Acquisition of tangible capital assets	(95,769,257)	(73,239,834)
Amortization of tangible capital assets	67,758,576	65,087,344
Contributed tangible capital assets	(781,693)	(3,882,328)
Proceeds on disposal of tangible capital assets	725,211	1,599,851
Loss on disposal of tangible capital assets	1,890,591	3,318,112
Write-down of tangible capital assets	-	1,127,823
	(26,176,572)	(5,989,032)
Net (increase)/decrease in prepaid expenses	814,459	(238,448)
Net (increase)/decrease in inventories	114,834	(261,777)
	929,293	(500,225)
Change in net debt	(20,625,886)	12,924,624
Net debt, beginning of year	(80,605,214)	(93,529,838)
Net debt, end of year	(101,231,100)	(80,605,214)

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