

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

<b>As at December 31,</b>	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>Annual surplus</b>	<b>12,855,228</b>	13,591,026
Acquisition of tangible capital assets	<b>(107,719,388)</b>	(101,464,434)
Amortization of tangible capital assets	<b>75,952,680</b>	71,457,459
Contributed tangible capital assets	<b>(18,161)</b>	-
Proceeds on disposal of tangible capital assets	<b>263,643</b>	1,473,932
Loss on disposal of tangible capital assets	<b>7,546,758</b>	939,076
	<b>(23,974,468)</b>	(27,593,967)
Net (increase) decrease in prepaid expenses	<b>(807,932)</b>	25,627
Net (increase) decrease in inventories	<b>434,548</b>	(979,545)
	<b>(373,384)</b>	(953,918)
Change in net debt	<b>(11,492,624)</b>	(14,956,859)
Net debt, beginning of year	<b>(143,432,328)</b>	(128,475,469)
<b>Net debt, end of year</b>	<b>(154,924,952)</b>	(143,432,328)

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