

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION

Financial Statements

Year Ended March 31, 2021

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION
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Year Ended March 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Stakeholders of Cariboo Chilcotin Coast Tourism Marketing Association

Report on the Financial Statements

I have audited the financial statements of Cariboo Chilcotin Coast Tourism Marketing Association (the "Association"), which comprise the statement of financial position as at March 31, 2021, and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2021, and the results of its operations and cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Association in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

In preparing the financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

(continues)

Independent Auditor's Report to the Members of Cariboo Chilcotin Coast Tourism Marketing Association
(continued)

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 Association'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 Association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Association 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.

I 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 I identify during my audit.

As required by the Societies Act of British Columbia, I report that, in my opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian Accounting Standards for Not-for-profit Organizations have been applied on a basis consistent with that of the preceding year.




Cranbrook, British Columbia
June 4, 2021

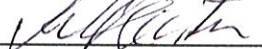
CHARTERED PROFESSIONAL ACCOUNTANT

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION
Statement of Financial Position
March 31, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 1,203,122	\$ 572,546
Term deposits (Notes 2, 5)	51,116	50,000
Accounts receivable	250,686	30,613
Goods and services tax recoverable	2,225	10,070
Prepaid expenses	-	6,301
Due from related party (Note 8)	59,413	-
	<u>\$ 1,566,562</u>	<u>\$ 669,530</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable (Note 6)	\$ 98,040	\$ 143,261
Deferred income (Note 7)	486,598	-
Due to related party (Note 8)	-	18,992
	<u>584,638</u>	<u>162,253</u>
NET ASSETS	<u>981,924</u>	<u>507,277</u>
	<u>\$ 1,566,562</u>	<u>\$ 669,530</u>

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

See notes to financial statements

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION
Statement of Revenues and Expenditures
For the Year Ended March 31, 2021

	2021	2020
REVENUES		
Municipal and Regional District Tax	\$ 560,810	\$ 767,099
Destination BC Co-Op	417,835	175,000
Other revenues	953	105,251
Canada Summer Jobs Grant	-	7,756
Interest income	4,490	6,314
MTACS Community Destination Marketing Organization Grant	100,900	-
Expense reimbursements	49,638	-
Partner Co-Op	5,000	-
	<u>1,139,626</u>	<u>1,061,420</u>
EXPENDITURES		
Committee costs	4,440	20,295
Interest and bank charges	1,171	2,066
Marketing costs (Schedules 1, 2)	535,270	806,486
Memberships	-	933
Office	1,495	1,086
Professional fees	2,379	11,045
Rent	30,000	24,000
Salaries and wages	59,451	57,679
Stakeholder communication	28,363	21,732
Training	2,325	1,146
Travel	85	3,829
	<u>664,979</u>	<u>950,297</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ 474,647	\$ 111,123

See notes to financial statements

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION
Statement of Changes in Net Assets
Year Ended March 31, 2021

	General Fund	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 507,277	\$ 507,277	\$ 396,154
Excess of revenues over expenditures	474,647	474,647	111,123
NET ASSETS - END OF YEAR	\$ 981,924	\$ 981,924	\$ 507,277

See notes to financial statements

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION
Statement of Cash Flow
Year Ended March 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 474,647	\$ 111,123
Changes in non-cash working capital:		
Accounts receivable	(220,073)	236,887
Accounts payable	(45,221)	44,775
Deferred income	486,598	-
Prepaid expenses	6,301	(5,476)
Goods and services tax payable	7,845	5,564
	<u>235,450</u>	<u>281,750</u>
Cash flow from operating activities	<u>710,097</u>	<u>392,873</u>
FINANCING ACTIVITY		
Advances from (to) related parties	<u>(78,405)</u>	18,992
INCREASE IN CASH FLOW	631,692	411,865
Cash - beginning of year	<u>622,546</u>	<u>210,681</u>
CASH - END OF YEAR	<u>\$ 1,254,238</u>	<u>\$ 622,546</u>
CASH CONSISTS OF:		
Cash	\$ 1,203,122	\$ 572,546
Term deposits	<u>51,116</u>	<u>50,000</u>
	<u>\$ 1,254,238</u>	<u>\$ 622,546</u>

See notes to financial statements

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2021

1. PURPOSE OF THE ASSOCIATION

Cariboo Chilcotin Coast Tourism Marketing Association (the "Association") is a not-for-profit organization incorporated provincially under the Society Act of British Columbia August 28, 2017. As a not-for-profit, the Association is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Association operates to promote tourism in the Cariboo, Chilcotin and Central Coast tourism region of BC, taking into consideration the impact of economic, social and environmental requirements.

The operations of the Association are governed by a Board of Directors that is substantially elected from its stakeholders, and a Marketing Committee that is substantially elected by the Municipal & Regional District Tax collectors. The Chartered Professional Accounts of Canada defines, for the purpose of not-for-profit Associations, that the related parties include individuals or entities that can exercise significant influence or control over the operations of the Association. Accordingly, the Association may, from time to time, have transactions in the ordinary course of business with the individuals who are members of the Board or Management.

2. SIGNIFICANT ACCOUNTING POLICIES

Cash and short term investments

Cash and cash equivalents consist primarily of deposits with an original maturity date of purchase of three months or less. Because of the short term maturity of these investments, their carrying amount approximates fair value.

3. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO).

4. FINANCIAL INSTRUMENTS

The Association as part of its operations, carries financial instruments. It is management's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

5. SHORT TERM INVESTMENTS

	<u>2021</u>	<u>2020</u>
TD GIC maturing April 21, 2021 0.48%	<u>\$ 51,116</u>	<u>\$ 50,000</u>

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2021

6. ACCOUNTS PAYABLE

	<u>2021</u>	<u>2020</u>
<u>Accounts payable and accruals consist of:</u>		
Accounts payable, trade	\$ 93,045	\$ 132,650
Accrued liabilities	<u>5,000</u>	<u>10,610</u>
	<u>\$ 98,045</u>	<u>\$ 143,260</u>

7. DEFERRED REVENUE

	<u>2021</u>	<u>2020</u>
<u>Short-Term</u>		
Destination BC	\$ -	\$ -
Full of Heart Campaign	<u>386,598</u>	<u>-</u>
	<u>\$ 486,598</u>	<u>\$ -</u>

8. DUE TO RELATED PARTIES

	<u>2021</u>	<u>2020</u>
Current portion due from related party		
Due from CCCTA	<u>\$ 59,413</u>	<u>\$ -</u>
Current portion due to related party		
Due to CCCTA	<u>\$ -</u>	<u>\$ 18,992</u>

Advances from a related Association are non-interest bearing and have no set repayment terms. Both Associations have the same board members.

9. REMUNERATION

The Association does not compensate its directors. The Association has no employees with a total compensation in excess of \$75,000 per annum.

The Association has one contractor with a total compensation in excess of \$75,000 per annum for a total of 138,459.

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION
Notes to Financial Statements
Year Ended March 31, 2021

10. GOING CONCERN ASSUMPTION

These financial statements were prepared using accounting standards that apply to an operating Association. This assumes that the Association will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

In March 2020, the World Health Organization declared a global pandemic due to COVID-19.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. This is because management believes that the measures it has taken or intends to take will mitigate the effect of the conditions and events that cast doubt on the appropriateness of this assumption.

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION

Marketing Costs

(Schedule 1)

Year Ended March 31, 2021

	2021	2020
EXPENDITURES		
Consumer Shows & Events	\$ 1,905	\$ 12,650
Content	44,147	101,201
Digital Asset Management System	1,188	4,590
Distribution	11,652	22,666
Email Marketing	4,281	-
Marketing Coordination	36,845	55,138
Marketing Partnerships	5,600	117,000
Marketing Research	-	400
Native / Content Sponsorship	6,412	15,033
Online Display Advertising	39,970	50,210
Paid Social Advertising	66,392	108,145
Print Advertising	17,162	113,264
Promotional Items	21,292	-
Remarketing	-	3,002
Search Advertising	34,490	54,871
Social Media	36,973	59,769
Sport Tourism Development	20,693	-
Television	18,884	27,186
Website	64,846	61,361
	\$ 432,732	\$ 806,486

See notes to financial statements

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION

**Gold Rush Trail
(Schedule 2)**

Year Ended March 31, 2021

	2021	2020
REVENUES		
DBC Co-op	\$ 61,019	\$ -
Partner Co op	5,000	-
DBC/DC Co-op	43,050	-
	<u>109,069</u>	<u>-</u>
EXPENDITURES		
Committee Costs	481	-
Distribution	3,138	-
Meetings & Travel	50	-
Marketing Coordination	12,202	-
Office Share	6,000	-
Online Display Advertising	9,599	-
Pd Social Advertising	29,241	-
Print Advertising	2,878	-
Search Advertising	11,468	-
Social Media	18,922	-
Website	4,982	-
Written Content	10,108	-
	<u>109,069</u>	<u>-</u>
INCOME FROM OPERATIONS	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements