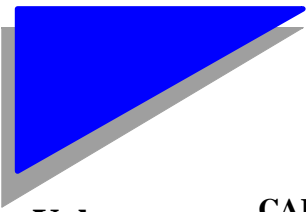


Vohora LLP
CPAs & Business Advisors

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION

Financial Statements

Year Ended March 31, 2023



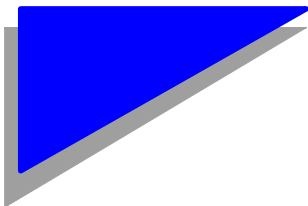
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CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION

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Year Ended March 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of Cariboo Chilcotin Coast Tourism Marketing Association

Opinion

We 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, 2023, and the statements of revenues and expenditures, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

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 Association in accordance with 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 opinion.

Other Matter

The financial statements for the year ended March 31, 2022 were audited by another auditor who expressed an unmodified opinion on those financial statements on July 27, 2022.

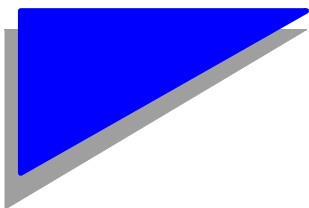
Responsibilities of Management and Those Charged with Governance for the Financial Statements

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





INDEPENDENT AUDITOR'S REPORT *(continued)*

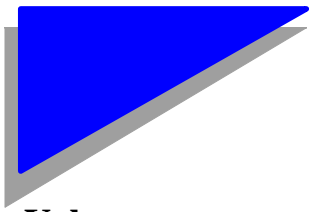
Auditor's Responsibilities for the Audit of the Financial Statements

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 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 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 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.

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.



Vohora LLP
CPAs & Business Advisors

INDEPENDENT AUDITOR'S REPORT *(continued)*

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our 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.

Vancouver, BC
June 22, 2023

Vohora LLP
Chartered Professional Accountants

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION
Statement of Revenues and Expenditures
Year Ended March 31, 2023

	2023	2022
REVENUE		
Municipal Regional District Tax	\$ 974,409	\$ 748,779
Destination BC	112,437	326,492
Gold Rush Trail income (Schedule 2)	115,760	165,060
Interest income	40,020	6,484
Other grants	10,382	127,500
Other revenues	3,800	50,634
Expense reimbursements	-	45,504
	<u>1,256,808</u>	<u>1,470,453</u>
EXPENSES		
Committee costs	2,731	8,885
Interest and bank charges	1,165	2,077
Marketing costs (Schedule 1, 2)	862,009	1,277,268
Memberships	646	415
Office	14,277	3,303
Professional fees	11,500	15,010
Rent	29,000	24,000
Salaries and wages	93,450	75,585
Stakeholder communication	36,175	29,810
Training	3,208	6,628
Travel	11,206	338
	<u>1,065,367</u>	<u>1,443,319</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 191,441</u>	<u>\$ 27,134</u>

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION
Statement of Changes in Net Assets
Year Ended March 31, 2023

	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 1,009,055	\$ 981,921
EXCESS OF REVENUE OVER EXPENSES	191,441	27,134
NET ASSETS - END OF YEAR	\$ 1,200,496	\$ 1,009,055

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION
Statement of Financial Position
March 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 1,611,295	\$ 1,216,955
Term deposits (Note 4)	-	51,529
Accounts receivable	27,117	204,265
Goods and services tax recoverable	11,036	19,789
Prepaid expenses	1,908	21,297
Due from related parties (Note 6)	-	22,674
	\$ 1,651,356	\$ 1,536,509
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 212,745	\$ 328,009
Wages payable	615	5,318
Deferred income (Note 5)	237,500	194,127
	450,860	527,454
NET ASSETS	1,200,496	1,009,055
	\$ 1,651,356	\$ 1,536,509

DESCRIPTION AND CONTINUANCE OF OPERATION (Note 1)

ON BEHALF OF THE BOARD



_____ Director

Mike Retasket
Mike Retasket (Jul 25, 2022 21:18 PDT)

_____ Director



See notes to financial statements

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION

Statement of Cash Flows
Year Ended March 31, 2023

	<u>2023</u>	<u>2022</u>
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 191,441	\$ 27,134
Changes in non-cash working capital:		
Accounts receivable	177,148	46,421
Accounts payable and accrued liabilities	(115,264)	229,966
Deferred income	43,373	(292,471)
Prepaid expenses	19,389	(21,297)
Goods and services tax payable	8,753	(17,564)
Wages payable	(4,703)	5,318
	<u>128,696</u>	<u>(49,627)</u>
Cash flow from (used by) operating activities	<u>320,137</u>	<u>(22,493)</u>
FINANCING ACTIVITY		
Advances from related parties	<u>22,674</u>	<u>36,739</u>
INCREASE IN CASH FLOW	342,811	14,246
Cash - beginning of year	<u>1,268,484</u>	<u>1,254,238</u>
CASH - END OF YEAR	\$ 1,611,295	\$ 1,268,484
CASH CONSISTS OF:		
Cash	\$ 1,611,295	\$ 1,216,955
Term deposits	<u>-</u>	<u>51,529</u>
	\$ 1,611,295	\$ 1,268,484

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2023

1. DESCRIPTION AND CONTINUANCE OF OPERATION

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 registered charity the Association is exempt from the payment of income tax under Subsection 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.

These financial statements were prepared using accounting standards that apply to an operating entity. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). All figures are presented in Canadian dollars.

Revenue recognition

Cariboo Chilcotin Coast Tourism Marketing Association follows the deferral method of accounting for contributions.

- 1 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.
- 1 Restricted contributions are recognized as revenue in the period in which the related expenses are incurred. Grants, including funding from Destination BC and other sources, are recognized as revenue in the period in which the related expenditures for the specific projects are incurred.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are considered to be any term deposits with a maturity of three months or less that the Association holds. When the aggregate of the Association's various bank accounts is in an overdraft position or the value of outstanding cheques exceeds the bank balance, the net balance is presented as a current liability.

Government assistance

Government assistance for current expenses is recorded as a reduction of the related expenditures.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

(continues)

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

Measurement of financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized costs.

Financial assets measured at fair value include cash.

Financial assets measured at amortized cost include accounts receivable.

Financial liabilities measured at amortized cost include accounts payable accrued liabilities and wages payable.

Impairment

Financial assets measured at amortized cost are measured for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of revenues and expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenues and expenditures.

Transaction costs

The Association recognizes its transaction costs in the statement of revenues and expenditures in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Measurement uncertainty

The preparation of financial statements in conformity with the Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the Association's best information and judgment, including:

1. the amount of accrued liabilities;
-

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION
Notes to Financial Statements
Year Ended March 31, 2023

3. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Association's risk exposure and concentration as of March 31, 2023.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk consisting primarily of cash and cash equivalents, and accounts receivable. The Association's cash and cash equivalents are maintained with a large federally regulated financial institution in Canada. In order to reduce its credit risk, the Association reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities as they come due. The Association's exposure to this risk is mainly dependent on the receipt of funds from its customers and other related sources, whether in the form of revenue or advances.

Unless otherwise noted, it is management's opinion that the Association is not exposed to other significant risks arising from these financial instruments.

4. TERM DEPOSITS

	2023	2022
TC GIC bearing interests at 1.07% per annum and matured on May 24, 2022	\$ -	\$ 51,529

5. DEFERRED INCOME

	2023	2022
Destination BC	\$ 237,500	\$ 194,127

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION
Notes to Financial Statements
Year Ended March 31, 2023

6. RELATED PARTIES

The following is a summary of the Association's related party transactions:

	2023	2022
<u>Related party transactions</u>		
Cariboo Chilcotin Coast Tourism Association		
<i>Entity under common directorship</i>		
Municipal Regional District Tax allocation	\$ (144,754)	\$ (197,645)
Vehicle expenses	4,129	8,710
Salaries and wages	98,554	157,639
	(42,071)	(31,296)
	\$ (42,071)	\$ (31,296)

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The operations of the Association are governed by the Board of Directors that is substantially elected from its stakeholders. The Chartered Professional Accountants of Canada defines, for the purposes of not-for-profit organizations, that 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.

	2023	2022
Current portion due from related party		
Cariboo Chilcotin Coast Tourism Association	\$ -	\$ 22,674

Advances to a related party are unsecured, non-interest bearing and have no set repayment terms. Both organizations have the same board members.

7. RENUMERATION

The Association does not compensate it's directors.

The Association had no employees or contractors with a total compensation in excess of \$75,000 per annum.

8. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION

Marketing Costs

(Schedule 1)

Year Ended March 31, 2023

	2023	2022
EXPENSES		
Collateral Distribution	\$ 19,436	\$ 14,353
Collateral Production	79,429	65,005
Consumer Show Attendance	7,600	-
Digital Asset Management System	5,842	9,584
Email Marketing	12,053	11,752
Marketing Coordination	49,499	101,944
Marketing Research	-	368
Native / Content Sponsorship	15,845	71,458
Online Display Advertising	52,612	74,948
Partner Marketing	89,251	65,000
Paid Social Advertising	99,188	163,930
Photography / Videography	99,548	230,610
Print Advertising	31,006	76,486
Promotional Items	-	3,325
Radio	-	2,704
Search Advertising	49,094	41,019
Social Media	30,641	18,951
Sport Tourism Development	-	2,132
Television	30,006	63,572
Website	76,544	73,786
	\$ 747,594	\$ 1,090,927

CARIBOO CHILCOTIN COAST TOURISM MARKETING ASSOCIATION

Gold Rush Trail

(Schedule 2)

Year Ended March 31, 2023

	2023	2022
REVENUES		
GRT - DBC Co-op	\$ 57,760	\$ 121,170
MRDT Co-op Matching	45,500	30,500
GRT - Grant Income	12,500	7,500
GRT - Sales	-	5,890
	<u>115,760</u>	<u>165,060</u>
EXPENSES		
Committee Costs	-	887
Destination Development	-	9,975
Distribution	491	631
Distribution production	600	10,658
Email Marketing	3,840	5,690
Information technology	445	2,401
Marketing Coordination	8,937	10,206
Meetings & Travel	-	81
Native/Content Spon./Online	17,272	37,957
Office Share	7,250	6,000
Online Display Advertising	628	11,356
Photography / Videography	998	12,366
Print Advertising	2,843	2,605
Search Advertising	15,754	11,334
Social Advertising	21,242	33,460
Social Media	24,215	13,011
Website	3,293	6,453
Written Content	6,607	11,270
	<u>114,415</u>	<u>186,341</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 1,345	\$ (21,281)