

Eeyou Istchee Tourism Association

ANNUAL REPORT

2016 - 2017



Eeyou Istchee Tourism

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Titus Shecapio

President

I would like to take this opportunity to share my outlook on the importance of tourism for our region.

When COTA was first incorporated in 2000, Cree tourism was still a fledgling industry with little in the way of infrastructure and much to do in terms of development. Over the last 17 years, I have witnessed first-hand our wide-ranging efforts to overcome the many obstacles and challenges we face within the Cree tourism sector. I have also witnessed substantial growth across the industry as a whole. While some initiatives and plans have yet to be fully realized, we have made great strides and achieved significant successes.

Eeyou Istchee now has several Cree cultural tourism businesses that provide market-ready products including Nuuhchimi Wiinu in Oujé-Bougoumou and Shammy Adventures in Wemindji. Additionally, Aanischaaukamikw, the Cree Cultural Institute launched in 2011, is proving to be a popular attraction both among Cree visitors and tourists. Of course, outfitting camps—one of our region's signature tourism offerings—continue to be a big draw, attracting visitors from far and wide. In addition, with the support of our local development corporations and Cree authorities, many of our communities can now accommodate visitors in modern hotels that deliver comfortable amenities and some offer fully equipped conference facilities. With the launch of the DMC drawing near, there is reason to be optimistic that our region's tourism businesses will receive the support they need to attract a broad range of tourists and visitors.

Aboriginal tourism is an essential industry that is constantly evolving. I am confident that our contribution to its development will result in multiple social and economic benefits for each Cree community and for Eeyou Istchee as a whole. As the tourism industry grows, so too will job opportunities in areas such as hotel management, outfitting, guiding, and cultural interpretation.

Let us work together to support tourism businesses and encourage their continued growth. The benefits of tourism are not just economic—tourism also provides an invaluable opportunity to foster a better understanding and appreciation of our history, traditions, and way of life among people from all over the world.

In closing, I would like to thank the many individuals who have contributed their time and energy to support our efforts to grow our local tourism industry. We've come a very long way and I am pleased to have this opportunity to serve as President for both COTA and EIT. I strongly believe that under a single president, our joint efforts will be more streamlined, efficient, and productive. I also wish to thank EIT's outgoing president, Raymond Blackned for the important role he played during EIT's early and formative years.



About EIT

History

Eeyou Istchee Tourism is the 22nd Regional Tourism Association (RTA) to come into being in Québec and the 3rd to share the administrative region of Northern Québec. This RTA is designated to represent the Cree communities of the Eeyou Istchee tourism region.

On August 15 2007, the Government of Québec granted RTA status to the Cree Outfitting and Tourism Association (COTA).

Given the considerable difference between the RTA and COTA in terms of roles and responsibilities, a decision was made to create a separate organization, namely Eeyou Istchee Tourism to provide for proper fulfilment of the RTA's mandate.

As set out in the formal agreement between EIT and the Government of Québec, the role of the RTA is to promote tourism and regional operators, support the development of new products, make information more readily available to tourists, and cooperate with other RTAs in creating a Québec-wide tourism policy.

Objectives of EIT:

- Position and promote Eeyou Istchee as a key destination for First Nations tourism, outdoor and adventure tourism, and outfitter services.
- Support the development of marketable tourism products and the upgrading of existing products with a view to contributing to regional economic growth and development of the tourism industry.
- Enhance regional tourism infrastructure by facilitating access to information relating to tourism products and services.
- Develop a tourism industry based on the principles of sustainable development and designed to have a positive impact on youth, elders and cultural life in the region.

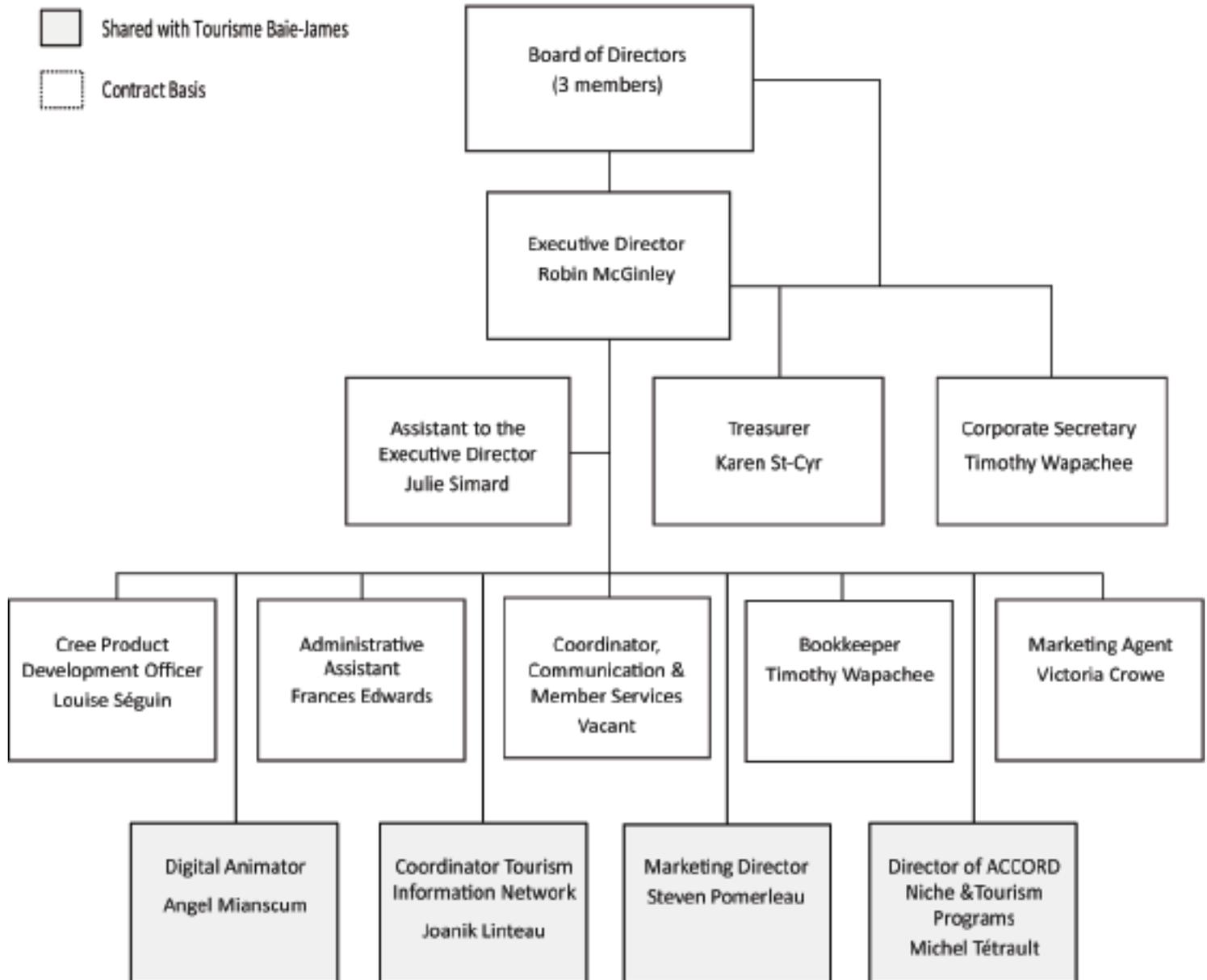
Dues-paying COTA members automatically become members of EIT. Some of the additional benefits for our members offered by EIT include a listing in the Eeyou Istchee Baie-James Tourism Guide, access to targeted funding and eligibility for the international and cooperative marketing programs.

EIT is responsible for the planning and delivery of projects, initiatives and events such as the development of the Regional Tourism Guide and the Tourism Symposium.



Organizational Chart

The chart below illustrates EIT's organizational structure to June 1, 2017. All staff positions are shared between COTA and EIT.



Project Summaries

2016-17

Following are summaries of the most relevant Eeyou Istchee Tourism (EIT) projects and initiatives that were launched and/or undertaken during the last fiscal year

1. Implementing the Lodging Tax in Eeyou Istchee

In early 2014, EIT began looking into the feasibility and benefits of implementing Tourisme Québec's lodging tax. Later that same year, however, the Quebec government announced a restructuring of the tourism business model that would also affect the lodging tax. Consequently, a decision was made to put this initiative on hold until the release of the new model.

The lodging tax is 3.5% of the price of an overnight stay in a hotel, bed and breakfast or outfitting camp. The tax finances the Regional Tourism Partnership Agreement established to support and promote our regional tourism industry. Every tourism region in Quebec has the option of requesting that the tax on lodging be applied in its territory.

The revenues collected through the lodging tax will be used for promotion and publicity (40%) and Cree tourism product development (30%). The remaining 30% will be in the form of a marketing credit (15%) and a contribution to the Alliance (15%) to promote and market the province of Quebec as a tourism destination. We are confident that our decision to implement this tax will benefit our tourism industry.

Upon release of the new tax model in April 2016, an information and awareness campaign was launched for Cree individuals involved in the lodging sector, including hotel owners and outfitting camp operators. This information campaign, in the form of a PowerPoint presentation, was designed to provide hotel owners and outfitting camp

operators throughout Eeyou Istchee with the information they needed to understand and assess the benefits of the lodging tax as well as their role and responsibilities in collecting the tax. Along with this important information, all eligible voters received a ballot to cast their vote.

Those eligible to vote were required to submit their ballot to EIT no later than June 21, 2016. On June 22, the ballots were counted, and it was confirmed to the EIT Board of Directors that the results were in favour of implementing the lodging tax. On June 23, a report containing all required documents, was sent to Quebec's minister of tourism to confirm EIT's commitment to begin collecting the lodging tax. Subsequently, Revenu Québec sent word to all lodging establishments required to collect the tax stating that it would be effective as of January 1, 2017.



2. Eeyou Istchee Baie-James Reception

The development of a tourism reception strategy for Eeyou Istchee Baie-James remains a major objective. In last year's report, we outlined the progress made with respect to the following goals:

- Create a joint Cree and Baie-James committee for reception
- Adopt a joint site plan for tourism information offices
- Develop a joint Eeyou Istchee Baie-James reception policy
- Select a site for a regional tourism reception and information centre

Since the publication of the 2015-2016 annual report, the joint committee met a third time (see the 2015-2016 EIT annual report for details about the first two meetings). At this meeting, held on November 24, 2016, committee members identified and catalogued the key action items to be included in the joint Eeyou Istchee Baie-James regional reception strategy. While some of these action items are already underway, the formal adoption of this strategy will be delayed until the release of the provincial strategy by Quebec's ministry of tourism to ensure that both strategies are aligned.

2.1. Greeting Services Information and Tourism Promotion

A presentation was made to highlight the results of a college-level program, "Greeting Services Information and Tourism Promotion," which was offered to participants from Cree and Jamesian communities in French and English. Upon completion of the program, participants are able to provide:

- Tourism-related information
- Customer-oriented service
- Professional services in a tourist information office

This program marked the first opportunity for Cree and Jamesian students to take part jointly in a training initiative. Feedback from participants was positive, and this course will be offered again in 2017.

The meeting also provided an opportunity to review and assess the progress being made on renovations to the tourist information office situated at Kilometre 6 of the James Bay Highway in Matagami.

2.2 Improved Web Site (escapelikeneverbefore.com)

On December 8, 2016, EIT, in collaboration with Tourisme Baie-James (TBJ), officially launched our redesigned and improved web site. The site is now easier to use and relies on strong visual aids to promote Eeyou Istchee Baie-James as an exciting and culturally diverse tourism destination. New features include an interactive map and online chat system that provides personalized live service to users during EIT and TBJ opening hours.

In addition, a new member-management system is now accessible, enabling EIT and TBJ members to update their online listings quickly and easily. The web site also features a resource centre, providing members with access to official documents, statistics, and market research information.

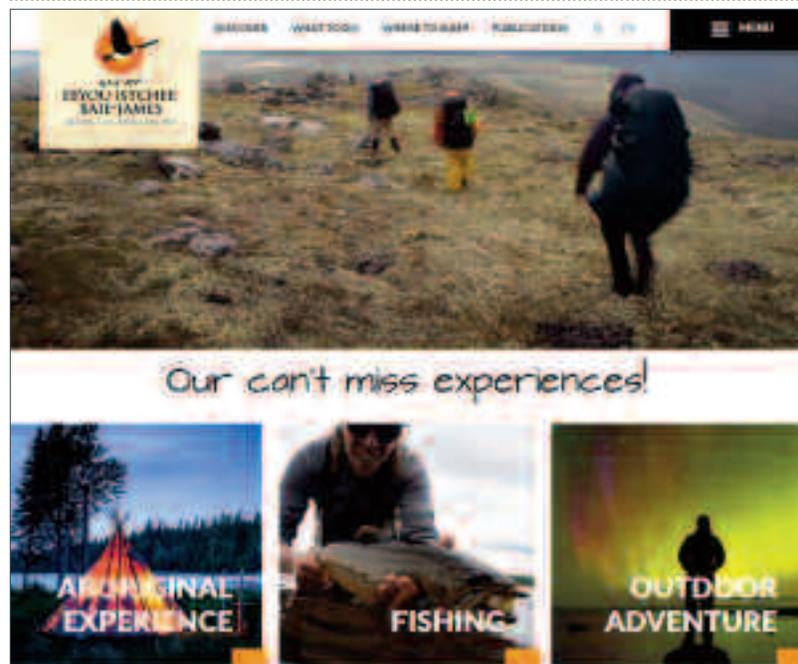
Website Statistics for escapelikeneverbefore.com:

April 1st, 2016 to March 31st, 2017

- Visits: 80 046
- Visitors: 66 830
- New visitors: 83%
- Returning visitors: 17%
- Location: USA: 36%, Québec: 35%, Ontario: 18%

Facebook Likes/Followers:

- April 1st, 2016: 3752
- March 31st, 2017: 8064 (+215%)
- Location: Canada: 82%, USA: 14%



3. Cree Product Development Officer

In 2013, as part of continuing efforts to encourage and promote regional tourism development and with support from Tourisme Québec, the position of Cree Product Development Officer was created.

The Officer's role is to foster partnerships with tourism stakeholders, small and medium businesses, development corporations, and other players in the tourism sector. The Officer must help develop new tourism products that enhance the region's overall offer while ensuring that they meet quality standards. The officer must also provide product development support to businesses in the region targeting favourable niche markets in the tourism sector as well as product development support to the Cree communities at the local level.

In January 2016, Louise Séguin was hired as interim Cree Product Development Officer for a six-month contract. Her contract was renewed in June 2016.

In this capacity, in 2016-2017 Ms. Séguin:

- Assisted the communities of Waskaganish, Chisasibi, Whapmagoostui and Oujé-Bougoumou in the planning of local tourism development and marketing
- Initiated the development of tourism information services
- Provided assistance where necessary to COTA's project partners including Arctic Kingdom and Économusée
- Assisted tourism businesses to achieve market readiness and work towards meeting the AEQ safety standards
- Supported EIT and TBJ in regional projects including the DMC and the "Escape Like Never Before" website.

Additionally, Ms. Séguin will be working with the coastal communities in the development of the following projects and initiatives:

- Coastal Cruises on southern James Bay shore & Marine Captain Training
- Marine Tourism Pre-Commercialization Project
- Tourism Entrepreneur Boot Camp

4. Accord Tourism Strategy 2012-2017

The ACCORD tourism strategy is a detailed 5-year action plan that includes a budget for developing a niche of excellence encompassing sustainable adventure, nature, and cultural tourism. Over the last 4.5 years, funding from the ACCORD program has supported a number of key initiatives including:

- Air access phases 1 and 2
- The Coastal Route
- Development of the Destination Management company
- Country food and culinary research
- Cape Hope Island heritage site project
- Tourism business development coaching
- Cree cultural kits
- Marine coastal tours development
- Creating the "Career of Your Dreams" video production

Each of these projects meets ACCORD's funding criteria and offers tremendous potential for diversifying the region's tourism attractions and positioning Eeyou Istchee Baie-James as a one-of-a-kind tourism destination.

The ACCORD project brings together Cree and Jamesians in developing a tourism strategy that is sustainable, respectful of Cree rights, and beneficial to both regions in the long run.

Funding generously provided by the Ministère de l'Economie, des Sciences et de l'innovation (MESI) and Tourisme Québec.

5. ACCORD Director

To support northern tourism development as it applies specifically to the ACCORD Niche of Excellence and in partnership with TBJ, the position of ACCORD Director was established. The ACCORD Director provides project management expertise in support of promoters and businesses operating within the niche of excellence as well as projects designed to deploy the niche's strategy and action plan. Additionally, the ACCORD Director assists tourism entrepreneurs locate appropriate funding sources for their tourism related projects.

The ACCORD Director actively participates in the development of regional tourism in Eeyou Istchee Baie-James by carrying out all required studies, developing action plans and strategies, and implementing all potential means of fostering partnership and cooperation in collaboration with both EIT and TBJ.

Funding for this position was generously provided by the Ministère de l'Economie, des Sciences et de l'innovation (MESI) and Tourisme Québec.

6. Marketing Agent for Promotion of Cree Culture

Eeyou Istchee Tourism has secured funding for three years from Canada Economic Development to recruit a Marketing Agent for the Promotion of Cree Culture. In September 2015, Victoria Crowe was hired to fill the position of Marketing Assistant and was promoted to Marketing Agent in June 2016.

Since her hiring, Ms. Crowe has attended and participated in a number of key events, including trade shows, familiarization tours, business-to-business events, press tours, and one-on-one interviews with journalists representing media outlets from around the world. This year, of particular note, was our inclusion in the 2016 edition of Rendez-vous Canada (RVC) which took place in Montreal from April 24-27. RVC is Canada's premier international tourism market place lead by Destination Canada, connecting buyers with Canadian sellers of tourism products.

We look forward to another busy year with many exciting events planned.

We would like to thank Canada Economic Development for its financial support.

Rendez-vous Canada is an annual event that gathers travel buyers and travel trade media from all over the world. The event promotes Canadian tourism products. This year's edition featured the Aboriginal tourism industry. Accordingly, EIT was invited to co-host a lunch event during which Eeyou Istchee Baie-James was showcased as an attractive tourism destination. Attendees enjoyed a demonstration of Cree crafts graciously presented by Oujé-Bougoumou's own Anna and David Bosum of Nuuhchimi Wiinuu.



7. Alliance de l'Industrie touristique du Québec (AITQ)

AITQ is a not-for-profit organization founded in 2015 and mandated by the Québec's Minister of Tourism (Tourisme Québec) to set guidelines for an international tourism promotion in the province.

The mission of AITQ is to grow tourism revenue and bring together, coordinate and represent companies and associations in the tourism industry. Additionally, the AITQ supports and participates in the development of Québec's tourism services and marketing.

According to the Quebec government department for tourism, the Alliance must, in compliance with the department's stated orientations, recommend a single multi-year marketing strategy for the destination to the minister of tourism and provide an annual plan of activities. It must also coordinate all promotion and marketing activities for the destination that target markets outside Quebec and gauge the performance of these activities.

EIT is a member of Alliance and by working in partnership with Aboriginal Tourism Quebec, we can focus attention on tourism issues related to the specific needs of Aboriginal tourism businesses.



8. Regional Tourism Guide

As part of our partnership agreement with Ministère du Tourisme du Québec, EIT must undertake to develop an annual regional tourism guide in accordance with the guidelines and standards agreed upon by Québec's ministry of tourism. The guide is produced jointly with TBJ. This year marks the completion of our ninth edition. The full colour guide highlights the many tourism attractions and activities available throughout the region and includes a profile of each Cree community.

The regional tourism guide is a great resource for tourists interested in discovering all there is to do and see in the region and also provides a great advertising opportunity for Cree tourism businesses. The 2017- 2018 edition is now available at tourism outlets throughout the province. Copies can also be ordered online at www.escapelikeneverbefore.com



9. International & Cooperative Marketing Programs

The International Marketing Program (IMP) and Cooperative Marketing Program (CMP) which were introduced in 2013, provide financial incentives to members of EIT and TBJ to form alliances for the purposes of advertising and developing tourism packages. Such alliances allow members to promote regional tourism more effectively. The goal of the IMP is to promote tourism outside of Quebec while the CMP applies to marketing initiatives within Quebec.

Both programs can be applied to:

- Print advertising
- Tourism-package development
- Television, online and radio advertisement
- Participation in tradeshow
- Familiarization and press tours





To be eligible for one or both of these programs, applicants must demonstrate that their project meets the following criteria:

- Will attract visitors from outside the region
- Is not part of an existing marketing program
- Contributes to an increase in tourism promotion since the previous year (applies to existing projects and to previously submitted projects)
- Applicants must be members of EIT or TBJ
- Products must be market-ready

Approved promotional strategies will receive up to 50% of applicable costs.

Advertisements supported under the CMP include placements in publications such as but not limited to:

- Sentier chasse et pêche magazine
- Guide de la pourvoirie
- Salon expert Chasse, pêche de Québec
- Tradeshaw Salon expert Chasse, pêche et camping de Montréal

Advertisements supported under the IMP include placements in publications such as but not limited to:

- Quebec Outfitters Magazine
- Origin(e) magazine TAQ
- Toronto Sportsmen's Show
- Springfield Sportsmen's Show
- Fish, Hunt, Ride Sportsmen's show (Ottawa)
- The New Fly Fisher

The International and Cooperative Marketing Programs are an incentive-based program that encourages members of EIT and TBJ to form strategic alliances and develop joint marketing initiatives.

EXPÉRIMENTEZ LES POURVOIRIES DU NORD DU QUÉBEC!

UNE QUALITÉ DE PÊCHE
INCONTESTABLE VOUS ATTEND!



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EYYOU ISTCHEE
BAIE-JAMES
DÉCROCHEZ COMME JAMAIS



POURVOIRES
CHANGER
D'AIR

québec
original



**Eeyou Istchee Tourism
Financial Statements
March 31, 2017**

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Independent Auditor's Report

To the Directors of
Eeyou Istchee Tourism

Raymond Chabot Grant Thornton LLP

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We have audited the accompanying financial statements of Eeyou Istchee Tourism, which comprise the statement of financial position as at March 31, 2017 and the statements of operations and net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Eeyou Istchee Tourism as at March 31, 2017 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.

1

Raymond Chabot Grant Thornton LLP
Val-d'Or
June 8, 2017

¹ CPA auditor, CA public accountancy permit no. A112664

Eeyou Istchee Tourism Operations and Net Assets

Year ended March 31, 2017

	2017	2016
	\$	\$
Revenues		
Contributions		
Ministère du Tourisme - Québec	393,692	389,213
Canada Economic Development	112,024	84,117
Revenue from the territory		
Cree Outfitting & Tourism Association	161,875	152,500
COOP Marketing	9,470	10,000
Memberships	12,779	13,029
Others	1,956	
Regional Tourism Partnership Agreement (RTPA)		
Regional Tourism Partnership Agreement Fund	63,831	165,550
Cree Nation Government	60,872	165,550
Ministère du Tourisme - Québec	63,831	165,550
Société de Développement de la Baie-James	10,139	27,574
Joint project		
Tourisme Baie-James		235
Others	772	786
	<u>891,241</u>	<u>1,174,104</u>
Expenses		
Project disbursements RTPA	198,673	518,980
Project expenses	530,668	397,410
Services agreements	108,976	120,916
Professional fees	20,487	19,470
Meetings and conventions	15,000	10,000
Advertising	4,522	7,966
Partnership expenses TBJ / EIT	6,524	4,798
Legal fees	2,120	2,435
Travel	3,712	310
Subscriptions and memberships	5,010	914
Insurance	901	433
Taxes and permits	54	54
Interest	2	9
Amortization of tangible capital assets	2,797	
Bank charges	847	705
	<u>900,293</u>	<u>1,084,400</u>
Excess (deficiency) of revenues over expenses	(9,052)	89,704
Accumulated surplus, beginning of year	<u>95,391</u>	<u>5,687</u>
Accumulated surplus, end of year	<u>86,339</u>	<u>95,391</u>

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

Eeyou Istchee Tourism Cash Flows

Year ended March 31, 2017

	<u>2017</u>	<u>2016</u>
	\$	\$
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	(9,052)	89,704
Non-cash items		
Amortization of tangible capital assets	2,797	
Changes in working capital items and deferred contributions	<u>41,022</u>	<u>(279,483)</u>
Cash flows from operating activities	<u>34,767</u>	<u>(189,779)</u>
INVESTING ACTIVITIES		
Term deposit	4	81
Tangible capital assets	<u>(18,823)</u>	
Cash flows from investing activities	<u>(18,819)</u>	<u>81</u>
FINANCING ACTIVITIES		
Due to Cree Outfitting and Tourism Association and cash flows from financing activities	<u>(392,486)</u>	<u>391,182</u>
Net increase (decrease) in cash	(376,538)	201,484
Cash, beginning of year	<u>843,982</u>	<u>642,498</u>
Cash, end of year	<u>467,444</u>	<u>843,982</u>

The accompanying notes and schedules are an integral part of the financial statements.

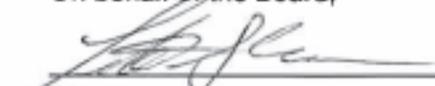
Eeyou Istchee Tourism Financial Position

March 31, 2017

	2017	2016
	\$	\$
ASSETS		
Current		
Cash	467,444	843,982
Term deposit, 0.9%, maturing in October 2017	10,040	10,044
Trade and other receivables (Note 4)	33,344	27,871
Contributions receivable (Note 5)	684,453	660,211
Prepaid expenses	13,146	16,517
	<u>1,208,427</u>	<u>1,558,625</u>
Long-term		
Tangible capital assets (Note 3)	16,026	
	<u>1,224,453</u>	<u>1,558,625</u>
LIABILITIES		
Current		
Trade payables and other operating liabilities	214,939	160,940
Deferred contributions (Note 6)	648,335	634,968
Due to Cree Outfitting and Tourism Association, without interest	274,840	667,326
	<u>1,138,114</u>	<u>1,463,234</u>
ACCUMULATED SURPLUS	<u>86,339</u>	<u>95,391</u>
	<u>1,224,453</u>	<u>1,558,625</u>

The accompanying notes and schedules are an integral part of the financial statements.

On behalf of the Board,


Director


Director

Eeyou Istchee Tourism Notes to Financial Statements

March 31, 2017

1 - GOVERNING STATUTES AND PURPOSE OF THE ORGANIZATION

The Organization was incorporated under Part III of the Canada Corporations Act for the purpose of providing support to Cree Outfitters and promoting tourism of North-of-Québec region. It is a not-for-profit organization under the Income Tax Act.

2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Organization's financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Accounting estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts recorded in the financial statements, notes to financial statements and schedules. These estimates are based on management's best knowledge of current events and actions that the Organization may undertake in the future. Actual results may differ from these estimates.

Financial assets and liabilities

Initial measurement

Upon initial measurement, the Organization's financial assets and liabilities from transactions not concluded with related parties and those from transactions with parties whose sole relationship with the entity is in the capacity of management (and members of their immediate family) are measured at fair value, which, in the case of financial assets or financial liabilities that will be measured subsequently at amortized cost, is increased or decreased by the amount of the related financing fees and transaction costs. The Organization's other financial assets and liabilities from related party transactions are measured in accordance with the recommendations of Section 3840, "Related Party Transaction". Transactions costs relating to financial assets and liabilities that will be measured subsequently at fair value are recognized in operations in the year they are incurred.

Subsequent measurement

At each reporting date, the Organization measures its financial assets and liabilities at amortized cost (including any impairment in the case of financial assets).

With respect to financial assets measured at amortized cost, the Organization assesses whether there are any indications of impairment. When there is an indication of impairment, and if the Organization determines that during the year there was a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it will then recognize a reduction as an impairment loss in operations. The reversal of a previously recognized impairment loss on a financial asset measured at amortized cost is recognized in operations in the year the reversal occurs.

Eeyou Istchee Tourism Notes to Financial Statements

March 31, 2017

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Contributions

The Organization follows the deferral method of accounting for contributions. Under this method, contributions restricted for future period expenses are deferred and 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. Endowment contributions are reported as direct increases in net assets.

Memberships

Memberships are recognized as revenue in accordance with the agreement between the parties, the services have been provided, the fees are fixed or determinable and collection is reasonably assured.

Tangible capital assets

Tangible capital assets acquired are recorded at cost. When the Organization receives contributions of capital assets, their cost is equal to their fair value at the contribution date.

Amortization

Tangible capital assets are amortized over their estimated useful lives according to the diminishing balance method at the annual rate of 30%.

Write-down

When the Organization recognizes that a tangible capital asset no longer has any long-term service potential, the excess of net carrying amount of the tangible capital asset over its residual value is recognized as an expense in the statement of operations.

3 - TANGIBLE CAPITAL ASSETS

	<u>2017</u>		<u>2016</u>
	Cost	Accumulated amortization	Net carrying amount
	\$	\$	\$
Computer equipment	<u>18,823</u>	<u>2,797</u>	<u>16,026</u>

4 - TRADE AND OTHER RECEIVABLES

	<u>2017</u>	<u>2016</u>
	\$	\$
Trade accounts receivable	<u>27,355</u>	18,546
Sales taxes receivable	<u>5,989</u>	<u>9,325</u>
	<u>33,344</u>	<u>27,871</u>

Eyou Istchee Tourism Notes to Financial Statements

March 31, 2017

5 - CONTRIBUTIONS RECEIVABLE

	2017	2016
	\$	\$
Ministère du Tourisme - Québec (a)	623,597	496,932
Canada Economic Development	54,148	100,000
Société de Développement de la Baie-James (b)	6,708	63,279
	<u>684,453</u>	<u>660,211</u>

(a) This contribution receivable include \$151,667 related to the Regional Tourism Partnership Agreement (\$104,295 on March 31, 2016).

(b) This contribution receivable is related to the Regional Tourism Partnership Agreement.

6 - DEFERRED CONTRIBUTIONS

	2017	2016
	\$	\$
Regional Tourism Partnership Agreement Fund (a)	206,035	195,353
Ministère du Tourisme - Québec (a)	265,432	195,353
Cree Nation Government (a)	153,250	195,353
Société de Développement de la Baie-James (a)	18,996	32,578
Canada Economic Development	3,859	15,883
Others	763	448
	<u>648,335</u>	<u>634,968</u>

(a) These deferred contributions are related to the Regional Tourism Partnership Agreement.

7 - FINANCIAL INSTRUMENTS

Financial risks

The Organization's main financial risk exposure are as follows.

Credit risk

The Organization is exposed to credit risk regarding the financial assets recognized in the statement of financial position. The Organization has determined that the financial assets with more credit risk exposure are trade accounts receivables and contributions receivable since failure of any of these parties to fulfil their obligations could result in significant financial losses for the Organization.

Liquidity risk

The Organization's liquidity risk represents the risk that the Organization could encounter difficulty in meeting obligations associated with its financial liabilities. The Organization is, therefore, exposed to liquidity risk with respect to all of the financial liabilities recognized in the statement of financial position.

Eeyou Istchee Tourism Notes to Financial Statements

March 31, 2017

7 - FINANCIAL INSTRUMENTS (Continued)

Carrying amount of financial assets by category

The carrying amount of the Organization's financial assets that are measured at amortized cost totals \$1,189,292 (\$1,532,783 as at March 31, 2016).

8 - COMMITMENTS

As part of the Regional Tourism Partnership Agreement and by resolutions, the Organization has committed an amount of \$293,938 as grants. The outstanding commitments may be effected in accordance with the signed agreements.

	Resolution number	Approved disbursements	Amount disbursed	Amount to be disbursed
		\$	\$	\$
Cree Outfitting and Tourism Association				
Coaching program	2014-05	66,570	51,033	15,537
Air Access for tourist - Phase II	2015-12	26,813	3,970	22,843
Aanischaaukamikw Cree Cultural Institute				
Research and Development Cree Cultural experience kits	2015-10	22,412		22,412
Tawich Development Corporation (Maquatua Inn)				
Maquatua Inn	2015-08	61,439	36,863	24,576
Cree Nation of Mistissini - Tourism Division				
Mistissini Lake Outfitting Camp (MLOC)	2015-11	200,000		200,000
Market Study for the proposed expansion of the Mistissini Lodge	2015-07	21,580	12,990	8,570
		<u>398,794</u>	<u>104,856</u>	<u>293,938</u>

During the year, the Hotel Waswanipi Sibi Lodge project for a total amount of \$99,999 has been cancelled. Therefore, the Organization has reimbursed the contributions to the partners.

Eeyou Istchee Tourism Supplementary Information

Year ended March 31, 2017

	2017		2016	
	Revenues \$	Expenses \$	Revenues \$	Expenses \$
PROJECTS				
International Marketing Program				
Internal contribution EIT	65,000		65,000	
Partnership expenses EIT/TBJ		65,000		65,000
	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>
<i>The project was done in partnership with Tourisme Baie-James.</i>				
Cooperative Advertising Program (promotion Intra-Quebec)				
Internal contribution EIT	40,000		40,000	
Partnership expenses EIT/TBJ		40,000		40,000
	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
<i>The project was done in partnership with Tourisme Baie-James.</i>				
Promotion Multi-Marché				
Internal contribution EIT	18,750		18,750	
Partnership expenses EIT/TBJ		18,750		18,750
	<u>18,750</u>	<u>18,750</u>	<u>18,750</u>	<u>18,750</u>
<i>The project was done in partnership with Tourisme Baie-James.</i>				
Human Resources Funding				
Contribution Tourisme Quebec	68,229		75,000	
Internal contribution EIT	86,087		15,495	
Services agreements		108,145		44,147
Telecommunication		673		
Travel		26,679		12,916
Supplies and office expenses		69		2,182
Partnership expenses EIT/TBJ		18,750		31,250
	<u>154,316</u>	<u>154,316</u>	<u>90,495</u>	<u>90,495</u>
<i>The project was done in partnership with Tourisme Baie-James.</i>				
Human Resource: Director of ACCORD niche				
Contribution Tourisme Quebec	11,250			
Internal contribution EIT	1,250			
Partnership expenses EIT/TBJ		12,500		
	<u>12,500</u>	<u>12,500</u>	<u>-</u>	<u>-</u>
<i>The project was done in partnership with Tourisme Baie-James.</i>				

Eeyou Istchee Tourism Supplementary Information

Year ended March 31, 2017

	2017		2016	
	Revenues	Expenses	Revenues	Expenses
	\$	\$	\$	\$
PROJECTS (continued)				
DMC - Voyages Eeyou Istchee Baie-James				
Internal contribution EIT	2,510			
Partnership expenses		2,510		
	<u>2,510</u>	<u>2,510</u>	<u>-</u>	<u>-</u>
<i>The project was done in partnership with Cree Outfitting and Tourism Association and Tourisme Baie-James.</i>				
Implementation of marketing plan				
Contribution Canada Economic Development	112,024		84,117	
Contribution from the territory	11,426		10,000	
Internal contribution EIT	112,024		84,117	
Advertising		26,615		35,895
Tradeshows		23,653		30,130
Services agreements		67,204		33,403
Training		607		6,008
Travel		64,351		31,787
Project Manager		25,000		25,000
Taxes and permits				373
Subscription and membership		1,710		
Professional fees		16,219		15,478
Promotional material		9,996		
Supplies and office expenses		119		160
	<u>235,474</u>	<u>235,474</u>	<u>178,234</u>	<u>178,234</u>
Tourist Guide Eeyou Istchee Baie-James				
Internal contribution EIT	2,118			
Administration fees		2,118		
	<u>2,118</u>	<u>2,118</u>	<u>-</u>	<u>-</u>
<i>The project was done in partnership with Tourisme Baie-James.</i>				
Implementation of Lodging Tax				
Internal contribution EIT			4,931	
Professional fees				4,931
	<u>-</u>	<u>-</u>	<u>4,931</u>	<u>4,931</u>
	<u>530,668</u>	<u>530,668</u>	<u>397,410</u>	<u>397,410</u>

Eeyou Istchee Tourism Supplementary Information

Year ended March 31, 2017

	2017		2016	
	Revenues	Expenses	Revenues	Expenses
	\$	\$	\$	\$
REGIONAL TOURISM PARTNERSHIP AGREEMENT (RTPA) - PROJECTS				
RTPA - Coaching program				
Regional Tourism Partnership Agreement Fund	7,634		6,436	
Ministère du Tourisme - Québec	7,634		6,436	
Cree Nation Government	7,236		6,436	
Société de développement de la Baie-James	1,205		1,073	
Project disbursements		21,194		17,766
Project administration fees		2,515		1,637
	<u>23,709</u>	<u>23,709</u>	<u>20,381</u>	<u>19,403</u>
RTPA - Arctic Kingdom				
Regional Tourism Partnership Agreement Fund	4,331		4,155	
Ministère du Tourisme - Québec	4,331		4,155	
Cree Nation Government	4,331		4,155	
Société de développement de la Baie-James	722		692	
Project disbursements		12,686		8,141
Project administration fees		1,029		750
	<u>13,715</u>	<u>13,715</u>	<u>13,157</u>	<u>8,891</u>
RTPA - Air Access for tourist - Phase II				
Regional Tourism Partnership Agreement Fund			1,370	
Ministère du Tourisme - Québec			1,370	
Cree Nation Government			1,370	
Société de développement de la Baie-James			226	
Project disbursements				3,970
Project administration fees				366
	<u>-</u>	<u>-</u>	<u>4,336</u>	<u>4,336</u>
RTPA - Chisasibi Hotel				
Regional Tourism Partnership Agreement Fund	27,312		41,387	
Ministère du Tourisme - Québec	27,312		41,387	
Cree Nation Government	27,312		41,387	
Société de développement de la Baie-James	4,550		6,893	
Project disbursements		80,000		120,000
Project administration fees		6,486		11,054
	<u>86,486</u>	<u>86,486</u>	<u>131,054</u>	<u>131,054</u>
RTPA - Shammy Adventures				
Regional Tourism Partnership Agreement Fund	9,408		38,017	
Ministère du Tourisme - Québec	9,408		38,017	
Cree Nation Government	9,408		38,017	
Société de développement de la Baie-James	1,567		6,330	
Project disbursements		27,557		110,227
Project administration fees		2,234		10,154
	<u>29,791</u>	<u>29,791</u>	<u>120,381</u>	<u>120,381</u>

Eeyou Istchee Tourism Supplementary Information

Year ended March 31, 2017

	2017		2016	
	Revenues	Expenses	Revenues	Expenses
	\$	\$	\$	\$
REGIONAL TOURISM PARTNERSHIP AGREEMENT (RTPA) - PROJECTS (continued)				
RTPA - Maquatua Inn				
Regional Tourism Partnership Agreement fund	12,585			
Ministère du tourisme - Québec	12,585			
Cree Nation Government	12,585			
Société de développement de la Baie-James	2,097			
Project disbursements		36,863		
Project administration fees		2,989		
	<u>39,852</u>	<u>39,852</u>	<u>-</u>	<u>-</u>
RTPA - Waswanipi Hotel				
Regional Tourism Partnership Agreement fund	2,560			
Ministère du tourisme - Québec	2,560			
Project administration fees		5,120		
	<u>5,120</u>	<u>5,120</u>	<u>-</u>	<u>-</u>
RTPA - Nuuhchimi Wiinuu				
Regional Tourism Partnership Agreement Fund			35,217	
Ministère du Tourisme - Québec			35,217	
Cree Nation Government			35,217	
Société de développement de la Baie-James			5,868	
Project disbursements				102,113
Project administration fees				9,406
	<u>-</u>	<u>-</u>	<u>111,519</u>	<u>111,519</u>
RTPA - Auberge Maanitaaukimikw				
Regional Tourism Partnership Agreement Fund			34,488	
Ministère du Tourisme - Québec			34,488	
Cree Nation Government			34,488	
Société de développement de la Baie-James			5,746	
Project disbursements				99,999
Project administration fees				9,211
	<u>-</u>	<u>-</u>	<u>109,210</u>	<u>109,210</u>
RTPA - Market Study for the proposed expansion of the Mistissini Lodge				
Regional Tourism Partnership Agreement Fund			4,480	
Ministère du Tourisme - Québec			4,480	
Cree Nation Government			4,480	
Société de développement de la Baie-James			746	
Project disbursements				12,990
Project administration fees				1,196
	<u>-</u>	<u>-</u>	<u>14,186</u>	<u>14,186</u>
	<u>198,673</u>	<u>198,673</u>	<u>524,224</u>	<u>518,980</u>