

# 2017-2018 Annual Report

Cree Outfitting and Tourism Association



# TABLE OF CONTENTS

## ABOUT COTA

- 01 A note from our President
- 03 A note from our Executive Director
- 06 History
- 07 Objectives
- 08 Board of Directors
- 09 Organizational Chart

## PROJECTS

- 10 Annual General Meeting and Tourism Conference
- 12 Coastal Cruises and Marine Captain Training
- 13 Marine Tourism Pre-Commercialization
- 14 Creetopia
- 14 International Économusée Network Conference
- 15 Mentorship and Coaching
- 16 Hotello/ReservIT
- 16 Voyages Eeyou Istchee Baie-James
- 17 Cree Entrepreneur Boot Camp
- 17 Youth Video Project
- 18 Community Maps
- 18 French Language Training
- 18 Reprint of Eeyou Istchee: Land of the Cree

## FINANCIALS

- 19 Audited Financial Statements



# Titus Shecapio

## President

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As president of both the Cree Outfitting and Tourism Association (COTA) and Eeyou Istchee Tourism (EIT), I have a special outlook on the role each association plays in developing tourism across our region.

As Cree, we understand that tourism is vital to our region and its sustainable economic development. This vision of tourism's essential role in our economy led to the inclusion of a specific treaty obligation in the James Bay and Northern Quebec Agreement: the creation of an organization dedicated to building a Cree tourism industry – COTA. Its status as a treaty obligation has, without question, provided the Association with the foundation and incentive it needed to pursue tourism development in earnest. And, in fact, since COTA's incorporation in 2000, we have made steady progress toward establishing a viable tourism sector in our region.

In 2007, we took a big step forward when the Quebec government granted COTA formal recognition as a regional tourism association (RTA). This development put us on an equal footing with all other tourism regions across the province. It also opened doors to funding and networking opportunities, enabling us to speed our development. Because the RTA's roles and responsibilities are significantly different from those of COTA, the decision was made to form a separate organization called Eeyou Istchee Tourism, to carry out the mandate of the RTA. Essentially, official recognition as Quebec's twenty-second RTA, resulted in more funding, greater visibility, enhanced member services, and an even stronger voice in shaping the province's tourism policy.

Eeyou Istchee's tourism industry is increasingly well-positioned to attract and fulfil travellers seeking an authentic experience. Our tourism sector features robust infrastructure and ongoing marketing initiatives. Now, we need to implement mechanisms to ensure travellers receive prompt, bilingual, and courteous year-round reservation services. This is where Voyages Eeyou Istchee Baie-James (Voyages EIBJ), officially incorporated in June 2017, comes in. I am confident that its role of centralizing tourism sales and bookings will bring us much closer to a market-ready industry that operates efficiently. I urge all members to learn more about the invaluable services and support Voyages EIBJ can provide.

In closing, I would like to welcome our new board members. I am certain each new member will bring a fresh perspective – and I look forward to working with you.

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# Robin McGinley

## Executive Director

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With many major projects underway and others starting to take shape, it has been a productive and rewarding year. Following are just a few of the highlights of 2017.

First, in partnership with Arctic Kingdom and the coastal communities, we made progress in the development of our marine coastal tourism industry. This collaborative effort led to the creation of the Wiinipaakw Tours Solidarity Co-Op, whose primary purpose is to operate marine tours on the southern coast of James Bay.

In 2017, we also worked jointly with the Cree Nation of Mistissini and the Oujé-Bougoumou Cree Nation to develop an innovative product known as Creetopia, which is a “ready-to-camp” tent specifically designed for Eeyou Istchee’s distinctive tourism sector. We are confident that the iconic design will set us apart from the competition.

Undoubtedly, one of the high points of the past year was a press tour by writer James Little and photographer Roland Bastarache from Canadian Geographic. I encourage everyone to read and share their piece, which appears in the May/June 2018 issue of the magazine. The tour, which was made possible by our project partner Arctic Kingdom, and the ensuing article will help publicize Eeyou Istchee and its attractions to potential visitors from all across Canada.

COTA has always based its mandates and priorities on extensive consultation and planning with the communities and tourism representatives. In 2017, as in past years, we worked diligently with other stakeholders toward building a viable and responsible tourism industry that creates meaningful employment. Consequently, we’ve made progress on several fronts – which goes to show just how powerful partnership and collaboration really are.

Our focus and efforts of the past year have been wide-ranging. We’ve moved major multifaceted tourism initiatives forward while staying keenly attentive to specific member needs through programs such as Product Development Coaching and training initiatives such as the Cree Entrepreneur Boot Camp.

It needs to be said that without COTA’s devoted team and the support of our Board of Directors, this progress would not be possible. I am both fortunate and appreciative to work with such a dedicated group of people striving to make tourism in Eeyou Istchee a success story.

In closing, I would like to thank outgoing board members and welcome those taking their place.

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# ABOUT COTA

## 1. HISTORY

### **James Bay and Northern Québec Agreement (JBNQA)**

The negotiations leading to the JBNQA provided the platform for gaining control over tourism development. With the signing of the Final Agreement in 1975, the legal framework for this control became a reality and paved the way for the creation of COTA as a treaty obligation under sections 28.4 and 28.6 of the JBNQA.

#### **28.4 Cree Associations**

**28.4.1** Subject to the positive conclusions of the necessary feasibility studies involving the Crees to the greatest extent possible and to the availability of funds, Canada and/or Québec will assist the Crees with funding and technical advice in establishing, as soon as possible, as described herein:

- a Cree Trappers' Association;
- a Cree Outfitting and Tourism Association;
- a Cree Native Arts and Crafts Association.

#### **28.6 Cree Outfitting and Tourism Association**

**28.6.1** As soon as possible following the execution of the Agreement and subject to the results of the feasibility studies referred to in paragraph 28.4.1 there shall be established a Cree Outfitting and Tourism Association which shall inter alia:

- provide marketing, booking and promotion services for Cree outfitting operations;
- provide business, management, accounting and professional services for Cree outfitters;
- conduct feasibility studies related to establishment or siting of individual outfitting facilities or a network of outfitting facilities.

**28.6.2** Subject to the results of the feasibility studies and in the event that a Cree Outfitting and Tourism Association is established, Canada, Québec and the Cree Regional Authority, in proportion to be mutually agreed upon shall assist the Association in its operation and objects.

Our vision, in accordance with Sections 28.4 and 28.6 of the JBNQA, is to:

- provide marketing, booking, and promotion services, where necessary, for Cree outfitting operations;
- provide business, management, accounting and professional services, where necessary, for Cree outfitters;
- conduct feasibility studies related to the establishment of individual outfitting or a network of outfitting facilities.

## 2. OBJECTIVES

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### Implement Section 28.6 of the JBNQA

- Provide marketing, booking, and promotion services, where necessary, for Cree outfitting and tourist operations.
- Provide business, management, accounting and professional services, where necessary, for Cree outfitters and tourist businesses.
- Conduct feasibility studies related to the establishment of individual outfitting or tourism facilities or a network of outfitting or tourism facilities.
- Community Awareness and Capacity Building
- Place a priority on increasing awareness of tourism as a sustainable economic development opportunity.
- Increase the capacity of local and regional institutions to provide services by improving access to information.
- Support and undertake training and skill development initiatives that recognize Cree skills and industry standards.
- Support and encourage human resource development related to tourism.

### Industry Development

- Promote partnerships among Cree businesses, communities, and institutions.
- Represent the interests of COTA members at meetings with governments, commissions, other organizations, and non-native developers.
- Support the development of Cree tourist products that exceed market standards by creating quality standards and by recognizing success with awards.
- Ensure the participation of the Cree Nation in the development and promotion of tourism and outfitting activities.

### Communications

- Ensure effective communications with Cree stakeholders including Tallymen, governments, communities, and industry.
- Promote COTA's vision, objectives, activities, and accomplishments.
- Promote a positive image of the membership.
- Develop alliances and coordinate with other tourism and indigenous organizations to work toward common goals.
- Serve as a liaison between Cree tourism and outfitting operators, the tourism industry, and the markets they serve.
- Incorporate current technology to increase the ease and efficiency of communications and reduce the associated costs.

### Marketing

- Increase market share by researching the feasibility of regional projects that promote the communities.
- Conduct product development and market research that include visitor statistics and product inventories.

### Financial Development

- Actively seek funding and other resources from governments, the private sector, and other sources.
- Develop, where appropriate, revenue-generating activities.

### 3. BOARD OF DIRECTORS

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The primary role of the COTA Board of Directors is to guide the activities of the association and make decisions that help further the development of the tourism industry in Eeyou Istchee in accordance with the needs and objectives of our members.



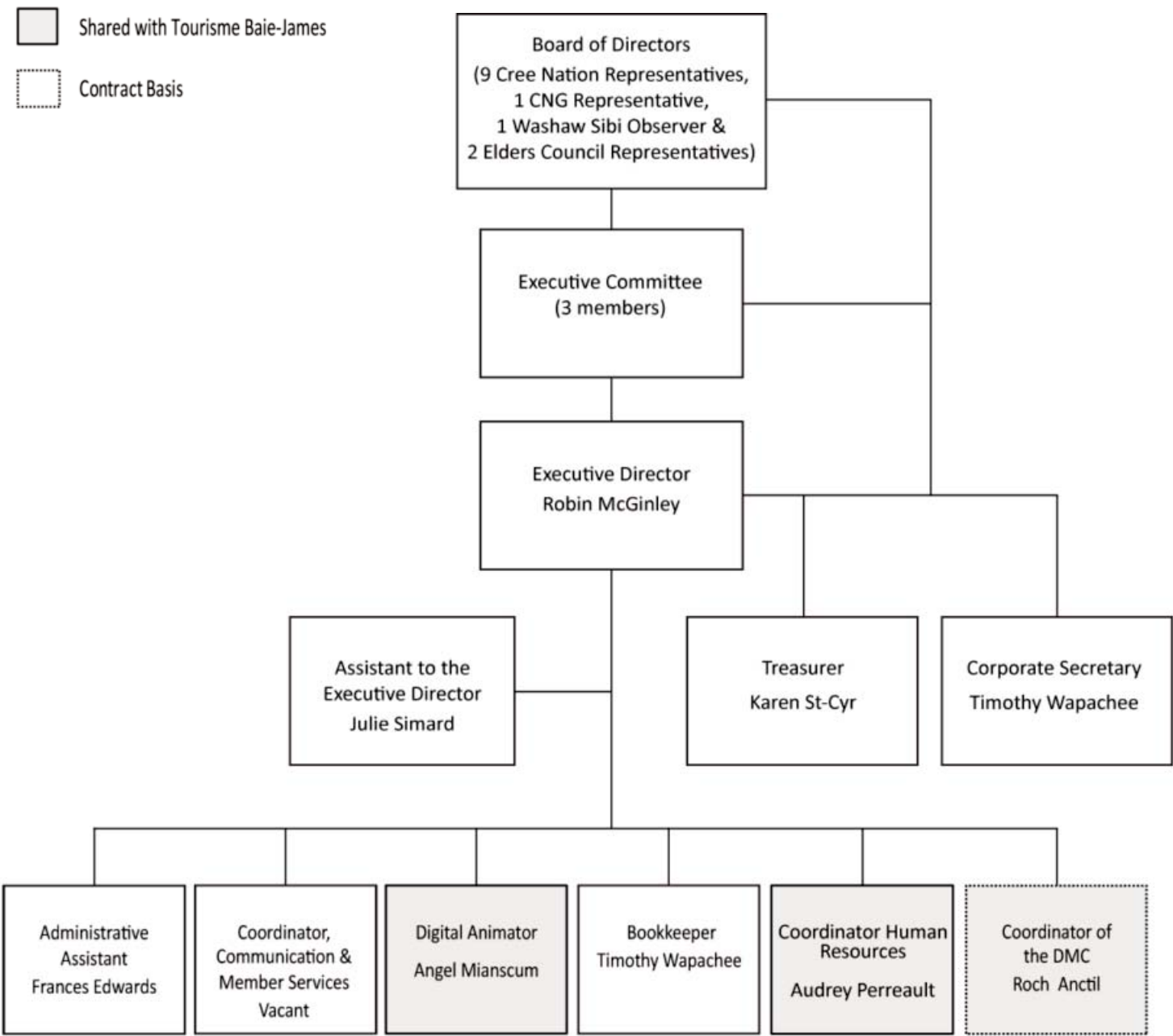
Top from left to right: Janie Pachano and Roderick Pachano - Elders Representatives, Anderson Jolly – Nemaska Representative, Isaac Masty - Whapmagoostui Representative, Jerry Rupert - Chisasibi Representative, Titus Shecapio – President and Mistissini Representative, Jamie Moses – Vice-President and Eastmain Representative, Chuck Matches - Wemindji Representative, Joey Blacksmith - Waswanipi Representative, Ron Simard - Ouje-Bougoumou Representative

Bottom: Tim Whiskeychan - Waskaganish Representative

Missing from the photo: Dianne O. Reid - Cree Regional Authority Representative

# 4. ORGANIZATIONAL CHART

The chart below illustrates COTA's organizational structure to June 1, 2018. All staff positions are shared between COTA and EIT.





# PROJECT SUMMARIES

*Following are summaries of the projects and initiatives that were launched or completed during the 2017-2018 fiscal year.*

## 1. Annual General Meeting and Tourism Conference

COTA held its most recent Annual General Meeting (AGM) and Tourism Conference in Waskaganish from July 11 to 13, 2017.

### 1.1 Annual General Meeting

At the AGM, which took place on July 11, the audited financial reports and minutes from the previous AGM were presented for review and approval, in accordance with standard protocol. An important highlight of this year's AGM was the election of the board of directors for both COTA and EIT. The names of the newly elected members can be found on page 8 of this report. We would like to thank the outgoing board members for their service and dedication to COTA and EIT.

### 1.2 Tourism Conference

The theme of the 2017 Tourism Conference was "Building Marine Tourism Together." The two-day event featured multiple presentations, many dedicated to the development of marine tourism products or related issues such as funding opportunities. The conference opened with a presentation on the many exciting and fun activities planned in 2017 to celebrate the 350th anniversary of Waskaganish.

#### 1.2.1 Presentations

Conference participants were introduced to some of the tourism initiatives and programs planned for the coastal communities. Guest speakers included representatives from Arctic Kingdom, Parks Canada, and the Eeyou Marine Region.

#### Arctic Kingdom

With its significant experience in the development of sustainable tourism products in remote and northern destinations, Arctic Kingdom is providing guidance and support in the development of a marine tourism industry. Presenter Jane Whitney gave an overview of Arctic Kingdom's extensive background in developing travel packages in Canada's Far North and shared information about the company's overall business philosophy. She also emphasized the importance of customer

service in the tourism industry. On day two of the conference, Arctic Kingdom's Scott Walker spoke about critical aspects of boat safety for the tourism trade. His presentation covered topics such as emergency planning, safety equipment, daily vessel inspections, risk management, route planning, and certification.

### **Parks Canada: Marine Protected Area**

Valentyna Galasza of Parks Canada spoke about conservation practices in use at Saguenay–St. Lawrence Marine Park. The Park is one of only four National Marine Conservation Areas in the Canadian national park system and the first national park in Quebec to protect a purely marine environment. The topic of Ms. Galasza's presentation was of particular interest to tourism stakeholders in Eeyou Istchee since Wemindji is currently examining the possibility of creating a marine park to protect the community's vulnerable coastal ecosystem.

*The Marine Park's mission is to increase ecosystem protection levels for conservation purposes for the benefit of present and future generations, while encouraging its use for educational, recreational, and scientific purposes. Activities in the Marine Park are regulated to ensure the sustainable use of this area and its resources. Regional stakeholders contribute to achieving the Marine Park's objectives.*

### **Eeyou Marine Region: Rediscovery of the Bay and the Islands**

On the second day of the conference, Félix Boulanger made a presentation titled "Eeyou Marine Region: Rediscovery of the Bay and the Islands," which provided a historical context for the development of the Eeyou Marine Region Land Claims Agreement

(EMRLCA) and described the three government institutions created to implement the agreement, namely, the Impact Review Board, the Planning Commission, and the Wildlife Board. The presentation also highlighted the potential for the development of wildlife-related marine ecotourism with a particular focus on polar bear observation.



### **Theo Ikummaq: A Shared Life Between Guiding and Ttraditions**

Theo Ikummaq, an experienced guide at Arctic Kingdom, delivered an inspiring presentation in which he shared memories of growing up in what is today Nunavut. Through photographs and stories, he also described how his love of the land informs his work as a guide. Mr. Ikummaq is extremely knowledgeable about Inuit culture and history and takes great pride in sharing that knowledge with his clients. As a charismatic and proud representative of his cultural heritage, Mr. Ikummaq was a great inspiration for our members.



## Économusée Network Society

The purpose of this presentation by Carl-Éric Guertin was to introduce members to the concept of an économusée (see page 15 for more information) and to potential benefits for artisans and the community as a whole. The presentation outlined the fundamental requirements that a business must meet to become an économusée.

## Ministère de la Culture et des Communications Programs

Tourism overlaps with other sectors, especially culture. We were pleased to include among our speakers Ms. Anne-Marie Gendron, who offered up-to-date information about funding opportunities available through the Capital Assistance Program at the Quebec ministry for culture and communications. The program provides financial support for projects involving the restoration and conservation of heritage property. It also contributes to maintaining and developing a Quebec-wide cultural infrastructure network that meets professional standards. Although COTA's focus is tourism, this program has a broader reach, and funding opportunities are available that have the potential to benefit the community as a whole.

## The 2017-2020 Regional Tourism Partnership Agreement

EIT, the Cree Nation Government, Tourisme Québec, and Société de développement de la Baie-James are partnering to renew the Regional Tourism Partnership Agreement (RTPA) and announced the first call for projects. The Program is designed to help local partners and businesses carry out projects to develop the region's

tourism offer. Projects submitted must be of a developmental nature and contribute to enhancing and expanding the tourism offer.

### 1.2.2 Other Highlights of the Conference

Graduates of the 2016 Marine Captain Training program were honoured. In all, 24 trainees graduated from the program. Marine Captain Trainee Peter Esau spoke about his experience in the program. The 12 graduates of the training program in Greeting Services, Information and Promotion in Tourism Offices for Cree Communities were also honoured. In closing, the 2017 International Aboriginal Tourism Conference contest was launched. To win the prize – an all-expenses-paid trip for two to attend the conference – eligible participants were asked to submit a short essay on a tourism-related topic.

### 1.2.3 Environmentally Friendly Events

As in previous years, the AGM and Tourism Conference were eco-responsible events. In addition to providing reusable dishes, composting and collecting and sorting recyclable materials, participants also took part in a community clean-up. To evaluate the effectiveness of our efforts, FauneENord's Green Team analyzed the results of impacts relating to transport, waste, recycling, composting, buildings, and energy sources. COTA is motivated by a commitment to promote and encourage practices that are in line with Cree values and sustainability.



## 2. Coastal Cruises and Marine Captain Training

COTA, in partnership with Waskaganish, Eastmain, Wemindji, Chisasibi and Whapmagoostui (and their development corporations), and the Cree Human Resources Department are working with Arctic Kingdom to deliver a Marine Captain training course and assess opportunities for developing marine tourism products in Eeyou Istchee.

The Marine Captain course was delivered in the summer of 2016, with some aspects of the training completed in 2017. In all, 24 participants – representing all five coastal communities – graduated from the program.

In addition, Arctic Kingdom set up temporary base camps on Cape Hope Islands and Long Point, north of Chisasibi, and organized a reconnaissance tour to identify opportunities for developing marine tourism products. Key data for the development of polar bear-viewing excursions in the area were collected and potential tourism locations identified. Other important aspects of the research included:

- Viability of various coastal routes
- Specific recommendations for product development for each coastal community
- Development of single- and multi-day tour itineraries

Based on Arctic Kingdom's findings, we are confident that there is significant potential for the development of successful marine coastal tourism products. New products will include base camps in the five coastal communities and on Cape Hope Islands, half- and full-day Zodiac tours, wildlife-observation tours, and tours of

natural and cultural attractions. Detailed itineraries were developed for each new product, clearly identifying specific activities, travel routes, distances to and from each destination, and the duration of each itinerary. In the case of multi-day tours, accommodations and meals were itemized, along with some costs.

*Safety is always a priority in the development of marine tourism products. Safe marine travel procedures, regulated by Transport Canada, were introduced, including the importance of a risk-management plan and an emergency plan. Information regarding marine weather, tides, and sea currents was provided, as were distances between departure points and destinations. In addition, locations that supply shelter in the event of poor weather or breakdown were identified.*

### Getting Started

The establishment of a seven-day base camp was recommended for Cape Hope Islands. The camp will accommodate paying guests and host travel writers and familiarization tours to promote the product. A seven-day base camp will bring in greater revenue than single-day tours, allow for extensive on-land exploration, and provide broader economic benefits to the community.

Funding for this project was generously provided by Cree Human Resource Department, Ministère de l'Économie, des Sciences et de l'Innovation and Tourisme Québec. Project partners include Whapmagoostui Eeyou Enterprises, Cree Trappers Association, Waskaganish Business Development Corporation and Tawich Development Corporation.



### 3. Marine Tourism Pre-Commercialization

The opportunity for the development of sustainable marine tourism in southern James Bay was identified in the Coastal Cruises and Marine Captain Training project. In November 2017, COTA, in partnership with Waskaganish, Eastmain, and Wemindji, secured funding from Aboriginal Affairs and Northern Development Canada (AANDC) and Cree Nation Government (CNG) for a pre-commercialization initiative to begin developing and structuring marine tourism products. Although not directly involved at this time, Chisasibi and Whapmagoostui will also have an opportunity later on, to take part in this tourism initiative.

The pre-commercialization phase covers a period of approximately ten months. Jamie Moses was hired on a part-time basis as the project coordinator. In addition, a community liaison officer will be hired to oversee the project.

#### 3.1 Wiinipaakw Tours Solidarity Co-op

An important goal of the pre-commercialization initiative was to establish a new business endeavour to operate the coastal tours. In February and March 2018, nine certified Marine Captains – all graduates of the Marine Captain Training program delivered in 2016 – and other key stakeholders met to begin the process of creating this new business. The structure they opted for is a solidarity co-op, which falls under the Social Economy Sector and is amenable to different membership types. The co-op is called Wiinipaakw Tours Solidarity Co-op.

*The purpose of Wiinipaakw Tours Solidarity Co-op is to develop sustainable coastal tourism in Eeyou Istchee, in accordance with authentic Cree culture and values and in harmony with nature.*

The next steps for the Co-op are to create an operating plan and a business plan. This will be accomplished with support from COTA's Product Development Officer, the project coordinator, and strategic advice from Arctic Kingdom. Co-op members will hold their first general assembly in August 2018.

### 4. Creetopia

COTA, in partnership with the Cree Nation of Mistissini, the Oujé-Bougoumou Cree Nation, and Huttopia, is developing a ready-to-camp tent designed exclusively for use in Eeyou Istchee. This new and innovative offering is called Creetopia and is modelled after Huttopia, an extremely successful prêt-à-camper ("ready-to-camp") concept developed in France. Creetopia will meet the quality, comfort and efficiency standards of the very best ready-to-camp tents available on the tourism market. The initiative will be developed as part of a five-year process that includes consultation, prototyping, funding, site selection, and implementation.

*Huttopia is a world leader in the development and operation of ecotourism resorts with low-environmental impact. We are confident that Huttopia's expertise, experience, and extensive marketing network will be key success factors for Creetopia.*

The design of Creetopia's ready-to-camp tents will be inspired by, and reflect, traditional Cree culture and architecture. These lightweight tents sit on platforms and are easy to put up and take down. Some models are equipped with a toilet and shower as well as a wood stove. A key benefit of the ready-to-camp tents is that they are less costly to build and operate than wood or log cabins.



What exactly is ready-to-camp? Essentially, it's camping without having to bring and set up your own gear. Creetopia allows travellers to Eeyou Istchee to enjoy nature stays along with comfortable and convenient accommodation in custom-designed ready-to-camp tents. Creetopia will be set up at designated sites throughout the region and operate during the peak tourism season. The concept may also be used to meet increases in lodging demand during popular community events and celebrations. Creetopia's brand image will be unique to Eeyou Istchee.



## 5. International Économusée Network Conference

In October 2017, COTA attended the Second International Économusée Network (ENS) Conference, which was held in Bergen, Norway. Accompanying COTA were Conrad Mianscum, Tourism Coordinator for Mistissini, and Jane Voyageur, a Cultural Coordinator. This event was an exciting opportunity to experience firsthand the benefits provided by a network with a truly global reach. The conference included two and a half days devoted to tours of local économusées, many of them family-operated, and two days to presentations and round-table discussions with artisans and ENS partners. The event provided valuable insight into the suitability of implementing the économusée concept in Eeyou Istchee, a region endowed with a rich and diverse artistic and cultural heritage.

### 5.1 More About Économusées

An économusée is a showcase for artisans and their trades. The concept allows artisans to open their workshops to the public to witness, and even take part in, their creative process. It offers not

only a learning experience but it also increases sales and helps to preserve traditional craft-making methods.

The concept originated in Quebec 25 years ago and has since been exported to other Canadian provinces as well as locations in Europe. The mission of the ENS is to enable artisans and craft-making enterprises to develop and promote traditionally inspired crafts and knowledge as a means of providing the public with high-quality cultural and tourism products. The ENS supports local artisans by offering advice on transforming their practice into an économusée that showcases both the finished product and the production process.

### 5.2 Why Eeyou Istchee And Économusée Are a Good Fit

Cree arts and handicraft are an expression of our culture, values, and identity. From sturdy snowshoes and intricately beaded moosehide moccasins to delicate tamaracks and hand-sewn spruce bark baskets, Eeyou Istchee offers a rich and varied artisan history.

From a tourism standpoint, an économusée is an efficient concept that allows private enterprises to reach out to the general public, promote local culture, and contribute significantly to the preservation of a valuable cultural heritage.

*An économusée offers access to “travel directed toward an engaged and authentic experience, with participative learning in the arts, heritage, or special character of a place, and it provides a connection with those who reside in this place and create this living culture.” There is growing demand for this type of experience, and économusées will continue to adapt in order to remain competitive as tourism destinations.*



## 6. Mentorship and Coaching

In 2012, COTA implemented a Product Development Coaching program to help Cree entrepreneurs upgrade and enhance their tourism products. The program provides structured assistance from industry professionals to help develop market-ready tourism products that meet the needs and expectations of travellers.

Nuuhchimi Wiinuu and Shammy Adventures are the first two businesses to have completed the program. Thanks to additional funding, both businesses are benefitting from additional support designed to improve and extend their current services.

### 6.1 Nuuhchimi Wiinuu

From July 24, 2017 to July 27, 2018, Nuuhchimi Wiinuu owners and operators David and Anna Bosum are working with coach and mentor Linda Sarrazin. Ms. Sarrazin has extensive experience in business development as well as a background in Aboriginal tourism. Ms. Sarrazin will provide the following support:

- Evaluate the business and provide recommendations for meeting Aboriginal Tourism Canada guidelines on cultural authenticity and market-readiness
- Review packages currently on offer and explore new ideas for generating additional business
- Assess and recommend options for enhancing customer service
- Evaluate and provide recommendations for incorporating Heritage Interpreter techniques
- Analyze and provide recommendations for possible partnerships with other stakeholders
- Review the effectiveness of current marketing tools in reaching target markets

*We would like to take this opportunity to congratulate David and Anna Bosum for obtaining their Aventure Écotourisme Québec (AEQ) accreditation.*

### 6.2 Shammy Adventures

From April 2017 to March 2018, Angus Mayappo and Stephanie Georgekish at Shammy Adventures received expert training from Jean-Michel Perron of Par Conseils et Stratégies to:

- Develop specific niche marketing activities with the DMC
- Make infrastructure improvements
- Marketing coordination with EIT and TBJ

- Create exclusive partnerships with operators in the UK, Japan, and South Korea
- Provide additional training in business management and group and camp management

Funding for the mentorship and coaching was provided by Cree Human Resources Development.



## 7. Voyages Eeyou Istchee Baie-James

Voyages Eeyou Istchee Baie-James (Voyages EIBJ) is the region's Destination Management Company (DMC). It was created by COTA in partnership with EIT and TBJ. The company specializes both in vacation and business travel and works closely with the region's tourism businesses. Its main objectives are to increase the number of visitors to Eeyou Istchee Baie-James and enhance the tourism sector's positive economic impact across the region.

Voyages EIBJ is a sales tool for the region's tourism businesses. It facilitates travel for visitors by providing a one-stop shop for booking and invoicing. It also facilitates access to the region's tourism offer for travellers and distribution channels in domestic markets (Quebec), nearby markets (Ontario and the rest of Canada as well as northeastern United States), and global markets (including France, the United Kingdom, and Germany).

*An example of a package created and marketed by Voyages EIBJ is the popular Ouje-Bougoumou Weekend Getaway. The 3-day, 2-night, package includes a stay at Nuuhchimi Wiinuu Culture camp, a guided walking tour of the community and a visit and activity at the Aanischaaukamikw Cree Cultural Institute.*



Voyages EIBJ promotes and sells market-ready tourism products on a commission basis. In effect, it carries out its promotion and sales activities year-round and earns commission fees only on completed customer transactions. In light of the shortage of an experienced tourism workforce, its services allow regional tourism businesses to save time and money.

Voyages EIBJ's priorities in the years ahead are to:

- Consolidate existing products
- Implement its sales strategy through its web site, sales materials, and online booking tools

- Create a strategic plan and packages for new products
- Develop business partnerships with foreign destination management companies and tour operators

### 7.1 Incorporation of the New Company

In addition to funds invested by the Voyages EIBJ's developers – COTA, EIT, and TBJ – financing was finalized in summer 2017 with contributions from Quebec tourism ministry's Programme de développement de l'industrie touristique – Aide au développement pour le nord du 49e parallèle (ADN 49) and from the Cree Nation Government's regional funds. Thanks to these sources of financing, Voyages Eeyou Istchee Baie-James was incorporated on June 13, 2017.

## 8. Hotello/ReservIT

The ability to provide potential visitors with easy online booking is a critical success factor for all sectors of tourism. As the tourism industry grows, more and more hotels in Eeyou Istchee Baie-James are offering this convenience. Other establishments, however, still lack the infrastructure and workforce required for effective reservation and inventory management.

Now that Voyages Eeyou Istchee Baie-James (Voyages EIBJ) is in operation, it is essential that hotels and even some outfitting camps take the necessary steps to implement their online booking platforms. By doing so, they will enable Voyages EIBJ to gain real-time access to hotel inventory throughout the region and provide, in accordance with its mandate, a centralized booking service for the destination as a whole.

To support our members and help them offset up to 80% of the costs of implementing an online booking and hotel management system, Eeyou Istchee Tourism and Tourisme Baie-James have secured funding from the Quebec government. To be eligible for funding, businesses are required to use ReservIT and Hotello.

ReservIT is a booking engine that makes it easy to reserve hotel rooms online. Hotello is an easy-to-use system that facilitates all aspects of hotel management, including front-desk services, daily hotel management, operations, accounting, and pricing. Hotello also generates detailed statistical reports on consumer behaviour that are crucial for developing strategic and targeted marketing campaigns.

With ReservIT and Hotello, members have the tools they need to connect with countless potential visitors and keep their guests happy, thereby helping them run their businesses effectively and profitably.

## 9. Cree Entrepreneur Boot Camp

Aboriginal tourism is a growing market, and there is considerable opportunity within Eeyou Istchee to develop tourism-related businesses that cater to this expanding sector. While entrepreneurship may be a rewarding and fulfilling career choice, it isn't the right fit for everyone. Starting and operating a tourism business requires extensive planning and preparation, a great deal of hard work, and often significant financial investment. It's important, therefore, to enter into this venture with a full understanding of what to expect.

In February 2018, in partnership with the Waskaganish Business Corporation, COTA offered a workshop – titled the “Cree Entrepreneur Boot Camp” – to help would-be Cree tourism entrepreneurs assess the pros and cons of business ownership. The five-day workshop gave attendees a comprehensive view of the multiple and complex requirements associated with tourism business ownership and operation.

Topics included self-assessment ("Is self-employment right for you?"), an introduction to starting a business, tourism trends, and information about the many critical components of a well-structured and thorough marketing plan.

A distinctive feature of this initiative was the workshop's focus on all family members involved in developing a business plan. This is a critical consideration since launching and operating a business



requires family support and commitment; consequently, all family members must be included in the process.

The Business Entrepreneur Boot Camp was delivered by SKY Community Economic Development Services with its founder, Irene Neeposh, acting as developer and facilitator.

Funding was generously provided by Cree Nation Government, Ministère de l'Économie, des Sciences et de l'Innovation.



## 10. Youth Video Project

In 2016, with the support of a small team of documentary filmmakers, COTA began the production of a video titled Cree Tourism: Creating the Career of your Dreams. The video encourages Cree youth to consider a career in tourism and provides information about enrolment in educational programs to enable them to pursue a career in tourism. It also highlights a number of Cree tourism businesses, including Nuuhchimi Wiinuu, the Aanischaaukamikw Cree Cultural Institute, and Camp Louis-Jolliet.

The video also features interviews with young Crees who have recently completed college or university studies and have found fulfilling work in the tourism sector in Eeyou Istchee.

In addition to interviews, location shooting in Wemindji and other sites were done to highlight the variety of cultural tourism activities in Eeyou Istchee and the beauty of the landscape at different times of the year.

The film includes traditional Cree fiddle music by James Stewart of Chisasibi and excerpts of songs by the young Cree musical group called The NorthStars.

Cree Tourism: Creating the Career of Your Dreams was completed in November 2017 and will have its debut screening at COTA's Annual General Meeting in Nemaska in July 2018. The film will be available on USB key cards with flash drives that will be accompanied by educational kits. It will also be posted online in part or in full to reach as many Cree youths as possible.

*Tourism has the potential to offer the Cree, especially Cree youth, an opportunity to work in a field that promotes the transfer of traditional knowledge between generations and brings greater awareness of Cree culture and values.*

Funding was provided by the Cree School Board, Cree Human Resources Department, ACCORD program (Ministère de l'Économie, des Sciences et de l'Innovation) and the communities of Mistissini, Eastmain, Wemindji, and Chisasibi.



## 11. Community Tourism Maps

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The primary purpose of these community maps is to provide visitors with a simple and easy-to-interpret visual resource to navigate within a given community. Each community map will include street names and clearly identify points of interest, such as hotels, restaurants, hiking trails, tourism information offices as well as cultural and historical landmarks. These landmarks will be represented on each map using standardized symbols, with a legend explaining the meaning of each symbol.

## 12. French-Language Training

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To meet the needs of clients and potential visitors to the region, COTA recognizes the importance of providing our employees with tools to communicate comfortably in French. The ability to speak French is of particular importance to staff members who work directly with the public or who communicate with representatives from government agencies and public organizations. That is why COTA is pleased to have taken part in a French-language training program sponsored by Emploi Québec.

The program was overseen by Centre d'études collégiales à Chibougamau (CECC) and consisted of over one hundred hours of one-on-one French conversation with a certified instructor. It focused on the development of conversational skills but also targeted improved proficiency in basic reading and writing skills.

## 13. Reprint of Eeyou Istchee: Land of the Cree

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Eeyou Istchee: Land of the Cree is a 250-page coffee-table book that was first published in 2010. The book, which includes a trilingual text, has been described as the most comprehensive photo-essay ever produced on the Cree people of eastern James Bay. Over 200 images portray the annual cycle of activities among the Cree, including summer gatherings, autumn moose hunt, winter wellness journeys, and spring goose hunt. They also highlight the flora, fauna, and geography of Eeyou Istchee.

When Eeyou Istchee: Land of the Cree was first published, it made the bestseller list in The Montreal Gazette. At the time, a book trailer was posted on YouTube, which has garnered more than 20,000 views.

We are pleased to share that another thousand copies have been printed. This content-rich book of exceptional reproduction quality is now in its third edition and has sold more than 3,000 copies.

## 14. Representation

In addition to the many projects that are summarized in this report, representatives from COTA and EIT took part in the following:

- Outdoor Leadership Program – Met with the students at Sabtuan Regional Vocational Training Centre with Cree tourism graduate Stephane Gunner
- Les Assises du Tourisme in Montréal
- Annual Conference “Looking Ahead Together” in Mistissini organized by the Secretariat to the Cree Nation Abitibi-Témiscamingue Economic Alliance (presented and coordinated the tourism panel)
- Cree Story Project Conference in Ouje-Bougoumou

Additionally, in her capacity as COTA's Executive Director, Robin McGinley serves as a member of the Board of Directors for the Nibiischii Corporation, the Société du Plan Nord's Assembly of Partners (as the tourism representative) and the Secretariat to the Cree Nation Abitibi-Témiscamingue Economic Alliance.

Ms. McGinley was also a member of the Expedition Team with Arctic Kingdom aboard the Crystal Serenity from Anchorage to Cambridge Bay and presented the film Nunaaluk.



## Members of COTA / EIT

Chief Darlene Cheechoo - Cree Nation of Waskaganish  
Chief Kenneth Cheezo - Cree Nation of Eastmain  
Chief Christina Gilpin - Cree Nation of Wemindji  
Chief Davey Bobbish - Cree Nation of Chisasibi  
Chief Louisa Wynne - Whapmagoostui First Nation  
Chief Thomas Jolly - Cree Nation of Nemaska  
Chief Richard Shecapio - Cree Nation of Mistissini  
Chief Curtis Bosum - Ouje-Bougoumou Cree Nation  
Chief Marcel Happyjack - Cree Nation of Waswanipi  
Chief Pauline Trapper-Hester - Cree Nation of Washaw Sibi  
Joshua Iserhoff - Cree Nation of Nemaska Tourism Dept.  
Eneyaauhkaat Lodge - Wabannutao Eeyou Development Corp.  
Ron Simard - Ouje-bougoumou Cree Nation-Tourism Dept.  
Kenny Mianscum - Cree Native Arts & Crafts Association  
Anna & David Bosum - Nuuhchimi Wiinuu  
Edward Nine'O'Clock - Chaapnikshii Outfitters  
Cindy Visitor - Waastooskunn Inn  
Louie-Rene Kanatewat - Auberge Maanitaaukimikw  
Jerry Rupert - Long Point Adventures  
Stephan Gunner - Mistissini Outfitting Camps  
Benjamin Loon - Cree Human Resources Development  
Tanya Pash - Air Creebec  
Rachelle Lafond - Chisasibi Heritage & Cultural Center  
Charlie Louttit - Marine Captain/Individual  
Thomas A. Hester - Individual  
Naomi Bosum - Capissisit Lodge  
Charlene Wawatie - Tawich Development Corporation  
Rob Imrie - Aanischaukamikw (Cree Cultural Institute)  
Starr Hester - Marine Captain  
Alain Ayotte - Pourvoirie Lac Goéland  
Isaac Masty - Individual  
Joey Blacksmith - Individual  
Tim Whiskeychan - Artist  
Harold Bosum - Traditional Artisan  
Angela Moar - Traditional Artisan  
Ruby Moar - Traditional Artisan  
Deborah Ratt - Traditional Bead weaver  
Natasia Mukash - Professional Painter  
Saige Mukash - Professional Painter  
Stephanie Georgekish & Angus Mayappo - Shammy Adventures

**Cree Outfitting and Tourism  
Association  
Financial Statements  
March 31, 2018**

Independent Auditor's Report	2 - 3
Financial Statements	
Operations	4
Changes in Accumulated Surplus	5
Cash Flows	6
Financial Position	7
Notes to Financial Statements	8 - 13
Supplementary Information	14 - 19

## **Independent Auditor's Report**

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Raymond Chabot  
Grant Thornton LLP  
1000 Germain Street  
Val-d'Or, Quebec J9P 5T6

T 819-825-6226

To the Directors of  
Cree Outfitting and Tourism Association

We have audited the accompanying financial statements of Cree Outfitting and Tourism Association, which comprise the statement of financial position as at March 31, 2018 and the statements of operations, changes in accumulated surplus 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 qualified audit opinion.

### **Basis for qualified opinion**

The investment in a subsidiary is recorded at cost, which constitute a departure from Canadian accounting standards for not-for-profit organizations. This investment should have been consolidated or recorded at equity value. The financial effect of this departure for the year ended March 31, 2018 is to underestimate the excess of revenues over expenses, the accumulated surplus and the assets of an amount of \$23,625.

### **Qualified opinion**

In our opinion, except for the effects of the matter described in the Basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Cree Outfitting and Tourism Association as at March 31, 2018 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.

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*Raymond Chabot Grant Thornton LLP*

Val-d'Or  
June 7, 2018

## Cree Outfitting and Tourism Association Operations

Year ended March 31, 2018

	2018	2017
	\$	\$
<b>Revenues</b>		
Contributions		
Cree Nation Government	398,758	386,286
Cree Nation Government - Federal New Relationship Agreement	353,273	348,739
Eeyou Istchee Baie-James Travel Inc.	149,334	
Cree Nation Government - Board of Compensation	81,800	101,799
Quebec Government	52,024	414,056
Cree Human Resources Department	52,446	214,380
Indian and Northern Affairs Canada	39,688	
Capital distribution from Eenou-Eeyou Limited Partnership	353,273	348,739
Partnerships	45,335	111,192
Book sales and other revenue	24,832	19,158
Eeyou Istchee Tourism		33,880
	<u>1,550,763</u>	<u>1,978,229</u>
<b>Expenses</b>		
Project expenses	660,606	1,282,579
Salaries and employee benefits	330,150	364,488
Professional fees	77,084	23,713
Board meeting expenses	59,175	42,846
Rental expenses	55,381	43,020
Contributions to Eeyou Istchee Tourism projects	52,883	115,180
Travel	36,419	53,218
Telecommunications	24,010	7,865
Supplies and office expenses	10,578	15,932
Utilities and fees	9,573	13,591
Advertising	8,903	12,084
Maintenance and repairs	8,794	20,237
Annual report	7,696	7,585
Vehicles expenses	6,506	13,998
Insurance	4,481	5,649
Membership and subscription	4,047	5,502
Gifts and donations	3,888	9,222
Social events	2,966	3,480
Meeting expenses	1,819	3,782
Sponsorship	1,500	2,000
Bank charges	4,663	3,662
Loss on disposal of tangible capital assets	3,302	
Amortization of tangible capital assets	29,559	31,331
	<u>1,403,983</u>	<u>2,080,964</u>
<b>Excess (deficiency) of revenues over expenses</b>	<u>146,780</u>	<u>(102,735)</u>

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

## Cree Outfitting and Tourism Association Changes in Accumulated Surplus

Year ended March 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Balance, beginning of year	1,728,437	1,831,172
Excess (deficiency) of revenues over expenses	<u>146,780</u>	<u>(102,735)</u>
Balance, end of year	<u><u>1,875,217</u></u>	<u><u>1,728,437</u></u>

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

## Cree Outfitting and Tourism Association Cash Flows

Year ended March 31, 2018

	2018	2017
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	146,780	(102,735)
Non-cash items		
Amortization of tangible capital assets	29,559	31,331
Loss on disposal of tangible capital assets	3,302	
Changes in working capital items and deferred contributions	<u>(154,298)</u>	<u>(139,182)</u>
Cash flows from operating activities	<u>25,343</u>	<u>(210,586)</u>
<b>INVESTING ACTIVITIES</b>		
Term deposit	251,923	92,836
Advances to Eeyou Istchee Tourism	(120,356)	392,486
Acquisition of tangible capital assets	(82,549)	
Investment in a subsidiary	<u>(50,000)</u>	
Cash flows from investing activities	<u>(982)</u>	<u>485,322</u>
<b>Net increase in cash</b>	<b>24,361</b>	<b>274,736</b>
Cash, beginning of year	<u>463,092</u>	<u>188,356</u>
Cash, end of year	<u><b>487,453</b></u>	<u><b>463,092</b></u>

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

# Cree Outfitting and Tourism Association Financial Position

March 31, 2018

	2018	2017
	\$	\$
<b>ASSETS</b>		
Current		
Cash	487,453	463,092
Term deposit, 0.85%, maturing in February 2019 (Note 3)	389,286	641,209
Trade and other receivables (Note 4)	112,609	89,954
Contributions and partnerships receivable (Note 5)	524,925	359,416
Advances to Eeyou Istchee Tourism, without interest	395,196	274,840
Prepaid expenses	10,251	3,984
	<u>1,919,720</u>	<u>1,832,495</u>
Long-term		
Investment in a subsidiary (Note 6)	50,000	
Tangible capital assets (Note 7)	143,822	94,134
	<u>2,113,542</u>	<u>1,926,629</u>
<b>LIABILITIES</b>		
Current		
Trade payables and other operating liabilities (Note 9)	205,988	169,128
Deferred contributions (Note 10)	32,337	29,064
	<u>238,325</u>	<u>198,192</u>
<b>ACCUMULATED SURPLUS</b>	<u>1,875,217</u>	<u>1,728,437</u>
	<u>2,113,542</u>	<u>1,926,629</u>

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

On behalf of the Board,



Director



Director

# Cree Outfitting and Tourism Association

## Notes to Financial Statements

March 31, 2018

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### **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-Quebec 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.

#### **Investment in a subsidiary**

The Organization has elected to recognize the investment in the subsidiary at cost.

#### **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 supplementary information. 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 the immediate family) are measured at fair value, which, in the case of financial assets or financial liabilities that will be measured subsequently at cost or amortized cost, is increased or decreased by the amount of the related financing fees and transaction costs. Transactions costs relating to financial assets and liabilities that will be measured subsequently at fair value are recognized in earnings 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.

# Cree Outfitting and Tourism Association

## Notes to Financial Statements

March 31, 2018

### 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.

##### *Partnerships*

Partnerships are recognized as revenue in accordance with the agreement between the parties, when the project have been accomplished, when the fees are fixed or determinable and when 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 following annual rates:

	<u>Rates</u>
Office equipment	20%
Vehicles and computer equipment	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 - TERM DEPOSITS

The term deposit is allocated to the Regional Tourism Partnership Agreement Fund.

### 4 - TRADE AND OTHER RECEIVABLES

	<u>2018</u>	<u>2017</u>
	\$	\$
Trade accounts receivable	7,621	19,602
Sales taxes receivable	104,988	70,352
	<u>112,609</u>	<u>89,954</u>

# Cree Outfitting and Tourism Association

## Notes to Financial Statements

March 31, 2018

### 5 - CONTRIBUTIONS AND PARTNERSHIPS RECEIVABLE

	2018	2017
	\$	\$
Quebec Government		
Ministère de l'Économie, Science et Innovation	152,614	156,074
Tourisme Québec	30,825	68,080
	<u>183,439</u>	<u>224,154</u>
Indian and Northern Affairs Canada	39,688	
Tourisme Baie-James		5,434
Cree Human Resources Development	15,316	26,520
Eeyou Istchee Baie-James Travel Inc., a subsidiary	193,257	
Partnerships	92,704	103,308
Others	521	
	<u>524,925</u>	<u>359,416</u>

### 6 - INVESTMENT IN A SUBSIDIARY

	2018	2017
	\$	\$
50,000 class "A" shares of Eeyou Istchee Baie-James Travel Inc. (66.67%)	<u>50,000</u>	

### 7 - TANGIBLE CAPITAL ASSETS

	2018		
	Cost	Accumulated amortization	Net carrying amount
	\$	\$	\$
Office equipment	133,306	98,249	35,057
Vehicles	130,360	46,920	83,440
Computer equipment	130,859	105,534	25,325
	<u>394,525</u>	<u>250,703</u>	<u>143,822</u>
	2017		
	Cost	Accumulated amortization	Net carrying amount
	\$	\$	\$
Office equipment	133,306	89,485	43,821
Vehicles	117,915	87,822	30,093
Computer equipment	120,285	100,065	20,220
	<u>371,506</u>	<u>277,372</u>	<u>94,134</u>

## Cree Outfitting and Tourism Association Notes to Financial Statements

March 31, 2018

### 8 - AUTHORIZED BANK LOAN

The bank loan, for an authorized amount of \$65,000, bears interest at prime plus 1.75% (5.20%; 4.45% as at March 31, 2017) and is renegotiable annually in July.

The bank loan is secured by a movable hypothec for a principal amount of \$150,000 covering the universality of claims, including accounts receivables. Under the credit agreement, the Organization is required to respect certain covenants.

### 9 - TRADE PAYABLES AND OTHER OPERATING LIABILITIES

	2018	2017
	\$	\$
Accounts payable and accrued liabilities	148,756	111,791
Salaries and vacations payable	57,232	57,337
	<u>205,988</u>	<u>169,128</u>

### 10 - DEFERRED CONTRIBUTIONS

The deferred revenues represent grants from provincial government and the Cree Human Resources Department to cover project expenses for the following year.

	2018	2017
	\$	\$
<b>Air Access for tourists - Phase II</b>		
Balance, beginning of year	12,118	12,118
Received relating to the following year		
Cancellation of deferred contribution	(12,118)	
Balance, end of year	-	12,118
<b>Arctic Kingdom Project</b>		
Balance, beginning of year		793
Received relating to the following year		
Recognized as revenue		(793)
Balance, end of year	-	-
<b>Youth Video</b>		
Balance, beginning of year	16,946	
Received relating to the following year		20,804
Recognized as revenue	(16,946)	(3,858)
Balance, end of year	-	16,946
<b>Marine Tourism Pre-Commercialisation</b>		
Received relating to the following year	25,500	
Recognized as revenue	(8,686)	
Balance, end of year	16,814	-

## Cree Outfitting and Tourism Association Notes to Financial Statements

March 31, 2018

### 10 - DEFERRED CONTRIBUTIONS (Continued)

#### Cree Entrepreneurs Boot Camp

Received relating to the following year	3,000	
Recognized as revenue	(1,922)	
Balance, end of year	<u>1,078</u>	<u>-</u>

#### EIBJ Sustainable Tourism Destination

Received relating to the following year	10,000	
Recognized as revenue		
Balance, end of year	<u>10,000</u>	<u>-</u>

#### Canoe Training

Received relating to the following year	4,445	
Recognized as revenue		
Balance, end of year	<u>4,445</u>	<u>-</u>
	<u>32,337</u>	<u>29,064</u>

### 11 - PENSION PLAN

Cree Outfitting and Tourism Association is a member in a contributory, multiemployer defined benefit pension plan with 24 different participating employers for all their employees who satisfy certain eligibility conditions. The Plan is called James Bay Cree-Naskapi Quebec Pension Plan. The obligation under the Plan is determined using the projected benefit method prorated on service and funding actuarial assumptions.

Participating employers pay current service cost as revealed by actuarial valuations conducted on a regular basis. If there is a going concern deficit in the Plan, contributions may be required from all participating employers in proportion to their share of the liabilities of the Plan in addition to current service contributions.

The last complete actuarial valuation of the Plan was conducted as at December 31, 2015. This actuarial valuation reveals a total solvency deficit of \$12,745,000 using the prescribed solvency basis as at December 31, 2015.

The estimated solvency deficit as at December 31, 2016 amounts to \$15,152,000. The Cree Outfitting and Tourism Association's allocated portion of this deficit equals to \$208,800. Gains or losses as revealed by future valuations of the Plan will impact on these amounts. Significant long-term actuarial assumptions used in the last triennial actuarial valuations issued are the following :

	December 31, 2015
	<u>\$</u>
Asset rate of return (net of fees)	5.35%
Salary escalation rate	4.00%
Indexation of retirement income	1.80%

The expense for the Organization's pension plan for the year was \$62,766 (\$48,657 as at March 31, 2017).

## **Cree Outfitting and Tourism Association Notes to Financial Statements**

March 31, 2018

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### **12 - FINANCIAL RISKS**

#### ***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 receivable, contributions and partnerships receivable and advances to Eeyou Istchee Tourism since failure of any of these parties to fulfil their obligations could result in significant financial losses for the Organization.

#### ***Interest rate risk***

The Organization is exposed to interest rate risk with respect to financial assets and liabilities bearing fixed and variable interest rates.

The term deposit bears interest at fixed rate and the Organization is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations.

The authorized bank loan bears interest at a variable rate and the Organization is, therefore, exposed to the cash flow risks resulting from interest rate fluctuations.

#### ***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.

### **13 - COMMITMENTS**

The Organization has entered into long-term lease agreement for the rental of housing units which call for minimum lease payments of \$179,670. This lease expire on August 31, 2022 and contain a renewal option for three additional periods of one year each which the Organization may exercise by giving a 90-day notice.

Also, the Organization has entered into long-term lease agreement for the rental of office spaces which call for minimum lease payments of \$115,044. This lease expire on March 31, 2021 and contain a renewal option for three additional periods of one year each which the Organization may exercise by giving a 90-day notice.

Minimum lease payments for the next five years are \$79,028 for 2019 to 2021, \$40,680 in 2022 and \$16,950 in 2023.

## Cree Outfitting and Tourism Association Supplementary Information

Year ended March 31, 2018

	2018		2017	
	Revenues	Expenses	Revenues	Expenses
	\$	\$	\$	\$
<b>PROJECTS</b>				
<b>Coastal Cruises &amp; Marine Captain Training</b>				
Internal contribution COTA	(13,235)		110,857	
Contribution Quebec Government - MESI	26,329		180,331	
Contribution Tourisme Quebec	27,800		72,132	
Contribution Tourisme Quebec (Adjustment)	(30,432)			
Contribution CHRD			147,000	
Partnership contribution			67,200	
Supplies and office expenses		40		
Gifts and donations		1,695		
Meeting expenses		244		1,576
Rental expenses		-		254,108
Professional fees		3,425		209,740
Travel		5,057		109,661
Others				2,435
	<u>10,462</u>	<u>10,462</u>	<u>577,520</u>	<u>577,520</u>
<b>Marine Tourism Pre-Commercialisation</b>				
Internal contribution COTA	31,197			
Contribution Cree Nation Government	3,060			
Contribution Indian and Northern Affairs of Canada	39,688			
Partnership contribution	16,074			
Professional fees		67,768		
Supplies and office expenses		115		
Translation		1,376		
Meeting expenses		173		
Travel		20,312		
Others		275		
	<u>90,019</u>	<u>90,019</u>	<u>-</u>	<u>-</u>
<b>Creetopia</b>				
Internal contribution COTA	30,472			
Meeting expenses		72		
Professional fees		12,336		
Travel		18,065		
	<u>30,472</u>	<u>30,472</u>	<u>-</u>	<u>-</u>
<b>International Economusée Network Conference</b>				
Internal contribution COTA	12,977			
Meeting expenses		4,849		
Travel		8,128		
	<u>12,977</u>	<u>12,977</u>	<u>-</u>	<u>-</u>

# Cree Outfitting and Tourism Association

## Supplementary Information

Year ended March 31, 2018

	2018		2017	
	Revenues	Expenses	Revenues	Expenses
	\$	\$	\$	\$
<b>PROJECTS (continued)</b>				
<b>Coaching Program</b>				
Internal contribution COTA	1,300		2,889	
Contribution Quebec Government			52,984	
Contribution Eeyou Istchee Tourism (RTPA)			21,194	
Partnership contribution			15,829	
Professional fees		1,149		87,794
Travel		-		5,102
Meeting expenses		151		
	<u>1,300</u>	<u>1,300</u>	<u>92,896</u>	<u>92,896</u>
<b>Coaching Nuuhchimi Wiinuu</b>				
Internal contribution COTA	3,502			
Contribution Cree Human Resources Development	9,175			
Professional fees		7,975		
Travel		4,702		
	<u>12,677</u>	<u>12,677</u>	<u>-</u>	<u>-</u>
<b>Coaching Shammy Adventures</b>				
Internal contribution COTA	8,684			
Contribution Cree Human Resources Development	26,400			
Professional fees		28,377		
Travel		6,707		
	<u>35,084</u>	<u>35,084</u>	<u>-</u>	<u>-</u>
<b>Cree Entrepreneurs Boot Camp</b>				
Internal contribution COTA	4,748			
Contribution Quebec Government- MESI	8,356			
Contribution Cree Nation Government	1,922			
Partnership contribution	1,000			
Professional fees		9,779		
Travel		5,578		
Meetings expenses		460		
Supplies and office expenses		208		
	<u>16,025</u>	<u>16,025</u>	<u>-</u>	<u>-</u>
<b>Air Access for tourists - phase II</b>				
Internal contribution COTA	875			
Professional fees		875		
	<u>875</u>	<u>875</u>	<u>-</u>	<u>-</u>
<b>Website Design &amp; Development</b>				
Internal contribution COTA	1,645		1,645	
Professional fees		1,645		1,645
	<u>1,645</u>	<u>1,645</u>	<u>1,645</u>	<u>1,645</u>

# Cree Outfitting and Tourism Association

## Supplementary Information

Year ended March 31, 2018

	2018		2017	
	Revenues	Expenses	Revenues	Expenses
	\$	\$	\$	\$
<b>PROJECTS (continued)</b>				
<b>DMC Pre-Commercialisation</b>				
Internal contribution COTA			13,919	
Partnership contribution			14,352	
Contribution Quebec Government - MESI			47,839	
Contribution Tourisme Quebec			19,264	
Salaries and employee benefits				24,204
Rental expenses				5,214
Travel				9,873
Professional fees				54,461
Telecommunications				198
Meeting expenses				1,126
Supplies and office expenses				297
Others				
	<u>—</u>	<u>—</u>	<u>95,374</u>	<u>95,374</u>
<b>Product Development Coaching - CHRD</b>				
Internal contribution COTA			40,663	
Contribution Cree Human Resources Development			39,660	
Professional fees				66,256
Travel				14,067
	<u>—</u>	<u>—</u>	<u>80,323</u>	<u>80,323</u>
<b>DMC - Eeyou Istchee Baie-James Travel Inc.</b>				
Contribution Eeyou Istchee Baie-James Travel Inc.	121,043		76,839	
Salaries and employee benefits		83,168		54,445
Rental expenses		9,464		5,444
Travel		9,869		2,662
Professional fees		11,071		12,277
Advertising and promotion		145		
Vehicles expenses		1,758		
Telecommunications		2,218		918
Meeting expenses		191		462
Supplies and office expenses		851		424
Membership and subscription		86		56
Maintenance and repairs		2,070		150
Others		151		
	<u>121,043</u>	<u>121,043</u>	<u>76,839</u>	<u>76,839</u>
<b>Community maps</b>				
Internal contribution COTA	6,492			
Meeting expenses		49		
Professional fees		6,443		
	<u>6,492</u>	<u>6,492</u>	<u>—</u>	<u>—</u>

# Cree Outfitting and Tourism Association

## Supplementary Information

Year ended March 31, 2018

	2018		2017	
	Revenues	Expenses	Revenues	Expenses
	\$	\$	\$	\$
<b>PROJECTS (continued)</b>				
<b>Annual General Meeting &amp; Tourism Conference</b>				
Internal contribution COTA	72,715		44,967	
Contribution Eeyou Istchee Tourism (AGM)	9,564		15,000	
Other	3,606			
Travel		35,693		30,738
Advertising and promotion				1,410
Meeting expenses		46,760		16,213
Supplies and office expenses		764		413
Professional fees		2,668		11,193
	<u>85,885</u>	<u>85,885</u>	<u>59,967</u>	<u>59,967</u>
<b>Advanced Wilderness First Aid Training</b>				
Internal contribution COTA			4,813	
Other			1,200	
Contribution Cree Human Resources Development	(75)		17,662	
Professional fees				16,553
Travel		(75)		5,725
Others				1,397
	<u>(75)</u>	<u>(75)</u>	<u>23,675</u>	<u>23,675</u>
<b>Youth Video</b>				
Internal contribution COTA	12,988		5,246	
Contribution Quebec Government - MESI	16,946		3,858	
Contribution Cree Human Resources Development	16,946		3,858	
Contribution Cree School Board	16,946			
Partnership contribution	10,920		6,338	
Professional fees		50,272		13,709
Travel		22,066		4,950
Others		2,408		641
	<u>74,746</u>	<u>74,746</u>	<u>19,300</u>	<u>19,300</u>
<b>Arctic Kingdom Project</b>				
Internal contribution COTA			2,751	
Contribution Eeyou Istchee Tourism (RTPA)			12,686	
Partnership contribution			793	
Professional fees				13,624
Travel				2,130
Rental expenses				476
	<u>-</u>	<u>-</u>	<u>16,230</u>	<u>16,230</u>
<b>Greeting Services Information &amp; Promotion</b>				
Internal contribution COTA			11,706	
Partnership contribution			403	
Travel				9,956
Administration fees				106
Meeting expenses				776
Others				1,271
	<u>-</u>	<u>-</u>	<u>12,109</u>	<u>12,109</u>

# Cree Outfitting and Tourism Association

## Supplementary Information

Year ended March 31, 2018

	2018		2017	
	Revenues	Expenses	Revenues	Expenses
	\$	\$	\$	\$
<b>PROJECTS (continued)</b>				
<b>Promotional &amp; Membership Material</b>				
Internal contribution COTA			10,545	
Promotional material				10,545
	<u>—</u>	<u>—</u>	<u>10,545</u>	<u>10,545</u>
<b>Mentorship - Communication Officer</b>				
Internal contribution COTA			4,184	
Contribution Cree Human Resources Development			5,000	
Travel				2,492
Professional fees				6,691
	<u>—</u>	<u>—</u>	<u>9,184</u>	<u>9,184</u>
<b>Eeyou Istchee: Land of the Cree - book reprint</b>				
Internal contribution COTA	28,728			
Professional fees		28,170		
Travel		558		
	<u>28,728</u>	<u>28,728</u>	<u>—</u>	<u>—</u>
<b>Communications</b>				
Internal contribution COTA	3,340			
Professional fees		2,902		
Travel		330		
Translation		107		
	<u>3,340</u>	<u>3,340</u>	<u>—</u>	<u>—</u>
<b>French Language teaching</b>				
Internal contribution COTA	608			
Contribution Quebec Government	8,660			
Salaries and employee benefits		1,510		
Professional fees		7,758		
	<u>9,268</u>	<u>9,268</u>	<u>—</u>	<u>—</u>
<b>Hotello/ReservIT</b>				
Internal contribution COTA	958			
Contribution Quebec Government	3,025			
Partnership contribution	395			
Professional fees		4,085		
Meetings expenses		293		
	<u>4,378</u>	<u>4,378</u>	<u>—</u>	<u>—</u>
<b>Cree Green Team</b>				
Internal contribution COTA			1,000	
Sponsorship				1,000
	<u>—</u>	<u>—</u>	<u>1,000</u>	<u>1,000</u>

## Cree Outfitting and Tourism Association Supplementary Information

Year ended March 31, 2018

	2018		2017	
	Revenues	Expenses	Revenues	Expenses
	\$	\$	\$	\$
<b>PROJECTS (continued)</b>				
<b>Food safety &amp; hygiene training</b>				
Internal contribution COTA			(820)	
Contribution Cree Human Resources Development			1,200	
Others				380
	<u>-</u>	<u>-</u>	<u>380</u>	<u>380</u>
<b>PROJECTS EXPENSES (PARTNERSHIP)</b>				
<b>Marketing Program</b>				
Internal contribution COTA	100,000		161,875	
Contribution to Eeyou Istchee Tourism projects		100,000		161,875
	<u>100,000</u>	<u>100,000</u>	<u>161,875</u>	<u>161,875</u>
<b>Human Resources Coordinator</b>				
Internal contribution COTA	10,265		10,791	
Partnership expenses		10,265		10,791
	<u>10,265</u>	<u>10,265</u>	<u>10,791</u>	<u>10,791</u>
<i>This project is done in partnership with Tourisme Baie-James.</i>				
<b>Bookkeeping for Entrepreneurs</b>				
Internal contribution COTA	5,000			
Partnership Expenses		5,000		
	<u>5,000</u>	<u>5,000</u>		
<i>This project is done in partnership with Shammy Adventures.</i>				
<b>Southern Hudson Bay Polar Bear Subpopulation</b>				
Internal contribution COTA			10,000	
Partnership expense				10,000
	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
<b>Cree Entrepreneurs kits</b>				
Internal contribution COTA			8,880	
Partnership expenses				8,880
	<u>-</u>	<u>-</u>	<u>8,880</u>	<u>8,880</u>
<i>This project is done in partnership with the Aanischaaukamikw Cree Cultural Institute.</i>				
<b>Responsible Fishermen for Sustainable Fishing</b>				
Internal contribution COTA			7,500	
Partnership expenses				7,500
	<u>-</u>	<u>-</u>	<u>7,500</u>	<u>7,500</u>
<i>This project is done in partnership with Faune Nord.</i>				
<b>Promotional Material &amp; Distribution - EEBJ</b>				
Internal contribution COTA			6,548	
Partnership expenses				6,548
	<u>-</u>	<u>-</u>	<u>6,548</u>	<u>6,548</u>
<i>Revenues on sales of promotional items appear on Tourisme Baie-James statements and are used to repurchase promotional items.</i>				
	<u>660,606</u>	<u>660,606</u>	<u>1,282,579</u>	<u>1,282,579</u>