

CREE OUTFITTING AND TOURISM ASSOCIATION 2019-2020

ANNUAL REPORT



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[PRESIDENT'S MESSAGE]



[TITUS SHECAPIO]

As I look back on the many projects and initiatives that kept us busy over the last 12 months, I was pleased, but not surprised, to see that sustainability and community involvement were the driving forces behind so many of them. Sustainability is, after all, the foundation on which COTA's vision and mission were built and thanks to the invaluable input from so many community members, we gain important insight which gives us a clear direction and path forward.

Sustainability includes a broad range of practices that go toward protecting communities, livelihoods, and natural environments. How broad? Everything from choosing local suppliers, prioritizing low-impact transportation, eliminating unnecessary travel to preferring re-usable over disposable items, making use of composting and recycling, and helping tourism businesses acquire and use eco-friendly technology and tools. When it's done right, sustainable tourism not only protects the environment, wildlife and natural resources of Eeyou Istchee but creates jobs and revitalizes cultural traditions and practices.

Community involvement plays such an important role in our decision-making and planning activities. What exactly does this mean? Basically, it's another way of saying "working together." Community involvement means consulting all Cree communities in developing specific tourism products. A case in point is Creetopia, where we invited member feedback on the product's design and functionalities. Community involvement also targets more sweeping efforts. An example of this is involving local and regional stakeholders in creating and updating our tourism strategy and action plan.

We're focused on sustainability and community involvement because that's how we can build a tourism sector that reflects our shared values and traditions while protecting them.

I'd like to end on a note of heartfelt thanks and appreciation for our staff, board, and members. Your support and encouragement as we make the needed adjustments in response to the COVID-19 pandemic is both reassuring and motivating. Although we anticipate a shift in tourism activities in the coming year, nevertheless, we will continue to draw from our strengths as we pursue our mission with a renewed vitality and purpose.

EXECUTIVE DIRECTOR'S MESSAGE



ROBIN MCGINLEY

The COVID-19 crisis has had far-reaching consequences from which the global tourism industry has not been spared. Although tourism businesses in Eeyou Istchee will no doubt be affected, as the situation evolves, COTA will work with our members to mitigate the impacts. Until the emergence of the pandemic, we were having a very productive year, which tells us that our industry has the resources and determination to bounce back and pursue its sustainable growth.

As I look back on the past year, what stands out is COTA's extremely positive experience at the International Indigenous Tourism Conference. It was held in November in Kelowna, BC in the traditional and unceded territory of the Syilx Nation. Its theme was "Inspire. Transform. Unite. Accelerating Indigenous tourism growth." More than 700 delegates were present, including Indigenous tourism operators from Canada and abroad, for three days of sharing, learning, and networking. It was great to see so many Cree from Eeyou Istchee in attendance, confirming their interest in furthering tourism development. The event's main takeaway was the growing importance of sustainable destinations, authentic Indigenous tourism experiences and culinary tourism.

Kelowna, located in the Thompson Okanagan Region, is a Biosphere Certified Gold Destination that adheres to sustainability principals. Since Biosphere certification seeks to achieve a long-term balance between economic, socio-cultural, and environmental objectives, it is a tourism-development model of great interest to COTA given our commitment to sustainable tourism.

Wiinipaakw Tours' continued development provided yet another highlight. While delays owing to the pandemic are to be expected, we have secured funding for the next stage of the project and we are continuing to make progress. The commitment, support, and enthusiasm of everyone involved has been a tremendous boost and has helped move this important initiative forward in a positive and constructive way.

In closing, let me say that the impact of the pandemic on our industry will continue to resonate in the year ahead. Each of us will be affected in different ways, but we are a resilient and supportive community and together we will get through this. Please know that COTA will continue to move projects forward and provide the support our members and tourism partners need to grow our industry sustainably and responsibly. Let's all stay safe and focus on the health and well-being of family, friends, and neighbours.

ABOUT COTA

The Cree Outfitting and Tourism Association was incorporated on December 7, 2000 as a non-profit corporation under Part II of the Canadian Corporations Act. Since our incorporation we've been active in the development of the tourism industry in Eeyou Istchee. By promoting tourism, we're helping to transform our region's vast potential for economic, employment, and other growth opportunities.

[OUR 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.

[OBJECTIVES]

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.

Financial Development

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

Communications

- Ensure effective communications with Cree stake-holders 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.

[BOARD OF DIRECTORS]

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.

Our Current Board of Directors are:

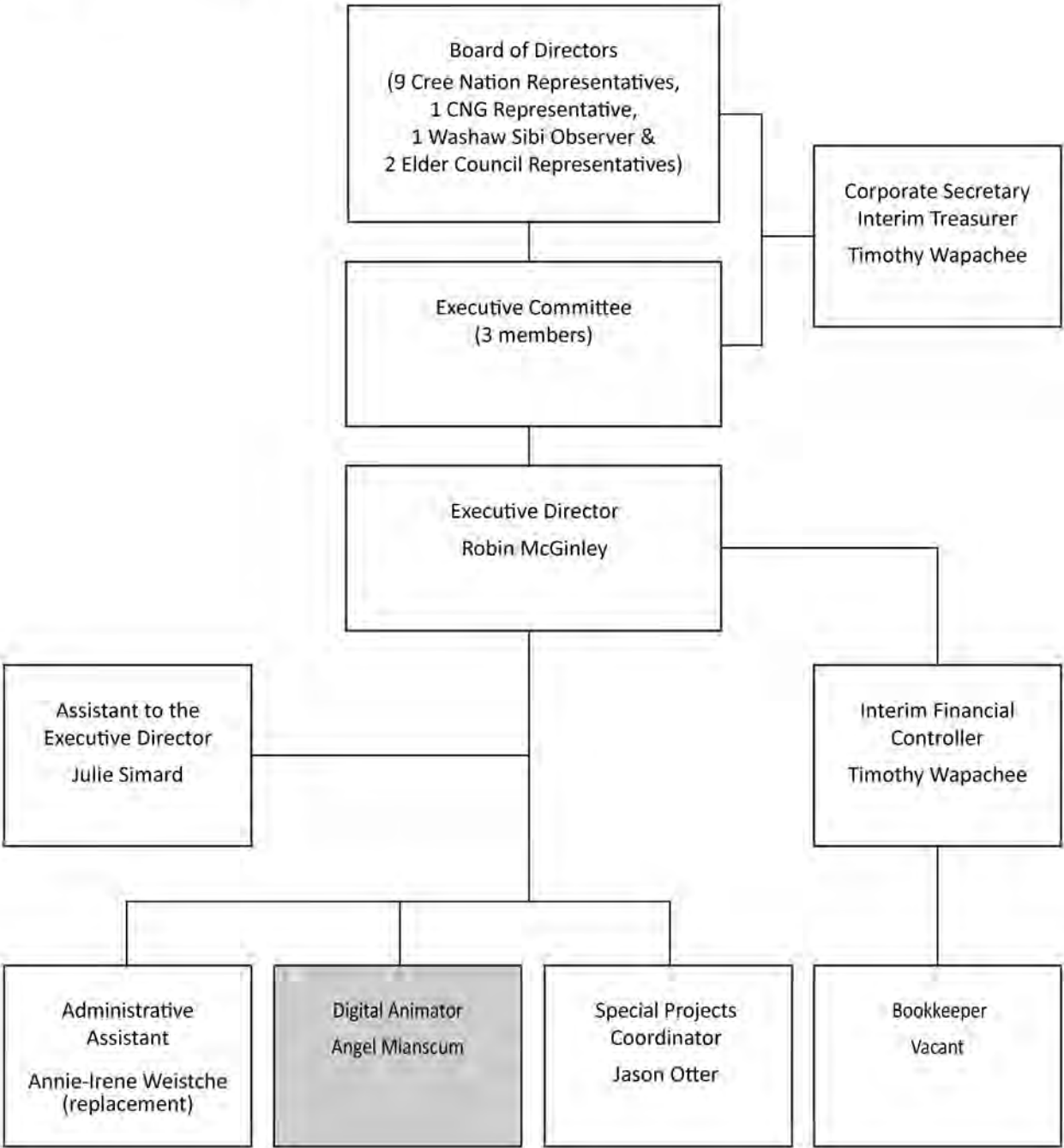
- Titus Shecapio – President & Mistissini Representative
- Jamie Moses – Vice-President & Eastmain Representative
- Anderson P. Jolly – Nemaska Representative
- Isaac Masty - Whapmagoostui Representative
- Jerry Rupert - Chisasibi Representative
- Chuck Matches - Wemindji Representative
- Irene Otter - Waswanipi Representative
- Ron Simard - Ouje-Bougoumou Representative
- Jimmy Tim Whiskeychan - Waskaganish Representative
- Johnny Saganash - Elders Representative
- Louisa B. Saganash - Elders Representative
- Alexander Moses - Cree Nation Government Representative
- Michael Mapachee - Observer Washaw Sibi

[ORGANIZATIONAL CHART]

The chart below illustrates COTA's organizational structure to March 31, 2020. All staff positions are shared between COTA and EIT.



Shared with TBJ



OUR YEAR IN REVIEW

2019-2020 Project Summaries

Tourism has the potential to provide many social and economic benefits. As the tourism industry in Eeyou Istchee continues to develop and grow, we hope that more and more Cree will see the potential of the industry to offer not just a livelihood but an opportunity to share our culture in an open and meaningful way.

1. Annual General Meeting (AGM) and Tourism Conference

Once again this year, the AGM and Tourism Conference gave COTA's Board of Directors and staff a chance to meet and engage with tourism entrepreneurs from all over our region. Our goal is always to create a fun and friendly learning environment where members and stakeholders can share



ideas and learn from one another. It's an important learning experience for us, too! When we work together, we can accomplish so much more.

The event was held from July 9 to 11, 2019 in Chisasibi. We were pleased to welcome Davey Bobbish, Chief of Chisasibi, and Titus Shecapio, President of COTA and EIT, to deliver the opening remarks. We would like to extend a warm thank you to our host community.

1.1 Annual General Meeting

The Annual General Meeting was held on July 9, and, as usual, the audited financial statements and minutes from the previous AGM were presented for review and approval. This was followed by five presentations:

1. Mandy Gull, Deputy Grand Chief, presented the Cree Regional Conservation Strategy for protected areas and conservation planning in Eeyou Istchee.
2. Roch Anctil, Director of Eeyou Istchee Baie-James Travel (EIBJT), provided an update on the status of the travel agency and described the many services and benefits it delivers to Cree tourism businesses.
3. Robin McGinley, Executive Director of COTA, spoke about the tourism and economic development potential created by the Wiinipaakw Tours Solidarity Cooperative and introduced the idea of offering tourism and wildlife viewing activities in James Bay.

4. Hélène Phillion, Partner and Director of Strategic Support at Beside Media House, provided an overview of the 2020-2025 Cree Tourism Strategic Plan – with a focus on the success of the consultation and creativity workshops held in all Cree communities.
5. Roger Lacroix, Services Quebec Liaison Officer, described the recent changes in his mandate which will enable him to better meet the needs of the Cree Nation Government and Services Quebec, while prioritizing economic and social development.

1.2 Tourism Conference: Creating Authentic Visitor Experiences

The two-day event included presentations and workshops that showed participants why offering visitors an immersive and culturally enriching travel experience is so important for our industry.

The Tourism Conference welcomed 80 participants from various parts of our region’s tourism sector – and we couldn’t be more pleased with this impressive turnout!

1.2.1 Presentations

Day 1 of the Tourism Conference began with a presentation titled “Chisasibi Success Stories” delivered by Jimmy R. Fireman, President of the Chisasibi Business and Development Group. Mr. Fireman talked about the success of Hotel Waastooskuun, which opened its doors in August 2016. The new hotel exemplifies Chisasibi’s commitment to fostering its tourism sector through infrastructure development. Future plans include a restaurant and a fitness centre as well as marketing and advertising activities.

The community of Chisasibi set out to build a hotel that does two things: (1) provide guests with comfortable accommodations combined with friendly and courteous service; and (2) create authentic and memorable Nordic experiences. Guests love spending time on the large outdoor deck gazing at the canopy of stars above and marvelling at the Northern Lights.

Thanks to a presentation by Conrad Mianscum, conference attendees got to learn all about My Mistissini Moments. Usually shortened to MMM, this is a grassroots tourism initiative that connects entrepreneurs who offer authentic cultural experiences with visitors to the community, through an interactive web platform. Mr. Mianscum emphasized the need to create revenue-generating opportunities for local Cree cultural entrepreneurs that enables them to share their passion, knowledge, and skills with visitors. In his presentation, he went into some detail concerning the assistance that the MMM Coordinator and Mistissini Tourism itself can provide to entrepreneurs interested in taking part in MMM, including product development, branding, business and marketing support, and customer service.

Are you wondering if you can contribute to My Mistissini Moments? MMM experiences can be anything from hosting a traditional fish fry to storytelling around a campfire to teaching visitors how to make beaded jewelry. If you are passionate about Cree culture and want to share your particular skill, we invite you to take part in this innovative and inspired grassroots initiative.



On Day 2 of the conference, representatives from the Quebec Outfitters' Federation shared their research on the status of outfitting in Northern Quebec. The presentation titled, "Portrait of Northern Quebec" included recommendations for developing a strategy for the future of the outfitting industry in Eeyou Istchee.

Participants also had an opportunity to learn more about COTA's ongoing initiative to develop and brand Eeyou Istchee as a sustainable tourism destination. The informative presentation titled "EIBJ – A Sustainable Destination" was delivered by FaunENord. To read more about this important initiative please see page 13 of this report.

In the final presentation of the day, titled "Authentic Human Experiences," photographer Annie-Claude Roberge shared her passion for the north and her love of photography. A world traveler, her images showcase the beauty of the landscapes but more importantly, they capture the spirit and vitality of the people she meets. We are privileged to include her as one of our contributing photographers.

1.2.2 Workshops

The focus of the workshops was on hands-on activities that helped conference attendees appreciate the importance of creating authentic and positive visitor experiences.

In her workshop titled "The Customer Experience in the Hotel Industry", moderator Caroline Houle provided participants, all of whom work in the hospitality industry, with an opportunity to engage in simulated scenarios depicting customer/employee interactions. Through role play, participants were able to develop a better understanding of the customer/employee relationship as well as effective strategies to better ensure positive outcomes in a variety of "real-life" situations. The workshop is a precursor to an upcoming 3-year training program designed specifically for Cree hotel and restaurant industry managers. Students who complete the training will receive an Attestation of College Studies recognized by Ministère de l'Éducation.

In "Experience a Cree Workshop," Deborah Ratt and Isabelle Neeposh shared their traditional beaded jewelry crafting know-how. Participants got to learn traditional Cree beading techniques, and better understand the importance of involving visitors in hands-on activities. Why "hands-on"? Because when visitors participate rather than simply observe, the experience leaves them with a much deeper appreciation of their time in Eeyou Istchee and a greater understanding of Cree culture.



In his "Make an Experience Great" workshop, facilitator Jason Bent encouraged participants to work together to generate ideas for creating an authentic, engaging, and memorable tourism experience. Working in small groups, participants:

- Identified opportunities unique to their business
- Considered potential partnerships to enhance their offering
- Reviewed overall customer experience and imagined how customers might share their experience with friends and family
- Learned how to set appropriate pricing to reflect the value of the experience

Today's tourists want authenticity. From enjoying local cuisine to partaking in local festivals to learning how to make traditional crafts. They don't just want to visit, they want to feel a connection.

1.2.3 Launch of the Creetopia Prototype

On day 2 of the Tourism Conference, in addition to the workshops, participants also got to see how we transformed Creetopia from an inspired idea to a valuable tourism asset. First, there was a brief presentation, and then participants had the opportunity to be a part of the official launch of the Creetopia “ready-to-camp” tent prototype. We appreciate the enthusiasm and feedback provided. You can be sure we’ll be incorporating your best ideas into the final design. To read more about this exciting and innovative initiative, turn to page 15 of this report.

Eco-Responsibility

As in the past, FaunENord helped us to evaluate the event’s environmental footprint. Since we strive to make the AGM and Tourism Conference an eco-responsible event, we’re always looking for ways to improve. FaunENord’s Green Team analyzed the results of our impacts from transportation, waste management, recycling, composting, and energy use – and gave us an overall grade of 83%. Transportation accounted for the largest volume of carbon emissions, and waste-management for the lowest.

Over 51 pounds of compost, 12 pounds of recycling, and 46 pounds of waste were properly disposed of!

To reduce waste, all meals and snacks were served on reusable dishes. Clearly marked containers were accessible on site for trash, compost, and recyclable materials. We’re pleased to report that no plastic water bottles were used.

Of course, we’ll keep looking for new ways of shrinking our carbon footprint.

We'd like to say a great big thank-you to everyone who rolled up their sleeves for the community clean-up. Over 25 bags of garbage, compost, and recycling were collected and sorted. Collection and sorting aren't glamorous - so thank you to everyone for taking part and making a positive difference for the environment.

We would like to extend our warm and genuine appreciation to the people of Chisasibi for their hospitality as the hosts of this year’s event.



2. Eeyou Istchee Baie-James: Creating a Sustainable Tourism Destination

The goal of sustainable tourism is to increase the benefits and reduce the negative impacts associated with tourism. This is achieved by:

- Protecting natural environments, wildlife, and natural resources when developing and managing tourism activities
- Providing authentic tourist experiences that celebrate and conserve heritage and culture
- Creating socio-economic benefits for communities through employment and income-earning opportunities

Therefore, the purpose of this critically important project is to work together to build a tourism industry that is sustainable and beneficial to Cree businesses.

As we strive to meet the goals of our newly developed five-year tourism strategy, we'll make sure that all future tourism initiatives respect Cree values - above all, to create a sustainable tourism destination.

To achieve this goal, we will continue to work closely with Cree tourism operators to develop a better understanding of their specific needs while supporting their efforts to implement sustainable tourism practices. To do this, we've created



a set of clear and succinct guidelines and a sustainability toolkit. The toolkit includes how-to guides, training videos, and other resources, including green technologies available through local suppliers. In addition, tourism officers will be trained to use the toolkit to provide support and training to local tourism entrepreneurs. By working together, we'll achieve our vision for sustainable tourism.

To be successful, a framework for developing sustainable tourism must include international tourism development practices while allowing for regional values and perspectives.

Once this framework is in place, the next step will be to implement the best practices so Eeyou Istchee can be officially recognized as a sustainable destination. The benefits of this will include:

- Efficiency and savings in operating costs, for example, water and energy costs
- Increased credibility within the tourism industry
- Improved conservation of local habitats, ecosystems, and wildlife
- Increased viability and competitiveness of local tourism businesses
- Stronger cultural tradition and values
- Minimized use of scarce and non-renewable resources
- Reduced pollution and carbon footprint
- Motivation to develop innovative products and services for sustainable practices
- A positive brand image resulting in increased visitor traffic

This project is a partnership with Tourisme Baie-James and Goldcorp.

Funding for this vital initiative was generously provided by Société Plan Nord (SPN), Indigenous Services Canada (ISC) and Ministère des Affaires Municipales et de l'Habitation (MAMH) under the Fond d'Appui au Rayonnement des Régions (FARR) program.



3. 2020-2025 Tourism Strategy

In summer 2019, we began planning the next major phase of tourism development in Eeyou Istchee. Working closely with all Cree communities, we set out to create a 5-year tourism strategy that reflects the needs, expectations, and shared goals of all Cree.

To foster community involvement, we hosted creativity workshops that were open to all community residents interested in sharing their thoughts and ideas. We were pleased to see so many people at each event and feel strongly that there is a genuine interest at the community level to embrace tourism and welcome visitors. Through engaging and informative discussions, we were able to develop a shared vision that embodies the values, needs, and spirit of each community. Participants in each community were encouraged to present their ideas about the types of activities they want to promote and share with visitors.

We also met and consulted with the Cree Nation Youth Council and Cree Trappers Association to ensure their participation in this process.

Through these workshops, meetings, and consultations we received valuable input and gained important insight giving us a clear direction and path forward.

The 2020-2025 Tourism Strategy Plan is robust but realistic: it supports ongoing assets such as Creetopia, Économusée, and Wiinipaakw Tours. In addition, it:

- Creates three tourism hubs – Inland, Southern Coastal, and Northern Coastal – to facilitate mobility throughout the region, help promote distinctive offers, and entice visitors to return for repeat visits

- Fosters Cree and Jamesian collaboration by implementing a global strategy for tourism experiences and lodging in EIBJ, including inviting the Cree Nation and Jamesian communities to develop a UNESCO Network Global Geopark
- Positions Creetopia sites and Wiinipaakw boat tours as flagship products
- Promotes tourism services and activities revolving around Cree traditional way of life and arts and crafts
- Creates a master plan to improve access to the region

Dividing the region of EIBJ into three distinct tourism hubs allows us to position the destination more effectively. Each hub will feature a specific set of tourism experiences that highlights the attractions, history, and diversity of each area. EIBJ is a vast region: by creating three distinct travel hubs, visitors will be able to create more manageable and realistic travel itineraries.

Other important aspects of the strategic plan include:

- Support for the development of geo-science experiences in future Cree National Parks
- Improved signage
- Recognition of EIBJ as a distinctive snowmobiling region and completion of the development of snowmobile trails between southern communities
- Creation of winter and summer packages specific to each tourism hub
- Funding strategies
- Emphasis on training
- Increased visibility of Cree tourism offerings on the “Escape Like Never Before” web site
- Creating more awareness of services offered by COTA

Funding for this important initiative was generously provided by Ministère des Affaires Municipales et de l’Habitation (MAMH) under the Fond d’Appui au Rayonnement des Régions (FARR) program.

4. Creetopia

After nearly three years of planning and product development, summer 2019 brought us to an exciting milestone. On July 11, at our annual members' conference, we were thrilled to launch the first official full-scale prototype of the Creetopia ready-to-camp tent. Feedback on the design was very constructive. The next step is to evaluate suggested changes and incorporate them into the final design. We have no doubt the final product will be stronger as a result. From the start, Creetopia was about sharing ideas and encouraging community input. It was both a privilege and pleasure to launch the prototype at our Tourism Conference.

"They really took our culture in mind to help build this. Its design allows people to either use a wood floor or put spruce boughs on top. There is also a place inside the tent for a wood stove".

Creetopia, which is exclusive to Eeyou Istchee, is a fun and innovative product developed with Huttopia, an extremely successful prêt-à-camper ("ready-to-camp") concept developed in France. The Huttopia brand is well established worldwide giving Creetopia the potential to attract international tourists. The design of Creetopia's ready-to-camp tents is inspired by and promotes traditional Cree culture and architecture. Creetopia will be set up at designated sites throughout the region and operate during peak tourism periods. The Creetopia design is trademarked and is exclusive to Eeyou Istchee.

We're now working on Phase 2 of the implementation and we look forward to the opening of the first Creetopia site planned for summer 2021. We plan to continue working toward that goal, but given travel restrictions due to the COVID-19 crisis, delays may occur.

Each Creetopia site will have a designated space for cooking, dining, storytelling, and other group activities.

Funding for this initiative was generously provided by Société Plan Nord (SPN), Ministère de l'Économie et de l'Innovation under the ACCORD Program as well the Regional Tourism Partnership Agreement (RTPA), and the 3 partners, Cree Nation of Mistissini, Cree Nation of Ouje-Bougoumou and Nibischii Corporation.



5. Promotion of Ecotourism in Protected Areas

The promotion of ecotourism in protected areas on indigenous lands is a growing trend in outdoor and adventure tourism, not only in Quebec but in the rest of Canada and abroad. Developing this type of sustainable tourism is not only in keeping with Cree values but it also supports the preservation and conservation of these lands.

The combination of ecotourism and site-protection provides our communities with a powerful resource for sustaining our way of life and revitalizing our cultural practices.

The steps required to develop this initiative include:

- Identifying ecotourism "models" in indigenous protected areas in Canada and abroad to serve as case studies
- Defining which protected areas and their communities have the greatest potential for the development of ecotourism in Eeyou Istchee
- Consulting with regional tourism associations
- Conducting community consultations relating to tourism development in the selected protected areas

Funding for this initiative was provided by the Nature Conservancy of Canada working in conjunction with Cree Nation Government's proposal on establishing and co-managing a network of new protected areas based on areas of importance to the Crees of Eeyou Istchee.

6. Économusée Feasibility Study

We first introduced the Économusée concept almost three years ago following our participation in the International Économusée Network Conference held in Bergen, Norway in 2017. Essentially, an économusée is a setting where artisans can practice their trade and invite the public to witness or even take part in their creative process. It offers a learning experience and increases sales. It also helps to preserve traditional craft-making methods. The concept is highly applicable to the Cree cultural practices and artisans of Eeyou Istchee.

This year, as an important first step, we conducted a feasibility study for the implementation of an économusée initiative focusing on the traditional techniques of moose-hide tanning.

The Économusée, to be located in Mistissini, will be the first of many such initiatives. The feasibility study is being carried out in four stages which started with a best-practices tour of économusée initiatives in the regions of the Saguenay, Lac-Saint-Jean, and Charlevoix.

Stage two defined the Économusée concept as it relates to the traditional art of moose-hide tanning and included consultations with community members from Mistissini.

The consultations took place in January 2020 with over 20 people attending and sharing their ideas and thoughts. It was great to see such enthusiasm and support for this initiative.

Stages 3 and 4 are still underway, including choosing a site for the Économusée, preparing the design, developing a market analysis, and writing a final report.

Funding for this important initiative was provided by Ministère des Affaires Municipales et de l'Habitation (MAMH) under the Fond d'Appui au Rayonnement des Régions (FARR) program in partnership with Cree Nation of Mistissini.



7. Visitor Experience Project

This initiative trains Cree artists and craftspeople to create and deliver “visitor experience” workshops. The training provides participants with the tools and techniques they need to develop a consistent, memorable brand and deliver unique and unforgettable visitor experiences. Its goals are to:

- Teach artists/craftspeople how to create effective workshops that provide visitors with an immersive, hands-on experience
- Create an opportunity for artists/craftspeople to sell their products
- Enhance the visitor experience
- Create economic sustainability in the arts and crafts sector

Unfortunately, due to travel constraints as a result of the COVID-19 pandemic, this initiative which was scheduled to take place in Oujé-Bougoumou, will be delivered virtually.

Support for this project was provided by Cree Nation Government under Social Economy funds and in partnership with Cree Native Arts and Crafts (CNACA).

Cree arts and handicraft are an expression of our culture, values, and identity. From sturdy snowshoes and beautiful moose-hide items to intricately beaded jewellery, delicate tamaracks and hand-sewn bark baskets, Eeyou Istchee is endowed with a rich and diverse artistic and cultural heritage.



8. Marine Captain Training

In the summer of 2019, we were pleased to offer a second Marine Captain Training program. The training was available to individuals new to the industry. Now, the program includes a supplemental training module to expand the skill base of the graduates of the 2016 training program.

Similarly to the 2016 Marine Captain Training Program, new participants were taught:

- Marine training in compliance with Transport Canada requirements
- Small vessel Operator Proficiency, marine emergency duties A3 and Radio
- Operator Certificate – Marine certification

The supplemental Marine Captain Training Program is designed to provide participants with the following skills:

- Advanced positioning techniques such as advancing a line of position
- Using electronics such as radar, depth sounders, autopilots, and chart-plotters
- Hazard-avoidance techniques using electronics (including “keep out” zones in GPS)
- Collision avoidance using radar and GPS
- Working with tides: clearances, depth, effects of current
- Piloting with wind and currents
- The “Seaman’s Eye”: simple skills for checking that you’re on course

Both training modules comprised theory and practical “on water” training and included advanced wilderness first-aid training. The theoretical portion of the training took place over a 6-day period and was offered in Waskaganish and Wemindji.

Unfortunately, due to unforeseen circumstances, the practical “on water” portion of the training could not be completed. Also, the advanced wilderness training had to be rescheduled. We had hoped to complete the “on water” training in summer of 2020; however it was postponed due to COVID-19.

Funding for this training program was generously provided by Apatisiwin Skills Development.

9. Essay Contest and International Indigenous Tourism Conference

At the AGM, COTA launched an essay contest providing entrants with a chance to win an all-expenses-paid trip for two to attend the International Aboriginal Tourism Conference in Kelowna, British Columbia.

Wendy Menarik of Eastmain was selected as the winner for her essay titled "I am Aboriginal." Wendy's essay captured her desire to travel to British Columbia to learn about the history and values of other indigenous cultures and share her perspective about being an Aboriginal woman living in Canada. Wendy was excited about the opportunity to meet new people, try different foods, and experience firsthand the ceremonies and cultural traditions of other indigenous communities.

More than 700 delegates from around the world gathered in Kelowna for the Indigenous Tourism Association of Canada 8th annual International Indigenous Tourism Conference (IITC), held from November 12 to 14, 2019. The conference was hosted on the traditional and unceded territory of the Syilx Nation, in partnership with the Nlakápmux and Secwepemc Nations, and with support from Indigenous Tourism Association of BC, the Thompson Okanagan Tourism Association, and Tourism Kelowna.

This initiative was funded entirely by COTA.



In Wendy's own words, "This experience allowed me to meet amazing people from all over Canada and especially the indigenous people who were from the area. I went to the Secwepemc Cultural Tour in Enderby, BC and learned about their sacred cultural heritage, languages, and what source of food they survived from. Their cultural heritage is like us Crees. It is unique and very interesting to learn about. The experience of getting to know their tribes was most inspirational and most amazing perspective of knowledge I was able to discover. Their welcoming music was entertaining, there were children dancing and elders banging on the drums and the women were singing. I will cherish these memories of Kelowna.."

10. Blue Road Signs

There is work to be done to improve road signs along the James Bay highway and throughout Eeyou Istchee. Blue tourism signage serves to create visibility and increase awareness making it easier for travellers to locate tourism operations and attractions. Currently, the number of blue road signs promoting Cree tourism businesses is limited. This is why COTA is working directly with individual hotel operators and Cultural Centers to help increase their visibility by erecting blue tourism signs in strategic locations along James Bay Highway.

These recognizable blue signs make it easier for tourists to find local attractions and services available in our Cree communities. The signage will not only alert visitors to the availability of local tourism services but will guide visitors as they travel from the James Bay highway to the community.

Société de développement de la Baie-James is responsible for installing the panels on James Bay Highway and Alliance de l'industrie touristique du Québec for installing them in the rest of Québec. This is an ongoing initiative.

11. Creation of an Innovative Snowmobile Circuit

This project, still in the early stages of development, focuses on creating a series of federated snowmobile trails linking the Cree communities of Mistissini, Oujé-Bougoumou, and Waswanipi and extending to Chibougamau and Chapais. The trails will also be linked to the system of federated trails that wind their way through much of southern Quebec. By creating a system of dependable trails into the communities, businesses such as hotels, restaurants and gas stations will be better positioned to benefit financially from this popular winter tourism activity.

We're also working on a sustainable electric snowmobiling package. We're exploring how this package can be developed and are working closely with local trappers and community representatives. The package, which could include a weekend or even a week-long stay, would target families and young adventure enthusiasts rather than experienced snowmobilers. It would include guided tours between the communities with immersive cultural experiences and possibly day trips or overnights in wildlife reserves.

Funding was provided by the Ministère de l'Économie et de l'Innovation (MEI) under the ACCORD program.

This initiative is designed to capitalize on winter tourism while implementing sustainable tourism practices. Electric snowmobiles are eco-friendly and silent and will be powered at strategically located charging stations. With minimal training, even visitors with no snowmobiling experience can participate.

12. Hottello/ReservIT

As any tourism operator will tell you, providing visitors with easy online booking is critical for business success. There are no exceptions to this rule, and Eeyou Istchee's hotels and outfitting camps must implement a secure and reliable online booking platform. The Hottello/ReservIT project aims to endow our region's lodging sector with technology to enhance efficiency and facilitate booking for all travelers. This software solution also collects data to support strategic marketing and advertising decision-making.

Funding for this project was provided by Tourisme Québec.

13. Projects and Initiatives in Partnership with TBJ

13.1 Project Manager, Snowmobile and Quad

With the establishment of EIT, a Regional Tourism Association, in 2007, we began working collaboratively with TBJ. Working together we are better positioned to undertake projects and initiatives that benefit tourism development throughout the region and therefore increase tourism revenue. To this effect the position of Project Manager, Snowmobile and Quad (PMSQ) was created.

An important mandate of the PMSQ is to support the development of the Innovative Snowmobile Circuit which, in part, prioritizes the creation of permanent snowmobile trails in Eeyou Istchee. The Project Manager must:

- Ensure the sustainability of the region's snowmobile trails
- Relocate trails that use forestry roads
- Upgrade current trails
- Develop new segments to offer snowmobile experiences that contribute to the economic well-being of all communities in Eeyou Istchee Baie-James
- Collect data on the off-road vehicle industry
- Provide developers with support to structure the region's offer of off-road vehicle activities

To meet the objectives above, the Project Manager will:

- Relocate the Chibougamau-Mistissini snowmobile trail along Route 167 North
- Relocate snowmobile trail T93 connecting Chapais and Desmaraisville to provide access to the community of Waswanipi
- Develop a regional snowmobile trail segment that connects the communities of Mistissini and Oujé-Bougoumou

This position is being funded by RTPA under TBJ.

**Cree Outfitting and Tourism
Association
Financial Statements
March 31, 2020**

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Independent Auditor's Report

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

Qualified opinion

We have audited the financial statements of Cree Outfitting and Tourism Association (hereafter "the Organization"), which comprise the statement of financial position as at March 31, 2020, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies, and the supplementary information.

In our opinion, except for the possible effects of the matter described in the "Basis for qualified opinion" section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2020, 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.

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 and the relative disclosure should also have been presented. The financial effect of this departure for the year ended March 31, 2020 is to overestimate the excess of revenues over expenses of an amount of \$48,608 (\$62,639 as at March 31, 2019) and to overestimate the net assets and the assets of an amount of \$155,610 (\$107,002 as at March 31, 2019).

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Organization to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Raymond Chobot Grant Thornton LLP

Val-d’Or

September 28, 2020

¹ CPA auditor, CA public accountancy permit no. A116128

Cree Outfitting and Tourism Association Operations

Year ended March 31, 2020

	2020	2019
	\$	\$
Revenues		
Contributions		
Cree Nation Government	424,231	407,300
Cree Nation Government - Federal New Relationship Agreement	366,821	358,925
Cree Nation Government - Board of Compensation		175,255
Québec Government	181,921	114,414
Apatisiwin Skills Development	67,835	11,688
Nature Conservancy of Canada	43,053	
Indigenous Services Canada	6,793	77,619
Tourisme Baie-James	6,298	
Tourisme Baie-James (RTPA)	34,071	
Eeyou Istchee Tourism (RTPA)	25,169	22,631
Capital distribution from Eenou-Eeyou Limited Partnership	366,821	358,925
Partnerships	44,280	62,086
Book sales and other revenue	21,630	24,817
	<u>1,588,923</u>	<u>1,613,660</u>
Expenses		
Salaries and employee benefits	316,590	337,065
Contributions to Eeyou Istchee Tourism projects	159,002	102,764
Contributions to Wiinipaakw Tours, Solidarity Cooperative		76,000
Professional fees	68,058	42,437
Board meeting expenses	47,550	65,799
Travel	60,469	41,702
Rental expenses	41,136	50,078
Supplies and office expenses	13,629	13,686
Meeting expenses	11,625	8,297
Maintenance and repairs	11,457	11,123
Annual report	8,164	7,693
Vehicles expenses	7,830	3,272
Advertising	7,788	2,152
Insurance	6,918	4,588
Telecommunications	6,803	13,972
Memberships and subscriptions	6,658	6,248
Social events	4,627	2,491
Sponsorship	5,396	
Utilities and fees	5,098	8,579
Gifts and donations	3,383	7,953
Bank charges	2,780	2,974
Amortization of tangible capital assets	63,637	41,130
	<u>858,598</u>	<u>850,003</u>
Project expenses	672,164	616,830
	<u>1,530,762</u>	<u>1,466,833</u>
Excess of revenues over expenses	<u>58,161</u>	<u>146,827</u>

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

Cree Outfitting and Tourism Association Changes in Net Assets

Year ended March 31, 2020

	<u>2020</u>	<u>2019</u>
	\$	\$
Balance, beginning of year	2,022,044	1,875,217
Excess of revenues over expenses	<u>58,161</u>	<u>146,827</u>
Balance, end of year	<u>2,080,205</u>	<u>2,022,044</u>

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

Cree Outfitting and Tourism Association Cash Flows

Year ended March 31, 2020

	<u>2020</u>	<u>2019</u>
	\$	\$
OPERATING ACTIVITIES		
Excess of revenues over expenses	58,161	146,827
Non-cash items		
Amortization of tangible capital assets	<u>63,637</u>	<u>41,130</u>
	121,798	187,957
Changes in working capital items and deferred contributions	<u>(205,119)</u>	<u>60,370</u>
Cash flows from (used in) operating activities	<u>.....(83,321).....</u>	<u>.....248,327.....</u>
INVESTING ACTIVITIES		
Term deposit	(400,603)	(391,979)
Receipt of term deposit	400,603	391,979
Net change in advances to Eeyou Istchee Tourism	(308,821)	34,112
Acquisition of tangible capital assets	(14,412)	(14,479)
Investment in a subsidiary	<u>(50,000)</u>	<u>(50,000)</u>
Cash flows used in investing activities	<u>(373,233)</u>	<u>(30,367)</u>
Net increase (decrease) in cash	(456,554)	217,960
Cash, beginning of year	<u>705,413</u>	<u>487,453</u>
Cash, end of year	<u>248,859</u>	<u>705,413</u>

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

Cree Outfitting and Tourism Association Financial Position

March 31, 2020

	2020	2019
	\$	\$
ASSETS		
Current		
Cash	248,859	705,413
Term deposit, 1.6%, maturing in February 2021 (Note 5)	401,586	392,333
Trade and other receivables (Note 6)	362,879	290,147
Contributions and partnerships receivable (Note 7)	416,331	306,583
Prepaid expenses	3,889	3,943
	<u>1,433,544</u>	<u>1,698,419</u>
Long-term		
Advances to Eeyou Istchee Tourism, without interest or repayment terms	669,905	361,084
Investment in a subsidiary (Note 8)	150,000	100,000
Tangible capital assets (Note 9)	67,946	117,171
	<u>2,321,395</u>	<u>2,276,674</u>
LIABILITIES		
Current		
Trade payables and other operating liabilities (Note 11)	162,001	235,471
Long-term		
Deferred contributions (Note 12)	79,189	19,159
	<u>241,190</u>	<u>254,630</u>
UNRESTRICTED NET ASSETS	<u>2,080,205</u>	<u>2,022,044</u>
	<u>2,321,395</u>	<u>2,276,674</u>

The accompanying notes and schedules 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, 2020

1 - GOVERNING STATUTES AND PURPOSE OF THE ORGANISATION

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 - IMPACTS RESULTING FROM THE COVID-19 PANDEMIC

In March 2020, the decree of a COVID-19 state of pandemic and the numerous measures put in place by the federal, provincial and municipal governments to protect the public had impacts on the Organization's operations. Some projects were stopped as of March 25, 2020 due to the directives issued by the Québec government. This crisis is likely to cause significant changes to assets or liabilities in the coming year or have a significant impact on future operations.

3 - ACCOUNTING CHANGE

On April 1, 2019, the Organization applied Section 4433, Tangible Capital Assets Held by Not-for-profit Organizations, of Part III of the *CPA Canada Handbook - Accounting*. This section replaces Section 4431 of the same name. In accordance with this new section, not-for-profit organizations are now required to comply with the guidance in Sections 3061, Property, Plant and Equipment, and 3110, Asset Retirement Obligations, and with the reporting requirements of Section 3063, Impairment of Long-lived Assets, of Part II of the *CPA Canada Handbook - Accounting*, except the guidance in Section 4433.

Application of Section 3061 by not-for-profit organizations now requires that they consider the guidance on componentization of the cost of an item of property, plant and equipment made up of significant separable component parts. For its part, Section 4433 presents new tangible capital assets impairment standards.

In accordance with the transitional provisions, this new section, applicable to years beginning on or after January 1, 2019, has been applied prospectively.

Application of this new section did not have any impact on the Organization's financial statements.

On April 1, 2019, the Organization changed the computer equipment amortization rate and method. Computer equipment, which was previously amortized using the diminishing method at an annual rate of 20%, will now be amortized using the straight-line method on a 3-year period. This change was adopted prospectively and led to an increase in the amortization expense of \$31,146 during the year.

Cree Outfitting and Tourism Association

Notes to Financial Statements

March 31, 2020

4 - SUMMARY OF 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 a 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.

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.

Cree Outfitting and Tourism Association Notes to Financial Statements

March 31, 2020

4 - SUMMARY OF ACCOUNTING POLICIES (Continued)

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.

Subsequent measurement

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

With respect to financial assets measured at cost or 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 a 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 cost or amortized cost is recognized in earnings in the year the reversal occurs.

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 plus all costs directly attributable to the acquisition of the tangible capital assets, or at a nominal value if fair value cannot be reasonably determined.

Amortization

Tangible capital assets are amortized over their estimated useful lives according to the following methods, annual rates and period:

	<u>Methods</u>	<u>Rates and period</u>
Office equipment	Diminishing balance	20%
Vehicles	Diminishing balance	30%
Computer equipment	Straight-line	3-year

Write-down

When conditions indicate that a tangible capital asset is impaired, the net carrying amount of the tangible capital asset is written down to the tangible capital asset's fair value or replacement cost. The write-down is accounted for the statement of operations and cannot be reversed.

Cree Outfitting and Tourism Association Notes to Financial Statements

March 31, 2020

4 - SUMMARY OF ACCOUNTING POLICIES (Continued)

Pension plan

The Plan, which is a multi-employer defined benefit plan, is accounted for in accordance with the recommendations on defined contribution plans since the Organization has insufficient information to apply defined benefits plan accounting. The pension expense is equal to the amount of contribution paid by the employer during the period.

5 - TERM DEPOSIT

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

6 - TRADE AND OTHER RECEIVABLES

	2020	2019
	\$	\$
Trade accounts receivable	55,193	16,478
Trade accounts receivable from a subsidiary	261,181	248,733
Sales taxes receivable	46,505	24,936
	<u>362,879</u>	<u>290,147</u>

7 - CONTRIBUTIONS AND PARTNERSHIPS RECEIVABLE

	2020	2019
	\$	\$
Québec Government		
Ministère de l'Économie et de l'Innovation	54,693	28,407
Tourisme Québec		10,868
Société du Plan Nord	64,420	24,855
Ministère des Affaires municipales et de l'habitation	19,455	8,733
	<u>138,568</u>	<u>72,863</u>
Indigenous Services Canada	60,072	77,356
Nature Conservancy of Canada	19,135	
Cree Nation Government	18,330	
Eeyou Istchee Tourism (RTPA)		22,631
Apatisiwin Skills Development		1,955
Partnerships	176,610	131,778
Others	616	
	<u>413,331</u>	<u>306,583</u>

Cree Outfitting and Tourism Association Notes to Financial Statements

March 31, 2020

8 - INVESTMENT IN A SUBSIDIARY

	<u>2020</u>	<u>2019</u>
	\$	\$
150,000 class "A" shares of Eeyou Istchee Baie-James Travel Inc. (100,000 in 2019), 71.43% (66.67% in 2019)	<u>150,000</u>	<u>100,000</u>

9 - TANGIBLE CAPITAL ASSETS

	<u>2020</u>		<u>2019</u>	
	Cost	Accumulated amortization	Net carrying amount	Net carrying amount
	\$	\$	\$	\$
Office equipment	133,306	110,870	22,436	28,045
Vehicles	130,360	89,475	40,885	58,408
Computer equipment	159,750	155,125	4,625	30,718
	<u>423,416</u>	<u>355,470</u>	<u>67,946</u>	<u>117,171</u>

10 - BANK LOAN AUTHORIZED

The bank loan, for an authorized amount of \$65,000, bears interest at prime plus 1.75% (4.20%; 5.70% as at March 31, 2019) 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.

11 - TRADE PAYABLES AND OTHER OPERATING LIABILITIES

	<u>2020</u>	<u>2019</u>
	\$	\$
Accounts payable and accrued liabilities	72,187	175,353
Salaries and vacations payable	89,814	60,118
	<u>162,001</u>	<u>235,471</u>

Government remittances total \$10,318 as at March 31, 2020 (\$2,917 as at March 31, 2019).

Cree Outfitting and Tourism Association Notes to Financial Statements

March 31, 2020

12 - DEFERRED CONTRIBUTIONS

The deferred revenues represent contributions to cover project expenses for the following year.

	<u>2020</u>	<u>2019</u>
	\$	\$
EIBJ Regional Map		
Received relating to the following year - Ministère des Affaires municipales et de l'habitation	<u>10,525</u>	<u>-</u>
Balance, end of year	<u>10,525</u>	<u>-</u>
Economusée - Mistissini		
Received relating to the following year - Ministère des Affaires municipales et de l'habitation	<u>24,940</u>	<u>-</u>
Balance, end of year	<u>24,940</u>	<u>-</u>
Marine Tourism Pre-Commercialisation		
Balance, beginning of year	-	16,814
Recognized as revenue	<u>-</u>	<u>(16,814)</u>
Balance, end of year	<u>-</u>	<u>-</u>
Cree Entrepreneurs Boot Camp		
Balance, beginning of year	-	1,078
Recognized as revenue	<u>-</u>	<u>(1,078)</u>
Balance, end of year	<u>-</u>	<u>-</u>
EIBJ Sustainable Tourism Destination		
Balance, beginning of year	19,159	10,000
Received relating to the following year	-	12,869
Recognized as revenue	<u>(19,159)</u>	<u>(3,710)</u>
Balance, end of year	<u>-</u>	<u>19,159</u>
Canoe Training		
Balance, beginning of year	-	4,445
Recognized as revenue	<u>-</u>	<u>(4,445)</u>
Balance, end of year	<u>-</u>	<u>-</u>
Snowmobile ATV Manager		
Received relating to the following year - Tourisme Baie-James	<u>25,989</u>	<u>-</u>
Balance, end of year	<u>25,989</u>	<u>-</u>
Creation Innovative Snowmobile Circuit		
Received relating to the following year - Partnership	<u>17,735</u>	<u>-</u>
Balance, end of year	<u>17,735</u>	<u>-</u>
	<u>79,189</u>	<u>19,159</u>

Cree Outfitting and Tourism Association Notes to Financial Statements

March 31, 2020

13 - 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 Québec 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, 2018. This actuarial valuation reveals a total solvency deficit of \$10,173,000 using the prescribed solvency basis as at December 31, 2018.

Significant long-term actuarial assumptions used in the last triennial actuarial valuations issued are the following :

	December 31, 2018
	<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 \$75,126 (\$63,094 as at March 31, 2019).

14 - 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, trade accounts receivable from a subsidiary, 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 a 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.

Cree Outfitting and Tourism Association Notes to Financial Statements

March 31, 2020

14 - FINANCIAL RISKS (Continued)

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.

15 - RELATED PARTY TRANSACTIONS

Transaction in the normal course of operations

	2020	2019
	\$	\$
Revenues		
Contributions from an organization under common control	25,169	22,631
Expenses		
Project expenses with an organization under common control	159,002	102,764
Project expenses with a subsidiary	75,325	

These transactions were measured at the exchange amount.

16 - COMMITMENTS

The Organization has entered into long-term lease agreement for the rental of housing units which calls for minimum lease payments of \$98,310. This lease expires on August 31, 2022 and contains 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 calls for minimum lease payments of \$38,348. This lease expires on March 31, 2021 and contains 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 three years are \$79,028 for 2021, \$40,680 in 2022 and \$16,950 in 2023.

17 - COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year.

Cree Outfitting and Tourism Association Supplementary Information

Year ended March 31, 2020

	2020		2019	
	Revenues \$	Expenses \$	Revenues \$	Expenses \$
PROJECTS				
Attestation - Sustainable Management of Hotels & Restaurants in Eeyou Istchee				
Internal contribution COTA	3,239			
Professional fees		1,632		
Travel		1,607		
	<u>3,239</u>	<u>3,239</u>	<u>-</u>	<u>-</u>
Economusée - Mistissini				
Internal contribution COTA	18,658			
Contribution Québec Government - Ministère des affaires municipales et de l'habitation	8,314			
Meeting Expenses		1,805		
Professional fees		15,717		
Travel		9,450		
	<u>26,972</u>	<u>26,972</u>	<u>-</u>	<u>-</u>
Marine Captain Training				
Internal contribution COTA	14,303			
Contribution Apitisiwin Skills Development	64,875			
Supplies and office expenses		490		
Meeting expenses		3,802		
Rental expenses		6,019		
Professional fees		43,631		
Travel		25,236		
	<u>79,178</u>	<u>79,178</u>	<u>-</u>	<u>-</u>
Marine Tourism Pre-Commercialisation				
Internal contribution COTA			21,326	
Contribution Cree Nation Government			5,740	
Contribution Indigenous Services Canada			73,612	
Partnership contribution			33,926	
Professional fees				86,404
Advertising				81
Supplies and office expenses				219
Translation				4,237
Meeting expenses				1,469
Travel				42,194
	<u>-</u>	<u>-</u>	<u>134,604</u>	<u>134,604</u>

Cree Outfitting and Tourism Association Supplementary Information

Year ended March 31, 2020

	2020		2019	
	Revenues \$	Expenses \$	Revenues \$	Expenses \$
PROJECTS (continued)				
Creetopia				
Internal contribution COTA	42,277		(3,790)	
Contribution Québec Government - Ministère de l'Économie et de l'Innovation	31,593		28,407	
Contribution Québec Government - Société du Plan Nord	20,696		13,724	
Contribution Eeyou Istchee Tourism (RTPA)	25,169		22,631	
Partnership contribution	20,139		18,111	
Meeting expenses		480		
Supplies and office expenses		59		
Professional fees		124,627		81,686
Travel		14,020		(2,603)
Rental expenses		610		
Translation		78		
	<u>139,874</u>	<u>139,874</u>	<u>79,083</u>	<u>79,083</u>
Coaching Nuuhchimi Wiinuu				
Internal contribution COTA			2,203	
Contribution Apitisiwin Skills Development			5,288	
Professional fees				5,238
Travel				2,253
	<u>-</u>	<u>-</u>	<u>7,491</u>	<u>7,491</u>
Cree Entrepreneurs Boot Camp				
Internal contribution COTA			3,536	
Contribution Québec Government - Ministère de l'Économie et de l'Innovation			4,644	
Contribution Cree Nation Government			1,078	
Professional fees				5,920
Travel				3,338
	<u>-</u>	<u>-</u>	<u>9,258</u>	<u>9,258</u>
Annual General Meeting & Tourism Conference				
Internal contribution COTA	73,487		51,595	
Contribution Eeyou Istchee Tourism (AGM)	14,018		8,843	
Travel		47,173		29,942
Advertising and promotion				260
Meeting expenses		27,047		22,143
Supplies and office expenses		3,470		89
Professional fees		9,815		8,004
	<u>87,505</u>	<u>87,505</u>	<u>60,438</u>	<u>60,438</u>
Youth Video				
Internal contribution COTA			3,131	
Professional fees				1,505
Others				1,626
	<u>-</u>	<u>-</u>	<u>3,131</u>	<u>3,131</u>

Cree Outfitting and Tourism Association Supplementary Information

Year ended March 31, 2020

	2020		2019	
	Revenues \$	Expenses \$	Revenues \$	Expenses \$
PROJECTS (continued)				
Promotional & Membership Material				
Internal contribution COTA			5,627	
Promotional material				5,627
	<u>-</u>	<u>-</u>	<u>5,627</u>	<u>5,627</u>
Eeyou Istchee : Land of the Cree - book reprint				
Internal contribution COTA			3,848	
Book sales			3,676	
Professional fees				7,524
	<u>-</u>	<u>-</u>	<u>7,524</u>	<u>7,524</u>
Hotello/ReservIT				
Internal contribution COTA	461		7,575	
Contribution Québec Government - Tourisme Québec	2,141		36,643	
Partnership contribution	289		4,484	
Partnership expense		2,891		
Professional fees				48,789
Meeting expenses				(87)
	<u>2,891</u>	<u>2,891</u>	<u>48,702</u>	<u>48,702</u>
Ecotourism in Protected Areas				
Internal contribution COTA	47,843			
Professional fees		47,843		
	<u>47,843</u>	<u>47,843</u>	<u>-</u>	<u>-</u>
Snowmobile ATV Manager				
Internal contribution COTA	7,681			
Contribution Tourisme Baie-James (RTPA)	34,071			
Travel		882		
Rental expenses		125		
Professional fees		39,777		
Supplies and office expenses		912		
Meeting expenses		56		
	<u>41,752</u>	<u>41,752</u>	<u>-</u>	<u>-</u>
Creation Innovative Snowmobile Circuit				
Internal contribution COTA	15,001			
Contribution Québec Government - Ministère de l'Économie et de l'Innovation	22,899			
Partnership contribution	15,765			
Travel		199		
Professional fees		53,466		
	<u>53,665</u>	<u>53,665</u>	<u>-</u>	<u>-</u>
Visitor Experiences				
Internal contribution COTA	3,738			
Contribution Cree Nation Government	18,330			
Partnership contribution	2,291			
Travel		2,475		
Professional fees		21,784		
Meeting expenses		100		

Cree Outfitting and Tourism Association

Supplementary Information

Year ended March 31, 2020

	2020		2019	
	Revenues \$	Expenses \$	Revenues \$	Expenses \$
PROJECTS (continued)				
Marketing Program				
Internal contribution COTA			161,875	
Contribution to Eeyou Istchee Tourism projects				161,875
	-	-	161,875	161,875
Human Resources Coordinator				
Internal contribution COTA			11,989	
Partnership expenses				11,989
	-	-	11,989	11,989
<i>This project is done in partnership with Tourisme Baie-James.</i>				
Record Management				
Internal contribution COTA			10,768	
Maintenance and repairs				700
Professional fees				9,254
Travel				814
	-	-	10,768	10,768
Tourism Strategy				
Internal contribution COTA	20,523		2,381	
Contribution Québec Government - Ministère des Affaires municipales et de l'habitation	58,540		8,733	
Travel		30,452		1,173
Meeting expenses		8,849		
Professional fees		39,762		9,941
	79,063	79,063	11,114	11,114
Vol Panoramique				
Internal contribution COTA			170	
Travel				170
	-	-	170	170
OHV Coordinator				
Internal contribution COTA	1,875		4,125	
Partnership expenses		1,875		4,125
	1,875	1,875	4,125	4,125
Canoe Training				
Internal contribution COTA	(2,960)		2,455	
Contribution Apitisiwin Skills Development	2,960		6,400	
Others			700	
Professional fees				5,804
Travel				3,751
	-	-	9,555	9,555

Cree Outfitting and Tourism Association Supplementary Information

Year ended March 31, 2020

	2020		2019	
	Revenues \$	Expenses \$	Revenues \$	Expenses \$
PROJECTS (continued)				
Co-Creation Tourism Abitibi-Témiscamingue				
Internal contribution COTA			419	
Travel				419
	<u>-</u>	<u>-</u>	<u>419</u>	<u>419</u>
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EIBJ Sustainable Tourism Destination				
Internal contribution COTA	14,181		10,221	
Contribution Québec Government - Ministère des Affaires municipales et de l'habitation	18,869		11,131	
Indigenous Services Canada	6,793		4,007	
Contribution Québec Government - Société du Plan Nord	18,869		11,131	
Contribution Tourisme Baie-James	3,145			
Partnership contribution	6,290		3,710	
Professional fees		62,080		40,200
Travel		1,767		
Rental expenses		4,300		
	<u>68,147</u>	<u>68,147</u>	<u>40,200</u>	<u>40,200</u>
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International Indigenous Tourism Conference				
Internal contribution COTA	15,801		10,757	
Travel		12,013		9,743
Conference expenses		3,788		1,014
	<u>15,801</u>	<u>15,801</u>	<u>10,757</u>	<u>10,757</u>
	<u>672,164</u>	<u>672,164</u>	<u>616,830</u>	<u>616,830</u>
	=====	=====	=====	=====