



**ANNUAL  
REPORT**



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# 2018 BOARD OF DIRECTORS & STAFF



Mike Lalonde  
Century 21 Prospect Realty  
President



Kyle Thomas  
With Media  
1<sup>st</sup> Vice President



Alayna Ward  
Award Communications  
2<sup>nd</sup> Vice President



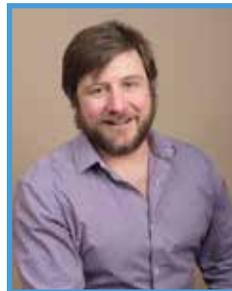
Jan McNeill  
CIBC  
Treasurer



Karen Boudreau  
S&K Services  
Director



Bright Lubansa  
Northview Apartment REIT  
Director



Tim Syer  
Lawson Lundell LLP  
Director



Daryl Fetaz  
Northland Utilities  
Director



Gord Olson  
Polar Tech Recreation  
Director



Paul Betsina  
Det-on Cho Corporation  
Director



Jo-Ann Martin  
Bullocks' Bistro  
Director



Paul Gillard  
NorthwesTel  
Director



Deneen Everett  
Executive Director

## Staff:

Angela Heal, Executive Assistant (joined the team Dec. '17)

Katie Weaver, Programs Coordinator (joined the team Dec. '18)

# PRESIDENT & EXECUTIVE DIRECTOR'S REPORT

The Yellowknife Chamber of Commerce is your business network! With 393 local businesses as members, we're dedicated to strengthening the Yellowknife business community. Our mission is *to be a leader in the improvement and development of a strong Yellowknife business community with a diversified economy and sustainable growth*. We work to achieve this mission by focusing on 5 key areas: advocacy, promotion, education, connections and savings.

## Advocacy

Throughout 2018, we lobbied the municipal, territorial and federal government on 24 issues!

At the municipal level, we provided feedback on short-term rental accommodations, visitor services, the business license bylaw review and the urban agricultural strategy, to name a few. In addition, over the past several years, we've been lobbying the City of Yellowknife to create a local procurement policy, which was adopted by Council in February 2018. This local procurement policy provides City Administration with a target to spend at least 85% of its total annual expenditures locally, to generate an annual report on the ratio of local and non-local spending and to inform local businesses about procurement opportunities as early as possible in the procurement cycle. We commend City Council and Administration for their efforts and consider this a big win for the Yellowknife business community.

In keeping with tradition, the Yellowknife Chamber of Commerce submitted feedback on the 2019 municipal budget and had a strong presence during budget deliberations. We urged City Council to scrutinize the City's services to ensure they are well-used and appropriate for a City of 20,000 people, and to increase their lobbying efforts to address the \$11.4 million community funding shortfall from the GNWT. In our review of the annual budget, we strive to take a balanced approach and voiced our support for several projects we felt were reasonable and would have a meaningful impact on the Yellowknife business community, including the \$75,000 allocated to the 'Design and Construction Standards' project, which will speed up the process for tenders for new developments. We also supported the \$50,000 for the 'Economic Development Strategy' and \$103,000 for the 'Homelessness Employment' project.

At the Territorial level, we lobbied for an amendment to the Cities, Towns and Villages Act which would allow the City of Yellowknife to implement an Accommodation Levy to fund tourism initiatives. This is a common practice in other cities across Canada and globally, and is most often realized through a tax on the cost of hotel rooms. Bill 18: An Act to Amend the Cities, Towns and Villages Act was granted assent on November 1, 2018, which allows the City of Yellowknife to begin implementing the Levy.

In addition, we made several recommendations regarding Bill 6: Cannabis Legalization and Regulation Implementation Act, in which we urged the territorial government to create a regulated environment where entrepreneurs can take advantage of the potential economic opportunities that accompany the end of cannabis prohibition. Our position is that Yellowknife entrepreneurs should have the opportunity to apply for retail licenses through an open, transparent and competitive process.

Another important advocacy effort was our focus on government transparency. We requested that the GNWT establish an Office of the Ombudsperson, explore the potential of creating a lobbyist registry and establish a standalone Whistleblower Protection Act. During public hearings for Bill 20: Ombudsperson Act, we were pleased to present to the Standing Committee on Government Operations. In our presentation we brought forward our recommendations which included expanding the Act to provide the Ombudsperson with jurisdiction over municipalities—a provision that exists in most other Canadian provinces.

At the federal level, our efforts were primarily focused on lobbying for increased transportation and infrastructure funding for the North and supporting the advocacy efforts of the Canadian Chamber of Commerce. For example, we proudly supported the Canadian Chamber of Commerce's report 'Death by 130,000 Cuts: Improving Canada's Regulatory Competitiveness'. This research details the overlapping regulations that have created a costly and uncertain environment in which to invest and operate a business in Canada – something we've heard often from our membership. A large part of the report is devoted to the need for better collaboration between elected officials, regulators and stakeholders to reduce regulatory complexity from all levels of government. We sent a letter to our Member of Parliament Michael McLeod extending our commitment to work with him to achieve this goal.

In addition, our Executive Director, Deneen Everett, Chairs the Canadian Chamber of Commerce's Territorial Policy Committee. The Committee's resolution, Grays Bay Road and Port Project, was the first policy that the Yellowknife Chamber of Commerce has ever co-sponsored! The resolution highlights the benefits of federal investment in the Grays Bay Road and Port Project, and how it would reduce the cost of living in the Central Arctic, allow for northern minerals to be exported through waterways, grow the mining sector, facilitate telecommunications upgrades, and even promote northern sovereignty through use of the Northwest Passage. This resolution asks the federal government to support the Canadian and Territorial economies by funding the remaining \$529 million in capital costs. The resolution was adopted by the Canadian Chamber of Commerce membership with an approval of 98%.

## Promotion

Studies show that membership with a local chamber of commerce provides a 73% increase in consumer awareness. In addition, when consumers know that a business is a chamber member, they are 49% more likely to think favourably of that business and 80% more likely to purchase goods and services from the company in the future (ACCE, 2012). Through promotion in our online and print business directories, we're spreading the news about members of the YK Chamber!

We also run a number of initiatives designed to create opportunities for Yellowknife businesses to promote the products and services they offer. Our #ShopYK passport program, in partnership with the City of Yellowknife, had 51 participating businesses and saw \$816,000 spent locally through the campaign. The #ShopYK program also included a Shop Local Day, proclaimed by Mayor Mark Heyck on August 24th, where Board members visited businesses to promote our Shop Local message and to encourage businesses to participate in the #ShopYK campaign.

Our biggest event of the year, the Spring Trade Show, was a resounding success with 185 exhibitors and almost 8,000 people in attendance. For over 30 years this event has been a mainstay in the calendars of Yellowknifers, and an important opportunity for local businesses. We're always looking for new ways to grow this important community event and we've had the pleasure of having the Great Northern Discover Dome, Parks Canada's planetarium, at the event. This was big news in Yellowknife and made Cabin Radio's advent calendar of Yellowknife's most interesting news of the year.

## Education

Our Lunch & Learn events, which provide an opportunity for local businesspeople to share their expertise with other members of the Yellowknife business community, are growing in popularity since they were established in late 2017. Throughout 2018, we hosted four sessions: two on 'Cannabis in the Workplace' with Lawson Lundell LLP, one on 'Me Too' in the Workplace with Dragon Toner Law Office and a session with the Canada Revenue Agency on how they

can better meet the needs of small and medium businesses.

Since its creation in 2016, our Small Business Small Talk series, another partnership with the City of Yellowknife, has been steadily growing. We were privileged to have CloudWorks present 'How To Survive Your First Lease', as well as an 'Introduction to Search Engine Optimization' with Raven Web Services.

The highlight of our Small Business Week Conference was our keynote presenter, Graham Sherman, co-owner of Tool Shed Brewing Co. He spoke to our attendees about what it takes to be a successful entrepreneur: more specifically, he explained what disruptive marketing is, and how a business owner can change disruptive behaviour into motivation and focus for their business. Other highlights include our session aimed at helping businesses address the Truth and Reconciliation Commission's Calls to Action, along with a cultural presentation featuring the significance of drumming and drum dances with the Yellowknives Dene Drummers. We are excited to be hosting our 3rd annual Small Business Week Conference on October 22nd and 23rd, 2019.

## Connections

Partnering with us to host a Business Club Luncheon or Business After Hours event is a fantastic way to showcase your business and connect with our membership of over 393 local businesses. In 2018, we hosted four Business After Hours events – NorthwesTel hosted an event to unveil their directory artwork, Angela Gzowski showcased her photos from the Discover Peru trip and NWT Tourism shared information on Alipay, an innovative solution that will help Yellowknife businesses capitalize on the growing number of tourists from China. Our most popular Business After Hours was hosted by Blachford Lake Lodge and Air Tindi – where guests had an opportunity to travel by floatplane to beautiful Blachford Lake Lodge to see their facility and participate in several outdoor activities.

We also hosted three Business Club Luncheons in 2018. Governor Stephen Poloz with the Bank of Canada spoke to the cyclical nature of a mining economy, the promise of the NWT's tourism boom, and the effect of rising household debt on economies in Canada. In September, we welcomed the Business Development Bank of Canada's President and CEO, Michael Denham, as he shared current trends that are impacting businesses across Canada. Our third luncheon was hosted with Innovation, Science and Economic Development Canada and included a presentation on the Economic Strategy Roundtables, a report that was shared with our membership.

Our largest luncheon of the year was our annual Trailblazers Luncheon, in partnership with the City of Yellowknife, on International Women's Day. This event celebrates, educates and empowers women, while also providing an opportunity to explore issues and potential solutions that will result in greater gender-balance in senior leadership positions. With 57 attendees, this event was such a success that it will become a mini-conference in 2019. Our very popular Business Award Gala celebrates and recognizes 10 businesses for exceptionalism in their categories:

Kavanaugh Bros. Ltd. for Small Business of the Year;  
Lawson Lundell LLP for Corporate Business of the Year;  
Cabin Radio for Breakout New Business;  
NWT Brewing Co. for Young Entrepreneur of the Year;  
Bouwa Whee Catering for Aboriginal Entrepreneurship;  
Canuck Concrete Pumping & Crane for Workplace Health & Safety;  
Twin Pine Diner for Customer Service Award of Excellence;  
NorthwesTel for Community Impact;

Iceblink for Trailblazers Women in Business; and

CloudWorks for Chamber Member of the Year.

This sold-out, 250-person gala is an exciting event to recognize those who work hard year-round. With so many influential businesspeople in one place, it also serves as a great opportunity for networking.

We don't think there's a better way to build business connections than traveling through beautiful countries with fellow Yellowknifers. And we think the 44 people who participated in our Discover Peru travel program would agree! In April 2018, we travelled through Lima, Cusco, Sacred Valley, and one of the New Seven Wonders of the World, Machu Picchu. The travel program continues to be a unique way to network, providing Chamber members and even non-Chamber members with invaluable memories and ample time to chat and meet new people in a casual setting. For 2019, 41 passengers will join us on our Discover Bali program with 16 passengers participating on a South-East Asia extension that will include Malaysia, Thailand, Vietnam and Cambodia!

## Savings

Our membership with the Canadian Chamber of Commerce allows us to share their value-added programs with our membership. We're proud to offer you discounts on merchant services with First Data, fuel savings with Esso and shipping discounts with UPS.

In 2018, 21 businesses registered for our Member2Member discount program, which provides an opportunity for Chamber members to offer discounts to other Chamber members. Discounts for 2018 included: 20% off on advertising, 10% off digital printing services, 10% off First Aid Training, a 10% discount on fine art photographic prints, and a \$1,000 discount on home solar systems, to name a few. The discounts offered for 2019 include exciting new discounts such as free use of a private dining room, discounts on skincare, and much more!

## We're Grateful For Your Support!

2018 proved to be an expansive and exciting year for the YK Chamber! We could never pull it off without our dedicated Board of Directors and staff, and the support of our sponsors: our annual Platinum Sponsor First Air, and our Corporate Gold Sponsors, NorthwesTel, Northland Utilities, Finning, Crowe Mackay, CIBC, Northview Property REIT and Lawson Lundell LLP.

Cheers to the year ahead!



Mike Lalonde  
President



Deneen Everett  
Executive Director

# ADVOCACY



The Yellowknife Chamber of Commerce submitted a joint letter opposing a Land Transfer Tax, along with the NWT Chamber of Commerce, the NWT & NU Construction Association and the NWT & NU Chamber of Mines



MP McLeod, Director Paul Gillard, The Honourable Francois-Phillippe Champagne, Federal Minister of Infrastructure and Communities, President Mike Lalonde, Director Gord Olson and Director Daryl Fetaz after a meeting to discuss the importance of federal infrastructure investment



Executive Director Deneen Everett speaking about Bill 6: Cannabis Legalization and Regulation Implementation Act

# PROMOTION



Our Business Award Gala recognizes and celebrates the outstanding contributions of Yellowknife businesses



The YK Chamber Spring Trade Show was a resounding success with 185 exhibitors and almost 8000 people in attendance

# #ShopYK

On August 24th, 2018, Shop Local Day, our Board Members went around to Yellowknife businesses promoting the #ShopYK message and preparing them for our passport program. Over 1,300 completed passports later, our campaign saw **\$816K** spent locally!



August 24th, 2018 was proclaimed Shop Local Day in the City of Yellowknife



Executive Director Deneen Everett and City of Yellowknife Communications Officer Richard McIntosh with 1,360 completed #ShopYK Passports

# SHOP LOCAL!

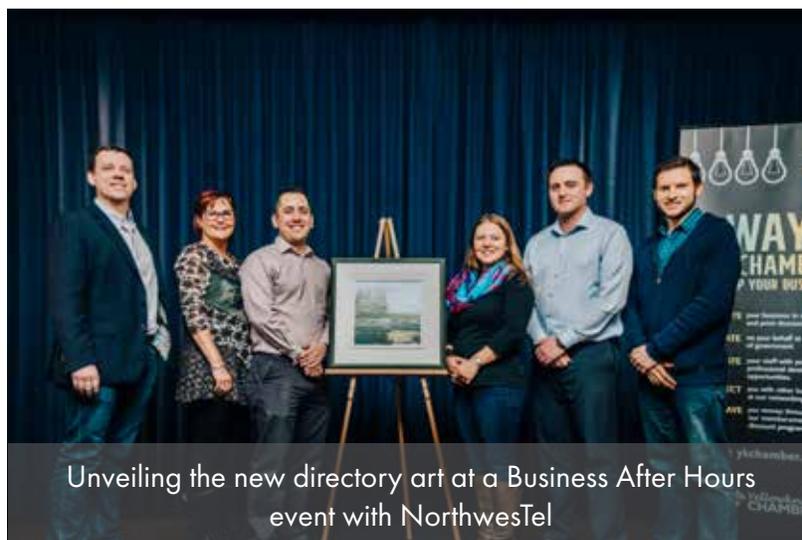
# CONNECTIONS



A Business After Hours event held at Blockford Lake Lodge, with Executive Director Deneen Everett and lodge owner Mike Freeland to welcome participants



A full house for a Business Club Luncheon hosted by Bank of Canada



Unveiling the new directory art at a Business After Hours event with NorthwesTel



44 people participated in our travel program - Discover Peru!

## SAVINGS FOR 2019

- 20% off any fare (excluding seat sales) for travel within the First Air network
- Free notary services
- Chamber Group Insurance Plan - Canada's #1 Plan for employee benefits. Contact Corol Sundberg at CAM Financial for more information: [camfinancial@outlook.com](mailto:camfinancial@outlook.com) or 867.444.0323
- Affinity Programs:
  - discounts on merchant services including POS terminals, mobile and tablet solutions, online payments and merchant financing;
  - Esso Business Card, where members will receive a 3.5 cents per litre discount on fuel, regardless of volume
  - Discounts with UPS. 40% off shipments within Canada and to the United States, 40% off shipments to worldwide destinations and imports into Canada, 75% off heavy weight, LTL (Less-Than-Trucked) shipments over 150 lb and 30% off brokerage entry preparation fees
- 21 Member2Member Discounts (See our 2019 Membership Benefits Package for more information)

# EDUCATION



A Business Club Luncheon with Innovation, Science & Economic Development



Governor of the Bank of Canada Stephen Poloz with Yellowknife Chamber of Commerce President Mike Lalonde

# TREASURER'S REPORT

On behalf of the Board of Directors and our Executive Director, I am pleased to share the Yellowknife Chamber of Commerce's 2018 audited financial statements, prepared by Crowe MacKay LLP.

The Statement of Operations is presented on Page 5 of the audited financial statements and shows a net loss of \$15,622 for 2018. Revenues for 2018 were \$423,383 – a 5.8% decrease over 2017 – primarily due to a decrease in government funding. We have been fortunate to receive \$25,000 in SEED funding annually, but the remainder of government funding varies year-over-year, depending on funding availability and the programs and services we're offering.

Expenses for 2018 were \$442,050 – a 1.4% increase over 2017. Most notably, catering, office salaries and professional fee expenses increased, while advertising, office supplies and travel expenses decreased. Professional fee expenses include accounting and legal fees and are the result of our decision to proceed with audited financial statements, as well as a bylaw review and the creation of an Human Resource Manual and employee contracts.

For budgeting and financial reporting purposes, all revenue and expenses are allocated to specific projects which have been organized into 5 categories, as presented on page 16 (Schedule 1) of the audited financial statements. These categories are: Operations, Membership, Spring Trade Show, Small Business Week and Networking Events. It is also worth noting that the 'catering' expense category includes expenses related to both catering and facility rentals.

The Operations category reflects revenue and expenses generated from operational activities and includes: General/Administrative, Conference Attendance, Scholarship Program, Annual Sponsorships, E-blasts, YK Chamber Insider Magazine, #ShopYK Campaign in partnership with the City of Yellowknife and Special Project Funding. Our financial statements show \$87,214 in revenue – primarily generated through annual sponsorships, commissions from the Chamber Plan group insurance and government funding. The corresponding \$293,169 in expenses reflect the annual cost of operations – with facility operations, office supplies, salaries, professional fees and training being the highest expenses. Of note, \$4,810.97 was spent on conference attendance as the Executive Director and President attended the Canadian Chamber of Commerce AGM & Convention in Thunder Bay, Ontario. Overall, our Operations resulted in \$205,955 in net loss, a 2.65% increase from 2018.

The Membership category reflects \$130,476 in revenue generated from the 393 businesses who paid a membership fee in 2018 – reflecting membership growth of 6.21% year-over-year. The corresponding expenses of \$3,726 include office supplies and expenses related to printing membership certificates and membership benefits packages. For 2019, our budget for printing has been reduced to \$750 as we transition to digital communication with our membership.

The Spring Trade Show category reflects \$123,866 in revenue – with \$10,000 received from GNWT ITI, \$5,000 generated through sponsorships and \$108,866 from the sale of exhibitor booths. There were \$55,908 in expenses - \$15,016 in the 'catering' expense category for the rental of the Yellowknife Multiplex, and \$33,291 for contracted services which includes expenses related to trade show equipment, table and chair rental and donations made to community groups who provide assistance with parking, garbage and recycling. The Spring Trade Show is the Yellowknife Chamber of Commerce's second largest revenue generating project (second to membership dues) and generated a net profit of \$67,958.

The Small Business Week category includes revenue and expenses generated from the Business Award Gala and Small Business Week Conference. Both of these events are important to our membership and help us fulfill our

mandate – but they are not revenue generators, resulting in a net loss of \$4,235 for this project. Specifically, the Business Award Gala ran at a net loss of \$842.85 and the Small Business Week Conference ran at a net loss of \$3392.05. For 2019, we have a strategy to grow the Business Award Gala into a revenue generating project and with funding confirmed from CanNor for the Small Business Week Conference, we anticipate that this project will generate \$15,000 in net profit for 2019.

Our final project category is Networking Events, which includes revenue and expense related to our AGM & Free Business Lunch, Business After Hours, Business Club Luncheons, Lunch & Learns and our Small Business Small Talk series in partnership with the City of Yellowknife. Our AGM & Free Business Lunch is a member appreciation event that includes a free lunch and keynote presentation and required a \$13,557.14 investment for 2018. This was offset partially by the \$10,371.96 we generated from hosting networking events, however, this project still reflects a net loss of \$3,185. Going forward, we will not be including a keynote speaker as part of our AGM celebrations – which will reduce this expense significantly.



Jan McNeill  
Treasurer



Mayor Mark Heyck with our 2018 Board of Directors at our 2017 Annual General Meeting

**Yellowknife Chamber of Commerce**

**Financial Statements**

**December 31, 2018**

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**Yellowknife Chamber of Commerce****Financial Statements**

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**December 31, 2018**

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## Independent Auditors' Report

### To the Directors of Yellowknife Chamber of Commerce

#### *Report on the Audit of the Financial Statements*

##### *Qualified Opinion*

We have audited the financial statements of the Yellowknife Chamber of Commerce (the Chamber), which comprise the statement of financial position as at December 31, 2018, and the statement of operations and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the 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 Chamber as at December 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.

##### *Basis for Qualified Opinion*

We have not examined, and do not express an opinion on, the financial statements for the preceding period, which have been clearly identified as unaudited and thus we are unable to determine whether adjustments to the opening balances might be necessary as the assets and liabilities were not audited. In addition, this may have affected the current year's revenue and expenses.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Chamber 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 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 Chamber'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 Chamber or to cease operations, or has no realistic alternative but to do so.

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

## Independent Auditors' Report (continued)

### *Auditors' 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 auditors' 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 Chamber'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 Chamber's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Chamber 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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## Yellowknife Chamber of Commerce

### Statement of Operations

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For the year ended December 31,	2018	2017 (unaudited)
<b>Revenues</b>		
Commissions	\$ 13,612	\$ 11,993
Government funding	37,200	61,556
Other revenue	962	-
Project revenue	298,609	312,106
Sponsorships	73,000	63,750
	<hr/>	<hr/>
	423,383	449,405
<b>Expenses</b>		
Advertising and promotion	9,036	25,624
Amortization	847	346
Bad debts	249	-
Bank charges and interest	10,013	8,504
Catering	61,207	52,513
Contract service	78,314	68,088
Facility operations	33,518	31,194
Insurance	3,413	4,245
Office	17,104	24,603
Office salaries	172,604	165,487
Printing	11,486	10,425
Professional fees	18,554	4,089
Scholarships	1,500	1,500
Training	17,508	17,186
Travel	6,697	22,243
	<hr/>	<hr/>
	442,050	436,047
<b>Excess (deficiency) of revenues over expenses before Other item</b>	<b>(18,667)</b>	13,358
<b>Other income</b>		
Travel program (note 4)	3,045	21,795
	<hr/>	<hr/>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (15,622)</b>	<b>\$ 35,153</b>

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**Yellowknife Chamber of Commerce****Statement of Changes in Net Assets**

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**For the year ended December 31, 2018**

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	<b>Unrestricted surplus</b>	<b>Investment in Tangible Capital Assets</b>	<b>Total 2018</b>	Total 2017 (unaudited)
<b>Balance, beginning of year</b>				
As previously reported	\$ 155,340	\$ -	\$ <b>155,340</b>	\$ 135,128
Effects of transition (note 3)	(10,232)	1,385	<b>(8,847)</b>	(23,788)
As restated	145,108	1,385	<b>146,493</b>	111,340
Excess (deficiency) of revenues over expenses	(15,622)	-	<b>(15,622)</b>	35,153
Amortization	847	(847)	-	-
Acquisition tangible capital assets	(2,074)	2,074	-	-
<b>Balance, end of year</b>	<b>\$ 128,259</b>	<b>\$ 2,612</b>	<b>\$ 130,871</b>	<b>\$ 146,493</b>

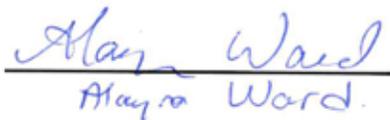
**Yellowknife Chamber of Commerce**

**Statement of Financial Position**

	December 31, 2018	December 31, 2017 (unaudited)	January 1, 2017 (unaudited)
<b>Assets</b>			
<b>Current</b>			
Cash	\$ 218,392	\$ 154,292	\$ 312,194
Accounts receivable (note 5)	16,132	17,963	14,293
Prepaid expenses	879	-	-
	<b>235,403</b>	<b>172,255</b>	<b>326,487</b>
<b>Tangible capital assets (note 6)</b>	<b>2,612</b>	<b>1,385</b>	<b>1,731</b>
	<b>\$ 238,015</b>	<b>\$ 173,640</b>	<b>\$ 328,218</b>
<b>Liabilities</b>			
<b>Current</b>			
Accounts payable and accrued liabilities (note 7)	\$ 21,349	\$ 16,916	\$ 7,243
Customer deposits	85,795	10,231	209,626
	<b>107,144</b>	<b>27,147</b>	<b>216,869</b>
<b>Members' Equity and Funds</b>			
Unrestricted surplus	128,259	145,108	109,618
Investment in Tangible Capital Assets	2,612	1,385	1,731
	<b>130,871</b>	<b>146,493</b>	<b>111,349</b>
	<b>\$ 238,015</b>	<b>\$ 173,640</b>	<b>\$ 328,218</b>

Approved on behalf of the board:

  
 \_\_\_\_\_ Member  
 Jan McNeill

  
 \_\_\_\_\_ Member  
 Alayna Ward

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## Yellowknife Chamber of Commerce

### Statement of Cash Flows

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For the year ended December 31,	2018	2017 (unaudited)
<b>Cash provided by (used for)</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenues over expenses	\$ (15,622)	\$ 35,153
Item not affecting cash		
Amortization	847	346
	<b>(14,775)</b>	35,499
Change in non-cash working capital items		
Accounts receivable	1,831	(3,670)
Prepaid expenses	(879)	-
Accounts payable and accrued liabilities	4,433	9,664
Customer deposits	75,564	(199,395)
	<b>66,174</b>	(157,902)
<b>Investing activity</b>		
Purchase of tangible capital assets	(2,074)	-
<b>Increase (decrease) in cash</b>	<b>64,100</b>	(157,902)
<b>Cash, beginning of year</b>	<b>154,292</b>	312,194
<b>Cash, end of year</b>	<b>\$ 218,392</b>	\$ 154,292

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# Yellowknife Chamber of Commerce

## Notes to the Financial Statements

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December 31, 2018

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### 1. Nature of operations

Yellowknife Chamber of Commerce (the "Chamber") is incorporated under the laws of the *Boards of Trade Act* of Canada to provide services and support to members, through planning, coordination and relations with government, national and territorial organizations and the public. The Chamber is exempt from tax under section 149(1)(e) of the *Income Tax Act*.

### 2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

#### (a) Revenue recognition

The Chamber follows the deferral method of accounting for contributions. Restricted contributions and government funding 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.

Project revenue is recognized upon provision of the services if the amount to be received can be reasonably estimated and collection is reasonably assured.

Net commissions revenue are recognized upon completion of the customer's orders and/or completion of services. Commissions are earned from insurance referrals and from the travel program.

Other revenue is recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### (b) Tangible capital assets

Tangible capital assets are recorded at cost. The Chamber provides for amortization using the declining balance method at rates designed to amortize the cost of the assets over their estimated useful lives, as set out in note 6.

One half of the year's amortization is recorded in the year of acquisition. No amortization is recorded in the year of disposal.

#### (c) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and bank deposits.

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## Yellowknife Chamber of Commerce

### Notes to the Financial Statements

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December 31, 2018

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#### 2. Significant accounting policies (continued)

##### (d) Financial instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

The Chamber subsequently measures the following financial assets and financial liabilities at amortized cost:

Financial assets measured at amortized cost include cash, deposits, and accounts receivable.

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

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset, is recognized in operations.

##### (e) Donated material and services

The Chamber relies on volunteer time and donated goods and services to achieve its purposes. Because of the difficulty of determining their fair values, volunteer time and donated goods and services are not recognized in these financial statements.

##### (f) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

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## Yellowknife Chamber of Commerce

### Notes to the Financial Statements

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December 31, 2018

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#### 3. Impact of the change in the basis of accounting

Effective January 1, 2017, the Chamber adopted the new Canadian Accounting Standards for Not-For-Profit Organizations (ASNPO). These financial statements are the first financial statements prepared in accordance with ASNPO and the transitional provisions of Section 1501, First-time Adoption, for first-time adopters of this basis of accounting, on a retrospective basis.

The Chamber has applied ASNPO in preparing the financial statements for the period ended December 31, 2018, the comparative information presented in these financial statements for the year ended December 31, 2017 and in the preparation of an opening statement of financial position at January 1, 2017, the Chamber's date of transition.

(a) Opening statement of financial position at January 1, 2017:

	As previously reported	Effects of transition	As restated
<b>Assets</b>			
<b>Tangible capital assets</b>	\$ -	\$ 1,731	\$ 1,731
<b>Liabilities</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	\$ 191,349	\$ (184,107)	\$ 7,242
Customer deposits	-	209,626	209,626
	191,349	25,519	216,868
<b>Members' Equity and Funds</b>			
<b>Unrestricted net assets</b>	135,128	(25,520)	109,608
<b>Investment in tangible capital assets</b>	-	1,731	1,731
	135,128	(23,789)	111,339
	\$ 326,477	\$ 1,730	\$ 328,207

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## Yellowknife Chamber of Commerce

### Notes to the Financial Statements

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December 31, 2018

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#### 3. Impact of the change in the basis of accounting (continued)

(b) Statement of financial position at December 31, 2017:

	As previously reported	Effects of transition	As restated
<b>Assets</b>			
<b>Tangible capital assets</b>	\$ -	\$ 1,385	\$ 1,385
<b>Liabilities</b>			
<b>Current</b>			
Customer deposits	\$ -	\$ 10,231	\$ 10,231
<b>Members' Equity and Funds</b>			
Unrestricted net assets	155,340	(10,232)	145,108
Investment in tangible capital assets	-	1,385	1,385
	155,340	(8,847)	146,493
	\$ 155,340	\$ 1,384	\$ 156,724

(c) Statement of operations and changes in changes in net assets, for the year ended December 31, 2017:

	As previously reported	Effects of transition	As restated
Revenues	\$ 595,946	\$ (146,541)	\$ 449,405
Expenses	(575,734)	139,688	(436,046)
Other income	-	21,795	21,795
Excess (deficiency) of revenues over expenses	20,212	14,942	35,154
Unrestricted surplus, beginning of year	135,128	(25,520)	109,608
Investment in tangible capital assets	-	1,731	1,731
Surplus, end of year	\$ 155,340	\$ (8,847)	\$ 146,493

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## Yellowknife Chamber of Commerce

### Notes to the Financial Statements

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December 31, 2018

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#### 3. Impact of the change in the basis of accounting (continued)

(d) Elective exemptions

The rules for transition to Canadian accounting standards for not-for-profit organizations normally require that an enterprise prepare its opening statement of financial position using the standards that will be followed thereafter. However, certain elective exemptions are available. In preparing the opening statement of financial position referred to above, the Chamber used none of the elective exemptions.

#### 4. Travel program

	2018	2017 (unaudited)
Project revenue	\$ 139,218	\$ 210,250
Advertising and promotion	(265)	(85)
Travel & Meals	(135,908)	(188,370)
Net travel program income (expense)	\$ 3,045	\$ 21,795

#### 5. Accounts receivable

	2018	2017 (unaudited)
Trade receivable	\$ 14,932	\$ 5,563
Contribution receivable	1,200	12,400
	\$ 16,132	\$ 17,963

As of December 31, 2018 there were \$nil allowance for doubtful accounts. (2017 - \$-)

#### 6. Tangible capital assets

		2018		2017	
	Rate	Cost	Accumulated amortization	Net book value	Net book value
Office equipment	20%	\$ 1,923	\$ 815	\$ 1,108	\$ 1,385
Computer equipment	55%	2,074	570	1,504	-
		\$ 3,997	\$ 1,385	\$ 2,612	\$ 1,385

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## Yellowknife Chamber of Commerce

### Notes to the Financial Statements

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December 31, 2018

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#### 7. Accounts payable and accrued liabilities

	2018	2017 (unaudited)
Trade payables	\$ 10,839	\$ 9,439
Government remittances payable	10,510	7,477
	<b>\$ 21,349</b>	<b>\$ 16,916</b>

#### 8. Commitments

Future minimum rental payments required under operating leases that have remaining terms in excess of one year are:

2019	\$ 25,199
2020	28,614
2021	26,018
2022	26,018
2023	26,018
Subsequent years	6,504
	<b>\$ 138,371</b>

#### 9. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

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## Yellowknife Chamber of Commerce

### Notes to the Financial Statements

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December 31, 2018

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#### 10. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

##### (a) Credit risk

The Chamber does have credit risk in accounts receivable of \$16,132 (2017 - \$17,963). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. There is no change to this risk from the prior year.

The Chamber has amounts on deposit with a federally regulated financial institution in excess of the deposit insurance. There is no change to this risk from the prior year.

##### (b) Liquidity risk

The Chamber does have a liquidity risk in the accounts payable and accrued liabilities of \$21,349 (2017 - \$16,916). Liquidity risk is the risk that the Chamber cannot repay its obligations when they become due to its creditors. There is no change to this risk from the prior year.

**Yellowknife Chamber of Commerce**

Schedule 1

**Schedule 1 - Revenues and expenses by program**

For the year ended December 31,

2018

	Operations	Membership	Spring Trade Show	Small Business Week	Networking Events	Total
<b>Revenues</b>						
Commissions	\$ 13,612	\$ -	\$ -	\$ -	\$ -	\$ 13,612
Government funding	17,200	-	10,000	10,000	-	37,200
Other revenue	962	-	-	-	-	962
Project revenue	17,940	130,476	108,866	18,375	22,952	298,609
Sponsorships	37,500	-	5,000	27,500	3,000	73,000
<b>Total Revenues</b>	<b>87,214</b>	<b>130,476</b>	<b>123,866</b>	<b>55,875</b>	<b>25,952</b>	<b>423,383</b>
<b>Expenses</b>						
Advertising and promotion	6,599	-	2,437	-	-	9,036
Amortization	847	-	-	-	-	847
Bad debts	249	-	-	-	-	249
Bank charges and interest	10,013	-	-	-	-	10,013
Catering	1,713	-	15,016	26,050	18,428	61,207
Contract service	7,051	-	33,291	31,322	6,650	78,314
Facility operations	33,221	-	297	-	-	33,518
Insurance	3,413	-	-	-	-	3,413
Office	14,037	630	1,010	843	584	17,104
Office salaries	172,604	-	-	-	-	172,604
Printing	2,397	3,096	3,857	469	1,668	11,487
Professional fees	18,554	-	-	-	-	18,554
Scholarships	1,500	-	-	-	-	1,500
Training	17,508	-	-	-	-	17,508
Travel and accommodation	3,463	-	-	1,426	1,807	6,696
<b>Total Expenses</b>	<b>293,169</b>	<b>3,726</b>	<b>55,908</b>	<b>60,110</b>	<b>29,137</b>	<b>442,050</b>
<b>Excess revenues (expenses)</b>	<b>\$ (205,955)</b>	<b>\$ 126,750</b>	<b>\$ 67,958</b>	<b>\$ (4,235)</b>	<b>\$ (3,185)</b>	<b>\$ (18,667)</b>

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