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CORPORATE AFFAIRS

Tourism Industry Association of the Yukon

Financial Statements
(Unaudited)

MARCH 31, 2015

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REVIEW ENGAGEMENT REPORT

To: The Members of the Tourism Industry Association of the Yukon

I have reviewed the statement of financial position of the Tourism Industry Association of the Yukon as at March 31, 2015, and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the organization.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.


Chartered Accountant

Whitehorse, Yukon
October 9, 2015

Tourism Industry Association of the Yukon

Statement of Financial Position

(Unaudited)

March 31,

2015

2014

Assets

Current

Cash	\$ 261,280	\$ 216,385
Accounts receivable	129,981	104,443
GST receivable	1,713	1,064
Prepaid expenses	<u>13,036</u>	<u>11,460</u>

406,010 333,352

Equipment (note 2)

2,586 3,710

\$ 408,596 \$ 337,062

Liabilities

Current

Accounts payable and accrued liabilities	\$ 109,741	\$ 59,067
Wages payable	3,521	7,640
Payroll deductions payable	1,310	1,803
Unearned revenue	<u>37,056</u>	<u>4,000</u>

151,628 72,510

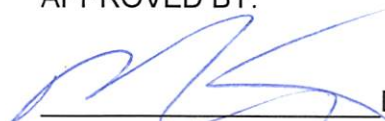
Net Assets

Unrestricted net assets	254,382	260,842
Invested in equipment	<u>2,586</u>	<u>3,710</u>

256,968 264,552

\$ 408,596 \$ 337,062

APPROVED BY:


 _____ Director
 Neil Harting, Past Chair


 _____ Director
 Doost van der Putten, Treasurer

FILED

OCT 29 2015

DEPUTY REGISTRAR
 OF SOCIETIES

Tourism Industry Association of the Yukon

Statement of Operations (Unaudited)

For the year ended March 31,

2015

2014

Revenue

Yukon Government - Tourism Co-operative Marketing Fund (TCMF)	\$ 263,256	\$ 231,010
Yukon Government - administration contribution	244,000	244,000
Yukon Government - Tourism Training Fund	44,860	62,450
Yukon Government - other contributions	42,601	23,035
Yukon Government - TCMF administration fee	39,488	34,651
Conference	30,473	27,792
Sponsorship	12,048	25,832
Special project	9,516	22,513
Fundraising	6,042	7,184
Membership, newsletter and other	4,195	7,627
Rental	2,212	2,101
	<u>698,691</u>	<u>688,195</u>

Expenses

Advertising and promotion	8,394	3,703
Amortization	1,124	-
Bad debt	4,597	-
Bookkeeping	7,167	6,086
Conference	55,201	46,824
Insurance	2,248	2,468
Interest and bank charges	2,352	2,198
Meetings and professional development	10,437	12,301
Newsletter	700	6,417
Office	9,940	13,526
Professional fees	3,500	7,850
Rent	8,569	6,963
Salaries and related benefits	171,189	224,293
Scholarship fund	2,000	2,000
Special project	39,226	24,432
Sub-contracts	-	1,000
Telephone and fax	9,827	9,919
Tourism Cooperative Marketing	302,744	231,010
Travel	25,090	30,184
Yukon Tourism Training	41,970	47,244
	<u>706,275</u>	<u>678,418</u>

Excess (deficiency) of revenues over expenditures

\$ (7,584) \$ 9,777

Tourism Industry Association of the Yukon

Statement of Changes in Net Assets
(Unaudited)

For the year ended March 31,

	Unrestricted Net Assets	Invested in Equipment	Total 2015	Total 2014
Balance at beginning of year	\$ 260,842	\$ 3,710	\$ 264,552	\$ 226,323
Excess (deficiency) of revenues over expenditures	(7,584)	-	(7,584)	9,777
Contributed from Training Trust Fund (note 4)	-	-	-	28,832
Amortization	1,124	(1,124)	-	(380)
Balance at end of year	\$ 254,382	\$ 2,586	\$ 256,968	\$ 264,552

Tourism Industry Association of the Yukon

Statement of Cash Flows

(Unaudited)

For the year ended March 31,	2015	2014
Cash flows from operations		
Excess (deficiency) of revenues over expenditures	\$ (7,584)	\$ 9,777
Item not affecting cash		
Amortization	1,124	-
Contribution from Training Trust (note 4)	<u>-</u>	<u>28,832</u>
	(6,460)	38,609
Change in non-cash working capital items		
Accounts receivable	(25,539)	43,321
GST receivable	(649)	5,639
Due from TIA Training Trust Fund	-	16,650
Prepaid expenditures	(1,576)	(1,262)
Accounts payable and accrued liabilities	46,063	(25,485)
Unearned revenue	<u>33,056</u>	<u>1,750</u>
Increase (decrease) in cash	44,895	79,222
Cash at beginning of year	<u>216,385</u>	<u>137,163</u>
Cash at end of year	<u><u>\$ 261,280</u></u>	<u><u>\$ 216,385</u></u>

Tourism Industry Association of the Yukon

Notes to the Financial Statements

(Unaudited)

For the year ended March 31, 2015

Nature of operations

Tourism Industry Association of the Yukon is a not-for-profit organization registered in the Yukon Territory. The association's purpose is to forge a common voice and act to influence, promote and assist the development of tourism in Yukon. Under the provisions of the Income Tax Act, the association is exempt from income taxes.

1. Significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles using accounting standards for not-for-profit organizations. The following is a summary of the significant accounting policies used by management in the preparation of these financial statements:

- a) Revenue recognition
The association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable when the amount to be received can be reasonably estimated and collection is reasonably assured.
- b) Equipment
Equipment is recorded at cost. The organization amortizes the equipment over its expected useful life, using the declining balance method at the rates shown in note 2. One half of the amortization is taken in the year of acquisition.
- c) Measurement uncertainty
The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.
- d) Financial instruments
 - i) *Measurement of financial instruments*
The association initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. Amounts due to and from related parties are measured at the exchange amount, being the amount agreed upon by the related parties.

Tourism Industry Association of the Yukon

Notes to the Financial Statements (Unaudited)

For the year ended March 31, 2015

1. Significant accounting policies, continued

The association subsequently measures its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in net income.

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

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

ii) *Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write down is recognized in net income. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets; or
- the net realizable value of any collateral held to secure repayment of the assets or group of assets.

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

2. Equipment

					2015	2014
	Rate	Cost	Accumulated amortization	Net book value	Net book value	
Equipment	20%	\$ 49,614	\$ 47,519	\$ 2,095	\$ 2,619	
Computer	55%	\$ 18,015	\$ 17,524	\$ 491	\$ 1,091	
Software	100%	\$ 5,957	\$ 5,957	\$ -	\$ -	
		\$ 73,586	\$ 71,000	\$ 2,586	\$ 3,710	

Tourism Industry Association of the Yukon

Notes to the Financial Statements (Unaudited)

For the year ended March 31, 2015

3. Unearned revenue

	2015	2014
Yukon Government - Tourism and Culture Sponsorship	\$ 11,500	\$ -
Spring conference registration fees	5,420	4,000
	20,136	-
	\$ 37,056	\$ 4,000

4. Contribution

In the past the revenue and expenses of the Training Trust Fund were reported in a separate financial statement. It was decided by the board that the activities of the Training Trust Fund would be included in these statements. The contribution consists of assets and liabilities of the Fund.

5. Financial instruments

Financial instruments consist of recorded amounts of accounts receivable which will result in future cash receipts, and accounts payable and accruals, which will result in future cash outlays.

The association is exposed to the following risks in respect of certain of the financial instruments held:

- (a) Fair value
The carrying values of the financial instruments noted above approximate their fair values due to their short term maturities.
- (b) Credit risk
Credit risk arises from the potential that a counter party will fail to perform its obligations. The association is exposed to credit risk from funders. The association mitigates this risk by entering into contribution agreements for this revenue.
- (c) Liquidity risk
Liquidity risk is the risk that the association will encounter difficulty meeting obligations associated with its financial liabilities. The association is in a strong liquid position and closely monitors its payables to ensure that there is enough cash on hand to meet obligations as they come due.

Tourism Industry Association of the Yukon

Notes to the Financial Statements
(Unaudited)

For the year ended March 31, 2015

6. Economic dependence

The association is economically dependent upon government funding for ongoing projects and operating funds.

7. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year results.