

**NUNAVUT  
ECONOMIC DEVELOPERS ASSOCIATION  
FINANCIAL STATEMENTS  
MARCH 31, 2015**

**NUNAVUT ECONOMIC DEVELOPERS ASSOCIATION**  
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MARCH 31, 2015

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**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Nunavut Economic Developers Association

We have audited the accompanying financial statements of the Nunavut Economic Developers Association, which comprise the statement of financial position as at March 31, 2015, and the statements of operations, changes in fund balance and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluation of the overall presentation of the financial statements.

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

## Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Nunavut Economic Developers Association as at March 31, 2015 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in black ink that reads "Lester Landau." The signature is written in a cursive style with a period at the end.

Iqaluit, Nunavut  
July 10, 2015

CHARTERED ACCOUNTANTS

**NUNAVUT ECONOMIC DEVELOPERS ASSOCIATION**  
**STATEMENT OF OPERATIONS**  
FOR THE YEAR ENDED MARCH 31, 2015

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
Government of Nunavut	\$ 411,335	\$ 275,000
CanNor	86,400	0
Kakivak Association	10,000	0
Project administration fees	21,075	0
Other	<u>23,582</u>	<u>1,625</u>
	<u>552,392</u>	<u>276,625</u>
<b>EXPENDITURES</b>		
Administration fees	21,075	0
Bad debts	300	4,945
Communications and marketing	9,399	10,182
Facility and office rental	31,686	32,376
Insurance	1,560	1,917
Interest and bank charges	438	1,766
Meetings	10,463	2,991
Memberships	1,616	1,516
Office supplies	12,400	11,964
Professional fees	143,917	45,396
Salaries and benefits	138,301	138,620
Training	13,638	0
Translation and interpretation	32,083	203
Travel and accommodation	<u>87,017</u>	<u>24,340</u>
	<u>503,893</u>	<u>276,216</u>
<b>EXCESS REVENUES</b>	<u>\$ 48,499</u>	<u>\$ 409</u>

**NUNAVUT ECONOMIC DEVELOPERS ASSOCIATION**  
**STATEMENT OF CHANGES IN FUND BALANCE**  
FOR THE YEAR ENDED MARCH 31, 2015

	<u>2015</u>	<u>2014</u>
<b>BALANCE, OPENING</b>	\$ (14,606)	\$ (15,015)
Excess revenues	<u>48,499</u>	<u>409</u>
<b>BALANCE, CLOSING</b>	<u>\$ 33,893</u>	<u>\$ (14,606)</u>

**NUNAVUT ECONOMIC DEVELOPERS ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2015

	<u>2015</u>	<u>2014</u>
<b><u>ASSETS</u></b>		
<b>CURRENT</b>		
Cash	\$ 42,189	\$ 69,260
Temporary investments (Note 3)	50,000	0
Accounts receivable (Note 4)	62,058	22,985
Goods and services tax recoverable	6,427	13,589
Prepaid expenses	<u>1,937</u>	<u>2,758</u>
	<u>\$ 162,611</u>	<u>\$ 108,592</u>
<b><u>LIABILITIES</u></b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 124,478	\$ 113,463
Government remittances payable	<u>4,240</u>	<u>9,735</u>
	<u>128,718</u>	<u>123,198</u>
<b><u>FUND BALANCE</u></b>		
<b>GENERAL FUND</b>	<u>33,893</u>	<u>(14,606)</u>
	<u>\$ 162,611</u>	<u>\$ 108,592</u>

**APPROVED BY THE BOARD:**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**NUNAVUT ECONOMIC DEVELOPERS ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>OPERATING ACTIVITIES</b>		
Excess revenues	\$ 48,499	\$ 409
Cash provided by (used for) changes in non-cash working capital:		
Accounts receivable	(39,072)	72,278
Goods and services tax recoverable	7,162	(2,186)
Prepaid expenses	821	(1,484)
Accounts payable and accrued liabilities	11,014	(1,164)
Government remittances payable	<u>(5,495)</u>	<u>6,411</u>
	22,929	74,264
<b>FINANCING ACTIVITIES</b>		
Demand loan payable	<u>0</u>	<u>(25,000)</u>
<b>INCREASE IN CASH</b>	22,929	49,264
<b>CASH, OPENING</b>	<u>69,260</u>	<u>19,996</u>
<b>CASH, CLOSING</b>	<u><u>\$ 92,189</u></u>	<u><u>\$ 69,260</u></u>
<b>Represented by:</b>		
Cash	\$ 42,189	\$ 69,260
Temporary investments	<u>50,000</u>	<u>0</u>
	<u><u>\$ 92,189</u></u>	<u><u>\$ 69,260</u></u>



**NUNAVUT ECONOMIC DEVELOPERS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED MARCH 31, 2015

**1. NATURE OF THE ORGANIZATION**

The Nunavut Economic Developers Association is incorporated under the *Societies Act* of Nunavut. It is an organization of economic development officers and other individuals working in the economic development field in Nunavut. The purpose of the Association is to enhance the economic development profession in Nunavut by implementing or supporting initiatives aimed at meeting the personal and professional development needs of its members in the areas of information, education, training, and equipment, and the exchange of knowledge and experience.

The Association is a not-for-profit organization and is exempt from income tax under Sec. 149(1)(l) of the *Income Tax Act* (Canada).

The Association receives the majority of its funding from the Government of Nunavut and, in the opinion of management, is therefore economically dependent on the Government of Nunavut.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies followed by the Association are in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

**(a) Use of Estimates**

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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

**(b) Financial Instruments**

The Association initially measures its financial assets and financial liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for derivatives and equity securities quoted in an active market, which are measured at fair value.

Financial assets measured at amortized cost include cash, temporary investments, accounts receivable, and goods and services tax recoverable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and government remittances payable.

It is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments unless otherwise noted.

**NUNAVUT ECONOMIC DEVELOPERS ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(c) 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 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.

**(d) Equipment**

Equipment is stated at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives.

**(e) Expense Allocations**

Direct expenditures which are wholly attributable to a specific program are charged directly to the appropriate program. In circumstances where expenditures are not wholly attributable to a specific program, these expenditures are allocated amongst the programs based on management's estimates of the time, effort and resources required to support these activities.

**(f) Contributed Materials and Services**

The Association receives contributed materials and services in the normal course of operations. Due to the difficulty of determining their fair value, contributed materials and services have not been recorded in the financial statements.

**3. TEMPORARY INVESTMENTS**

Temporary investments consists of investments in term deposits.

**4. ACCOUNTS RECEIVABLE**

	<u>2015</u>	<u>2014</u>
Government of Nunavut	\$ 42,268	\$ 10,000
CanNor	8,640	0
Other	<u>11,150</u>	<u>12,985</u>
	<u>\$ 62,058</u>	<u>\$ 22,985</u>

**NUNAVUT ECONOMIC DEVELOPERS ASSOCIATION**  
**SCHEDULE OF OPERATIONS BY ACTIVITY**  
**FOR THE YEAR ENDED MARCH 31, 2015**

	AGC Training 2015	CED Workshop Pilot	CEDO Training	Operating Core	Professional Development Core	Language Implementation	Total 2015
<b>REVENUES</b>							
Government of Nunavut	\$ 10,000	\$ 11,600	\$ 39,200	\$ 192,200	\$ 22,000	\$ 136,335	\$ 411,335
CanNor	40,000	46,400	0	0	0	0	86,400
Kakivak Association	0	0	0	10,000	0	0	10,000
Administration fees	0	0	0	21,075	0	0	21,075
Other	0	0	0	23,582	0	0	23,582
	<u>50,000</u>	<u>58,000</u>	<u>39,200</u>	<u>246,857</u>	<u>22,000</u>	<u>136,335</u>	<u>552,392</u>
<b>EXPENDITURES</b>							
Administration fees	0	0	5,500	0	0	15,575	21,075
Bad debts	0	0	0	300	0	0	300
Communications and marketing	0	0	0	6,034	3,365	0	9,399
Facility and office rental	3,282	3,200	10,521	13,460	1,223	0	31,686
Insurance	0	0	0	1,560	0	0	1,560
Interest and bank charges	0	0	0	438	0	0	438
Meetings	5,416	0	0	176	3,797	1,074	10,463
Memberships	0	0	0	773	843	0	1,616
Office supplies	0	1,704	350	8,944	1,133	269	12,400
Professional fees	32,990	33,760	10,459	12,711	0	53,997	143,917
Salaries and benefits	0	0	0	138,301	0	0	138,301
Training	0	0	9,215	513	3,910	0	13,638
Translation and interpretation	0	6,492	0	0	250	25,341	32,083
Travel and accommodation	8,377	12,930	3,954	13,490	7,516	40,750	87,017
	<u>50,065</u>	<u>58,086</u>	<u>39,999</u>	<u>196,700</u>	<u>22,037</u>	<u>137,006</u>	<u>503,893</u>
<b>EXCESS REVENUES (EXPENSES)</b>	<u>\$ (65)</u>	<u>\$ (86)</u>	<u>\$ (799)</u>	<u>\$ 50,157</u>	<u>\$ (37)</u>	<u>\$ (671)</u>	<u>\$ 48,499</u>