

2019-20 ANNUAL REPORT
DRUMHELLER AND DISTRICT
CHAMBER OF COMMERCE



ANNUAL GENERAL MEETING
MARCH 23, 2021



AGENDA

Drumheller and District Chamber of Commerce
Annual General Meeting
Tuesday, March 23, 2021
Virtual via Zoom

1. Call to Order
2. Adoption of Agenda
3. Adoption of 2020 AGM Minutes
4. Nominations for Board of Directors
5. President's Report
6. 2019-20 Financial Statements
 - a. Drumheller & District Chamber of Commerce
 - b. Drumheller & District Chamber of Commerce – Support Services Division
7. Election of Board of Directors
8. Open Forum
9. Closing Remarks
10. Adjournment



Table of Contents

Letters

- Mr. Damien Kurek, MP Battle River Crowfoot
- Mr. Nate Horner, MLA Drumheller-Stettler
- Ms. Heather Colberg, Mayor Town of Drumheller

Minutes from July 15, 2020 Annual General Meeting Page 1

Reports

- President's Report Page 5
- Executive Director's Report Page 7
- Business Advocacy Committee Report Page 8
- World's Largest Dinosaur/Visitor Information Centre Report Page 9
- Drumheller DinoArts Association Report Page 10

Board of Directors

- 2020-21 Executive & Directors Page 11
- Board of Director Terms Page 11

Financial Statements

- Drumheller and District Chamber of Commerce as of November 30, 2020
- Drumheller and District Chamber of Commerce (Support Services Division) as of November 30, 2020



Damien C. Kurek

Member of Parliament
Battle River-Crowfoot

March 23, 2021

Jeff Hall
President
Drumheller & District Chamber of Commerce
601 Avenue W
Drumheller AB
T0J 0Y0

Thank you very much for reaching out to my office with your kind invitation to join you and other members for the Drumheller & District Chamber of Commerce annual general meeting.

As your Member of Parliament, I am grateful for the many services you provide. Your dedication, leadership and your resilience are greatly appreciated, especially during these times of uncertainty. Each of you should be proud of the commitment to your community and your tenacity to remain steadfast in the face of such adversity.

I wish the Chamber and all of its members the best during your AGM and in the year to come.

Congratulations and thank you.

Sincerely,

Damien C. Kurek, MP
Battle River -Crowfoot

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LEGISLATIVE ASSEMBLY OF ALBERTA

Nate Horner, MLA

Drumheller-Stettler Constituency

March 15th, 2021

Dear members of the Drumheller & District Chamber of Commerce:

Over the past year we have experienced many hardships, yet our local businesses and communities have stood up to meet the challenge. Organizations such as the Drumheller and & District Chamber of Commerce have been promoting and advocating for the local businesses in our area and are doing a great job. Your advocacy and supports for your members and their businesses is important to the well-being of our local economy. Thank you for what you do.

As we look ahead, there is room for optimism. Recently, the Conference Board of Canada, BMO and National Bank released their projection for economic growth in Canada. Alberta is projected to lead the country in growth and we have the lowest unemployment rate in a year. The Canadian Association of Petroleum Producers estimates that our energy industry is on the cusp of a recovery with prices higher than expected.

As the MLA for Drumheller-Stettler, I am proud to represent hardworking and steadfast business owners and their employees. Thank you to the Drumheller & District Chamber of Commerce and the members, for your contributions to our local economy and the wider Drumheller community.

Sincerely,

Nate Horner, MLA
Drumheller-Stettler



March 11, 2021

Drumheller and District Chamber of Commerce
P.O. Box 999
Drumheller, AB
T0J 0Y0

VIA EMAIL: h.bitz@drumhellerchamber.com

To the Drumheller and District Chamber of Commerce,

Throughout the past year the partnership between the Town of Drumheller and the Drumheller and District Chamber of Commerce has grown stronger. As we continue to navigate the challenges in our Town, we have proven that working together can help us develop innovations that will continue to push Drumheller to be the best place in Alberta to work, live and play. Together, we build a foundation of services that better enhances the entire community.

The Chamber has shown tremendous support for our local businesses by providing educational experiences and financial guidance during these uncertain times. You are an advocate for our businesses which in turn helps to promote our economic development.

We are fortunate to have a Board of Directors that are invested in this Community as well as the skilled and dedicated team overseeing the day-to-day operations that assist our neighbours and welcome our visitors.

On behalf of the Town of Drumheller, I want to thank the Drumheller and District Chamber of Commerce for their dedication to the Town. We look forward to our continued partnership that will benefit this Valley now and in the future.

Yours truly,

Heather Colberg
Mayor
Town of Drumheller

cc: Town of Drumheller Council
Chief Administrative Officer, Darryl Drohomerski C.E.T.



MINUTES

Drumheller and District Chamber of Commerce
Annual General Meeting
Wednesday, July 15, 2020
Virtual via Zoom

Present:

| | | | | |
|--------------|--------------|-------------|-------------|--------------------|
| J. Hall | S. Rymal | C. Clark | N. Fleming | H. Colberg |
| M. Bell | R. Stevenson | S. Wade | J. Contenti | J. Potter |
| J. Shoff | D. Reid | R. Ram | B. Shedd | D. Paarup |
| A. Roppel | D. Hannem | B. Willis | D. Thompson | C. Thompson |
| M. Tetreault | M. Morrison | E. Bourque | A. Lee | M. Van Dyke |
| A. Verma | T. Gough | S. Peterson | T. Hulk | L. Hansen-Zacharuk |
| R. Dionne | G. Manca | K. Kobly | H. Bitz | M. Henneigh |
| D. Schinnour | | | | |

1.0 Call to Order

President J. Hall called the meeting to order at 7:04 pm.

2.0 Adoption of Agenda

Motion by R. Stevenson / S. Wade that the agenda be approved as presented. CARRIED

3.0 Approval of 2019 AGM Minutes

Motion by C. Clark / L. Hansen-Zacharuk that the minutes of the DDCC Annual General Meeting of March 27, 2019 be approved as presented. CARRIED

4.0 Guest Speaker: Ken Kobly, President & CEO, Alberta Chambers of Commerce

K. Kobly provided information on activities of the Alberta Chambers of Commerce through COVID-19.

5.0 Nominations for Board of Directors

J. Hall appointed S. Rymal as Chairperson for the elections. S. Rymal reported that there were four 3-year Director terms, one 2-year term and two 1-year terms available.

S. Rymal made the first call for nominations from the floor to stand as Director.



Motion by R. Ram / T. Gough that Bob Shddy be nominated as a Director.

B. Shddy accepted the nomination.

Motion by J. Contenti / M. Bell that Cindy Clark be nominated as a Director.

C. Clark accepted the nomination.

Motion by D. Hannem / M. Bell that Jeff Hall be nominated as a Director.

J. Hall accepted the nomination.

Motion by J. Shoff / J. Hall that Mike Bell be nominated as a Director.

M. Bell accepted the nomination.

Motion by J. Contenti / C. Clark that Martina Morrison be nominated as a Director.

M. Morrison accepted the nomination.

Motion by C. Clark / M. Bell that Lisa Hansen-Zacharuk be nominated as a Director.

L. Hansen-Zacharuk accepted the nomination.

Motion by L. Hansen-Zacharuk / J. Hall that Deana Hannem be nominated as a Director.

D. Hannem accepted the nomination.

S. Rymal made the second call for nominations from the floor to stand as Director.

S. Rymal made the third call for nominations from the floor to stand as Director.

**Motion by T. Gough / J. Shoff that nominations for Directors cease.
CARRIED**

S. Rymal declared B. Shddy, C. Clark, J. Hall, M. Bell, M. Morrison, L. Hansen-Zacharuk and D. Hannem as Directors for the DDCC.

6.0 President's Report

J. Hall presented the President's report, which was included in the report package.

7.0 2018-19 Financial Statements

J. Hall presented the financial statements for the year ending November 30, 2019.



Motion by J. Contenti / R. Stevenson that the DDCC and DDCC-Support Services financial statements for the year ending November 30, 2019 be accepted as presented.
CARRIED

Motion by M. Bell / D. Hannem that Ascend LLP be appointed as the auditors for the fiscal year ending November 30, 2020.
CARRIED

8.0 Canada Emergency Business Account

J. Hall brought forward a request for membership approval so the DDCC could apply for the \$40,000 Canada Emergency Business Account, if required for cash flow purposes, due to challenges created as a result of COVID-19.

Motion by T. Gough/ B. Shedd that the DDCC Board of Directors be allowed to apply for the Canada Emergency Business Account on behalf of the organization should the need arise. CARRIED with 75% approval.

9.0 Election of Board of Directors

Not required.

10.0 Open Forum

S. Rymal questioned the status of the 2020-21 Support Services contract with the Government of Alberta for the staff at the Royal Tyrrell Museum. J. Hall noted the overall contract value has decreased due to the temporary closure of the RTM as result of COVID-19 and the subsequent impact of COVID-19 going forward.

11.0 Closing Remarks

J. Hall recognized N. Fleming for his contribution to the Board for the past six years.

J. Hall recognized D. Reid for his 3 years served on the Board.

B. Fullerton and J. Hodgson were recognized for their two years served on the Board.

DDCC staff member, D. Schinnour was recognized for her 10 years of service.

DDCC staff member, M. Henneigh was recognized for her 5 years of service.



J. Hall thanked K. Kobly and S. Rymal, as well as the DDCC Board of Directors and staff.

12.0 Adjournment

Motion by J. Shoff / A. Verma the meeting be adjourned at 8:18pm.

Signed by: _____

J. Hall, President



President's Report

Novel coronavirus or COVID 19. A phrase we never knew of a little over a year ago has changed everything in our lives in 2020 and will continue to well into 2021. As impactful and devastating as the virus itself has been, all the more devastating will be the long-term fallout. From a federal deficit closing in on \$400 billion, to high unemployment and shuttered and struggling small businesses, our society in Alberta, Canada and ultimately worldwide is truly at an inflection point.

As I sit here attempting to write this report, it is crazy to try to think of anything that hasn't been impacted by this virus. With vaccinations finally starting to be delivered to our country, Canada will attempt to make up ground with other countries by playing Russian Roulette with vaccine dosing schedules. Let's hope they are right and there are no negative repercussions from extending the time between doses, so we can get back to some semblance of normal going forward. Then the real work will begin. It is from that perspective that we all try to move forward.

Your Chamber of Commerce has been incredibly active in 2020 in reaching out to members and non members alike to try to provide information and support with respect to the pandemic. Technology has given us the ability to reach out without face to face interaction, and although it is convenient and safe from a disease perspective, it is not the same as personal interaction. Heather and the staff have done a great job of adapting to changes on the fly in our own business, and Marley has been there all along trying to convey information and guidance to all area businesses. Thank you so much to everyone for their efforts.

This will be our second virtual AGM when it is completed, and I personally miss the face to face interaction with all of you, our members. I eagerly await early summer when we should be able to get together face to face, and all work together to help move our community forward on the long road to economic recovery.

In addition to focusing on recovery, 2021 will likely bring us a federal election, which will set the tone for the increasing taxes that at least the next three generations will be saddled with. Hopefully, whichever party is in power will recognize we are part of a world economy, and any decision made will have an impact in that context. Even though we spent more money indexed for inflation in this one year period on the virus, than the entire second World War period, we can't tax our way out of the problem in the short run; spending control and reductions are a must.

October will bring us a municipal election, which will also be an interesting exercise. I'm sure the pressure and backlash of the pandemic has taken its toll on our existing Mayor and Council, who have done an acceptable job in the circumstances with limited and biased information available to them. As with most election years, the zero-increase tax platform has been rolled out; hopefully the same philosophy will continue into the next three non election years!!



I will restate my comment from last years' report. Hopefully all three levels of government realize that there is only one taxpayer, and although the collective "we" as Drumheller, Alberta and Canadian citizens always want more for our various projects and special interests, the role of government is to provide those services that are necessary by redistributing our own funds collected through taxes, levies and fees. They must all strive to limit the increases that are passed on to us, the taxpayer.

Thank you for your support as your Chamber President over the past year. I wish to thank my fellow directors for their assistance and support throughout the year, as well as all our staff and especially our Executive Director, Heather Bitz for her leadership and excellent work over this challenging past year.

All the best as we continue into uncharted territory in 2021.

Respectfully Submitted,

Jeff Hall
President



Executive Director's Report

2020 undoubtedly will be a year we will not soon forget. Despite all the challenges presented in 2020, your Drumheller and District Chamber of Commerce persevered and worked diligently to provide support to our members when they needed it most.

Last year, we remained steady at 242 members, including 19 new members. We recognized, now more than ever, the value of relationship building with our members and the business community at large. Although our face-to-face interactions with members diminished with the arrival of the pandemic in mid-March, we pivoted to an increased volume of electronic communications, as well as via telephone. To support our members, we created a COVID-19 information and resources page on our website that housed information coming from all levels of government (news, financial aid, relaunch resources, etc.). We also created a “Status of Local Business” page on our website that provided up-to-date information on if businesses were open, closed or doing curbside/pick-up/delivery. We also went from doing our monthly e-newsletter to a weekly edition as there was so much information to share with a constantly changing world.

Our provincial and federal networks, the Alberta Chambers of Commerce (ACC) and the Canadian Chamber of Commerce (CCC), were a tremendous resource as we navigated 2020. The advocacy efforts of these two organizations helped to shape many of the financial aids available to the business community. From day one, the ACC hosted weekly meetings for Chambers across the province to connect and share business issues arising from COVID and to work collectively on solutions. The ACC has been instrumental in lobbying the province for a re-opening of business and continues to listen to its members going forward.

Our normal calendar of events (Tradeshow, Celebration of Excellence, Lunch & Learns, Jingle Mingle) was for the most part cancelled due to COVID-19. We did have our Annual General Meeting virtually in July, albeit later than normal, as we held out hope for an in-person meeting. In the fall, we celebrated Small Business Week by visiting over 70 members (face-to-face with our masks on!), as well as hosted our first virtual Women in Business mixer with 27 ladies attending.

I would encourage you to review the Business Advocacy Committee report submitted by chairperson, Deana Hannem to learn about the advocacy efforts of the group in 2020. Also for highlights from the World's Largest Dinosaur and Visitor Information Centre, please take a read of the report from Tourism Services Manager, Debbie Schinnour.

In closing, I would like to express my thanks to our Chamber members, Board of Directors and staff who worked together to weather the storm in 2020. Looking forward to better days ahead in 2021!

Respectfully Submitted,

Heather Bitz
Executive Director



Business Advocacy Committee Report

This last year has seen many trials and tribulations for businesses small and large. One of the many aspects of the Chamber is to advocate for businesses on a municipal, provincial, and federal level. The Business Advocacy Committee does that for our local business community by listening to existing and starting businesses in our area, aiming to assist with any barriers they may face to their operations.

Over the course of this last year, the Business Advocacy Committee worked with business owners on a number of issues including but not limited to Covid-19 related business concerns, the cost of electricity distribution and the ongoing discussion around the proposed Fireworks bylaw. The committee worked with members of the business community to formulate a policy regarding the cost of Electricity distribution which was taken to the Alberta Chambers of Commerce AGM Policy Planning Meeting. While it unfortunately was not passed, it is a great example of the work being done by this committee even during the global pandemic.

Currently the committee is focused on the proposed fireworks bylaw by the Town of Drumheller. This is of issue to several business owners and to the community at large. We have had engagement from the Canadian National Fireworks Association as well as affected business owners who have joined us over recent months to work on preparing and presenting our position to town council at the time of the public hearing. Since the revised bylaw has been presented to the Committee of the Whole, Town Council has opted to form a separate committee to address the issue of this bylaw and we hope to be able to continue to have a voice in this conversation as the bylaw moves forward.

In having only taken over the Chair position of this Committee in December, it has been my pleasure to work with fellow board members and business owners as we strive to make a difference in our community. The Drumheller & District Chamber of Commerce Business Advocacy Committee is committed to assisting and encouraging Drumheller to be a great place to work, live and do business. With a vibrant economy we help create healthy communities.

Respectfully Submitted,

Deana Hannem
Chairperson



World's Largest Dinosaur (WLD) & Visitor Information Centre (VIC) Report

2020 was a challenging year on our operation due to the worldwide pandemic. Our closure of two months in the spring along with public health restrictions that remain in place, resulted in a decrease in visitation to the World's Largest Dinosaur (WLD) and Visitor Information Centre (VIC).

In May, as the Alberta government started to relaunch the opening of the province, the WLD and VIC staff prepared for our reopening on May 22 with new COVID-19 protocols in place.

In June over a period of a couple of weeks, the exterior of World's Largest Dinosaur received a fresh coat of paint and some minor repairs done by F&D Scene Changes. We were very fortunate and thankful to have received a \$200,000 grant from the Canadian Experiences Fund through Western Economic Diversification Canada to cover 2/3 of the cost of the project. The remaining cost was covered through our WLD Capital Repair Fund.

On October 13, we celebrated the 20th anniversary of the World's Largest Dinosaur. We were able to hold a small outdoor celebration with several special guests representing organizations who were involved with the project 20 years ago. We were also pleased to have Garth Ukrainetz, Poet Laureate of the Blackmud Creek write a special poem, "The Largest Dinosaur" in honour of the WLD's anniversary. Leading up to the celebration, the DDCC held a contest to name the dinosaur. We received a total of 568 online votes and the winning name was "Tyra"!

Did you know that the World's Largest Dinosaur Giftshop supports and buys local products? The giftshop buys product from The Fossil Shop, Mid-Land Scientific, Caracol Clay Studio, Big Country Graphics, i.d Apparel, and Sage Valley Marketing. The giftshop also carries consignment products from Drumheller Metal Works, Vance Neudorf, the Nacmine Store, Wade's Jewellery and Natural Light Images.

As expected, the number of visitors counselled in the VIC were down over 50% from 2019. VIC staff reported that most visitors already had their plans and accommodations in place upon arriving in the valley and notably took less maps and brochures. However, there was an overwhelming increase in the number of visitors counselled through our 1-800 tourism line. From May to September 2020 compared to the same period in 2019, there was a 100% increase in telephone calls.

Unfortunately, our annual staff familiarization tour of the Drumheller Valley was unable to occur in 2020. All in-person conferences and training sessions through the Alberta Visitor Information Providers and Travel Alberta were also cancelled. The VIC staff did work cooperatively with training the Travel Drumheller Ambassador on local events, attractions, and businesses.

The WLD and VIC staff would like to acknowledge the Executive Director, Heather Bitz and President, Jeff Hall for all your support during this trying year.

Respectfully submitted,

Debbie Schinnour
Tourism Services Manager



Drumheller DinoArts Association Report

The past year was a successful year for the DinoArts Association despite the global pandemic. While meetings were suspended earlier in the year, the meetings later in the summer were held outdoors and eventually moved online, allowing the association to continue as normal.

Numerous structural repairs were made to seven existing cement dinosaurs with two of them completely refinished, primed and painted by members of the community. We are hoping to continue refreshing the cement dinosaurs in 2021. We also identified the need to brand our dinosaurs better; we had a *#DinoArts* stencil made and plan to spray paint it on, or close to, DinoArts installations this summer.

The association entered into an agreement to allow the use of the likeness and names of DinoArts dinosaurs in a new book planned by Heather Colberg. We look forward to seeing the book, starring Effie and Gus, in 2021.

In addition to moving the Miner Dino to the Atlas Coal Mine in 2019, DinoArts worked with staff at the Atlas to create a plaque with an explanation of its origins in 2020.

Work has continued on a new large-scale dinosaur. Discussions on potential locations are ongoing, and we applied for a Community Initiatives grant from the Government of Alberta for this project. We hope to hear in spring 2021 if our application was successful.

We partnered with the Town of Drumheller Library Board to submit a grant application to the Drumheller Fund from the Royal Tyrrell Museum Co-operating Society. The grant was successful, and we will be commissioning a replica of Eugene, the main character of 'Have You Seen My Human?' - a children's book written and illustrated locally in association with multiple education and family groups in Drumheller. We look forward to adding this dinosaur to our collection and the opportunity to raise the profile of a unique, local, family-friendly project.

We thank the Drumheller and District Chamber of Commerce for their ongoing support and very much appreciate the valuable work Marley does for our organization. We look forward to advancing our ongoing projects in 2021.

Respectfully Submitted,

Lorna O'Brien
Chairperson



2020-21 Board of Directors

President: Jeff Hall (MNP)

Vice President: Bob Shedy (The Drumheller Mail)

Secretary-Treasurer: Jared Potter (BrokerLink)

Directors: Mike Bell (Western GM Drumheller)

Mayor Heather Colberg (Town of Drumheller)

Joanne Contenti (Scotiabank)

Deana Hannem (Dinosaur Valley Massage & Wellness)

Lisa Hansen-Zacharuk (Western Financial Group)

Martina Morrison (Riverside Value Drug Mart)

John Shoff (Reality Bytes)

Roger Stevenson (ProPlan Financial/The Co-operators)

Shannon Wade (Hi-Way 9 Express)

Board of Director Terms

| <u>Name</u> | <u>Position</u> | <u>Term</u> | <u>Expiry</u> | |
|--------------------|-----------------|---------------|---------------|--------------------------------|
| VACANT | Director | 3 year | 2024 | BOLD = Nominee Required |
| VACANT | Director | 3 year | 2024 | |
| VACANT | Director | 3 year | 2024 | |
| VACANT | Director | 3 year | 2024 | |
| L. Hansen-Zacharuk | Director | 2 year | 2022 | |
| J. Potter | Director | 3 year | 2022 | |
| J. Shoff | Director | 3 year | 2022 | |
| S. Wade | Director | 3 year | 2022 | |
| M. Bell | Director | 3 year | 2023 | |
| J. Hall | Director | 3 year | 2023 | |
| D. Hannem | Director | 3 year | 2023 | |
| M. Morrison | Director | 3 year | 2023 | |
| Mayor H. Colberg | Appointed | Annual | 2021 | |

**DRUMHELLER AND DISTRICT CHAMBER
OF COMMERCE**

FINANCIAL STATEMENTS

Year ended November 30, 2020

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE

TABLE OF CONTENTS

November 30, 2020

| | |
|--|--------|
| INDEPENDENT AUDITOR'S REPORT | 1 - 3 |
| STATEMENT OF OPERATIONS | 4 |
| STATEMENT OF CHANGES IN NET ASSETS | 5 |
| STATEMENT OF FINANCIAL POSITION | 6 |
| STATEMENT OF CASH FLOWS | 7 |
| NOTES TO THE FINANCIAL STATEMENTS | 8 - 15 |
| SCHEDULE OF CHAMBER OF COMMERCE | 16 |
| SCHEDULE OF TOURIST INFORMATION CENTRE | 17 |
| SCHEDULE OF WORLD'S LARGEST DINOSAUR (WLD) | 18 |
| SCHEDULE OF SUPPORT SERVICES | 19 |

INDEPENDENT AUDITOR'S REPORT

To the Members of
Drumheller And District Chamber of Commerce

Opinion

We have audited the general purpose financial statements of Drumheller And District Chamber of Commerce (the "Organization"), which comprise the statement of financial position as at November 30, 2020, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at November 30, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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 opinion.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note 15 of the financial statements, which indicates that Support Services (a division of Drumheller And District Chamber of Commerce) is economically dependent on revenue received from government funding without which the division may not be able to discharge its liabilities. These conditions, along with other matters as set forth in note 15, indicate the existence of a material uncertainty.

In addition, we draw attention to note 13 which identifies a world-wide pandemic. Our opinion has not been modified in respect of these matters.

Other Matter

Support Services (a division of Drumheller And District Chamber of Commerce) has prepared a separate set of financial statements for the year ended November 30, 2020 in accordance with Canadian accounting standards for not-for-profit organizations on which we issued a separate auditor's report to the members of Drumheller And District of Commerce (Support Service division) dated February 11, 2021.

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.

INDEPENDENT AUDITOR'S REPORT, continued

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.

INDEPENDENT AUDITOR'S REPORT, continued

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.

A handwritten signature in black ink that reads "Ascend" in a cursive, flowing script. A horizontal line is drawn underneath the signature, extending from the left side of the "A" to the right side of the "d".

Ascend LLP
Chartered Professional Accountants
Independent Member Firm of
PORTER HÉTU INTERNATIONAL
Drumheller, Alberta
February 11, 2021



DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
STATEMENT OF OPERATIONS
Year ended November 30, 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| Revenues | | |
| Chamber of Commerce, Schedule 1 | \$ 228,355 | \$ 484,346 |
| Tourist Information Centre, Schedule 2 | 57,500 | 57,500 |
| World's Largest Dinosaur (WLD), Schedule 3 | 311,591 | 456,468 |
| Support Services, Schedule 4 | 1,356,834 | 2,369,889 |
| | 1,954,280 | 3,368,203 |
| Cost of sales, Schedule 3 | 94,633 | 162,768 |
| Gross margin | 1,859,647 | 3,205,435 |
| Expenditures | | |
| Chamber of Commerce, Schedule 1 | 271,321 | 344,323 |
| Tourist Information Centre, Schedule 2 | 127,606 | 142,742 |
| World's Largest Dinosaur (WLD), Schedule 3 | 179,223 | 197,313 |
| Support Services, Schedule 4 | 1,356,834 | 2,369,889 |
| | 1,934,984 | 3,054,267 |
| Other income (expense) | | |
| Canada Emergency Wage Subsidy | 142,177 | - |
| Amortization of deferred contributions | 33,333 | - |
| Insurance settlement - note 4 | 22,000 | - |
| Canada Summer Jobs/Temporary Employment Program | 8,610 | 4,200 |
| Reimbursements | 2,756 | - |
| Gain on foreign exchange | - | 51 |
| Write down of investments | - | (25,815) |
| Amortization | (98,528) | (51,727) |
| | 110,348 | (73,291) |
| Excess of revenues over expenditures | \$ 35,011 | \$ 77,877 |

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
STATEMENT OF CHANGES IN NET ASSETS
Year ended November 30, 2020

| | 2020 | | |
|---|---------------------|------------------------|---------------------|
| | Total | Restricted fund | Capital fund |
| | | | Unrestricted |
| Balance, beginning of year | \$ 1,553,137 | \$ 949,926 | \$ 425,126 |
| Excess (deficiency) of revenues over expenditures | 35,011 | - | (62,439) |
| Net investment in tangible capital assets | - | - | 151,672 |
| <u>Internally imposed restrictions</u> | <u>-</u> | <u>(122,124)</u> | <u>-</u> |
| Balance, end of year | \$ 1,588,148 | \$ 827,802 | \$ 514,359 |
| | | | \$ 245,987 |
| | 2019 | | |
| | Total | Restricted fund | Capital fund |
| | | | Unrestricted |
| Balance, beginning of year | \$ 1,475,260 | \$ 773,324 | \$ 464,735 |
| Excess (deficiency) of revenues over expenditures | 77,877 | - | (51,727) |
| Net investment in tangible capital assets | - | - | 12,118 |
| <u>Internally imposed restrictions</u> | <u>-</u> | <u>176,602</u> | <u>-</u> |
| Balance, end of year | \$ 1,553,137 | \$ 949,926 | \$ 425,126 |
| | | | \$ 178,085 |

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
STATEMENT OF FINANCIAL POSITION
November 30, 2020

| | 2020 | 2019 |
|---|---------------------|---------------------|
| ASSETS | | |
| Current | | |
| Cash | | |
| Operating | \$ 142,825 | \$ 36,665 |
| Legacy fund - note 5 | 296,643 | 353,285 |
| Short-term investments - note 5 | 531,159 | 596,641 |
| Accounts receivable - note 6 | 101,662 | 114,555 |
| Inventory | 44,784 | 49,455 |
| Prepaid expenses | 5,337 | 4,576 |
| | 1,122,410 | 1,155,177 |
| Investments | 10 | 10 |
| Tangible capital assets - note 7 | 681,026 | 425,126 |
| | \$ 1,803,446 | \$ 1,580,313 |
| LIABILITIES AND NET ASSETS | | |
| Current | | |
| Accounts payable and accrued liabilities - note 8 | \$ 48,631 | \$ 25,962 |
| Deferred government assistance - note 9 | 166,667 | 1,214 |
| | 215,298 | 27,176 |
| Restricted fund | 827,802 | 949,926 |
| Capital fund | 514,359 | 425,126 |
| Unrestricted | 245,987 | 178,085 |
| | 1,588,148 | 1,553,137 |
| | \$ 1,803,446 | \$ 1,580,313 |

LINE OF CREDIT - note 12

On behalf of the board



Member



Member

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
STATEMENT OF CASH FLOWS
Year ended November 30, 2020

| | 2020 | 2019 |
|--|-------------------|-------------------|
| Operating activities | | |
| Excess of revenues over expenditures | \$ 35,011 | \$ 77,877 |
| Adjustments for items which do not affect cash | | |
| Amortization | 98,528 | 51,727 |
| Write down on investments | - | <u>25,816</u> |
| | 133,539 | 155,420 |
| Change in non-cash working capital items | | |
| Accounts receivable | 12,893 | (11,389) |
| Inventory | 4,671 | (7,329) |
| Prepaid expenses | (761) | 12,949 |
| Accounts payable and accrued liabilities | 22,669 | 12,053 |
| Deferred government assistance | 165,453 | (4,637) |
| | 338,464 | <u>157,067</u> |
| Investing activities | | |
| Decrease (increase) in short-term investments | 65,482 | (86,290) |
| Purchase of tangible capital assets | (354,428) | (12,118) |
| | (288,946) | <u>(98,408)</u> |
| Increase in cash | 49,518 | 58,659 |
| Cash, beginning of year | 389,950 | 331,291 |
| Cash, end of year | \$ 439,468 | \$ 389,950 |
| Cash consists of: | | |
| Cash- DDCC | \$ 222,375 | \$ 144,724 |
| Legacy fund | 296,643 | 353,285 |
| Bank indebtedness- Support Services | (79,550) | (108,059) |
| | \$ 439,468 | \$ 389,950 |

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
NOTES TO THE FINANCIAL STATEMENTS
November 30, 2020

1. NATURE OF OPERATIONS

Drumheller And District Chamber of Commerce (the "Organization") is an Organization formed to serve local businesses, the economy and community and act as a Chamber of Commerce for the region. As a registered not-for-profit, the Organization is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization applies the Canadian accounting standards for not-for-profit organizations.

Measurement uncertainty

The preparation of financial statements in accordance with Canadian Accounting Standards for not-for-profit organizations 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 income in the period in which they become known. The effect of changes in such estimates on the financial statements in future periods could be significant.

Cash and cash equivalents

Cash and cash equivalents consist of cash and line of credit advances.

Short-term investments

Short-term investments are represented by term deposits held for the purpose of capital repairs that may be needed to the dinosaur (note 5) in future periods.

Inventory

Inventory is made up of the various goods offered for sale in the gift shop and are valued at the lower of cost and net realizable value with the cost being determined on the weighted average method. Any damaged or obsolete items are reviewed and written down accordingly. The amount of inventory included in cost of sales is \$94,633 (2019- \$162,768).

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
NOTES TO THE FINANCIAL STATEMENTS
November 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Revenue recognition

(i) Contributions

The Drumheller And District Chamber of Commerce 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. Endowment contributions are recognized as direct increases in net assets if applicable. Contributions for tangible capital assets are deferred and recognized in an amount equal to amortization of the asset.

(ii) Investment Income

Investment income is recognized as revenue when earned.

(iii) Gift Shop and Admissions

Revenue from the World's Largest Dinosaur gift shop and admission to the dinosaur are recognized as income at the time the goods or services are provided.

(iv) Membership fees

Chamber members are invoiced annually and the revenue from those fees are recognized as income in the period to which they apply.

Contributed materials and services

Volunteers contribute their services during the year to assist the Drumheller And District Chamber of Commerce as board members. Because of the difficulty of determining their fair value, contributed services and materials are not recognized in the financial statements.

Fund accounting

The financial statements of the Drumheller And District Chamber of Commerce have been prepared on the accrual basis. The significant policies followed are described below.

The accounts the Organization maintains are in accordance with the principles of fund accounting. The resources for various purposes are classified for accounting and reporting purposes into the fund established according to their various nature and purpose. The Organization records its activities in the following funds.

(i) Unrestricted fund

The unrestricted fund accounts for all resources over which the Board of Directors has discretionary control to use in carrying on day-to-day operation of the Organization.

(ii) Capital fund

The capital fund accounts for all items of a capital nature and the debt associated with their purchase. Uses of operating funds for acquisition of capital assets and principal debt service payments are accounted for as allocation to the capital fund.

(iii) Restricted fund

The restricted fund represents resources whose use has been set aside and restricted for specific uses.

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
NOTES TO THE FINANCIAL STATEMENTS
November 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Tangible capital assets

Capital assets are capitalized upon meeting the requirement for recognition as capital assets and are recorded at cost. Capital assets held for use are measured and amortized as described in applicable accounting policies.

The Organization performs impairment testing on capital assets held for use whenever events or circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment is measured as the amount by which the assets' carrying value exceeds its fair value. Any impairment is included in earnings for the period. An impairment loss is not reversed if the fair value of the capital asset subsequently increases. Prices for similar items are used to measure fair value of capital assets.

| | |
|------------------------|------------------------|
| Dinosaur | 30 years Straight-line |
| Dinosaur improvements | 6 years Straight-line |
| Animatronic | |
| dinosaur structures | 10 years Straight-line |
| Dinosaur interior | 30 years Straight-line |
| Leasehold improvements | 10 years Straight-line |
| Computer hardware | 55% Declining balance |
| Furniture and fixtures | 20% Declining balance |
| Computer software | 33% Declining balance |

The Organization regularly reviews its tangible capital assets to eliminate obsolete items.

Tangible capital assets acquired during the year but not available for use are not amortized until they are placed into use.

Amortization is recorded at the above noted rates in the year of acquisition. No amortization is recorded in the year of disposal.

Allocated expenses

The Organization incurs various general support and administrative expenditures that are common to the operation of the Organization and each of its functions. Certain amounts of these expenditures have been allocated to the World's Largest Dinosaur gift shop and the Tourist Information Centre based on an approximate applicable percentage of usage of each expense.

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
NOTES TO THE FINANCIAL STATEMENTS
November 30, 2020

3. FINANCIAL INSTRUMENTS RISKS

The Organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Organization's risk exposure and concentration as of November 30, 2020.

(a) Credit risk

The Organization is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable. The Organization does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance. An allowance for doubtful accounts is established, when necessary, based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Organization has a significant number of customers which minimizes concentration risk.

(b) Liquidity risk

Liquidity risk is the risk that the Organization may not have cash available to satisfy financial liabilities as they come due. Management oversees liquidity risk to ensure the organization has access to enough readily available funds to cover its financial obligations as they become due. The Organization manages liquidity risk by continuously monitoring actual daily cash flows and longer term forecasted cash flows and monitoring the maturity profiles of financial assets and liabilities. The Organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, accounts payable and accrued liabilities.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and line of credit.

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant other price risks arising from these financial instruments.

4. INSURANCE SETTLEMENT

During the year, the Organization accepted a settlement from a third party insurer for damages to one of the dinosaur structures.

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS

November 30, 2020

5. INTERNALLY RESTRICTED FUNDS

Legacy fund

The legacy fund was established for the specific purpose of providing resources for community not-for-profit organizations and has a balance of \$296,643 (2019 - \$353,285).

Short-term investments

The short-term investments represent guaranteed investment certificates, with varying interest rates of 1.50%- 2.25%, for the specific purpose of capital replacement and capital repairs with respect to the World's Largest Dinosaur.

The restricted net assets of the legacy fund consist of its short-term investments and cash.

6. ACCOUNTS RECEIVABLE

| | 2020 | 2019 |
|--|-------------------|-------------------|
| Government of Alberta - Support Services | \$ 82,299 | \$ 108,493 |
| Canada Emergency Wage Subsidy | 11,167 | - |
| <u>Trade receivable</u> | <u>8,196</u> | <u>6,062</u> |
| | <u>\$ 101,662</u> | <u>\$ 114,555</u> |

7. TANGIBLE CAPITAL ASSETS

| | 2020 | 2019 | | |
|------------------------|---------------------|--------------------------|-------------------|-------------------|
| | Cost | Accumulated amortization | Net Book Value | Net Book Value |
| Dinosaur | \$ 980,936 | \$ 641,324 | \$ 339,612 | \$ 371,983 |
| Dinosaur improvements | 299,050 | 49,842 | 249,208 | - |
| Animatronic | | | | |
| dinosaur structures | 52,756 | 2,638 | 50,118 | - |
| Dinosaur interior | 170,427 | 140,742 | 29,685 | 37,106 |
| Leasehold improvements | 238,971 | 232,798 | 6,173 | 7,220 |
| Computer hardware | 71,376 | 66,687 | 4,689 | 6,195 |
| Furniture and fixtures | 237,863 | 236,418 | 1,445 | 1,806 |
| Computer software | 23,864 | 23,768 | 96 | 816 |
| | <u>\$ 2,075,243</u> | <u>\$ 1,394,217</u> | <u>\$ 681,026</u> | <u>\$ 425,126</u> |

During the year, the World's Largest Dinosaur exterior was painted and repaired for a cost of \$299,050. A grant of \$200,000 was received from Western Diversification for a net cost of \$99,050 to the Organization. This amount was funded through the Capital Repair Fund. Also during the year, the Organization purchased animatronic dinosaur structures for \$52,756. A reimbursement of \$2,756 was received from the Town of Drumheller for a net cost of \$50,000 to the Organization. This amount was funded through the Legacy Fund.

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
NOTES TO THE FINANCIAL STATEMENTS
November 30, 2020

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | 2020 | 2019 |
|---------------------|-------------|-------------|
| Accounts payable | \$ 36,732 | \$ 14,062 |
| Accrued liabilities | 11,899 | 11,900 |
| | <hr/> | <hr/> |
| | \$ 48,631 | \$ 25,962 |

9. DEFERRED GOVERNMENT ASSISTANCE

| | 2020 | 2019 |
|-------------------------------|-------------|-------------|
| Western Diversification grant | \$ 166,667 | \$ - |
| Intern grant | - | 1,214 |
| | <hr/> | <hr/> |
| | \$ 166,667 | \$ 1,214 |

During the year, the Organization received a \$200,000 grant from Western Diversification which was used for the exterior repairs and paint for the World's Largest Dinosaur. The grant has been deferred and amortized to income on the same basis as the related tangible capital asset is depreciated.

10. ALLOCATED EXPENSES

Certain administrative expenses have been allocated to their respective functions as follows:

| | DDCC | WLD | TIC |
|-------------------|-------------|------------|------------|
| Insurance | \$ 15,569 | \$ 8,460 | \$ 825 |
| Professional fees | 4,919 | 5,355 | 300 |
| Telephone | 7,755 | 5,062 | 4,937 |
| Utilities | 3,368 | 7,502 | 5,002 |
| Janitorial | 825 | 5,308 | 5,000 |
| | <hr/> | <hr/> | <hr/> |
| | \$ 32,436 | \$ 31,687 | \$ 16,064 |

11. CONTINGENT LIABILITIES

For the purpose of the accompanying financial statements, contingent liabilities have been evaluated with management and there were no contingent liabilities brought to our attention that would have a material impact on these financial statements.

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE**NOTES TO THE FINANCIAL STATEMENTS**

November 30, 2020

12. LINE OF CREDIT

A line of credit of \$350,000 is in place with ATB Financial. This line of credit is necessary as the Alberta Government Support Services contracts requires Drumheller And District Chamber of Commerce to incur expenses before invoices are prepared. Interest on the line of credit is currently 2.20% (2019 - 3.70%). At November 30, 2020, there is \$270,450 (2019 - \$241,507) available for use.

13. SIGNIFICANT EVENT

In March 2020, a world-wide pandemic was announced and both the federal and provincial governments have implemented emergency measures that will negatively impact the national and global economy for an undetermined period. The effect of the pandemic and emergency measures cannot be quantified. No additional allowances or accruals have been recognized in these financial statements other than the government assistance disclosed.

During the year, the Organization did temporarily close operations based on Covid-19 restrictions and implemented measures internally to minimize impact on cash flow for daily operations.

14. SUBSEQUENT EVENTS

For the purpose of the accompanying financial statements, subsequent events have been evaluated with management through February 11, 2021 which is the date these financial statements were available to be issued.

There were no subsequent events brought to our attention that would have a material impact on these financial statements.

15. ECONOMIC DEPENDENCE

The Organization generated 70% of its revenue (2019 - 70%) from the Alberta Government. A decrease in the grant funding from the Alberta Government could result in the Organization being unable to operate the Support Services division. The Organization has received verbal approval of the contract for April 1, 2021 to March 31, 2022. It is management's opinion that if the Alberta Government ceases its funding, the Organization would have to consider restructuring the division.

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS

November 30, 2020

16. PROGRAMS AND EVENTS

The Organization hosts various programs and events throughout the year. Revenues and expenditures are tracked separately for each event.

2020

| | Revenue | Expenditures | Net |
|--|-----------|--------------|-----------|
| Group insurance | \$ 19,627 | \$ - | \$ 19,627 |
| Value-Added Program administration fee | 857 | - | 857 |
| Other events | 559 | 1,135 | (576) |
| Little Church | 450 | 1,810 | (1,360) |
| Networking | 384 | 305 | 79 |
| Spring Expo | - | 4,091 | (4,091) |
| World's Largest Dinosaur anniversary | - | 2,455 | (2,455) |
| Christmas mixer | - | 514 | (514) |
| Dino Arts | - | 500 | (500) |
| AGM events | - | 283 | (283) |
| | \$ 21,877 | \$ 11,093 | \$ 10,784 |

2019

| | Revenue | Expenditures | Net |
|--|-----------|--------------|------------|
| Spring Expo | \$ 14,186 | \$ 20,013 | \$ (5,827) |
| Group insurance | 18,134 | - | 18,134 |
| Golf tournament | 11,052 | 7,722 | 3,330 |
| Celebration of excellence | 8,746 | 8,538 | 208 |
| Other events | 2,765 | 1,676 | 1,089 |
| AGM events | 1,371 | 833 | 538 |
| Networking | 1,029 | 877 | 152 |
| Value-Added Program administration fee | 772 | - | 772 |
| Election forum | 143 | 865 | (722) |
| Dino Arts | - | 25,000 | (25,000) |
| Canada Day | - | 1,218 | (1,218) |
| Little Church | - | 1,244 | (1,244) |
| Small business week | - | 200 | (200) |
| Christmas mixer | - | 9 | (9) |
| | \$ 58,198 | \$ 68,195 | \$ (9,997) |

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
SCHEDULES TO THE FINANCIAL STATEMENTS
Year ended November 30, 2020

SCHEDULE OF CHAMBER OF COMMERCE**Schedule 1**

| | 2020 | 2019 |
|--|--------------------|-------------------|
| Revenue | | |
| Support Services Administration fees | \$ 114,778 | \$ 200,263 |
| Capital repair contributions | 37,243 | 75,095 |
| Memberships | 30,346 | 31,120 |
| Programs and events | 21,877 | 58,198 |
| Interest | 14,904 | 19,208 |
| Provincial Re-launch Grant | 5,000 | - |
| Community fund contributions | 2,020 | 55,014 |
| Legacy fund contributions | 1,769 | 45,058 |
| Other | 418 | 390 |
| | <hr/> 228,355 | <hr/> 484,346 |
| Expenditures | | |
| Wages and benefits | 105,723 | 109,044 |
| Support services administration | 78,103 | 76,431 |
| Legacy fund - Town economic development | 22,000 | 22,000 |
| Insurance | 15,569 | 15,808 |
| Programs and events | 11,093 | 68,195 |
| Telephone | 7,755 | 6,709 |
| Professional fees | 4,919 | 5,170 |
| Advertising and promotion | 6,836 | 14,042 |
| Office supplies and postage | 4,768 | 6,304 |
| Repairs and maintenance | 3,794 | 4,613 |
| Utilities | 3,368 | 4,261 |
| Fees, dues and memberships | 3,290 | 3,516 |
| Meetings | 1,106 | 403 |
| Bank charges | 1,051 | 1,133 |
| Payroll services fees | 996 | 1,091 |
| Janitorial | 825 | 1,019 |
| Seminars, workshops and travel | 125 | 4,584 |
| | <hr/> 271,321 | <hr/> 344,323 |
| Deficiency (excess) of revenues over expenditures | \$ (42,966) | \$ 140,023 |

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
SCHEDULES TO THE FINANCIAL STATEMENTS
Year ended November 30, 2020

| SCHEDULE OF TOURIST INFORMATION CENTRE | Schedule 2 | |
|---|--------------------|--------------------|
| | 2020 | 2019 |
| Revenue | | |
| Service provision - Town of Drumheller | \$ 57,500 | \$ 57,500 |
| Expenditures | | |
| Wages and benefits | 109,392 | 120,527 |
| Utilities | 5,002 | 6,179 |
| Janitorial | 5,000 | 5,920 |
| Telephone | 4,937 | 4,836 |
| Repairs and maintenance | 1,166 | 866 |
| Office supplies and postage | 854 | 1,243 |
| Insurance | 825 | 658 |
| Professional fees | 300 | 300 |
| Advertising and promotion | 130 | 524 |
| Training and conferences | - | 1,201 |
| Travel | - | 488 |
| | 127,606 | 142,742 |
| Deficiency of revenues over expenditures | \$ (70,106) | \$ (85,242) |

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
SCHEDULES TO THE FINANCIAL STATEMENTS
Year ended November 30, 2020

SCHEDULE OF WORLD'S LARGEST DINOSAUR (WLD)**Schedule 3**

| | 2020 | 2019 |
|---|------------------|------------------|
| Revenues | | |
| Sales | \$ 203,653 | \$ 331,251 |
| Admissions | 148,970 | 300,384 |
| Less: Capital repair fund | (37,243) | (75,095) |
| Less: Community fund | (2,020) | (55,014) |
| Less: Legacy fund | (1,769) | (45,058) |
| | 311,591 | 456,468 |
| Cost of sales | 94,633 | 162,768 |
| Gross margin | 216,958 | 293,700 |
| Expenditures | | |
| Wages and benefits | 130,114 | 141,073 |
| Insurance | 8,460 | 7,833 |
| Utilities | 7,502 | 9,060 |
| Repairs and maintenance | 5,926 | 3,619 |
| Professional fees | 5,355 | 5,355 |
| Janitorial | 5,308 | 6,049 |
| Advertising and promotion | 5,272 | 8,555 |
| Telephone | 5,062 | 4,853 |
| Bank charges | 3,941 | 5,990 |
| Office supplies and postage | 1,574 | 2,209 |
| Workers' Compensation Board | 531 | 805 |
| Training | 123 | 1,932 |
| Cash (over) short | 55 | (20) |
| | 179,223 | 197,313 |
| Excess of revenues over expenditures | \$ 37,735 | \$ 96,387 |

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
SCHEDULES TO THE FINANCIAL STATEMENTS
Year ended November 30, 2020

SCHEDULE OF SUPPORT SERVICES**Schedule 4**

| | 2020 | 2019 |
|---|-----------------|-----------------|
| Revenue | | |
| Contracts | \$ 1,355,620 | \$ 2,365,252 |
| Contracts - Intern grant | 1,214 | 4,637 |
| | <hr/> 1,356,834 | <hr/> 2,369,889 |
| Expenditures | | |
| Wages - contractual | 1,096,041 | 1,943,523 |
| Employee benefits | 130,261 | 186,323 |
| Administration fees | 114,778 | 200,263 |
| Contract expenses | 14,716 | 36,138 |
| Workers' Compensation Board | 1,038 | 3,642 |
| | <hr/> 1,356,834 | <hr/> 2,369,889 |
| Excess of revenues over expenditures | \$ - | \$ - |

**DRUMHELLER AND DISTRICT CHAMBER
OF COMMERCE
(SUPPORT SERVICES DIVISION)**

FINANCIAL STATEMENTS

November 30, 2020

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE

(SUPPORT SERVICES DIVISION)

TABLE OF CONTENTS

November 30, 2020

| | |
|------------------------------------|--------|
| INDEPENDENT AUDITOR'S REPORT | 1 - 3 |
| STATEMENT OF OPERATIONS | 4 |
| STATEMENT OF CHANGES IN NET ASSETS | 5 |
| STATEMENT OF FINANCIAL POSITION | 6 |
| STATEMENT OF CASH FLOWS | 7 |
| NOTES TO THE FINANCIAL STATEMENTS | 8 - 10 |

INDEPENDENT AUDITOR'S REPORT

To the Members of
Drumheller And District Chamber of Commerce

Opinion

We have audited the financial statements of Drumheller And District Chamber of Commerce (Support Services Division) (the "Division"), which comprise the statement of financial position as at November 30, 2020, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Division as at November 30, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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 division 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.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note 9 of the financial statements, which indicates that Support Services (a division of Drumheller And District Chamber of Commerce) is economically dependent on revenue received from government funding without which the division may not be able to discharge its liabilities. These conditions, along with other matters as set forth in note 9 indicate the existence of a material uncertainty.

In addition, we draw attention to note 10 which identifies a world-wide pandemic. Our opinion has not been modified in respect of these matters.

Other Matter

Drumheller And District Chamber of Commerce has prepared a separate set of general purpose financial statements for the year ended November 30, 2020 in accordance with Canadian accounting standards for not-for-profit organizations on which we issued a separate auditors' report to the members of Drumheller And District Chamber of Commerce dated February 11, 2021.

INDEPENDENT AUDITOR'S REPORT, continued

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 Division'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 Division or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Division'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 Division's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT, continued

- 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 Division'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 Division 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.

A handwritten signature in black ink that reads "Ascend" in a cursive, flowing script. A horizontal line is drawn underneath the signature.

Ascend LLP
Chartered Professional Accountants
Independent Member Firm of
PORTER HÉTU INTERNATIONAL
Drumheller, Alberta
February 11, 2021



DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
 (SUPPORT SERVICES DIVISION)
STATEMENT OF OPERATIONS
 Year ended November 30, 2020

| | 2020 | 2019 |
|---|-----------------|-----------------|
| Revenues | | |
| Contracts | \$ 1,355,620 | \$ 2,365,252 |
| Contracts - Intern grant | 1,214 | 4,637 |
| | <hr/> 1,356,834 | <hr/> 2,369,889 |
| Expenditures | | |
| Wages - contractual | 1,096,041 | 1,943,523 |
| Employee benefits | 130,261 | 186,323 |
| Administration fees | 114,778 | 200,263 |
| Contract expenses | 14,716 | 36,138 |
| Workers' Compensation Board | 1,038 | 3,642 |
| | <hr/> 1,356,834 | <hr/> 2,369,889 |
| Excess of revenues over expenditures | \$ - | \$ - |

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
(SUPPORT SERVICES DIVISION)
STATEMENT OF CHANGES IN NET ASSETS
Year ended November 30, 2020

| | 2020 | 2019 |
|--------------------------------------|-------------|-------------|
| Balance, beginning of year | \$ - | \$ - |
| Excess of revenues over expenditures | - - | - - |
| Balance, end of year | \$ - | \$ - |

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
 (SUPPORT SERVICES DIVISION)
STATEMENT OF FINANCIAL POSITION
 November 30, 2020

| | 2020 | 2019 |
|--|------------------|-------------------|
| ASSETS | | |
| Current | | |
| Accounts receivable - note 4 | \$ 82,299 | \$ 108,493 |
| Due from Drumheller And District Chamber of Commerce | - 780 | |
| | \$ 82,299 | \$ 109,273 |
| LIABILITIES AND NET ASSETS | | |
| Current | | |
| Bank indebtedness - note 5 | \$ 79,550 | \$ 108,059 |
| Accounts payable | 309 | - |
| Deferred revenue - note 6 | - 1,214 | |
| Due to Drumheller And District Chamber of Commerce | 2,440 | - |
| | \$ 82,299 | \$ 109,273 |

On behalf of the board

 Member  Member

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
 (SUPPORT SERVICES DIVISION)
STATEMENT OF CASH FLOWS
 Year ended November 30, 2020

| | 2020 | 2019 |
|---|--------------------|---------------------|
| Operating activities | | |
| Excess of revenues over expenditures | \$ - | \$ - |
| Change in non-cash working capital items | | |
| Accounts receivable | 26,194 | (11,650) |
| Accounts payable | 309 | - |
| Deferred revenue | (1,214) | (4,637) |
| | 25,289 | (16,287) |
| Financing activity | | |
| (Advances to) repayments from Drumheller And District Chamber of Commerce | 3,220 | (1,224) |
| Decrease (increase) in bank indebtedness | 28,509 | (17,511) |
| Bank indebtedness, beginning of year | (108,059) | (90,548) |
| Bank indebtedness, end of year | \$ (79,550) | \$ (108,059) |

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
(SUPPORT SERVICES DIVISION)
NOTES TO THE FINANCIAL STATEMENTS
November 30, 2020

1. NATURE OF OPERATIONS

Drumheller And District Chamber of Commerce (DDCC), Support Services division (the "Division"), was formed to act as the contractor between the Alberta Government and the Royal Tyrrell Museum supplying temporary labour. Operations commenced April 1, 2003. DDCC acts as the administrator of the various contracts by providing billing, payroll and other services for an administration fee based upon the total expenses incurred by each contract, excluding that fee. At November 30, 2020 the fee was 9.25% (9.25% in 2019).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Division applies the Canadian accounting standards for not-for-profit organizations.

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. These estimates are reviewed periodically, and as adjustments become necessary they are reported in income in the period in which they become known. The effect of changes in such estimates on the financial statements in future periods could be significant.

Revenue recognition

Drumheller And District Chamber of Commerce follows the deferral method of accounting for contributions to Support Services. Revenue under contract with the Province of Alberta is invoiced based on expenses incurred in the period and is recognized as revenue in the year in which the related expenses are incurred. These invoiced amounts are recorded as accounts receivable when the invoice is issued or expenses incurred.

Cash and cash equivalents

Cash and cash equivalents consist of cash and line of credit advances.

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
(SUPPORT SERVICES DIVISION)
NOTES TO THE FINANCIAL STATEMENTS
November 30, 2020

3. FINANCIAL INSTRUMENTS RISKS

The Division is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Division's risk exposure and concentration as of November 30, 2020.

(a) Concentration risk

The Division is subject to a concentration of credit risk as all their funding comes from a government agency (note 9).

(b) Liquidity risk

Liquidity risk is the risk that the Division may not have cash available to satisfy financial liabilities as they come due. Management oversees liquidity risk to ensure the Division has access to enough readily available funds to cover its financial obligations as they become due. The Division manages liquidity risk by continuously monitoring actual daily cash flows and longer term forecasted cash flows and monitoring the maturity profiles of financial assets and liabilities. The Division is exposed to this risk mainly in respect of its receipts of funds from its customers and other related sources, and accounts payable and accrued liabilities.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Division manages exposure through its normal operating and financing activities. The Division is exposed to interest rate risk primarily through its floating interest rate bank indebtedness.

Unless otherwise noted, it is management's opinion that the Division is not exposed to significant credit or other price risks arising from these financial instruments.

4. ACCOUNTS RECEIVABLE

| | 2020 | 2019 |
|-----------------------|-------------|-------------|
| Government of Alberta | \$ 82,299 | \$ 108,493 |

5. BANK INDEBTEDNESS

A line of credit of \$350,000 is in place with ATB Financial. This line of credit is necessary as the Alberta Government Support Services contracts requires Drumheller And District Chamber of Commerce to incur expenses before invoices are prepared. Interest on the line of credit is currently 2.20% (2019 - 3.70%). At November 30, 2020, there is \$270,450 (2019- \$241,507) available for use.

DRUMHELLER AND DISTRICT CHAMBER OF COMMERCE
(SUPPORT SERVICES DIVISION)
NOTES TO THE FINANCIAL STATEMENTS
November 30, 2020

6. DEFERRED REVENUE

| | 2020 | 2019 |
|--------------|-------------|-------------|
| Intern grant | \$ - | \$ 1,214 |

Deferred revenue related to Natural Resources Canada funding whereby, payments are provided in advance of the related expenses being incurred.

7. SUBSEQUENT EVENTS

For the purpose of the accompanying financial statements, subsequent events have been evaluated with management through February 11, 2021 which is the date these financial statements were available to be issued.

There were no subsequent events brought to our attention that would have a material impact on these financial statements.

8. CONTINGENT LIABILITIES

For the purpose of the accompanying financial statements, contingent liabilities have been evaluated with management and there were no contingent liabilities brought to our attention that would have a material impact on these financial statements.

9. ECONOMIC DEPENDENCE

The Division generated 100% of its revenue (2019 - 100%) from the Alberta Government. A decrease in the grant funding from the Alberta Government could result in the DDCC being unable to operate the Support Services division. The DDCC received verbal approval of the contract for April 1, 2021 to March 31, 2022. It is management's opinion that if the Alberta Government ceases its funding, the DDCC would have to consider restructuring the Division.

10. SIGNIFICANT EVENT

In March 2020, a world-wide pandemic was announced and both the federal and provincial governments have implemented emergency measures that will negatively impact the national and global economy for an undetermined period. The effect of the pandemic and emergency measures cannot be quantified. No allowances or accruals have been recognized in these financial statements.

During the year, the Division temporarily closed its operation based upon Covid-19 restrictions and have determined that it would reduce future employment in order to continue the April 1, 2021 to March 31, 2022 contract with the Alberta Government.