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ANNUAL REPORT



ALTONA & DISTRICT

Chamber of Commerce

HIGHLIGHTS FOR NOVEMBER 2019 TO DATE

- Held **8 Board of Directors'** Meetings.
- Worked hard to find a new Chamber Manager; volunteer Board Members and Administrative Assistant took on extra duties to fill the gap.
- Arranged for repairs to the **Town digital Sign**.
- **2019 Annual General Meeting** held March 12, 2020. Chamber fiscal year end is October 31st.
- The International Covid-19 Pandemic closed and reduced businesses and restricted personal interactions. Borders are closed. Many businesses pivoted to alternate forms to be able to continue. Live Events throughout Altona & Area were cancelled.
- Provided information to Members on **funding and recovery programs** available from the Federal and Provincial governments.
- Hired **Cheryl Link, Interim Manager** on August 17th. She met with representatives of the Town and Rural Municipality and with many local Movers & Shakers initially and continues to reach out to new businesses and Members up until Code Red restrictions became more stringent. She works diligently on Strategic Goals. Worked on reconciling Membership receivables to date.
- Hired Deandra Braun as part time Administrative Assistant. Her main duties include administration of the Chamber Bucks program and Membership.
- The Board of Directors decided to forgive unpaid membership dues from 2019 and offered a 50% discount for Members to keep 2020 Membership dues up to date.
- Participated in **Small Business Week** advertising in the Life in the Valley publication in partnership with Morden, Winkler and Carman Chambers of Commerce.
- **Social Media**, especially Facebook, Instagram and Twitter have greatly increased up to at least one post per day promoting Chamber/Member events, activities, promotions, etc.
- The **Town Digital Sign** outside the Civic Centre is constantly updated to reflect community activities.
- Successfully applied for provincial **Shop Local Funding** for local projects: **Chamber Bucks** (over \$288,000 sold to local businesses and over \$234,000 has already been redeemed). All monies must be spent at Altona Chamber Member businesses, **Take Out to Win** (over \$5,000 extra was spent at local restaurants) and **Free Santa Delivery** (over 80 deliveries were made from local businesses to their customers). We were happy to be able to support fundraising efforts for the YFC The Station and The Altona Elks Club.
- Provided for a **Chamber Spotlight** in the South Central Post twice per month. Chamber Members are interviewed to tell the story most people don't know. Encouraged low cost advertising.
- Arranged with Sun Valley Co-op to sell **Chamber Bucks** in the Gas Bar.
- Called local businesses to ask how they are doing, to make sure they know about federal and provincial relief programs and offered local help from SEED.
- Advocated for a conditional use permit for a new business to Altona.
- Meet via Zoom weekly with **Chamber Executives of Manitoba**. Provide feedback for provincial meetings with Government Ministers.
- Meet via Blitzr weekly with **Chamber of Commerce Professionals**.
- Working to connect with and encourage new **Board Members**.



ALTONA & DISTRICT

Chamber of Commerce

2020 Annual General Meeting

March 11, 2021

Online Recorded Meeting

AGENDA

- 1.** Welcome
- 2.** Member of the Legislative Assembly for Borderland Josh Guenter
- 3.** Call the meeting to Order
- 4.** Approval of Agenda
- 5.** Approval of Minutes from 2019 Annual General Meeting
- 6.** Financial Report
- 7.** Approval of Financial Statements
- 8.** Appointment of an Auditor
- 9.** President's Report
- 10.** Adjournment
- 11.** Rural Municipality of Rhineland Reeve Don Wiebe
- 12.** Town of Altona Mayor Al Friesen

**2019 Annual General Meeting
March 12, 2020
5:30 p.m.
Altona Curling Club Lounge
MINUTES**

1. Call the meeting to order
 - Jared Barnabe called the meeting to order at 5:57
2. Approval of Agenda
 - Motion to accept Agenda as presented.
 - Moved – Lauren Braul
 - Second – Brad Iverson
 - Carried.
3. Approval of Minutes from 2018 Annual General Meeting
 - Motion to approve 2018 Minutes as presented.
 - Moved – Donna Walters
 - Second – Brad Braun
 - Carried.
4. Financial Report
 - Adam Mace presented the Financial Report.
 - Operations Revenue – Chamber Bucks dropped.
 - Program & Events – Up \$5000
 - Town of Altona Operating Grant - \$30,000
 - RM - \$10,000
 - Less Lunch n Learns this year
 - Insurance has moved to Town policy
 - Interest in bank policies, ordered new cheques.
 - Unrestricted Fund - \$56,000.
 - Deferred revenue up due to Chamber Bucks
 - No Questions.
5. Approval of Financial Statements
 - Motion to approve Financial Statements as presented.
 - Moved – Lauren Braul
 - Second – Kal Smith
 - Carried.
6. Appointment of an Auditor
 - Motion: Appoint GTP for the 2020 Year

Moved – Al Friesen
Second – Kal Smith
Carried.

7. President's Report

Jared Barnabe presented the President's Report

Topics: Reviews Strategic Plan attached.

Chamber manager stability issues. Not rushing to hire, want to get it right.

8. Election of Officers

Motion – Jared Barnabe for President

Moved – Don Wiebe

Second – Brad Iverson

All in favor.

Carried

Motion – Stephanie Harris for Vice President

Moved – Kal Smith

Second – Lauren Braul

All in favor.

Carried.

Motion – Adam Mace for Treasurer

Moved – Landon Stephenson

Second – Brad Iverson

Brad Iverson

Al Friesen

All in favor.

Carried.

Motion – Craig Neufeld for Secretary

Moved – Brad Iverson

Second – Donna Walters

All in favor.

Carried.

9. Election of Directors

Nomination Committee forwarded the following names:

- Kal Smith
- Landon Stephenson

Moved – Guy Mullin

Second – Craig Neufeld

Guy Mullin – Over arching plan for COVID-19? What if everyone must stay home?

Jared Barnabe – MB Government came out with statement. Feds were looking at details.

Guy – It would be nice for local business leaders to take charge.

Lauren Braul – What is going on with the Chamber Manager position?

Jared Barnabe – Went through first round of people. Made an offer but was declined. Opening job offer again.

Kal Smith – Had about 10 real offers. Don't want to have another person here for only 2-3 months. Want to make sure it's the right fit.

Lauren Braul – 3-6 months?

Jared Barnabe – Hopefully sooner than that.

Stephanie Harris – Reached out to local businesses for recommendations.

Guy Mullin – What are the hours for the manager?

Jared Barnabe – Hours fluctuate depending on the amount of meetings per week. Salary is negotiable. We are also.

Shauna Giesbrecht – Chamber Bucks are tough to get hold of. What are some options?

Jared Barnabe – You can buy through the town, and we have hired a new Admin Assistant to help with these situations.

Guy Mullin – Why is the sign not working?

Jared Barnabe – Costs a lot to get the sign assessed. Probably will need a full replacement. Will look to ask Enbridge.

10. Adjournment – 6:28pm.

**ALTONA & DISTRICT CHAMBER OF
COMMERCE**

FINANCIAL STATEMENTS

October 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the members of **Altona & District Chamber of Commerce**,

Qualified Opinion

We have audited the financial statements of Altona & District Chamber of Commerce, which comprise the statement of financial position as at October 31, 2020, and the statement of operations, statement of changes in changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

The organization has presented deferred revenue of \$55,836, Chamber bucks revenue of \$110,096 and Chamber bucks expense of \$110,096. We were unable to obtain sufficient appropriate audit evidence to support the deferred revenue balance as at October 31, 2020 and the Chamber bucks revenue and expense for the year then ended. Due to changes to the accounting system and processes in the current year the evidence obtained of these amounts was limited to the amounts recorded in the records of the organization. Therefore, we were unable to determine whether any adjustments might have been found necessary with respect to deferred revenue, excess of revenue over expenses, and cash flows from operations for the year ended October 31, 2020, and net assets as at October 31, 2020.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity'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 entity'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 cause significant doubt on the entity'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 disclosure 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 entity 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.

Gislason Targownik Peters

CHARTERED PROFESSIONAL ACCOUNTANTS

Winkler, Manitoba March 2,
2021

ALTONA & DISTRICT CHAMBER OF COMMERCE

Statement of Operations For the year ended October 31, 2020

	2020	2019
REVENUE		
Chamber bucks	\$ 110,096	\$ 97,061
Memberships	26,451	23,697
Town of Altona - operating grant	20,050	30,000
RM of Rhineland - operating grant	10,000	10,000
Group plan income	8,494	6,154
Annual meeting, seminars and other	1,885	3,030
Programs and events	1,858	41,464
<u>Government of Canada subsidy</u>	<u>267</u>	-
	179,101	211,406
OPERATING EXPENSES		
Advertising and promotion	1,721	6,011
Amortization	850	921
Bad debts	15,433	1,148
Chamber bucks	110,096	97,061
Insurance	360	35
Interest and bank charges	265	285
Memberships, licenses and fees	2,961	3,001
Office, stationery and postage	4,659	5,555
Professional fees	4,781	4,092
Repairs and maintenance	1,854	-
Program and events	-	22,001
Seminars, conferences and meetings	1,103	2,457
Travel	165	567
Utilities	2,213	1,056
<u>Wages and benefits</u>	<u>22,047</u>	<u>55,561</u>
	168,508	199,751
EXCESS OF REVENUE OVER EXPENSES	\$ 10,593	\$ 11,655

**ALTONA & DISTRICT CHAMBER OF
COMMERCE****Statement of Changes in Net Assets
For the year ended October 31, 2020**

	Unrestricted Fund	Invested in Capital Assets	2020	2019
NET ASSETS - Beginning	\$ 56,373	\$ 4,133	\$ 60,506	\$ 48,851
Excess of revenue over expenses	10,593	-	10,593	11,655
Investment in capital assets	850	(850)	-	-
NET ASSETS - Ending	\$ 67,816	\$ 3,283	\$ 71,099	\$ 60,506

ALTONA & DISTRICT CHAMBER OF COMMERCE

Statement of Financial Position As at October 31, 2020

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 122,666	\$ 98,365
Accounts receivable	6,343	17,246
<u>Government remittances refundable</u>	<u>610</u>	<u>83</u>
	129,619	115,694
<u>CAPITAL ASSETS (Note 3)</u>	<u>3,283</u>	<u>4,133</u>
	\$ 132,902	\$ 119,827
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 5,012	\$ 5,557
Government remittances payable	955	1,196
<u>Deferred revenue (Note 4)</u>	<u>55,836</u>	<u>52,568</u>
	61,803	59,321
NET ASSETS		
Unrestricted	67,816	56,373
Invested in capital assets	3,283	4,133
	71,099	60,506
	\$ 132,902	\$ 119,827

APPROVED ON BEHALF OF THE BOARD:

_____ Trustee

_____ Trustee

ALTONA & DISTRICT CHAMBER OF COMMERCE

Statement of Cash Flow For the year ended

	2020	2019
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 10,593	\$ 11,655
Non-cash items affecting operations:		
Amortization	850	921
<u>Net change in non-cash working capital balances</u>	<u>12,858</u>	<u>8,283</u>
	24,301	20,859
INVESTING ACTIVITIES		
<u>Acquisition of capital assets</u>	=	<u>(1,027)</u>
INCREASE IN CASH AND EQUIVALENTS	24,301	19,832
CASH AND EQUIVALENTS - Beginning	98,365	78,533
CASH AND EQUIVALENTS - Ending	\$ 122,666	\$ 98,365

See accompanying Notes to Financial Statements and Auditor's Report

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ALTONA & DISTRICT CHAMBER OF COMMERCE

1. PURPOSE OF THE ORGANIZATION

The Altona & District Chamber of Commerce is a non-profit organization dedicated to promote the economic, civic, educational, cultural and agricultural interest of the Town of Altona and the surrounding district.

The Altona & District Chamber of Commerce is an organization without share capital, incorporated under the laws of Canada and is exempt from income taxes under paragraph 149(1)(e) of the Canadian Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of the organization have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Financial instruments

Financial assets and liabilities are initially measured at fair value. Subsequent measurement of financial assets and liabilities are at amortized cost unless otherwise noted. Financial assets and liabilities measured at amortized cost consist of cash, accounts receivable and accounts payable.

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

The company is exposed to the following significant risks:

Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. Management performs ongoing credit review of all of its customers and establishes allowances for doubtful accounts when the amounts are not collectible.

Capital assets

Capital assets are recorded at cost and are being amortized on the declining balance basis at the following rates based on estimated useful life, except in the year of acquisition, when one-half of the rate is used:

Furniture and fixtures	10%
Signs	20%
Computer hardware	45%

The organization reviews capital assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Revenue recognition

The organization follows the deferral method of accounting for contributions. Unrestricted donations are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized.

ALTONA & DISTRICT CHAMBER OF COMMERCE

Chamber bucks, program and events, memberships, group plan income, annual meetings, seminars and government grants are recognized as earned.

Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, as well as reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include the useful life of capital assets. These estimates are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates in future periods could be significant.

On March 11, 2020, The World Health Organization declared COVID-19 a global pandemic. This has created considerable uncertainty in business and markets around the globe. As a result, governments and businesses are taking action to minimize the spread of the virus that include: restrictions on travel, movement of people and goods, work from home arrangements and temporary closure of businesses. The situation is continually evolving and may cause significant measurement uncertainty in the financial statements of future periods.

Contributed materials and service

A substantial number of volunteers contribute a significant amount of their time each year. Due to the difficulty of determining the fair market value, contributed services are not recognized in the financial statements.

Contributed materials which are used in the normal course of the organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

3. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2020	Net 2019
Signs	\$ 32,123	\$ 32,123	\$ -	\$ -
Furniture and fixtures	6,150	3,553	2,597	2,885
<u>Computer hardware</u>	<u>6,761</u>	<u>6,075</u>	<u>686</u>	<u>1,248</u>
	\$ 45,034	\$ 41,751	\$ 3,283	\$ 4,133

4. DEFERRED REVENUE

Deferred revenue represents revenue from the Altona Chamber Bucks program which will be paid out to merchants as Chamber Bucks are redeemed. The Chamber policy is to carry unredeemed Chamber Bucks for two years before recognizing as revenue.

	2020	2019
Balance, beginning of the year See accompanying Notes to Financial Statements and Auditor's Report	\$ 52,568	\$ 38,226 ₈

ALTONA & DISTRICT CHAMBER OF COMMERCE

Chamber Bucks sold during the year	113,364	111,403
<u>Chamber Bucks redeemed</u>	<u>(110,096)</u>	<u>(97,061)</u>
	\$ 55,836	\$ 52,568

5. BANK INDEBTEDNESS

The company has a line of credit available to a maximum of \$25,000, repayable on demand with interest at the rate of prime plus 1.75%. Bank indebtedness is secured by a general security agreement providing a charge on all assets of the organization and a cash collateral charge. Availability is subject to financial criteria and is at the discretion of the bank.