



2021 ANNUAL REPORT

Nanaimo Chamber
2133 BOWEN ROAD
NANAIMO, BC
V9S 1H8

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AGENDA: 132nd Annual General Meeting

Friday, April 22, 2022 – Vancouver Island Conference Centre

- 10:30 Opening Remarks..... Kim Smythe, CEO
- Convene once quorum of 30 members in good standing is confirmed
 - **Motion:** Adopt agenda
 - **Motion:** Approve minutes from the 2021 AGM
- 10:35 Chair's Report..... Corry Gervais, Chair
- **Motion:** Adopt Chair's Report
 - **Motion:** Dissolution of the 2021 Board of Directors
 - Introduction of new Board of Directors members
 - **Motion:** Approve election of Board of Directors by acclamation
- 10:40 Treasurer's Report... Dan Kucherka, Treasurer
- Introduction of Anna Jones, Church Pickard, by Dan Kucherka
 - Review of 2021 Financial Statements – Anna Jones, Church Pickard
 - Treasurer's Report Summary by Dan Kucherka
 - **Motion:** Approve Treasurer's Report and 2021 Financial Statements
 - **Motion:** Approve appointment of Church Pickard as Review Accountants for 2022 Financial Statements
- 10:50 CEO's Report..... Kim Smythe, CEO
- Committee Reports and New Members noted and attached
 - **Motion:** Adopt CEO Report
- 11:00 **Motion:** To Adjourn 132nd AGM

MEETING MINUTES FROM 131st AGM

Friday, April 16, 2021 – Via Teams Video Conference

MOTION TO APPROVE AGENDA FOR 2021 AGM

- Moved: Corry Hostetter
- Seconded: Shawna McPhillips
- **Approved**

MOTION TO APPROVE 2020 AGM MINUTES

- Moved: Shawna McPhillips
- Seconded: Corry Hostetter
- **Approved**

MOTION TO APPROVE CHAIR'S REPORT

- Moved: Corry Hostetter
- Seconded: Dan Kuchera
- **Approved**

MOTION TO APPROVE THE DISSOLUTION OF THE BOARD

- Moved: Graham Morry
- Seconded: Meryl Chahley
- **Approved**

ELECTION: SLATE OF DIRECTORS TO BE ELECTED BY ACCLAMATION FOR 2021-2022:

- | | |
|-------------------|---------------------|
| • Dan Kucherka | • Joanna Hesketh |
| • Carrie Chassels | • Corry Hostetter |
| • Travis Wilson | • Shawna McPhillips |
| • Nathan Seaward | • John Winter |
| • Ian Anderson | • Aaron Surkan |

APPOINTMENTS:

- | | |
|----------------------|------------------|
| • William Litchfield | • Erralyn Joseph |
| • Jake Rudolph | |

MOTION TO APPROVE SLATE OF DIRECTORS TO BE ELECTED BY ACCLAMATION FOR 2021-2022:

- Moved: Dan Kucherka
- Seconded: William Litchfield
- **Approved**

MOTION TO APPROVE APPOINTMENT OF REVIEW ACCOUNTANTS: CHURCH PICKARD

- Moved: Dan Kucherka
- Seconded: Erralyn Joseph
- **Approved**

MOTION TO APPROVE TREASURER'S REPORT AND 2020 FINANCIAL STATEMENT

- Moved: Shawna McPhillips
- Seconded: Travis Wilson
- **Approved**

MOTION TO APPROVE CEO'S REPORT

- Moved: Corry Hostetter
- Seconded: Joanna Hesketh
- **Approved**

MOTION TO ADJOURN THE 131ST AGM

- Moved: Carrie Chassels
- **Approved**

LIST OF VOTING MEMBERS IN GOOD STANDING AT 2021 AGM

- Sheila Malcolmson, MLA Nanaimo
- Shawna McPhillips, Coastal Community Credit Union
- Cheryle Harrison, Conserv-Arte
- Jessica Thatcher, Full Scope Rehabilitation Services Inc.
- Nathan Seaward, Heath Law LLP
- Bill McKinney, Ideal Images
- Ian Anderson, Mid Island Co-op
- Meryl Chahley, MNP
- Judy Stephen, Nanaimo Magazine
- Corry Gervais, Oceanside Initiatives
- Andrea Noble, Port Theatre Society
- Trevor Topping, Smythe LLP
- Chuck Loewen, Vancouver Island Conference Centre
- Joanna Hesketh, VIU
- Dan Brady, Nanaimo Hospitality Association
- Monica Briggs, KGZ Development Corp.
- Russ Burke, The Leadership Society of Vancouver Island
- Carrie Chassels
- Cathy Dyck, Nanaimo Community Hospice Society
- Jennifer Fowler, Central Vancouver Island Multicultural Society
- Parth Gandhi, HSBC Bank Canada
- Jolyn Green, Community Futures Central Island
- Ken Hammer, Ken Hammer & Associates
- Jenn Houtby-Ferguson, Tourism Nanaimo
- Mike Hrabowych, Integral Securities / Old City Quarter Investment
- Jennifer Hufnagel, Innovation Island Technology Association
- Alessandro Lachelli, Nanaimo Pride Society
- Anna Jones, Church Pickard
- Erralyn Joseph, Snuneymuxw First Nation
- Dan Kucherka, Baker Tilly
- William Litchfield, VIU
- Zeni Maartman
- David McQuinn, Coast Bastion Hotel
- Elyse Norgaard, Port Place Shopping Mall
- Darcy Olsen, Sheila Malcolmson, MLA Nanaimo

- Charlie Parker, RE/MAX of Nanaimo
- Garret Phenix, Oneaftereight Design Studio
- Arlene Rolston, Nanaimo Port Authority – Port of Nanaimo
- Ian Simpson, Petroglyph Development Group
- Scott Speakman, Helijet International Inc.
- Doug Tyce, MNP LLP
- John Winter, Harbour Air Seaplanes
- Aaron Surkan, MNP LLP
- Travis Wilson, Wilson's Transportation Group

BOARD CHAIR'S REPORT – CORRY GERVAIS



If 2020 is to be remembered as 'unprecedented times', 2021 will be considered the beginning of our 'new normal'. Businesses that were able, became skilled at finding ways to work in this new environment. Some by creating new offerings, and others, by getting innovative with their existing business models. Many businesses adapting to the 'new normal' showed amazing resilience, and it wasn't easy. In some cases, we lost incredible companies. We pay our deepest respect to those businesses lost and give honour to those that have survived.

Throughout this experience, we have all gained a deeper understanding of how to reinforce our businesses with tools that make us stronger, and more stable. Many businesses have learned the importance of omnichannel marketing and supply chain, while others have a greater understanding of their labour force. Understanding these needs is a priority of the Chamber, so that we can engage in opportunities of economic importance for you. This year the Chamber did that through the hard work and leadership to establish the

new Downtown Nanaimo Business Association; rebuilding of Tourism Nanaimo and the Nanaimo Prosperity Corporation; and the development and implementation of a shop local Nanaimo program (an \$85,000 federally funded program).

The Board would like to acknowledge the amazing job by our team of professionals. The work they do on behalf of the business community in Nanaimo truly comes not just from the head, but from the heart. We are so proud of what they have accomplished during these incredibly challenging times. Not only does this team stand out in our community but they are looked upon as leaders among the provincial and national Chamber network of organizations. They are a real professional point of pride for Nanaimo.

Thank you, to all of our members who have continued to support the Nanaimo Chamber, and to those that have joined us to strengthen our business community in a very difficult time. Let us all now look ahead, stronger together, with new insight, and a sense of hope for a prosperous new year.

Thank you,
Corry Gervais, Board Chair

BOARD OF DIRECTORS

Corry Gervais, Oceanside Initiatives
Shawna McPhillips, Coastal Community Credit Union
Dan Kucherka, Renaissance Mergers and Acquisitions
Carrie Chassels, Ph.D., Private Member
Joanna Hesketh, Vancouver Island University
Nathan Seaward, Heath Law LLP
John Winter, Harbour Air Seaplanes
Aaron Surkan, MNP
Ian Anderson, Mid Island Co-op
Judy Stephan, Nanaimo & Voyager Magazine
Signy Madden, United Way BC – CNVI Region
Janice Krall, Nanaimo & District Hospital
Foundation

Appointments:

Erralyn Joseph, Snuneymuxw First Nations
Richard Horbachewski, Vancouver Island University
Jake Rudolph, City of Nanaimo

A special thank you to the Board of Directors whose terms ended in 2021 your support, efforts, and commitment to the Nanaimo Chamber has been invaluable. Thank you:

- William Litchfield, Vancouver Island University
- Travis Wilson, Wilson's Transportation Group

CHAMBER AMBASSADORS

Chamber Ambassadors are part of our Member Services program assisting with the on-boarding of new members, their orientation, and engagement to ensure they receive maximum value for their membership. Ambassadors are often seen in key volunteer roles at Chamber events. Our thanks go out to:

- Judy Stephan, Nanaimo/Voyager Magazine
- Dirk Heydemann, HA Photography
- Garret Phenix, Oneaftereight Design
- Hanan Merrill, Nanaimo Hearing Clinic
- Joe Godard, AGS Business Systems
- John Tait, Nanaimo WorkBC Centre
- Jessica Thatcher, Full Scope Rehabilitation Services
- Laurie Bienert, Nanaimo Foundation

TREASURER'S REPORT – DAN KUCHERKA



As the current treasurer, I am very pleased to report another positive financial year. As we continued through the realities of the pandemic, management worked and improved ongoing strategies to the changing business environment while continuing to serve and advocate for our members. We are pleased to have another surplus this year in line with the previous year.

These positive results are largely credited to our strong management team with support from our members, community, and Board of Directors.

Moving forward in 2022, we will continue to adapt and serve our members and community as we always have with some new innovations and welcome back the many events, we are all accustomed to. We continue to have a strong renewed membership base and positive 2022 operating budget also with significant cash reserves as we move forward.

**GREATER NANAIMO
CHAMBER OF COMMERCE**

FINANCIAL STATEMENTS

(UNAUDITED)

December 31, 2021

Partners

Grant McDonald, CPA, CA*
 Lee-Anne Harrison, CPA, CA*
 Anna Jones, CPA, CA*
 Joanne Novak, CPA, CA*

*incorporated



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members
 Greater Nanaimo Chamber of Commerce

We have reviewed the accompanying financial statements of the **Greater Nanaimo Chamber of Commerce** that comprise the statement of financial position as at **December 31, 2021**, and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

Independent Practitioner's Review Engagement Report

(Continued)

Practitioner's Responsibility (continued)

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of the Greater Nanaimo Chamber of Commerce as at December 31, 2021 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Church Pickard

CHURCH PICKARD

Chartered Professional Accountants

Nanaimo, B.C.
March 30, 2022

GREATER NANAIMO CHAMBER OF COMMERCESTATEMENT OF FINANCIAL POSITION as at **December 31, 2021**

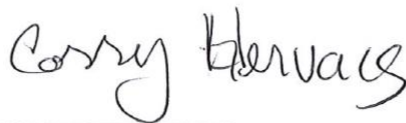
(unaudited)

	2021	2020
Assets		
Current		
Cash	\$ 182,079	\$ 111,751
Accounts receivable	10,896	17,074
Prepaid expenses	601	1,737
Other current assets - Note 3	<u>36,694</u>	<u>36,075</u>
	230,270	166,637
Internally restricted investments - Notes 3 and 10	883,842	24,260
Property and equipment - Note 2	<u>5,324</u>	<u>472,362</u>
	<u>\$ 1,119,436</u>	<u>\$ 663,259</u>

Liabilities and Equity

Current		
Accounts payable and accrued liabilities	\$ 13,066	\$ 11,717
Bursaries and scholarships - Note 4	10,011	9,849
Deferred revenue - Note 5	<u>106,773</u>	<u>60,358</u>
	129,850	81,924
CEBA loan payable - Note 9	40,000	30,000
Deferred capital contributions - Note 7	<u>-</u>	<u>159,693</u>
	<u>169,850</u>	<u>271,617</u>
Net assets		
Net investment in property and equipment	5,324	312,669
Internally restricted - Note 10	883,842	24,260
Unrestricted	<u>60,420</u>	<u>54,713</u>
	<u>949,586</u>	<u>391,642</u>
	<u>\$ 1,119,436</u>	<u>\$ 663,259</u>

Approved:



GREATER NANAIMO CHAMBER OF COMMERCE

STATEMENT OF OPERATIONS

For the year ended **December 31, 2021**

(unaudited)

	2021	2020
Revenue - Schedule 1	\$ 488,176	\$ 473,691
Direct expenses - Schedule 1	<u>117,585</u>	<u>120,410</u>
	<u>370,591</u>	<u>353,281</u>
Expenses		
Wages and benefits	232,362	205,112
Contractors	31,707	28,993
Repairs and maintenance	20,856	4,778
Office	18,638	18,351
Rent	15,372	-
Promotions and public relations	13,564	3,626
Utilities, telephone, and Internet	11,964	11,719
Professional fees	7,000	14,945
Property taxes	5,903	11,411
Interest and credit card fees	4,335	4,075
Insurance	4,083	3,012
Dues and membership fees	2,472	2,733
Board and volunteer expenses	499	334
Conferences and travel	<u>131</u>	<u>5,498</u>
	<u>368,886</u>	<u>314,587</u>
Excess of revenue over expenses before other items	<u>1,705</u>	<u>38,694</u>
Other items		
Amortization of property and equipment	(3,061)	(13,663)
Amortization of deferred capital contributions - Note 7	-	5,079
Gain on disposal of land and building	<u>559,300</u>	<u>-</u>
	<u>556,239</u>	<u>(8,584)</u>
Excess of revenues over expenses	<u>\$ 557,944</u>	<u>\$ 30,110</u>

GREATER NANAIMO CHAMBER OF COMMERCE

STATEMENT OF CHANGES IN NET ASSETS

For the year ended December 31, 2021

(unaudited)

	Investment in Property and Equipment	Internally Restricted	Unrestricted	Total 2021	Total 2020
(Note 10)					
Balance, beginning of the year	\$ 312,669	\$ 24,260	\$ 54,713	\$ 391,642	\$ 361,531
Excess of revenue over expenses, net of unrealised gain	-	-	557,944	557,944	30,111
Transfers	-	859,582	(859,582)	-	-
Amortization of deferred contributions	159,693	-	(159,693)	-	-
Amortization of property and equipment	(3,061)	-	3,061	-	-
Purchase of property and equipment	1,375	-	(1,375)	-	-
Disposal of property and equipment	(465,352)	-	465,352	-	-
Balance, end of the year	\$ 5,324	\$ 883,842	\$ 60,420	\$ 949,586	\$ 391,642

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GREATER NANAIMO CHAMBER OF COMMERCE

STATEMENT OF CASH FLOWS

For the year ended **December 31, 2021**

(unaudited)

	2021	2020
Cash provided (used):		
Operating activities		
Excess of revenue over expenses	\$ 557,944	\$ 30,110
Items not involving cash		
Amortization	3,061	13,663
Gain on disposal of building	(399,607)	-
Amortization of deferred contributions related to property and equipment	<u>(159,693)</u>	<u>(5,079)</u>
	1,705	38,694
Changes in non-cash operating accounts		
Decrease in accounts receivable	6,178	8,504
Decrease in prepaid expenses	1,136	16,083
Increase (decrease) in accounts payable and accrued liabilities	1,512	(14,894)
Increase (decrease) in deferred revenue	<u>46,415</u>	<u>(56,730)</u>
	<u>56,946</u>	<u>(8,343)</u>
Investing activities		
Purchase of GIC	(857,608)	-
Purchase of property and equipment	(1,375)	(2,617)
Proceeds on the sale of building equipment	864,958	-
Net Increase in Internally restricted investments	<u>(1,974)</u>	<u>-</u>
	<u>4,001</u>	<u>(2,617)</u>
Financing activities		
CEBA loan payable	<u>10,000</u>	<u>40,000</u>
Increase in cash	70,947	29,040
Cash, beginning of the year	<u>147,826</u>	<u>118,786</u>
Cash, end of the year	<u>\$ 218,773</u>	<u>\$ 147,826</u>
Cash is defined as:		
Unrestricted cash	\$ 182,079	\$ 111,751
Unrestricted investments	<u>36,694</u>	<u>36,075</u>
	<u>\$ 218,773</u>	<u>\$ 147,826</u>

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GREATER NANAIMO CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2021**

(unaudited)

Operations of the organization

The Greater Nanaimo Chamber of Commerce was incorporated on March 20, 1889 under the *Federal Board of Trade Act* as a not-for-profit organization. The organization is exempt from the *Income Tax Act* as long as it meets criteria for a not-for-profit organization. Its purpose is to bring together all elements of the business community into a single, influential, and respected voice for the greater Nanaimo region.

1. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

- Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date, and unrestricted cashable GIC's.

- Revenue recognition

The Chamber follows the deferral method of accounting for revenues. Revenues restricted for the purchase of property and equipment, and contributions of depreciable assets that would otherwise be purchased are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related property and equipment. Revenues with external restrictions are recognized as revenue in the year in which the related expenses are incurred. Revenues from events are recognized when the sale of service is provided and when the amount can be reasonably estimated and collection is reasonably assured. Revenues from memberships are recognized in the period that the memberships cover and when the amount can be reasonably estimated and collection is reasonably assured. Interest and rental revenue are recognized in the period in which they were earned.

- Donated property and equipment, materials, and services

Donated property and equipment, materials, and services are recognized in the financial statements when their fair value can be reasonably determined and they are used in the normal course of the organization's operations and would otherwise have been purchased.

GREATER NANAIMO CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2021**

(unaudited)

1. Significant accounting policies - cont.

- Property and equipment

Property and equipment are recorded at cost and amortized.

The cost for contributed property and equipment is considered to be fair value at the date of contribution. Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful life as follows:

Building	50 years
Highway sign	15 years
Furniture and equipment	5 years
Computer hardware	5 years

In the year of acquisition, amortization is recorded starting in the month the asset is brought into use.

- Investments

Short-term and long-term investments consisting of GICs are recorded initially and subsequently measured at fair value. Changes in fair value are recognized in net income in the period incurred.

- Use of estimates

The preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, requires management to make estimates and assumptions, mainly considering values, which affect reported amounts of assets, liabilities, revenue and expenses, and related disclosures. Amounts are based on best estimates, but actual amounts may vary from the amounts recorded. Significant areas requiring the use of management estimates relate to the determination of collectibility of accounts receivable, amortization of property and equipment, and provisions for contingencies. Adjustments, if any, will be reflected in operations in the period of settlement.

- Net assets internally restricted

The directors of the Chamber have internally restricted resources to be used for building-related purposes - Note 10.

GREATER NANAIMO CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2021**

(unaudited)

1. Significant accounting policies - cont.**- Financial instruments**

Financial instruments are recorded at fair value on initial recognition and subsequently measured at amortized cost. Changes in fair value are recognized in the statement of income and retained earnings.

Financial assets measured at amortized cost include cash, investments, accounts receivable, other assets and prepaids. Financial liabilities measured at amortized cost include accounts payable, scholarships and bursaries payable, deferred revenue, and accrued liabilities.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of income and retained earnings. Any previously recognized impairment loss may be reversed to the extent of the improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously.

Transaction costs in the statement of revenue over expenses and net assets are recorded in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance, or assumption.

2. Property and equipment

	Cost	Accumulated Amortization	Net 2021	Net 2020
Land	\$ -	\$ -	\$ -	\$ 108,765
Building	-	-	-	356,587
Highway sign	24,918	24,085	833	2,494
Furniture and equipment	9,873	8,599	1,274	1,846
Computer hardware	<u>8,627</u>	<u>5,410</u>	<u>3,217</u>	<u>2,670</u>
	<u>\$ 43,418</u>	<u>\$ 38,094</u>	<u>\$ 5,324</u>	<u>\$ 472,362</u>

GREATER NANAIMO CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2021**

(unaudited)

3. Investments

Investments consist of Guaranteed Income Certificates with interest rates of 1.50%, 0.35%, and 0.40% maturing on January 3, 2022; July 3, 2022; and June 4, 2022.

4. Bursaries and scholarships

	2021	2020
Balance, beginning of the year	\$ 9,849	\$ 17,541
Donations received during the year	9,162	8,808
Donations paid out during the year	<u>(9,000)</u>	<u>(16,500)</u>
	<u>\$ 10,011</u>	<u>\$ 9,849</u>

5. Deferred revenue

	2021	2020
Balance, beginning of the year	\$ 60,358	\$ 117,088
Amount received relating to the following year	106,773	60,358
Amount recognized as revenue during the year	<u>(60,358)</u>	<u>(117,088)</u>
	<u>\$ 106,773</u>	<u>\$ 60,358</u>

6. Government remittances

The Chamber has the following amount owing (receivable) for government remittances at December 31, 2021. This amount is included in accounts payable and accrued liabilities.

	2021	2020
GST	<u>\$ (3,011)</u>	<u>\$ (2,133)</u>

GREATER NANAIMO CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2021**

(unaudited)

7. Deferred capital contributions

Deferred capital contributions represent contributions received which are restricted for the building. The changes in the deferred capital contributions balance for the year are as follows:

	Cash	In-Kind	2021	2020
Balance, beginning of year	\$ -	\$ 159,693	\$ 159,693	\$ 164,772
Amounts amortized to revenue	-	(159,693)	(159,693)	(5,079)
Balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 159,693</u>

8. Government assistance

The Greater Nanaimo Chamber of Commerce received \$61,475 in government assistance during the year from the Canada Emergency Wage Subsidy (CEWS) and Canada Emergency Business Account (CEBA) enacted under the Federal government's COVID-19 response. The principal requirement for CEWS assistance is to have been impacted by revenue declines within designated four week periods with no repayment anticipated. See note 9 for details and requirements on CEBA loans.

9. Long-term debt

	2021	2020
Canada Emergency Business Account (CEBA) - Interest-free loan repayable by December 31, 2023 with potential forgiveness up to 25%; \$10,000 has been recognized as income in the current year for potential loan forgiveness	<u>\$ 40,000</u>	<u>\$ 30,000</u>

From and after December 31, 2023, interest will accrue on the unpaid principal (\$60,000 - \$20,000) amount of the CEBA Loan at the rate of 5% per annum. If the principal amount is not paid in full by December 31, 2023, the society will be required to repay the \$20,000 forgiveness portion plus accrued interest.

GREATER NANAIMO CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2021**

(unaudited)

10. Internally restricted

	2021	2020
Building reserve	<u>\$ 883,842</u>	<u>\$ 24,260</u>

11. Financial risks and concentration of risk

- Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Chamber is exposed to credit risk from customers and accounts receivable. However, the Chamber's business has a significant number of diverse customers which reduces the concentration of credit risk. Any likely bad debt loss has been provided for in the allowance for doubtful accounts.

12. Comparative figures

Certain balances of the prior year have been reclassified to conform to the current year's financial statement presentation.

GREATER NANAIMO CHAMBER OF COMMERCE

SCHEDULE OF REVENUE AND DIRECT EXPENSES

For the year ended **December 31, 2021**

	2021			2020
	Revenue	Actual Expenses	Net	Actual Net
				(Unaudited)
Membership	\$ 180,895	\$ -	\$ 180,895	\$ 150,000
Group insurance	38,164	-	38,164	38,000
BC Recovery Grant	19,834	-	19,834	-
Business handbook	31,266	13,746	17,520	14,400
Business Achievement Awards	26,750	20,030	6,720	-
Luncheons (net)	4,231	2,777	1,454	-
Christmas	12,581	11,119	1,462	-
Golf tournament	27,086	11,615	15,471	-
Highway signage	10,000	-	10,000	10,000
Rental income	2,915	-	2,915	2,600
Marcomm (formerly E-Blast!)	12,395	-	12,395	-
Other	18,980	15,203	3,777	(3,250)
CEWS revenue - Note 8	51,475	-	51,475	67,000
CEBA loan - Note 9	10,000	-	10,000	-
Seminars and workshops	-	2,986	(2,986)	-
Downtown Event Revitalization Grant	30,000	25,500	4,500	-
Interest earned	2,604	-	2,604	-
BC Chamber of Commerce	-	5,609	(5,609)	-
Marketing Connect	-	-	-	4,000
Restart and Recovery Grant	-	-	-	-
Bursaries and scholarships	9,000	9,000	-	-
Marketplace	-	-	-	-
	<u>\$ 488,176</u>	<u>\$ 117,585</u>	<u>\$ 370,591</u>	<u>\$ 282,750</u>
				<u>\$ 353,281</u>

CEO'S REPORT – KIM SMYTHE



PARDON US, IT'S OUR FIRST PANDEMIC...

I thought we'd hear a lot more of that, if not in the first year of the crisis, then certainly in the second. Instead, what we mostly heard was "I'm too busy banging out our future success to worry about it right now". An attitude and spirit that is evidenced by the survival and "thrival" rate among Nanaimo's business community.

Certainly, there have been losses and we hope that every one of those ended in a better place at the end of the day. Nanaimo's business license count increased in both of these pandemic years, so we know that people uncovered opportunities and found the confidence to invest in them to hopefully build a better business foundation for our growing community. As we learned from the recently delivered 'State of the Economy' report, Nanaimo is one of the most popular destinations for new residents in Canada's most popular in-migration province.

During the 'down time' of the pandemic, community and business leaders came together with the City to re-create a Tourism Nanaimo more reflective of local stakeholders and community interests; rebuilt an economic development corporation with shareholder and director-representation by major NGO's in the community in partnership with the City; engaged in a "City Plan" process involving thousands of hours of community input; announced investment in revitalization of downtown and Commercial Street; saw approval to add nearly 4500 homes to our residential inventory in Sandstone and the Bowers District. This must be some of the most significant progress our community has made in such a short time span for a very long time.

For the Chamber of Commerce's part, we feel ready to meet any challenge going forward, having met so many looking back. We don't believe we'll return to a 'pre-Covid world' as in February 2019. We've learned too much, we've found out how much more we can do, how we can adapt, how we can help each other, and how we can refocus our vision to find different pathways to success.

I thank members for their continued trust and support and for giving us permission to do the hard work of advocating with government to build a better community, providing opportunities to create connections within our community and strengthen relationships, and for helping us share information that's been vital to the economic resilience of many in Nanaimo since 2019. We look forward to serving Nanaimo and facing every challenge with confidence in 2022 and into our future.

CHAMBER COMMITTEES

Chamber Committee participation affords you the opportunity to share business knowledge and skills with like-minded individuals and engage in meaningful forward-thinking projects.

GOVERNMENT AFFAIRS COMMITTEE:

Purpose: To identify governance issues impacting our business community and to evaluate and address issues identified by members. Where appropriate, the committee establishes a position on issues and creates an action plan for conveying this position to the appropriate parties.

2021 Report: Provided guidance and support on many issues of a municipal nature related to city planning, social order, homelessness, community safety, downtown revitalization, and long-range economic development planning. The committee strengthened relationships with provincial and federal government leaders and advocated for the business community on many occasions on issues related to the pandemic, and relief for businesses.

Members: Joanna Hesketh, Carrie Chassels, Travis Wilson, Rhonda Heaslip, Arlene Rolston, Ian Anderson, Kim Smythe

EXTERNAL POLICY COMMITTEE:

Purpose: Develop recommendations to the BC & Canadian Chamber Boards to help shape public policy from a Nanaimo perspective at the regional, provincial, and federal level by crafting resolutions for the BC & Canadian Chamber policy conventions.

2021 Report: Authored three provincial policies –Aquaculture, Addressing the Barriers for Succession Planning, and Protecting our Infrastructure – Asset Management. All three policies were prior successful policies which were ready to be updated and resubmitted.

Members: Arlene Rolston, Ian Anderson, Aaron Surkan, John Winter, Kim Smythe

BURSARIES AND SCHOLARSHIPS TASK FORCE COMMITTEE:

Purpose: Research opportunities and make recommendations to the board for the disposition of funds for educational support assistance.

2021 Report: A total of \$8,000 was awarded: VIU (\$5,000), Nanaimo-Ladysmith Public Schools Foundation (\$2,000), and Leadership Vancouver Island (\$1,000). Support was greatly reduced this year with almost no events to fundraise for the Ralph Nilson Legacy Fund.

Members: Corry Gervais, Dan Kucherka, Ian Anderson, Aaron Surkan, Kim Smythe

NOMINATING COMMITTEE:

Purpose: To accept a list of nominees from the membership at large for the office of Director to fill vacancies on the Board and to vet nominees for presentation to the Board to be considered for election by membership.

2021 Report: This year, there were three nominees for four seats approved by the Board in 2022. We welcome Janice Krall (Nanaimo & District Hospital Foundation), Signy Madden (United Way of BC), and Judy Stephan (Nanaimo & Voyager Magazine)

Members: Shawna McPhillips, Corry Gervais, Nathan Seaward, Kim Smythe

ECONOMIC RECONCILIATION/SFN MOU TASK FORCE:

Purpose: To seek ways to bolster Indigenous economic development and integration of Indigenous peoples to the local economy.

2021 Report: Original plans and schedule for signing an MOU on hiatus while communities deal with the complications of the pandemic. Background work has been undertaken on development of an Indigenous Business Directory for the Mid-Island. We have consulted with the Victoria Harbour Commission on their experiences in creating theirs. We assigned our MBA intern and a contractor to focus on this project development during 2021.

Members: Erralyn Joseph, Kali Friday, Corry Gervais, Alan McDonald, William Litchfield, Kim Smythe

2021 NEW MEMBERS

- The View & Top Notch Burgers
- Antenna Management Corp
- Strong Nations Publishing Inc.
- Oceanside Painting and Marine
- Tatsumi Sakakibara Services
- Vancouver Island Self Storage Inc.
- Shannon's Urban Style Salon
- The Nanaimo Arts Council
- Nanaimo Brain Injury Society
- Rachel McBryan, Registered Dietician at Wise Eats
- Fisk Construction Inc.
- BFL Canada Insurance Services Inc.
- Mid Island Labour Services & Solutions
- Jemco Food Equipment Ltd.
- Whitecap RSC COVID Management
- Harbour Dance Studios
- Rawmbas Foods Wholesale Division Ltd.
- Ashley Travel
- Teamco Property Services
- O'Mahony Consulting
- Hook & Hook Designs
- Adept Copywriting Ltd
- Toastmasters – District 21
- Power Up Education
- StrasoSphere Online Inc.
- Adair Tree Service
- Vancouver Island Green Business Collective
- Megson Fitzpatrick Insurance
- Wildewood Health
- Breaking Chains Counselling
- Tourism Nanaimo
- Diamond Delivery
- MyGo Tours and Transportation
- Viraat BK Thammanna
- Tech Tree
- Octotech IT Management
- Brazilian Delicacies Inc.
- Westland Insurance (Cedar Road)

- Petroglyph Development Group
- Bradbury Sippel Law Corporation
- Andre's Electronic Experts
- Children's Health Foundation of Vancouver Island
- Tarmac International
- Adam Walker, MLA
- A Buyer's Choice Home Inspections
- Lango Living
- SalesUp Business Coaching
- Arbutus Fire Protection Ltd.
- Rise & Align Pilates Co.
- Sold On Staging
- Reusables Vancouver Island
- Emerald Maid Service Ltd.
- Core Geotechnical Inc.
- Detours: BC's Guided Tour Experts
- Lane McKay
- VI Gaming Support
- Vancouver Island Construction Association
- Tony Prem – VIU Faculty of Management, MBA Program
- Shaurya Ahuja – VIU Faculty of Management, MBA Program
- Prabheep Sambi – VIU Faculty of Management, MBA Program
- Malika Minotra – VIU Faculty of Management, MBA Program
- Ears to You
- AIE Management Inc.
- BugsBeGone Pest Services
- Nanaimo Yacht Club
- Call A Plumber Ltd.
- Danielle Baker
- Norgaard Kratofil Professional Group
- Design Smart Security
- Take A Hike Foundation
- Island Deaf & Hard of Hearing
- Kate Lin Photography