

MANDATE

Travel Nunavut will support, build, and grow the travel sector to the benefit of people in Nunavut. Travel Nunavut will grow membership and develop the industry in collaboration with partners.

VISION

A thriving and sustainable travel sector that enriches the quality of life for Nunavummiut.

MISSION

Travel Nunavut engages with partners, communities, and people to support and develop a thriving and vibrant travel industry. We lead the travel industry through training, marketing, and advocacy.

VALUES

Our values shape how we will work.

We will honour Nunavut and Inuit Culture in our work.

We value the land, the wisdom, and the natural and cultural heritage of the communities we serve. We are committed to building a culture reflective of Inuit values.

We will work with kindness.

We build positive relationships and honour diversity and inclusion in all that we do.

We will grow the industry through support and mentorship.

We recognize our important role in helping to educate and inform our industry partners.
We also recognize that building a sustainable tourism sector requires support and mentorship.

We will lead the way.

We acknowledge we are leaders in travel who work with partners, communities, and people to build our industry.

Travel Nunavut is governed by a board of directors that include representatives from the transportation, cruise, accommodations, arts, hunting & fishing, outdoor and travel trade sectors as well as representatives from the three regions for Nunavut.

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Travel Nunavut Overview

...we embarked on the development of a 5-year strategy to ensure our organization is approaching the next several years with growth in mind ravel Nunavut is a not-for-profit tourism industry association that provides a number of support services to their members. Travel Nunavut is focused on creating economic and social prosperity for Nunavummiut through sustainable growth of the travel industry. It does this through offering training and support for members as well as marketing and promoting its members and their products.

In 2022-23 years Travel Nunavut assumed the Acting role of the Destination Marketing function, temporarily assuming responsibility for marketing not just their members, but the Territory as a destination as well.

Following the assumption of this role, they embarked on the development of a 5-year strategy to ensure the organization is approaching the next several years with growth in mind and prepared to support members in the changing travel and tourism sector. In this process, they refined their mandate, vision and mission and defined their values as an organization as well as set the goal of developing an industry that contributes \$1 Billion dollars to Nunavut's economy by 2030.

CEO's Report

he 2022-23 fiscal year was a busy year for Travel Nunavut as we continued to advocate on behalf of our members still recovering from the economic impacts of the 2020-21 COVID-19 pandemic. We are encouraged by the return of travellers to the Territory but know there is still lots of work to do to keep attracting the ideal tourist for our member's products. The potential of this sector for Nunavut is huge and as such we must continue to push for support from the appropriate organizations to grow the travel and tourism sector.

The biggest change to our operations in 2022-23 was undertaking the Acting Destination Marketing Organization role on behalf of the Government of Nunavut - Economic Development & Transportation (ED&T). While ED&T was undergoing some changes at Destination Nunavut, Travel Nunavut's Executive committee temporarily undertook this role again. (We previously were the DMO from 1999 - 2015). We were pleased to step into this role and use the limited resources to effectively position Nunavut as an ideal travel destination. In this capacity, we participated in Destination Canada and Indigenous Tourism Association of Canada joint marketing campaigns. As well, we coordinated a joint attendance and forged ahead with attending shows like RVC and Canada Europe showcase all to get our member's information products and services into travel trade and ultimately the consumer's hands.

We continued to lead the way in training and hosted several courses including Wilderness First Aid and cruise-ready workshops. We also held a Tourism Town Hall with Destination Canada and ITAC presenting to our membership.

Perhaps the pinnacle highlight of the past year is developing a 5 year strategic plan that will shift

our sector focus to be more inclusive of the travel sector as a whole. It provides a pathway to achieving the goal of seeing the industry grow to be worth 1 billion, employing 5000 workers by 2030. This plan was developed in late 2022-23 and implementation has begun. In order to inform the plan, we identified we needed baseline data to understand who the customers for travel to Nunavut are. For the first time a year-round exit survey out of the gateway hubs of Cambridge Bay, Rankin Inlet and Igaluit as well as exit cities such as Edmonton, Winnipeg, Yellowknife, Ottawa and Montreal is being collected. We share the initial data later in the appendix of this report but it's giving us a fulsome picture of the services being used by travellers - both from outside of Nunavut and those who travel within Nunavut.

We continue to sharpen our digital marketing efforts, adding consumer focused email marketing and remarketing to our plans. Remarketing is when someone who has visited our website or engaged with us online in some way is later served up advertising for specific Travel Nunavut members or products.

Maintaining a focus on and strong connection with our members is still at the core of what we do and while numbers may fluctuate each year, one thing holds true: 90% of our members renew each year and most importantly, we see our Inuit-owned business grow each year, with new businesses opening up monthly. The future is bright for the travel industry in Nunavut.

Lastly, we would not be able to do the work we do without the support of partners. We're excited by the engagement we continue to have with Nunavut Tunngavik Incorporated and the regional Inuit associations. We are grateful and appreciative for the funding support from GN ED&T, and project funding from CanNor, ITAC, and TIAC, we thank them all.

I encourage you to read the full annual report to get a full picture of the work we did this year.

Organizational Priorities for 2022-23

- Identify new opportunities within the local and regional market
- Form strategic partnerships to leverage funding support and to create new business opportunities
- To promote training and business development support to Travel Nunavut members to help them take advantage of these opportunities
- To develop tour packages/product offerings that meet the needs of the local market
- To partner with local hotels to create overnight packages for regional and domestic travellers
- To build special experiences around festivals, community events and conferences

Travel Nunavut 2022-2023 Annual Report



Marketing Goals

Our overall goal is to build awareness and generate sales for Travel Nunavut members who offer tourism products and services in Nunavut and increase the number of visitors from the domestic market and support rebuilding services to attract the international markets.

The 2022-23 year was an exciting year for marketing at Travel Nunavut. With the additional DMO responsibilities, our marketing focus shifted slightly to include a broader awareness in the marketing funnel. As a result, we held true to the goals from the marketing plan, with the expanded role of destination marketing.

Specifically, our marketing efforts are aimed at achieving the following:

- Develop advertising promotions that target Nunavut residents, with a focus on digital marketing.
- Ensure Travel Nunavut has an active presence on all key digital platforms (Facebook, Instagram, TripAdvisor).
- Provide opportunities for members of Travel Nunavut to participate in cooperative marketing campaigns.
- Identify cooperative marketing opportunities with Destination Canada (DC), Destination Nunavut, and the Indigenous Tourism Association of Canada (ITAC) in an effort to promote Travel Nunavut members.
- Partner with other businesses, such as the airlines and hotels, to support the development of tourism packages.

Marketing Activities

Operator Websites - Expanded Offerings

While the operator website project formally wrapped up in the 2021-22 year, Travel Nunavut wanted to continue to build on its success by supporting members with website development when requested. This project has helped a number of our operators increase their digital presence which is essential to business operations. The support work that continued into 2022-23 included: developing marketing plans for a few operators, installing Google Analytics 4 on all members' websites built under this program and continuing to host and maintain these sites from a technical perspective. Work was started on one more website in 2022-23 for Kivalliq Expediting Tours and it should launch in 2023.

Digital Marketing Training

Thanks to funding provided by CanNor, operators had the opportunity to undergo an audit of their digital marketing presence during the 2020-2022 years. Travel Nunavut completed more of these audits as a service to members including Northwinds, VDPro and NuBrew again. Each audit included a deep dive into websites based on SEO practices, social media accounts and overall digital presence.

Content Development

The Travel Nunavut website continues to adapt and attract potential tourists to our member operators. We continue to encourage our members to keep their profiles up to date with some exciting packages. Packages are the central focus of the

traveller looking to book a trip. Our aim is to ensure the Travel Nunavut website offers all the information a traveller needs to book a package in Nunavut.

We continue to add more quality content to our website to support our members and their businesses. A content audit was undertaken in 2021 on the Travel Nunavut website. The audit looked at the content currently on the website, the website's top keywords and potential keywords to rank for. New content was developed in 2022-23 including seasonal attraction stories and itineraries for Iqaluit which is a frequently requested item. In the coming year the site structure will be changed to feature more destination marketing prominence and shorten the time it takes from when someone lands on the website to when they can book an activity.

North of 60 Certificates

With the return of visitors in 2022-23, Travel Nunavut designed a digital North of 60 Certificate. A frequently requested item from travellers, this digital option makes it easier for travellers to share on their own social media channel that they have been to Nunavut. Members can also request the link to send to their own clients following their trips.

Member Promotion Video

Video is king for online content and Travel Nunavut is invested in making member focused videos. This year, four videos were made featuring member businesses. Clips of the overall videos were used as promotion to feature the member business and also used to attract new members to Travel Nunavut.

Globe and Mail Co-op Buy

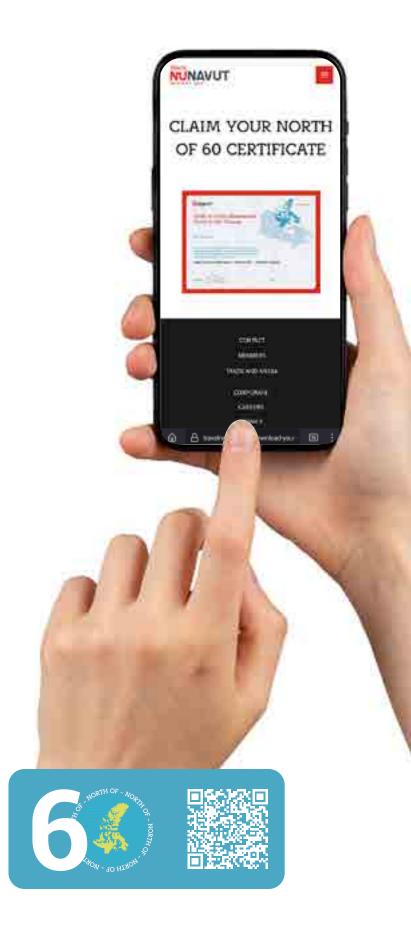
A Globe and Mail Co-op buy was undertaken in 2022-23. The buy featured conference and business travel and included a full page article plus a digital article that received millions of views. Three member businesses bought into the conference one and one culinary business bought into a culinary focused one that will run in 2023. The feature on conferences resulted in 3 bookings.

Traveller Data Collection

One of the ongoing struggles for us as an organization is to understand the buyer's journey for planning a trip. This has become heightened since COVID as the traveller journey has changed significantly. To help with our understanding of this, we've undertaken three rounds of a traveller survey in 2022-23 and it will continue into 2023. You can see the results of this in Appendix A - visitor profiles.

Email Marketing

This year, Travel Nunavut finally launched our email marketing program. We have been collecting emails for this for several years in anticipation of starting in the 2022-23 year as per the marketing plan. We have seen great engagement and have grown the subscribers list through paid ads and organic sharing of the newsletter. This is a targeted opportunity for members to share their packages with an audience that has a high level of interest in travelling to Nunavut. The email marketing also shares general information about Nunavut. Results are covered in the following section.







With travel and tourism marketing it can be challenging to evaluate your marketing efforts because it can be a time from when someone receives the messaging to when they take a trip. Therefore, it's important to focus on measuring the success of marketing using metrics that help provide insight to the success. These metrics are set out in the marketing plan at a high level and refined each year based on budget. They are tracked closely throughout the year, with monthly reporting providing insight on successes. While Travel Nunavut does not sell anything on its site, a conversion is considered when someone clicks "Contact" to a member's website and this year we saw an increase in this action - which is fantastic. The following metrics (KPIs) were set and the results are provided below.

CHANNEL	КРІ	2022-2023 RESULTS	INVESTMENT
Display	Increase the Click through rate by 45% 2021-2022 - 0.94% 2022-2023 - 1.50% (Goal)	CTR 0.88%	\$25,483
Paid Search	Increase the Click through rate by 22%. 2021-2022 - 4% 2022-2023 - 5% (Goal)	CTR 8.93%	\$51,296
Paid Social	Increase the Click through rate by 42% 2021-2022 - 0.63% 2022-2023 - 0.90% (Goal)	CTR 0.92% CPC \$0.35	\$28,400
Organic Social	Achieve CPC of \$0.65 Increase following by 4% across all platforms for a total of 8K Instagram followers & 14.5K	CTR 7.55%	\$30,000
TikTok	Facebook followers Create a new marketing channel for quality traffic	COMPLETE	\$6,800

8 1 % Increase in contact member conversions





Paid Advertising

While our click through rates in display were not where we wanted them to be, the strong improvements in the "Book Now" ads (up 21%) suggest that we were able to capture more qualified leads. We continue to learn more about what type of creative content captures the market and this includes landscape photos as well as clear calls to action such as "Book the best things to do in Nunavut."

Paid search remains a steady and stable source of traffic to our website and grew conversions. Fishing and Hiking drove the greatest inquiries to members, a total of 3,000 (and for the lowest cost at \$0.42 per click) while users who entered via a Wildlife Viewing ad converted at over 17%. Top ad copy messaging included: All the ways to travel to Nunavut and Welcome to Nunavut

Organic Website Performance

In addition to watching and reporting on paid results, organic performance is a great indicator of consumer intent as well. In 2022/23 Organic traffic to the website improved by 16%. The bounce rate (how frequently someone leaves the website within the first 10 seconds of landing) declined by 84% (dropping to be 40.73%). As well, we saw improvements in time on site (+23% to be 2 minutes) and an 81% increase in contact member conversions.

- Top page views come from the following pages:
 - 10 facts about narwhals
 - Homepage
 - People of Nunavut
 - · How to Get Here
- 92% of organic traffic came from Google,
 5% from Bing and the remaining 3% is from various other search engines



4 3.8% (14,809 total)

(7.172 total)



Organic Social Media Results

Our social media channels remain key in engaging with potential travellers. In 2022-23, we merged our channel to be only one that focuses primarily on awareness of operators and activities. This meant deactivating the channel that targeted members directly. This decision was made to avoid market confusion as well as to focus resources on where they can have the most impact. That decision has paid off with not only an increase in followers but in reach and engagement.

Travel Nunavut continued our partnership with Destination Nunavut on a co-branded TikTok Channel as a pilot project and achieved the following results:



Email Marketing

This year, email marketing was added to the Travel Nunavut marketing program with great success. From November to March, "Newsletter Sign-up" ads and a website pop-up encouraging people to subscribe for Travel Nunavut's monthly were launched. The audience was segmented by interest:

Adventure & Outdoors, Art & Culture, Attractions & Sightseeing, Food & Drink, Nature & Wildlife, Winter Activities, Summer Activities.

From the launch of its newsletter, Travel Nunavut's subscribers increased by 215% within 6 months. 90% of subscribers were from the email pop-up on the website. 10% were from Facebook ads.

Newsletter #1 was delivered to 532 recipients in December 2022. Achieving an open rate of 37.4% (above the audience average of 28%). While Newsletter #2 achieved an open rate of 55%. Member packages were amongst the top three clicks received via the newsletters.



435
Contacts
at start







764 Clicks

557 Subscribers (from landing page)

1901 TOTAL AUDIENCE

NEWSLETTER #1

SUBJECT: If adventure had an address, it would be Nunavut

TARGET AUDIENCE: Travel Nunavut

	SUCCESSFUL DELIVERIES								
532	377	155	141	37.40%	237	19	5.04%	30	2

NEWSLETTER #2

SUBJECT: Start Planning Your Trip to Nunavut

TARGET AUDIENCE: Travel Nunavut

	SUCCESSFUL DELIVERIES								
1740	1655	85	932	56.31%	1626	202	12.21%	402	13



Business Resources

...Travel Nunavut provides support to members to attend key consumer and travel shows. In 2022-23 we supported 5 members to attend and promote their products at the Montreal Outdoor Adventure Show, Toronto Outdoor Adventure Show and RVC.

TN Website

You can find member benefits, membership applications as well as a place to promote packages. The website has depended on Simpleview as the CRM for members to get information about their packages and offerings onto the website. In 2022-23, the transition to IDSS/Tempest began and will be fully integrated to the website in the 2023-24 year.

CRM

As mentioned above, Travel Nunavut has a CRM that allows members to add their products for listing on our website. This information is further promoted through our marketing initiatives.

Training Material

TN has a variety of guides, videos and books on operating a tourism business, sample policies/procedures and sample packaging. We now offer online tourism industry training in partnership with Emerit and Clean It right. We have also been able to add Financial Support Services to our member benefits.

Members Newsletter

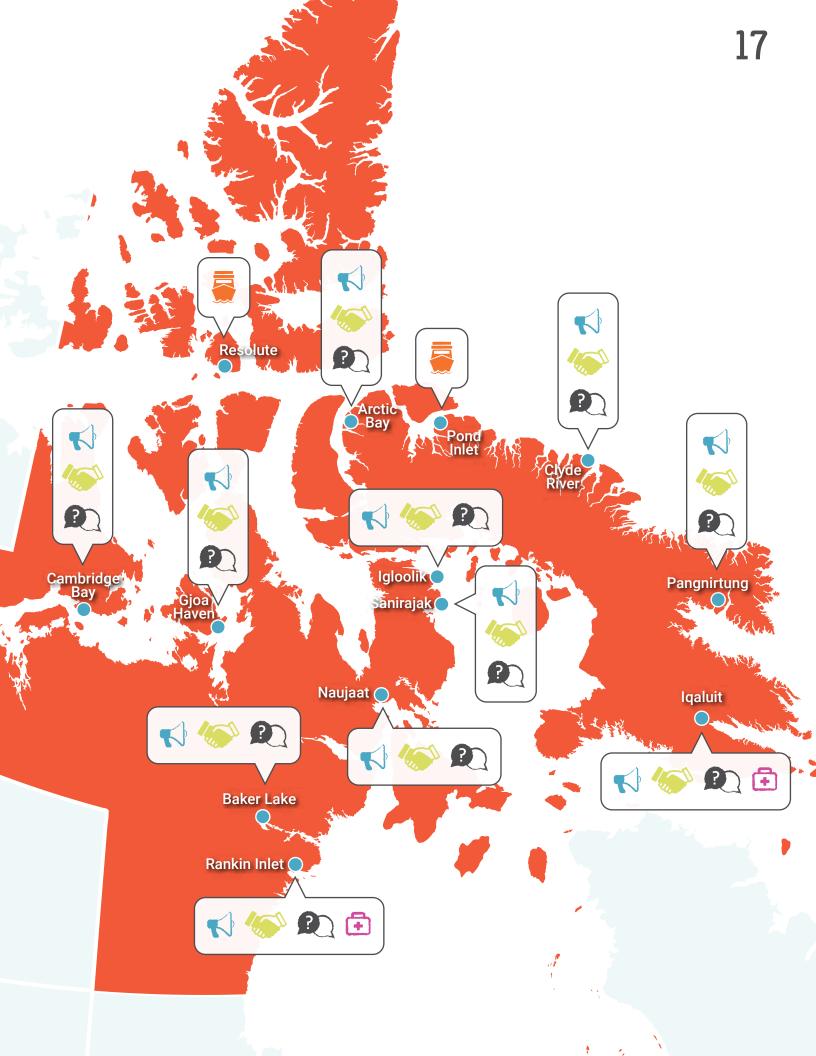
TN sends out a newsletter to members monthly with useful information and updates on the sector and organization.

Workshops & Member Training

Travel Nunavut was able to host workshops and training in 14 communities and trained 136 people in the 2022-23 year.

PROGRAM	COMMUNITY	INUIT	NON- INUIT	TOTAL
Customer Service	• Iqaluit • Sanirajak	21	0	21
	• Pangnirtung • Naujaat			
	• Arctic Bay • Baker Lake			
	• Clyde River • Gjoa Haven			
	• Igloolik • Cambridge	Bay		
Professionalism	• Iqaluit • Sanirajak	40	10	50
Workshop	• Pangnirtung • Naujaat			
211	• Arctic Bay • Baker Lake			
	• Clyde River • Gjoa Haven			
	• Igloolik • Cambridge	Bay		
Marketing Workshop	• Iqaluit • Sanirajak	22	2	24
	• Pangnirtung • Naujaat			
	• Arctic Bay • Baker Lake			
	• Clyde River • Gjoa Haven			
	• Igloolik • Cambridge	Bay		
Financial Training	No data provided	4	0	4
\$				
Legal Service	No data provided	3	0	3
ठाँठ				
Advanced Wilderness	• Iqaluit • Rankin Inlet	12	0	12
First Aid Training				
+				
Cruise Ready! Community	• Resolute • Pond Inlet	18	4	22
Preparedness Workshops				





SimpleRes

We continue to add accommodation members to SimpleRes to make it easy for travellers to book directly with members.

FAM Trips

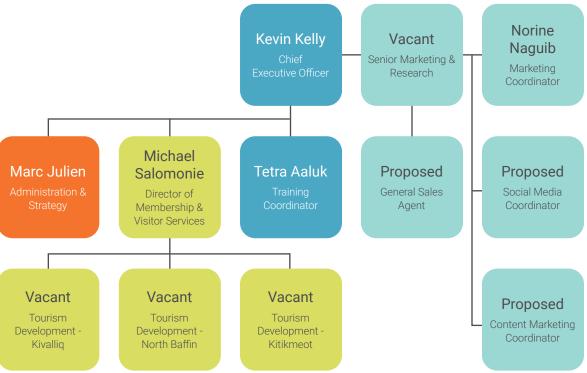
TN offers members the opportunity to showcase their business by bringing in photographers, bloggers and journalists. In 2022-23, we supported Jenny Wong visiting Arctic Bay Adventures.

Trade Shows

Travel Nunavut provides support to members to attend key consumer and travel shows. In 2022-23 we supported 5 members to attend and promote their products at the Montreal Outdoor Adventure Show, Toronto Outdoor Adventure Show and RVC.

Staffing Updates

ravel Nunavut continues to strengthen its organization through recruiting and staffing. The organization has not been immune to the challenges facing the entire sector which includes frequent turnover and high competition for workers, and shortage of housing in the city. In spite of this, Travel Nunavut has focused on building a workplace that is attractive with its flexibility and exciting work. In 2022-23 we welcomed two new staff - Michael Salomonie into the role of Member Coordinator and Norine Naguib into the position of Marketing Coordinator. In addition to these roles, the organization developed a new organizational chart to support its strategic plan. When funding allows, the below organization chart will be filled.



Inuit Employment Plan

ravel Nunavut has a priority hiring policy for Inuit who meet the qualifications of a position. This policy applies to all positions within the organization. We are pleased to share that we had 1 Inuk join our team in the 2021-22 year. And have 2 Inuit in positions at the end of the 2022-23 year.

Language Plan

Travel Nunavut has a language plan in place that is provided by the Language Commissioner. This plan ensures that communication to members is translated into Nunavut's official languages.

Travel Report

CEO TRAVEL

Tourism HR Canada conference

April 26 to 29, 2022 (Ottawa)

RVC Toronto May 24 to 28, 2022 (Toronto)

Kivalliq Trade Show

September 26 to 28, 2022 (Rankin Inlet)

TIAC Congress November 20 to 25, 2022 (Ottawa)

Toronto Outdoor Adventure Show

February 23 to 26 2023 (Toronto)

Montreal Outdoor Adventure Show

March 23 to 28 (Montreal)

STAFF TRAVEL

Rendez Vous Canada May 30 to June 1, 2022 (Toronto) - Kevin Kelly and Leslie Beck

Cruise Ready Workshop

June 27 and 28, 2022 (Pond Inlet) - Marc Julian

Cruise Ready Workshop August 30 and 31, 2022 (Resolute) - Marc Julian

Kivalliq Trade Show September 25 to 30, 2022 (Rankin Inlet) - Kevin Kelly & Marc Julian

Northern Lights Trade Show & Conference January 30 to February 2, 2023 (Ottawa) -Kevin Kelly & Tetra Aaluk

ITAC Planning Meeting February 2023 (Whitehorse) - Michael Salomonie & Marc Julian

Kitikmeot Trade Show February 15 to 17, 2023 (Cambridge Bay) - Marc Julian and Tetra

(Toronto) February 23 to 27, 2023 (Ottawa) -Michael Salomonie & Kevin Kelly

ITAC Conference March 8 to 10, 2023 (Winnipeg) - Marc Julian and Tetra

Montreal Outdoor Adventure Show March 23 to 28, 2023 (Montreal) - Kevin Kelly & Marc Julian

Annual General Meeting

ur bylaws set out the rules for nomination and voting and are available on our website or upon request. Call for nominations for open board positions (Transportation Sector Rep, Arts & Culture Sector Rep, and Travel Trade Sector Rep) went out on August 22nd, 2022 and closed September 9th, 2022. Only the Arts & Culture sector had multiple candidates (3) and required voting. Voting opened on September 12th, 2022, and closed on October 8th, 2022.

New members

Voted on to the board on October 8, 2022 were:

- Transportation Sector Tara Elder-Young (Calm Air) - Term-ends 2025,
- Arts & Culture Sector Jessica Kotierk (Nunatta Sunakkutaangit Museum) – Term-ends 2024,
- Travel Trade Sector Carole Gobeil (Far Horizons) - Term- ends 2024



Existina members

They join existing board members of:

- Hunting Fishing Shane Black (Canada North Outfitting) –
 Term ends 2023 (resigned January 2023)
- Cruise Sector Jason Edmunds (Adventure Canada) – Term ends 2023
- Accommodation Sector –
 Ed Romanowski (Frobisher Inn) –
 Terms ends 2025
- Kivalliq Region Sector Rep Jack Ediger (Inns North) – Term ends 2023
- Kitikmeot Region Sector Cynthia Enne (Illu Inc) – Term ends 2024
- Qikiqtaaluk Region –
 Sarah McNair Landry (Northwinds Arctic Expeditions) – Term ends 2025
- Outdoor Adventure Martine Dupont (Inukpak Outfitting) – Term ends 2025
- Ex-officio David Monteith
- Ex-officio Tim Brown

The 2022–23 Travel Nunavut AGM and Conference was an in-person event held at the Aqsarniit Hotel and Conference Center, with special sessions at NuBrew and Black Heart. The newly elected board and the new members were also introduced and held their first meeting. At this meeting the executive was voted to be:

- · Chair Ed Romanowski
- · Vice-Chair Jason Edmunds
- · Secretary/Treasurer Jack Ediger

At the AGM the following business was conducted:

Presentation of Audited Financial Statements

- Total revenue 2022-year end increased \$77,833.00
- Membership revenue declined \$43,173
- CanNor funded projects \$11,581
- Current assets \$927,000 total current liability \$319,000

Motion: to approve financial statements from April 1st, 2021 – March 31st, 2022

Moved by: Jason Edmunds Seconded by: Carole Gobeil

Appointment of auditor for 2022/2023

Travel Nunavut is required to have their financial statements audited each year.

Motion: to have Travel Nunavut choose an auditor and negotiate fees for March 31st, 2023

Moved by: Sheila Flaherty

Seconded By: Jason Edmunds

Board Meetings

The board conducted their business at regular meeting throughout the 2022-2023 year and met on the following occasions:

- April 20th, 2022
- · May no quorum
- June 22nd,2022
- July and August no meetings
- September 2022
- October 19th, 2022
- November 26th, 2022
- December 13th, 2022
- January 18th, 2023
- February 15th, 2023
- March 15th, 2023

Advocacy

key part of our role is to advocate on behalf of our members on issues or topics that impact the sector. This year, we were active on several advocacy files including:

- Encouraging governments to provide ongoing business support for Post COVID including supporting the extension of CERB repayments
- Positioning for DMO Marketing/Functions to be undertaken by Travel Nunavut
- Request the Government of Nunavut provide support to us as the Industry organization for Training
- Developing a strong partnership with both Canadian North and Calm Air for discount codes for members
- Developed a new five year strategy that focused on the economic benefit of the travel sector to Nunavut.



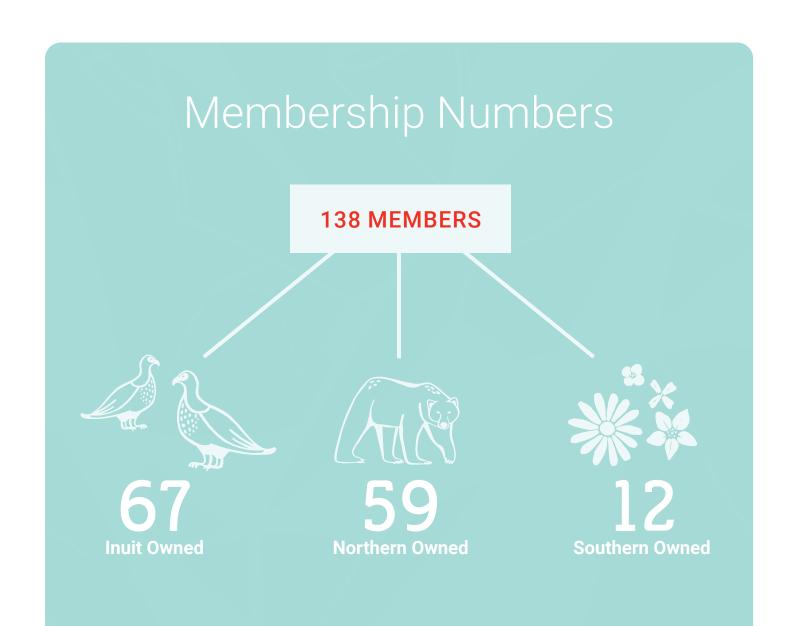
Membership

The backbone of our organization is our members. Everything we do is done with the needs of our members first and foremost. While we always aim to increase the number of members, we understand there is only a finite number of those working in the tourism sector. In 2022-23 and into 2023-34, we've expanded our focus to bring in those in the travel sector as well as others that often provide services needed for the tourism sector to thrive. This includes taxis, retail outlets, spas and other type services.

Our membership numbers remain steady and strong. We continue to aim to increase our Inuit owned business membership and Northern owned business members and are pleased to see the membership numbers in these areas grow.

Member Product Development

As we grow, it's important we develop products for the ideal visitors to Nunavut. In 2022-23, our members had a total of 89 packages that were offered by 22 of our members





Marketing Assistance Program

31 applications were approved and a total of \$31,000 was granted to:







The marketing assistance program provides up to \$1,000 at the end of each fiscal year towards the cost of marketing activities such as advertising campaigns, brochures, attendance at trade shows and more.

Check In Canada

We have continued our partnership with Check-In Canada, an online booking platform created by the accommodation sector that aims to enhance the guest experience while driving economic prosperity for Canada's tourism and hospitality industry. The platform drives direct bookings by connecting consumers directly to listed properties' online reservation systems, improving guest experience, reducing acquisition costs, and enabling properties to build a direct one-on-one relationship with guests. We now have 44 member businesses listed.

Summary

Total Visitors	13,311
Total Search	5,718
Total Impressions	155,874
Total Referral	1,419
Total Referral Amount	\$668,625
Estimated Booking Count	213
Estimated Booking Revenue	\$100,294





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Independent Auditors' Report

To the Board of Directors of the Nunavut Tourism

Opinion

We have audited the financial statements of the Nunavut Tourism (the Society), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2023 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 Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society 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.

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 the financial statements that are free of material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditors' 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 auditors' 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 Society'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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Society 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Iqaluit, Nunavut September 25, 2023 Chartered Professional Accountants Lester Landau Accounting Professional Corp.

NUNAVUT TOURISM STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2023

	Association Operations & Management (Schedule I)		I	CanNor Projects Phedule II)	Total 2023	Total 2022
Revenues						
Government of Nunavut	\$	1,421,667	\$	-	\$ 1,421,667	\$ 1,137,919
Repayment		1 401 ((7			 1 421 667	 (44,422)
Deferred government assistance		1,421,667		-	1,421,667	1,093,497
(Note 8)		699		_	699	670
(Note 8)	-	1,422,366			 1,422,366	 1,094,167
Federal government funding		-		297,202	297,202	141,028
Memberships		35,746		-	35,746	43,175
Other revenue		90,334		8,000	98,334	47,870
		1,548,446		305,202	1,853,648	1,326,240
Expenses (Note 10)						
Administration		90,648		-	90,648	111,470
Board governance		97,380		-	97,380	88,635
Office rent and equipment		154,990		-	154,990	150,026
Human resources		349,210		-	349,210	296,834
Marketing		239,599		-	239,599	262,237
Member services		216,605		-	216,605	240,598
Project costs - direct		416,796		419,718	836,514	188,021
Project costs - allocated		(23,868)		23,868	 	 -
		1,541,360		443,586	 1,984,946	 1,337,821
Excess expenses over revenues						
before other item		7,086		(138,384)	(131,298)	(11,581)
Transfer from O&M to projects		(7,086)		7,086	 _	
Excess expenses over revenues	\$		\$	(131,298)	\$ (131,298)	\$ (11,581)

NUNAVUT TOURISM STATEMENT OF CHANGES IN FUND BALANCES FOR THE YEAR ENDED MARCH 31, 2023

		General <u>Fund</u>		sted in Assets	Asset I	Replacement Fund		Total <u>2023</u>		Total 2022
Balance, opening	\$	561,390	\$	398	\$	43,544	\$	605,332	\$	616,913
Excess expenses over revenue		(131,298)		-		-		(131,298)		(11,581)
Purchase of capital assets		(23,942)		23,942		-		-		-
Amortization of government assistan	ice	(699)		699		-		-		-
Amortization	_	4,172		<u>(4,172</u>)			_			
Balance, closing	\$	409,623	\$ 2	20,867	\$	43,544	\$	474,034	<u>\$</u>	605,332

NUNAVUT TOURISM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2023

	<u>2023</u>	<u>2022</u>
<u>Assets</u>		
Current Cash and cash equivalents (Note 3) Accounts receivable (Note 4) Prepaid expenses	\$ 631,401 499,450 15,083 1,145,934	\$ 637,467 274,594 12,074 924,135
Capital assets (Note 6)	22,671	2,901
	<u>\$ 1,168,605</u>	\$ 927,036
<u>Liabilities</u>		
Current Accounts payable and accrued liabilities (Note 6) Deferred revenue (Note 7) Deferred government assistance (Note 8)	\$ 672,007 20,760 692,767 1,804 694,571	\$ 291,428 27,773 319,201 2,503 321,704
<u>Net assets</u>		
General fund Invested in capital assets Asset replacement fund	409,623 20,867 43,544 474,034 \$ 1,168,605	561,390 398 43,544 605,332 \$ 927,036
Commitments (Note 11)		-
APPROVED BY THE BOARD:		
Chairperson	Secret	ary/Treasurer

NUNAVUT TOURISM STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

		<u>2023</u>	<u>2022</u>
Operating Activities			
Excess expenses over revenue	\$	(131,298)	\$ (11,581)
Items not requiring (providing) cash: Amortization of capital assets		4,172	1,417
Amortization of deferred government assistance Loss on disposal of capital assets		(699)	(670) 2,359
Loss on disposar of capital assets		(127,825)	(8,475)
Cash provided by (used for) changes in non-cash working capital	:		
Accounts receivable		(224,856)	215,764
Prepaid expenses		(3,009)	1,662
Accounts payable and accrued liabilities		380,579	(75,818)
Deferred revenue		(7,013)	(12,255)
		17,876	120,878
INVESTING ACTIVITIES			
Purchase of equipment		(23,942)	
Increase (decrease) in cash and cash equivalents		(6,066)	120,878
Cash and cash equivalents, opening		637,467	516,589
Cash and cash equivalents, closing	\$	631,401	\$ 637,467

NUNAVUT TOURISM NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

1. NATURE OF THE SOCIETY

Nunavut Tourism is a not-for-profit society whose mission is to facilitate tourism marketing for Nunavut and to provide support and services to the membership resulting in an increase in tourism visitation to Nunavut. The society commenced operations on September 15, 1995 and is incorporated under the *Societies Act* of Nunavut.

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

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

(a) Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the valuation of accounts receivable and the estimated useful life of property and equipment. Actual results could differ from those estimates.

(b) Cash and cash equivalents

Cash and cash equivalents are comprised of bank account balances net of outstanding cheques and short term highly liquid investments that are readily convertible to cash.

(c) Financial Instruments

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

Financial assets measured at amortized cost include cash and cash equivalents and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

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

NUNAVUT TOURISM NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Fund Accounting

The General Fund accounts for the society's general operating and administrative activities. Invested in Capital Assets contains all the society's capital asset transactions. The Asset Replacement Fund represents the net appropriation of surplus amounts set aside by the Board of Directors for specific purposes.

(e) Capital Assets

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Furniture and equipment 20% declining balance
Computers and audio-visual equipment 30% declining balance
Media displays 30% declining balance
Leasehold improvements straight-line over the lease term

(f) Deferred Government Assistance

Deferred government contributions represent restricted contributions for the purchase of capital assets and are amortized at the same rates as the assets to which they relate.

(g) Revenue Recognition

The society follows the deferral method of revenue recognition for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions in kind are recorded at their estimated fair value at the date of contribution, where the value can be reasonably estimated. Revenue from merchandise sales is recognized at the point of sale.

(h) Expense Allocations

The society allocates expenses using the following method. Expenses which are wholly attributable to a particular program are charged directly to the appropriate program. Expenses that are attributable to more than one particular program are allocated based on a percentage method at a rate deemed appropriate by management.

(i) Contributed services

Volunteers contribute time to the society in carrying out its service delivery activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

NUNAVUT TOURISM NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

3. CASH AND CASH EQUIVALENTS

		<u>2023</u>	<u>2022</u>
Cash in bank Guaranteed investment certificate (GIC)	\$	580,901 50,500	\$ 637,467 0
	<u>\$</u>	631,401	\$ 637,467

The GIC is redeemable, earning interest at 1% per annum, maturing April 2023.

4. ACCOUNTS RECEIVABLE

	<u>2023</u>	<u>2022</u>
Government of Nunavut Government of Canada	\$ 377,417 82,380	\$ 205,578 69,016
Trade receivables	 39,653	 0
	\$ 499,450	\$ 274,594

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2023	Net Book Value <u>2022</u>
Furniture and equipment \$ Computers and	40,015	\$ 37,694	\$ 2,321	\$ 2,901
audio-visual equipment	3,292	494	2,798	-
Leasehold improvements	177,529	177,529	-	-
Media displays	20,650	3,098	17,552	
<u>\$</u>	241,486	<u>\$ 218,815</u>	\$ 22,671	\$ 2,901

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in the accounts payable and accrued liabilities balance is \$43,378 (2022 - \$14,046) of government remittances payable.

NUNAVUT TOURISM NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

7. **DEFERRED REVENUE**

	<u>2023</u>	<u>2022</u>
Membership fees	\$ 20,760	\$ 27,773

8. DEFERRED GOVERNMENT ASSISTANCE

	<u>2023</u>	<u>2022</u>
Deferred government assistance - beginning of year Government assistance recognized during year	\$ 2,503 (699)	\$ 3,173 (67 <u>0</u>)
Deferred government assistance - end of year	\$ 1,804	\$ 2,503

Government contributions for capital assets are recognized into income at the same rate as the assets to which they relate are amortized.

9. FINANCIAL DEPENDENCE

The society receives the majority of its funding from the Government of Nunavut. Without the continuing support of the government, the society would be required to find additional financial support or change the operational structure in order to continue operations.

NUNAVUT TOURISM NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

10. EXPENSE BY TYPE

The following is a summary of the expenses reported on the Statement of Operations by the type.

		<u>2023</u>	<u>2022</u>
Amortization	\$	4,172	\$ 1,417
Loss on disposal of capital assets		0	2,359
Insurance		19,703	18,460
Marketing		719,386	159,272
Office		222,592	259,271
Professional fees		147,016	193,380
Salaries and benefits		504,150	440,740
Staff training and development		17,796	10,630
Telecommunications		37,436	39,510
Travel and accomodations		77,289	57,417
Workshops		235,406	 155,365
	<u>\$</u>	1,984,946	\$ 1,337,821

11. COMMITMENTS

The society signed a five-year lease agreement for office space expiring June 2027.

The society also has a two-year software licence that expires September 2024, with an option to renew for another two-year period.

The total of these commitments is as follows:

2024	\$ 141,437
2025	140,831
2026	141,284
2027	145,240
2028	 36,558
	\$ 605,350

12. COMPARATIVE AMOUNTS

Certain 2022 financial statement amounts have been reclassified to conform to the financial statement presentation adopted in the current year.

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SCHEDULE I

NUNAVUT TOURISM CORE OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2023

Core Operations	Core
-----------------	------

		d Management	Serv	ice Contract		<u>Total 2023</u>
Revenues						
Government of Nunavut	\$	1,000,000	\$	_	\$	1,000,000
GN Service Agreement	,	-	*	415,000	•	415,000
GN Other funding		6,667		-		6,667
Memberships		35,746		_		35,746
Other income		90,334		_		90,334
Amortization of government		,				,
assistance		699		_		699
		1,133,446		415,000		1,548,446
Expenses						
Administration		90,648		-		90,648
Board governance		97,380		-		97,380
Building and equipment		154,990		-		154,990
Human resources		349,210		-		349,210
Marketing		239,599		-		239,599
Member services		216,605		-		216,605
Project cost - direct		-		416,796		416,796
Project cost - allocated				(23,868)		(23,868)
·		1,148,432		392,928		1,541,360
EXCESS REVENUES	¢	(14.096)	¢.	22.072	¢.	7.006
(EXPENSES)	<u>\$</u>	(14,986)	<u> </u>	22,072	<u> </u>	7,086

SCHEDULE II

NUNAVUT TOURISM CANADIAN NORTHERN ECONOMIC DEVELOPMENT AGENCY (CANNOR) FOR THE YEAR ENDED MARCH 31, 2023

		Tourism Industry <u>Recovery</u>	Total 2023
Revenues			
CanNor	\$	300,000 \$	300,000
Other income		8,000	8,000
Repayment of funding		(2,798)	(2,798)
Total project funding		305,202	305,202
Expenses			
Advertising		366,980	366,980
Contract / Professional fees		52,738	52,738
Project costs - allocated		23,868	23,868
·		443,586	443,586
EXCESS EXPENSES	<u>\$</u>	(138,384)\$	(138,384)

Visitor Profile & Survey Results

...The results were insightful in several key areas including the advance planning window for most travellers is shorter (3 months) than it was from previous research (18 months).

etween November 2022-April 2023, we ran 3 rounds of a survey with the purpose to develop traveller profiles to aid us and our operators have a better understanding of those travelling within and to Nunavut.

The research confirmed what was already known that there are four traveller profiles to those travelling into Nunavut. Previous research focused on just those coming into Nunavut - traditional tourists - whereas these surveys provided insight on the Business, Vacation, Medical and Family/ Friends Visitor. The insights included how long each traveller type tended to stay within Nunavut, to what their average spend was. The results were insightful in several key areas including the advance planning window for most travellers is shorter (3 months) than it was from previous research (18 months). There was also feedback from participants detailing frustrations at being unable to find or get in contact with operators or information being out of date. But on a positive note, the results showed some fantastic trends, such as the TN website being one of the most frequently used resources for those planning trips.

We are continuing these surveys throughout the year to give a more fulsome overview of the traveller profiles. This information will allow us and our operators to better strategize on ways to target and meet traveller needs and interests. Further information on the results of these surveys can be found on the following pages.

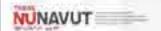




How many responses did we receive across all 3 surveys?









Icon Legend

















SPENDS







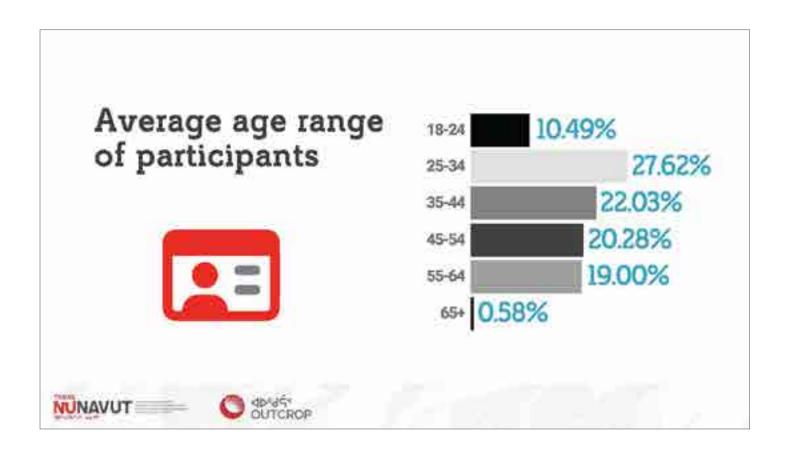


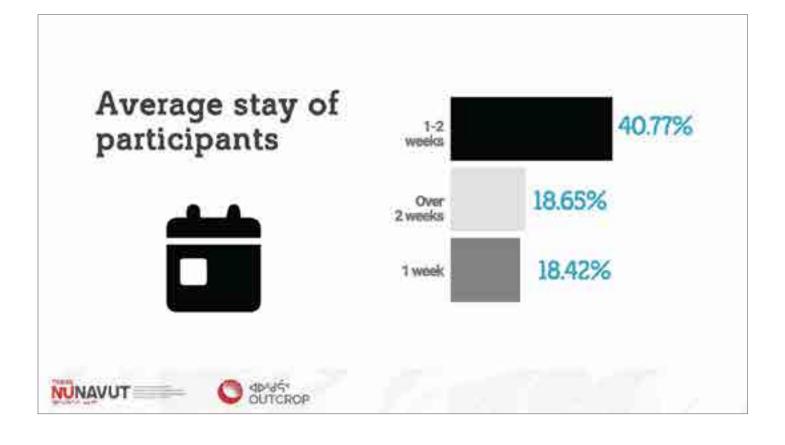






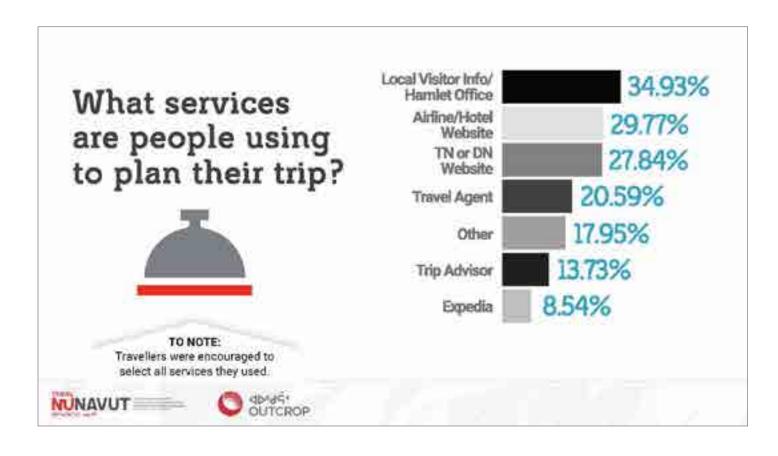


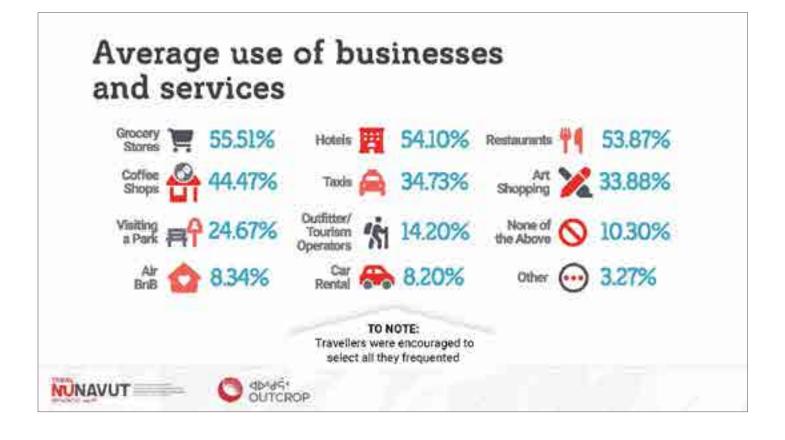


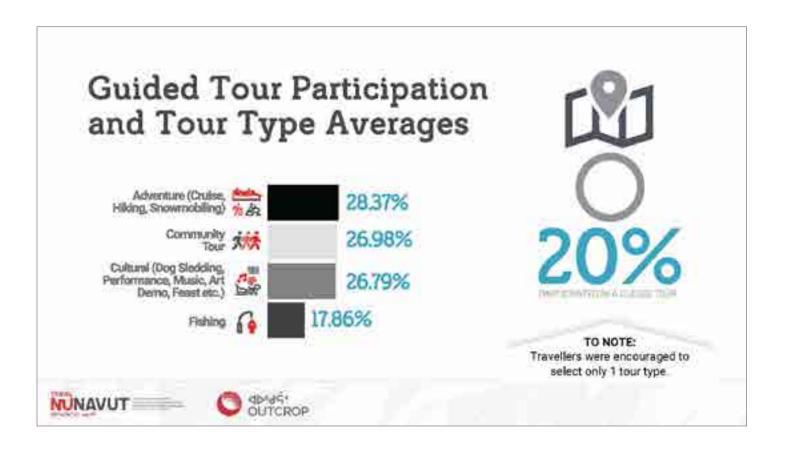


















What purpose were our travellers visiting for?













TO NOTE:

Travellers were able to select multiple travel purposes.





Traveller Profile

Business Traveller

















Traveller Profile

Visiting Family and/or Friends Traveller





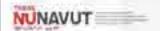














Traveller Profile

Vacation Traveller



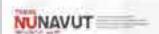














Traveller Profile

Medical Traveller













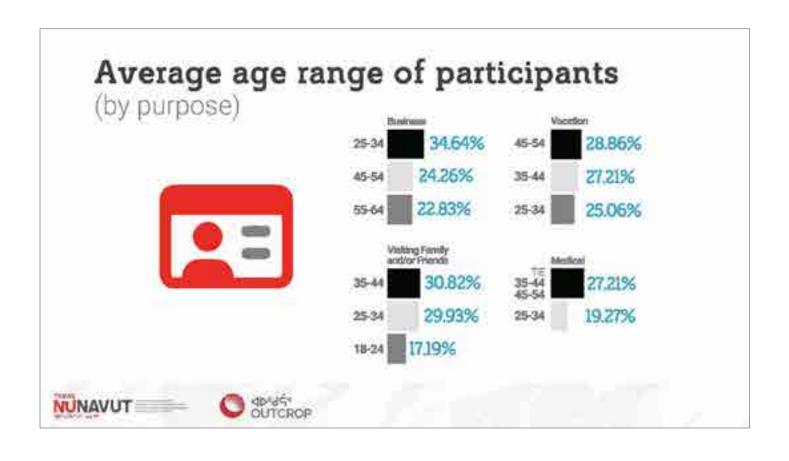


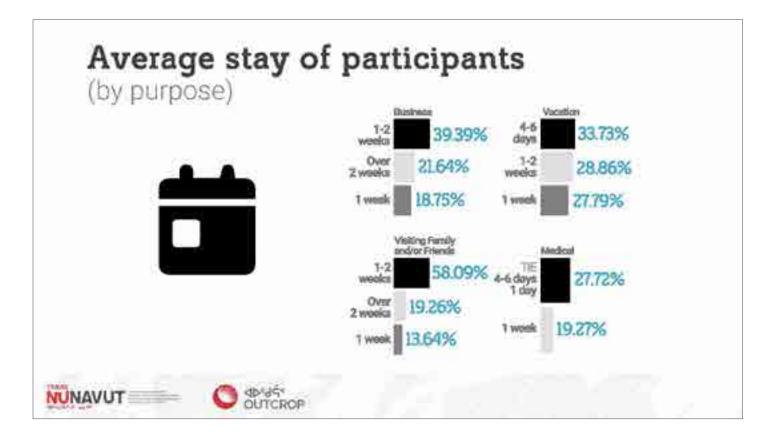
Comparison of Traveller Profiles

-	Control of Control	4	Sandye de	May 1	Property Co.	Crimal bus	-	H	10000
Business	45.50%	25-34	Water Moneral Onterio Alberta	T to 2 Weeks	Hotels Grocery Stores Restaurants	1 to 20	Less than 3 months in advance	Local Visitor Info: Herslet Centre Attine/Note! Wetlette Travel Agent	\$8,914.45
Visiting Family and/or Friends	29,31%	35-44	Within Hunard Ontario Manitoba	1 to 2 Weeks	Grocery Stores Restaurants Coffee Shop	1 10 5	3 to 6 months in advance	Local Visitor Info/ Harviet Centre TN or DN Website ArlinerHotel Website	\$12,271.19
Vacation	21.39%	45-54	Ontario Within Nuneroll Ouebec	6 to 6' Days	Grocely Stores Restaurants Visiting a Park	Tim4	Less than 3 months in advance	Airlime/Hotel Wabsite TN or ON Website Local Visitor Infe/ Handet Centre	\$7,836.00
Medical	422%	35-54	- Wilto Nevend	4 Days I Week	Holels Hestaurants Taxis Grocery Stores	2 m 5	Less than 3 months in advance	Airline/Hotel Website TN or DN Website Travel Agent	\$7,151.00

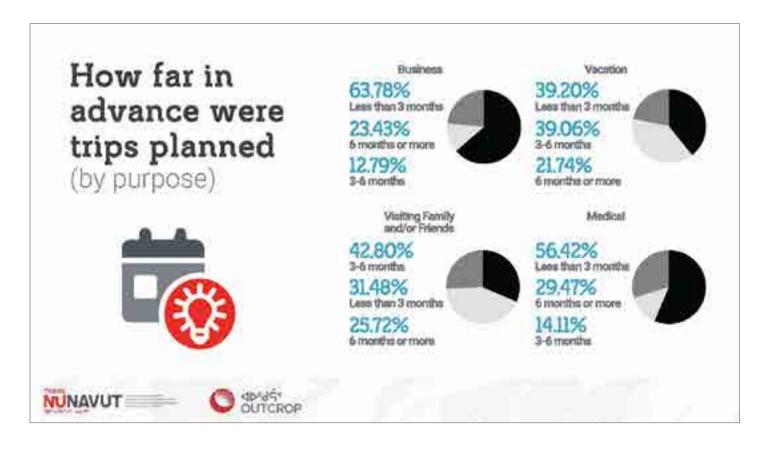


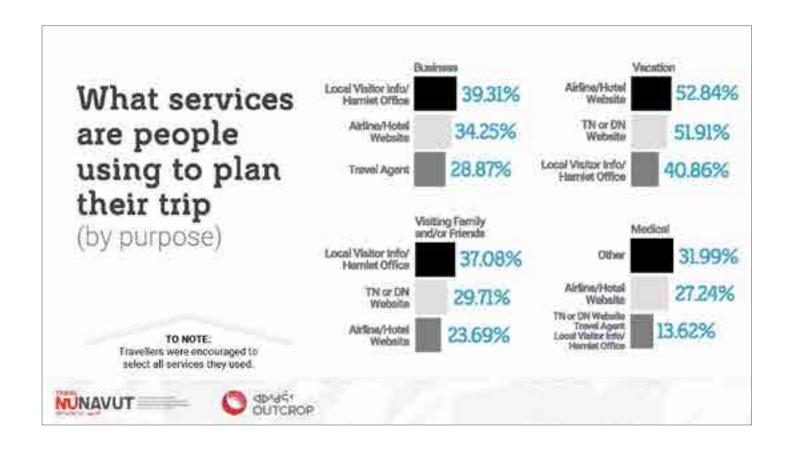


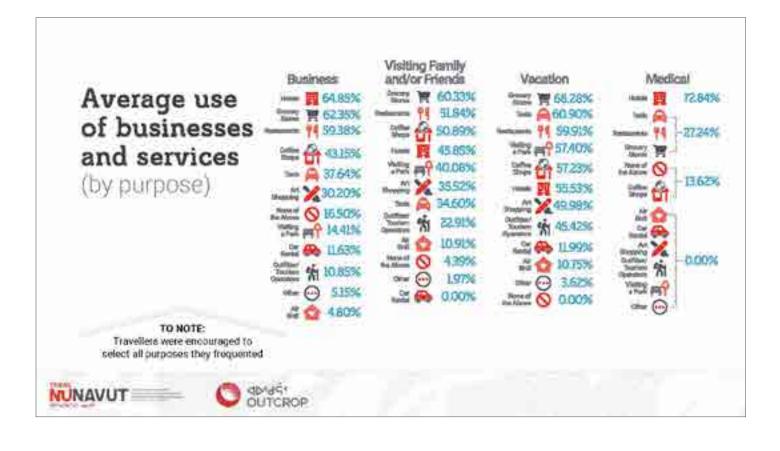














Overall Average Spend (by purpose)

Business



Vacation Traveller



Visiting Family and/or Friends Traveller



Medical Traveller







Average spend on Key Tourism Industries (by purpose)







What were some comments from participants?



When asked how they planned their trip:

*Google, it was difficult to get a hold of tour operators and a number of them were not doing tourist tours anymore."

"Asked my family."

"Asked my friends."

"Asked locals when I got here."

"Used the Igaluit Facebook page."





