

**CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2023**

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## MANAGEMENT'S RESPONSIBILITY

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Creston Valley Wildlife Management Authority's external auditors.

Apex Accounting, Chartered Professional Accountants are appointed by the trustees to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, management to discuss their audit findings.

May 17, 2023

*Lyle Saigeon*

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Chairman

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## INDEPENDENT AUDITORS' REPORT

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### To the Members Creston Valley Wildlife Management Authority

#### Opinion

We have audited the accompanying financial statements of Creston Valley Wildlife Management Authority, which comprise the statement of financial position as at March 31, 2023, and the statements of revenue and net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible 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 Creston Valley Wildlife Management Authority 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 Qualified Opinion

In common with many not-for-profit organizations, the Creston Valley Wildlife Management Authority derives revenue from private donations and various fundraising events, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Creston Valley Wildlife Management Authority. Therefore, we were not able to determine whether any adjustments might be necessary to contributions, excess of receipts over disbursements, current assets and net assets.

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 Creston Valley Wildlife Management Authority 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.

#### Report on Other Legal Reporting Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, the accounting principles in Canadian Accounting Standards for Not-for-Profit Organizations have been applied on a basis consistent with that of the proceeding year.

#### 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 from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Creston Valley Wildlife Management Authority'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 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 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 of the effectiveness of the Creston Valley Wildlife Management Authority'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 Creston Valley Wildlife Management Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Creston Valley Wildlife Management Authority 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.

  
Chartered Professional Accountants

Creston, BC  
May 17, 2023



**CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY**  
**STATEMENT OF REVENUE AND NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

	2023	2022
<b>REVENUE</b>		
Grant revenue (Note 5)	\$ 630,242	\$ 639,414
Other operations	54,501	52,801
Donations	23,401	17,636
Income from perpetual fund (Note 6)	19,374	16,567
Interest	6,719	1,015
	<u>734,237</u>	<u>727,433</u>
<b>EXPENDITURES</b>		
Administrative and office	35,730	30,755
Interpretive Centre	5,728	254
Wildlife and habitat management	597,511	645,781
Wildlife area and public outreach	74,488	59,863
	<u>713,457</u>	<u>736,653</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FROM OPERATIONS</b>	<b>20,780</b>	<b>(9,220)</b>
<b>UNRESTRICTED NET ASSETS, beginning of year</b>	<u><b>355,147</b></u>	<u>364,367</u>
<b>UNRESTRICTED NET ASSETS, end of year</b>	<u><b>\$ 375,927</b></u>	<u>\$ 355,147</u>

See accompanying notes to the financial statements

**CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

	2023	2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenditures	\$ 20,780	\$ (9,220)
Amortization	22,922	24,609
Decrease (increase) in accounts receivable	(17,347)	14,448
Decrease (increase) in government remittances receivable	(529)	983
Decrease in inventories	1,870	-
Increase in prepaid expenses	(255)	-
Increase (decrease) in accounts payable	(167,698)	131,505
Decrease in deferred revenue	(110)	(112,269)
	<u>(140,367)</u>	50,056
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to tangible capital assets	<u>(8,855)</u>	(7,965)
<b>INCREASE (DECREASE) IN CASH FOR THE YEAR</b>	<b>(149,222)</b>	<b>42,091</b>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u><b>839,969</b></u>	<u><b>797,878</b></u>
<b>CASH AND CASH EQUIVALENTS, end of year (Note 2)</b>	<b>\$ 690,747</b>	<b>\$ 839,969</b>

See accompanying notes to the financial statements

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# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2023

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### 1. SIGNIFICANT ACCOUNTING POLICIES

#### a) PURPOSE

The Creston Valley Wildlife Management Authority Trust Fund was established in 1968 by the Creston Valley Wildlife Act for wildlife conservation, management and development in the Creston Valley Wildlife Management Area. The Trust Fund is administered by the Creston Valley Wildlife Management Authority (Management Authority). The Management Authority is not taxable under the Federal Income Tax Act as its operations fall under the Charities Act.

#### b) BASIS OF ACCOUNTING

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

#### c) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, bank balances, and term deposits that are readily convertible to a known amount of cash and that are subject to an insignificant risk of change in value. An investment normally qualifies as a cash equivalent when it has a short maturity of approximately three months or less from the date of acquisition.

#### d) DEFERRED REVENUE

Deferred revenue includes funds received for specific uses for which the related expenditures have not been incurred.

#### e) DONATED MATERIALS AND SERVICES

Certain donated materials and services, such as biological advice, support services, and volunteer time in and around the wildlife management area are received on behalf of the Management Authority. Donated materials and services are not recorded in the financial statements if the amount is not reasonably determinable. Donated services with determinable value are recorded in the financial statements at their normal hourly billable rate.

#### f) FINANCIAL INSTRUMENTS

The financial instruments of the Management Authority consist of cash, accounts receivable, government remittances receivable, accounts payable and accrued liabilities. Unless otherwise indicated, it is management's opinion that the Management Authority is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values.

#### g) FUND ACCOUNTING

The Management Authority follows the fund method of accounting for contributions. The general fund reports contributions, other revenue and expenditures related to the operations, administration and capital funding of the organization.



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# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2023

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### 1. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

#### h) INVENTORIES

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis.

#### i) MEASUREMENT UNCERTAINTY

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. In preparing these financial statements, management has made estimates and assumptions that affect the amount reported. In particular, management has made estimates regarding the collectibility of accounts receivable, the useful lives of plant and equipment, deferred revenue and accrued liabilities and therefore their appropriate amortization rates. Actual results could differ from those estimates.

#### j) TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost. Amortization, based on the estimated useful life of the asset, is provided annually on a straight-line basis and is applied over a consistent basis as follows:

Computer hardware/software	1 year
Equipment	5 years
Leasehold improvements	5 years
Automotive	7 years
Buildings and bridges	20 years

#### k) IMPAIRMENT OF LONG-LIVED ASSETS

The Authority assesses long-lived assets for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized on a long-lived asset to be held and used when its carrying value exceeds the total undiscounted cash flows expected from its use and disposal. The amount of the loss is determined by deducting the assets fair value from its carrying amount.

#### l) REVENUE RECOGNITION

Grant revenue is recognized as revenue in the general fund in the year in which the related expenses are incurred. Donations, other operations and interest revenue is recognized as it's received. Income from perpetual fund is recognized as it's earned.

#### m) WILDLIFE HABITAT MANAGEMENT EXPENDITURES

The Authority incurs costs on an annual basis for wildlife habitat management. Costs include such items as culvert replacement, water control system adaptations and nesting boxes. The Authority's policy is to expense items in the year incurred.

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**CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

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**2. CASH AND CASH EQUIVALENTS**

	<u>2023</u>	<u>2022</u>
Cash	\$ 259,702	\$ 298,836
Term deposits	431,045	541,133
	<u>\$ 690,747</u>	<u>\$ 839,969</u>

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**3. TANGIBLE CAPITAL ASSETS**

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2023</u>	<u>Net 2022</u>
Computer equipment	\$ 24,842	\$ 18,337	\$ 6,505	\$ 3,593
Equipment	157,346	146,105	11,241	19,023
Leasehold improvements	19,133	19,133	-	-
Automotive equipment	226,879	220,086	6,793	11,343
Buildings and bridges	95,819	52,535	43,284	47,932
	<u>\$ 524,019</u>	<u>\$ 456,196</u>	<u>\$ 67,823</u>	<u>\$ 81,891</u>

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**4. DEFERRED REVENUE**

Deferred revenue consists of funds received from which the related expenditures have not been incurred. The Management Authority was awarded a Columbia Basin Trust grant in the amount of \$600,000 to support the restoration of wetlands at the Six Mile Slough; the project commenced in the year. Instalments of \$540,000 have been received and as at the year end, \$354,082 (2022 - \$354,192) remains. As well, the Management Authority received a grant from the Agg Family Foundation for specific projects, in the amount of \$15,000 (2022 - \$15,000). As at the year-end, \$15,000 (2022 - \$15,000) remains.

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**CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

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**5. GRANT REVENUE**

	<u>2023</u>	<u>2022</u>
Grant revenue was received from the following sources:		
B.C. Hydro - operating grant	\$ 478,157	\$ 456,300
Kootenay Centre for Forest Alternative	119,575	37,880
Agg Family Foundation	15,000	10,000
Town of Creston - annual grant	10,900	10,900
Ministry of Forest, Lands & Natural Resources	6,500	6,500
Columbia Basin Trust	110	117,270
Strategic Charitable Giving Foundation	-	367
Vancity Community	-	197
	<u>\$ 630,242</u>	<u>\$ 639,414</u>

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**6. PERPETUAL FUND**

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 318,820	\$ 317,965
Donations received	1,835	855
Balance, end of year	<u>\$ 320,655</u>	<u>\$ 318,820</u>

In connection with efforts towards obtaining funding from non-government sources, the Management Authority has established a perpetual fund administered by the Vancouver Foundation. Under the terms of the deed of gift, the perpetual fund is owned by the Vancouver Foundation and not included in the financial statements of the Management Authority. Income received from the Vancouver Foundation during the year amounted to \$19,374 (2022 - \$16,567). Donations received for the perpetual fund are transferred to the Vancouver Foundation annually. As at March 31, 2023, market value of the fund is \$416,034 (2022 - \$453,954).

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**7. FINANCIAL INSTRUMENTS**

The Management Authority is exposed to various risks through its financial instruments. The following analysis provides a measure of the Management Authority's risk exposure and concentrations at the statement of financial position date, March 31, 2023.

**Credit Risk**

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Management Authority's credit risk is primarily attributable to cash and receivables. Management manages cash default risk by dealing with only large financial institutions with good credit ratings and manages receivable credit risk through standard credit and reference checks.

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**CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

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**7. FINANCIAL INSTRUMENTS, CONTINUED**

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Management Authority is exposed to this risk mainly in respect of its accounts payable and deferred revenue. The carrying amount of all financial liabilities amount to \$418,096 (2022 - \$586,343)

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Management Authority is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed rate instruments subject the Management Authority to a fair value risk.

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**8. ECONOMIC DEPENDENCE**

During 1999, the government decided that BC Hydro would provide permanent funding to support the Management Authority habitat programs. The Management Authority is dependent upon this funding as its main source of operation funds. The contribution grant is indexed to increase annually with the total amount received in the current year of \$478,157 (2022 - \$456,300).

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**9. COMMITMENT**

The Management Authority has entered into an agreement to provide the Kootenay Columbia Discovery Centre Society (KCDCS) with an unconditional grant. For 2023, the grant funding is \$35,000 or 20% of KCDCS' operational budget (2022 - \$40,000).

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**10. COMPARATIVE FIGURES**

Certain of the comparative figures for 2022 have been restated to conform with the financial statement presentation adopted in the current year.