

June 29, 2010

Auditor General of British Columbia  
8 Bastion Square  
Victoria, BC  
V8V 1X4

Dear Mr. Jones

We were engaged to examine the financial statements of our client, Creston Valley Wildlife Management Authority Trust Fund, for the year ended March 31, 2010. In response to your request dated March 31, 2010, we confirm that we are aware of the Auditor General's reliance on us when forming his opinion on the 2007/2008 Summary Financial Statements of the Province of British Columbia.

We further advise you that:

- (a) to the best of our knowledge, there were no relationships or circumstances which would or might be considered to impair our independence with respect to our examination of the Creston Valley Wildlife Management Authority Trust Fund; and
- (b) there is nothing known to us which would prevent the Auditor General from relying on the auditor's report for the financial statements of the Creston Valley Wildlife Management Authority Trust Fund for the year ended March 31, 2010, for the purpose of forming his opinion on the Summary Financial Statements of the Province.
- (c) Enclosed are:
  - (i) two copies of the financial statements, signed by the Board of the Creston Valley Wildlife Management Authority Trust Fund and our auditor's report for the year ended March 31, 2010; and
  - (ii) a management letter was not prepared as we did not have any negative opinions we formulated on systems of the Creston Valley Wildlife Management Authority Trust Fund.
  - (iii) there were no unadjusted errors.

Yours truly,

GADICKE & MINICHELLO



Ken Gadicke  
Chartered Accountant

**CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND**

**FINANCIAL STATEMENTS**

**MARCH 31, 2010**

## AUDITORS' REPORT

To the Members:

We have audited the statement of financial position of the Creston Valley Wildlife Management Authority Trust Fund as at March 31, 2010 and the statement of operations and net assets for the year then ended. These financial statements are the responsibility of the Trust Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Creston Valley Wildlife Management Authority Trust Fund as at March 31, 2010 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles. We report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Creston, B. C.  
May 20, 2010

*Gadicke & Minichiello*  
CHARTERED ACCOUNTANTS

# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2010

	2010	2009
<b>ASSETS</b>		
Current		
Cash	\$ 460,051	\$ 29,225
Short term investments	112,605	128,970
Accounts receivable	56,561	14,496
Prepaid expenses	2,711	6,261
Inventory	11,419	12,613
	643,347	191,565
Property, Plant and Equipment, note 2	248,020	201,875
	\$ 891,367	\$ 393,440
<b>LIABILITIES</b>		
Current		
Accounts payable	\$ 70,425	\$ 41,000
Deferred contribution, note 3	403,737	-
Current portion of long term debt	8,146	7,567
	482,308	48,567
Long Term Debt, note 4	36,511	44,656
	518,819	93,223
<b>NET ASSETS</b>		
Unrestricted Net Assets	347,548	275,217
Replacement Reserve, note 5	25,000	25,000
	372,548	300,217
	\$ 891,367	\$ 393,440

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, note 1  
PERPETUAL FUND, note 7  
ECONOMIC DEPENDENCY, note 8

Approved by the Management Authority:

*Andrew Prescott* For the Authority

Chairman

**GADICKE & MINICHELLO**

CHARTERED ACCOUNTANTS

# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## STATEMENT OF OPERATIONS AND NET ASSETS FOR THE YEAR ENDED MARCH 31, 2010

	2010	2009
<b>REVENUE</b>		
Grants, note 6	\$ 594,952	\$ 553,975
Interest	3,011	12,409
Income from Perpetual Fund, note 7	3,404	12,451
Operations:		
Wildlife Centre and public programs	41,920	45,664
Donations	65,737	28,641
Other operations	69,804	90,686
Transfer from Replacement Reserve	-	99,345
	<b>778,828</b>	<b>843,171</b>
<b>EXPENDITURE</b>		
Wildlife Centre and public outreach	464,900	460,185
Fund development	5,841	10,523
Wildlife and habitat management	144,531	142,915
Administration and office	67,280	56,209
Other operations	23,945	53,127
	<b>706,497</b>	<b>722,959</b>
<b>EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR</b>		
	72,331	120,212
Unrestricted net assets, beginning of year	275,217	155,005
<b>UNRESTRICTED NET ASSETS, END OF YEAR</b>	<b>\$ 347,548</b>	<b>\$ 275,217</b>

# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009

---

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 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.

#### Fund Accounting

The management authority follows the restricted fund method of accounting for contributions. The general fund reports contributions, other revenue and expenditures related to the operations and administration of the organization. The replacement reserve fund reports contributions and expenditures for new projects, contingencies and replacement of equipment and machinery.

#### Financial Instruments

The fair value of cash, short term investments, accounts receivable, accounts payable and deferred contributions is approximately equal to their carrying value due to their short term maturity date.

#### Measurement Uncertainty

These financial statements have been prepared in accordance with Canadian generally accepted accounting practices. In preparing these financial statements management has made estimates and assumptions that affect the amount reported. Actual results could differ from those estimates.

#### Statement of Cash Flow

A statement of cash flow has not been provided as disclosure in these financial statements is considered to be adequate.

#### Inventories

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

#### Property, Plant and Equipment

Property, plant and equipment is recorded at cost. Amortization is provided on a straight-line basis at the following rates:

Automobile	7 years
Buildings and bridges	20 years
Computer hardware	5 years
Equipment	5 years
Software	1 year
Water control structures	30 years

One half of these rates are applied in the year of acquisition.

#### Revenue Recognition

Revenue is recognized as revenue in the general fund in the year in which the related expenses are incurred. The replacement reserve fund reports contributions when received and expenses as incurred.

#### 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 Trust Fund. These donated materials and services are not recorded in the financial statements.

**CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MARCH 31, 2010**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Cont'd**

**Revenue Recognition**

Revenue is recognized as revenue in the general fund in the year in which the related expenses are incurred. The replacement reserve fund reports contributions when received and expenses as incurred.

**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 Trust Fund. These donated materials and services are not recorded in the financial statements.

**2. PROPERTY, PLANT AND EQUIPMENT**

	Cost	Accumulated Amortization	Net 2010	Net 2009
Automotive	\$ 227,567	\$ 81,186	\$ 146,381	\$ 142,641
Equipment	42,503	21,445	21,058	27,054
Computers	36,269	24,549	11,720	15,972
Buildings and bridges	74,423	5,562	68,861	16,208
	\$ 380,762	\$ 132,742	\$ 248,020	\$ 201,875

The following property, plant and equipment of the management authority are not included in the financial statements as financial information necessary to determine the cost of these assets is not reasonably determinable:

- 17,000 acres of land in the Kootenay River Valley in southeastern British Columbia, within which approximately 21.5 miles of earth dykes were built between 1969 and 1996
- 30-35 culverts with control pumps, built/installed between 1969 and 1996
- An office building (built in 1971)
- A visitor centre (built in 1974)
- A tenting area (built in 1970) which has been closed

**3. DEFERRED CONTRIBUTION**

The following amounts have been received and will be expended in the next fiscal year:

	2010	2009
B. C. Hydro	\$ 380,310	\$ -
Grazing pasture rentals	23,427	-
	\$ 403,737	\$ -

# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2010

### 4. LONG TERM DEBT

	2010	2009
John Deere		
Loan payable in quarterly instalments of \$2,812 including interest at 7.45%, secured by specific equipment	\$ 44,657	\$ 52,223
Less current portion of long term debt	8,146	7,567
	<u>\$ 36,511</u>	<u>\$ 44,656</u>

Principal payments due within the next four years are approximately as follows:

2011	\$ 8,771
2012	9,442
2013	10,166
2014	8,132
	<u>\$ 36,511</u>

### 5. REPLACEMENT RESERVE FUND

The management authority has established a Reserve Fund for the purposes of funding new projects, contingencies and replacement of equipment and machinery.

	2010	2009
Balance, beginning of year	\$ 25,000	\$ 124,345
Transfers to Unrestricted Funds	-	99,345
Balance, end of year	<u>\$ 25,000</u>	<u>\$ 25,000</u>

**GADICKE & MINICHELLO**

CHARTERED ACCOUNTANTS



# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2010

### 6. GRANT REVENUE

	2010	2009
Grant revenue was received from the following sources:		
B. C. Hydro - operating grant	\$ 379,978	\$ 370,861
B.C. Hydro - special funding	12,000	25,000
Canadian Museums Association	12,067	12,053
Centre for Environmental Stewardship and Conservation	10,000	-
Columbia Basin Trust	19,394	2,254
Creston-Kootenay Foundation	-	1,000
Ducks Unlimited Canada	1,000	-
EK Landowner	9,450	-
Environment Canada	19,088	-
HCTF Wildlife Maintenance	85,150	7,600
HRDC Summer Career Placement	-	4,173
Kootenay Employment Services	-	2,784
Ktunaxa Nation Council	4,000	16,000
Labatts	1,000	-
Land Conservancy of BC	-	668
Ministry of Environment	20,000	80,000
Regional District of Central Kootenay	3,000	-
Town of Creston	11,900	8,000
Vancouver Foundation	-	3,020
Wildlife Habitat Canada	6,250	18,750
Wildsight	675	1,812
	\$ 594,952	\$ 553,975

### 7. PERPETUAL FUND

	2010	2009
Balance, beginning of year	\$ 242,566	\$ 238,629
Donations received	5,117	3,937
Balance, end of year	\$ 247,683	\$ 242,566

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. Income received from the Vancouver Foundation during the year amounted to \$3,404 (2009 - \$12,451).

**GADICKE & MINICHELLO**

CHARTERED ACCOUNTANTS

# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2010

---

### 8. ECONOMIC DEPENDENCY

Continued operation of the management authority is dependent on finding additional sources of revenue.

Beginning in 1999, the British Columbia Government has asked BC Hydro to contribute \$300,000 per year to the Creston Valley Wildlife Management Authority to ensure that adequate annual funding is in place. This contribution is being indexed annually. The current year contribution is \$379,978 (2009- \$370,861).