

**CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND**

**FINANCIAL STATEMENTS**

**MARCH 31, 2013**



**Gadicke · Minichiello · Carr**  
CHARTERED ACCOUNTANTS



## INDEPENDENT AUDITOR'S REPORT

To the Board of the Trust Fund and the Minister responsible:

We have audited the accompanying financial statements of Creston Valley Wildlife Management Authority Trust Fund, which are comprised of the statement of financial position as at March 31, 2013 and the statement of operations and net assets for the year then ended, and the related notes, which include 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 generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Creston Valley Wildlife Management Authority Trust Fund as at March 31, 2013, and its financial performance and cash flows for the year ended March 31, 2013, in accordance with Canadian generally accepted accounting principles.

Creston, B. C.  
June 3, 2013

*Gadicke Minichiello Carr*  
CHARTERED ACCOUNTANTS



# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2013

	2013	2012
<b>ASSETS</b>		
Current		
Cash and term deposits	\$ 161,234	\$ 202,269
Accounts receivable	49,642	815
HST receivable	7,454	1,971
Prepaid expenses	2,198	2,759
Inventory	11,413	7,619
	231,941	215,433
Capital Assets, note 2	149,984	193,003
	\$ 381,925	\$ 408,436
<b>LIABILITIES</b>		
Current		
Accounts payable	\$ 33,175	\$ 23,394
Deferred Revenue, note 3	1,500	-
Current portion of long term debt	10,166	9,442
	44,841	32,836
Long Term Debt, note 4	8,132	18,298
	52,973	51,134
<b>NET ASSETS</b>		
Unrestricted Net Assets	328,952	357,302
	\$ 381,925	\$ 408,436

See accompanying notes to the financial statements

Approved by the Management Authority:

John M. Brouse, CHAIR CVWMA Board.

Chairman



Gadickie · Minichiello · Carr  
CHARTERED ACCOUNTANTS

# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## STATEMENT OF OPERATIONS AND NET ASSETS FOR THE YEAR ENDED MARCH 31, 2013

	2013	2012
<b>REVENUE</b>		
Grants, note 6	\$ 616,750	\$ 509,257
Interest	1,156	3,190
Income from Perpetual Fund, note 7	10,518	9,686
Operations:		
Wildlife Centre and public programs	31,110	36,212
Donations	24,961	49,617
Other operations	51,055	85,461
Transfer from Replacement Reserve	-	26,482
	<b>735,550</b>	<b>719,905</b>
<b>EXPENDITURE</b>		
Wildlife Centre and public outreach	452,581	446,144
Fund development	432	739
Wildlife and habitat management	216,725	119,607
Administration and office	53,751	59,882
Interpretive Centre	40,411	44,179
	<b>763,900</b>	<b>670,551</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FOR THE YEAR</b>	<b>(28,350)</b>	<b>49,354</b>
Unrestricted net assets, beginning of year	357,302	307,948
<b>UNRESTRICTED NET ASSETS, END OF YEAR</b>	<b>\$ 328,952</b>	<b>\$ 357,302</b>

See accompanying notes to the financial statements



# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2013

	2013	2012
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenditure for the year	\$ (28,350)	\$ 49,354
Amortization	47,603	48,548
Increase in trade and other receivables	(48,827)	(815)
Increase in inventory	(3,794)	(3,139)
Decrease (increase) in HST receivable	(5,483)	5,767
Decrease in prepaid expenses	561	387
Increase (decrease) in trade and other payables	9,780	(20,418)
Increase in deferred revenue	1,500	-
	(27,010)	79,684
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Decrease in long term debt	(9,442)	(8,770)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Decrease in investments	-	385
Decrease in Replacement Reserve	-	(26,482)
Transfer from short term investments	-	25,000
Proceeds on disposal of capital assets	(325)	-
Additions to capital assets	(4,258)	(17,756)
	(4,583)	(18,853)
<b>INCREASE (DECREASE) IN CASH</b>	(41,035)	52,061
Cash and term deposits, beginning of period	202,269	150,208
<b>CASH AND TERM DEPOSITS, END OF PERIOD</b>	\$ 161,234	\$ 202,269

See accompanying notes to the financial statements



# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

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### 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, administration and capital funding 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.

#### **Credit risk**

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company'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.

#### **Liquidity risk**

The Company considers that it has sufficient credit facilities to ensure that funds are available to meet its current and long term financial needs, at a reasonable cost.

#### **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. In particular, management has made estimates regarding the collectibility of accounts receivable, valuation of inventory and the useful lives of equipment and therefore their appropriate amortization rates. Actual results could differ from those estimates.

#### **Inventories**

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

#### **Capital Assets**

Capital assets are 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	1 years
Equipment	5 years
Software	1 year

Other than computer hardware and software which are amortized fully, one half of these rates are applied in the year of acquisition.



# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

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### 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 as the amount is not reasonably determinable.

### 2. CAPITAL ASSETS

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	Cost	Accumulated Amortization	Net 2013	Net 2012
Automotive	\$ 230,067	\$ 162,947	\$ 67,120	\$ 91,993
Equipment	77,799	53,704	24,095	36,376
Computers	41,762	40,691	1,071	3,215
Buildings and bridges	74,423	16,725	57,698	61,419
	\$ 424,051	\$ 274,067	\$ 149,984	\$ 193,003

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The following capital assets 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:

1. 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
2. 30-35 culverts with control pumps, built/installed between 1969 and 1996 and subsequent improvements
3. An office building (built in 1971)
4. A visitor centre (built in 1974)
5. A tenting area (built in 1970) which has been closed.



# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

### 3. DEFERRED REVENUE

The following amount has been received in respect of the next fiscal year:

	2013	2012
Columbia Power	\$ 1,500	\$ -

### 4. LONG TERM DEBT

	2013	2012
John Deere Agreement Payable		
Loan payable in quarterly instalments of \$2,812 including interest at 7.45%, secured by specific equipment, maturing October 2014	\$ 18,298	\$ 27,740
Less current portion of long term debt	10,166	9,442
	\$ 8,132	\$ 18,298

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

2014	\$ 10,166
2015	8,132
	<u>\$ 18,298</u>

### 5. REPLACEMENT RESERVE FUND

The Management Authority had established a Reserve Fund for the purposes of funding new projects, contingencies and replacement of equipment and machinery. The majority of the funds were maintained in a separate investment account and investment income was added to the reserve as earned. In the prior year, the board decided to transfer the balance to Unrestricted Funds.

	2013	2012
Balance, beginning of year	\$ -	\$ 26,482
Transfers to Unrestricted Funds	-	26,482
Balance, end of year	\$ -	\$ -





# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

### 6. GRANT REVENUE

	2013	2012
Grant revenue was received from the following sources:		
B. C. Hydro - operating grant	\$ 400,885	\$ 389,602
B.C. Hydro - special funding	-	3,000
Canadian Museums Association	-	10,606
Environment Canada	-	2,000
HCTF Wildlife Maintenance	38,000	57,000
HRDC Summer Career Placement	4,922	3,347
Ministry of Forests, Lands & Natural Resources	151,043	-
Province of BC - Environmental payment	-	12,702
Province of BC - Kootenay Channel grant	-	11,200
Regional District of Central Kootenay	1,000	8,000
Town of Creston - annual grant	10,900	11,800
Wildlife Habitat Canada	10,000	-
	\$ 616,750	\$ 509,257

### 7. PERPETUAL FUND

	2013	2012
Balance, beginning of year	\$ 296,562	\$ 285,875
Donations received	2,386	10,687
Balance, end of year	\$ 298,948	\$ 296,562

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 \$10,518 (2012 - \$9,686).



# CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2013

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### 8. ECONOMIC DEPENDENCY

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

Beginning in 1999, the British Columbia Government 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 \$400,885 (2012- \$389,602).

### 9. RECLASSIFICATION

Certain of the prior year figures have been reclassified in order to conform with the presentation adopted in the current year.

