

CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND
FINANCIAL STATEMENTS
MARCH 31, 2017



Carr & Associates
CHARTERED PROFESSIONAL ACCOUNTANT

MANAGEMENT'S RESPONSIBILITY

To the Trustees of
Creston Valley Wildlife Management Authority

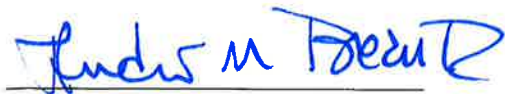
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is 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 District's external auditors.

Carr & Associates 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 18, 2017



Chairman



INDEPENDENT AUDITOR'S REPORT

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

I have audited the accompanying financial statements of Creston Valley Wildlife Management Authority, which are comprised of the statement of financial position as at March 31, 2017 and the statements of operations and net assets and cash flow 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 accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Creston Valley Wildlife Management Authority as at March 31, 2017, and its financial performance and cash flows for the year ended March 31, 2017, in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the Charities Act, I report that, in my opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis.

Creston, B. C.
May 18, 2017

Carr & Associates
CHARTERED PROFESSIONAL ACCOUNTANT

CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND


STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2017

	2017	2016
ASSETS		
Current		
Cash and cash equivalents, Note 2	\$ 287,078	\$ 270,911
Accounts receivable	187,443	121,096
Government remittances receivable	2,579	-
Prepaid expenses	3,787	2,873
Inventory	12,489	9,875
	493,376	404,755
Property, plant, and equipment, Note 3	103,496	90,260
	\$ 596,872	\$ 495,015
LIABILITIES		
Current		
Accounts payable	\$ 40,216	\$ 17,986
Government remittances payable	-	6,011
Deferred revenue, Note 4	-	23,500
	40,216	47,497
NET ASSETS		
Unrestricted net assets	556,656	447,518
	\$ 596,872	\$ 495,015

See accompanying notes to the financial statements

Approved by the Management Authority:



Chairman



Carr & Associates
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CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

STATEMENT OF OPERATIONS AND NET ASSETS FOR THE YEAR ENDED MARCH 31, 2017

	2017	2016
REVENUE		
Grants, Note 5	\$ 476,261	\$ 512,502
Operations:		
Donations	93,016	16,130
Other operations	66,821	72,141
Wildlife area and public programs	47,656	44,939
Income from Perpetual Fund, Note 6	13,151	18,400
Interest	487	650
	<hr/> 697,392	<hr/> 664,762
EXPENDITURE		
Administration and office	31,502	25,277
Fund development	202	-
Interpretive Centre	20,522	26,698
Wildlife and habitat management	178,152	249,836
Wildlife area and public outreach	357,876	311,727
	<hr/> 588,254	<hr/> 613,538
EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR	109,138	51,224
Unrestricted net assets, beginning of year	447,518	396,294
UNRESTRICTED NET ASSETS, END OF YEAR	<hr/> \$ 556,656	<hr/> \$ 447,518

See accompanying notes to the financial statements



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CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2017

	2017	2016
CASH FLOW FROM OPERATING ACTIVITIES		
Excess of revenue over expenditure for the year	\$ 109,138	\$ 51,224
Amortization	21,821	26,727
Gain on disposal of asset	-	(129)
Increase in trade and other receivables	(66,347)	(11,096)
Increase in inventory	(2,613)	(1,273)
Increase in prepaid expenses	(915)	(837)
Decrease in government remittances payable	(8,589)	(4,173)
Increase (decrease) in trade and other payables	22,226	(1,730)
Decrease in deferred revenue	(23,500)	(600)
	51,221	58,113
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds on disposal of property, plant, and equipment	-	129
Additions to property, plant, and equipment	(35,054)	(42,362)
	(35,054)	(42,233)
INCREASE IN CASH		
Cash position, beginning of year	16,167	15,880
	270,911	255,031
CASH POSITION, END OF YEAR		
	\$ 287,078	\$ 270,911

See accompanying notes to the financial statements



CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2017

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. Creston Valley Wildlife Management Authority is not taxable under the Federal Income Tax Act as its operations fall under the Charities Act.

Basis of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for non-profit organizations (ASNFPO)

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.

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.

Financial Instruments

The financial instruments of the Management Authority consist of cash, accounts 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.

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, valuation of inventory and the useful lives of equipment and therefore their appropriate amortization rates. Actual results could differ from those estimates.

Use of Estimates

These financial statements include certain estimates and assumptions. In particular, management has made estimates and assumptions regarding the collectibility of accounts receivable and the useful lives of property, plant and equipment and therefore their appropriate amortization rates. Actual results could differ.

Inventories

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



CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Property, Plant, and Equipment

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

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

Other than computer hardware and software which are amortized fully, 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.

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. These donated materials and services are not recorded in the financial statements as the amount is not reasonably determinable.

2. CASH AND CASH EQUIVALENTS

	2017	2016
Cash	\$ 87,016	\$ 120,847
Term deposits	200,062	150,064
	\$ 287,078	\$ 270,911

3. PROPERTY, PLANT, AND EQUIPMENT

	Cost	Accumulated Amortization	Net 2017
Automotive	\$ 228,302	\$ 227,411	\$ 891
Buildings and bridges	74,423	31,610	42,813
Computer hardware/software	43,222	43,222	-
Equipment	135,259	92,687	42,572
Leasehold improvements	19,133	1,913	17,220
	\$ 500,339	\$ 396,843	\$ 103,496



CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2017

3. PROPERTY, PLANT, AND EQUIPMENT, continued

	Cost	Accumulated Amortization	Net 2016
Automotive	\$ 228,302	\$ 225,018	\$ 3,284
Buildings and bridges	74,423	27,889	46,534
Equipment	121,365	80,923	40,442
Computer hardware/software	41,193	41,193	-
	\$ 465,283	\$ 375,023	\$ 90,260

The following property, plant, and equipment 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.

4. DEFERRED REVENUE

The following amounts have been received in respect of the next fiscal year:

	2017	2016
Columbia Basin Trust	\$ -	\$ 21,900
Friends of the Environment Foundation	-	1,600
	\$ -	\$ 23,500



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5. GRANT REVENUE

	2017	2016
Grant revenue was received from the following sources:		
Columbia Basin Trust	\$ 25,000	\$ 25,000
Columbia Power Corporation	1,000	1,000
Ducks Unlimited Canada	422,130	457,810
FortisBC	1,000	-
Friends of the Environment Foundation	2,000	1,600
HCTF Wildlife Maintenance	10,000	-
HRDC Summer Career Placement	3,719	5,627
Ministry of Forests, Lands & Natural Resources	-	10,000
Strategic Charitable Giving Foundation	381	432
Town of Creston - annual grant	10,900	10,900
Vancity Community	131	133
	<u>\$ 476,261</u>	<u>\$ 512,502</u>

6. PERPETUAL FUND

	2017	2016
Balance, beginning of year	\$ 306,090	\$ 304,695
Donations received	2,020	1,395
Balance, end of year	<u>\$ 308,110</u>	<u>\$ 306,090</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. Income received from the Vancouver Foundation during the year amounted to \$13,151 (2016 - \$18,400). Included in the balance of the perpetual fund is \$2,020 (2016 - \$1,395) of funds that had not been transferred to the Vancouver Foundation as at the March 31, 2017.



CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2017

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, December 31, 2017.

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.

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 revenues. The carry amount of all financial liabilities amount to \$40,216 (2016 - \$47,497)

8. ECONOMIC DEPENDENCE

Continued operation of the Management Authority is dependent on finding additional sources of revenue.

Beginning in 1999, the government of BC 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. That contribution was indexed to increase annually. The agreement ceased in 2013.

Effective April 1, 2013 the Creston Valley Wildlife Management Authority signed a Memorandum of Understanding (MOU) with Ducks Unlimited Canada (DUC) which provides for funding to the Authority of \$100,000 per quarter. The MOU is not legally binding and is predicated upon the receipt by DUC of funding from BC Hydro intended for the Authority. The MOU was renewed and extended to March 31, 2017 under the same terms as the original agreement.

BC Hydro did not extend the MOU with DUC after March 31, 2017. BC Hydro will be transmitting the funds directly to the Creston Valley Wildlife Management Authority.

9. SUBSEQUENT EVENTS

On October 7, 2017, by decision of the BC Government, the Interpretive Centre will be permanently closed and the educational programming and operations will cease as of this date. Access to the Management Area will remain unchanged and open to visitors year round.

