

CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

FINANCIAL STATEMENTS

MARCH 31, 2007

CRESTON OFFICE:

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AUDITORS' REPORT

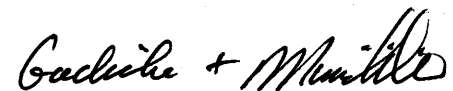
To the Members:

We have audited the statement of financial position of the Creston Valley Wildlife Management Authority Trust Fund as at March 31, 2007 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, 2007 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 24, 2007



CHARTERED ACCOUNTANTS



CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2007

	2007	2006
ASSETS		
Current		
Cash	\$ 13,656	\$ 63,560
Short term investments	243,014	154,485
Accounts receivable	24,729	14,504
Prepaid expenses	21,690	19,185
Inventory	12,272	13,186
	315,361	264,920
Property, Plant and Equipment, note 2	16,848	17,635
	\$ 332,209	\$ 282,555
LIABILITIES		
Current		
Accounts payable	\$ 21,122	\$ 35,266
Deferred contributions, note 3	55,750	45,000
	76,872	80,266
NET ASSETS		
Unrestricted net assets	130,991	96,533
Replacement reserve, note 4	124,346	105,756
	255,337	202,289
	\$ 332,209	\$ 282,555

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, note 1

PERPETUAL FUND, note 6

FUTURE COMMITMENT, note 7

ECONOMIC DEPENDENCY, note 8

Approved by the Management Authority:



S. W. Bullock - Chairman



W. Stetski - Member

GADICKE & MINICHELLO

CHARTERED ACCOUNTANTS

CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

STATEMENT OF OPERATIONS AND NET ASSETS FOR THE YEAR ENDED MARCH 31, 2007

	2007	2006
REVENUE		
Grants, note 5	\$ 435,920	\$ 444,368
Interest	12,890	5,554
Income from Perpetual Fund, note 6	9,805	8,374
Operations:		
Wildlife Centre and public programs	21,852	14,030
Donations	62,759	36,595
Other operations	46,046	45,187
	<u>589,272</u>	<u>554,108</u>
EXPENDITURE		
Wildlife Centre and public outreach	216,402	266,136
Fund development	52,396	39,012
Wildlife and habitat management	128,323	167,108
Administration and office	74,483	61,476
Other operations	64,620	45,178
	<u>536,224</u>	<u>578,910</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE FOR THE YEAR		
	53,048	(24,802)
Unrestricted net assets, beginning of year	96,533	99,777
Transfer from (to) Replacement Reserve, note 4	(18,590)	21,558
UNRESTRICTED NET ASSETS, END OF YEAR	<u>\$ 130,991</u>	<u>\$ 96,533</u>

CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2007

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 management authority carries various financial instruments. 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 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.

Investments

Investments are valued at the lower of cost and market value.

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	20 years
Computer hardware	5 years
Equipment	5 years
Software	1 year
Water control structures	30 years

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.

GADICKE & MINICHELLO

CHARTERED ACCOUNTANTS

CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2007

2. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated Amortization	Net 2007	Net 2006
Equipment	\$ 66,383	\$ 49,535	\$ 16,848	\$ 17,635

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:

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
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

3. DEFERRED CONTRIBUTIONS

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

	2007	2006
EJLB Foundation	\$ 5,000	\$ 5,000
Columbia Basin Trust Community Initiatives Program	5,000	5,000
Flair Foundation	25,000	25,000
Habitat Conservation Trust Fund (Public Conservation Assistance Fund)	10,000	10,000
RDCK Grant in Aid, Area C, F and E	1,000	-
Labatt, Western Canada	1,000	-
Habitat Conservation Trust Fund	8,750	-
	\$ 55,750	\$ 45,000

CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS

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4. 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.

Donations received during the year for construction of a new access to the Creston Valley Wildlife Centre are being held in the Reserve Fund pending execution of the project.

	2007	2006
Balance, beginning of year	\$ 105,756	\$ 127,314
Transfers to (from) fund for Wildlife Centre access	18,590	(17,315)
Transfer from fund for repairs to exclude bats	-	(4,243)
Balance, end of year	\$ 124,346	\$ 105,756

5. GRANT REVENUE

	2007	2006
Grant revenue was received from the following sources:		
B. C. Hydro	\$ 358,260	\$ 344,340
Canadian Museums Association	2,023	3,380
Columbia Power Corporation	-	2,000
Creston FOE Eagles Ladies Auxiliary #3027	1,000	1,000
Creston-Kootenay Foundation	1,000	-
Creston Rotary	2,000	-
Ducks Unlimited Canada	5,076	5,274
Fortis BC and Columbia Basin Fish and Wildlife Compensation Program	11,787	54,663
HCTF Wildlife Maintenance	32,000	-
HRDC Summer Career Placement	4,328	3,920
J. Fraser/Kingfisher Books	700	-
Kootenai River Network	-	1,156
Ministry of Environment	-	17,197
Regional District of Central Kootenay	-	2,700
TEMBEC	-	3,000
Town of Creston RDCK grant in aid	5,746	5,738
Vancouver Foundation	12,000	-
	\$ 435,920	\$ 444,368

CRESTON VALLEY WILDLIFE MANAGEMENT AUTHORITY TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS

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6. PERPETUAL FUND

	2007	2006
Balance, beginning of year	\$ 223,796	\$ 204,500
Donations received	14,833	19,296
Balance, end of year	\$ 238,629	\$ 223,796

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.

7. FUTURE COMMITMENT

In the Wildlife Centre it has been discovered that some of the cross beams supporting the floor have deteriorated. An engineering assessment has been completed and the total cost of the repair project is estimated at \$207,000. The Management Authority has convened a group of funding agencies: the Habitat Conservation Trust Fund and Columbia Basin Trust have each committed to grants of \$63,500, conditional on securing complete funding for the project. The Management Authority is awaiting formal approval of additional grants and is receiving donations for the repairs. Programs were delivered outdoors at the site.

8. ECONOMIC DEPENDENCY

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

The British Columbia Government has asked BC Hydro to contribute \$300,000 per year to the Creston Valley Wildlife Management Authority beginning in 1999, to ensure that adequate annual funding is in place. This contribution is being indexed annually. The current year contribution is \$358,260 (2006-\$344,340).

The management authority is now focusing on raising funds for the Perpetual Fund, the income from which will be applied to operations, to address the long term funding problem.