

**YUKON FISH AND WILDLIFE
ENHANCEMENT TRUST**

FINANCIAL STATEMENTS

March 31, 2018

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MANAGEMENT RESPONSIBILITY STATEMENT

The management of Yukon Fish and Wildlife Enhancement Trust is responsible for preparing the accompanying financial statements, the notes to the financial statements and all related financial information contained in this annual report.

Management prepares the financial statements in accordance with Canadian generally accepted accounting principles. In management's opinion, the financial statements have been properly prepared within the framework of the significant accounting policies adopted by management.

The organization, in fulfilling its responsibilities, has developed and maintains a system of internal accounting controls designed to provide reasonable assurance that management assets are safeguarded against loss or unauthorized use, and that the records are reliable for preparing the financial statements.

The financial statements have been reported on by M. McKay & Associates Ltd., Chartered Professional Accountants, the trust's independent external auditors. Their report outlines the scope of their examination and their opinion on the financial statements.



Trust Chair

October 2, 2018

100-108 Jarvis Street
Whitehorse, Y.T. Y1A 2G8
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INDEPENDENT AUDITOR'S REPORT

To the Trustees of Yukon Fish and Wildlife Enhancement Trust

We have audited the accompanying financial statements of Yukon Fish and Wildlife Enhancement Trust, which comprise the statement of financial position as at March 31, 2018, and the statements of operations, changes in trust equity and cash flows for the year then ended, and 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 misstatement, 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 audit 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 organization'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 organization'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 Yukon Fish and Wildlife Enhancement Trust as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

M. McKay & Associates

M. McKay & Associates Ltd.
Chartered Professional Accountants

Whitehorse, Yukon
October 2, 2018

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST
STATEMENT OF OPERATIONS
For the year ended March 31, 2018

	<u>2018</u>	<u>2017</u>
REVENUES		
Gain on sale of investments	\$ 148,836	\$ 10,031
Dividend income	67,848	65,283
Interest income	56,536	61,785
Donations	<u>8,625</u>	<u>-</u>
	<u>281,845</u>	<u>137,099</u>
EXPENSES		
Projects (Note 6)	208,315	181,298
Trust Manager Fees	43,912	44,049
Investment management fees	34,335	34,287
Investment custodian fees	6,875	6,833
Professional fees	5,686	6,615
Advertising and promotion	2,356	1,460
Office and general	1,385	362
Telephone	1,055	1,144
Travel	399	609
Bank charges	225	193
Conferences, seminars and training	<u>155</u>	<u>-</u>
	<u>304,698</u>	<u>276,850</u>
Excess of revenues over expenses before other income	(22,853)	(139,751)
Other expense (income)		
Decrease (increase) in fair market value of investments	<u>138,305</u>	<u>(361,647)</u>
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES	<u><u>\$ (161,158)</u></u>	<u><u>\$ 221,896</u></u>

See accompanying notes to the financial statements

3.

M. McKay & Associates Ltd
Chartered Professional Accountants

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST
STATEMENT OF CHANGES IN TRUST EQUITY
For the year ended March 31, 2018

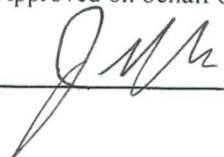
	<u>Unrestricted Surplus</u>	<u>Surplus, Other Income</u>	<u>Total 2018</u>	<u>Total 2017</u>
Balance, beginning of year	\$ 3,999,605	\$ 1,048,611	\$ 5,048,216	\$ 4,826,320
(Deficiency) excess of revenues over expenses	<u>(22,853)</u>	<u>(138,305)</u>	<u>(161,158)</u>	<u>221,896</u>
Balance, end of year	<u><u>\$ 3,976,752</u></u>	<u><u>\$ 910,306</u></u>	<u><u>\$ 4,887,058</u></u>	<u><u>\$ 5,048,216</u></u>

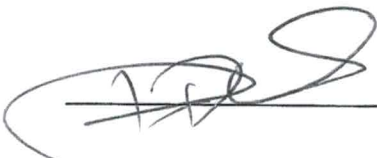
See accompanying notes to the financial statements

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST
STATEMENT OF FINANCIAL POSITION
March 31, 2018

		ASSETS	
		2018	2017
CURRENT			
Cash		\$ 65,766	\$ 117,591
Accounts receivable		5,694	3,342
Prepaid expenses		12,000	-
		83,460	120,933
INVESTMENTS (note 3)		4,854,807	4,957,457
		<u>\$ 4,938,267</u>	<u>\$ 5,078,390</u>
		LIABILITY	
CURRENT			
Accounts payable and accrued liabilities		\$ 51,209	\$ 30,174
		EQUITY	
UNRESTRICTED NET ASSETS		4,887,058	5,048,216
		<u>\$ 4,938,267</u>	<u>\$ 5,078,390</u>

Approved on behalf of the Trustees:


 _____ Trustee


 _____ Trustee

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST
STATEMENT OF CASH FLOWS
For the year ended March 31, 2018

	<u>2018</u>	<u>2017</u>
OPERATING ACTIVITIES		
Cash receipts from receivables, refunds and donations	\$ 8,625	\$ 12,707
Cash disbursed for operating expenses	(254,620)	(231,995)
Scholarship trust awarded	<u>(1,000)</u>	<u>(1,000)</u>
Cash flow to operating activities	(246,995)	(220,288)
INVESTING ACTIVITY		
Cash transferred from investments	<u>195,170</u>	<u>271,612</u>
NET (DECREASE) INCREASE IN CASH	(51,825)	51,324
CASH, beginning of year	<u>117,591</u>	<u>66,267</u>
CASH, end of year	<u><u>\$ 65,766</u></u>	<u><u>\$ 117,591</u></u>

See accompanying notes to the financial statements

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2018

1. Nature of operations

Yukon Fish and Wildlife Enhancement Trust was established in February 1995 under the provisions of the Umbrella Final Agreement between the Council of Yukon First Nations, Government of Canada, and Government of the Yukon. Their objective is to restore, enhance, and protect the Yukon fish and wildlife populations and their habitat. The organization is a registered Canadian charity for taxation purposes.

2. Significant accounting policies

The Financial Statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFPO"), using accounting policies as follows:

(a) Revenue recognition

Dividend Income is recognized when the right to receive payment is established.

Interest income is recognized on an accrual basis.

Realized trading gains or losses are recognized on the concluded sale of investments. It represents the difference between the amounts received through the sale of investments and their respective cost base.

Donations are recognized as revenue when received.

(b) Contributed services

Volunteers contribute many hours per year to assist the Trust in carrying out its activities. Because of the difficulty in quantifying the fair value of contributed services, such are not reported nor recognized in the financial statements.

(c) Investments

Investments are initially recorded at fair value at the date of acquisition and subsequently measured at fair value based on quoted market prices.

(d) Capital assets

The Trust expenses its capital assets. Capital expenditures incurred during the year amounted to \$0 (2017: Nil).

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2018

2. Significant accounting policies, continued

(e) Use of estimates

The preparation of financial statements in conformity with ASNFPO requires management to make estimates and assumptions relating to reported amounts of assets and liabilities at the financial statement date, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses for the fiscal year covered. Actual results may differ from those reported.

3. Investments

	<u>2018</u>	<u>2017</u>
Cash and Equivalents	\$ 56,322	\$ 31,638
Canadian Fixed Income	1,968,232	1,959,893
Canadian Equities	1,298,288	1,395,769
US Equities	678,160	785,483
International Equities	843,231	771,399
Accrued Interest	<u>10,574</u>	<u>13,380</u>
	<u>\$ 4,854,807</u>	<u>\$ 4,957,457</u>

The table above presents the fair market value of the Trust's investments as at March 31, 2018 together with the change in fair value from their cost base. The fair value of the investments were determined by reference to published price quotations in an active market provided by Fiduciary Trust Canada and RBC Investor Services. Recent events in the financial markets will have an effect on the fair value of the investments.

4. Investment account activity

	<u>2018</u>	<u>2017</u>
Opening Balance	\$ 3,895,036	\$ 4,071,688
Income from Investment	275,716	137,099
Management and Custodian Fees	(41,209)	(41,313)
Fund Transfers	<u>(195,617)</u>	<u>(272,008)</u>
Closing Balance At Cost	3,933,926	3,895,466
Unrealized Gain	910,307	1,048,611
Accrued Interests	<u>10,574</u>	<u>13,380</u>
Fair Market Value	<u>\$ 4,854,807</u>	<u>\$ 4,957,457</u>

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2018

5. Financial instruments

The Trust's activities are exposed to a variety of financial risks: market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Trust is also exposed to operational risks such as custody risk. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that eliminates the risk of loss of value of the securities held by the custodian, in the events of its failure, the ability of the Trust to transfer securities might be temporarily impaired.

The Trust uses different methods to measure and manage the various type of risks to which it is exposed; these methods are explained below.

Market risk

The Trust is exposed to market risk as the investments in publicly traded securities are subject to fluctuations due to price changes on the market. The prices can also be affected by changes in interest rates and foreign currency exchange rates.

Interest rate risk

The Trust is exposed to interest rate risk with respect to the following financial instruments: cash and investments in interest bearing securities. Changes in interest rates can affect the fair value of investments and the cash flows related to interest income.

Credit risk

Credit risks arise from cash, accounts receivable, goods and services tax recoverable and investments in debt securities. Cash are deposited with reputable, major financial institutions to limit the credit risk exposure. The credit risk from counter parties not paying accounts receivable and goods and services tax recoverable is not considered to be significant. The Trust maintains diversity in its portfolio investments to minimize exposure to credit risk. The Trust's target investment allocation over a 3 year period are as follows: fixed income - 40%, canadian equities - 30% and foreign equities - 30%.

Liquidity risk

Liquidity risk exposure is dependent on the receipt of investment income to enable the Trust to pay its liabilities as they become due.

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2018

6. Project expenses

	<u>2018</u>
2017-18-13 Teslin Lake Trout Study (TRRC)	\$ 17,976
2017-18-8 SL Cisco Research (CTRRC)	15,000
2017-18-15 Wolf Pelt Handling Incentive Program (YOA)	15,000
2017-18-16 Old Crow Flats Stewardship (VG)	13,713
2017-18-4 Being Wild Wise (HWC)	13,380
2017-18-10 Lakeshore Habitat Management (WCS)	13,197
2017-18-19 Caribou Genetics (UoC)	11,350
2017-18-12 Teslin Lake Bird Observatory (SYBO)	10,000
2017-18-20 Make it Wild Workshop (YuConstruct)	10,000
2017-18-33 Sharp Tail Grouse Year 2 (J. Potie)	10,000
2017-18-7 Humane Wolf Trapping (Bluestone)	9,990
2017-18-30 Effects on Common Nighthawks (S. P. Consulting)	9,150
2017-18-24 TH Fall Harvest Camp (THFN)	8,850
2017-18-11 Fish of Dempster Country Project (M. McHugh)	6,647
2017-18-17 Elijah Smith Connecting Youth (ESS)	6,500
2017-18-5 Rivers to Ridges-Kids on the Land (R to R)	5,109
2017-18-1 KFN Wildlife Monitoring (KFN)	5,000
2017-18-2 Investigating Winter Tree Cavity (J. Vigliotti)	5,000
2017-18-21 Health Assessment Wood Bison (C. Andrew)	4,400
2017-18-3 St. Elias School WISE (A. Preto)	3,000
2017-18-23 Trapping Coordinator CTFN Pilot (CTFN)	3,000
2017-18-26 Holy Family Bison Hunt (HFS)	3,000
2017-18-29 ILC Moose Hunt (ILC)	3,000
2017-18-32 Hidden Valley Bison Hunt (HVS)	3,000
2017-18-27 Eliza Van Bibber Camp (Eliza Van Bibber School)	2,990
2017-18-31 YFWMB Van Bibber Scholarship (YFWMB)	1,000
2016-17-14 Southern Lakes Caribou Monitoring Program. (TTC) (PY unspent costs)	<u>(937)</u>
	<u>\$ 208,315</u>

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2018

6. Project expenses, continued

	<u>2017</u>
2016-17-18 Southern Lake Wire Recovery 2016-2017 (CTFN)	\$ 19,023
2016-17-7 Wolf Pelt Handling Incentive Program 16-17 (YOA)	15,000
2016-17-11 Pine Creek Fish Passage Investigation (ARRC)	14,495
2016-17-20 Tagish River Cisco Assessment and Restoration (CTRRC)	10,000
2016-17-5 Teslin Lake Bird Observation (SYBO)	10,000
2016-17-9 Sharp-tailed grouse reproductive success (P. Joel)	10,000
2016-17-26 Common nighthawk habitat and activity patterns in the forest. (S. Andrea)	10,000
2016-17-16 Human Wolf Trapping Snare Set-up 2016 (F. Johnstone)	9,990
2016-17-28 Teslin Lake Trout Spawning and Genetics (TRRC)	9,854
2016-17-17 Teaching Youth to Fish for Whitefish (YF&GA)	8,720
2016-17-21 Fish of the Dempster - Blackstone River Basin (M. Matthew)	8,370
2016-17-25 Investigation of Movement of Arctic Grayling (Al Von Finster)	7,514
2016-17-2 TKC Beaver Trapping Program for Youth 16-17 (TKC)	7,078
2016-17-22 Yukon Stocked Lakes Investigation (EDI)	6,880
2016-17-23 Restoration and enhancement projects for habitat (YuKonstruct)	5,000
2016-17-3 Kluane FN Wildlife Monitors (KFN)	5,000
2016-17-4 Harvest Monitor (TH)	5,000
2016-17-14 FN Stewardship: Southern Lakes Caribou Monitoring Program. (TTC)	5,000
2016-17-10 Fur Trapping wall tents for the Elementary School (Eliza Van Bibber School)	3,000
2016-17-6 Enhance and protect fish and wildlife population. (H. Valley School)	3,000
2016-17-12 Traditional teachings of Yukon FN (E. S. Elementary School)	3,000
2016-17-1 Bison hunt (Holy Family)	3,000
2016-17-30 Scholarship (YFWMB)	2,000
2016-17-8 Location of Downed Wire (S. Griffin)	<u>374</u>
	<u>\$ 181,298</u>

YUKON FISH AND WILDLIFE ENHANCEMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2018

7. Scholarship trust liability

Funds are held in trust for Yukon Fish and Wildlife Management Board for the Sharing the Land Scholarship Fund. The Board may allow one or two \$ 1,000 scholarship annually.

8. Comparative amounts

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

