

**YUKON FISH AND WILDLIFE  
ENHANCEMENT TRUST**

**FINANCIAL STATEMENTS**

Draft - October 21, 2020

**March 31, 2020**

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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 the organizations's 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

Date to be determined

## **INDEPENDENT AUDITOR'S REPORT**

**Draft - October 21, 2020**

To the Trustees of Yukon Fish and Wildlife Enhancement Trust

### **Opinion**

We have audited the financial statements of Yukon Fish and Wildlife Enhancement Trust, which comprise the statement of financial position as at March 31, 2020, and the statements of operations, changes in trust equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with ASNPO.

### **Basis for opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of matter**

Without modifying our opinion, we draw attention to note 4 to the financial statements, concerning the worldwide spread of a novel coronavirus known as COVID-19 and its effect on the global economy. Our opinion is not modified in respect of this matter.

### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

## **INDEPENDENT AUDITOR'S REPORT, continued**

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit 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 trust's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**M. McKay & Associates Ltd.**  
Chartered Professional Accountants

Whitehorse, Yukon  
Date to be determined



**YUKON FISH AND WILDLIFE ENHANCEMENT TRUST**  
**STATEMENT OF OPERATIONS**  
For the year ended March 31, 2020  
Draft - October 21, 2020

	<u>2020</u>	<u>2019</u>
<b>REVENUES</b>		
Gain on sale of investments	\$ 212,491	\$ 156,082
Dividend income	79,564	74,187
Interest income	51,935	51,295
Donations	<u>19</u>	<u>3,192</u>
	<b>344,009</b>	<b>284,756</b>
<b>EXPENSES</b>		
Projects (Note 8)	156,491	191,929
Trust Manager Fees	46,301	45,900
Investment management fees	33,735	33,851
Professional fees	6,018	8,104
Investment custodian fees	6,832	6,781
Advertising and promotion	3,694	3,133
Travel	1,199	1,287
Office and general	684	1,207
Telephone	974	1,008
Meeting Expenses	120	244
Bank charges	<u>105</u>	<u>152</u>
	<b>256,153</b>	<b>293,596</b>
Excess (deficiency) of revenues over expenses before other income	<b>87,856</b>	<b>(8,840)</b>
<b>Other item</b>		
Increase (decrease) in fair market value of investments (note 6)	<u>(509,260)</u>	<u>(8,899)</u>
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>	<b>\$ (421,404)</b>	<b>\$ (17,739)</b>

See accompanying notes to the financial statements

4.  
**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, 2020  
Draft - October 21, 2020

	<u>2020</u>		
	<u>Total</u>	<u>Unrestricted Surplus</u>	<u>Surplus, Other Income</u>
Balance, beginning of year	\$ 4,869,319	\$ 3,967,912	\$ 901,407
(Deficiency) excess of revenues over expenses	<u>(421,404)</u>	<u>87,856</u>	<u>(509,260)</u>
Balance, end of year	<u>\$ 4,447,915</u>	<u>\$ 4,055,768</u>	<u>\$ 392,147</u>
	<u>2019</u>		
	<u>Total</u>	<u>Unrestricted Surplus</u>	<u>Surplus, Other Income</u>
Balance, beginning of year	\$ 4,887,058	\$ 3,976,752	\$ 910,306
Deficiency of revenues over expenses	<u>(17,739)</u>	<u>(8,840)</u>	<u>(8,899)</u>
Balance, end of year	<u>\$ 4,869,319</u>	<u>\$ 3,967,912</u>	<u>\$ 901,407</u>

See accompanying notes to the financial statements

5.  
*M. McKay & Associates Ltd.*  
Chartered Professional Accountants


**YUKON FISH AND WILDLIFE ENHANCEMENT TRUST**  
**STATEMENT OF FINANCIAL POSITION**

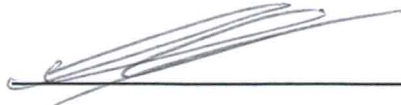
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ASSETS		<u>2020</u>	<u>2019</u>
CURRENT			
Cash	\$	9,045	\$ 53,969
GST receivable		<u>1,822</u>	<u>4,167</u>
		10,867	58,136
INVESTMENTS (note 3)		<u>4,458,616</u>	<u>4,843,917</u>
	\$	<u><u>4,469,483</u></u>	<u><u>\$ 4,902,053</u></u>
LIABILITY			
CURRENT			
Accounts payable and accrued liabilities	\$	<u>21,568</u>	<u>32,734</u>
NET ASSETS			
UNRESTRICTED SURPLUS		4,055,768	3,967,912
SURPLUS, OTHER INCOME		<u>392,147</u>	<u>901,407</u>
		<u>4,447,915</u>	<u>4,869,319</u>
	\$	<u><u>4,469,483</u></u>	<u><u>\$ 4,902,053</u></u>

Contingent liabilities (note 4)

Approved on behalf of the Trustees:

  
\_\_\_\_\_  
Trustee

  
\_\_\_\_\_  
Trustee

See accompanying notes to the financial statements

6.  
**M. McKay & Associates Ltd.**  
Chartered Professional Accountants

# YUKON FISH AND WILDLIFE ENHANCEMENT TRUST

## STATEMENT OF CASH FLOWS

For the year ended March 31, 2020

Draft - October 21, 2020

	<u>2020</u>	<u>2019</u>
OPERATING ACTIVITIES		
Cash receipts from receivables and donations	\$ 19	\$ 3,192
Cash receipts from GST refunds	4,772	3,953
Cash disbursed for operating expenses	(227,509)	(260,034)
Scholarship trust awarded	-	(1,000)
	<u>(222,718)</u>	<u>(253,889)</u>
Cash flow to operating activities		
INVESTING ACTIVITY		
Cash transferred from investments	<u>177,794</u>	<u>242,092</u>
NET DECREASE IN CASH	(44,924)	(11,797)
CASH, beginning of year	<u>53,969</u>	<u>65,766</u>
CASH, end of year	<u><u>\$ 9,045</u></u>	<u><u>\$ 53,969</u></u>

See accompanying notes to the financial statements

7.  
*M. McKay & Associates Ltd.*  
Chartered Professional Accountants



# **YUKON FISH AND WILDLIFE ENHANCEMENT TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**March 31, 2020**  
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### **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 ("ASNPO"), 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 (2019: Nil).

**YUKON FISH AND WILDLIFE ENHANCEMENT TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**

March 31, 2020

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**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>March 31, 2020</u>	<u>March 31, 2019</u>
Cash & Cash Equivalents and Canadian Fixed Income	\$ 2,158,021	\$ 1,821,898
Canadian Equities	1,032,483	1,362,496
US Equities	656,245	635,952
International Equities	602,150	800,014
Accrued interest	<u>9,717</u>	<u>9,231</u>
	<u>\$ 4,458,616</u>	<u>\$ 4,843,917</u>

The table above presents the fair market value of the Trust's investments as at March 31, 2020 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. Contingent liabilities**

Before year-end, there was a global outbreak of a novel coronavirus known as COVID-19, which has had a significant impact on organizations through the restrictions put in place by the Canadian and U.S. governments regarding travel, business operations and isolation/quarantine orders. The extent of the impact the COVID-19 outbreak may have on the trust will depend on future developments that are highly uncertain, and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, the duration of the outbreak, including the length of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are, or may, be put in place by Canada, U.S. or other countries to fight the virus. The trust's activities have not been significantly impacted thus far; however, the trust continues to assess the impact COVID-19 will have on its operations.

**YUKON FISH AND WILDLIFE ENHANCEMENT TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**5. Investment account activity**

	March 31, 2020	March 31, 2019
Opening Balance	\$ 3,933,278	\$ 3,933,926
Income from Investment	343,505	282,907
Management and Custodian Fees	(42,239)	(41,427)
Fund Transfers	(177,713)	(242,128)
Closing Balance At Cost	4,056,831	3,933,278
Unrealized Gain	392,068	901,408
Accrued Interest	9,717	9,231
Fair Market Value	<u>\$ 4,458,616</u>	<u>\$ 4,843,917</u>

**6. Surplus, other income**

Surplus, other income is the total increase (decrease) from cost to the fair market value of the investments. It represents the unrealized portion of the investments.

# **YUKON FISH AND WILDLIFE ENHANCEMENT TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

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### **7. 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 is the risk that the Trust cannot repay its obligations when they become due to its creditors. 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**

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**8. Project expenses**

	<u>2020</u>
2019-20-23 Carcross Tagish Managment Corporation	\$ 15,900
2019-20-16 Individual Learing Centre	4,000
2019-20-07 Zimmerman, Dennis	15,000
2019-20-22 Shannon Powell Consultants	6,000
2019-20-11 Centre for Human/Wildlife Conflict Solutions	13,000
2019-20-09 Alsek Renewable Resources Council	15,000
2019-20-02 Tr'ondek Hwech'in First Nation	5,982
2019-20-01 St. Elias School	3,000
2019-20-24 Wildlife Conservation Society	13,900
2019-20-15 Carcross Tagish Renewable Resources Council	5,000
2019-20-03 Holy Family Elementary School	3,000
2019-20-05 Yukon Outfitters Association	17,500
2019-20-25 Elijah Smith Elementary School	3,000
2018-19-29 Elijah Smith Elementary School	(91)
2019-20-27 Yukon Fish & Wildlife Management Board	1,000
2019-20-20 Yukon Fish & Game Association	700
2019-20-14 Selkirk First Nation	14,000
2019-20-06 Society of Yukon Bird Observatories	10,000
2019-20-13 Johnstone, Frank o/a Blue Moon Trapping Products	10,000
2017-18-23 Carcross Tagish First Nation	600
	-
	<u>\$ 156,491</u>



**YUKON FISH AND WILDLIFE ENHANCEMENT TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**

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	2019
2017-18-23 Trapping Coordinator CTFN Pilot (CTFN)-unspent funds	\$ (600)
2017-18-19 Caribou Genetics (UoC)-unspent funds	(37)
2017-18-25 Pine Creek Grayling ARRC - Prepaid in 2017/18	12,000
2018-19-20 Teslin Lake Trout Study (TRRC)	15,000
2018-19-04 SL Cisco Research Year 3 (CTRRC)/EDI	10,000
2018-19-05 Wolf Pelt Handling Incentive Program (YOA)	17,500
2018-19-10 Being Wild Wise (HWC)	8,000
2018-19-22 Teslin Lake Bird Observatory (SYBO)	10,000
2018-19-21 Humane Wolf Trapping (Bluestone)	10,000
2018-19-28 Effects on Common Nighthawks (S.P. Consulting)	5,900
2018-19-06 TH Fall Harvest Camp (THFN)	3,000
2018-19-23 Fish of Dempster Country Project (M. McHugh)	8,144
2018-19-29 Elijah Smith Connecting Youth (ESS)	6,500
2018-19-14 Investigating Winter Tree Cavity (J. Vigliotti)	5,000
2018-19-24 Moose Lake restocking - Wild Things Harvest (E. Allen)	15,000
2018-18-01 St Elias School WISE (A. Preto)	2,972
2018-19-08 Holy Family Bison Hunt (HFS)	3,000
2018-19-02 Dawson Fur Show-(DDRR)	10,000
2018-19-17 Kestral Nest Box (M. Warne)	1,000
2018-19-25 Nisutlin River Campsite (TTC)	10,000
2018-19-30 YFWMB Van Bibber Scholarship (YFWMB)	1,000
2018-19-18 Northern Mountain Caribou Habitat (J. Gonet)	5,000
2018-19-27 Yukon Wetlands Protection (YCS)	10,000
2018-19-11 Live Catch & Release (D. Zimmermann)	15,000
2018-19-12 TIPPS (YFGA)	1,550
2018-19-04 Youth Trapping Camp (CTRRC)	7,000
	<u>\$ 191,929</u>

**9. 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.