

Yukon Wildlife Preserve Operating Society

**Financial Statements
(Unaudited)**

March 31, 2023

Yukon Wildlife Preserve Operating Society

Financial Statements (Unaudited)

March 31, 2023

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Independent Practitioners' Review Engagement Report

To the Members of Yukon Wildlife Preserve Operating Society

We have reviewed the accompanying financial statements of Yukon Wildlife Preserve Operating Society ("Society") that comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets 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.

Practitioners' Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioners perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

In common with many charity organizations, the Society derives funds from donations and fundraising, the completeness of which are not susceptible to satisfactory review. Accordingly, our review of donations and fundraising was limited to amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to revenues, deferred revenues and asset balances. This same qualified conclusion applies to the year ended March 31, 2022.

Qualified Conclusion

Based on our review, except for the effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Yukon Wildlife Preserve Operating Society as at March 31, 2023, 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.

Yukon Wildlife Preserve Operating Society

Statement of Operations (Unaudited)

For the year ended March 31,	2023	2022 Restated (note 3)
Revenues		
Government of Yukon (note 11)	\$ 837,215	\$ 832,407
Revenue from operations	646,277	423,676
Membership fees	58,637	59,704
Donations & sponsorship	33,254	33,727
Government of Canada (note 12)	17,229	132,313
Fundraising & other	13,368	2,391
Amortization of deferred revenue	7,259	3,236
Grants and funding - other	-	39,875
	1,613,239	1,527,329
Expenditures		
Advertising and promotion	41,605	32,090
Amortization	76,562	57,904
Animal care	19,446	30,785
Animal feed	130,404	104,638
Bookkeeping	28,343	30,049
Equipment rental	-	2,500
GST expense	5,474	2,200
Insurance	21,983	23,708
Interest and bank charges	18,601	14,288
Memberships and licenses	15,180	12,412
Merchandise	34,491	19,643
Office	33,837	24,785
Professional fees	15,361	17,559
Repairs and maintenance	17,547	60,443
Special projects	-	38,350
Supplies	31,784	24,619
Telephone	9,606	9,702
Travel	5,272	5,024
Utilities	50,658	53,906
Vehicle	89,289	66,097
Wages and benefits	879,755	735,709
	1,525,198	1,366,411
Excess of revenues over expenditures before other items	88,041	160,918
Other expenses		
Expenditures on fixed capital assets	30,800	-
Writedown resulting from change in accounting policy	-	18,710
	30,800	18,710
Excess of revenues over expenditures	\$ 57,241	\$ 142,208

Yukon Wildlife Preserve Operating Society

Statement of Changes in Net Assets (Unaudited)

For the year ended March 31, 2023

	Unrestricted	Invested in capital assets	Total 2023	Total 2022 Restated (note 3)
Balance, beginning of year				
As previously reported	\$ 692,520	\$ 202,740	\$ 895,260	\$ 774,195
Prior period adjustment (note 3)	-	21,143	21,143	-
As restated	692,520	223,883	916,403	774,195
Excess of revenues over expenditures	57,241	-	57,241	142,208
Capital assets additions	(206,495)	206,495	-	-
Amortization of capital assets	76,562	(76,562)	-	-
Balance, end of year	\$ 619,828	\$ 353,816	\$ 973,644	\$ 916,403

Yukon Wildlife Preserve Operating Society

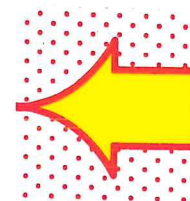
Statement of Financial Position (Unaudited)

March 31,	2023	2022 Restated (note 3)
Assets		
Current		
Cash	\$ 728,419	\$ 746,185
GIC (note 5)	40,930	42,357
Accounts receivable	49,856	47,490
Inventory (note 4)	83,839	78,658
Prepaid expenses	16,953	33,112
	919,997	947,802
Property and equipment (note 6)	353,816	223,882
	\$ 1,273,813	\$ 1,171,684
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 40,835	\$ 54,411
Employee deductions payable	8,769	15,538
Wages payable	49,292	22,500
Current deferred revenue (note 7)	106,662	90,676
GST payable	1,708	2,550
Current portion of long-term debt (note 8)	-	4,444
CEBA loan (note 9)	40,000	-
	247,266	190,119
CEBA loan (note 9)	-	40,000
Deferred revenue (note 10)	52,903	25,162
	300,169	255,281
Net Assets		
Unrestricted	619,828	692,521
Invested in capital assets	353,816	223,882
	973,644	916,403
	\$ 1,273,813	\$ 1,171,684

Approved on behalf of the Board:

_____ Member

_____ Member



Yukon Wildlife Preserve Operating Society

Statement of Cash Flows (Unaudited)

For the year ended March 31,	2023	2022 Restated (note 3)
Cash provided by (used for)		
Operating activities		
Excess of revenues over expenditures	\$ 57,241	\$ 142,208
Items not affecting cash		
Amortization	76,562	57,904
Writedown resulting from change in accounting policy	-	237,944
Amortization of deferred capital funding	(7,259)	(3,236)
	126,544	434,820
Change in non-cash working capital items		
Accounts receivable	(2,366)	2,638
Inventory	(5,181)	(5,231)
Prepaid expenses	16,159	(15,038)
Accounts payable and accrued liabilities	(13,576)	(34,530)
Employee deductions payable	(6,769)	4,804
Wages payable	26,792	3,992
Current deferred revenue	15,986	(24,138)
GST	(842)	8,100
	156,747	375,417
Financing activities		
Repayment of loan	(4,444)	(13,333)
Funding received for capital equipment	35,000	-
Writedown of deferred revenue	-	(219,233)
	30,556	(232,566)
Investing activities		
Accrued interest on GIC	(930)	(858)
Proceeds on sale of GIC	42,357	-
Purchase of property and equipment	(206,496)	(41,582)
Purchase of GIC	(40,000)	-
	(205,069)	(42,440)
Increase (decrease) in cash	(17,766)	100,411
Cash, beginning of year	746,185	645,774
Cash, end of year	\$ 728,419	\$ 746,185

Yukon Wildlife Preserve Operating Society

Notes to the Financial Statements (Unaudited)

March 31, 2023

1. Nature of operations

Yukon Wildlife Preserve Operating Society (the "Society") is a not-for-profit organization and registered charity operating in the Yukon. As a registered charity, the Society is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Society operates to promote knowledge and foster appreciation of arctic and boreal ecology through the creation of a centre of northern education, conservation and research excellence at the Yukon Wildlife Preserve. The Society manages and operates the preserve on behalf of the property and animal owner, the Government of Yukon.

2. Basis of accounting and significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Cash equivalents

Cash and cash equivalents consist of cash on hand and bank deposits.

(b) Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Funding received for the purchase of capital assets is deferred and amortized at the same rate as the related asset.

Membership fees are recognized as revenue proportionately over the fiscal year to which they relate.

Revenue from operations, consisting of admissions, rentals, retail sales and nature camps are recognized when the related services or goods are provided. Fees received in advance of the fiscal year in which the service is provided are deferred.

(c) Donated material and services

The Society is assisted by volunteer time and donated goods and services to achieve its purposes. Because of the difficulty of determining their fair values, volunteer time and donated goods and services are not recognized in these financial statements.

Yukon Wildlife Preserve Operating Society

Notes to the Financial Statements (Unaudited)

March 31, 2023

2. Basis of accounting and significant accounting policies (continued)

(d) Property and equipment

Property and equipment are recorded at cost. The Society provides for amortization using the declining balance method at rates designed to amortize the cost of the assets over their estimated useful lives, as set out in note 6.

When property and equipment are sold or retired, the related cost and accumulated amortization are removed from the accounts and any gain or loss is charged against earnings in the period.

Property and equipment acquired or constructed during the year are not amortized until they are put into use.

One half of the year's amortization is recorded in the year of acquisition. No amortization is recorded in the year of disposal.

The Society operates on land owned by the Government of Yukon. If the Society were to discontinue operations, the Government of Yukon would maintain ownership of assets affixed to the land.

Property and equipment are recorded as assets only if they are not fixed. Funding received for those assets are deferred and amortized over the life of the asset. Assets which cannot be readily removed are expensed.

(e) Related party transactions

Related party transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

(f) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method.

(g) Measurement uncertainty

The preparation of financial statements in conformity with the standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Yukon Wildlife Preserve Operating Society

Notes to the Financial Statements (Unaudited)

March 31, 2023

2. Basis of accounting and significant accounting policies (continued)

(h) Financial instruments

Initial measurement

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

Financial assets or liabilities originated or exchanged in related party transactions except for those that involve parties whose sole relationship with the Society is in the capacity of management, are initially measured at cost. The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If the instrument does, the cost is determined using the instrument's undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise cost is determined using the consideration transferred or received by the Society in the transaction.

Transactions, with parties whose sole relationship with the Society is in the capacity of management, are accounted for as arm's length transactions.

Subsequent measurement

The Society subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in debt instruments, equity instruments and forward exchange contracts that are quoted in an active market, which are measured at fair value without any adjustment for transaction costs. Changes in fair value are recognized in net income in the period in which they occur.

Financial assets measured at amortized cost include cash, GIC and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, employee deductions payable, wages payable, current deferred revenue, GST payable, current portion of long-term debt, long-term debt, CEBA loan and deferred revenue.

Transaction costs

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in income in the period incurred. Transaction cost for financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at amortized cost are recognized in the original cost of the instrument and recognized in income over the life of the instrument using the straight-line method.

Yukon Wildlife Preserve Operating Society

Notes to the Financial Statements (Unaudited)

March 31, 2023

2. Basis of accounting and significant accounting policies (continued)

Impairment

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset, is recognized in operations.

3. Prior period adjustment

In the previous year, the Society changed its accounting policy for assets. Only equipment and structures which can be removed from the land owned by the Government of Yukon are recorded as assets. The change in accounting policy resulted in a writedown of assets, net of an adjustment to deferred revenue, of \$39,853. In the current year, it was determined that an error of \$21,143 was made in determining the assets which were required to be written down. The amount shown as Excess of revenues over expenditures, property and equipment and invested in capital assets at March 31, 2022 were understated by \$21,143. .

4. Inventory

	2023	2022
Animal feed and fuel	\$ 50,055	\$ 55,327
Food and retail merchandise	33,784	23,331
	<u>\$ 83,839</u>	<u>\$ 78,658</u>

5. GIC

	2023	2022
Guaranteed investment certificate, earning annual interest of 3.1%, maturing July 2025	\$ 40,930	\$ -
Guaranteed investment certificate, earning annual interest of 2.1%, maturing July 2022	-	42,357
	<u>\$ 40,930</u>	<u>\$ 42,357</u>

Yukon Wildlife Preserve Operating Society

Notes to the Financial Statements (Unaudited)

March 31, 2023

6. Property and equipment

				2023	2022 Restated (note 3)
	Rate	Cost	Accumulated amortization	Net book value	Net book value
Structures	10 %	\$ 72,825	\$ 27,373	\$ 45,452	\$ 35,197
Furniture and fixtures	20 %	13,973	12,976	997	1,246
Farm equipment	20 %	90,893	55,069	35,824	44,780
Other machinery and equipment	20 %	231,649	133,348	98,301	65,731
Vehicles	30 %	566,875	395,202	171,673	73,790
Computer equipment	50 %	36,608	35,039	1,569	3,138
		\$ 1,012,823	\$ 659,007	\$ 353,816	\$ 223,882

7. Current deferred revenue

Current deferred revenue represents amounts collected in the year that are for projects (other than capital) or programs that occur subsequent to year end.

	2023	2022
Deposits collected for nature camps	\$ 73,616	\$ 59,656
Membership fees	23,291	26,795
YG Department of Education	9,755	-
Community Foundations of Canada	-	4,225
	\$ 106,662	\$ 90,676

8. Long-term debt

	2023	2022
Bank loan for purchase equipment, payable \$1,111 monthly plus interest at bank prime + 1%. Secured by a general security agreement. Repaid in full during the year.	\$ -	\$ 4,444
Less current portion	-	4,444
	\$ -	\$ -

Yukon Wildlife Preserve Operating Society

Notes to the Financial Statements (Unaudited)

March 31, 2023

9. Canada Emergency Business Account (CEBA) loan

	2023	2022
Canada Emergency Business Account loan. If the loan is paid in full by December 31, 2023, 33% of the loan will be forgiven. No interest is being charge. The forgiven portion of the loan (\$20,000) was recorded as revenue in the year the loan was taken.	\$ 40,000	\$ 40,000
Less current portion	40,000	-
	\$ -	\$ 40,000

10. Deferred revenue

Funding received for the purchase of capital assets is deferred and amortized into revenue over the life of the asset. The components of long-term deferred revenue are:

	2023	2022
Other equipment	\$ 40,334	\$ 11,042
Small buildings	11,458	12,731
Field house furniture	1,111	1,389
	\$ 52,903	\$ 25,162

11. Government of Yukon funding

The Society received funding from the following departments of the Government of Yukon:

	2023	2022
Department of Environment	\$ 761,573	\$ 746,640
Department of Education	48,321	59,743
Department of Tourism and Culture	26,224	16,433
Department of Economic Development	1,097	9,591
	\$ 837,215	\$ 832,407

Yukon Wildlife Preserve Operating Society

Notes to the Financial Statements (Unaudited)

March 31, 2023

12. Government of Canada funding

The Society received funding from the following Government of Canada departments and agencies:

	2023	2022
Employment and Social Development Canada	\$ 17,229	\$ 15,340
Canada Revenue Agency - pandemic wage support payments	-	114,354
CANNOR	-	2,619
	<u>\$ 17,229</u>	<u>\$ 132,313</u>

13. Economic dependence

The Society is economically dependent on the Government of Yukon for core funding.

14. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Credit risk

The Society does have credit risk in accounts receivable of \$49,856 (2022 - \$47,490). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Society reduces its exposure to credit risk by performing credit valuations on a regular basis; granting credit upon a review of the credit history of the applicant and creating an allowance for bad debts when applicable. The Society maintains strict credit policies and limits in respect to counterparties. In the opinion of management the credit risk exposure to the Society is low and is not material.

(b) Liquidity risk

The Society does have a liquidity risk in the accounts payable and accrued liabilities of \$40,835 (2022 - \$54,411). Liquidity risk is the risk that the Society cannot repay its obligations when they become due to its creditors. The Society reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due and repays long term debt interest and principal as they become due. In the opinion of management the liquidity risk exposure to the Society is low and is not material.