

**BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD**

**Financial Statements**

**For the Year Ended March 31, 2021**

# **BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD**

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**For the Year Ended March 31, 2021**

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## INDEPENDENT AUDIT REPORT

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To the Board of Directors  
Beverly and Qamanirjuaq Caribou Management Board

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Beverly and Qamanirjuaq Caribou Management Board (the "Organization"), which comprise the statement of financial position as at March 31, 2021 and the statements of operation, changes in net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Beverly and Qamanirjuaq Caribou Management Board as at March 31, 2021 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

#### Basis of 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 Entity 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 qualified opinion.

#### Other Matter

Without qualifying our conclusion, we draw attention to Note 7 in the financial statements, which identifies the presumed impact that COVID-19 will have on the subsequent operations and resulting financial position of the Organization in the coming year.

#### 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 Organization 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.

### 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 Organization'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 Organization'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 Organization 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.



Stonewall, Manitoba  
July 1, 2021

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**Beverly and Qamanirjuaq Caribou Management Board**  
**Statement of Financial Position**  
**March 31, 2021**

	<b>2021</b>	<b>2020</b> <b>(Restated)</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 127,008	\$ 66,485
Term deposits	43,104	36,208
Accounts receivable	900	4,672
Due from government agencies (Note 3)	2,969	3,630
Prepaid expenses (Note 8)	5,536	5,536
	<u>179,517</u>	<u>116,531</u>
LONG TERM INVESTMENTS (Note 3)	125,000	6,250
	<u>\$ 304,517</u>	<u>\$ 122,781</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 45,966	\$ 47,322
Payable to Scholarship fund (Note 4)	37,083	36,280
Deferred revenue (Note 6)	198,775	34,564
	<u>281,824</u>	<u>118,166</u>
<b>NET ASSETS</b>	<u>22,693</u>	<u>4,615</u>
	<u>\$ 304,517</u>	<u>\$ 122,781</u>

**Approved on Behalf of the Board:**

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The accompanying notes are an integral part of these financial statements.

**Beverly and Qamanirjuaq Caribou Management Board**  
**Statement of Changes in Net Assets**  
**For the Year Ended March 31, 2021**

	<b>2021</b>	<b>2020</b>
<b>NET ASSETS - BEGINNING OF YEAR (PREVIOUSLY STATED)</b>	<b>\$ (921)</b>	<b>\$ 41,534</b>
<b>ACCOUNTING CORRECTION</b> (Note 8)	<b>5,536</b>	<b>-</b>
<b>RESTATED</b>	<b>4,615</b>	<b>41,534</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b> <b>(RESTATED)</b>	<b>18,078</b>	<b>(36,919)</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 22,693</b>	<b>\$ 4,615</b>

The accompanying notes are an integral part of these financial statements.

**Beverly and Qamanirjuaq Caribou Management Board**  
**Statement of Operations**  
**For the Year Ended March 31, 2021**

	2021	2020	Budget
	(Restated)		
<b>REVENUE</b>			
<b>Core funding</b>			\$ -
CIRNAC	25,000	25,000	25,000
Manitoba	25,000	25,000	25,000
Saskatchewan	25,000	25,000	25,000
Northwest Territories	25,000	25,000	25,000
Nunavut	25,000	25,000	25,000
	<b>125,000</b>	125,000	125,000
<b>Other funding</b>			
CIRNAC Planning for 2022-2032	26,611	-	-
Donations	-	24	-
Evaluation 2019 / 2020	-	15,000	-
GNWT SAR - Workshop	900	1,600	6,250
GSK - SAR Poster / Prose	-	2,550	-
NACW Support	-	3,261	-
NGMP Harvest Reporting	3,649	11,161	49,150
Species at Risk - CMA Support	-	4,672	-
World Wildlife Fund	6,233	19,043	6,125
Yathi Dene IPA	115	-	-
	<b>162,508</b>	182,311	186,525
<b>EXPENSES (Schedule 1)</b>			
Administration	86,574	103,215	82,050
Public Relations and Education	9,645	22,137	27,500
Programs	42,211	87,878	70,525
Other Board Support	6,000	6,000	6,000
	<b>144,430</b>	219,230	186,075
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ 18,078</b>	<b>\$ (36,919)</b>	<b>\$ 450</b>

The accompanying notes are an integral part of these financial statements.

**Beverly and Qamanirjuaq Caribou Management Board**  
**Statement of Cash Flows**  
**For the Year Ended March 31, 2021**

	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Excess (deficiency) of revenues over expenses	\$ 18,078	\$ (36,919)
<b>Changes in non-cash working capital balances:</b>		
Accounts receivable	3,772	40,951
Prepaid expenses	-	(5,536)
Accounts payable and accrued liabilities	(1,356)	40,270
Deferred contributions	164,211	13,115
Due from government agencies	661	(1,431)
	<b>185,366</b>	<b>50,450</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments to acquire term deposits	(6,896)	(29,133)
Proceeds from (payments to acquire) long term investments	(118,750)	28,411
	<b>(125,646)</b>	<b>(722)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net proceeds from Scholarship fund	803	830
<b>INCREASE IN CASH FLOW</b>	<b>60,523</b>	<b>50,558</b>
<b>CASH - BEGINNING OF YEAR</b>	<b>66,485</b>	<b>15,927</b>
<b>CASH - END OF YEAR</b>	<b>\$ 127,008</b>	<b>\$ 66,485</b>

The accompanying notes are an integral part of these financial statements.



**Beverly and Qamanirjuaq Caribou Management Board**  
**Notes to the Financial Statements**  
**For the Year Ended March 31, 2021**

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**1. DESCRIPTION OF OPERATIONS**

Beverly and Qamanirjuaq Caribou Management Board (the "Organization") is a not-for-profit organization incorporated without share capital pursuant to *The Corporations Act of Manitoba*. The Organization is a not-for-profit organization and is a registered charity which is exempt from income taxes pursuant to Section 149(i) of *The Income Tax Act* (Canada).

The Organization operates to provide advice on the management of barren ground caribou and their habitat to indigenous groups and federal and provincial governments. The Organization is also involved in providing public education and information regarding these caribou, and monitoring caribou in relation to climate change.

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**2. SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of preparation**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

**b. Cash and cash equivalents**

Cash and cash equivalents includes short-term investments and highly liquid investments with a maturity date of three months or less from the acquisition date. These are valued at cost which approximates market value.

**c. Financial instruments**

The Organization initially measures its financial assets and liabilities at fair value.

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost. Changes in the fair value of these financial instruments are recognized in income in the period incurred.

Financial assets subsequently measured at amortized cost include cash, term deposits, accounts receivable, due to government agencies and long term investments. Financial liabilities measured at amortized cost include accounts payable, accrued liabilities and other payables.

**d. Revenue recognition**

The Organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Government grants and other revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue when earned.

**Beverly and Qamanirjuaq Caribou Management Board**  
**Notes to the Financial Statements**  
**For the Year Ended March 31, 2021**

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**2. Significant Accounting Policies**

**e. Term deposits and long term investments**

Term deposits and long term investments are stated at cost. Those that mature within 12 months are reported as a short term asset and those maturing beyond 12 months from the statement date are reported long term investments.

Long term investments consist of the Organization's equity in Red River Cooperative Ltd. and shares of Sunova Credit Union. These investments are stated at the most recent equity statement balance.

**f. Investment in a not-for-profit subsidiary**

The Organization's financial statements do not include the accounts of Beverly and Qamanirjuaq Caribou Management Scholarship Fund, which is controlled by the Organization. All transactions with the subsidiary are disclosed as related party transactions.

**g. Use of estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from management's best estimates as additional information becomes available in the future.

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**Beverly and Qamanirjuaq Caribou Management Board**  
**Notes to the Financial Statements**  
**For the Year Ended March 31, 2021**

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**3. INVESTMENTS**

Investments consist of guaranteed investment certificates held at Royal Bank of Canada, recorded at cost, have varying interest rates and mature at different dates. These deposits are held for the specific purpose of earning interest for the Beverly and Qamanirjuaq Management Scholarship Fund.

	<b>2021</b>	<b>2020</b>
<b>Short term</b>		
RBC #004, matures November 2, 2020	\$ -	\$ 6,455
RBC #005, matures December 7, 2020	-	10,775
RBC #006, matures May 3, 2021	6,336	-
RBC #008, matures December 7, 2020	5,516	5,355
RBC #009, matures May 3, 2020	6,491	6,401
RBC #010, matures November 7, 2020	7,367	7,222
RBC #011, matures January 31, 2022	17,394	-
	<u>43,104</u>	<u>36,208</u>
<b>Long term</b>		
RBC #006, matures May 3, 2021	-	6,250
RBC #012, matures May 10, 2022	125,000	-
	<u>\$ 168,104</u>	<u>\$ 42,458</u>

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**Beverly and Qamanirjuaq Caribou Management Board**  
**Notes to the Financial Statements**  
**For the Year Ended March 31, 2021**

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**4. RELATED PARTY TRANSACTIONS**

The Organization established the Beverly and Qamanirjuaq Caribou Management Board Scholarship Fund ("Fund"), a registered charity that provides financial assistance by way of scholarship awards to full-time students enrolled in Canadian colleges or universities whose studies contribute to the understanding of barren ground caribou and their habitat.

The amount payable consists of investments in the name of the Beverly and Qamanirjuaq Caribou Management Board, but held for the purpose of earning interest for the Beverly and Qamanirjuaq Caribou Management Board Scholarship Fund. The payable balance is reduced when a scholarship is issued and expensed in the Scholarship Fund, but paid with Management Board cash. The amount payable is non-interest bearing, unsecured and has no specified terms of repayment.

The Fund's financial statements have not been consolidated in the Organization's financial statements. Financial statements of the Fund are available on request.

The financial summary for the Fund as at and for the year ended March 31, 2021 are as follows:

	<b>2021</b>	<b>2020</b>
<b>Statement of financial position</b>		
Total assets	<b>\$ 37,083</b>	\$ 36,280
Total liabilities	-	-
Total net assets	<b>\$ 37,083</b>	\$ 36,280
<b>Results of operations</b>		
Total revenue	<b>\$ 803</b>	\$ 829
Excess of revenues over expenses	<b>\$ 803</b>	\$ 829

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**5. FINANCIAL INSTRUMENTS**

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at the reporting date, March 31, 2021.

*Interest rate risk*

The Organization is exposed to interest rate risk with respect to guaranteed investments.

*Liquidity risk*

The Organization is exposed to liquidity risk in meeting its obligations associated with financial liabilities, which is dependent on receipt of funds from contributors.

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**Beverly and Qamanirjuaq Caribou Management Board**  
**Notes to the Financial Statements**  
**For the Year Ended March 31, 2021**

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**6. DEFERRED REVENUE**

	<b>2021</b>	<b>2020</b>
Qamanirjuaq Survey Funding	<b>\$ 125,000</b>	<b>\$ -</b>
Nunavut General Monitoring Plan (NGMP) Funding	<b>45,501</b>	<b>34,564</b>
Yathi Dene IPA Funding	<b>24,885</b>	<b>-</b>
CIRNAC Planning for 2022-2032 Funding	<b>3,389</b>	<b>-</b>
	<b>\$ 198,775</b>	<b>\$ 34,564</b>

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**7. COVID-19**

Subsequent to the end of the fiscal year, the Province of Manitoba declared a province-wide state of emergency under the Emergency Measures Act on March 20, 2020 as a result of the global pandemic caused by COVID-19, with other jurisdictions imposing similar restrictions on travel, gathering, and business operations.

The overall effect of these events on the Organization and its operations is too uncertain to be estimated at this time. The impacts will be accounted for when they are known and may be assessed. Management agrees that such items may require disclosure in the future financial statements but would not affect the amounts recognized in the March 31, 2021 financial statements.

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**8. ACCOUNTING CORRECTION**

During the year, it was discovered that the Organization had \$5,536 in credit on account with Calm Air for flights purchased but not taken for some staff members. As such, the 2020 comparative figures have been restated to recognize the prepaid expense asset and to correspondingly reduce travel expense and increase closing net assets in the amount of \$5,536.

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**9. COMPARATIVE FIGURES**

Certain comparative amounts have been reclassified to conform to the current year's presentation.

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**Beverly and Qamanirjuaq Caribou Management Board**  
**Schedule of Expenses**  
**For the Year Ended March 31, 2021**

*(Schedule 1)*

	2021	2020	Budget
<b>ADMINISTRATION</b>			
Audit and Bank Charges	\$ 6,221	\$ 5,726	\$ 6,300
Contract Biologist	41,000	44,716	40,000
Executive Director Fees	14,759	18,310	17,000
Communication Specialist	21,981	11,860	13,000
Meeting Expense	-	11,268	1,500
Office Expenses	2,613	310	1,750
Travel	-	11,025	2,500
	<b>86,574</b>	<b>103,215</b>	<b>82,050</b>
<b>PUBLIC RELATIONS AND EDUCATION</b>			
Caribou News	-	11,590	17,000
Public Relations and Education	9,225	10,532	10,000
Website Fees	420	15	500
	<b>9,645</b>	<b>22,137</b>	<b>27,500</b>
<b>PROGRAMS</b>			
CIRNAC Planning for 2022-2032	26,611	-	-
Community Projects	-	9,382	6,000
Evaluation 2019 / 2020	-	26,537	-
FWEF Project	-	1,377	-
GNWT SAR	535	9,948	6,250
GNWT SAR Poster / Prose	-	1,636	-
GSK Poster / Prose	-	1,659	-
NGMP Harvest Reporting	3,649	11,161	49,150
Nunavut Land Use Plan	-	3,203	-
Reports	4,100	4,100	3,000
WWF Harvest Reporting	7,201	18,875	6,125
Yathi Dene IPA	115	-	-
	<b>42,211</b>	<b>87,878</b>	<b>70,525</b>
<b>OTHER BOARD SUPPORT</b>			
Chairperson Stipend	6,000	6,000	6,000
	<b>\$ 144,430</b>	<b>\$ 219,230</b>	<b>\$ 186,075</b>

The accompanying notes are an integral part of these financial statements.