

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

Financial Statements

For the Year Ended March 31, 2024

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

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For the Year Ended March 31, 2024

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INDEPENDENT AUDITOR'S REPORT

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, 2024 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, 2024 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 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 qualified opinion.

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
August 6, 2024


Talbot and Associates
Chartered Professional Accountants

Beverly and Qamanirjuaq Caribou Management Board
Statement of Financial Position
March 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 81,174	\$ 124,448
Term deposits (Note 3)	37,909	35,862
Accounts receivable (Note 4)	9,117	56,620
Interest receivable	541	-
Due from government agencies	7,201	3,901
Prepaid expenses	2,712	1,250
	<u>\$ 138,654</u>	<u>\$ 222,081</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 53,242	\$ 65,151
Payable to Scholarship fund (Note 5)	31,761	30,228
Deferred revenue (Note 6)	-	80,889
	<u>85,003</u>	<u>176,268</u>
NET ASSETS	<u>53,651</u>	<u>45,813</u>
	<u>\$ 138,654</u>	<u>\$ 222,081</u>

Approved on Behalf of the Board:

_____,
 _____,

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, 2024

	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ 45,813	\$ 31,374
EXCESS OF REVENUES OVER EXPENSES	<u>7,838</u>	<u>14,439</u>
NET ASSETS - END OF YEAR	<u>\$ 53,651</u>	<u>\$ 45,813</u>

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, 2024

	2024	2023	Budget
REVENUE			
Core funding			\$ -
CIRNAC	50,002	25,000	50,000
Manitoba	50,000	25,000	50,000
Saskatchewan	50,000	25,000	50,000
Northwest Territories	50,020	25,000	50,000
Nunavut	50,000	25,000	50,000
Kivalliq Region	10,000	-	10,000
Ghotelnene K'Odtjneh Dene	10,000	-	10,000
Tlicho Government	10,000	-	10,000
Lutsel K'e Dene First Nation	10,000	-	10,000
Athabasca DNNLC	10,000	-	10,000
	300,022	125,000	300,000
Other funding			
Athabasca DNNLC	-	20,000	-
Canada Helps Promo	106	2,974	-
Caribou Management Plan	25,178	70,367	-
Interest earned	15	592	-
Management Agreement	35,051	14,949	-
NGMP Harvest Reporting	20,760	11,446	-
Surveys	-	125,000	-
WWF - Nunavut Land Use Plan	-	24,247	-
Youth / Elder Participation	5,000	29,200	-
	86,110	298,775	-
	386,132	423,775	300,000
EXPENSES (Schedule 1)			
Administration	292,305	134,127	285,000
Programs	85,989	275,209	-
	378,294	409,336	285,000
EXCESS OF REVENUES OVER EXPENSES	\$ 7,838	\$ 14,439	\$ 15,000

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, 2024

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenues over expenses	\$ 7,838	\$ 14,439
Changes in non-cash working capital balances:		
Accounts receivable	46,961	(56,620)
Prepaid expenses	(1,462)	(473)
Accounts payable and accrued liabilities	(11,908)	(5,940)
Deferred contributions	(80,889)	(92,156)
Due from government agencies	(3,300)	(604)
	<u>(42,760)</u>	<u>(141,354)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from (payments to acquire) term deposits	(2,047)	132,378
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from (payments to) Scholarship fund	1,533	(4,956)
	<u>(43,274)</u>	<u>(13,932)</u>
INCREASE (DECREASE) IN CASH FLOW	(43,274)	(13,932)
CASH - BEGINNING OF YEAR	124,448	138,380
CASH - END OF YEAR	\$ 81,174	\$ 124,448

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, 2024

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.

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, 2024

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.

3. TERM DEPOSITS

Term deposits 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.

	2024	2023
Short term		
RBC #013, matured May 10, 2023	\$ -	\$ 12,953
RBC #008, matured December 7, 2023	-	5,355
RBC #011, matured January 31, 2024	-	17,554
RBC #014, matures October 17, 2024	15,000	-
RBC #008, matures December 7, 2024	5,355	-
RBC #011, matures January 31, 2025	17,554	-
	<u>37,909</u>	<u>35,862</u>
	<u>\$ 37,909</u>	<u>\$ 35,862</u>

Beverly and Qamanirjuaq Caribou Management Board
Notes to the Financial Statements
For the Year Ended March 31, 2024

4. ACCOUNTS RECEIVABLE

	2024	2023
Accounts receivable	\$ 24,117	\$ 56,620
Allowance for doubtful accounts	(15,000)	-
	<u>\$ 9,117</u>	<u>\$ 56,620</u>

5. 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, 2024 are as follows:

	2024	2023
Statement of financial position		
Total assets	\$ 31,761	\$ 30,228
Total net assets	\$ 31,761	\$ 30,228
Results of operations		
Total revenue	\$ 1,533	\$ 194
Total expenses	-	(5,150)
Excess of revenues over expenses	<u>\$ 1,533</u>	<u>\$ (4,956)</u>

Beverly and Qamanirjuaq Caribou Management Board
Notes to the Financial Statements
For the Year Ended March 31, 2024

6. DEFERRED REVENUE

	2024	2023
Caribou Management Plan	\$ -	\$ 25,078
Management Agreement	-	35,051
Nunavut General Monitoring Plan (NGMP) Funding	-	20,760
	<u>\$ -</u>	<u>\$ 80,889</u>

7. 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, 2024.

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.

8. COMPARATIVE FIGURES

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

Beverly and Qamanirjuaq Caribou Management Board
Schedule of Expenses
For the Year Ended March 31, 2024

(Schedule 1)

	2024	2023	Budget
ADMINISTRATION			
Administration	\$ 6,914	\$ -	\$ 8,000
Audit and Bank Charges	7,800	7,832	7,500
Bad debt	15,000	-	-
Caribou News	4,588	9,936	5,000
Chairperson Stipend	9,000	6,000	9,000
CMP Implementation	37,106	-	35,000
Communication Materials	46,349	-	30,000
Communication Specialist	34,491	21,215	40,000
Contract Biologist	39,946	44,342	45,000
Executive Director Fees	33,566	19,874	45,000
Meeting Expense	14,757	3,867	16,000
Office Expenses	5,241	3,717	5,500
On the land camps	6,250	-	5,000
Reports	1,000	6,519	4,500
Scholarship	-	-	5,000
Travel	28,969	9,924	24,000
Website Fees	1,328	901	500
	292,305	134,127	285,000
PROGRAMS			
Caribou Management Plan	25,178	70,367	-
Management Agreement	35,051	14,949	-
NGMP Harvest Reporting	20,760	11,446	-
Surveys	-	125,000	-
WWF - Nunavut Land Use Plan	-	24,247	-
Youth / Elder Participation	5,000	29,200	-
	85,989	275,209	-
	\$ 378,294	\$ 409,336	\$ 285,000

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