

Financial Statements of

B.C. WILDLIFE FEDERATION

And Independent Auditor's Report thereon

Year ended December 31, 2025



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INDEPENDENT AUDITOR'S REPORT

To the Members of B.C. Wildlife Federation

Opinion

We have audited the financial statements of B.C. Wildlife Federation (the "Federation"), which comprise:

- the statement of financial position as at December 31, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Federation as at December 31, 2025, and its results of operations, the changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Federation 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.



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 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.

In preparing the financial statements, management is responsible for assessing the Federation'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 Federation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 the 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 Federation'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 Federation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Federation 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.
- 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied by the Federation in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied, on a basis consistent with that of the preceding period.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Langley, Canada

April 20, 2026

B.C. WILDLIFE FEDERATION

Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ -	\$ 470,842
Restricted cash and cash equivalents (note 2)	1,776,748	2,370,168
Accounts receivable (note 3)	976,802	305,198
Inventories for resale (note 4)	54,251	42,392
Prepaid expenses	202,468	217,490
	<u>3,010,269</u>	<u>3,406,090</u>
Tangible capital assets (note 5(a))	915,616	961,317
Intangible assets (note 5(b))	473,202	169,666
	<u>\$ 4,399,087</u>	<u>\$ 4,537,073</u>

Liabilities and Shareholders' Equity

Current liabilities:		
Accounts payable and accrued liabilities	\$ 263,412	\$ 319,711
Deferred revenue (note 6)	1,953,079	1,613,527
	<u>2,216,491</u>	<u>1,933,238</u>
Deferred capital contributions (note 7)	14,098	14,761
	<u>2,230,589</u>	<u>1,947,999</u>
Net assets:		
Invested in capital assets (note 8)	1,374,720	1,116,222
Internally restricted (note 9)	818,630	756,641
Unrestricted	(24,852)	716,211
	<u>2,168,498</u>	<u>2,589,074</u>
	<u>\$ 4,399,087</u>	<u>\$ 4,537,073</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

B.C. WILDLIFE FEDERATION

Statement of Operations

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Conservation and education programs	\$ 4,451,891	\$ 4,938,556
Membership and dues	1,381,049	1,393,965
Lotteries (note 12)	567,265	1,007,636
General sponsorships and donations	99,779	102,506
Special events	97,575	122,061
Memorial donations	35,130	154,745
Merchandise and print sales	21,509	28,576
Investment and other income (loss)	(31,413)	193,834
	<u>6,622,785</u>	<u>7,941,879</u>
Expenses:		
Conservation and education	3,906,192	4,644,862
Memberships	525,418	642,259
Lotteries – direct operating costs	567,335	712,488
Promotion and advertising	435,941	312,888
Board, executive and committees	285,745	236,973
Meetings and conventions	181,358	237,917
BC Outdoors	177,876	180,023
Office and administration	742,849	752,972
Professional fees	56,625	77,411
Interest and bank charges	32,864	28,240
Property taxes	27,711	12,346
Repairs and maintenance	11,495	12,952
Strata fees and rent	10,553	10,464
Direct mailing costs	2,412	21,866
Merchandise and art prints	203	400
	<u>6,964,577</u>	<u>7,884,061</u>
Excess (deficiency) of revenues over expenses before undernoted	(341,792)	57,818
Other revenue (expenses)		
Amortization of tangible capital and intangible assets	(73,169)	(48,198)
Amortization of deferred capital contributions	663	663
Gain (loss) on disposal of tangible capital and intangible assets	(6,278)	4,857
	<u>(78,784)</u>	<u>(42,678)</u>
Excess (deficiency) of revenues over expenses	<u>\$ (420,576)</u>	<u>\$ 15,140</u>

See accompanying notes to financial statements.

B.C. WILDLIFE FEDERATION

Statement of Changes in Net Assets

Year ended December 31, 2025, with comparative information for 2024

	Unrestricted	Internally restricted	Invested in capital assets	Total
Balance, beginning of year	\$ 716,211	\$ 756,641	\$ 1,116,222	\$ 2,589,074
Excess (deficiency) of revenue over expenses	(341,792)	-	(78,784)	(420,576)
Special purpose fund transferred to unrestricted (note 9(a))	28,035	(28,035)	-	-
Memorial donations transferred to internally restricted (note 9(b))	(66,317)	66,317	-	-
Transferred to Core internally restricted (note 9(d))	(50,520)	50,520	-	-
Net change in invested in capital assets (note 8(c))	(310,469)	(26,813)	337,282	-
Balance, end of year	\$ (24,852)	\$ 818,630	\$ 1,374,720	\$ 2,168,498

	Unrestricted	Internally restricted	Invested in capital assets	Total
Balance, beginning of year	\$ 867,483	\$ 739,876	\$ 966,575	\$ 2,573,934
Excess (deficiency) of revenue over expenses	77,540	(19,722)	(42,678)	15,140
Memorial donations transferred to internally restricted (note 9(b))	(154,745)	154,745	-	-
Transferred to Core internally restricted (note 9(d))	(59,521)	59,521	-	-
Net change in investment in capital assets (note 8(c))	(14,546)	(177,779)	192,325	-
Balance, end of year	\$ 716,211	\$ 756,641	\$ 1,116,222	\$ 2,589,074

See accompanying notes to financial statements.

B.C. WILDLIFE FEDERATION

Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenues over expenses	\$ (420,576)	\$ 15,140
Items not involving cash:		
Amortization of tangible capital and intangible assets	73,169	48,198
Amortization of deferred capital contributions	(663)	(663)
Loss (gain) on disposal of tangible capital and intangible assets	6,278	(4,857)
Change in non-cash operating working capital:		
Accounts receivable	(671,604)	(121,231)
Inventories for resale	(11,859)	(12,121)
Prepaid expenses	15,022	(134,705)
Accounts payable and accrued liabilities	(56,299)	72,679
Deferred revenue	339,552	(2,092,667)
	(726,980)	(2,230,227)
Investing:		
Purchase of capital assets	(337,282)	(229,722)
Proceeds on disposal of capital assets	-	37,397
	(337,282)	(192,325)
Decrease in cash and cash equivalents	(1,064,262)	(2,422,552)
Cash and cash equivalents, beginning of year	2,841,010	5,263,562
Cash and cash equivalents, end of year	\$ 1,776,748	\$ 2,841,010
Cash and cash equivalents consists of:		
Cash and cash equivalents	\$ -	\$ 470,842
Restricted cash and cash equivalents	1,776,748	2,370,168
	\$ 1,776,748	\$ 2,841,010

See accompanying notes to financial statements.

B.C. WILDLIFE FEDERATION

Notes to Financial Statements

Year ended December 31, 2025

Nature of operations:

B.C. Wildlife Federation (the "Federation") is a provincially incorporated not-for-profit organization. The Federation is a province-wide voluntary conservation organization representing British Columbians whose aims are, in co-operation with the general public, the media, government, industry and special interest groups, to protect, enhance and promote the wise use of the environment for the benefit of present and future generations.

The Federation is incorporated under the Societies Act (British Columbia) as a not-for-profit organization and is a registered charity under the Income Tax Act (the "Act"), and as such is not subject to income taxes provided certain requirements of the Act are met and is authorized to issue donations receipts for income tax purposes.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook. The Federation's significant accounting policies are as follows:

(a) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits that are redeemable without penalty which are highly liquid.

(b) Inventories for resale:

Inventories for resale consists of manuals, merchandise, art prints and art cards and is valued at the lower of cost and net realizable value, on a first-in, first-out basis.

(c) Capital assets:

Purchased tangible capital and intangible assets are recorded at cost. Contributed tangible capital and intangible assets are recorded at fair value at the date of contribution. Assets acquired under capital leases are amortized over the estimated life of the assets or over the lease term, as appropriate. Repairs and maintenance costs are charged to expense. Betterments which extend the estimate life of an asset are capitalized. Tangible capital assets are written down to fair value or replacement cost to reflect partial impairments when conditions indicate that the assets no longer contribute to the Federation's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the tangible capital assets are less than their net carrying amounts

B.C. WILDLIFE FEDERATION

Notes to Financial Statements

Year ended December 31, 2025

1. Significant accounting policies (continued):

(c) Capital assets (continued):

Tangible capital and intangible assets are amortized using declining balance basis at the following annual rates:

Asset	Rate
Tangible capital assets:	
Building	4%
Computer equipment	30%
Furniture, fixtures and equipment	20%
Vehicles	30%
Office equipment under capital lease	20%
Intangible assets:	
Computer software	30%
Website	30%

(d) Revenue recognition:

The Federation follows the deferral method of accounting for contributions that are restricted as to their use. Donations and sponsorship for specific programs are deferred and subsequently recognized as revenue at the time the related expenses are incurred. Unrestricted donations are recognized as revenue when received. Memorial donations are recognized when the Federation's right to receive them has been established and the amount of the donations can be estimated.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Restricted endowment contributions are recognized as direct increases in endowment net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are recognized. Unrestricted investment income is recognized as revenue when earned.

Revenues from fees, contracts and sales of publications is recognized when the services are provided, or the goods are sold.

(e) Donated services:

Volunteers contribute a significant number of hours during the year to assist the Federation. Due to the difficulty of determining their fair value, donated services are not recognized in the financial statements.

B.C. WILDLIFE FEDERATION

Notes to Financial Statements

Year ended December 31, 2025

1. Significant accounting policies (continued):

(f) Allocation of expenses:

The Federation records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program. The Federation allocates these expenses based on the relative allocation of wages and benefits attributed to each program based on individual department and project.

(g) Measurement uncertainty:

The preparation of the financial statements requires management to 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

(h) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Federation has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Federation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Federation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

B.C. WILDLIFE FEDERATION

Notes to Financial Statements

Year ended December 31, 2025

2. Restricted cash and cash equivalents:

	2025	2024
Externally restricted (note 6):		
Cash, which is externally restricted by the British Columbia Gaming Commission	\$ 696,351	\$ 292,706
Other externally restricted, net of contributions receivable	1,149,122	1,320,821
	<u>1,845,473</u>	<u>1,613,527</u>
Internally restricted:		
Special purpose fund (note 9(a))	-	28,035
Memorial donations and bequest fund (note 9(b))	708,589	669,085
Core fund (note 9(d))	110,041	59,521
	<u>818,630</u>	<u>756,640</u>
Unrestricted cash deficiency	(824,355)	-
	<u>\$ 1,776,748</u>	<u>\$ 2,370,168</u>

The Federation has a line of credit of \$305,000 of which nil (2024 - nil) was utilized as at December 31, 2025.

3. Accounts receivable:

	2025	2024
Accounts receivable	\$ 163,400	\$ 279,794
Contributions receivable	803,204	-
Goods and services tax receivable	10,198	25,404
	<u>\$ 976,802</u>	<u>\$ 305,198</u>

4. Inventories for resale:

	2025	2024
Merchandise	\$ 37,620	\$ 22,959
Art prints	16,752	16,857
CORE manuals	16,631	18,200
Art cards	1,421	1,419
Firearms manuals	-	428
Diamond rings	-	719
	<u>72,424</u>	<u>60,582</u>
Valuation allowance	(18,173)	(18,190)
	<u>\$ 54,251</u>	<u>\$ 42,392</u>

B.C. WILDLIFE FEDERATION

Notes to Financial Statements

Year ended December 31, 2025

4. Inventories for resale (continued):

Art prints donated to the Federation are to be used for fund-raising activities by the Federation and related organizations. Because of the uncertainty in the timing of the sale of these items and the amount of proceeds which will ultimately be realized from those sales, donated art prints are not recognized in the financial statements until they are sold, at which time the sale is recorded in the statement of operations.

5. Tangible and intangible capital assets:

(a) Tangible capital assets

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 614,699	\$ -	\$ 614,699	\$ 614,699
Building	292,427	110,302	182,125	189,747
Website	46,586	41,724	4,862	6,946
Furniture, fixtures, and equipment	23,153	18,950	4,203	5,955
Vehicles	72,597	28,284	44,313	62,121
	<u>\$ 1,155,867</u>	<u>\$ 240,251</u>	<u>\$ 915,616</u>	<u>\$ 961,317</u>

(b) Intangible assets

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	152,991	82,715	70,276	88,795
Computer software	493,718	25,378	468,340	162,720
	<u>\$ 540,304</u>	<u>\$ 67,102</u>	<u>\$ 473,202</u>	<u>\$ 169,666</u>

B.C. WILDLIFE FEDERATION

Notes to Financial Statements

Year ended December 31, 2025

6. Deferred revenue:

Deferred revenue represents prepaid membership dues and restricted funding received that is related to costs of programs that are expected to occur in subsequent years. Changes in the deferred revenue balance are as follows:

	Balance, January 1, 2025	Cash received/ receivable	Revenue recognized	Balance, December 31, 2025
Action Fund (a)	\$ 8,807	\$ 4,080	\$ -	\$ 12,887
Advocacy (b)	-	12,500	-	12,500
Colleen Laviolette Fund (c)	476	-	-	476
Controlled Burns (d)	-	245,733	78,776	166,957
Enforcement/Rewards (e)	12,175	-	-	12,175
Invasive Mussels Fund (f)	12,500	25,000	37,500	-
Lower Fraser Collaborative Table (g)	30,101	16,000	35,672	10,429
Metcalf Foundation (h)	-	57,117	11,842	45,275
Mule Deer Project (i)	26,740	1,500	25,000	3,240
Gaming Funds (note 12)	292,706	696,351	292,706	696,351
Reconciliation Video (j)	18,775	-	-	18,775
Southern BC Cougar Project (k)	25,000	-	-	25,000
Stone Sheep Project (l)	9,625	-	9,625	-
Watershed Security (m)	1,176,432	2,719,322	2,955,832	939,922
Wilderness Watch (n)	190	-	-	190
Prepaid membership dues	-	8,902	-	8,902
Balance, end of year	\$ 1,613,527	\$ 3,786,505	\$ 3,446,953	\$ 1,953,079

As at December 31 2025, the deferred revenue balances are included in restricted cash of \$1,256,728 (2024 - \$1,613,527), with \$107,606 (2024 - nil) of contributions receivable included in accounts receivable.

- (a) The Action Fund was established to manage funds received from affiliated clubs, members, donors, or outside sources. Revenues accumulated within this fund shall be dispersed only to protect the wise use of our fish and wildlife and their habitat while ensuring access to a sustainable harvest of fish and wildlife for present and future generations using legal process, the court system, or other effective lawful means.
- (b) The Advocacy Fund was established to support the BC Wildlife Federation's public policy and government relations activities that advance the conservation of fish, wildlife, and habitat in British Columbia. Funds accumulated within this fund shall be used to support research, public engagement, and non-partisan advocacy efforts that promote sound wildlife management, habitat protection, and sustainable harvest opportunities for present and future generations.

B.C. WILDLIFE FEDERATION

Notes to Financial Statements

Year ended December 31, 2025

6. Deferred revenue (continued):

- (c) The Colleen Laviolette Fund was established in memory of Colleen Laviolette and provides scholarships for the Becoming an Outdoors Woman program.
- (d) The Controlled Burn fund is for the reintroduction of cultural and prescribed burning in remote areas of BC, which will reintroduce fire in a controlled manner based in science and traditional knowledge to the landscape. This will include monitoring the impacts/benefits to wildlife and native plant communities, including critical habitat areas for multiple federally listed species at risk.
- (e) The source of financing for the Enforcement/Rewards Fund is donated and directed money. Monies from the Enforcement/Rewards Fund (up to the amount of \$2,000) may be paid to individuals for their part in reporting violators. The Enforcement/Rewards Fund also supports special enforcement projects as well as education and promotion of programs that create awareness, use of and support for the Rewards Program and the Observe, Record, Report Ethic.
- (f) The Province of British Columbia has committed significant funding to the Invasive Mussel Defence Program (IMDP), with BC Hydro contributing \$900,000 annually and the B.C. Wildlife Federation, Pacific Salmon Foundation, and Habitat Conservation Trust Foundation providing \$150,000. These funds support efforts to prevent the spread of invasive mussels through early detection, monitoring, and mitigation, protecting B.C.'s freshwater ecosystems and fish populations.
- (g) The Lower Fraser Collaborative Table brings together stakeholders, including Indigenous communities, governments, and environmental groups, to address challenges facing salmon populations in the Lower Fraser River. Its purpose is to promote cooperation in salmon management, habitat restoration, and the development of science-based solutions to ensure the long-term sustainability of salmon in the region
- (h) The Metcalf Foundation supports the Fish, Wildlife & Habitat Coalition, a partnership of conservation, environmental, and resource-user organizations working together to advance policy solutions that strengthen fish, wildlife, and habitat stewardship in British Columbia. Funds are used to support coalition coordination, communications, and government relations activities that promote improved conservation policy, sustainable land use planning, and increased investment in fish, wildlife, and habitat management.
- (i) The purpose of the Mule Deer Project is to identify the effect of wildfire on mule deer habitat selection and population growth in the Boundary Region, West Okanagan, and Bonaparte Plateau areas of British Columbia, and provide management tools and recommendations to increase mule deer abundance.
- (j) The BCWF will produce five short films highlighting collaborative stewardship projects with Indigenous communities to restore fish, wildlife, and habitat. These films will be shared across BCWF platforms and produced in partnership with River and Ridge Productions Ltd. through UBC Vancouver. Potential projects include the Lower Fraser Collaborative Table and Roosevelt Elk Reintroduction. The initiative aims to showcase the benefits of collaboration with Indigenous communities, supported by interviews with provincial staff or Ministers.

B.C. WILDLIFE FEDERATION

Notes to Financial Statements

Year ended December 31, 2025

6. Deferred revenue (continued):

- (k) The Southern BC Cougar Project is focused on understanding the ecology of cougars (*Puma concolor*) in southern British Columbia, a region where cougar populations are poorly studied, particularly in relation to declining mule deer and other large ungulates. The project seeks to gather essential baseline data on cougar densities, territory sizes, dispersal, and survival, alongside insights into cougar diet composition, including the selection of prey species like mule deer and moose. Additionally, the study investigates the effects of landscape disturbances—such as wildfire, forestry activities, and road construction—on cougar habitat use. The project also examines the role of scavenger communities that interact with cougar kill sites, contributing to broader ecological knowledge of predator-prey dynamics in disturbed environments.
- (l) The Sheep Shape project aims to investigate how seasonal range conditions influence the body condition of Stone's sheep in the Finlay-Russell, Tatlatui, and Swannel ranges. These regions represent the southernmost edge of their range in central British Columbia, where the population appears to have undergone an apparent 50-per-cent decline since 1993. Stone's sheep, a species found almost entirely in B.C., play a critical role in the province's biodiversity, making the health of these habitats vital for the conservation of this unique species.
- (m) The Watershed Security Program focuses on wetland and stream conservation through education and stewardship. It provides training and resources to support the growth of a watershed sector economy in BC (e.g., training of staff and public), and with a particular emphasis on developing and implementing conservation, education, or restoration projects.
- (n) The Wilderness Watch is a program developed by the Federation to stop illegal activities affecting the environment and conservation. Volunteers assist conservation officers to "Observe, Record and Report" on the "Report All Poachers and Polluters (RAPP)" telephone hotline.

7. Deferred capital contributions:

Deferred capital contributions represent the unamortized amount of donations received for the purchase of capital assets. The amortization of deferred capital contributions is recorded as revenue in the statement of operations.

	2025		2024	
Balance, beginning of year	\$	14,761	\$	15,424
Amounts amortized to revenue		(663)		(663)
	\$	14,098	\$	14,761

B.C. WILDLIFE FEDERATION

Notes to Financial Statements

Year ended December 31, 2025

8. Invested in capital assets:

(a) Investment in capital assets is calculated as follows:

	2025	2024
Tangible capital assets	\$ 915,616	\$ 961,317
Intangible assets	473,202	169,666
Amounts financed by unamortized deferred capital contributions	(14,098)	(14,761)
	\$ 1,374,720	\$ 1,116,222

(b) Deficiency of revenue over expenses:

	2025	2024
Amortization of deferred capital contributions	\$ 663	\$ 663
Amortization of tangible and intangible capital assets	(73,169)	(48,198)
Gain (loss) on disposal of tangible and intangible capital assets	(6,278)	4,857
	\$ (78,784)	\$ (42,678)

(c) Changes in net assets invested in tangible and intangible capital assets:

	2025	2024
Purchase of tangible and intangible capital assets	\$ 337,282	\$ 229,722
Proceeds on disposal of tangible and intangible capital assets	-	(37,397)
	\$ 337,282	\$ 192,325

9. Internally restricted net assets:

(a) Special purpose fund:

In 2002, the Federation received an unrestricted donation of \$20,000 which, together with interest earned, has been internally restricted to be used specifically for the maintenance, care and well-being and future construction of a permanent location for the animal mounts which were donated to the Federation in 2000.

In 2025, the donor advised the Federation that the taxidermy collection would be transferred to another individual and confirmed that the Federation no longer has any claim or interest in the collection. As a result, the internally restricted balance of \$28,041, representing the original donation and accumulated interest, was released from restriction and reallocated to support stewardship initiatives, including controlled burn projects.

B.C. WILDLIFE FEDERATION

Notes to Financial Statements

Year ended December 31, 2025

9. Internally restricted net assets (continued):

(b) Memorial donations and bequest fund:

The memorial donations and bequest fund was established to manage unrestricted funds received through bequests, including wills, estates, and memorial donations. These funds are intended to serve as a long-term financial resource and may be used for purposes such as capital projects, general operating needs, or other uses as determined by the organization or specified by the donor. This fund, together with any interest earned, is accumulated as internally restricted net assets. During the year, \$35,130 (2024 - \$155,592) of unrestricted memorial donations were recognized as revenue and subsequently transferred to the memorial donations and bequest fund. In addition, \$31,187 was received during the year in relation to an insurance settlement and was transferred to the fund.

(c) CORE program reserve fund:

BCWF previously initiated development of an online CORE program, which was discontinued due to cost considerations. There remains ongoing interest in developing a BCWF-owned online program. The CORE Committee has proposed establishing an internally restricted reserve fund to support future development, with 20% of the CORE program's annual excess of revenue over expenses allocated to the reserve, subject to periodic review. For the year ended December 31, 2025, this allocation amounted to \$50,520 (2024 - \$59,521).

10. Financial risks and concentration of risk:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Federation is exposed to credit risk with respect to the cash and accounts receivable. The Federation deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Federation's cash is held with reputable financial institutions. The Federation assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible.

(b) Liquidity risk:

Liquidity risk is the risk that the Federation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Federation manages its liquidity risk by monitoring its operating requirements. The Federation prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

There have been no changes to these risk exposures from the prior year.

11. Remuneration:

For the fiscal year ending December 31, 2025, the Federation paid \$960,525 (2024 - \$1,009,648) to nine (2024 - ten) employees or contractors for services whose total annual remuneration was greater than \$75,000. No amounts were paid to members of the board of directors.

B.C. WILDLIFE FEDERATION

Notes to Financial Statements

Year ended December 31, 2025

12. Lotteries revenue:

The Federation receives funding from a variety of sources that are restricted for specific conservation and education programs. Under the deferral method of accounting, externally restricted contributions are recognized as revenue in the period in which the related expenses are incurred.

As at December 31, 2025, \$561,851 of net gaming revenue from lotteries held in 2025 has been deferred and will be recognized as revenue in future periods as the related program expenditures occur.

As a result, the statement of operations may reflect timing differences between when restricted funding is received and when the related program expenditures are incurred.

13. Comparative information:

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.