

**KOOTENAY-COLUMBIA DISCOVERY CENTRE SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT

**To the Members of:
Kootenay-Columbia Discovery Centre Society**

We have reviewed the accompanying financial statements of Kootenay-Columbia Discovery Centre Society that comprise the statement of financial position as at December 31, 2025, and the statements of revenue and expenditure, 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 practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Kootenay-Columbia Discovery Centre Society as at December 31, 2025, and the results of its operations, and changes in fund balances and cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Apex Accounting

Chartered Professional Accountants

Creston, BC
June 3, 2026

KOOTENAY-COLUMBIA DISCOVERY CENTRE SOCIETY
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	2025	2024
ASSETS		
Current		
Cash and cash equivalents (Note 2)	\$ 94,276	\$ 90,236
Short-term investments	5,000	5,000
Accounts receivable	478	-
Inventory	2,248	3,104
Prepaid expenses	1,447	1,392
	<u>103,449</u>	<u>99,732</u>
Tangible capital assets (Note 3)	<u>47,483</u>	<u>54,734</u>
	\$ 150,932	\$ 154,466
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 6,166	\$ 7,218
Government remittances payable	5,378	5,165
Deferred revenue (Note 4)	64,471	48,498
	<u>76,015</u>	<u>60,881</u>
Deferred contributions (Note 5)	<u>38,142</u>	<u>43,441</u>
	<u>114,157</u>	<u>104,322</u>
NET ASSETS		
Invested in tangible capital assets	9,341	11,293
Unrestricted net assets	27,434	38,851
	<u>36,775</u>	<u>50,144</u>
	\$ 150,932	\$ 154,466

See accompanying notes to the financial statements

On behalf of the Board: Philip Hawley Director

**KOOTENAY-COLUMBIA DISCOVERY CENTRE SOCIETY
 STATEMENT OF REVENUE AND EXPENDITURE
 FOR THE YEAR ENDED DECEMBER 31, 2025**

	2025	2024
REVENUES		
Grant revenue (Note 6)	\$ 143,697	\$ 128,415
Public programs	17,411	19,155
Donations	7,065	4,606
Other income	1,227	4,406
Gift shop	1,018	1,046
	<u>170,418</u>	<u>157,628</u>
EXPENDITURES		
Accounting, legal, and consultation	10,057	8,571
Administration	3,877	3,987
Amortization	7,251	8,706
Bank charges and interest	1,288	786
Gift shop	1,350	1,335
Insurance	4,327	4,614
Management costs	92,756	88,205
Marketing and promotional Programs	6,253	5,153
Seasonal staff costs	2,109	1,286
Trail and outdoor maintenance	44,425	33,798
Transitional building costs	-	100
	<u>10,094</u>	<u>11,706</u>
	<u>183,787</u>	<u>168,247</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	\$ (13,369)	\$ (10,619)

See accompanying notes to the financial statements

KOOTENAY-COLUMBIA DISCOVERY CENTRE SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025			2024	
	Invested in Tangible Capital Assets	Unrestricted	Total	Total	
NET ASSETS , beginning of year	\$ 11,293	\$ 38,851	\$ 50,144	\$ 60,763	
Deficiency of revenue over expenditure for the year	(1,952)	(11,417)	(13,369)	(10,619)	
NET ASSETS , end of year	\$ 9,341	\$ 27,434	\$ 36,775	\$ 50,144	

See accompanying notes to the financial statements

KOOTENAY-COLUMBIA DISCOVERY CENTRE SOCIETY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
CASH FLOW FROM OPERATING ACTIVITIES		
Deficiency of revenues over expenditures	\$ (13,369)	\$ (10,619)
Amortization	7,251	8,706
Increase in accounts receivable	(478)	-
Decrease (increase) in inventories	856	(254)
Decrease (increase) in prepaid expenses	(53)	395
Increase (decrease) in accounts payable	(1,054)	190
Increase in government remittances payable	213	231
Increase (decrease) in deferred revenue	15,973	(2,752)
Decrease in deferred contributions	(5,299)	(6,378)
	<u>4,040</u>	<u>(10,481)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to tangible capital assets	-	(1,482)
	<u>4,040</u>	<u>(11,963)</u>
INCREASE (DECREASE) IN CASH FOR THE YEAR		
	<u>4,040</u>	<u>(11,963)</u>
CASH AND CASH EQUIVALENTS, beginning of year	<u>90,236</u>	<u>102,199</u>
CASH AND CASH EQUIVALENTS, end of year (Note 2)	<u>\$ 94,276</u>	<u>\$ 90,236</u>

See accompanying notes to the financial statements

KOOTENAY-COLUMBIA DISCOVERY CENTRE SOCIETY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES

a) PURPOSE

The Kootenay-Columbia Discovery Centre Society (KCDCS) was established in 2015 in response to the impending 2017 closure of the Creston Valley Wildlife Management Area Interpretive Centre. The purpose of the KCDCS is to advance knowledge of, and foster appreciation for, the Columbia Basin including its history, Ktunaxa cultural ecology and wetland ecology, and to advance the science of practice of conserving the biological diversity of the Columbia Basin. The KCDCS will maintain and oversee the management of an ecotourism and educational facility to achieve its purpose. They were incorporated under the Society's Act on October 20, 2015 and received registered charity status on February 5, 2019. Their operations fall under this act, they are not taxable under the Federal Income Tax Act.

b) BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

c) FUND ACCOUNTING

The KCDCS follows the deferral fund method of accounting.

The Operating Fund accounts for the Society's contributions, other revenue and expenditures related to the operations, administration and capital funding of the organization.

The Capital Asset Fund reports the assets, liabilities, revenues and expenditures, relating to the organization's tangible capital assets.

d) REVENUE RECOGNITION

Grant funding is recognized in the year in which the related expenses are incurred. Interest income is recognized as revenue when earned. Program, donation, gift shop and other funding is recognized when received.

e) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, bank balances and managed fund with Creston Valley Community Foundation that are readily convertible to a known amount of cash and that are subject to an insignificant risk of change in value.

f) SHORT-TERM INVESTMENTS

The Society's GICs are redeemable within one year and are measured at cost. Income is recognized to the extent of interest received.

KOOTENAY-COLUMBIA DISCOVERY CENTRE SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) INVENTORIES

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis.

h) TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at historical cost. Amortization, based on the estimated useful life of the asset, is provided annually on a declining basis and is applied over a consistent basis as follows:

Building	10%
Canoes	15%
Equipment	20%
Computer equipment	55%

i) IMPAIRMENT OF LONG-LIVED ASSETS

The Society assesses long-lived assets for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized on a long-lived asset to be held and used when its carrying value exceeds the total undiscounted cash flows expected from its use and disposal. The amount of the loss is determined by deducting the assets fair value from its carrying amount.

j) DEFERRED REVENUE

Deferred revenue includes funds received for specific uses for which the related expenditures have not been incurred.

k) DEFERRED CONTRIBUTIONS

Contributions received or receivable for the purpose of acquiring or developing a depreciable capital asset for use in providing services shall be recognized as deferred capital contribution. These amounts are recognized as revenue at the same rate as the related capital asset is amortized.

l) MEASUREMENT UNCERTAINTY

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations. In preparing these financial statements, management has made estimates and assumptions that affect the amount reported. In particular, management has made estimates regarding the collectibility of accounts receivable, valuation of inventory and the useful lives of equipment and therefore their appropriate amortization rates. Actual results could differ from those estimates.

KOOTENAY-COLUMBIA DISCOVERY CENTRE SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m) USE OF ESTIMATES

The preparation of financial statements in accordance with Canadian Accounting Standards for Not-For-Profit Organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses for the periods covered. The main estimates relate to accrued liabilities, deferred revenue, deferred contributions, inventory and the useful life of tangible capital assets.

n) FINANCIAL INSTRUMENTS

Measurement of financial instruments

The KCDCS initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all its financial assets and financial instruments at amortized costs.

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

Financial liabilities measured at amortized cost include accounts payable, government remittance payables, deferred revenue, deferred contributions and long term debt.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

2. CASH AND CASH EQUIVALENTS

	<u>2025</u>	<u>2024</u>
Cash	\$ 70,410	\$ 66,774
Creston Valley Community Foundation managed fund	23,866	23,462
	<u>\$ 94,276</u>	<u>\$ 90,236</u>

KOOTENAY-COLUMBIA DISCOVERY CENTRE SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2025	Net 2024
Building	\$ 72,634	\$ 39,630	\$ 33,004	\$ 36,671
Canoes	16,684	11,737	4,947	5,820
Equipment	25,982	16,788	9,194	11,493
Computer equipment	5,476	5,138	338	750
	\$ 120,776	\$ 73,293	\$ 47,483	\$ 54,734

4. DEFERRED REVENUE

	2025	2024
BC Gaming	\$ 28,000	\$ 28,000
Krogseth Foundation	10,000	-
RBC Foundation	10,000	-
Creston Valley Gleaners	5,000	-
Rotary Club of the Creston Valley	5,000	5,000
RDCK Community Initiatives Program	3,971	5,498
The Hamber Foundation	2,500	-
SM Blair Foundation	-	10,000
	\$ 64,471	\$ 48,498

5. DEFERRED CONTRIBUTIONS

	2025	2024
Opening balance	\$ 43,441	\$ 49,819
Amortized to income	5,299	6,378
	\$ 38,142	\$ 43,441

KOOTENAY-COLUMBIA DISCOVERY CENTRE SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

6. GRANT REVENUE

	<u>2025</u>	<u>2024</u>
Grant revenue was received from the following sources:		
Creston Valley Wildlife Management Authority	\$ 30,247	\$ 15,291
BC Gaming	28,000	24,500
FortisBC	10,164	205
Creston Valley Community Foundation	10,000	5,000
RBC Foundation	10,000	10,000
SM Blair Foundation	10,000	10,000
Columbia Basin Trust		
Community Initiatives Grant	9,267	11,130
Special Initiatives Grant	3,474	3,860
Tech Grant	446	564
Y.P. Heung Foundation	8,000	8,000
Benevity	6,099	2,977
Chris Spencer Foundation	5,000	-
Creston Valley Rotary	5,000	-
GMR Foundation	5,000	5,000
The Hamber Foundation	2,000	-
Outdoor Recreational Council BC	1,000	9,000
Telus Friendly Future Foundation	-	12,000
Service Canada	-	10,888
	<u>\$ 143,697</u>	<u>\$ 128,415</u>

7. FINANCIAL INSTRUMENTS

The KCDCS is exposed to various risks through its financial instruments. The following analysis provides a measure of the KCDCS's risk exposure and concentrations at the statement of financial position date, December 31, 2025.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Society is mainly exposed to interest rate risk.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The KCDCS's credit risk is primarily attributable to cash and receivables. Management manages cash default risk by dealing with only large financial institutions with good credit ratings.

KOOTENAY-COLUMBIA DISCOVERY CENTRE SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

7. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The KCDCS is exposed to this risk mainly in respect of its accounts payable and deferred revenues.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The KCDCS is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed rate instruments subject the KCDCS to a fair value risk.

9 REMUNERATION OF EMPLOYEES

Under the Societies Act of British Columbia, the Society is required to disclose the remuneration paid to all directors, the ten highest paid employees and all contractors who are paid at least \$75,000 annually.

For the year ended December 31, 2025, the Society paid total remuneration of \$137,181 (2024 - \$122,007) to the top ten employees of which there was only one individual who received total annual remuneration of \$75,000 or greater. No remuneration was paid to directors of the Society.