

**Animal Protection Services
of Saskatchewan Inc.**

FINANCIAL STATEMENTS

Year Ended March 31, 2016

Animal Protection Services of Saskatchewan Inc.

Saskatoon, Saskatchewan

March 31, 2016

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Independent Auditors' Report

To the board of directors
Animal Protection Services of Saskatchewan Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Animal Protection Services of Saskatchewan Inc., which comprise the Statement of Financial Position as at March 31, 2016, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Animal Protection Services of Saskatchewan Inc. as at March 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matters

The corresponding figures presented in these financial statements for the year ended March 31, 2015 are not covered by this Independent Auditors' Report, and as such these figures are unaudited.

Collins Barrow PQ LLP

Collins Barrow PQ LLP:

Saskatoon, SK
July 25, 2016

Animal Protection Services of Saskatchewan Inc.

Saskatoon, Saskatchewan

Statement of Financial Position as at March 31, 2016

	Operating Fund	Restricted Net Assets	2016 Total	2015 Total
Assets				
Current Assets				
Cash and cash equivalents	174,893		174,893	10,000
Accounts receivable - note 3	4,853		4,853	127
Prepaid expenses	3,770		3,770	
	<u>183,516</u>	<u>0</u>	<u>183,516</u>	<u>10,127</u>
Other Assets	<u>1,639</u>	<u>0</u>	<u>1,639</u>	<u>0</u>
	<u>\$ 185,155</u>	<u>\$ 0</u>	<u>\$ 185,155</u>	<u>\$ 10,127</u>
Liabilities and Net Assets				
Current Liabilities				
Accounts payable and accrued liabilities - note 4	15,522		15,522	5,673
Deferred revenue - note 5	160,954		160,954	4,454
	<u>176,476</u>	<u>0</u>	<u>176,476</u>	<u>10,127</u>
Net Assets				
Unrestricted net assets	<u>8,679</u>	<u>0</u>	<u>8,679</u>	<u>0</u>
	<u>\$ 185,155</u>	<u>\$ 0</u>	<u>\$ 185,155</u>	<u>\$ 10,127</u>

Approved on behalf of the board:

*The notes to financial statements are an integral
part of these financial statements.*

Animal Protection Services of Saskatchewan Inc.

Statement of Changes in Net Assets
For the year ended March 31, 2016

	Internally- Restricted Net Assets	Unrestricted Net Assets	2016 Total	2015 Total (Note 6)
Excess of revenue over expenses for the year	<u>0</u>	<u>8,679</u>	<u>8,679</u>	<u>0</u>
Balance, end of year	<u>\$ 0</u>	<u>\$ 8,679</u>	<u>\$ 8,679</u>	<u>\$ 0</u>

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

Animal Protection Services of Saskatchewan Inc.

Statement of Operations
For the year ended March 31, 2016

	Operating Fund	Restricted Net Assets	2016 Total	2015 Total (Note 6)
Revenue				
Government contract	476,849		476,849	5,546
Seizure revenue	9,077		9,077	
Bison code income	6,000		6,000	
Drive by income	3,051		3,051	
Interest	17		17	
Other	1,424		1,424	
	<u>496,418</u>	<u>0</u>	<u>496,418</u>	<u>5,546</u>
Expenses				
Animal services expenses	21,870		21,870	
APO materials and supplies	8,441		8,441	
APO training	3,593		3,593	
Bank charges	274		274	
Bison code expenses	11		11	
Board expenses	374		374	
Drive by expenses	3,051		3,051	
Insurance	2,703		2,703	
Licenses and memberships	195		195	65
Meals	10,041		10,041	
Occupancy costs	414		414	
Office	7,270		7,270	5,481
Professional fees	5,583		5,583	
Rent - building	15,708		15,708	
Rent - equipment	1,690		1,690	
Seizure cost	7,829		7,829	
Telephone	9,301		9,301	
Travel	97,414		97,414	
Wages - employees	270,466		270,466	
Wage benefits	21,511		21,511	
	<u>487,739</u>	<u>0</u>	<u>487,739</u>	<u>5,546</u>
Excess of Revenue Over Expenses for the Year	<u>\$ 8,679</u>	<u>\$ 0</u>	<u>\$ 8,679</u>	<u>\$ 0</u>

*The notes to financial statements are an integral
part of these financial statements.*

Animal Protection Services of Saskatchewan Inc.

Statement of Cash Flows
For the year ended March 31, 2016

	2016	2015 (Note 6)
Cash Provided By (Used In):		
Operations		
Excess of revenue over expenses for the year	8,679	0
Net change in working capital	<u>157,853</u>	<u>10,000</u>
	166,532	10,000
Investing activities		
Additions to other assets	<u>(1,639)</u>	<u>0</u>
Net Cash Increase for the Year	164,893	10,000
Cash position, beginning of year	<u>10,000</u>	<u>0</u>
Cash Position, End of Year	<u>\$ 174,893</u>	<u>\$ 10,000</u>
Represented By:		
Cash and cash equivalents	<u>\$ 174,893</u>	<u>\$ 10,000</u>
Net change in working capital consists of:		
Decrease (increase) - accounts receivable	(4,726)	
- prepaid expenses	(3,770)	
Increase (decrease) - accounts payable and accrued liabilities	9,849	5,546
- other current liabilities	<u>156,500</u>	<u>4,454</u>
	<u>\$ 157,853</u>	<u>\$ 10,000</u>

*The notes to financial statements are an integral
part of these financial statements.*

Animal Protection Services of Saskatchewan Inc.

Notes to Financial Statements
For the year ended March 31, 2016

1. Nature of Operations

The organization was incorporated on March 5, 2015 under the Non-Profit Corporations Act of Saskatchewan. The Animal Protection Services of Saskatchewan Inc. performs activities relating to the improvement of animal welfare, and the enforcement of Saskatchewan's Animal Protection Act, 1999. The organization, as a non-profit, is not subject to income tax.

2. Significant Accounting Policies

These financial statements are the responsibility of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) using the accounting policies as summarized below:

(a) Cash and cash equivalents

Cash and cash equivalents represents cash on hand and cash held in banks, net of bank overdrafts.

(b) Fund accounting

The accounts of the organization are maintained in accordance with the principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

(i) Operating fund

The operating fund reflects the primary operations of the organization.

(ii) Internally-Restricted fund

The internally-restricted fund is a restricted fund that reflects assets allocated by the board of directors for future initiatives.

(c) Revenue

The organization follows the deferral method of accounting for contributions. Restricted contributions, subject to external stipulations, are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions for which the related restrictions remain unfulfilled are accumulated as deferred contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

(d) Financial instruments

Measurement of 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 amortized cost.

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 excess of revenue over expenses.

Animal Protection Services of Saskatchewan Inc.

Notes to Financial Statements
For the year ended March 31, 2016

2. Significant Accounting Policies - continued

(e) Capital assets

Capital assets are recorded at cost less accumulated amortization.

	2016	2015
3. Accounts Receivable		
Accounts receivable are comprised of the following items:		
Trade accounts receivable	961	
Taxes receivable	<u>3,892</u>	<u>127</u>
	<u>\$ 4,853</u>	<u>\$ 127</u>

4. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are comprised of the following items:

Accounts payable	1,263	5,673
Government remittances	8,759	
Accrued liabilities	<u>5,500</u>	<u> </u>
	<u>\$ 15,522</u>	<u>\$ 5,673</u>

5. Deferred Revenue

Deferred revenues relate to contract revenues that are restricted but are not yet spent. Amounts deferred are in accordance with contract agreements.

	Balance, Beginning of Year	Less Amount Recognized	Plus Current Year Deferral	Balance, End of Year
Ministry of Agriculture - Service Contract	4,454	4,454	138,005	138,005
Ministry of Agriculture - Drive By			16,949	16,949
BC SPCA - Bison Code			<u>6,000</u>	<u>6,000</u>
	<u>\$ 4,454</u>	<u>\$ 4,454</u>	<u>\$ 160,954</u>	<u>\$ 160,954</u>

6. Comparative Figures

The comparative figures reflect the results of operations and changes in cash flow for the one-month period from March 5, 2015 to March 31, 2015.