

**Animal Protection Services
of Saskatchewan Inc.**

FINANCIAL STATEMENTS

Year Ended March 31, 2017

Animal Protection Services of Saskatchewan Inc.

Saskatoon, Saskatchewan

March 31, 2017

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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, 2017, 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, 2017, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Collins Barrow PQ LLP

Collins Barrow PQ LLP

Saskatoon, SK
August 30, 2017

Animal Protection Services of Saskatchewan Inc.

Saskatoon, Saskatchewan

Statement of Financial Position as at March 31, 2017

	Operating Fund	Restricted Net Assets	2017 Total	2016 Total
Assets				
Current Assets				
Cash and cash equivalents	46,440	176,651	223,091	174,893
Accounts receivable - note 3	4,902		4,902	4,853
Prepaid expenses	2,969		2,969	3,770
	<u>54,311</u>	<u>176,651</u>	<u>230,962</u>	<u>183,516</u>
Other Assets	<u>1,639</u>	<u>0</u>	<u>1,639</u>	<u>1,639</u>
	<u>\$ 55,950</u>	<u>\$ 176,651</u>	<u>\$ 232,601</u>	<u>\$ 185,155</u>
Liabilities and Net Assets				
Current Liabilities				
Accounts payable and accrued liabilities - note 4	21,150		21,150	15,523
Deferred revenue - note 5	14,919		14,919	160,954
	<u>36,069</u>	<u>0</u>	<u>36,069</u>	<u>176,477</u>
Net Assets				
Externally-restricted net assets		176,651	176,651	
Unrestricted net assets	19,881	0	19,881	8,678
	<u>19,881</u>	<u>176,651</u>	<u>196,532</u>	<u>8,678</u>
	<u>\$ 55,950</u>	<u>\$ 176,651</u>	<u>\$ 232,601</u>	<u>\$ 185,155</u>

Approved on behalf of the board:

Animal Protection Services of Saskatchewan Inc.

Statement of Changes in Net Assets
For the year ended March 31, 2017

	Externally- Restricted Net Assets	Unrestricted Net Assets	2017 Total	2016 Total
Balance, beginning of year	0	8,678	8,678	0
Excess of revenue over expenses for the year	<u>176,651</u>	<u>11,203</u>	<u>187,854</u>	<u>8,678</u>
Balance, end of year	<u>\$ 176,651</u>	<u>\$ 19,881</u>	<u>\$ 196,532</u>	<u>\$ 8,678</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, 2017

	Operating Fund	Restricted Net Assets	2017 Total	2016 Total
Revenue				
Government contract	570,954	38,646	609,600	476,849
Seizure revenue	3,294		3,294	9,077
Bison code income	6,020		6,020	6,000
Drive by income	2,030		2,030	3,051
Deferred revenue recognition		138,005	138,005	
Interest	7		7	17
Other	2,800		2,800	1,424
	<u>585,105</u>	<u>176,651</u>	<u>761,756</u>	<u>496,418</u>
Expenses				
Animal protection officers' materials and supplies	6,902		6,902	8,441
Animal protection officers' training	1,051		1,051	3,594
Animal services expenses	53,290		53,290	21,870
Bank charges	309		309	274
Bison code expenses				11
Board expenses	1,960		1,960	374
Drive by expenses	2,030		2,030	3,051
Insurance	2,720		2,720	2,703
Licenses and memberships	672		672	195
Meals	9,083		9,083	10,041
Occupancy costs	580		580	414
Office	3,840		3,840	7,270
Professional fees	6,064		6,064	5,583
Rent - building	16,666		16,666	15,708
Rent - equipment	1,953		1,953	1,690
Seizure cost	918		918	7,829
Telephone	8,930		8,930	9,301
Travel	105,680		105,680	97,414
Wages - employees	325,949		325,949	270,466
Wage benefits	25,305		25,305	21,511
	<u>573,902</u>	<u>0</u>	<u>573,902</u>	<u>487,740</u>
Excess of Revenue Over Expenses for the Year	<u>\$ 11,203</u>	<u>\$ 176,651</u>	<u>\$ 187,854</u>	<u>\$ 8,678</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, 2017

	2017	2016
Cash Provided By (Used In):		
Operations		
Excess of revenue over expenses for the year	187,854	8,678
Net change in working capital	<u>(139,656)</u>	<u>157,854</u>
	48,198	166,532
Investing activities		
Additions to other assets	<u>0</u>	<u>(1,639)</u>
Net Cash Increase for the Year	48,198	164,893
Cash position, beginning of year	<u>174,893</u>	<u>10,000</u>
Cash Position, End of Year	<u>\$ 223,091</u>	<u>\$ 174,893</u>
Represented By:		
Cash and cash equivalents	<u>\$ 223,091</u>	<u>\$ 174,893</u>
Net change in working capital consists of:		
Decrease (increase) - accounts receivable	(49)	(4,726)
- prepaid expenses	801	(3,770)
Increase (decrease) - accounts payable and accrued liabilities	5,627	9,850
- other current liabilities	<u>(146,035)</u>	<u>156,500</u>
	<u>\$(139,656)</u>	<u>\$ 157,854</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, 2017

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) Externally-Restricted fund

The externally-restricted fund is a restricted fund that reflects assets which are subject to external restrictions. These assets are to be used as a contingency fund to offset any future shortfalls when performing duties in accordance with the original funding agreement.

(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, 2017

	2017	2016
3. Accounts Receivable		
Accounts receivable are comprised of the following items:		
Trade accounts receivable	44	961
Taxes receivable	<u>4,858</u>	<u>3,892</u>
	<u>\$ 4,902</u>	<u>\$ 4,853</u>

4. Accounts Payable and Accrued Liabilities		
Accounts payable and accrued liabilities are comprised of the following items:		
Accounts payable	7,054	1,264
Government remittances	8,596	8,759
Accrued liabilities	<u>5,500</u>	<u>5,500</u>
	<u>\$ 21,150</u>	<u>\$ 15,523</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	138,005	138,005		
Ministry of Agriculture - Drive By	16,949	2,030		14,919
BC SPCA - Bison Code	<u>6,000</u>	<u>6,000</u>		
	<u>\$ 160,954</u>	<u>\$ 146,035</u>	<u>\$ 0</u>	<u>\$ 14,919</u>