

**Animal Protection Services
of Saskatchewan Inc.**

FINANCIAL STATEMENTS

Year Ended March 31, 2024

Animal Protection Services of Saskatchewan Inc.

Saskatoon, Saskatchewan

March 31, 2024

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Independent Auditors' Report

To the Board of Directors
Animal Protection Services of Saskatchewan Inc.

Opinion

We have audited the financial statements of Animal Protection Services of Saskatchewan Inc., (the organization), which comprise the Statement of Financial Position as at March 31, 2024 and the Statements of Operations, Changes in Net Assets and Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2024, and results of its operations and its cash flow 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 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 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 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.

The Board of Directors is responsible for overseeing the organization'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 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 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 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.

Baker Tilly SK LLP

Baker Tilly SK LLP

Saskatoon, SK
August 10, 2024

Animal Protection Services of Saskatchewan Inc.

Saskatoon, Saskatchewan

Statement of Financial Position as at March 31, 2024

	Operating Fund	Restricted Net Assets	2024 Total	2023 Total
Assets				
Current Assets				
Cash and cash equivalents	203,259	302,541	505,800	620,045
Accounts receivable - note 3	28,830		28,830	19,829
Prepaid expenses	6,355		6,355	7,416
	238,444	302,541	540,985	647,290
Capital Assets - note 4	0	42,975	42,975	51,603
Other Assets	4,475	0	4,475	2,600
	\$ 242,919	\$ 345,516	\$ 588,435	\$ 701,493
Liabilities and Net Assets				
Current Liabilities				
Accounts payable and accrued liabilities - note 5	107,064		107,064	134,127
Net Assets				
Invested in capital assets		42,975	42,975	51,602
Externally-restricted net assets		302,541	302,541	306,531
Unrestricted net assets	135,855		135,855	209,233
	135,855	345,516	481,371	567,366
	\$ 242,919	\$ 345,516	\$ 588,435	\$ 701,493

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, 2024

	Invested in Capital Assets	Externally- Restricted Net Assets	Unrestricted Net Assets	2024 Total	2023 Total
Balance, beginning of year	51,603	306,531	209,232	567,366	353,735
Excess (deficiency) of revenue over expenses for the year	(12,768)		(73,227)	(85,995)	213,631
Interfund transfer - note 6		(3,990)	3,990		
Interfund transfer - note 6	<u>4,140</u>	<u> </u>	<u>(4,140)</u>	<u> </u>	<u> </u>
Balance, end of year	<u>\$ 42,975</u>	<u>\$ 302,541</u>	<u>\$ 135,855</u>	<u>\$ 481,371</u>	<u>\$ 567,366</u>

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part of these financial statements.*

Animal Protection Services of Saskatchewan Inc.

Statement of Operations
For the year ended March 31, 2024

	Operating Fund	Restricted Net Assets	2024 Total	2023 Total
Revenue				
Government contract	1,811,567		1,811,567	1,778,217
Expense recoveries - seizure cost	159,864		159,864	183,171
Other government revenue				11,599
Interest	6,825		6,825	3,061
Expense recoveries - legal	6,016		6,016	
Other	100		100	500
	<u>1,984,372</u>	<u>0</u>	<u>1,984,372</u>	<u>1,976,548</u>
Expenses				
Amortization	12,768		12,768	12,201
Animal protection officers' materials and supplies	59,106		59,106	54,959
Animal protection officers' training	22,244		22,244	17,931
Animal services expenses	119,585		119,585	77,508
Board expenses	2,104		2,104	1,818
Insurance	5,793		5,793	5,438
Interest and bank charges	747		747	592
Licenses and memberships	1,020		1,020	643
Meals	27,573		27,573	26,315
Occupancy costs	1,291		1,291	1,317
Office	19,772		19,772	12,512
Professional fees	24,082		24,082	9,553
Rent - building	60,006		60,006	47,518
Rent - equipment				4,818
Seizure cost	565,409		565,409	516,009
Telephone	22,231		22,231	21,044
Trade show	2,206		2,206	876
Travel	27,313		27,313	20,853
Vehicle rental	216,802		216,802	187,086
Wages - employees	799,609		799,609	690,880
Wage benefits	80,706		80,706	53,046
	<u>2,070,367</u>	<u>0</u>	<u>2,070,367</u>	<u>1,762,917</u>
Excess (Deficiency) of Revenue Over Expenses for the Year	<u>\$(85,995)</u>	<u>\$ 0</u>	<u>\$(85,995)</u>	<u>\$ 213,631</u>

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

Animal Protection Services of Saskatchewan Inc.

Statement of Cash Flow
For the year ended March 31, 2024

	2024	2023
Cash Provided By (Used In):		
Operations		
Excess (deficiency) of revenue over expenses for the year	(85,995)	213,631
Add items not requiring cash resources		
Amortization	12,768	12,201
Net change in working capital	<u>(35,003)</u>	<u>357</u>
	<u>(108,230)</u>	<u>226,189</u>
Investing activities		
Capital asset purchases	(4,140)	(13,600)
Additions to other assets	(2,520)	
Disposals of other assets	645	
	<u>(6,015)</u>	<u>(13,600)</u>
Net Cash Increase (Decrease) for the Year	(114,245)	212,589
Cash position, beginning of year	<u>620,045</u>	<u>407,456</u>
Cash Position, End of Year	<u>\$ 505,800</u>	<u>\$ 620,045</u>
Represented By:		
Cash and cash equivalents	<u>\$ 505,800</u>	<u>\$ 620,045</u>
Net change in working capital consists of:		
Decrease (increase) - accounts receivable	(9,001)	(8,978)
- prepaid expenses	1,061	(1,593)
Increase (decrease) - accounts payable and accrued liabilities	(27,063)	22,527
- other current liabilities		<u>(11,599)</u>
	<u>\$(35,003)</u>	<u>\$ 357</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, 2024

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, 2018. 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 (ASNFPPO) 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.

(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) Capital fund

The capital fund is a restricted fund that reflects the equity of the organization in capital assets. The capital fund includes revenues received for the acquisition of capital assets. The capital fund also includes donations designated for capital purposes by the contributor. Expenses consist primarily of amortization of capital assets.

(iii) 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) Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated amortization.

The assets are amortized using the following methods and rates:

	Method of Amortization	Rate of Amortization
Furniture, fixtures and equipment	straight-line	5 - 10 years
Computer equipment	straight-line	3 years

Property, plant and equipment are amortized at one-half the above rates in the year of

purchase and are not amortized in the year of disposal.

Animal Protection Services of Saskatchewan Inc.

Notes to Financial Statements
For the year ended March 31, 2024

2. Significant Accounting Policies - continued

(d) 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.

Government contract revenues are recognized in the period to which the funding relates in accordance with the agreement. Surplus revenues are deferred to offset against future shortfalls due to significant variances in expenses. At the end of the agreement these deferred revenues could become repayable to the government based on the agreement.

Other revenues are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

(e) 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.

(f) 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the statement of operations in the period in which they became known.

	2024	2023
3. Accounts Receivable		
Accounts receivable are comprised of the following items:		
Accounts receivable	4,966	
Taxes receivable	<u>23,864</u>	<u>19,829</u>
	<u>\$ 28,830</u>	<u>\$ 19,829</u>

Animal Protection Services of Saskatchewan Inc.

Notes to Financial Statements
For the year ended March 31, 2024

	2024	2023
4. Capital Assets		
Cost		
Furniture, fixtures and equipment	78,930	76,048
Computer equipment	<u>5,094</u>	<u>3,835</u>
	<u>84,024</u>	<u>79,883</u>
Accumulated amortization		
Furniture, fixtures and equipment	39,134	27,705
Computer equipment	<u>1,915</u>	<u>575</u>
	<u>41,049</u>	<u>28,280</u>
Net book value	<u>\$ 42,975</u>	<u>\$ 51,603</u>
5. Accounts Payable and Accrued Liabilities		
Accounts payable and accrued liabilities are comprised of the following items:		
Accounts payable	48,529	60,758
Government remittances	24,477	21,617
Accrued liabilities	<u>34,058</u>	<u>51,752</u>
	<u>\$ 107,064</u>	<u>\$ 134,127</u>

6. Interfund Transfers

At the end of the year, the organization transferred \$3,990 from the externally-restricted fund to the operating fund to allocate surplus funding into a contingency fund in accordance with the funding agreement.

During the year, the organization also transferred \$4,140 from the operating fund to the capital fund to fund the purchase of capital assets.

Animal Protection Services of Saskatchewan Inc.

Notes to Financial Statements
For the year ended March 31, 2024

7. Commitments

The organization has multiple office lease agreements and an equipment lease for printers.
Minimum annual lease payments total:

2025	66,361
2026	64,818
2027	28,800
2028	<u>28,800</u>

Total future minimum lease payments \$ 188,779

8. Economic Dependence

The organization is economically dependent on continued funding from the Saskatchewan Ministry of Agriculture. The current funding agreement covers the term April 1, 2022 to March 31, 2025.