

NORTH EAST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS INC.

Financial Statements

Year Ended December 31, 2024

NORTH EAST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS INC.

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of North East Society for the Prevention of Cruelty to Animals Inc.

We have reviewed the accompanying financial statements of North East Society for the Prevention of Cruelty to Animals Inc. (the society) that comprise the statement of financial position as at December 31, 2024, and the statements of revenues and expenditures, 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 (ASNPO), 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.

Practitioner's 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 the financial statements do not present fairly, in all material respects, the financial position of North East Society for the Prevention of Cruelty to Animals Inc. as at December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.



Melfort, Saskatchewan
April 11, 2025

Ingram & Yeadon Accountants

NORTH EAST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS INC.**Statement of Financial Position****December 31, 2024**

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 36,053	\$ 33,588
Accounts receivable	1,118	488
Goods and services tax recoverable	722	571
Prepaid expenses	130	130
	<u>38,023</u>	34,777
PROPERTY, PLANT AND EQUIPMENT <i>(Note 4)</i>	737,967	775,985
LONG TERM INVESTMENT	202	202
	<u>\$ 776,192</u>	<u>\$ 810,964</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 3,874	\$ 6,260
Employee deductions payable	(144)	1,707
Wages payable	4,409	4,034
Current portion of long term debt <i>(Note 5)</i>	20,124	20,124
	<u>28,263</u>	32,125
LONG TERM DEBT <i>(Note 5)</i>	330,933	351,057
	<u>359,196</u>	383,182
NET ASSETS	<u>416,996</u>	<u>427,782</u>
	<u>\$ 776,192</u>	<u>\$ 810,964</u>

ON BEHALF OF THE BOARD_____
*Director*_____
Director

NORTH EAST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS INC.**Statement of Revenues and Expenditures****Year Ended December 31, 2024**

	Total 2024	Total 2023
REVENUES		
Adoption fees	\$ 23,950	\$ 25,135
Community contracts	39,604	36,911
Donations	158,388	139,452
Fundraising income	27,574	25,236
Memberships	555	745
Pound fees	3,300	2,735
Product sales	839	1,195
Surrender fees	585	1,485
	<u>254,795</u>	<u>232,894</u>
EXPENSES		
Advertising and promotion	28	25
Amortization	38,018	41,680
Business taxes, licenses and memberships	438	379
Fundraising costs	25,376	19,989
Insurance	8,907	8,406
Interest and bank charges	2,365	3,224
Interest on long term debt	24,642	26,368
Meetings and conventions	402	-
Office	2,071	966
Professional fees	8,858	10,526
Property taxes	777	777
Repairs and maintenance	1,411	2,380
Supplies	4,573	7,883
Telephone	1,746	1,797
Utilities	14,344	14,283
Veterinary care	30,007	31,299
Wages and employee benefits	101,618	99,098
	<u>265,581</u>	<u>269,080</u>
DEFICIENCY OF REVENUES OVER EXPENSES	\$ (10,786)	\$ (36,186)

NORTH EAST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS INC.

Statement of Changes in Net Assets

Year Ended December 31, 2024

	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ 427,782	\$ 463,968
Deficiency of revenues over expenses	<u>(10,786)</u>	<u>(36,186)</u>
NET ASSETS - END OF YEAR	\$ 416,996	\$ 427,782

NORTH EAST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS INC.**Statement of Cash Flows****Year Ended December 31, 2024**

	2024	2023
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (10,786)	\$ (36,186)
Item not affecting cash:		
Amortization of property, plant and equipment	<u>38,018</u>	41,680
	<u>27,232</u>	<u>5,494</u>
Changes in non-cash working capital:		
Accounts receivable	(631)	1,774
Accounts payable	(2,385)	(9,627)
Goods and services tax payable	(151)	8,114
Wages payable	375	1,344
Employee deductions payable	<u>(1,851)</u>	538
	<u>(4,643)</u>	<u>2,143</u>
Cash flow from operating activities	<u>22,589</u>	<u>7,637</u>
FINANCING ACTIVITY		
Repayment of long term debt	<u>(20,124)</u>	(20,124)
INCREASE (DECREASE) IN CASH FLOW	2,465	(12,487)
Cash - beginning of year	<u>33,588</u>	<u>46,075</u>
CASH - END OF YEAR	\$ 36,053	\$ 33,588

NORTH EAST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS INC.

Notes to Financial Statements

Year Ended December 31, 2024

1. PURPOSE OF THE SOCIETY

North East Society for the Prevention of Cruelty to Animals Inc. (the "society") is a not-for-profit organization incorporated provincially under the Not-for-Profit Corporations Act of Saskatchewan.

The society operates to provide animal rescue and adoption services within northeast Saskatchewan.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with a maturity of one year or less.

(b) Goods and services tax

Contributed materials and services are recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

(c) Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life at the following rates and methods:

Buildings	4%	declining balance method
Computer equipment	3 years	straight-line method
Furniture and fixtures	20%	declining balance method

(d) Revenue recognition

North East Society for the Prevention of Cruelty to Animals Inc. follows the deferral method of accounting for contributions.

Revenue from fees are recorded upon signed agreement.

Fundraising revenue is recognized when received.

(e) Donated goods

Donated goods are recorded at their fair market value at the time of the donation. During the year donation in kind receipts were issued for \$13,740 (2023 - \$16,698).

(f) Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

(g) Measurement uncertainty

The preparation of financial statements in conformity 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

NORTH EAST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS INC.

Notes to Financial Statements

Year Ended December 31, 2024

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Land	\$ 25,000	\$ -	\$ 25,000	\$ 25,000
Buildings	841,919	168,848	673,071	701,116
Furniture and Fixtures	112,829	72,933	39,896	49,869
Computer equipment	4,109	4,109	-	-
	<u>\$ 983,857</u>	<u>\$ 245,890</u>	<u>\$ 737,967</u>	<u>\$ 775,985</u>

5. LONG TERM DEBT

	2024	2023
Mortgage bearing interest at 7.2% compounded monthly, repayable in monthly fixed principal payments of \$1,677 plus floating rate interest. The loan matures on July 22, 2045 and is secured by building and City of Melfort guarantee.	\$ 351,057	\$ 371,181
Amounts payable within one year	(20,124)	(20,124)
	<u>\$ 330,933</u>	<u>\$ 351,057</u>

Principal repayment terms are approximately:

2025	\$ 20,124
2026	20,124
2027	20,124
2028	20,124
2029	20,124
Thereafter	250,437
	<u>\$ 351,057</u>

6. FINANCIAL INSTRUMENTS

The society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the society's risk exposure and concentration as of December 31, 2024.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the society manages exposure through its normal operating and financing activities. The society is exposed to interest rate risk primarily through its floating interest rate mortgage.

Unless otherwise noted, it is management's opinion that the society is not exposed to significant other price risks arising from these financial instruments.