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

Financial Statements

Year Ended December 31, 2025

NORTH EAST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS INC.
Index to Financial Statements
Year Ended December 31, 2025

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Revenues and Expenditures	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8

Ingram & Yeadon *Accountants*

Karen K. Ingram, CPA Prof. Corp.
Marla Yeadon CPA Prof. Corp.

104 MacLeod Ave. E.
PO Box 489
Melfort, SK S0E 1A0
Phone: (306) 752-9506

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, 2025, 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, 2025, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Ingram & Yeadon

Melfort, Saskatchewan
April 18, 2026

Ingram & Yeadon Accountants

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

Statement of Financial Position

December 31, 2025

		2025		2024
ASSETS				
CURRENT				
Cash	**$**	**79,818**	$	36,053
Term deposits		**40,000**		-
Accounts receivable		**2,971**		1,263
Goods and services tax recoverable		**1,127**		722
Prepaid expenses		**730**		130
		124,646		38,168
PROPERTY, PLANT AND EQUIPMENT *(Note 4)*		**703,065**		737,967
LONG TERM INVESTMENT		**202**		202
	$	**827,913**	$	776,337
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable	**$**	**7,403**	$	3,874
Employee deductions payable		**2,025**		-
Wages payable		**5,455**		4,409
Current portion of long term debt *(Note 5)*		**20,124**		20,124
		35,007		28,407
LONG TERM DEBT *(Note 5)*		**301,809**		330,933
		336,816		359,340
NET ASSETS		**491,097**		416,997
	$	**827,913**	$	776,337

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

See notes to financial statements

The accompanying notes are an integral part of these financial statements

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

Statement of Revenues and Expenditures

Year Ended December 31, 2025

		Total 2025		Total 2024
REVENUES				
Donations	**$**	**273,152**	$	158,388
Community contracts		**47,793**		39,604
Adoption fees		**38,250**		23,950
Fundraising income		**11,641**		27,574
Pound fees		**3,601**		3,300
Surrender fees		**2,952**		585
Product sales		**1,747**		839
Memberships		**910**		555
		380,046		254,795
EXPENSES				
Advertising and promotion		**784**		28
Amortization		**34,902**		38,018
Bad debts		**1,000**		-
Business taxes, licenses and memberships		**475**		438
Fundraising costs		**6,461**		25,376
Insurance		**9,590**		8,907
Interest and bank charges		**2,597**		2,364
Interest on long term debt		**16,546**		24,642
Meetings and conventions		**-**		402
Miscellaneous expenses		**150**		-
Office		**1,101**		2,071
Professional fees		**7,200**		8,858
Property taxes		**796**		777
Repairs and maintenance		**4,311**		1,612
Supplies		**11,355**		4,893
Telephone		**1,527**		1,746
Utilities		**12,716**		13,824
Veterinary care		**73,312**		30,007
Wages and employee benefits		**121,123**		101,618
		305,946		265,581
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	**$**	**74,100**	$	(10,786)

See notes to financial statements

The accompanying notes are an integral part of these financial statements

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

Statement of Changes in Net Assets

Year Ended December 31, 2025

		2025		2024
NET ASSETS - BEGINNING OF YEAR	**$**	**416,997**	$	427,782
Excess of revenues over expenses		**74,100**		(10,786)
Rounding		**-**		1
NET ASSETS - END OF YEAR	**$**	**491,097**	$	416,997

See notes to financial statements

The accompanying notes are an integral part of these financial statements

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

Statement of Cash Flows

Year Ended December 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	**$ 74,100**	$ (10,786)
Item not affecting cash:		
Amortization of property, plant and equipment	**34,902**	38,018
	109,002	27,232
Changes in non-cash working capital:		
Accounts receivable	**(1,706)**	(631)
Accounts payable	**3,527**	(2,385)
Prepaid expenses	**(600)**	-
Goods and services tax payable	**(405)**	(151)
Wages payable	**1,046**	375
Employee deductions payable	**2,025**	(1,851)
	3,887	(4,643)
Cash flow from operating activities	**112,889**	22,589
FINANCING ACTIVITY		
Repayment of long term debt	**(29,124)**	(20,124)
INCREASE IN CASH FLOW	**83,765**	2,465
Cash - beginning of year	**36,053**	33,588
CASH - END OF YEAR	**$ 119,818**	$ 36,053

See notes to financial statements

The accompanying notes are an integral part of these financial statements

1. PURPOSE OF THE SOCIETY

North East Society for the Prevention of Cruelty to Animals Inc. (the "society") is a not-for-profit organization of Saskatchewan.As a registered charity the society is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

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 on a declining balance basis at the following rates and methods:

Buildings	4%	declining balance method
Furniture and Fixtures	8%	declining balance method
Computer equipment	3 years	straight-line method

The society regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

Property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

(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.

Donation revenue is recognized when received.

Fundraising revenue recognized upon completion of event.

(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 $9,877 (2024 - $13,740).

(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.

(continues)

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(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.

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	**2025 Net book value**	2024 Net book value
Land	$ 25,000	$ -	**$ 25,000**	$ 25,000
Buildings	841,919	195,771	**646,148**	673,071
Furniture and Fixtures	112,829	80,912	**31,917**	39,896
Computer equipment	4,109	4,109	**-**	-
	$ 983,857	$ 280,792	**$ 703,065**	$ 737,967

5. LONG TERM DEBT

	2025	2024
Mortgage bearing interest at 7.2% compounded monthly, repayable in monthly fixed principal payments of $1,677 plus floating interest. The loan matures in 2025 and is secured by building and City of Melfort guarantee.	**$ 321,933**	$ 351,057
Amounts payable within one year	**(20,124)**	(20,124)
	$ 301,809	$ 330,933

Principal repayment terms are approximately:

2026	$ 20,124
2027	20,124
2028	20,124
2029	20,124
2030	20,124
Thereafter	221,313
	$ 321,933

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, 2025.

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.