

**THE WINNIPEG HUMANE SOCIETY  
FOR THE PREVENTION OF  
CRUELTY TO ANIMALS**

**Non-consolidated Financial Statements  
For the Year Ended March 31, 2020**

# THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

## Non-consolidated Financial Statements For the Year Ended March 31, 2020

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### Contents

<b>Independent Auditor's Report</b>	<b>2</b>
<b>Non-consolidated Financial Statements</b>	
Non-consolidated Statement of Financial Position	4
Non-consolidated Statement of Revenue and Expenses	5
Non-consolidated Statement of Changes in Fund Balances	6
Non-consolidated Statement of Cash Flows	7
Notes to Non-consolidated Financial Statements	8
<b>Supporting Schedules</b>	
Schedule 1 - Revenue	16
Schedule 2 - Expenses	17
Schedule 3 - Schedule of Revenue and Expenses - FIXIT Cat Spay and Neuter Program	20



Tel: 204-956-7200  
Fax: 204-926-7201  
Toll-free: 866-863-6601  
[www.bdo.ca](http://www.bdo.ca)

BDO Canada LLP  
700 - 200 Graham Avenue  
Winnipeg MB R3C 4L5 Canada

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## Independent Auditor's Report

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**To the Directors of The Winnipeg Humane Society for the Prevention of Cruelty to Animals**

### Opinion

We have audited the non-consolidated financial statements of The Winnipeg Humane Society for the Prevention of Cruelty to Animals (the Society), which comprise the non-consolidated statement of financial position as at March 31, 2020, and the non-consolidated statement of revenue and expenses, non-consolidated statement of changes in fund balances, and non-consolidated statement cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of The Winnipeg Humane Society for the Prevention of Cruelty to Animals as at March 31, 2020, and the results of its non-consolidated operations and its non-consolidated cash flows 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 *Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the non-consolidated 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 Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

### Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 non-consolidated 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 non-consolidated 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 Society'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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated 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 auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Society and its controlled entities to express an opinion on the non-consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

*BDO Canada LLP*

Chartered Professional Accountants

Winnipeg, Manitoba  
August 31, 2020

**THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF  
CRUELTY TO ANIMALS**  
**Non-consolidated Statement of Financial Position**

**As at March 31** **2020** **2019**

**Assets**

**Current Assets**

Cash and bank	\$ 1,398,271	\$ 1,478,052
Accounts receivable	168,376	242,674
Inventory	123,128	99,419
Prepaid expenses	96,220	81,845
	1,785,995	1,901,990

**Investment** (Note 3) 1,000 1,000

**Capital assets** (Note 4) 10,874,476 11,142,428

**\$ 12,661,471** **\$ 13,045,418**

**Liabilities and Fund Balances**

**Current Liabilities**

Accounts payable and accrued liabilities	\$ 560,765	\$ 592,961
Government remittances payable	-	1,628
Deferred revenue and designated gifts (Note 6)	97,610	5,851
Due to the Foundation (Note 10)	658,239	657,029
Current portion of obligations under capital leases	20,873	19,876
	1,337,487	1,277,345

**Obligations under capital leases** (Note 7) 51,878 72,720

**1,389,365** **1,350,065**

**Fund Balances**

Operating Fund		
Unrestricted	391,635	501,982
Invested in capital assets	10,801,725	11,049,832
Restricted Funds (Note 9)	78,746	143,539
	11,272,106	11,695,353

**\$ 12,661,471** **\$ 13,045,418**

Approved on behalf of the Board of Directors:

*Howard Almdal*

\_\_\_\_\_  
Director

*m.j. Drummond*

\_\_\_\_\_  
Director

**THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF  
CRUELTY TO ANIMALS**  
**Non-consolidated Statement of Revenue and Expenses**

<b>For the year ended March 31</b>	<b>2020</b>	<b>2019</b>
<b>Revenue</b> (Schedule 1)		
Donations	\$ 3,844,718	\$ 3,865,581
Fundraising events	634,473	620,779
Grants	294,981	252,395
Fees	2,099,922	1,781,568
Sales	264,740	242,041
Other	47,796	73,364
	<b>7,186,630</b>	<b>6,835,728</b>
<b>Expenses</b> (Schedule 2)		
Departments		
Animal adoptions	445,327	371,484
Animal advocacy	65,992	22,691
Animal behaviour	319,970	233,532
Animal intake/receiving	229,538	230,844
Clinic	1,228,153	1,271,748
Education	252,995	244,379
Investigations and emergency response	630,349	480,114
Public relations and communications	273,208	268,396
Retail operations	173,168	181,229
Shelter	1,269,648	1,262,788
Special projects	353,615	228,447
Volunteer services	111,011	96,249
	<b>5,352,974</b>	<b>4,891,901</b>
Development and fundraising	922,919	954,349
Administration	943,765	939,867
	<b>7,219,658</b>	<b>6,786,117</b>
<b>Excess (deficiency) of revenue over expenses before bequest allocation to the Foundation and other items</b>	<b>(33,028)</b>	49,611
<b>Bequest allocation to the Foundation</b> (Note 10)	-	(50,970)
<b>Deficiency of revenue over expenses before other items</b>	<b>(33,028)</b>	(1,359)
<b>Other Items</b>		
Amortization	(390,219)	(361,033)
Gain on disposal of capital assets	-	24,892
	<b>(390,219)</b>	<b>(336,141)</b>
<b>Deficiency of revenue over expenses for the year</b>	<b>\$ (423,247)</b>	<b>\$ (337,500)</b>

**THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF  
CRUELTY TO ANIMALS**  
**Non-consolidated Statement of Changes in Fund Balances**

**For the year ended March 31, 2020**

	<u>Operating Fund</u>			<b>2020 Total</b>	2019 Total
	<b>Unrestricted</b>	<b>Invested in Capital Assets</b>	<b>Restricted Funds (Note 9)</b>		
<b>Balance, beginning of year</b>	\$ 501,982	\$11,049,832	\$ 143,539	\$11,695,353	\$12,032,853
<b>Excess (deficiency) of revenue over expenses for the year</b>	31,765	(390,219)	(64,793)	(423,247)	(337,500)
<b>Interfund Transfers</b>					
Acquisition of capital assets	(122,267)	122,267	-	-	-
Lease payments	(19,845)	19,845	-	-	-
<b>Balance, end of year</b>	<b>\$ 391,635</b>	<b>\$10,801,725</b>	<b>\$ 78,746</b>	<b>\$11,272,106</b>	<b>\$11,695,353</b>

**THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF  
CRUELTY TO ANIMALS**  
**Non-consolidated Statement of Cash Flows**

<b>For the year ended March 31</b>	<b>2020</b>	<b>2019</b>
<b>Cash Flows from Operating Activities</b>		
Deficiency of revenue over expenses for the year	\$ (423,247)	\$ (337,500)
Adjustment for non-cash items		
Amortization of capital assets	390,219	361,033
Gain on disposal of capital assets	-	(24,892)
	<u>(33,028)</u>	<u>(1,359)</u>
Changes in non-cash working capital		
Accounts receivable	74,298	8,766
Inventory	(23,709)	9,581
Prepaid expenses	(14,375)	(5,176)
Accounts payable and accrued liabilities	(32,196)	29,506
Government remittances payable	(1,628)	566
Deferred revenue and designated gifts	91,759	(9,384)
	<u>61,121</u>	<u>32,500</u>
<b>Cash Flows from Financing Activities</b>		
Net increase (decrease) in due to the Foundation	1,210	(18,436)
Lease payments	(19,845)	(13,540)
	<u>(18,635)</u>	<u>(31,976)</u>
<b>Cash Flows from Investing Activities</b>		
Acquisition of capital assets	(122,267)	(30,436)
Proceeds on disposal of capital assets	-	36,800
	<u>(122,267)</u>	<u>6,364</u>
<b>Net increase (decrease) in cash and bank</b>	<b>(79,781)</b>	<b>6,888</b>
<b>Cash and bank, beginning of year</b>	<b>1,478,052</b>	<b>1,471,164</b>
<b>Cash and bank, end of year</b>	<b>\$ 1,398,271</b>	<b>\$ 1,478,052</b>



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# THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

## Notes to Non-consolidated Financial Statements

**For the year ended March 31, 2020**

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### 1. Nature of the Organization

The Winnipeg Humane Society for the Prevention of Cruelty to Animals (the Society) is dedicated to protecting all animals from suffering and to promoting their welfare and dignity. The Society is funded primarily by the generosity of donors and supporters.

The Society is incorporated under the laws of Manitoba without share capital. The Society is a registered charity (Charity #11964 7907 RR0002) under the Income Tax Act (Canada) and is therefore exempted from income taxes.

### 2. Summary of Significant Accounting Policies

#### (a) Basis of Accounting

The non-consolidated financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

#### (b) Basis of Accounting for Controlled Entities

The Society has not consolidated the financial statements of its controlled entities, The Winnipeg Humane Society Foundation (the Foundation) and The Winnipeg Humane Society Veterinary Corporation (VetCo). The summary financial statements of the controlled entities are disclosed in Note 10.

#### (c) Fund Accounting

The Society follows fund accounting and the restricted fund method of accounting for contributions.

The Operating Fund accounts for all revenue and expenses relating to the operations of the Society. The Operating Fund reports unrestricted resources, restricted operating grants and the fund balance invested in capital assets.

The Restricted Funds report contributions restricted for shelter facility improvements and special expenses at the discretion of the Board of Directors (Note 9).

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# THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

## Notes to Non-consolidated Financial Statements

For the year ended March 31, 2020

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### 2. Summary of Significant Accounting Policies (continued)

(d) Revenue Recognition

Restricted contributions including grants and donations are recognized as revenue of the appropriate Fund in the period received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions for which there is no designated fund are recognized as revenue of the Operating Fund in the period in which the related expenses are incurred.

Unrestricted contributions including donations and fundraising are recognized as revenue of the Operating Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. All investment income is unrestricted and is recognized as revenue when earned.

Fees are recognized as revenue when services are rendered.

Sales are recognized as revenue at point of sale.

(e) Inventory

Inventory held for sale and consumption is valued at the lower of cost and net realizable value. Cost is determined on the average cost basis.

(f) Capital Assets

Property and equipment are recorded at cost, less accumulated amortization. The Society provides for amortization over the estimated useful life of the underlying asset using the following annual rates and methods:

Building	50 years straight-line
Computer equipment	30% declining balance
Clinic equipment	20% declining balance
Furniture and fixtures	20% declining balance
Vehicles	20% declining balance

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# THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

## Notes to Non-consolidated Financial Statements

**For the year ended March 31, 2020**

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### 2. Summary of Significant Accounting Policies (continued)

(g) Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market are reported at fair value, with any unrealized gains and losses reported in operations. All other financial instruments, including real property, are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

(h) Contributed Services

A large number of people have volunteered significant amounts of their time to the Society. Management estimates that during the year ended March 31, 2020, 1,431 people contributed 40,279 hours and during the year ended March 31, 2019, 1,183 people contributed 40,908 hours. No objective basis is available to measure the value of this significant contribution and no amount has been reflected in the non-consolidated financial statements for contributed services.

(i) Gifts-in-Kind

Donated materials and services are recorded when the materials or services would have to be purchased if they were not donated, and where an estimate of fair value can be reasonably determined. During the year, the Society recorded \$140,938 of gifts-in-kind (\$129,684 in 2019) (Schedule 1).

(j) Use of 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 amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Significant estimates include allowance for doubtful accounts receivable and the estimated useful life of capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

# THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

## Notes to Non-consolidated Financial Statements

**For the year ended March 31, 2020**

### 3. Investment

The Society holds one common share in Western Drug Distribution Center Limited at March 31, 2020 and 2019.

### 4. Capital Assets

	2020			2019		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Land	\$ 544,189	\$ -	\$ 544,189	\$ 544,189	\$ -	\$ 544,189
Building	13,328,927	3,311,401	10,017,526	13,275,949	3,044,822	10,231,127
Computer equipment	444,447	374,460	69,987	406,347	328,065	78,282
Clinic equipment	193,497	128,774	64,723	190,759	111,927	78,832
Furniture and fixtures	1,038,044	913,942	124,102	1,009,593	878,704	130,889
Vehicles	98,458	44,509	53,949	98,458	19,349	79,109
	<b>\$ 15,647,562</b>	<b>\$ 4,773,086</b>	<b>\$ 10,874,476</b>	<b>\$ 15,525,295</b>	<b>\$ 4,382,867</b>	<b>\$ 11,142,428</b>

The net book value of capital assets acquired under capital leases are clinic equipment in the amount of \$11,768 (\$14,710 in 2019) and vehicles in the amount of \$59,141 (\$73,926 in 2019).

### 5. Credit Facilities

The Society has available through the Bank of Nova Scotia a line of credit of \$950,000 which bears interest at prime plus 0.25% with an effective rate of 2.70% at March 31, 2020, and a credit card facility of \$50,000. The credit facility is due on demand and is secured by a collateral mortgage in the amount of \$1,000,000 providing a first fixed charge on the land and property located at 45 Hurst Way, Winnipeg, Manitoba and by a general security agreement constituting a first ranking security interest in all property of the Society. At March 31, 2020, the Society had not drawn on the line of credit.

The Society has available a credit facility through the Assiniboine Credit Union Limited of \$100,000, which bears interest at prime with an effective rate of 2.45% at March 31, 2020. The credit facility is due on demand and is secured by a general security agreement constituting a second ranking security interest in all property of the Society. At March 31, 2020, the Society had not drawn on the line of credit.

**THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF  
CRUELTY TO ANIMALS**  
**Notes to Non-consolidated Financial Statements**

**For the year ended March 31, 2020**

**6. Deferred Revenue and Designated Gifts**

The changes in the deferred revenue and gifts balance are as follows:

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 5,851	\$ 15,235
Add: Amounts received during the year	115,379	256,887
Less: Amounts recognized in revenue during the year	<u>(23,620)</u>	<u>(266,271)</u>
Balance, end of year	<u>\$ 97,610</u>	<u>\$ 5,851</u>

**7. Lease Commitments**

The Society has operating lease commitments for one vehicle expiring in October 2022 requiring annual lease payments totaling \$14,007 and for equipment expiring in February 2022 requiring annual lease payments totalling \$4,613.

The Society has clinic equipment under a capital lease costing \$20,431, bearing interest at 8.97%, and maturing in December 2023. The Society also has vehicles under a capital lease costing \$35,867 and \$53,277, bearing interest at rates of 2.99% and 4.99%, respectively, and maturing in October 2022 and October 2023, respectively. Interest expense on the capital leases of \$4,334 (\$3,634 in 2019) for the year ended March 31, 2020 is included with administration expenses in the Non-consolidated Statement of Revenue and Expenses.

Total lease payments are as follows for the years ending March 31:

2021	\$ 47,450
2022	43,991
2023	30,156
2024	11,803

**8. Pension Plan**

The Society maintains a defined contribution pension plan on behalf of the Society's employees and an RRSP matching program for Union employees. For the year ended March 31, 2020, contributions to the plan were \$63,747 and contributions to the program were \$1,207 (\$54,147 and \$1,145 in 2019).

# THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

## Notes to Non-consolidated Financial Statements

**For the year ended March 31, 2020**

### 9. Internally Restricted Funds

Transactions in Restricted Funds for the year are as follows:

	Human Resources	Training and Opportunities	Capital Improvements	2020 Total	2019 Total
Balance, beginning of year	\$ 15,309	\$ 58,230	\$ 70,000	\$ 143,539	\$ 120,000
Expenses for the year	(15,309)	(49,484)	-	(64,793)	(91,461)
Appropriation	-	-	-	-	115,000
Balance, end of year	\$ -	\$ 8,746	\$ 70,000	\$ 78,746	\$ 143,539

Expenses for the year are included in the expenses presented in the Non-consolidated Statement of Revenue and Expenses.

### 10. Controlled Entities and Due to the Foundation

#### The Winnipeg Humane Society Foundation

Directors of the Foundation's Board of Directors are Directors of the Society. In addition, the Society and Foundation have common management. As a consequence, the Society controls the strategic operating, investing and financing policies of the Foundation. The Foundation maintains an investment portfolio to allow for the progressive planning and implementation of capital and other projects which will support the endeavours of the Society when necessary.

The Foundation is incorporated under the laws of Manitoba without share capital. The Foundation is a public foundation under the Income Tax Act (Canada) and is therefore exempted from income taxes.

The Foundation's financial statements have not been consolidated in the Society's financial statements. Financial statements of the Foundation are available on request. The financial summaries of the unconsolidated entity for the year ended March 31, 2020 and March 31, 2019 are as follows:

#### Statement of Financial Position

	2020	2019
Total assets	\$ 5,220,468	\$ 7,828,965
Total liabilities	\$ 7,266	\$ 4,100
Total fund balances	5,213,202	7,824,865
	\$ 5,220,468	\$ 7,828,965

# THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

## Notes to Non-consolidated Financial Statements

**For the year ended March 31, 2020**

### 10. Controlled Entity and Due to the Foundation (continued)

#### Results of Operations

	2020	2019
Total revenue	\$ 211,681	\$ 1,138,729
Total expenses	2,823,344	73,032
Excess (deficiency) of revenue over expenses for the year	\$ (2,611,663)	\$ 1,065,697

#### Statement of Cash Flows

	2020	2019
Cash provided by operations	\$ (2,396,074)	\$ 818,133
Cash used in investing and financing activities	2,432,754	(2,788,679)
Net increase (decrease) in cash and bank for the year	\$ 36,680	\$ (1,970,546)

As at March 31, 2020, the Society has a remaining amount due to the Foundation of \$658,239 (\$657,029 at March 31, 2019). The balance arose principally as a result of advances and bequests allocated to the Foundation unpaid by the Society at year end. The balance due to the Foundation bears no interest, has no fixed terms of repayment and is unsecured.

During the year, the Society allocated \$nil (\$50,970 in 2019) to the Foundation representing a portion of bequests received during the year.

Annually the Foundation provides a grant to the Society representing the amount of investment income earned on the Foundation's O'Regan Endowment Fund (Schedule 1). During the year, the Foundation granted \$nil (\$14,509 in 2019) to the Society since the O'Regan Endowment Fund was transferred to The Winnipeg Foundation.

The allocation to the Foundation and the grant from the Foundation are presented at the exchange amount.

#### The Winnipeg Humane Society Veterinary Corporation

The majority of the Directors of VetCo serve as Directors of the Society. As a consequence, the Society controls the strategic operating, investing and financing policies of VetCo. VetCo operates a veterinary clinic. The Society will pay service fees under contract effective April 1, 2020 to VetCo to perform veterinary services on animals surrendered to the Society. However, due to the COVID-19 pandemic, this launch has been delayed. VetCo will pay rental and management fees to the Society for use of the building, clinic equipment and administrative services.

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# THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

## Notes to Non-consolidated Financial Statements

**For the year ended March 31, 2020**

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### **10. Controlled Entity and Due to the Foundation (continued)**

VetCo is incorporated under the laws of Manitoba without share capital. VetCo is non-profit organization under the Income Tax Act (Canada) and is therefore exempted from income taxes.

VetCo's financial statements have not been consolidated in the Society's financial statements as VetCo had no activity for the year ended March 31, 2020 and March 31, 2019.

### **11. Financial Instrument Risk Management**

The Society, through its financial assets and liabilities, is exposed to various risks in the normal course of operations. The Society's objective in risk management is to optimize the risk return trade-off, within set limits, by applying integrated risk management and control strategies, policies and procedures throughout the Society's activities. The following analysis provides a measurement of those risks.

#### Credit Risk

Credit risk is the risk that the Society will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the Society to significant concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The Society is not exposed to significant credit risk relating to accounts receivable as the amounts due are spread among a broad client base and payment in full is typically collected when it is due.

#### Liquidity Risk

Liquidity risk is the risk that the Society will not be able to meet its obligations as they fall due. The Society maintains adequate levels of working capital to ensure its obligations can be met when they fall due.

### **12. Uncertainty Due to COVID-19 Issue**

On March 13, 2020, the World Health Organization declared COVID-19 a global pandemic. This has had adverse impacts in Canada and on the global economy. As this continues, there could be further impact on the Society, its donors and its community of service. Management is actively monitoring the effect on the Society's financial condition, liquidity, operations, suppliers, industry and workforce. As a result, management anticipates a temporary decline in donation revenue and is adapting its fundraiser events to the current environment. Given the daily evolution of the pandemic and global responses to curb its spread, the Society is not able to estimate fully the effects at this time.



# THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

## Schedule 1 - Revenue

<b>For the year ended March 31</b>	<b>2020</b>	<b>2019</b>
<b>Donations</b>		
Bequests	\$ 1,284,842	\$ 1,434,500
Direct response	1,156,867	1,134,785
General	740,361	673,449
Major gifts	383,058	325,430
Gifts-in-Kind		
General	92,978	84,339
Shelter feed and litter	47,960	45,345
Other (designated gifts, newsletter, education programs)	138,652	167,733
	<b>\$ 3,844,718</b>	<b>\$ 3,865,581</b>
<b>Fundraising Events</b>		
Bow Wow Ball	\$ 169,250	\$ 162,856
Third party events	151,657	160,297
Paws in Motion	138,728	133,835
1001 Donations	119,853	121,501
Other	54,985	42,290
	<b>\$ 634,473</b>	<b>\$ 620,779</b>
<b>Grants</b>		
City of Winnipeg - FIXIT Cat Spay and Neuter Program	\$ 273,500	\$ 197,500
Green Team and Human Resources Canada	20,981	18,687
The WHS Foundation O'Regan Endowment Fund (Note 10)	-	14,509
Other	500	21,699
	<b>\$ 294,981</b>	<b>\$ 252,395</b>
<b>Fees</b>		
City of Winnipeg fee for service contract	\$ 660,974	\$ 634,318
Adoptions	545,968	559,881
Provincial Veterinary Office	480,841	239,784
Clinic fees	129,717	108,331
Education Program fees	84,776	85,352
Subsidized Spay and Neuter Assistance Program (SNAP)	76,518	83,032
Kennel and shelter fees	40,511	29,650
Dog obedience classes	50,729	21,625
FIXIT Cat Spay and Neuter Program	22,785	10,215
Other programs and services	7,103	9,380
	<b>\$ 2,099,922</b>	<b>\$ 1,781,568</b>
<b>Sales</b>		
Gift Shop and consignment	\$ 191,793	\$ 181,924
Clinic	51,186	39,080
Microchips	15,607	16,672
Shelter - Sale of donated items	6,154	4,365
	<b>\$ 264,740</b>	<b>\$ 242,041</b>
<b>Other</b>		
Interest, dividends and other income	\$ 47,796	\$ 73,364
<b>Total revenue</b>	<b>\$ 7,186,630</b>	<b>\$ 6,835,728</b>

**THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF  
CRUELTY TO ANIMALS  
Schedule 2 - Expenses**

<b>For the year ended March 31</b>	<b>2020</b>	<b>2019</b>
<b>Animal Adoptions</b>		
Salaries and employee benefits	\$ 418,929	\$ 344,564
Program expenses	15,898	16,120
Satellite adoption fees	10,500	10,800
	<u>\$ 445,327</u>	<u>\$ 371,484</u>
<b>Animal Advocacy</b>		
Program expenses	\$ 65,992	\$ 22,691
<b>Animal Behaviour</b>		
Salaries and employee benefits	\$ 312,598	\$ 232,347
Program expenses	7,209	1,185
Dog obedience classes	163	-
	<u>\$ 319,970</u>	<u>\$ 233,532</u>
<b>Animal Intake/Receiving</b>		
Salaries and employee benefits	\$ 225,030	\$ 222,434
Program expenses	4,508	8,410
	<u>\$ 229,538</u>	<u>\$ 230,844</u>
<b>Clinic</b>		
Salaries and employee benefits	\$ 908,641	\$ 858,414
Medical supplies	196,584	304,317
Medical vaccinations	46,632	50,029
Other supplies	19,517	21,122
Cost of sales for clinic supplies	22,678	15,714
Program expenses	20,597	11,433
Emergency veterinary services	13,504	10,719
	<u>\$ 1,228,153</u>	<u>\$ 1,271,748</u>
<b>Education</b>		
Salaries and employee benefits	\$ 224,296	\$ 202,902
Program expenses	28,699	41,477
	<u>\$ 252,995</u>	<u>\$ 244,379</u>
<b>Investigations and Emergency Response</b>		
Salaries and employee benefits	\$ 579,248	\$ 425,185
Vehicle operations	31,043	41,070
Program expenses	12,898	9,253
Cell phones, radios, pagers	7,160	4,606
	<u>\$ 630,349</u>	<u>\$ 480,114</u>

**THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF  
CRUELTY TO ANIMALS  
Schedule 2 - Expenses (continued)**

<b>For the year ended March 31</b>	<b>2020</b>	<b>2019</b>
<b>Public Relations and Communications</b>		
Salaries and employee benefits	\$ 167,816	\$ 154,278
Newsletter	49,460	54,101
Marketing	29,440	33,285
Program expenses	19,613	8,442
Website	6,271	2,624
Program advertising	608	15,666
	<b>\$ 273,208</b>	<b>\$ 268,396</b>
<b>Retail Operations</b>		
Salaries and employee benefits	\$ 40,060	\$ 53,151
Cost of sales	132,360	127,408
Program expenses	748	670
	<b>\$ 173,168</b>	<b>\$ 181,229</b>
<b>Shelter</b>		
Salaries and employee benefits	\$ 800,985	\$ 764,804
Repairs and maintenance	171,485	198,078
Utilities	128,706	123,897
Shelter supplies	75,290	90,706
Gifts-in-Kind - Shelter feed and litter	47,960	45,345
Program expenses	27,179	22,375
Refuse disposal	18,043	17,583
	<b>\$ 1,269,648</b>	<b>\$ 1,262,788</b>
<b>Special Projects</b>		
Salaries and employee benefits	\$ 247,414	\$ 190,816
Clinic medical supplies	88,295	24,824
Shelter supplies	17,906	12,807
	<b>\$ 353,615</b>	<b>\$ 228,447</b>
<b>Volunteer Services</b>		
Salaries and employee benefits	\$ 91,754	\$ 83,135
Program expenses	19,257	13,114
	<b>\$ 111,011</b>	<b>\$ 96,249</b>

**THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF  
CRUELTY TO ANIMALS**  
**Schedule 2 - Expenses (continued)**

<b>For the year ended March 31</b>	<b>2020</b>	<b>2019</b>
<b>Development and Fundraising</b>		
Salaries and employee benefits	\$ 358,676	\$ 332,864
Direct response campaigns	140,596	195,086
Gifts-in-Kind - General	92,978	84,339
Fundraising Events		
Bow Wow Ball	82,933	81,025
Paws in Motion	64,387	76,330
Third party events	23,329	17,699
1001 Donations	15,733	13,255
Paws for the Season	1,281	1,688
Golf in the Ruff	166	-
Development program expenses	65,354	62,998
Planned giving	41,937	25,608
Postage and packaging	16,154	16,136
Fundraising programs expense	15,255	40,831
Major giving	4,140	6,490
	<b>\$ 922,919</b>	<b>\$ 954,349</b>
<b>Administration</b>		
Salaries and employee benefits	\$ 461,530	\$ 403,424
Information technology and computer support	170,670	160,577
Property taxes	118,903	123,807
Professional fees (audit, legal, human resources contract)	38,409	73,913
Training and travel	8,148	47,233
Payroll and bank charges	40,627	36,533
Property insurance	24,550	26,449
Telephone and communications	25,904	26,310
Other	38,940	25,295
Office equipment and supplies	9,405	11,552
Board insurance and expenses	6,679	4,774
	<b>\$ 943,765</b>	<b>\$ 939,867</b>
<b>Total expenses</b>	<b>\$ 7,219,658</b>	<b>\$ 6,786,117</b>

**THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF  
CRUELTY TO ANIMALS**

**Schedule 3 - Schedule of Revenue and Expenses  
FIXIT Cat Spay and Neuter Program**

<b>For the year ended March 31</b>	<b>2020</b>	<b>2019</b>
<b>Revenue</b>		
Grant		
City of Winnipeg	\$ 273,500	\$ 197,500
Fees		
Public Spay and Neuter Assist Program	22,785	10,215
Clinic services	5,991	-
Clinic medical supplies	152	-
Donation	-	500
	<u>302,428</u>	<u>208,215</u>
<b>Expenses</b>		
Salaries and employee benefits	202,045	149,812
Contract services		
Community Program Coordinator	36,607	29,286
Veterinary clinic services	8,762	11,718
Clinic medical supplies	88,295	24,824
Shelter supplies	17,906	11,961
Program supplies	-	846
	<u>353,615</u>	<u>228,447</u>
<b>Deficiency of revenue over expenses for the year</b>	<b>\$ (51,187)</b>	<b>\$ (20,232)</b>