

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

**Non-consolidated Financial Statements
For the Year Ended March 31, 2021**

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Non-consolidated Financial Statements For the Year Ended March 31, 2021

Contents

Independent Auditor's Report	2
Non-consolidated Financial Statements	
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
Supporting Schedules	
Schedule 1 - Revenue	17
Schedule 2 - Expenses	18
Schedule 3 - Schedule of Revenue and Expenses - FIXIT Cat Spay and Neuter Program	21



Tel.: 204 956 7200
Fax.: 204 926 7201
Toll Free: 800 268 3337
www.bdo.ca

BDO Canada LLP
201 Portage Avenue - 26th Floor
Winnipeg MB R3B 3K6 Canada

Independent Auditor's Report

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, 2021, 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, 2021, 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
July 21, 2021

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

As at March 31 **2021** **2020**

Assets

Current Assets

Cash and bank	\$ 2,661,796	\$ 1,398,271
Accounts receivable	177,674	168,376
Inventory	111,167	123,128
Prepaid expenses	79,476	96,220
	3,030,113	1,785,995

Investment (Note 3) 1,000 1,000

Capital assets (Note 4) 10,604,347 10,874,476

\$ 13,635,460 **\$ 12,661,471**

Liabilities and Fund Balances

Current Liabilities

Accounts payable and accrued liabilities	\$ 587,176	\$ 560,765
Deferred revenue and designated gifts (Note 6)	206,829	97,610
Due to the Foundation (Note 10)	1,577,520	658,239
Current portion of obligations under capital leases	21,928	20,873
	2,393,453	1,337,487

Obligations under capital leases (Note 7) 29,950 51,878

2,423,403 **1,389,365**

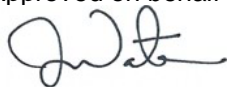
Fund Balances

Operating Fund		
Unrestricted	458,651	391,635
Invested in capital assets	10,552,469	10,801,725
Restricted Funds (Note 9)	200,937	78,746
	11,212,057	11,272,106

11,212,057 **11,272,106**

\$ 13,635,460 **\$ 12,661,471**

Approved on behalf of the Board of Directors:



Director



Director

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

For the year ended March 31	2021	2020
Revenue (Schedule 1)		
Donations	\$ 4,172,052	\$ 3,844,718
Fundraising events	601,320	634,473
Grants	446,263	294,981
Fees	1,950,545	2,099,922
Sales	192,847	264,740
Other	810,175	47,796
	8,173,202	7,186,630
Expenses (Schedule 2)		
Departments		
Animal adoptions	465,623	445,327
Animal advocacy	49,041	65,992
Animal behaviour	308,696	319,970
Animal intake/receiving	232,208	229,538
Clinic	1,220,840	1,228,153
Education	180,539	252,995
Investigations and emergency response	578,071	630,349
Public relations and communications	257,400	273,208
Retail operations	88,269	173,168
Shelter	1,226,117	1,269,648
Special projects	347,904	353,615
Volunteer services	134,571	111,011
	5,089,279	5,352,974
Development and fundraising	923,859	922,919
Administration	971,316	943,765
	6,984,454	7,219,658
Excess (deficiency) of revenue over expenses before bequest allocation to the Foundation and other items	1,188,748	(33,028)
Bequest allocation to the Foundation (Note 10)	(900,000)	-
Excess (deficiency) of revenue over expenses before other items	288,748	(33,028)
Other Items		
Amortization	(345,475)	(390,219)
Loss on disposal of capital assets	(3,322)	-
	(348,797)	(390,219)
Deficiency of revenue over expenses for the year	\$ (60,049)	\$ (423,247)

**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				2021	2020
	<u>Operating Fund</u>		<u>Restricted</u>		
	<u>Unrestricted</u>	<u>Invested in Capital Assets</u>	<u>Funds (Note 9)</u>	<u>Total</u>	<u>Total</u>
Balance, beginning of year	\$ 391,635	\$ 10,801,725	\$ 78,746	\$ 11,272,106	\$ 11,695,353
Excess (deficiency) of revenue over expenses for the year	319,567	(348,797)	(30,819)	(60,049)	(423,247)
Interfund Transfers					
Allocation (Note 9)	(153,010)	-	153,010	-	-
Acquisition of capital assets	(80,238)	80,238	-	-	-
Proceeds on disposal of capital assets	1,570	(1,570)	-	-	-
Lease payments	(20,873)	20,873	-	-	-
Balance, end of year	\$ 458,651	\$ 10,552,469	\$ 200,937	\$ 11,212,057	\$ 11,272,106

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

For the year ended March 31	2021	2020
Cash Flows from Operating Activities		
Deficiency of revenue over expenses for the year	\$ (60,049)	\$ (423,247)
Adjustment for non-cash items		
Amortization of capital assets	345,475	390,219
Loss on disposal of capital assets	3,322	-
	288,748	(33,028)
Changes in non-cash working capital		
Accounts receivable	(9,298)	74,298
Inventory	11,961	(23,709)
Prepaid expenses	16,744	(14,375)
Accounts payable and accrued liabilities	26,411	(32,196)
Government remittances payable	-	(1,628)
Deferred revenue and designated gifts	109,219	91,759
	443,785	61,121
Cash Flows from Financing Activities		
Net increase in due to the Foundation	919,281	1,210
Lease payments	(20,873)	(19,845)
	898,408	(18,635)
Cash Flows from Investing Activities		
Acquisition of capital assets	(80,238)	(122,267)
Proceeds on disposal of capital assets	1,570	-
	(78,668)	(122,267)
Net increase (decrease) in cash and bank	1,263,525	(79,781)
Cash and bank, beginning of year	1,398,271	1,478,052
Cash and bank, end of year	\$ 2,661,796	\$ 1,398,271

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Notes to Non-consolidated Financial Statements

For the year ended March 31, 2021

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).

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Notes to Non-consolidated Financial Statements

For the year ended March 31, 2021

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.

Fundraising events revenue is recognized as revenue when the fundraising event occurs.

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

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Notes to Non-consolidated Financial Statements

For the year ended March 31, 2021

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, 2021, 680 people contributed 8,136 hours and during the year ended March 31, 2020, 1,431 people contributed 40,279 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 \$100,116 of gifts-in-kind (\$140,938 in 2020) (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, 2021

3. Investment

The Society holds one common share in Western Drug Distribution Center Limited at March 31, 2021 and 2020.

4. Capital Assets

	2021			2020		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Land	\$ 544,189	\$ -	\$ 544,189	\$ 544,189	\$ -	\$ 544,189
Building	13,340,488	3,578,210	9,762,278	13,328,927	3,311,401	10,017,526
Computer equipment	424,422	342,120	82,302	444,447	374,460	69,987
Clinic equipment	204,279	142,797	61,482	193,497	128,774	64,723
Furniture and fixtures	1,043,643	939,322	104,321	1,038,044	913,942	124,102
Vehicles	105,809	56,034	49,775	98,458	44,509	53,949
	\$ 15,662,830	\$ 5,058,483	\$ 10,604,347	\$ 15,647,562	\$ 4,773,086	\$ 10,874,476

The net book value of capital assets acquired under capital leases are clinic equipment in the amount of \$9,414 (\$11,768 in 2020) and vehicles in the amount of \$47,313 (\$59,141 in 2020).

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, 2021, 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, 2021, 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, 2021. 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, 2021, 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, 2021

6. Deferred Revenue and Designated Gifts

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

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 97,610	\$ 5,851
Add: Amounts received during the year	393,966	115,379
Less: Amounts recognized in revenue during the year	(284,747)	(23,620)
Balance, end of year	\$ 206,829	\$ 97,610

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 \$3,341 (\$4,334 in 2020) for the year ended March 31, 2021 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:

2022	\$ 43,990
2023	33,779
2024	14,818

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, 2021, contributions to the plan were \$67,732 and contributions to the program were \$2,427 (\$63,747 and \$1,207 in 2020).

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Notes to Non-consolidated Financial Statements

For the year ended March 31, 2021

9. Internally Restricted Funds

Transactions in Restricted Funds for the year are as follows:

	2021			2020	
	Foundation Distributions	Training and Opportunities	Capital Improvements	Total	Total
Balance, beginning of year	\$ -	\$ 8,746	\$ 70,000	\$ 78,746	\$ 143,539
Expenses for the year	-	(30,819)	-	(30,819)	(64,793)
Allocation	121,245	31,765	-	153,010	-
Balance, end of year	\$ 121,245	\$ 9,692	\$ 70,000	\$ 200,937	\$ 78,746

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, 2021 and March 31, 2020 are as follows:

Statement of Financial Position

	2021		2020	
Total assets	\$ 7,189,759	\$ 5,220,468		
Total liabilities	\$ 14,414	\$ 7,266		
Total fund balances	7,175,345	5,213,202		
	\$ 7,189,759	\$ 5,220,468		

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

For the year ended March 31, 2021

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

Results of Operations

	<u>2021</u>	<u>2020</u>
Total revenue	\$ 2,227,118	\$ 211,681
Total expenses	<u>264,975</u>	<u>2,823,344</u>
Excess (deficiency) of revenue over expenses for the year	<u>\$ 1,962,143</u>	<u>\$ (2,611,663)</u>

Statement of Cash Flows

	<u>2021</u>	<u>2020</u>
Cash provided by (applied to) operations	\$ 399,952	\$ (2,396,074)
Cash provided by (applied to) investing and financing activities	<u>(400,277)</u>	<u>2,432,754</u>
Net increase (decrease) in cash and bank for the year	<u>\$ (325)</u>	<u>\$ 36,680</u>

As at March 31, 2021, the Society has a remaining amount due to the Foundation of \$1,577,520 (\$658,239 at March 31, 2020). 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 \$900,000 (\$nil in 2020) to the Foundation representing a portion of bequests received during the year.

Annually the Foundation provides a grant to the Society representing principally the amount of investment income earned available for distribution on endowment funds and other investments held at The Winnipeg Foundation. During the year, the Foundation granted \$162,297 (\$nil in 2020) to the Society which is presented as grant revenue and allocation to Restricted Funds of \$121,245 (\$nil in 2020) (Schedule 1 and Note 9, respectively) and designated gifts received during the year and unspent at year end of \$41,052 (\$nil in 2020) (Note 6).

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

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Notes to Non-consolidated Financial Statements

For the year ended March 31, 2021

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

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.

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 years ended March 31, 2021 and March 31, 2020.

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 manages its liquidity to maintain adequate levels of working capital to ensure its obligations can be met when they fall due.

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

For the year ended March 31, 2021

12. Uncertainty Due to COVID-19 Issue

The COVID-19 pandemic continues to have 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 position, liquidity and operations. During the year, the Society adapted its fundraisers. In addition, the Society has received pandemic relief funding from the Canada Emergency Wage Subsidy. Given the dynamic nature of these circumstances, the duration of the business disruption and the related financial impact cannot be reasonably estimated at this time.

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Schedule 1 - Revenue

For the year ended March 31	2021	2020
Donations		
Bequests	\$ 1,383,940	\$ 1,284,842
Direct response	1,253,979	1,156,867
General	857,486	740,361
Major gifts	412,594	383,058
Gifts-in-Kind		
General	63,744	92,978
Shelter feed and litter	36,372	47,960
Other (designated gifts, newsletter, education programs)	163,937	138,652
	<u>\$ 4,172,052</u>	<u>\$ 3,844,718</u>
Fundraising Events		
Third party events	\$ 173,612	\$ 151,657
Bow Wow Ball	162,357	169,250
1001 Donations	110,782	119,853
Paws in Motion	81,347	138,728
Other	73,222	54,985
	<u>\$ 601,320</u>	<u>\$ 634,473</u>
Grants		
City of Winnipeg - FIXIT Cat Spay and Neuter Program	\$ 196,772	\$ 273,500
Other	112,043	500
The Winnipeg Humane Society Foundation (Note 10)	121,245	-
Green Team and Human Resources Canada	16,203	20,981
	<u>\$ 446,263</u>	<u>\$ 294,981</u>
Fees		
City of Winnipeg fee for service contract	\$ 654,770	\$ 660,974
Provincial Veterinary Office	530,943	480,841
Adoptions	446,585	545,968
Clinic fees	156,622	129,717
Kennel and shelter fees	39,859	40,511
Education Program fees	39,050	84,776
Subsidized Spay and Neuter Assistance Program (SNAP)	29,019	76,518
Dog obedience classes	27,265	50,729
FIXIT Cat Spay and Neuter Program	17,749	22,785
Other programs and services	7,648	7,103
Drop-In Centre	1,035	-
	<u>\$ 1,950,545</u>	<u>\$ 2,099,922</u>
Sales		
Gift Shop and consignment	\$ 103,630	\$ 191,793
Clinic	68,846	51,186
Microchips	13,863	15,607
Shelter - Sale of donated items	6,508	6,154
	<u>\$ 192,847</u>	<u>\$ 264,740</u>
Other		
Interest, dividends and other income	\$ 31,105	\$ 35,416
Government of Canada - Temporary and Emergency Wage Subsidies	779,070	12,380
	<u>\$ 810,175</u>	<u>\$ 47,796</u>
Total revenue	<u>\$ 8,173,202</u>	<u>\$ 7,186,630</u>

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

For the year ended March 31	2021	2020
Animal Adoptions		
Salaries and employee benefits	\$ 446,771	\$ 418,929
Program expenses	10,062	15,898
Satellite adoption fees	8,790	10,500
	\$ 465,623	\$ 445,327
Animal Advocacy		
Program expenses	\$ 49,041	\$ 65,992
Animal Behaviour		
Salaries and employee benefits	\$ 306,012	\$ 312,598
Program expenses	2,634	7,209
Dog obedience classes	50	163
	\$ 308,696	\$ 319,970
Animal Intake/Receiving		
Salaries and employee benefits	\$ 224,095	\$ 225,030
Program expenses	8,113	4,508
	\$ 232,208	\$ 229,538
Clinic		
Salaries and employee benefits	\$ 921,639	\$ 908,641
Medical supplies	185,023	196,584
Cost of sales for clinic supplies	33,902	22,678
Medical vaccinations	32,516	46,632
Program expenses	25,888	20,597
Other supplies	17,182	19,517
Emergency veterinary services	4,690	13,504
	\$ 1,220,840	\$ 1,228,153
Education		
Salaries and employee benefits	\$ 172,998	\$ 224,296
Program expenses	7,422	28,699
Drop-In Centre	119	
	\$ 180,539	\$ 252,995
Investigations and Emergency Response		
Salaries and employee benefits	\$ 531,905	\$ 579,248
Vehicle operations	27,166	31,043
Program expenses	11,073	12,898
Cell phones, radios, pagers	7,927	7,160
	\$ 578,071	\$ 630,349

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

For the year ended March 31	2021	2020
Public Relations and Communications		
Salaries and employee benefits	\$ 171,561	\$ 167,816
Newsletter	60,412	49,460
Marketing	12,676	29,440
Program expenses	9,006	19,613
Website	3,745	6,271
Program advertising	-	608
	\$ 257,400	\$ 273,208
Retail Operations		
Cost of sales	\$ 73,428	\$ 132,360
Salaries and employee benefits	14,658	40,060
Program expenses	183	748
	\$ 88,269	\$ 173,168
Shelter		
Salaries and employee benefits	\$ 767,920	\$ 800,985
Repairs and maintenance	185,674	171,485
Utilities	130,690	128,706
Shelter supplies	64,316	75,290
Gifts-in-Kind - Shelter feed and litter	36,372	47,960
Program expenses	23,428	27,179
Refuse disposal	17,717	18,043
	\$ 1,226,117	\$ 1,269,648
Special Projects		
Salaries and employee benefits	\$ 279,478	\$ 247,414
Clinic medical supplies	55,609	88,295
Shelter supplies	12,817	17,906
	\$ 347,904	\$ 353,615
Volunteer Services		
Salaries and employee benefits	\$ 123,379	\$ 91,754
Program expenses	11,192	19,257
	\$ 134,571	\$ 111,011

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

For the year ended March 31	2021	2020
Development and Fundraising		
Salaries and employee benefits	\$ 417,244	\$ 358,676
Direct response campaigns	167,482	140,596
Gifts-in-Kind - General	63,744	92,978
Fundraising Events		
Bow Wow Ball	60,146	82,933
Paws for the Season	38,786	1,281
Paws in Motion	29,081	64,387
Third party events	25,911	23,329
1001 Donations	19,125	15,733
Golf in the Ruff	-	166
Development program expenses	59,451	65,354
Postage and packaging	19,532	16,154
Planned giving	11,741	41,937
Fundraising programs expense	7,805	15,255
Major giving	3,811	4,140
	\$ 923,859	\$ 922,919
Administration		
Salaries and employee benefits	\$ 465,489	\$ 461,530
Information technology and computer support	164,140	170,670
Property taxes	113,866	118,903
Professional fees (audit, legal, human resources contract)	71,636	38,409
Other	43,942	38,940
Payroll and bank charges	34,981	40,627
Training and travel	16,541	8,148
Telephone and communications	25,552	25,904
Property insurance	22,455	24,550
Office equipment and supplies	8,029	9,405
Board insurance and expenses	4,685	6,679
	\$ 971,316	\$ 943,765
Total expenses	\$ 6,984,454	\$ 7,219,658

**THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF
CRUELTY TO ANIMALS**
Schedule 3 - Schedule of Revenue and Expenses
FIXIT Cat Spay and Neuter Program

For the year ended March 31	2021	2020
Revenue		
Grant		
City of Winnipeg	\$ 196,772	\$ 273,500
Fees		
Public Spay and Neuter Assist Program	17,749	22,785
Clinic services	903	5,991
Clinic medical supplies	42	152
	<u>215,466</u>	<u>302,428</u>
Expenses		
Salaries and employee benefits	237,372	202,045
Contract services		
Community Program Coordinator	29,285	36,607
Veterinary clinic services	12,820	8,762
Clinic medical supplies	55,609	88,295
Shelter supplies	12,817	17,906
	<u>347,903</u>	<u>353,615</u>
Deficiency of revenue over expenses for the year	\$ (132,437)	\$ (51,187)