

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

Non-consolidated Financial Statements
For the Year Ended March 31, 2022

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Non-consolidated Financial Statements For the Year Ended March 31, 2022

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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, 2022, and the non-consolidated statement of operations, 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, 2022, 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.

Emphasis of Matter

We draw attention to Note 13 to the financial statements, which explains that certain comparative information presented for the year ended March 31, 2021 has been restated.

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
June 30, 2022

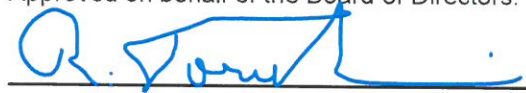
**THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF
CRUELTY TO ANIMALS**
Non-consolidated Statement of Financial Position

As at March 31	2022	2021
		(Restated - Note 13)
Assets		
Current Assets		
Cash and bank	\$ 1,779,099	\$ 2,661,796
Accounts receivable	148,299	177,674
Bequest receivable	2,595,305	2,585,738
Inventory	124,811	111,167
Prepaid expenses	57,897	79,476
	4,705,411	5,615,851
Investment (Note 3)	1,000	1,000
Capital assets (Note 4)	10,469,661	10,604,347
	\$ 15,176,072	\$ 16,221,198

Liabilities and Fund Balances

Current Liabilities		
Accounts payable and accrued liabilities	\$ 735,203	\$ 587,176
Deferred revenue and designated gifts (Note 6)	78,102	206,829
Due to the Foundation (Note 10)	896,999	1,577,520
Current portion of obligations under capital leases	21,928	21,928
	1,732,232	2,393,453
Obligations under capital leases (Note 7)	8,022	29,950
	1,740,254	2,423,403
Fund Balances		
Operating Fund		
Unrestricted	2,811,950	3,044,389
Invested in capital assets	10,439,711	10,552,469
Restricted Funds (Note 9)	184,157	200,937
	13,435,818	13,797,795
	\$ 15,176,072	\$ 16,221,198

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 Operations

For the year ended March 31	2022	2021
	(Restated - Note 13)	
Revenue (Schedule 1)		
Donations	\$ 4,156,763	\$ 6,757,790
Fundraising events	634,367	601,320
Grants	641,185	446,263
Fees	2,251,995	1,950,545
Sales	244,544	192,847
Other	83,228	810,175
	8,012,082	10,758,940
Expenses (Schedule 2)		
Departments		
Animal adoptions	499,634	465,623
Animal advocacy	58,225	49,041
Animal behaviour	339,274	308,696
Animal intake/receiving	288,620	232,208
Clinic	1,659,541	1,226,633
Education	147,971	184,197
Investigations and emergency response	675,009	578,071
Public relations and communications	224,346	256,416
Retail operations	136,908	88,269
Shelter	1,269,179	1,223,284
Special projects	286,219	347,903
Volunteer services	197,058	134,731
	5,781,984	5,095,072
Development and fundraising	919,136	923,859
Administration	1,159,163	965,523
	7,860,283	6,984,454
Excess of revenue over expenses before bequest allocation to the Foundation and other items	151,799	3,774,486
Bequest allocation to the Foundation (Note 10)	(150,000)	(900,000)
Excess of revenue over expenses before other items	1,799	2,874,486
Other Items		
Amortization	(359,284)	(345,475)
Loss on disposal of capital assets	(4,492)	(3,322)
	(363,776)	(348,797)
Excess (deficiency) of revenue over expenses for the year	\$ (361,977)	\$ 2,525,689

**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, 2022

	<u>Operating Fund</u>			2022 Total	2021 Total
	<u>Unrestricted</u>	<u>Invested in Capital Assets</u>	<u>Restricted Funds (Note 9)</u>		
Balance , beginning of year, as previously reported	\$ 458,651	\$ 10,552,469	\$ 200,937	\$ 11,212,057	\$ 11,272,106
Correction of bequest receivable in prior period (Note 13)	2,585,738	-	-	2,585,738	-
Balance , beginning of year, restated	3,044,389	10,552,469	200,937	13,797,795	11,272,106
Excess (deficiency) of revenue over expenses for the year	213,579	(363,776)	(211,780)	(361,977)	2,525,689
Interfund Transfers					
Allocation (Note 9)	(195,000)	-	195,000	-	-
Acquisition of capital assets	(229,090)	229,090	-	-	-
Lease payments	(21,928)	21,928	-	-	-
Balance , end of year	\$ 2,811,950	\$ 10,439,711	\$ 184,157	\$ 13,435,818	\$ 13,797,795

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

For the year ended March 31	2022	2021
		(Restated - Note 13)
Cash Flows from Operating Activities		
Excess (deficiency) of revenue over expenses for the year	\$ (361,977)	\$ 2,525,689
Adjustment for non-cash items		
Amortization of capital assets	359,284	345,475
Loss on disposal of capital assets	4,492	3,322
	<u>1,799</u>	2,874,486
Changes in non-cash working capital		
Accounts receivable	29,375	(9,298)
Bequest receivable	(9,567)	(2,585,738)
Inventory	(13,644)	11,961
Prepaid expenses	21,579	16,744
Accounts payable and accrued liabilities	148,027	26,411
Deferred revenue and designated gifts	(128,727)	109,219
	<u>48,842</u>	443,785
Cash Flows from Financing Activities		
Net increase (decrease) in due to the Foundation	(680,521)	919,281
Lease payments	(21,928)	(20,873)
	<u>(702,449)</u>	898,408
Cash Flows from Investing Activities		
Acquisition of capital assets	(229,090)	(80,238)
Proceeds on disposal of capital assets	-	1,570
	<u>(229,090)</u>	(78,668)
Net increase (decrease) in cash and bank	(882,697)	1,263,525
Cash and bank, beginning of year	2,661,796	1,398,271
Cash and bank, end of year	\$ 1,779,099	\$ 2,661,796

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Notes to Non-consolidated Financial Statements

For the year ended March 31, 2022

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, 2022

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, 2022

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, 2022, 309 people contributed 13,975 hours and during the year ended March 31, 2021, 680 people contributed 8,136 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 \$59,116 of gifts-in-kind (\$100,116 in 2021) (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, 2022

3. Investment

The Society holds one common share in Western Drug Distribution Center Limited at March 31, 2022 and 2021.

4. Capital Assets

	2022			2021		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Land	\$ 544,189	\$ -	\$ 544,189	\$ 544,189	\$ -	\$ 544,189
Building	13,397,496	3,846,160	9,551,336	13,340,488	3,578,210	9,762,278
Computer equipment	522,473	359,420	163,053	424,422	342,120	82,302
Clinic equipment	191,929	128,459	63,470	204,279	142,797	61,482
Furniture and fixtures	1,070,683	962,890	107,793	1,043,643	939,322	104,321
Vehicles	105,809	65,989	39,820	105,809	56,034	49,775
	\$ 15,832,579	\$ 5,362,918	\$ 10,469,661	\$ 15,662,830	\$ 5,058,483	\$ 10,604,347

The net book value of capital assets acquired under capital leases are clinic equipment in the amount of \$7,531 (\$9,414 in 2021) and vehicles in the amount of \$37,850 (\$47,313 in 2021).

5. Credit Facilities

The Society has available through the Bank of Nova Scotia a line of credit of \$712,000 which bears interest at prime plus 0.25% with an effective rate of 2.95% at March 31, 2022, and a credit card facility of \$50,000. The Society also has letters of credit of \$154,000 and \$84,000. The credit facilities are due on demand and are secured by a first 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. The Society must at all times comply with a debt service ratio of at least 1.25 to 1. At March 31, 2022, the Society had not drawn on the line of credit and the letters of credit and has respected the require debt service ratio.

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

For the year ended March 31, 2022

6. Deferred Revenue and Designated Gifts

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

	2022	2021
Balance, beginning of year	\$ 206,829	\$ 97,610
Add: Amounts received during the year	122,338	393,966
Less: Amounts recognized in revenue during the year	(251,065)	(284,747)
Balance, end of year	\$ 78,102	\$ 206,829

7. Lease Commitments

The Society has operating lease commitments for one vehicle expiring in October 2022 requiring lease payments totaling \$4,510 and for equipment expiring in July 2022 requiring lease payments totalling \$1,143.

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 \$2,242 (\$3,341 in 2021) for the year ended March 31, 2022 is included with administration expenses in the Non-consolidated Statement of Operations.

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

2023	\$	34,922
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, 2022, contributions to the plan were \$64,968 and contributions to the program were \$2,712 (\$67,732 and \$2,427 in 2021).

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Notes to Non-consolidated Financial Statements

For the year ended March 31, 2022

9. Internally Restricted Funds

Transactions in Restricted Funds for the year are as follows:

					2022	2021
	Archie Almdal's Second Chance Fund	Capital Improvements	Training and Opportunities	Foundation Capital Distributions	Total	Total
Balance, beginning of year	\$ -	\$ 70,000	\$ 9,692	\$ 121,245	\$ 200,937	\$ 78,746
Allocation	120,000	-	75,000	-	195,000	153,010
Expenses for the year	(28,998)	-	(61,537)	(121,245)	(211,780)	(30,819)
Balance, end of year	\$ 91,002	\$ 70,000	\$ 23,155	\$ -	\$ 184,157	\$ 200,937

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

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

For the year ended March 31, 2022

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

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, 2022 and March 31, 2021 are as follows:

Statement of Financial Position

	<u>2022</u>	<u>2021</u>
Total assets	\$ 7,912,222	\$ 7,189,759
Total liabilities	\$ 6,000	\$ 14,414
Total fund balances	7,906,222	7,175,345
	\$ 7,912,222	\$ 7,189,759

Results of Operations

	<u>2022</u>	<u>2021</u>
Total revenue	\$ 996,409	\$ 2,227,118
Total expenses	265,532	264,975
Excess of revenue over expenses for the year	\$ 730,877	\$ 1,962,143

Statement of Cash Flows

	<u>2022</u>	<u>2021</u>
Cash provided by operations	\$ 1,324,213	\$ 399,952
Cash provided applied to investing and financing activities	(1,438,069)	(400,277)
Net decrease in cash and bank for the year	\$ (113,856)	\$ (325)

As at March 31, 2022, the Society has a remaining amount due to the Foundation of \$896,999 (\$1,577,520 at March 31, 2021). 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 \$150,000 (\$900,000 in 2021) to the Foundation representing a portion of bequests received during the year.

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Notes to Non-consolidated Financial Statements

For the year ended March 31, 2022

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

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 Society recognized total revenue granted by the Foundation of \$205,894 (Schedule 1) which consists of the amount granted during the year by the Foundation of \$164,842 and the portion that had been presented as designated gifts received during the prior year unspent at March 31, 2021 of \$41,052. During the prior year, the Society recognized total revenue granted by the Foundation of \$121,245 which consisted of the amount granted during the prior year by the Foundation of \$162,297 less the portion that had been designated as designated gifts received unspent at March 31, 2021 of \$41,052.

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.

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, 2022 and March 31, 2021.

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Notes to Non-consolidated Financial Statements

For the year ended March 31, 2022

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 donations and accounts receivable. The Society is not exposed to significant credit risk relating to donations and accounts receivable as the amounts due are spread among a broad client base and payment in full is typically collected when it is due. The Society recognizes pledges as revenue in the period collected.

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.

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. 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**
Notes to Non-consolidated Financial Statements

For the year ended March 31, 2022

13. Correction of Bequest Receivable in Prior Period

During the prior year, the Society received notification of a bequest whereby it was named beneficiary of the net proceeds on sale of specific real property which was not recorded as bequest receivable as at March 31, 2021 nor revenue for the year then ended in error. As a result, comparative amounts presented in these financial statements have been restated as follows:

	As Previously Reported	Adjustment	Restated
Donations receivable	\$ -	\$ 2,585,738	\$ 2,585,738
Fund Balance - Operating Fund			
Unrestricted, end of year	11,212,057	2,585,738	13,797,795
Revenue			
Donations - Bequests	1,383,940	2,585,738	3,969,678

THE WINNIPEG HUMANE SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Schedule 1 - Revenue

For the year ended March 31	2022	2021
Donations		
Direct response	\$ 1,218,472	\$ 1,253,979
Bequests	1,159,686	3,969,678
General	942,424	857,486
Major gifts	611,835	412,594
Gifts-in-Kind		
Shelter feed and litter	41,872	36,372
General	17,244	63,744
Other (designated gifts, newsletter, education programs)	165,230	163,937
	\$ 4,156,763	\$ 6,757,790
Fundraising Events		
Third party events	\$ 169,604	\$ 173,612
Other	132,046	73,222
Bow Wow Ball Virtual Auction	122,400	162,357
1001 Donations	120,487	110,782
Paws in Motion	89,830	81,347
	\$ 634,367	\$ 601,320
Grants		
Other	\$ 277,601	\$ 112,043
The Winnipeg Humane Society Foundation (Note 10)	205,894	121,245
City of Winnipeg - FIXIT Cat Spay and Neuter Program	145,096	196,772
Green Team and Human Resources Canada	12,594	16,203
	\$ 641,185	\$ 446,263
Fees		
City of Winnipeg fee for service contract	\$ 691,741	\$ 654,770
Adoptions	552,917	446,585
Provincial Veterinary Office	502,391	530,943
Clinic fees	212,728	156,622
Subsidized Spay and Neuter Assistance Program (SNAP)	111,961	29,019
Dog obedience classes	74,127	27,265
Education Program fees	49,029	40,085
Kennel and shelter fees	39,821	39,859
FIXIT Cat Spay and Neuter Program	11,510	17,749
Other programs and services	5,770	7,648
	\$ 2,251,995	\$ 1,950,545
Sales		
Gift Shop	\$ 118,894	\$ 103,630
Clinic	104,886	68,846
Microchips	12,285	13,863
Shelter - Sale of donated items	8,479	6,508
	\$ 244,544	\$ 192,847
Other		
Interest, dividends and other income	\$ 83,228	\$ 31,105
Government of Canada - Temporary and Emergency Wage Subsidies	-	779,070
	\$ 83,228	\$ 810,175
Total revenue	\$ 8,012,082	\$ 10,758,940

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

For the year ended March 31	2022	2021
Animal Adoptions		
Salaries and employee benefits	\$ 468,813	\$ 446,771
Program expenses	20,801	10,062
Satellite adoption fees	10,020	8,790
	<u>\$ 499,634</u>	<u>\$ 465,623</u>
Animal Advocacy		
Program expenses	\$ 56,680	\$ 49,041
Training and travel	1,545	-
	<u>\$ 58,225</u>	<u>\$ 49,041</u>
Animal Behaviour		
Salaries and employee benefits	\$ 328,313	\$ 306,012
Program expenses	10,961	2,684
	<u>\$ 339,274</u>	<u>\$ 308,696</u>
Animal Intake/Receiving		
Salaries and employee benefits	\$ 274,185	\$ 224,095
Program expenses	14,435	8,113
	<u>\$ 288,620</u>	<u>\$ 232,208</u>
Clinic		
Salaries and employee benefits	\$ 1,110,130	\$ 921,639
Medical supplies	232,969	185,023
Program expenses	172,210	31,681
Cost of sales for clinic supplies	65,564	33,902
Medical vaccinations	48,122	32,516
Other supplies	16,067	17,182
Emergency veterinary services	14,479	4,690
	<u>\$ 1,659,541</u>	<u>\$ 1,226,633</u>
Communications and Marketing		
Salaries and employee benefits	\$ 122,875	\$ 171,561
Newsletter	62,109	60,412
Marketing	17,807	12,676
Program expenses	9,670	8,022
Website	8,711	3,745
Program advertising	3,174	-
	<u>\$ 224,346</u>	<u>\$ 256,416</u>

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

For the year ended March 31	2022	2021
Education		
Salaries and employee benefits	\$ 137,258	\$ 172,998
Program expenses	10,713	11,199
	\$ 147,971	\$ 184,197
Investigations and Emergency Response		
Salaries and employee benefits	\$ 616,146	\$ 531,905
Vehicle operations	31,560	27,166
Program expenses	15,107	11,073
Cell phones, radios, pagers	8,051	7,927
Uniforms	4,145	-
	\$ 675,009	\$ 578,071
Retail Operations		
Cost of sales	\$ 85,172	\$ 73,428
Salaries and employee benefits	42,483	14,658
Program expenses	9,253	183
	\$ 136,908	\$ 88,269
Shelter		
Salaries and employee benefits	\$ 761,654	\$ 767,920
Repairs and maintenance	183,909	185,674
Utilities	149,646	130,690
Shelter supplies	87,784	64,316
Gifts-in-Kind - Shelter feed and litter	41,872	36,372
Program expenses	25,628	20,595
Refuse disposal	18,686	17,717
	\$ 1,269,179	\$ 1,223,284
Special Projects		
Salaries and employee benefits	\$ 222,559	\$ 279,477
Clinic medical supplies	52,875	55,609
Shelter supplies	10,785	12,817
	\$ 286,219	\$ 347,903

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

For the year ended March 31	2022	2021
Volunteer and Foster		
Salaries and employee benefits	\$ 185,288	\$ 123,379
Program expenses	11,770	11,352
	\$ 197,058	\$ 134,731
Development and Fundraising		
Salaries and employee benefits	\$ 403,556	\$ 417,244
Direct response campaigns	185,509	167,482
Major and planned giving	28,654	15,552
Development program expenses	77,302	59,451
Fundraising Events		
50/50 raffle	63,013	38,786
Bow Wow Ball Virtual Auction	53,758	60,146
Third party events	25,368	25,911
1001 Donations	20,245	19,125
Paws in Motion	13,449	29,081
Gifts-in-Kind - General	17,244	63,744
Postage	16,434	19,532
Fundraising programs expense	12,799	7,805
Lottery	1,805	-
	\$ 919,136	\$ 923,859
Administration		
Salaries and employee benefits	\$ 575,455	\$ 465,490
Information technology and computer support	168,724	164,140
Professional fees (audit, legal, human resources contract)	154,118	71,636
Property taxes	107,972	113,866
Payroll and bank charges	40,957	34,981
Other	26,273	38,148
Telephone and communications	23,403	25,552
Property insurance	22,629	22,455
Training and travel	18,988	16,541
Office equipment and supplies	9,348	8,029
Board insurance and expenses	7,485	4,685
Employee engagement	3,811	-
	\$ 1,159,163	\$ 965,523
Total expenses	\$ 7,860,283	\$ 6,984,454

**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	2022	2021
Revenue		
Grant		
City of Winnipeg	\$ 145,096	\$ 196,772
Fees		
Public Spay and Neuter Assist Program	11,510	17,749
Clinic services	-	903
Clinic medical supplies	-	42
	<u>156,606</u>	<u>215,466</u>
Expenses		
Salaries and employee benefits	188,770	237,372
Contract services		
Community Program Coordinator	29,285	29,285
Veterinary clinic services	4,504	12,820
Clinic medical supplies	52,875	55,609
Shelter supplies	10,785	12,817
	<u>286,219</u>	<u>347,903</u>
Deficiency of revenue over expenses for the year	\$ (129,613)	\$ (132,437)