

# Annual Report

# 2022



*The difference your support makes.*

# STEWART CO

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# ANNUAL MESSAGE

2022 was our 20th anniversary year. Despite the ever increasing challenges of animal rescue, we continued to grow and streamline our operations with the help of our dedicated staff and a passionate team of volunteers.

In October, we celebrated the opening of our Morinville Rescue Centre, which bolstered our ability to respond to urgent requests to help animals. Despite this progress, the northern pounds remained constantly full, and we received ever increasing requests to help animals while adoptions were slowing.

2022 was the worst year we have seen for requests for owner surrenders, including requests from breeders. These requests represented over 30 per cent of animal intake as compared to 19 per cent in 2021. This differs from owner returns of adopted animals that accounted for only 5.2 per cent of our intake (thanks to our amazing volunteer team of adoption screeners and foster home supervisors).

Our spay-neuter-return numbers were also down because of reduced access to veterinary appointments. We believe the market for veterinary services has become saturated due to the surge in pet purchases during COVID. We also saw a dramatic increase in pet abandonment. We assume this was related to increased costs of living and an inability to properly care for pets that may have been purchased without full consideration of guardianship responsibilities.

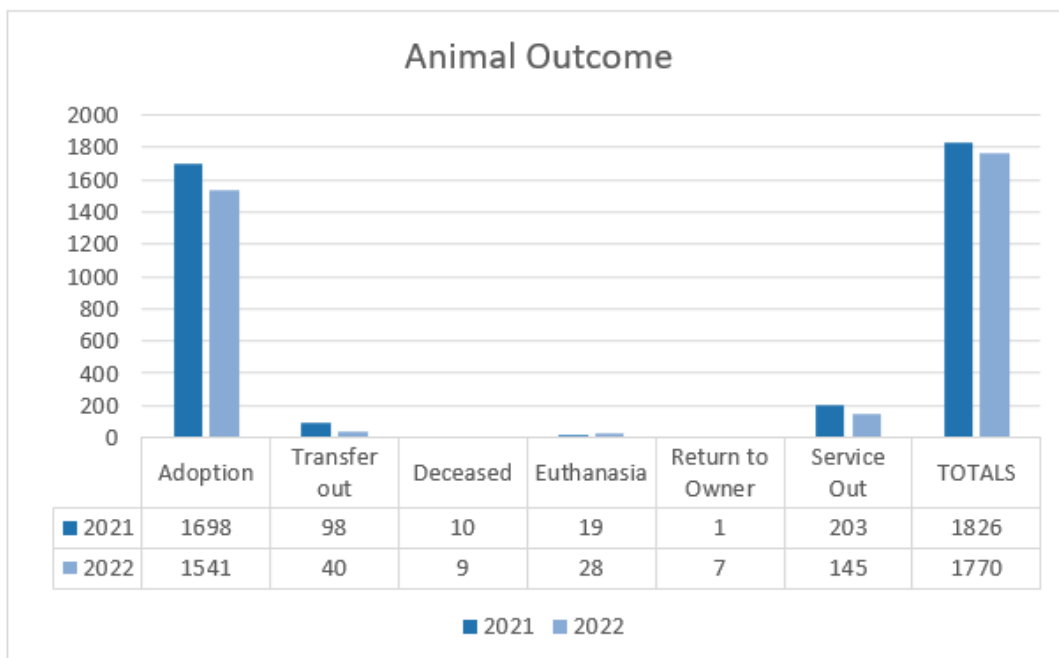
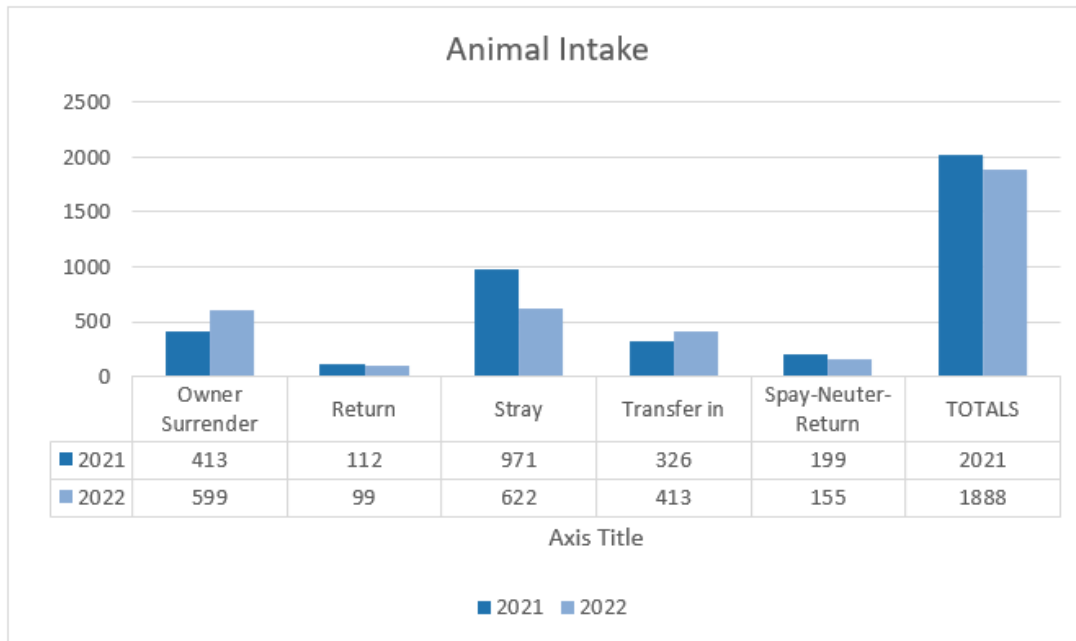
We ended the year with 133 fewer animals coming into care as compared to the previous year, but we were able to help 1,888 pets. These pets came to us from many different communities. For example, the MD of Opportunity, Athabasca, Edmonton, Calling Lake, Buffalo Lake, Onion Lake, Sturgeon County, St. Paul, Westlock, Lloydminster, Maskwacis, Morinville, and many more.

Our financial outlook remained positive, and we are looking forward to a brighter future. We are forever grateful for the unwavering dedication of our amazing supporters who make our important work possible. Every life matters and every day we make a difference!

Sylvia Christiansen  
Acting Executive Director/Operations Manager  
on behalf of the Board of Directors

# ANIMAL INTAKE AND OUTCOME

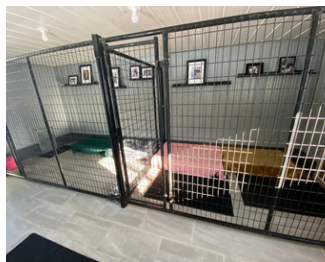
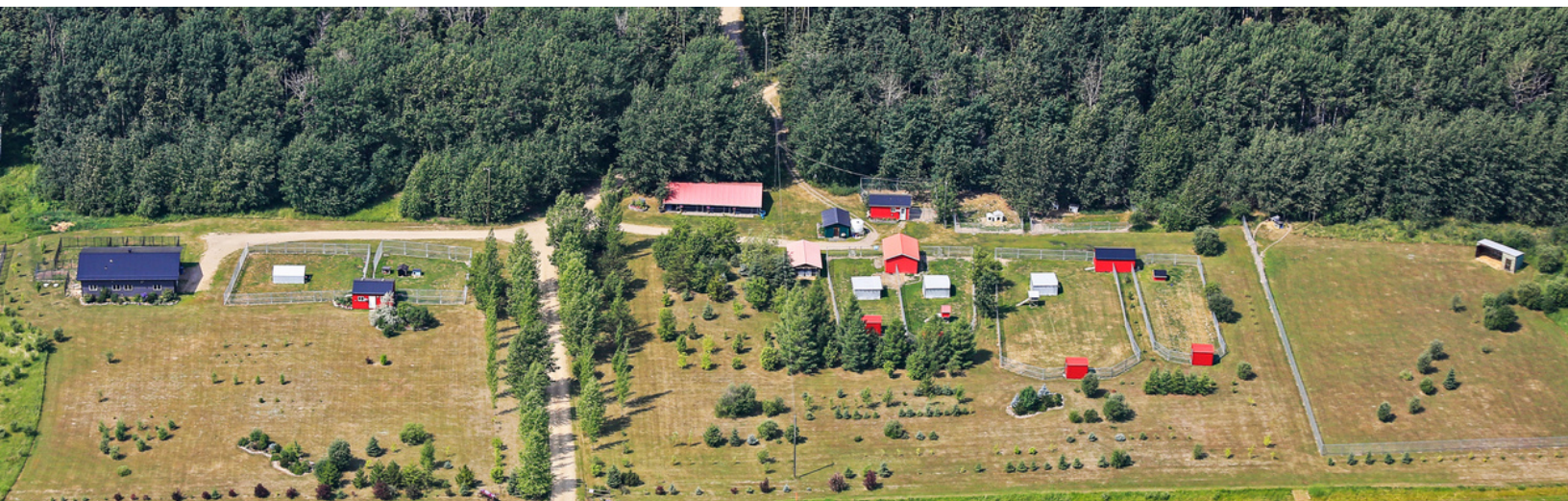
SCARS helped 1,888 pets during 2022. This included 789 dogs and 1,099 cats. We believe the decrease relates to less people adopting post COVID-19, which reduced our ability for animal intake despite the opening of our new rescue centre.





# ATHABASCA SECOND-CHANCE COUNTRY REFUGE

Our Athabasca facility is where SCARS began and it continues to be a critical part of our operations. This facility has a variety of indoor and outdoor areas and beautiful walking trails. Many of our sanctuary animals live here and it serves as a stopping point for many animals coming into care.



*Daytime Playtime*

*Sponsored By*

*(Insert your name or logo here)*

**Second Chance!**  
animal rescue society



# MORINVILLE RESCUE CENTRE

After a summer of renovations, completed mostly by our amazing volunteers, our new MRC facility opened to intake in early October. Without this facility, so many lives would have been lost. Pregnant dogs like Fluevog had a safe place to give birth that otherwise would not have been available. SCARS hired three full-time and three part-time staff who operate this facility seven days a week.





# PROGRAM HIGHLIGHTS



Sanctuary Animal  
Brock  
#SCRS-A-806

6 YEARS  
10 MONTHS  
MALE  
SPONSORED

## Sanctuary Program

All our 17 sanctuary animals were sponsored during 2022. We are grateful for the ongoing support for these pets that have health or behavioural challenges that require special care.

## Spay-Neuter Return Program

We saw a decrease in the number of pets that participated in this program due to a shortage of available veterinary appointments. We were saddened to cancel many SNR days in participating communities to accommodate veterinary services for animals already in our care.



## Walls for Winter

This program received excellent financial support during 2022. Our biggest challenge was a lack of available workshop space for shelter builds. We are grateful to the schools, service clubs and backyard builders who kept this program going so we could continue to deliver shelters to communities in need.



## Foster Program

During 2022, we had 125 active foster home volunteers. Foster homes are the heart of our success as they give pets much deserved loving care as they transition to adoption.



# VOLUNTEER HIGHLIGHTS

Dedicated volunteers are the heart of SCARS' operations. Volunteer coordinators and their teams did everything from responding to inquiries to driving and organizing fundraising events. Here are just a few examples of their tremendous efforts:

- Adoption screeners reviewed 200-300 applications each month.
- Adoption event co-coordinators organized 13 adoption events.
- Our donation teams did an incredible job ensuring pet supplies of all kinds were stocked and sorted at our storage locker in Edmonton and at our Morinville facility.
- The Better Impact team continued to track volunteer hours and provide training.
- 10 foster home supervisors provided adoption approvals and supported 125 active foster home volunteers.
- Our phone and email team tracked and arranged responses to thousands of inquiries.
- Our volunteer coordinator held online orientations every 4-6 weeks. We had a roster of approximately 330 volunteers.
- Volunteers helped organize events such as Critters & Cocktails and Tails on the Trails and represented SCARS at a wide variety of smaller SCARS' events and third-party fundraisers.

## Critters & Cocktails 2022 Volunteers





# LOOK AT ME NOW

We are forever grateful to our adopters. Without you, there would have been no future for the animals we brought into care. Your updates made us laugh and sometimes cry and reminded us why SCARS exists!

The family of Cleo (formerly Anna) told us, "The personality that she has developed has made raising her such a joy. We found the perfect fit for our family, and she changed our lives forever."



## DIGITAL AND SOCIAL MEDIA

- Instagram – 25,000 followers
- Twitter – 10,000 followers
- Facebook – 75,000 likes
- TikTok – 3,100 followers

Our SCARS Alumni Facebook group—where we welcome updates, stories, photos/videos of adopted pets—grew to over 1,700 members.

We sent 13 e-newsletters to over 4,700 subscribers.

TownandCountryTODAY.com generously continued to provide our free community page on their website. We are also grateful for the support we received from CBC, Global and CTV Edmonton.

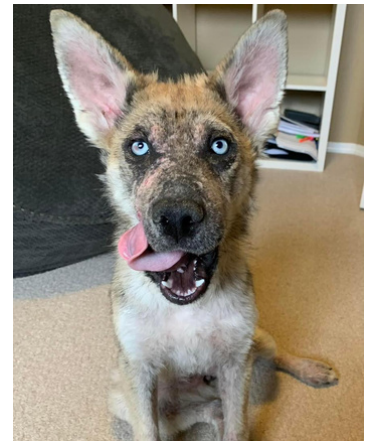
# RESCUE STORY

Elizabeth came into care in September 2022 feeling and looking terribly unwell. With veterinary care and lots of love, she made a full recovery and was adopted. We received this wonderful message from her family.

"We adopted Stella (formerly Elizabeth). When she came into the care of SCARS, she had the worst skin condition, and we are so thankful for the treatment that SCARS provided her.

She doesn't look like the same dog. Stella is the sweetest and happiest little girl who has so much love to give. She loves everyone she meets, and all she wants to do is give the biggest kisses. Stella is the best at cuddles, she loves to snuggle up on the couch or in the bed every night.

Stella and her big brother, Dude, are inseparable. They enjoy running around the house and yard, chasing each other and playing with all the toys. Stella has been the best addition to our family."





# FINANCIAL STATEMENTS

SECOND CHANCE ANIMAL RESCUE SOCIETY  
FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022

ST. ARNAUD PINSENT STEMAN  
CHARTERED PROFESSIONAL ACCOUNTANTS



# FINANCIAL STATEMENTS

SECOND CHANCE ANIMAL RESCUE SOCIETY  
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YEAR ENDED DECEMBER 31, 2022

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# FINANCIAL STATEMENTS



## ST. ARNAUD PINSENT STEMAN

CHARTERED PROFESSIONAL ACCOUNTANTS

Daniel J. St. Arnaud, CPA, CA\*\*

John H.C. Pinsent, FCPA, FCA, ICD.D\*\*

Benardus C. Steman, CPA, CA, CFA\*\*

### INDEPENDENT AUDITOR'S REPORT

To the Members of Second Chance Animal Rescue Society

#### *Qualified Opinion*

We have audited the financial statements of Second Chance Animal Rescue Society (the Society), which comprise the statement of financial position as at December 31, 2022, and the statements of changes in net assets, revenue and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

#### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, the Society derives revenue from donations and fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2022, or current assets and net assets as at December 31, 2022.

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 Financial Statements* section of our report. We are independent of the Society in accordance with ethical requirements that are relevant to our audit of the 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 qualified audit opinion.

#### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

(continues)

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\* An Association to Practice Chartered Accountancy \*\* Operates as a Professional Corporation

# FINANCIAL STATEMENTS (CONTINUED)

Independent Auditor's Report to the Members of Second Chance Animal Rescue Society (continued)

## *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

*John H.C. Pinsent Professional Corporation*

Edmonton, Alberta  
May 23, 2023

John H.C. Pinsent Professional Corporation  
Chartered Professional Accountant




# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2022

	2022 \$	2021 \$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	928,553	1,303,205
Short term investments	515,040	12,107
Accounts receivable	28,861	13,120
Goods and services tax recoverable	21,925	16,545
Prepaid expenses	14,908	5,987
	<u>1,509,287</u>	<u>1,350,964</u>
PROPERTY AND EQUIPMENT (Note 3)	<u>190,296</u>	<u>122,746</u>
<b>TOTAL ASSETS</b>	<u><b>1,699,583</b></u>	<u><b>1,473,710</b></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	236,375	113,796
Employee deductions payable	12,142	26,602
Deferred revenue (Note 5)	<u>110,021</u>	<u>111,852</u>
<b>TOTAL LIABILITIES</b>	<u><b>358,538</b></u>	<u><b>252,250</b></u>
<b>NET ASSETS</b>		
Unrestricted	200,749	279,147
Internally restricted (Note 4)	950,000	819,567
Invested in capital assets	<u>190,296</u>	<u>122,746</u>
	<u><b>1,341,045</b></u>	<u><b>1,221,460</b></u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>1,699,583</b></u>	<u><b>1,473,710</b></u>
<b>CONTINGENCIES (Note 7)</b>		
<b>COMMITMENTS (Note 8)</b>		

ON BEHALF OF THE BOARD

 \_\_\_\_\_ Director  
 Designated by: \_\_\_\_\_ Director

The accompanying notes form part of these financial statements

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ST. ARNAUD PINSENT STEMAN  
CHARTERED PROFESSIONAL ACCOUNTANTS



# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY STATEMENT OF CHANGES IN NET ASSETS YEAR ENDED DECEMBER 31, 2022

	Unrestricted \$	Internally Restricted \$	Invested in Capital Assets \$	2022 \$	2021 \$
<b>BALANCE - BEGINNING OF YEAR</b>	279,147	819,567	122,746	<b>1,221,460</b>	1,068,200
Excess of revenues over expenses	119,585	-	-	<b>119,585</b>	153,260
Transfer to internally restricted	(130,433)	130,433	-	-	-
Amortization of capital assets	41,997	-	(41,997)	-	-
Investment in capital assets	(109,547)	-	109,547	-	-
<b>BALANCE - END OF YEAR</b>	<b>200,749</b>	<b>950,000</b>	<b>190,296</b>	<b>1,341,045</b>	<b>1,221,460</b>

*The accompanying notes form part of these financial statements*

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ST. ARNAUD PINSENT STEMAN  
CHARTERED PROFESSIONAL ACCOUNTANTS





# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY STATEMENT OF REVENUE AND EXPENDITURES YEAR ENDED DECEMBER 31, 2022

	2022 \$	2021 \$
<b>REVENUES</b>		
Adoption fees and merchandise	462,282	453,865
Donations and sponsorships	1,172,844	1,212,381
Fundraising events	234,415	120,220
Gaming proceeds	247,408	284,338
Gifts in kind	65,410	50,066
Memberships	2,709	4,975
	<u>2,185,068</u>	<u>2,125,845</u>
<b>EXPENSES</b>		
Advertising and promotion	90,606	60,670
Amortization	41,997	22,558
Contract work	53,785	75,169
Gaming expenses	144,172	154,057
Gifts in kind	65,410	50,066
Insurance	9,350	8,556
Interest and bank charges	2,447	4,923
Office	17,355	16,003
Professional fees	116,759	219,758
Rental	99,618	54,356
Repairs and maintenance	11,360	7,402
Salaries and wages	355,673	242,243
Telephone and utilities	22,075	16,208
Vehicle	45,735	45,200
Veterinary fees and animal supplies	1,024,953	992,515
	<u>2,101,295</u>	<u>1,969,684</u>
<b>EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<u>83,773</u>	<u>156,161</u>
<b>OTHER ITEMS</b>		
Dividend income	279	279
Interest income	10,509	3,522
Loss on disposal of assets	-	(44,538)
Other grants	24,878	36,308
Unrealized gain on investments	146	1,528
	<u>35,812</u>	<u>(2,901)</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>119,585</u>	<u>153,260</u>

The accompanying notes form part of these financial statements

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ST. ARNAUD PINSENT STEMAN  
CHARTERED PROFESSIONAL ACCOUNTANTS



# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY STATEMENT OF CASH FLOWS YEAR ENDED DECEMBER 31, 2022

	2022 \$	2021 \$
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	119,585	153,260
Items not affecting cash:		
Amortization of property and equipment	41,997	22,558
Loss on disposal of property and equipment	-	44,538
Unrealized gain on investments	(146)	(1,528)
	<u>161,436</u>	<u>218,828</u>
Changes in non-cash working capital:		
Accounts receivable	(15,741)	86,574
Accounts payable and accrued liabilities	122,579	(13,242)
Deferred revenue	(1,831)	(34,506)
Prepaid expenses	(8,921)	(4,037)
Goods and services tax recoverable	(5,380)	(16,250)
Employee deductions payable	(14,460)	26,602
	<u>76,246</u>	<u>45,141</u>
Cash flow from operating activities	<u>237,682</u>	<u>263,969</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(109,547)	(57,327)
Proceeds on disposal of capital assets	-	973
Change in short term investments	(502,787)	(2,522)
Cash flow used by investing activities	<u>(612,334)</u>	<u>(58,876)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<u>(374,652)</u>	<u>205,093</u>
Cash - beginning of year	<u>1,303,205</u>	<u>1,098,112</u>
<b>CASH - END OF YEAR</b>	<u>928,553</u>	<u>1,303,205</u>

The accompanying notes form part of these financial statements

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ST. ARNAUD PINSENT STEMAN  
CHARTERED PROFESSIONAL ACCOUNTANTS



# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2022

### 1. PURPOSE OF THE SOCIETY

Second Chance Animal Rescue Society (the "Society") is a not-for-profit organization incorporated under the Societies Act of the Province of Alberta. The Society is a registered charity under the Income Tax Act and is exempt from income taxes.

The purpose of the Society is to raise funds and save animals as well as promote humane care and protection of all animals.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

#### Contributed services

The operations of the Society depend on both the contribution of time by volunteers and donated materials from various sources.

Contributed materials are recorded at their fair market value at the time of donation. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Gifts in kind are recorded at their fair market value at the time of the donation. During the year, \$65,410 in goods were donated (2021 - \$50,066).

#### Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets and liabilities are measured at amortized cost, except financial assets that are quoted in an active market, which are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment when there are indicators of impairment. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at amortized cost include cash, term deposits, and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

#### Government assistance

Government assistance for current expenses is recorded as other income.

#### Government grants

Government grants are recorded when there is a reasonable assurance that the Society had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

#### Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

(continues)





# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2022

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### Short term investments

Short term investments are recorded at fair value with gains and losses recorded in the statement of operations and changes in net assets in the period in which they arise.

#### Net assets

- a) Net assets invested in property and equipment represents the Society's net investment in capital assets which is comprised of the unamortized amount of capital assets purchased with restricted funds.
- b) Internally restricted funds include amounts not available for use without the prior approval of the Board of Directors.
- c) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, net of transfers, and are available for general purposes.

#### Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Building	4%	declining balance method
Equipment	20%	declining balance method
Automotive equipment	30%	declining balance method
Computer equipment	55%	declining balance method
Leasehold improvements	term of the lease	straight-line method

The Society regularly reviews its property and equipment to eliminate obsolete items.

#### Revenue recognition

Second Chance Animal Rescue Society follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted investment income is recognized as revenue when earned.

Revenue from sales of merchandise is recognized when title passes to the customer, which generally coincides with the delivery and acceptance of goods.

Revenue from all other sources is included in revenue in the year in which it is received or becomes receivable.



# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2022

### 3. PROPERTY AND EQUIPMENT

	Cost \$	Accumulated amortization \$	2022 Net book value \$	2021 Net book value \$
Building	36,995	5,574	31,421	32,730
Equipment	103,117	30,468	72,649	32,639
Automotive equipment	108,996	56,577	52,419	57,377
Computer equipment	6,421	1,765	4,656	-
Leasehold improvements	37,000	7,849	29,151	-
	<u>292,529</u>	<u>102,233</u>	<u>190,296</u>	<u>122,746</u>

### 4. INTERNALLY RESTRICTED NET ASSETS

The internally restricted net assets consist of:

- Amounts restricted by the Board of Directors to provide financial resources in case of a significant revenue disruption in the amount of \$300,000. This fund is intended to equal three months of the Society's operating expenses, adjusted for the time required to cease operations.
- Amounts restricted by the Board of Directors for future capital development.

	2022 \$	2021 \$
Reserve fund	300,000	200,000
Future capital development	<u>650,000</u>	<u>619,567</u>
	<u>950,000</u>	<u>819,567</u>

### 5. DEFERRED REVENUE

Deferred revenue includes unspent casino and raffle gaming revenues which are externally restricted by the Alberta Gaming, Liquor and Cannabis Commission to be spent on specific operational expenses.

An equivalent amount of the Society's cash balances are externally restricted according to the agreements entered into with third parties.

	2022 \$	2021 \$
Balance, beginning of year	111,852	146,358
Received during the year	247,408	266,498
Recognized as revenue during the year	<u>(249,239)</u>	<u>(301,004)</u>
	<u>110,021</u>	<u>111,852</u>



# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2022

### 6. SHORT TERM INVESTMENTS

	2022 \$	2021 \$
RBC CAD investment account	12,531	12,107
RBC Guaranteed Investment Certificate	502,509	-
	<u>515,040</u>	<u>12,107</u>

Investments are recorded at cost and subsequently measured at fair market value. The RBC Guaranteed Investment Certificate (GIC) matures on November 18, 2023 with an interest rate of 4.3%.

### 7. CONTINGENCIES

In the normal course of business, the Society may be subject to various legal undertakings. The outcomes of any legal proceedings cannot be predicted with certainty. Management is of the opinion that, apart from those cases where a provision has already been recognized, there are no such matters pending which would be likely to have any material adverse effect in relation to its business, financial position, or results of operations. There are no provisions recognized in the current or prior year.

### 8. COMMITMENTS

The Society has rent agreements with respect to its office, storage unit and Morinville building lease. The office rent agreement is with a related party of the Society and has no end date specified in their terms. The storage unit rental is with Sentinel storage and has no end date specified in the terms. The Morinville building lease expires on February 28, 2025. Future minimum payments for the next three fiscal years are approximated as follows:

	Office \$	Morinville Building \$	Storage \$	Total \$
2023	40,590	101,352	6,725	148,667
2024	40,590	101,352	6,725	148,667
2025	40,590	16,892	6,725	64,207
	<u>121,770</u>	<u>219,596</u>	<u>20,175</u>	<u>361,541</u>





# ABOUT US

Second Chance Animal Rescue Society (SCARS) is a non-profit, registered charitable organization that is dedicated to reducing the number of abandoned animals in Alberta.

Since 2002, SCARS has rescued, rehabilitated and rehomed thousands of cats and dogs, and helped make communities safer and healthier.

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*Our mission. To make a positive impact on animals and people by engaging with others to rescue and care for animals in need, share knowledge, and provide access to services and resources.*

*Our vision. A world where all animals are valued and treated with compassion, where no animal is left behind.*

*Our values: Inclusion. Compassion. Integrity. Resilience.*

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## CONTACT

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