

Regina Cat Rescue

Audited Financial Statements

For the Year Ended December 31, 2017

Regina Cat Rescue

For the Year Ended December 31, 2017

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Independent Auditors' Report

To the Board of Directors of Regina Cat Rescue

We have audited the accompanying financial statements of Regina Cat Rescue, which comprise the statements of financial position as at December 31, 2017 and the Statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives a significant portion of its revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses, assets and net assets.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Regina Cat Rescue as at December 31, 2017, and its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Priority Accountants CPA

Priority Accounting Services CPA Prof. Corp.
Chartered Professional Accountants

Regina, SK
April 05, 2018

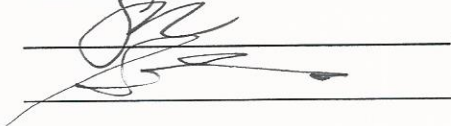
Regina Cat Rescue

Statement of Financial Position

As At December 31, 2017

	2017	2016
Assets		
Current Assets		
Cash	\$ 14,908	\$ 6,418
Short term investments	-	20,000
Accounts receivable 3.	3,874	2,676
Prepaid expense	62	-
Total Current Assets	18,844	29,094
Total Assets	\$ 18,844	\$ 29,094
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities 4.	\$ 22,148	\$ 40,624
Net Assets		
Net assets (deficit)	(3,304)	(11,530)
Total Liabilities and Net Assets	\$ 18,844	\$ 29,094

Approved on Behalf of the Board:



The accompanying notes are an integral part of these financial statements.

Regina Cat Rescue

Statement of Operations

For the Year Ended December 31, 2017

	2017	2016
Revenue		
Donations	\$ 52,086	\$ 80,772
Non-receiptable donations	7,935	6,450
Mosaic Games Revenue	18,162	-
Bingo revenue	18,027	18,648
Gift-in-kind	50,265	54,761
Membership revenue	870	2,380
Interest income	73	-
Fundraising	65,667	51,411
Adoption fees	38,694	25,510
Grants	12,178	15,051
Total revenue	263,957	254,983
Operating expenses		
Boarding costs	16,572	12,112
Insurance	2,186	3,512
Interest and bank charges	1,182	586
Memberships and licenses	475	-
Office expenses	961	1,770
Fundraising expenses	8,472	3,815
Gift-in-kind	50,263	54,761
Vet services	164,809	159,413
Accounting fees	3,255	2,984
Supplies	6,774	21,257
Rent	782	183
Total operating expenses	255,731	260,393
Excess (deficiency) of revenue over expenses	\$ 8,226	\$ (5,410)

The accompanying notes are an integral part of these financial statements.

Regina Cat Rescue

Statement of Changes in Net Assets

For the Year Ended December 31, 2017

	2017	2016
Net assets, beginning of the year	\$ (11,530)	\$ (6,120)
Excess (deficiency) of revenue over expenses	8,226	(5,410)
Net assets, end of the year	\$ (3,304)	\$ (11,530)

The accompanying notes are an integral part of these financial statements.

Regina Cat Rescue

Statement of Cash Flows

For the Year Ended December 31, 2017

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess (deficiency) of revenue over expenses	\$ 8,226	\$ (5,410)
Changes in non-cash working capital		
Accounts receivable	(1,558)	12,025
Accounts payable and accrued liabilities	(18,116)	23,542
Prepaid	(62)	-
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	(11,510)	30,157
Net cash increase (decreases) in cash and cash equivalents	(11,510)	30,157
Cash and cash equivalents at beginning of period	26,418	(3,739)
Cash and cash equivalents at end of period	\$ 14,908	\$ 26,418

Cash and cash equivalents consist of the following:

Cash	\$ 14,908	\$ 6,418
Short term investments	-	20,000
Total cash and cash equivalents at the end of period	\$ 14,908	\$ 26,418

The accompanying notes are an integral part of these financial statements.

Regina Cat Rescue

Notes to the Financial Statements

For the Year Ended December 31, 2017

1. Nature of entity

Regina Cat Rescue (RCR), (formerly known as "People for Animals of Saskatchewan Inc.") is an organization that was formed in order to educate people about animal welfare, feeding of feral and companion animals, to participate in a sterilization program and animal rescue. Regina Cat Rescue is the new operating name that was registered during 2014 by RCR since it only deals with cats, currently. RCR is incorporated and is continued under the Non-Profit Corporations Act of Saskatchewan (1982) and is a registered charity under the Income Tax Act.

2. Significant Accounting Policies

a. Cash and cash equivalents

The organization considers all highly liquid investments with a remaining maturity of three months or less at the time of purchase to be cash equivalents. Cash equivalents and short-term investments are stated at cost which approximates market value.

b. Receivables

The organization considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. The accounts receivable consists of adoption fee.

c. Property, plant and equipment

Property, plant, and equipment are expensed in the year of purchase. Proceeds of subsequent dispositions are included in income in the year they occur. To this date, RCR has not owned any property, plant and equipment.

d. Revenue recognition

The Organization 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. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Pledges are recognized as revenue when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

Donations in-kind are recorded at fair value where fair value can be reasonably determined.

e. Financial instruments

i. Fair values not materially different from book values

Regina Cat Rescue

Notes to the Financial Statements

For the Year Ended December 31, 2017

2. Significant Accounting Policies

e. Financial instruments

i. Fair values not materially different from book values

The organization has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value.

ii. Not subject to interest, currency or credit risk

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest rate, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values.

iii. No significant exposure to foreign currency exchange risk

The organization does not have a business in a foreign country. At December 31, 2017 the organization did not have significant exposure to foreign currency exchange risk.

iv. No significant risk due to short-term maturity

The organization is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and current liabilities.

f. 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 contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have impact on future periods.

3. Receivables

Regina Cat Rescue

Notes to the Financial Statements

For the Year Ended December 31, 2017

3. Receivables

	2017	2016
Bingo receivable	\$ -	\$ 2,676
Adoption fee receivable	984	-
GST receivable	2,890	-
Total	\$ 3,874	\$ 2,676

4. Accounts payable and accrued expenses

	2017	2016
Animal clinics (several)	\$ 15,626	\$ 36,974
Other trade payable	3,192	265
GST payable	-	360
Audit fee accrued	3,330	3,025
Total	\$ 22,148	\$ 40,624