

Regina Cat Rescue

Financial Statements

For the Year Ended December 31, 2016

Regina Cat Rescue

For the Year Ended December 31, 2016

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Priority Accounting Services CPA Prof. Corp.

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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, 2016 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, 2016, 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 19, 2017

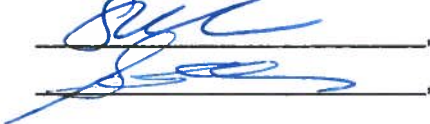
Regina Cat Rescue

Statement of Financial Position

As At December 31, 2016

	2016	2015
Assets		
Current Assets		
Cash	\$ 6,418	\$ (3,738)
Short term investments	20,000	-
Bingo receivable	2,676	2,880
GST receivable	(360)	11,460
Total Current Assets	28,734	10,602
Total Assets	\$ 28,734	\$ 10,602
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 40,264	\$ 16,722
Net Assets		
Net assets (deficit)	(11,530)	(6,120)
Total Liabilities and Net Assets	\$ 28,734	\$ 10,602

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, 2016

	2016	2015
Revenue		
Donations	\$ 80,772	\$ 53,919
Non-receiptable donations	6,450	-
Bingo Revenue	18,648	19,564
Gift in Kind	54,761	47,454
Membership Revenue	2,380	1,185
Fundraising	51,411	46,359
Adoption Fees	25,510	22,125
Grants	15,051	(394)
Total revenue	254,983	190,212
Operating expenses		
Boarding Costs	12,112	13,065
Insurance	3,512	2,062
Interest and bank charges	586	1,010
Memberships and licenses	-	10
Office expenses	1,770	3,698
Fundraising expenses	3,815	11,686
Gift in Kind	54,761	38,889
Vet services	159,413	130,047
Accounting fees	2,984	2,956
Supplies	21,257	7,214
Rent	183	-
Total operating expenses	260,393	210,637
Excess (deficiency) of revenue over expenses	\$ (5,410)	\$ (20,425)

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, 2016

	2016	2015
Net assets, beginning of the year	\$ (6,120)	\$ 14,305
Excess (deficiency) of revenue over expenses	(5,410)	(20,425)
Net assets, end of the year	\$ (11,530)	\$ (6,120)

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

Regina Cat Rescue

Statement of Cash Flows

For the Year Ended December 31, 2016

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess (deficiency) of revenue over expenses	\$ (5,410)	\$ (20,425)
Changes in non-cash working capital		
Accounts receivable	12,025	(2,907)
Accounts payable and accrued liabilities	23,542	9,536
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	30,157	(13,796)
Net cash increase (decreases) in cash and cash equivalents	30,157	(13,796)
Cash and cash equivalents at beginning of period	(3,739)	10,058
Cash and cash equivalents at end of period	\$ 26,418	\$ (3,738)

Cash and cash equivalents consist of the following:

Cash	\$ 6,418	\$ (3,739)
Short term investments	20,000	-
Total cash and cash equivalents at the end of period	\$ 26,418	\$ (3,739)

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, 2016

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. 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.

b. 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. These cash equivalents consist primarily of term deposits and certificates of deposit. Investments with maturities from greater than three months to one year are classified as short-term investments, while those with maturities in excess of one year are classified as long-term investments. Cash equivalents and short-term investments are stated at cost which approximates market value.

c. Receivables

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

d. 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.

Regina Cat Rescue

Notes to the Financial Statements

For the Year Ended December 31, 2016

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, 2016 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.