

People Ensuring Animal Care Exists

Financial Statements

For the year ended December 31, 2021

(Unaudited)

People Ensuring Animal Care Exists

Contents

For the year ended December 31, 2021

(Unaudited)

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REVIEW ENGAGEMENT REPORT

To the members of
People Ensuring Animal Care Exists

We have reviewed the accompanying financial statements of **People Ensuring Animal Care Exists** (the Organization) that comprise the statement of financial position as at December 31, 2021 and the statements of operations and changes in fund balances and the statement of cash flow 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of the Organization as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other matter - Comparative Information

Without modifying our conclusion, we draw attention to Note 3 of the financial statements which describes that **People Ensuring Animal Care Exists** applied Canadian accounting standards for not-for-profit organizations on January 1, 2021 with a transition date of January 1, 2020. These standards were applied retrospectively by management to the comparative information in these financial statements, including the balance sheets as at December 31, 2020 and January 1, 2020, and the statements of operations and changes in fund balances and the statement of cash flow for the period ended December 31, 2020 and related disclosures.

The opening balance sheet at January 1, 2020 (the date of transition) was prepared by us, but was not reviewed or audited. The financial statements for the period ended December 31, 2020 were also prepared by us, but were not reviewed or audited. We were not engaged to report on the restated comparative information, and as such, the December 31, 2020 comparative information is unreviewed.

North Point

Chartered Professional Accountants LLP

North Vancouver, BC
May 20, 2022

People Ensuring Animal Care Exists

Statement of Financial Position

As at December 31, 2021

(Unaudited)

	General Fund	Restricted Funds (Schedule 1)	Total 2021 (December 31)	Total 2020 (December 31)	Total 2020 (January 1)
ASSETS					
Current					
Cash	\$ 7,676	\$ 248	\$ 7,924	\$ 2,845	\$ 5,556
Account receivable - interfund	-	-	-	-	1,100
GST rebate receivable	953	-	953	551	674
	8,629	248	8,877	3,396	7,330
Fixtures & equipment (Note 4)	7,027	-	7,027	9,918	14,017
	\$ 15,656	\$ 248	\$ 15,904	\$ 13,314	\$ 21,347
LIABILITIES & FUND BALANCES					
Current Liabilities					
Accounts payable (Note 5)	\$ 4,651	\$ -	\$ 4,651	\$ 3,060	\$ 3,139
Accounts payable - interfund	-	-	-	-	1,100
	4,651	-	4,651	3,060	4,239
Long-term loan	-	-	-	-	15,341
	4,651	-	4,651	3,060	19,580
Fund Balances					
Restricted (Schedule 1)	-	248	248	749	1,100
Unrestricted	11,005	-	11,005	9,505	667
	11,005	248	11,253	10,254	1,767
	\$ 15,656	\$ 248	\$ 15,904	\$ 13,314	\$ 21,347

People Ensuring Animal Care Exists
Statement of Operations and Changes in Fund Balances
For the year ended December 31, 2021
(Unaudited)

	General Fund (Schedule 2) 2021	Restricted Funds (Schedule 3) 2021	Total 2021	Total 2020
REVENUE				
Contributions	\$ 77,391	\$ -	\$ 77,391	\$ 59,372
Loss on foreign exchange	(85)	-	(85)	-
Membership income	300	-	300	-
Grant fund	10,872	-	10,872	-
	88,478	-	88,478	59,372
EXPENSES				
Accounting and legal	1,500	-	1,500	1,317
Advertising	548	-	548	993
Amortization	2,891	-	2,891	4,099
Automobile	-	-	-	7,672
Bank interest and charges	120	-	120	79
Grant distribution	-	976	976	1,181
Humane activities	31,754	-	31,754	2,326
Insurance	5,698	-	5,698	2,500
Meals and entertainment	1,759	-	1,759	1,422
Office	7,807	-	7,807	2,826
Professional development	377	-	377	662
Rescues	14,413	-	14,413	19,711
Salaries and benefits	8,900	-	8,900	-
Shop expenses	-	-	-	314
Travel	10,736	-	10,736	5,783
	86,503	976	87,479	50,885
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	1,975	(976)	999	8,487
Interfund transfers (Note 6)	(475)	475	-	-
Increase (Decrease) in fund balances	1,500	(501)	999	8,487
Fund balances, beginning of year	9,505	749	10,254	1,767
Fund balances, end of year	\$ 11,005	\$ 248	\$ 11,253	\$ 10,254

People Ensuring Animal Care Exists

Statement of Cash Flow
For the year ended December 31, 2021
(Unaudited)

	2021	2020
OPERATING ACTIVITIES		
Working capital from operations		
Increase in fund balances	\$ 999	\$ 8,487
Items not affecting cash:		
Amortization	2,891	4,099
	3,890	12,586
Changes in non-cash working capital		
GST rebate receivable	(402)	123
Accrued liabilities	1,591	(79)
	5,079	12,630
FINANCING ACTIVITIES		
Loan repayments	-	(15,341)
INCREASE (DECREASE) IN CASH	5,079	(2,711)
Cash, beginning of year	2,845	5,556
CASH, end of year	\$ 7,924	\$ 2,845
Comprised of:		
General Fund	\$ 7,676	\$ 2,096
Restricted Funds	248	749
	\$ 7,924	\$ 2,845

People Ensuring Animal Care Exists

Notes to the Financial Statements
For the year ended December 31, 2021
(Unaudited)

1. STATUS AND PURPOSE OF THE ORGANIZATION

People Ensuring Animal Care Exists (the Organization or "PEACE") is a non-profit organization and is a registered charitable organization under the *Income Tax Act*. Its purpose is to ensure animal in need are taken care of whether by the prevention of slaughter, or improving the health and care of animals in BC.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

- (a) Recognition of contributions
The Organization follows the restricted fund method of accounting for not-for-profit organizations. Externally restricted contributions are recognized as revenue when they are received in the fund corresponding to the purpose for which they were donated. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
- (b) Fixtures and equipment
Fixtures and equipment are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Furniture and fixtures	- 20% diminishing balance
Office equipment	- 20% diminishing balance
Vehicles	- 20% diminishing balance
- (c) Income taxes
The Organization is not subject to either federal or provincial income taxes.
- (d) Use of estimates
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 amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates. Significant items subject to such estimates and assumptions include the estimated useful lives of property, plant and equipment and the determination of the capital lease obligation based on the estimated incremental borrowing rate.
- (e) Financial instruments
The Organization's financial instruments consist of cash, accounts receivable, and accounts payable which are all measured at cost.

3. IMPACT OF THE CHANGE IN THE BASIS OF ACCOUNTING

The Organization has elected to apply Canadian accounting standards for not-for-profit organizations. These financial statements are the first financial statements for which the organization applied Canadian accounting standards for not-for-profit organizations. First-time adoption of this new basis of accounting had no impact on the organization's excess of revenue over expenses for the year ended December 31, 2021 or on net assets as at January 1, 2020, the date of transition.

People Ensuring Animal Care Exists

Notes to the Financial Statements
For the year ended December 31, 2021
(Unaudited)

4. FIXTURES & EQUIPMENT

	Cost	Accumulated Amortization	Net 2021	Net 2020
Furniture and fixtures	\$ 1,075	\$ 456	\$ 619	\$ 774
Office equipment	100	42	58	72
Vehicle	15,247	8,897	6,350	9,072
	<u>\$ 16,422</u>	<u>\$ 9,395</u>	<u>\$ 7,027</u>	<u>\$ 9,918</u>

5. ACCOUNTS PAYABLE

	2021	2020
Trade payables and accrued liabilities	\$ 4,241	\$ 3,060
Payroll remittances payable	410	-
	<u>\$ 4,651</u>	<u>\$ 3,060</u>

6. INTERFUND TRANSFERS

The Organization internally transferred funds to cover expenditures in the Billy fund during the year. During 2021, the Organization transferred \$475 (2020 - \$430) from the general fund to the restricted funds.

Amounts transferred (from) to:	2021	2020
Billy Fund	\$ 475	\$ 430
General Fund	(475)	(430)
	<u>\$ -</u>	<u>\$ -</u>

7. COMPARATIVE FIGURES

The comparative figures have been restated to conform with the current year's presentation.

People Ensuring Animal Care Exists

Schedule 1: Restricted Funds - Financial Position

As at December 31, 2021

(Unaudited)

	Humane Education Fund 2021	The Billy Fund 2021	Total Restricted Funds 2021	Total Restricted Funds 2020
ASSETS				
Current				
Cash	\$ -	\$ 248	\$ 248	\$ 749
LIABILITIES AND FUND BALANCES				
Fund Balances				
Restricted Funds	\$ -	\$ 248	\$ 248	\$ 749

People Ensuring Animal Care Exists

Schedule 2: General Fund - Operations and Changes in Fund Balances

As at December 31, 2021

(Unaudited)

	2021	2020
REVENUE		
Contributions	\$ 77,391	\$ 58,972
Loss on foreign exchange	(85)	-
Membership income	300	-
Grant	10,872	-
	<hr/>	<hr/>
	88,478	58,972
EXPENSES		
Accounting and legal	1,500	1,317
Advertising	548	993
Amortization	2,891	4,099
Automobile	-	7,672
Bank interest and charges	120	79
Humane activities	31,754	2,326
Insurance	5,698	2,500
Meals and entertainment	1,759	1,422
Office	7,807	2,826
Professional development	377	662
Rescues	14,413	19,711
Salaries and benefits	8,900	-
Shop expenses	-	314
Travel	10,736	5,783
	<hr/>	<hr/>
	86,503	49,704
EXCESS OF REVENUES OVER EXPENSES	1,975	9,268
Interfund transfers (Note 6)	(475)	(430)
Increase in fund balance	1,500	8,838
Fund balance, beginning of year	9,505	667
Fund balance, end of year	<hr/> <hr/>	<hr/> <hr/>
	\$ 11,005	\$ 9,505

People Ensuring Animal Care Exists

Schedule 3: Restricted Funds - Operations and Changes in Fund Balances

As at December 31, 2021

(Unaudited)

Humane Education Fund	2021	2020
REVENUE	\$ -	\$ -
EXPENSES	-	-
EXCESS OF REVENUES OVER EXPENSES	-	-
Fund balance, beginning of year	-	-
Fund balance, end of year	\$ -	\$ -

The Billy Fund	2021	2020
REVENUE		
Grant contributions	\$ -	\$ 400
EXPENSES		
Grant distribution	976	1,181
(DEFICIT) EXCESS OF REVENUES OVER EXPENSES	(976)	(781)
Interfund transfers	475	430
(Decrease) Increase in fund balance	(501)	(351)
Fund balance, beginning of year	749	1,100
Fund balance, end of year	\$ 248	\$ 749