

PET ACCESS LEAGUE SOCIETY
Financial Statements
For the Year Ended December 31, 2014

PET ACCESS LEAGUE SOCIETY
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For the Year Ended December 31, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Members of Pet Access League Society

We have audited the accompanying financial statements of Pet Access League Society, which comprise the statement of financial position as at December 31, 2014 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 auditor's 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 is sufficient and appropriate to provide a basis for our audit opinion.

(continues)

Independent Auditor's Report to the Members of Pet Access League Society (continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Pet Access League Society as at December 31, 2014 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.

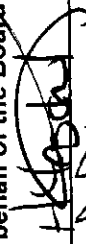

Calgary, Alberta
April 7, 2015



Professional Accountants

PET ACCESS LEAGUE SOCIETY
Statement of Financial Position
As at December 31, 2014

	2014	2013
Assets		
Current assets		
Cash	\$ 96,649	\$ 59,460
Accounts receivable	-	785
Good and services tax receivable	2,153	1,063
Prepaid expenses	679	679
	<u>99,481</u>	<u>61,987</u>
Property and equipment (Note 3)	2,963	1,729
	<u>\$ 102,444</u>	<u>\$ 63,716</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 11,682	\$ 6,638
Wages payable	2,324	1,997
	<u>14,006</u>	<u>8,635</u>
Deferred contributions (Note 4)		
Related to operations	53,696	-
Related to property and equipment	300	500
	<u>68,002</u>	<u>9,135</u>
Net assets		
Invested in property and equipment	2,664	1,229
Unrestricted	31,778	53,352
	<u>34,442</u>	<u>54,581</u>
	<u>\$ 102,444</u>	<u>\$ 63,716</u>

On behalf of the Board

 _____ Director

 _____ Director

PET ACCESS LEAGUE SOCIETY
Statement of Operations
For the Year Ended December 31, 2014

	2014	2013
Revenue		
Fundraising	\$ 61,621	\$ 26,345
Donations	33,972	33,283
Casino	22,771	59,400
Grants	21,671	30,623
Memberships	8,105	2,725
	148,140	152,376
Expenses		
Salaries and wages	113,004	92,827
Rental	15,750	15,600
Fundraising	12,953	7,108
Office	7,297	5,430
Volunteer	6,575	452
Professional fees	5,180	11,815
Telephone	2,145	2,107
Insurance	2,086	2,370
Interest and bank charges	1,307	1,210
Amortization	1,005	1,971
Travel	979	868
Repairs and maintenance	-	2,118
Training	-	159
	168,281	144,035
Excess (deficiency) of revenue over expenses	\$ (20,141)	\$ 8,341

See notes to financial statements

PET ACCESS LEAGUE SOCIETY
Statement of Changes in Net Assets
For the Year Ended December 31, 2014

	Invested in Property and equipment	Unrestricted	2014	2013
Net assets - beginning of year	\$ 1,229	\$ 53,354	\$ 54,583	\$ 46,240
Purchase of equipment	2,240	(2,240)	-	-
Excess (deficiency) of revenue over expenses	(805)	(19,336)	(20,141)	8,341
Net assets - end of year	\$ 2,664	\$ 31,778	\$ 34,442	\$ 54,581

PET ACCESS LEAGUE SOCIETY
Statement of Cash Flows
For the Year Ended December 31, 2014

	2014	2013
Operating activities		
Cash receipts from customers	\$ 202,421	\$ 92,658
Cash paid to suppliers and employees	(162,992)	(144,760)
Cash flow from operating activities	<u>39,429</u>	<u>(52,102)</u>
Investing activity		
Purchase of property and equipment	(2,240)	-
Cash flow from (used by) investing activity	<u>(2,240)</u>	<u>-</u>
Increase (decrease) in cash flow	37,189	(52,102)
Cash - beginning of year	59,460	111,562
Cash - end of year	<u>\$ 96,649</u>	<u>\$ 59,460</u>

PET ACCESS LEAGUE SOCIETY
Notes to Financial Statements
For the Year Ended December 31, 2014

1. Purpose of the Organization

Pet Access League Society (the "Society") is incorporated under the Societies Act of Alberta. The purpose of the Society is to enhance, through pet visitation therapy, the quality of life of individuals in need who can benefit from the known value of the human companion animal bond. It is a registered charity and is therefore exempt from the payment of income tax under Section 149(1) of the Income Tax Act of Canada.

2. Summary of significant accounting policies

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

Revenue recognition

The 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.

Contributions received related to property and equipment are deferred and amortized over the useful life of the asset.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

Property and equipment

Property and equipment are recorded at cost less accumulated amortization. Amortization is provided for on a straight line basis over five years, commencing in the year following the year of acquisition.

Goods and services tax

Goods and services tax is recoverable at 50% as a rebate to the Society. The unrecoverable portion is recorded as an expenditure with the rebate treated as a receivable.

Contributed services

Volunteers contribute a significant number of hours each year to assist the Society in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

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PET ACCESS LEAGUE SOCIETY
Notes to Financial Statements
For the Year Ended December 31, 2014

2. Summary of significant accounting policies (continued)

Contributed materials

Contributed materials are recognized in the financial statements when their fair value can be reasonably estimated and when the Society would have otherwise purchased them.

Financial instruments

The Society initially measures its financial assets and financial liabilities at fair value. It subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which would be measured at fair value if held. Changes in fair value are recognized as unrealized gains or losses in the statement of operations.

The financial assets measured at amortized cost include cash and accounts receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities. The Society holds no financial assets measured at fair value.

3. Property and equipment

	Cost	Accumulated amortization	2014 Net book value	2013 Net book value
Computer equipment	\$ 41,173	\$ 38,304	\$ 2,869	\$ 1,544
Computer software	2,258	2,258	-	44
Furniture and fixtures	22,055	21,961	94	141
	\$ 65,486	\$ 62,523	\$ 2,963	\$ 1,729

4. Deferred contributions

Deferred contributions related to operations is funding received in the current year for future period operations.

	Beginning	Additions	Utilizations	Ending
Related to operations	\$ -	\$ 78,557	\$ 24,862	\$ 53,695
Related to property and equipment	500	-	200	300
	\$ 500	\$ 78,557	\$ 25,062	\$ 53,995

5. Commitment

The Society has entered into a three years lease agreement for its premises until June 30, 2015. The minimum annual lease payments, excluding operating costs, for the next year under the lease agreement is \$7,950.

PET ACCESS LEAGUE SOCIETY
Notes to Financial Statements
For the Year Ended December 31, 2014

6. Endowment fund

The Society established a memorial fund in November 2006 with funds received from an individual for that purpose. The fund is being held and managed by The Calgary Foundation. The Society receives interest on the fund each year to be used to cover expenses of pets in need of humanitarian treatment. The Society surrendered ownership of the funds to The Calgary Foundation, therefore, the amount is not reported as assets or as net assets in these financial statements.

	2014	2013
Held by The Calgary Foundation	\$ 14,382	\$ 12,704

7. Financial Instruments

The Society's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value approximates their carrying value, unless otherwise noted.
