

PET ACCESS LEAGUE SOCIETY

Financial Statements

For the Year Ended December 31, 2016

PET ACCESS LEAGUE SOCIETY
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For the Year Ended December 31, 2016

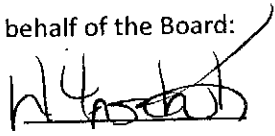
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PET ACCESS LEAGUE SOCIETY
Statement of Financial Position
For the Year Ended December 31, 2016

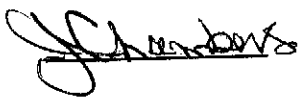
| | 2016 | 2015 |
|---------------------------------|------------------|------------------|
| Assets | | |
| Current Assets | | |
| Cash | \$ 56,265 | \$ 20,082 |
| Raffle | 7,942 | 3,115 |
| Casino | 12,063 | (\$816) |
| Accounts Receivable | - | - |
| GST Receivable | 3,113 | 2,119 |
| Prepaid Expenses | 679 | 679 |
| | <u>80,062</u> | <u>25,179</u> |
| PP&E (Note 3) | 1,588 | 1,996 |
| | <u>\$ 81,650</u> | <u>\$ 27,175</u> |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable & Accrued L | \$ 18,363 | \$ 14,620 |
| Wages Payable | 2,842 | 2,324 |
| | <u>21,205</u> | <u>16,943</u> |
| Deferred Contributions (Note 4) | | |
| Related Operations | 53,891 | 53,794 |
| Related to PP&E | - | 100 |
| | <u>75,096</u> | <u>70,837</u> |
| Net Assets | | |
| Invested in PP&E | 2,456 | 1,791 |
| Unrestricted | 4,098 | (45,453) |
| | <u>6,554</u> | <u>(43,662)</u> |
| | <u>\$ 81,650</u> | <u>\$ 27,175</u> |

Approved on behalf of the Board:

Director:



Director:



PET ACCESS LEAGUE SOCIETY
Statement of Operations
For the Year End December 31, 2016

| | 2016 | 2015 |
|-----------------------------------------------------|------------------|---------------------|
| Revenue | | |
| Fundraising | \$ 35,214 | \$ 51,901 |
| Donations | 25,875 | 25,190 |
| Casino | 81,584 | 2,185 |
| Grants | 68,423 | 25,139 |
| Memberships | 8,435 | 7,268 |
| | <u>219,531</u> | <u>111,683</u> |
| Expenses | | |
| Salaries & Wages | 115,764 | 115,734 |
| Rent | 16,800 | 16,350 |
| Fundraising | 5,301 | 24,211 |
| Office | 13,703 | 8,424 |
| Volunteer | 6,055 | 6,629 |
| Professional Fees | 298 | 4,335 |
| Telephone | 1,913 | 2,247 |
| Insurance | 3,538 | 3,388 |
| Interest & Bank Charges | 890 | 1,416 |
| Amortization | 1,073 | 967 |
| Travel | 1,542 | 815 |
| Repairs & Maintenance | 1,794 | 3,879 |
| Training | 1,309 | 1,389 |
| | <u>169,980</u> | <u>189,784</u> |
| Excess (deficiency) of revenue over expenses | <u>\$ 49,551</u> | <u>\$ (78,102)</u> |

PET ACCESS LEAGUE SOCIETY
Statement of Changes in Net Assets
For the Year Ended December 31, 2016

| | Invested in PPE | Unrestricted | 2016 | 2015 |
|----------------------------------------------|-----------------|----------------|----------------|-------------------|
| Net assets - beginning of year | \$ 1,791 | (\$ 45,453) | (\$ 43,662) | \$ 34,442 |
| Purchase of equipment | 665 | 0 | 0 | 0 |
| Excess (deficiency) of revenue over expenses | 0 | 49,551 | 49,551 | (78,104) |
| Net assets - end of year | \$ 2,456 | \$4,098 | \$5,889 | (\$43,662) |

| | Invested in PPE | Unrestricted | 2015 | 2014 |
|----------------------------------------------|-----------------|-------------------|-------------------|------------------|
| Net assets - beginning of year | \$ 2,664 | \$ 31,778 | \$ 34,442 | \$ 54,583 |
| Purchase of equipment | 0 | 0 | 0 | 0 |
| Excess (deficiency) of revenue over expenses | (873) | (77,231) | (78,104) | (20,141) |
| Net assets - end of year | \$ 1,791 | (\$45,453) | (\$43,662) | \$ 34,442 |

| | Invested in PPE | Unrestricted | 2014 | 2013 |
|----------------------------------------------|-----------------|------------------|------------------|------------------|
| Net assets - beginning of year | \$ 1,229 | \$ 53,354 | \$ 54,583 | \$ 54,583 |
| Purchase of equipment | 2,240 | (2,240) | 0 | 0 |
| Excess (deficiency) of revenue over expenses | (805) | (19,336) | (20,141) | (20,141) |
| Net assets - end of year | \$ 2,664 | \$ 31,778 | \$ 34,442 | \$ 34,442 |

PET ACCESS LEAGUE SOCIETY

Statement of Cash Flows

For the Year Ended December 31, 2016

| | 2016 | 2015 |
|---------------------------------------------|------------------|------------------|
| Operating Activities | | |
| Cash receipts from customers | \$ 222,796 | \$ 113,217 |
| Cash paid to suppliers and employees | (169,980) | (189,784) |
| Cash flow from operating activities | <u>52,816</u> | <u>(76,567)</u> |
| Investing Activity | | |
| Purchase of PPE | 665 | \$0 |
| Cash flow from (used by) investing activity | 665 | \$0 |
| Increase (decrease) in cash flow | 53,481 | (76,567) |
| Cash - beginning of year | 20,082 | 96,649 |
| Cash - end of year | <u>\$ 73,563</u> | <u>\$ 20,082</u> |

Statement of Cash Flows is only for the General Account and does not include the deferred or restricted cash accounts

PET ACCESS LEAGUE SOCIETY
Notes to Financial Statements
For the Year Ended December 31, 2016

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.

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.

PET ACCESS LEAGUE SOCIETY
Notes to Financial Statements
For the Year Ended December 31, 2016

3. Property and equipment

| | Cost | Accum Amortization | 2016 NBV | 2015 NBV |
|----------------------|--------|--------------------|----------|----------|
| Computer Equipment | 41,838 | 40,250 | 1,588 | 1,996 |
| Computer Software | 2,258 | 2,258 | | 0 |
| Furniture & Fixtures | 22,055 | 22,055 | | 0 |
| | 65,486 | 63,490 | 1,588 | 1,996 |

4. Deferred Contributions

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

| Deferred Contributions | Beginning | Additions | Utilizations | Ending |
|------------------------|-----------|-----------|--------------|--------|
| Related to Operations | 53,793 | 98 | 0 | 53,891 |
| Related to PPE | 100 | - | 100 | 0 |
| | 53,893 | 98 | 100 | 53,891 |

5. Commitment

The Society has entered into a three years lease agreement for its premises until June 30, 2018. The minimum annual lease payments, excluding operating costs, for the next year under the lease agreement is \$16,800.

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.

| | | |
|--------------------------------|------------------|------------------|
| | 2016 | 2015 |
| Held by The Calgary Foundation | \$ 16,156 | \$ 15,531 |

PET ACCESS LEAGUE SOCIETY
Notes to Financial Statements
For the Year Ended December 31, 2016

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.

8. Fundraising

In accordance with Section 7(2) of the Charitable Fund-Raising Act the following amounts are disclosed in addition to those disclosures reflected elsewhere in these financial statements which together comprise the Financial Information Return of PALS:

| 2016 | Spring Baskets | Secret Life of Pets | Pups on the Patio | Fall Baskets | Woman's Show | Totals |
|-----------------------------------------------------------------------------------|-----------------|---------------------|-------------------|-----------------|-----------------|-----------------|
| Fundraising Expenses | 2,913.00 | 808.00 | 466.00 | 687.00 | 427.00 | 5,301.00 |
| Amount paid as remuneration to employee to fundraise as part of their regular job | 862.00 | 287.50 | 287.50 | 345.00 | 575.00 | 2,357.00 |
| Total | 3,775.00 | 1,095.50 | 753.50 | 1,032.00 | 1,002.00 | 7,658.00 |

