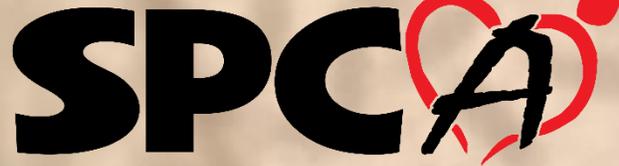




LLOYDMINSTER AND DISTRICT



Geoff,

*Lloydminster &
District SPCA 2020
Alumni*

2020 Annual Report

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Shelby,

*Lloydminster & District SPCA
2020 Alumni*

A Word from our Executive Director

To Our Valued Supporters,

2020 was certainly an unconventional year for our organization, the non-profit sector, and the world as a whole. The Covid-19 pandemic brought a new set of challenges, uncertainty and adjustments to daily life, however I would not like that to be the focus of our 2020 year-in-review, as we are fortunate to have evolved as required to accommodate this new “normal”.

Instead, I'd like to highlight that our SPCA accepted over 800 stray, homeless, abandoned and surrendered animals into our care, and provided sheltering, medical services, and compassion to each and every one. Twenty-five cats who were otherwise deemed unadoptable were given a second chance through our Barn Buddy Program, made possible by the generosity of Lloydminster Animal Hospital. We continued our invaluable offsite adoption partnerships with Pet Valu, PetSmart, and Puppy Luv Paradise throughout 2021 and together they found 156 animals their forever homes. Three local veterinary clinics, Lloydminster Animal Hospital, Southside Veterinary Clinic and Weir Veterinary Services, aided us in providing medical care to our shelter residents, from impactful spay/neuter surgeries to more complex medical cases and surgeries. Lakeland College in Vermilion, AB, also provided kennel care and spay/neuter services to our animals, and as a result of the combined effort of these clinics, 483 fewer animals in our community are contributing to the stray animal overpopulation issue than the year before.

Staff adjusted and readjusted their sails throughout the year to work diligently to ensure our shelter was able to support our community and their pets. Tours for school groups moved to Zoom meeting tours, many animals were placed into foster homes within our community and our annual Jail and Bail fundraiser went virtual and included a Silent Auction event. The community support offered to our SPCA throughout 2020 was incredible – we are forever grateful as we could not do this work, that we love so very much, without your support.

I joined the SPCA in September 2020 and am inspired daily by the relentless, impassioned efforts of the team of staff, the dedication and drive offered by our Board of Directors, the outpour of support and charity from our community, and the resilience of the animals within it. I look forward to our 2021 year in continuing our mission to build “relationships that bring animals and people together”. I feel fortunate to be here and appreciative of all the support, encouragement and donations of every kind that individuals, families, businesses, and other non-profits in the area offer to us. On behalf of all the staff, and the animals who have called our SPCA their temporary home, thank you.



Our Shelter	Our Board
Team	Of Directors
Danika Bodnarchuk, <i>Executive Director</i>	Cam Anderson, <i>Board President</i>
Becca Lawrence, <i>Community Outreach Manager</i>	Andrew Basaraba, <i>Vice President</i>
Zoe Gray, <i>Operations Manager</i>	Dan Hobson, <i>Secretary</i>
Kennel Attendants	Amie Hein, <i>Treasurer</i>
Alison	
Skylar	Glenda Elkow, <i>Director</i>
Svanni	
Nicole	Stephanie Boucher, <i>Director</i>
Kerstyn	Chelsie Green, <i>Director</i>

A handwritten signature in black ink, appearing to read 'Danika Bodnarchuk'.

Danika Bodnarchuk,
Executive Director

237

Animals
Spent Time in
a
Foster Home

134

Stray Animals
Returned to
Their Humans

25

Cats Adopted
Through the
Barn Buddy Program

676

Animals
Adopted

483

Spay/Neuter
Surgeries
Completed

54

Years of Service
To Our
Community

2020

By

The

Numbers

156

Animals Adopted from our
Offside Partners

Pet Valu
PetSmart
Puppy Luv

112

Volunteer
Applications
Received

78 Dogs 38 Puppies

259 Cats 268 Kittens

17 Rabbits

14 Guinea Pigs

& 2 Birds

Adopted!

92.5%

Live
Release
Rate





Our Mission

“Building relationships that bring animals and people together.”



Our Vision

“Compassion and respect for all animals”

Our Values

COMPASSION - We inspire care, empathy and understanding.

PROFESSIONALISM - We are a team of dedicated individuals who are proud to be of service.

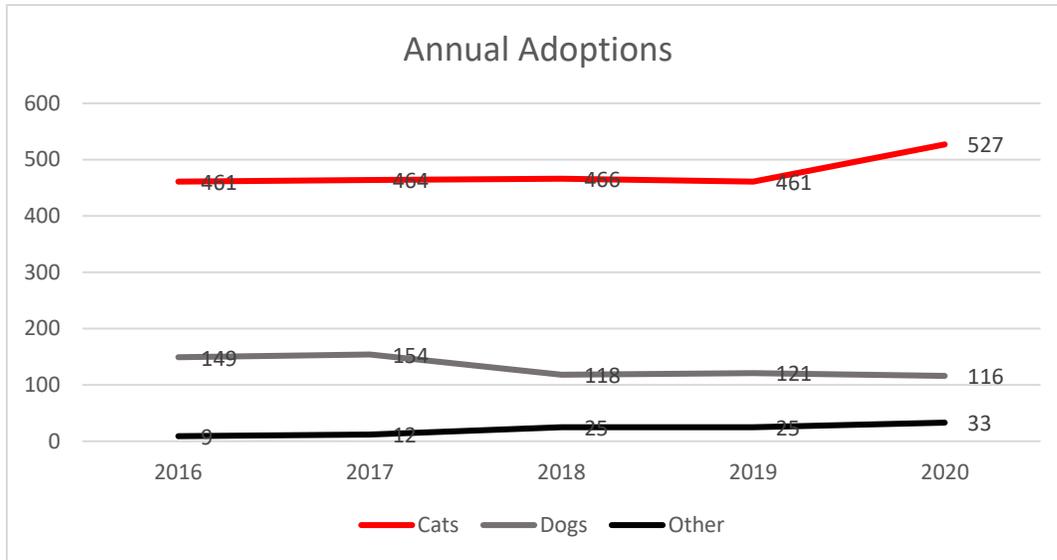
TEAMWORK - We foster a network of trust within the community through collaboration and cooperation.

INTEGRITY AND HONESTY - We are accountable, responsible and respectful.

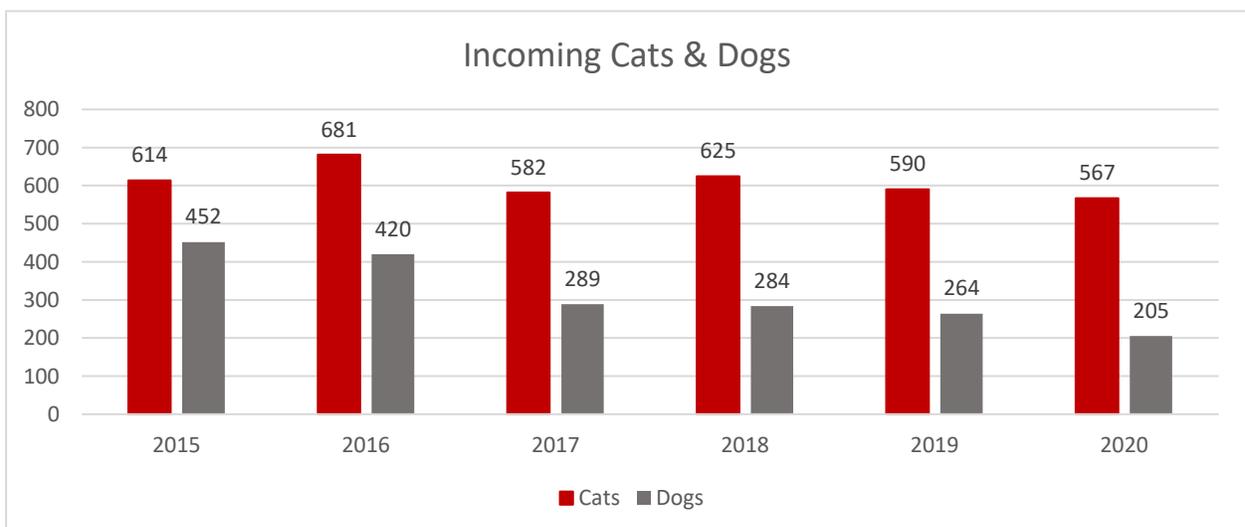


Adoptions

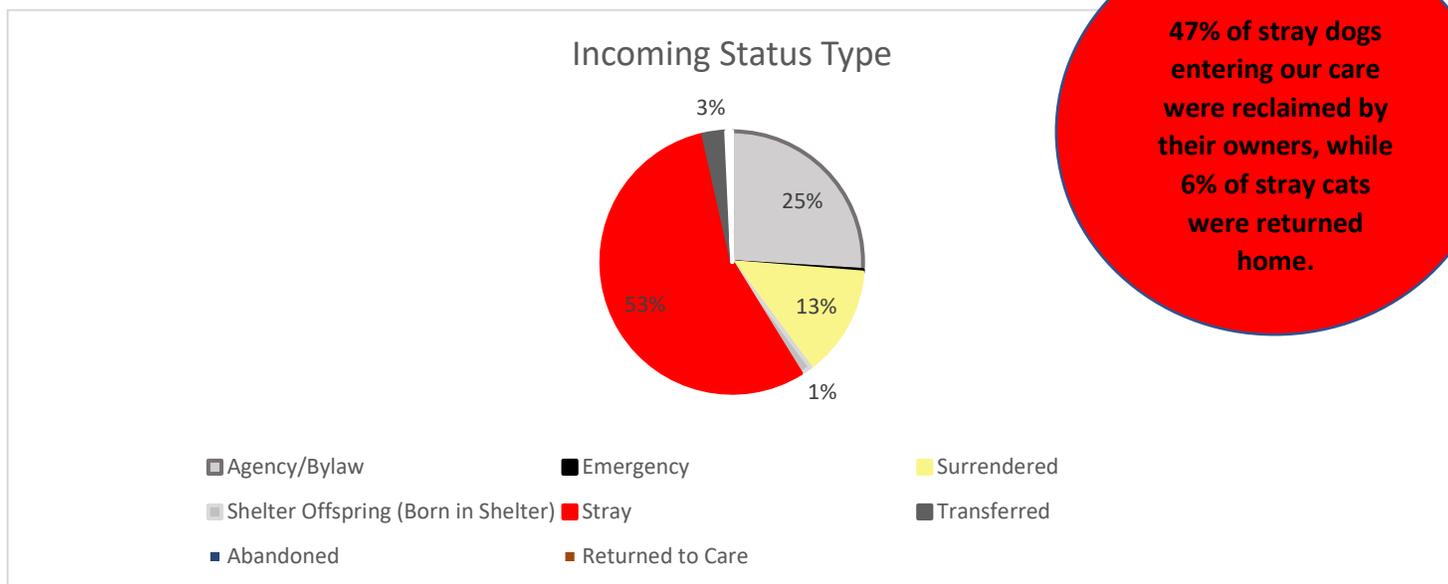
In 2020, our adoption numbers totalled **527** felines, **116** canines and **33** small animals, including rabbits, guinea pigs and birds, finding their forever homes. **156** of these companion animals were adopted from our incredible offsite adoption partners, **Pet Valu**, **PetSmart** and **Puppy Luv Paradise**!



Admissions



Our cat intake numbers have declined each year since 2018, while the number of dogs entering our shelter has been continuously less, year after year, since 2015. In 2020, we accepted **567** cats/kittens, **205** dogs/puppies and **37** small animals into our shelter. On the chart below, you will see a breakdown in terms of categories in which these animals originated from prior to being brought to our shelter.



Over half the animals entering our care came into the shelter as strays brought in by the public, while **a quarter** came in from partnering Bylaw agencies. **13%** of our animal intake was by those unable to care for their pets and surrendered them to our shelter, with a handful coming to us as transfers, offspring, abandoned and emergency boarding cases. Overall, **809** animals entered our care throughout 2020.

Covid-19 Impact on our Shelter

A question posed to many animal welfare agencies throughout 2020 was how the pandemic was affecting adoptions and animals surrendered into care. Comparing our 2020 year to the year prior, our SPCA had **809** animals enter care, 71 animals fewer than in 2019. However, in 2020 our organization adopted **676** animals into homes, compared to **606** the year before.

Admissions decreased, while adoptions increased during the pandemic year.

Our SPCA moved to an appointment-based model for incoming animals and adoption services, which allowed for us to better regulate the number of people in the shelter while still providing community services. In March 2020, many of our animals were placed into foster homes and fortunately, many were adopted by those same homes. As of December 31st 2020, we are still utilizing appointments for guests in order to ensure our facility is adequately sanitized between visitors and to manage the number of guests at one time.

SHELTER IMPROVEMENTS & UPGRADES!

In August, we were so fortunate to have so much support in freshening up our yard space, as well as the donation and installation of C-Cans to help with storage for the shelter. Our sincere thanks and gratitude to the following businesses for their support:

Store Right · Western Canadian Spill Services · Don's Bottle Depot · Feldspar Inc. · Border City Concrete · PCM · GLM Oilfield · GT Property Maintenance · Craftex Builders · Bry-Tan Trucking



BITTERSWEET FAREWELL TO A FAMILIAR FACE

In October, we said goodbye to an extraordinary volunteer as he was moving out of Lloydminster.

Shane was a constant presence at our SPCA, dedicating his time to volunteering more days in any given week than not. Those familiar with Shane knew you could count on seeing him giving every kitty in the shelter some lovin' and attention, all the while greeting you with a contagious smile and cheerful greeting. Shane volunteered with us for a few years and made such an impact on the staff, the animals, and the organization.

We were absolutely elated that Shane decided to take a piece of the Lloydminster & District SPCA with him prior to his move – two young kittens! Angel and Lucifer were the two lucky kittens who Shane chose to adopt and provide them with a forever home. Our team is grateful that we get to receive regular updates from Shane about his family and were thrilled that he chose to adopt these two cuties from us.

Angel and Lucifer have grown into playful, sweet, adorable adolescents and we are forever grateful for all that Shane did for our shelter during his time in Lloydminster. You are missed, Shane!





Join Us!



Become a Volunteer!

Volunteers are critical to the success of our shelter. Opportunities include animal socialization & enrichment, animal transport, fundraising & events, and more!

<https://www.lloydminsterspca.com/volunteer-program.html>

Become a Foster Parent!

Kittens with/without mom, puppies with/without mom, and both cats and dogs with medical needs are always awaiting foster placement! Nothing compares to a home environment for an animal.

<https://www.lloydminsterspca.com/foster-program.html>

Follow Us on Social Media!

Likes, Shares, and Comments help us to find animals their forever homes! We promise to fill your newsfeed with cuteness!

Facebook: Lloydminster & District SPCA

Instagram: @lloydspca

TikTok: @lloydspca

Visit the Shelter!

Our doors are open by appointments for adoptions, admissions, or to come by and give some snuggles to our shelter residents. We can be reached at (780)875-2809 and would love to see you!

LLOYDMINSTER & DISTRICT SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

LLOYDMINSTER & DISTRICT SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

**FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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INDEPENDENT AUDITOR'S REPORT

TO THE DIRECTORS

LLOYDMINSTER & DISTRICT SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS LLOYDMINSTER, SASKATCHEWAN

Qualified Opinion

We have audited the financial statements of Lloydminster & District Society for the Prevention of Cruelty to Animals (the "Society"), which comprise the statement of financial position as at December 31, 2020 and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the statement of financial position of the Society as at December 31, 2020 and the statement of operations and changes in net assets and cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, the Society derives 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 Society and we were not able to determine whether any adjustments might be necessary to revenues, excess (deficiency) of revenue over expenses, assets and net asset balances.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibility for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

WLS LLP

Lloydminster, Alberta
April 26, 2021

Chartered Professional Accountants

LLOYDMINSTER & DISTRICT SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

	2020	2019
ASSETS		
Current Assets		
Cash	139,544	164,701
Accounts receivable	89,812	7,314
GST receivable	<u>10,182</u>	<u>5,034</u>
	239,538	177,049
Investments (Note 4)	532,753	455,312
Capital assets (Note 5)	509,341	513,517
Restricted cash (Note 6)	<u>21,166</u>	<u>62,573</u>
	<u>\$ 1,302,798</u>	<u>\$ 1,208,451</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued liabilities	<u>32,710</u>	<u>53,683</u>
	<u>32,710</u>	<u>53,683</u>
Non-current Liabilities		
Deferred contributions (Note 7)	362	12
Unamortized capital contributions (Note 8)	34,954	36,747
CEBA loan (net of \$10,000 forgivable portion) (Note 9)	<u>30,000</u>	<u>-</u>
	<u>65,316</u>	<u>36,759</u>
Net Assets (Page 5)		
Net assets invested in capital assets	474,387	476,770
Net assets internally restricted (Note 12)	417,042	401,578
Unrestricted net assets	<u>313,343</u>	<u>239,661</u>
	<u>1,204,772</u>	<u>1,118,009</u>
	<u>\$ 1,302,798</u>	<u>\$ 1,208,451</u>
Commitments (Note 10)		
Subsequent Event (Note 13)		

Approved On Behalf Of The Board

Director

Director

LLOYDMINSTER & DISTRICT SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2020**

	2020	2019
Revenues		
Donations	137,406	170,136
Adoptions	105,824	95,472
Poundkeeper contracts	60,000	50,000
Bequest	-	102,706
Fundraising	8,941	14,206
Grant revenue	77,500	125,000
Fines and licenses	15,995	15,870
Memberships	115	190
Merchandise sales and rentals	651	550
Interest	<u>1,664</u>	<u>2,263</u>
	<u>408,096</u>	<u>576,393</u>
Expenses		
Advertising	292	1,631
Amortization	4,176	5,098
Fundraising	-	355
GST expense	4,960	5,034
Insurance	5,605	6,022
Interest and bank charges	4,954	4,725
Licences and fees	-	-
Office supplies	3,509	3,545
Professional fees	24,800	32,976
Rent	7,551	7,500
Repairs and maintenance	2,731	3,839
Salaries and benefits	215,587	246,612
Security	359	359
Supplies	31,960	35,669
Telephone	2,203	2,295
Training and education	81	-
Utilities	9,494	9,660
Vehicle expenses	2,349	6,392
Veterinary fees - shelter treatment	43,974	26,781
Veterinary fees - spay and neuter program	<u>78,801</u>	<u>79,090</u>
	<u>443,386</u>	<u>477,583</u>
Excess (deficiency) of revenue over expenses before other items	(35,290)	98,810
Other items		
Government subsidies - COVID-19 relief	93,474	-
Realized capital contributions (Note 8)	1,793	2,148
Unrealized gain (loss) on investments	<u>26,786</u>	<u>44,519</u>
Excess (deficiency) of revenue over expenses	86,763	145,477
Net assets, beginning of year	<u>1,118,009</u>	<u>972,532</u>
Net Assets, end of year	\$ <u>1,204,772</u>	\$ <u>1,118,009</u>

LLOYDMINSTER & DISTRICT SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020

	2020	2019
Operating Activities		
Cash received from donations and fundraising	145,600	287,048
Cash received from adoptions and merchandise sales	120,085	117,292
Cash received from grants	153,314	187,455
Cash received from government subsidies	44,221	-
Cash paid to suppliers and organizations	(244,788)	(201,459)
Cash paid for salaries and benefits	(215,587)	(256,344)
Interest received	1,664	2,263
Interest paid	<u>(4,954)</u>	<u>(4,725)</u>
	<u>(445)</u>	<u>131,530</u>
Investing Activities		
Net (increase) decrease in investments	(66,119)	(13,382)
Additions to capital assets	<u>-</u>	<u>(1,886)</u>
	<u>(66,119)</u>	<u>(15,268)</u>
Net Increase (Decrease) in Cash	(66,564)	116,262
Cash at beginning	<u>227,274</u>	<u>111,012</u>
Cash At End	<u>\$ 160,710</u>	<u>\$ 227,274</u>
Cash is comprised of the following:		
Cash	139,544	164,701
Restricted cash	<u>21,166</u>	<u>62,573</u>
	<u>\$ 160,710</u>	<u>\$ 227,274</u>

LLOYDMINSTER & DISTRICT SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2020

1. Statutes of Incorporation and Nature of Organization

The Lloydminster & District Society for the Prevention of Cruelty to Animals (the "Society") was incorporated under the *Canada Corporations Act* as a not-for-profit organization and is a registered charity under the *Income Tax Act (Canada)*. The Society's mission is to provide shelter and care to unwanted and neglected companion animals. The Society educates the community about the proper care and maintenance of animals towards the goal of reducing the number of unwanted and neglected animals in Lloydminster and area.

2. Significant Accounting Policies

The financial statements have been prepared for management in accordance with Canadian accounting standards for not-for-profit organizations. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

Cash

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the following method and rates intended to amortize the cost of assets over their estimated useful lives. Amortization is recorded at one half the full rate in the year of acquisition and none in the year of disposal.

	Method	Rate
Buildings	declining balance	4%
Automotive	declining balance	30%
Computer equipment	declining balance	55%
Computer software	declining balance	100%
Equipment	declining balance	20%

Investments

Investments are portfolio investments recorded at fair value for those with prices quoted in an active market. They have been classified as long-term assets in concurrence with the nature of the investment.

LLOYDMINSTER & DISTRICT SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2020

2. Significant Accounting Policies (con't)

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.

Revenue from shelter activities, including adoptions and owner releases, are recognized when the transactions are completed.

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

Contributed Services and Materials

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Society's operations and would otherwise have been purchased.

Volunteers contribute many hours annually to assist the Society in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed volunteer services are not recognized in the financial statements.

Unamortized capital contributions

Deferred contributions related to capital assets represent the unamortized portion of contributed capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized.

Financial Instruments

The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash, accounts receivable and long-term investments. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and deferred contributions.

LLOYDMINSTER & DISTRICT SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

3. Financial Instruments

The Society is exposed to various risks through its financial instruments.

Credit Risk

The Society is exposed to credit risk on receivables from its funders and customers. The Society believes that there is no unusual exposure associated with the collection of these receivables. The Society performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

Interest Rate Risk

Interest rate risk is the risk to the Society's earnings that arise from fluctuations in interest rates and the degree of volatility of these rates. See Note 4.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from funders and customers. The Society controls liquidity risk through management of its cash flows.

4. Investments

	2020	2019
Equity - Co-op	7,777	7,122
Marketable securities	474,976	448,190
GIC - 0.150%, maturing September 30, 2021	<u>50,000</u>	<u>-</u>
	<u>\$ 532,753</u>	<u>\$ 455,312</u>

Investments are recorded at market value as of December 31, 2020. The adjusted cost base of the marketable securities is \$417,042 (2019 - \$401,578). Marketable securities include investments in mutual funds.

A portion of the investments relates to the McLean Estate bequest, donated in 2008 (2020 - \$417,042; 2019 - \$401,578).

LLOYDMINSTER & DISTRICT SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

5. Capital Assets

	2020			2019
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Automotive	26,644	23,668	2,976	4,252
Buildings	762,773	265,145	497,628	498,316
Computer equipment	12,054	7,762	4,292	4,327
Computer software	8,000	8,000	-	-
Equipment	<u>87,173</u>	<u>82,728</u>	<u>4,445</u>	<u>6,622</u>
	<u>\$ 896,644</u>	<u>\$ 387,303</u>	<u>\$ 509,341</u>	<u>\$ 513,517</u>

Buildings include expenditures for architectural and engineering fees and property tax relating to the proposed new building with a carrying value of \$481,112 (2019 - \$481,112). No amortization of this asset has been recorded during the current year because it is currently under development.

6. Restricted Cash

Restricted cash consists of:

	2020	2019
Spay and neuter sick /injured animal fund	20,165	61,532
Casino	989	1,029
New Building fund	<u>12</u>	<u>12</u>
	<u>\$ 21,166</u>	<u>\$ 62,573</u>

7. Deferred Contributions

Contributions are received from contributors who have restricted their use for operating purposes. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made.

Changes in the deferred revenue balances are as follows:

	2020	2019
Balance, beginning of year	12	12
Amounts received during the year	<u>350</u>	<u>-</u>
Balance, end of year	<u>\$ 362</u>	<u>\$ 12</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

8. Unamortized Capital Contributions

Unamortized capital contributions related to capital assets represent the unamortized portion of in-kind capital assets received. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized.

Changes in the unamortized capital contributions related to the in-kind capital asset received are as follows:

	2020	2019
Balance, beginning of year	36,747	38,895
Recognized as revenue during the year	<u>(1,793)</u>	<u>(2,148)</u>
Ending balance	\$ <u>34,954</u>	\$ <u>36,747</u>

9. Canada Emergency Business Account Loan (CEBA)

	2020	2019
(a) CEBA loan	\$ 30,000	\$ -

(a) The CEBA loan provided by the Government of Canada through ATB, in the amount of \$40,000, is interest free to December 31, 2022. The loan contains a forgivable portion and the Society has the option to repay \$30,000 by December 31, 2022, and the remaining \$10,000 will be forgiven by the Government of Canada. If the Society chooses not to repay the \$30,000 by December 31, 2022 the full \$40,000 will be converted to a term loan due on December 31, 2025, repayable in monthly blended payments with a 5% interest rate commencing January 1, 2023. There is reasonable assurance the Society will repay the loan on or before December 31, 2022; the loan has been reduced to the expected balance due of \$30,000 and the forgivable portion of \$10,000 has been recorded as government subsidies income.

10. Commitments

The Society occupies leased premises owned by the City of Lloydminster subject to annual payments of \$7,500 until 2029. The Society has the option to terminate this lease at any time by providing the City with three months written notice.

2021	7,500
2022	7,500
2023	7,500
2024	7,500
2025	7,500
2026 and subsequent	<u>30,000</u>
	\$ <u>67,500</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

11. Related Party Transactions

The following summarizes the organization's related party transactions for the year.

Expenses	2020	2019
Professional fees - owner of the company providing bookkeeping services joined the Board in October 2020	\$ 6,380	\$ -

These transactions are in the normal course of operations and are measured at exchange amount, which is the amount of consideration established and agreed to by the related parties.

At the end of the year, the amounts due to and (from) related entities are as follows:

Due to Bookkeeper	\$ 861	\$ -
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These balances are payable on demand and are without interest or terms of repayment. They have arisen from the sales of product and provisions of services referred to above.

12. Internally Restricted Net Assets

Internally restricted funds represent amounts restricted for the long-term sustainability of the Society. These internally restricted and reinvested amounts are not available for other purposes without the approval of the Board of Directors.

13. Subsequent Event

Subsequent to year-end, the Society signed an offer to purchase agreement for land and building. If the Society proceeds with the purchase of this existing facility then subsequent write-offs of \$481,000 related to a previously proposed new building will be recorded, this amount represents capitalized fees for a new building.

14. COVID-19

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the Society's operations as at the date of these financial statements.

15. Compliance with the Disclosure Requirement of the Charitable Fund-Raising Act and Regulation

During the year, \$0 (2019 - \$48,934) was paid as remuneration to employees whose duties involved fundraising. No fundraising business was used to either make solicitations on behalf of the charitable organization, or to manage or be responsible for fundraising solicitation.