



Annual Report 2021

'Building relationships that bring animals and people together'





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Message from our Board of Directors

In 2021, the Lloydminster and District SPCA saw major changes in the organization and in the plans for the future. The Board of Directors began some much needed work on obtaining a new building and developing a plan for a successful future.

The current shelter experienced a severe disease outbreak amongst our felines, which was an eye opener for the staff and assisted them in making some big changes within the shelter to ensure proper disease management and protocols.

In 2021, we saw the community come together to assist us with donations, involvement in the Jail and Bail Event, and excitement toward the new building project. In 2022, we plan to continue working toward education opportunities, accountability, transparency, and more community involvement to better the lives of the animals in our care, and the service we provide to our community.

In an effort to create a successful future, and a fresh start, the Lloydminster and District SPCA has made the decision to change our name to Border Paws Animal Shelter. This is something that reflects the uniqueness of our city and what we do.

On behalf of Border Paws Animal Shelter, and our Board of Directors, I would like to thank the City of Lloydminster, our Rural Municipalities, our donors, and our volunteers for your ongoing support. I would also like to take a moment to thank Lloydminster Plumbing and Heating, and our General Contractor, Craftex Builders, for their patience and expertise during the new building project.

Thank you,



Chelsie Green

Board President

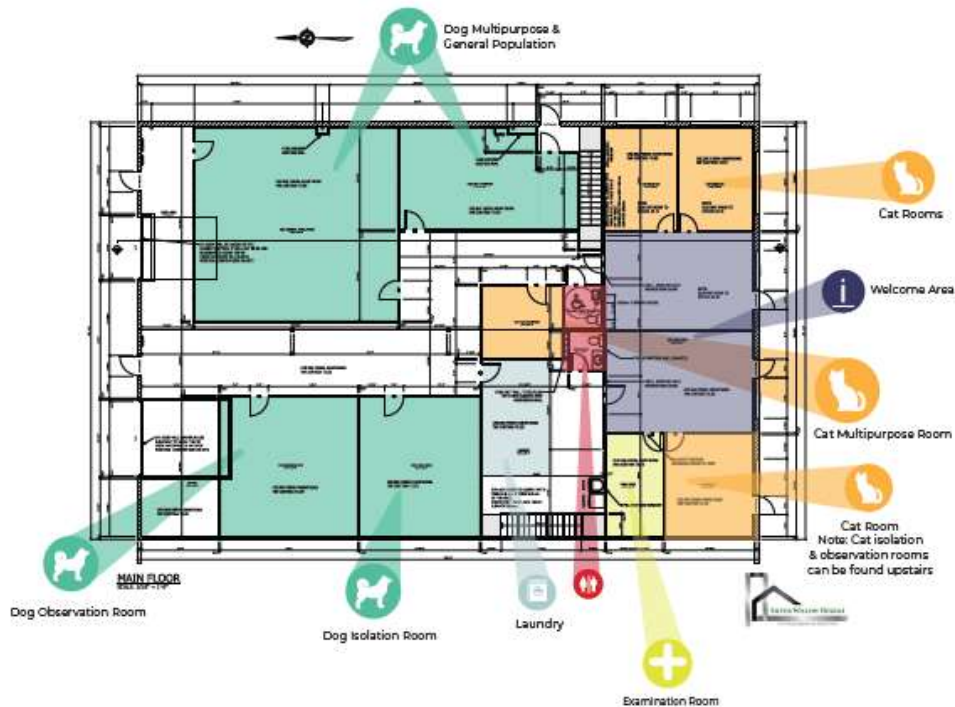


CELEBRATING A FRESH START
OUR NEW HOME

For over 50 years, we have served the animals in the community by providing temporary shelter and a safe environment. Today, we provide care and temporary housing for over 1,100 stray and homeless animals annually.

Since our inception, we've seen significant advancements in animal welfare, which has provided us with greater insights into the needs of animals in our care and assisted us in planning for the future.

To ensure that we meet the growing needs of our community, while being able to provide the animals in our care with the highest levels of health and welfare possible, investing in a new facility was essential.



OUR NEW HOME

a look into the main level space.

Our new building will not only improve the experience of those who enter our facility, but our focus continues to be on providing the highest level of health and welfare for the animals in our care. Studies have shown that improved housing facilities create an improved quality of life while encouraging socialization and play - which is exactly what we want for our furry friends.

Our housing facilities are developed to create shared space that encourage socialization and play including community cat areas and large outdoor exercise pens for dogs.

Our new facility will offer a welcoming atmosphere for our human visitors, who will be able to interact with the animals in a more relaxed environment. With a multipurpose area, we will be able to host education programs, enhance our public engagement, and share the message of care and compassion for animals in our community.



Our vision
Our mission
Our values

Our Vision

To inspire compassion and respect for all animals in our community.

Our Mission

Through partnership and innovation, the Lloydminster and District SPCA is committed to building a community where animal welfare is a priority.

Our Values

Compassion

We strive to find compassionate solutions that benefit people as well as animals.

Responsibility

We are responsible guardians of animals under our care and stress the responsibility of humans to ensure animal welfare for all animals.

Stewardship

We are committed to responsible stewardship of donor funds and balance available resources.

Collaboration

We strive to promote positive and collaborative relationships with individuals and other organizations.

Our New Home

We are beyond excited to be able to share our vision with our for the SPCA's new building. We have purchased a building located at 5206 63rd street and are in the process of completing renovations which will allow us to move in to this new facility. It has been a long road to get to this point, but we are confident that our new space will provide a higher standard of care to the animals we are entrusted with. Additionally, a new and more inviting space will help us to grow our volunteer program and open new programming to the residents of Lloydminster and the surrounding communities.

For our organization, the fact that 1/3 of our new building is a leasable space will provide us with an additional revenue stream and help to offset the cost of this endeavour. Our capital campaign has been structured to not only raise funds in the short term, but to provide the shelter with ongoing funding. So far, we have raised nearly \$150,000 towards our capital campaign and have signed name right agreements for four of the rooms in our shelter.

We are grateful to those people and businesses which have already contributed to our capital campaign and are helping to realize our vision. We welcome all involvement; if anyone wishes to contribute to the new space more in-depth information can be found on our website.

What your donations will help with:

Ventilation and air quality upgrades: These will go directly to the cost of our new HVAC heating/cooling and air circulation system upgrades to ensure proper airflow of each individual room for the animals.

Flooring upgrades: The current building has concrete flooring which does not allow for proper disease management. The installed flooring will be veterinary-grade VCT flooring and allow for proper disease management while remaining durable.

Structure additions: Building materials such as wood, metal, drywall, and paint will be needed to transform our blank canvas into spaces that are more calming and private.

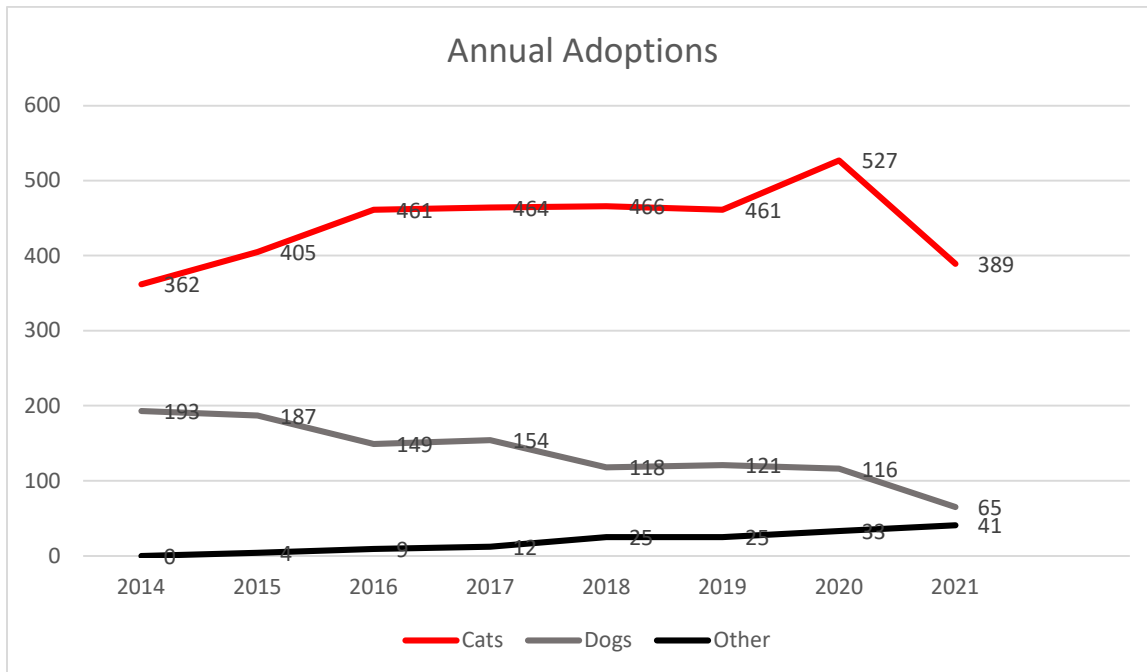
Adoptions

Throughout 2021, our SPCA housed and provided care to **876** companion animals, coming to our organization as strays, surrendered by owners, abandoned, or transferred from another animal welfare agency. **492** of these animals were successfully adopted during the past year.

By the Numbers, Adoptions:

- 389 Cats
- 65 Dogs
- 13 Rabbits
- 24 Rodents (Hamsters, Gerbils)
- 1 Bearded Dragon
- 3 Ferrets

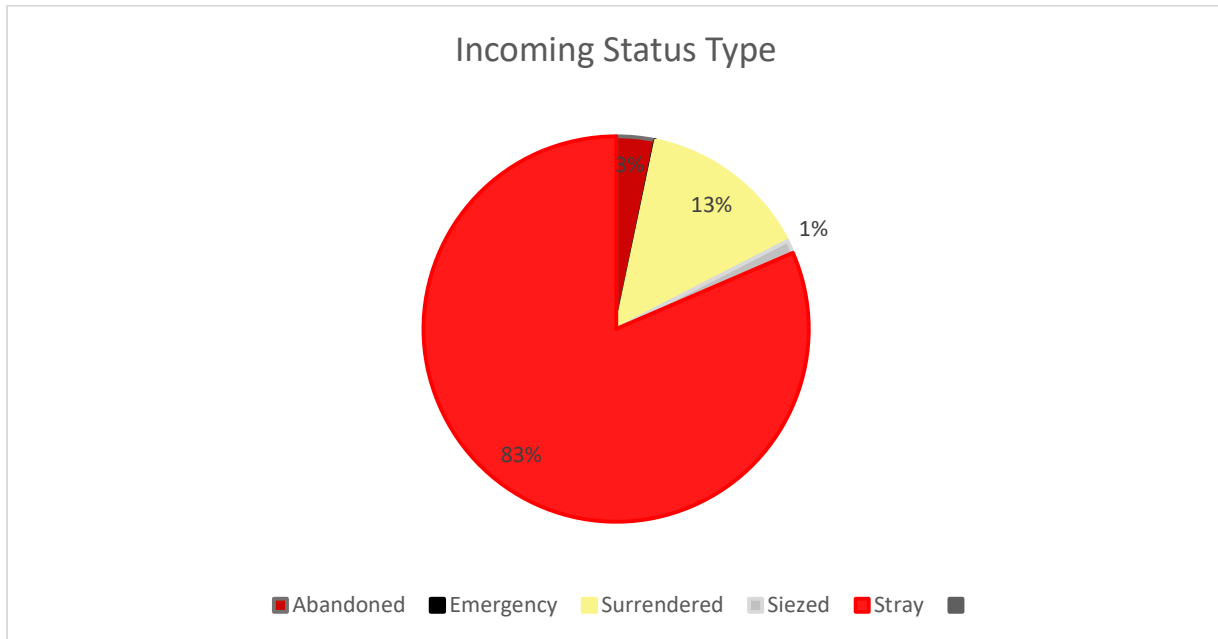
We are fortunate to have continued our valued partnerships through 2021 with several local businesses, including Petsmart, Puppy Luv Paradise and Pet Valu. These partnerships supported our SPCA by adopting out **157** of our animals, which accounted for **26%** of our adoptions this year.



Admissions

The overwhelming majority of animals who entered our care did so as strays, followed by owner surrenders as the second highest intake reason.

83% of the animals admitted in 2021 came into our facility strays, and **13%** of animals admitted to our care were surrendered by their owners.



Volunteer and Foster Program

Volunteers are invaluable to our organization, as they provide hours of enrichment, socialization, and exercise to our shelter residents each week. We appreciate all the help and support our volunteers have given us over the years.

Our dedicated base of volunteer foster parents provided homes to over **200** shelter animals throughout 2021. Orphaned litters of kittens, young puppies, cats with behaviour concerns who would benefit from additional attention and space, and sick/injured animals were all given the chance to thrive in one of our foster homes over the course of the last year.

Events

Marc'd Up Tattoo graciously donated their time and expertise in June when they donated over **\$11,000** dollars they had raised from tattooing **138** people with animal themed tattoos. Additionally, the SPCA staff was able to raise another **\$800** at a barbeque on site. It was an amazing event and gave us the opportunity to speak to a large number of people to help raise awareness for the shelter and animal welfare in our city.

Local business **4th Meridian Brewing Company** once again opened their doors to host a Puppy Brewery fundraiser, where guests came to enjoy a drink and mingle with canines from the shelter. **The Scoop** partnered with us to provide an SPCA flavour of the month and donated the proceeds towards the shelter. **Cenovus** donated the proceeds of their golf tournament 50/50 to the SPCA, and **Dominos** collaborated with us for a pizza fundraiser. **PetSmart** in Lloydminster hosted our annual Paws & Claus photo event in December. These and other events raised a total of **\$3,818**.

Thank you to all of you who donated your bottles and cans to the SPCA. This ongoing initiative was able to bring in over **\$8,000** in revenue in 2021.

With excitement, we held our annual **Jail & Bail** fundraising event in December, garnering the support of multiple community members and businesses in our district. This event raised **\$13,904** towards our shelter, helping us continue to improve the lives of homeless and neglected animals in the Lloydminster area.



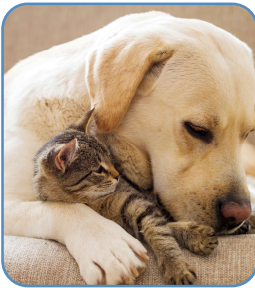
Join Us!



Become a Volunteer!

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

<https://lloydminsterspca.com/volunteer>



Become a Foster Parent!

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

<https://lloydminsterspca.com/fosters>



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 appointment 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!

2022 AGM Agenda

LLOYDMINSTER AND DISTRICT SPCA

Board Meeting

May 26, 2022, at 7:00pm

Location: Nature Room, Parks Centre at Bud Miller Park

- 1. Call to order**
- 2. Establish Quorum**
- 3. Welcoming of Members and Attendees**
- 4. Introduction of Board of Directors and any Staff in attendance.**
- 5. Approval of Agenda dated May 26, 2022.**
- 6. Amendments to the Minutes dated April 28, 2022.**
- 7. Approval of Minutes dated April 28, 2022.**
- 8. Acceptance of the Auditors Report**
- 9. Annual Report Review**
- 10. Approval of Bylaws – Special Resolution**
- 11. Nominations for new Board Members to the Board of Directors**
- 12. Election of current Board Members**
- 13. Nominations for Vice President of the Board**
- 14. Questions or Commentary from Members**
- 15. Adjournment**

LLOYDMINSTER AND DISTRICT SPCA

2021 AGM MINUTES

Meeting Type: Annual General Meeting

Meeting Date: May 27, 2021 @ 7:00pm

Meeting Location: Zoom Meeting

In Attendance

Cam Anderson, President

Andrew Basaraba, Vice President

Amie Hein, Treasurer

Daniel Hobson, Secretary

Stephanie Boucher, Director

Chelsie Green, Director

Glenda Elkow, Director

Taylor Budding, Director

Mayor Gerald Aalbers

Patrick Lancaster

Becky Newman

Membership

1. Call to Order

The Regular Board Meeting was called to order at 7:03 P.M. Quorum was confirmed.

2. Dignitaries were welcomed, including Mayor Aalbers.

3. Board Members were introduced.

4. Amendments to Agenda dated May 27, 2021.

There were no amendments.

5. Approval of Agenda dated May 27, 2021

Motion:

That the Agenda dated May 27, 2021, be approved as amended.

Motion by: Chelsie

Seconded by: Amie

CARRIED

6. Amendments to the previous Meeting Minutes.

There were no amendments.

Approval of previous Meeting Minutes.

Motion:

That the previous Meeting Minutes, be approved.

Motion by: Glenda
Seconded by: Andrew
CARRIED

7. Correspondence

No correspondence.

8. Acceptance of the Auditors Report

Motion:

That the Auditors Report be accepted as presented.

Motion by: Chelsie
Seconded by: Andrew
CARRIED

9. Appointment of Auditors

Motion:

That the Board extend the appointment of WLS made on November 26, 2019, for an additional term of two (2) years, through 2023.

Motion by: Andrew
Seconded by: Amie
CARRIED

10. Annual Report

The Executive Director, Danika, presented the Annual Report.

11. Nominations of New Board Members

- a. Cam announced his retirement from the Board.
- b. Keith Heck nominated Robert Heffner to the Board.

Motion by: Keith Heck
Seconded by: Harpreet Christie
CARRIED

12. Election of current Member onto the Board

- a. All Board Members were elected to the Board of Directors.

13. Nominations for President

- a. Robert Heffner and Chelsie Green were nominated for President.
- b. Motion for nominations to cease.

Motion by: Glenda
Seconded by: Andrew
CARRIED

- c. The Membership elected Robert Heffner as Board President.

14. Questions

There were no questions.

15. Adjournment

The Annual General Meeting was adjourned at 10:10pm.

Cam Anderson, President

Dan Hobson, Secretary

BORDER PAWS ANIMAL SHELTER SOCIETY

Financial Statements

Year Ended December 31, 2021

Draft for discussion purposes only

BORDER PAWS ANIMAL SHELTER SOCIETY
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Year Ended December 31, 2021

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Draft for discussion purposes only

INDEPENDENT AUDITOR'S REPORT

To the Directors of Border Paws Animal Shelter Society

Qualified Opinion

We have audited the financial statements of Border Paws Animal Shelter Society (the Society), which comprise the statement of financial position as at December 31, 2021, and the statements of revenues and expenditures 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 possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Society derives revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to donation or fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2021, current assets and net assets as at December 31, 2021.

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 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 audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

(continues)

Auditor's Responsibilities for the Audit of the 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 the 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 judgment 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 the 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.

Lloydminster, Alberta
May 19, 2022

Chartered Professional Accountants

BORDER PAWS ANIMAL SHELTER SOCIETY

Statement of Financial Position

December 31, 2021

	2021	2020
ASSETS		
Current		
Cash	\$ 262,862	\$ 139,544
Accounts receivable	13,461	89,812
Goods and services tax recoverable	5,271	10,182
Prepaid expenses	11,270	-
	<u>292,864</u>	<u>239,538</u>
Investments (Note 4)	442,759	532,752
Property, plant and equipment (Note 5)	473,795	509,341
Restricted Cash (Note 6)	991	21,166
	<u>917,545</u>	<u>1,063,259</u>
	<u>\$ 1,210,409</u>	<u>\$ 1,302,797</u>
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 49,600	\$ 32,710
Deferred contributions (Note 7)	362	362
Unamortized capital contributions (Note 8)	31,334	34,953
Long term debt (Note 9)	353,128	30,000
	<u>384,824</u>	<u>65,315</u>
	<u>434,424</u>	<u>98,025</u>
Net Assets		
General fund	314,196	313,343
Restricted fund (Note 12)	332,817	417,042
Invested in capital assets	128,972	474,387
	<u>775,985</u>	<u>1,204,772</u>
	<u>\$ 1,210,409</u>	<u>\$ 1,302,797</u>

ON BEHALF OF THE BOARD

_____ Director

_____ Director

BORDER PAWS ANIMAL SHELTER SOCIETY
Statement of Revenues and Expenditures
Year Ended December 31, 2021

	2021	2020
Revenue		
Adoptions	\$ 81,710	\$ 105,824
Donations	144,379	137,406
Fines and licenses	7,978	15,995
Fundraising	26,068	8,941
Grants	83,435	77,500
Interest income	267	1,664
Memberships	520	115
Merchandise sales and rentals	1,104	651
Poundkeeper contracts	60,200	60,000
Sponsorship	595	-
	<u>406,256</u>	<u>408,096</u>
Expenses		
Advertising and promotion	460	137
Amortization	2,623	4,176
Fundraising	89	-
GST expense	5,535	4,960
Insurance	7,981	5,605
Interest and bank charges	4,080	4,956
Licenses, memberships and fees	7,652	85
Postage and office supplies	2,236	3,509
Professional fees	26,080	24,800
Rent	7,500	7,551
Repairs and maintenance - premises	3,568	2,731
Salaries and benefits	254,752	215,587
Security	304	359
Supplies and small tools	24,786	31,960
Taxes	1,766	-
Telephone	2,200	2,203
Training	100	81
Travel and meals	127	70
Utilities	12,970	9,494
Vehicle	2,677	2,349
Veterinary fees - shelter treatment	57,386	43,974
Veterinary fees - spay and neuter program	74,774	78,801
	<u>499,646</u>	<u>443,388</u>
Deficiency of revenue over expenses from operations	<u>(93,390)</u>	<u>(35,292)</u>
Other income		
Loss on disposal of property, plant and equipment	(483,403)	-
Government subsidies - COVID-19 relief	101,420	93,474
Lease revenue	6,082	-
Realized capital contributions	3,620	1,793
Unrealized gain (loss) on investments	36,884	26,786
	<u>(335,397)</u>	<u>122,053</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ (428,787)</u>	<u>\$ 86,761</u>

BORDER PAWS ANIMAL SHELTER SOCIETY**Statement of Cash Flows****Year Ended December 31, 2021**

	2021	2020
Operating activities		
Cash received from donations and fundraising	\$ 169,967	\$ 145,600
Cash received from adoptions and merchandise sales	95,028	120,085
Cash received from grants	136,991	153,314
Cash received from government subsidies	177,857	14,221
Cash paid to suppliers and organizations	(233,453)	(244,788)
Cash paid for salaries and benefits	(248,961)	(215,587)
Interest received	267	1,664
Interest paid	(4,079)	(4,954)
Cash flow from (used by) operating activities	<u>93,617</u>	<u>(30,445)</u>
Investing activities		
Purchase of property, plant and equipment	(450,480)	-
Net (increase) decrease in investments	<u>126,878</u>	<u>(66,119)</u>
Cash flow used by investing activities	<u>(323,602)</u>	<u>(66,119)</u>
Financing activities		
Proceeds from long term debt	334,930	30,000
Repayment of long term debt	(1,802)	-
Cash flow from financing activities	<u>333,128</u>	<u>30,000</u>
Increase (decrease) in cash flow	103,143	(66,564)
Cash - beginning of year	<u>160,710</u>	<u>227,274</u>
Cash - end of year	<u>\$ 263,853</u>	<u>\$ 160,710</u>
Cash consists of:		
Cash	\$ 262,862	\$ 139,544
Restricted Cash	<u>991</u>	<u>21,166</u>
	<u>\$ 263,853</u>	<u>\$ 160,710</u>

BORDER PAWS ANIMAL SHELTER SOCIETY

Notes to Financial Statements

Year Ended December 31, 2021

1. Nature of operations

Border Paws Animal Shelter Society (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. Summary of significant accounting policies

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Cash and cash equivalents

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.

Property, plant and equipment

Property, plant and equipment are recorded at cost and amortized over estimated useful life on a declining balance basis at the following rates and methods:

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

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

Amortization is recorded at one-half the full rate in the year of acquisition and none in the year of disposal.

The Society regularly reviews its property, plant and equipment to eliminate obsolete items..

Property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

(continues)

BORDER PAWS ANIMAL SHELTER SOCIETY

Notes to Financial Statements

Year Ended December 31, 2021

2. Summary of significant accounting policies (continued)

Investments

Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported as part of net income. Investments for which there is not an active market are carried at amortized cost except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of net income.

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. 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.

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 materials and services

The operations of the Society depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Unamortized capital contributions

Deferred contributions related to property, plant and equipment 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

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

BORDER PAWS ANIMAL SHELTER SOCIETY

Notes to Financial Statements

Year Ended December 31, 2021

3. Financial instruments

The Society is exposed to various risks through its financial instruments. The following analysis provides information about the Society's risk exposure and concentration as of December 31, 2021.

Credit risk

The Society is exposed to credit risk 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.

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 its funders and customers. The Society controls liquidity risk through management of its cash flows.

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 & 9.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant other price risks arising from these financial instruments.

4. Investments

	<u>2021</u>	<u>2020</u>
Equity - Co-op	\$ 7,946	\$ 7,776
Marketable Securities	384,813	474,976
GIC - 0.150%, maturing September 30, 2022	50,000	50,000
	<u>\$ 442,759</u>	<u>\$ 532,752</u>

Investments are recorded at market value as of December 31, 2021. The adjusted cost base of the marketable securities is \$332,817. (2020 - \$417,042). Marketable securities include investments in mutual funds.

BORDER PAWS ANIMAL SHELTER SOCIETY

Notes to Financial Statements

Year Ended December 31, 2021

5. Property, plant and equipment

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Land	\$ 189,538	\$ -	\$ 189,538	\$ -
Buildings	542,603	265,805	276,798	497,628
Equipment	87,173	84,470	2,703	4,445
Automotive equipment	12,269	11,790	479	2,976
Computer equipment	12,054	7,777	4,277	4,292
Computer software	8,000	8,000	-	-
	\$ 851,637	\$ 377,842	\$ 473,795	\$ 509,341

6. Restricted cash

Restricted cash consists of:

	2021	2020
Spay and neuter sick / injured animal fund	\$ -	\$ 20,165
Casino	991	989
New building fund	-	12
	\$ 991	\$ 21,166

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:

	2021	2020
Balance, beginning of year	\$ 362	\$ 12
Amounts received during the year	-	350
Balance, end of year	\$ 362	\$ 362

BORDER PAWS ANIMAL SHELTER SOCIETY

Notes to Financial Statements

Year Ended December 31, 2021

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:

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 34,953	\$ 36,746
Recognized as revenue during the year	(3,619)	(1,793)
Balance, end of year	<u>\$ 31,334</u>	<u>\$ 34,953</u>

9. Long term debt

	<u>2021</u>	<u>2020</u>
(a) CEBA loan (net of \$20,000 forgivable portion)	\$ 40,000	\$ 30,000
(b) RBC mortgage	313,128	-
	<u>\$ 353,128</u>	<u>\$ 30,000</u>

(a) Canadian Emergency Business Account (CEBA) loan provided by the Government of Canada through ATB in the amount of \$60,000, is interest free to December 31, 2023. The loan contains a forgivable portion, the Society has the option to repay \$40,000 by December 31, 2023 and the remaining \$20,000 will be forgiven by the Government of Canada. If the Society chooses not to repay the \$40,000 by December 31, 2023, the full \$60,000 will be converted to a term loan due on December 31, 2024 with interest only payments with a 5% interest rate commencing January 1, 2024. There is reasonable assurance the Society will repay the loan on or before December 31, 2023; the loan has been reduced to the expected balance due of \$40,000 and the forgivable portion of \$20,000 has been recorded as government subsidies. The loan is unsecured.

(b) The mortgage provided by Royal Bank of Canada bears interest at 3.58% per annum and is repayable in monthly blended payments of \$1,840 with a 20 year term. The mortgage matures on November 1, 2024 and is secured by a general security agreement, a collateral mortgage on land and improvements and a cash collateral agreement assigning term deposit in the amount of \$50,000.

BORDER PAWS ANIMAL SHELTER SOCIETY

Notes to Financial Statements

Year Ended December 31, 2021

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.

Commitment repayment schedule:

2022	\$	7,500
2023		7,500
2024		7,500
2025		7,500
2026		7,500
Thereafter		22,500
	\$	<u>60,000</u>

11. Related party transactions

The following is a summary of the Society's related party transactions:

	<u>2021</u>	<u>2020</u>
Expenses		
Professional fees - owner of the company providing bookkeeping services joined the Board in October 2020	\$ 16,080	\$ 6,380

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

Due to Bookkeeper	\$ 1,010	\$ 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. Compliance with the disclosure requirement of the charitable fund-raising act and regulation

During the year, \$0 (2020 - \$0) 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.

14. Name change

Effective March 2, 2022 the Society changed its legal name to Border Paws Animal Shelter Society, the Society was formally named Lloydminster & District Society for the Prevention of Cruelty to Animals.

BORDER PAWS ANIMAL SHELTER SOCIETY

Notes to Financial Statements

Year Ended December 31, 2021

15. Comparative figures

Some of the comparative figures have been reclassified to conform to the current year's presentation.

Draft for discussion purposes only