

Alberta Society for the Prevention of Cruelty to Animals

2024 audit results



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CHARTERED PROFESSIONAL ACCOUNTANTS



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March 26, 2025

**The Board of Directors of
 the Alberta Society for the Prevention of Cruelty to Animals**

To: The Board of Directors of the Alberta Society for the Prevention of Cruelty to Animals

We have substantially completed our audit of the financial statements of Alberta Society for the Prevention of Cruelty to Animals ("the Society") for the year ended December 31, 2024.

Canadian Auditing Standard ("CAS") 260 "Communication with Those Charged with Governance" and CAS 265 "Communicating Deficiencies in Internal Control to Those Charged with Governance and Management" outline the basis of annual reporting to the Board of Directors.

In accordance with CAS 260 and CAS 265, the following information is required to be discussed with those having oversight responsibility for the financial reporting process in connection with financial statement audits.

As at this time, we wish to report the following to the Board:

Required Communications

Area	Comments
<p>Auditor's Responsibilities Under Canadian GAAS, including discussion of the type of opinion we are issuing</p> <p>The financial statements are the responsibility of management. Our audit was designed in accordance with the Canadian auditing standards to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement.</p>	<p>The results of the audit are commented on further below. We expect to issue a qualified opinion on the financial statements of the Society for the year ended December 31, 2024.</p> <p>The qualification is in regards to the completeness of revenue from donations and fundraising, which is common with many charitable organizations.</p>
<p>Major issues discussed with management in connection with initial or recurring retention</p> <p>We discuss with the Board of Directors any major professional issues that were discussed (orally or in writing) with management in connection with our initial or recurring retention as the auditor, including, among other matters, any discussions regarding the application of accounting principles and auditing standards, the scope of the audit, financial statement disclosures and the wording of the auditor's report. We communicate those major professional issues we discussed with management, prior to our being hired as the auditors.</p>	<p>None.</p>



Required Communications

Area	Comments
Significant audit adjustments, including disclosure differences that merit the attention of those charged with governance We provide the Board of Directors with information about the adjustments and disclosure differences that merit the attention of those charged with governance arising from the audit (whether corrected or not) that could in our judgment, either individually or in the aggregate, have a significant effect on the Society's financial statements.	There were no significant uncorrected audit adjustments or disclosure differences related to the 2024 audit.
Uncorrected misstatements, including disclosure differences that merit the attention of those charged with governance, considered by management to be immaterial We inform the Board of Directors about uncorrected misstatements accumulated by us (i.e., adjustments either identified by us or brought to our attention by management) during the current audit and pertaining to the latest period presented that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements as a whole.	All accounting differences revealed by the audit were discussed with management to determine whether an adjustment should be recorded. Adjustments made arising from the fiscal 2024 audit are noted in our summary of differences.
Critical Accounting Policies and Practices We report our professional judgement on the qualitative aspects of accounting principles used by the Society in preparing the financial statements. This includes: <ul style="list-style-type: none">▶ The issues and related judgements made by management in formulating particularly sensitive accounting estimates and disclosures.▶ The existence of acceptable alternative policies and methods and the acceptability of the particular policy and method used by management.▶ The basis of our conclusions regarding the reasonableness of the estimates made by management in the context of the financial statements as a whole.▶ The factors affecting asset and liability carrying values.▶ The timing of transactions that affect the recognition of revenues and recording of expenses.▶ The initial selection of and changes in significant accounting policies including the adoption of new accounting pronouncements.▶ Effect on the financial statements of significant unusual transactions.	All of the significant accounting policies followed by the Society are adequately disclosed in Note 2 of the financial statements.
The adoption of, or a change in, an accounting principle We determine that the Board of Directors has been informed about the initial selection of, and any changes in, significant accounting principles or accounting policies or their application when the accounting principle or its application, including alternative methods of applying the accounting principle, has a material effect on the financial statements.	No changes in accounting policies applied.



Required Communications

Area	Comments
Methods of accounting for significant unusual transactions and for controversial or emerging areas	
We determine that the Board of Directors has been informed about the methods used to account for significant unusual transactions and the effects of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.	We are not aware of any significant unusual transactions recorded by the Society or of any significant accounting policies used by the Society related to controversial or emerging areas for which there is a lack of authoritative guidance.
Material alternative accounting treatments discussed with management	
We discuss with the Board of Directors all alternative accounting treatments within GAAP for policies and practices related to material items (including recognition, measurement, presentation and disclosure alternatives) that have been discussed with management during the current audit period including: <ul style="list-style-type: none">▶ Ramifications of the use of such alternative disclosures and treatments, including the reasons why the alternative was selected and, if management did not select our preferred alternative, the reasons why it was not selected.▶ The treatment preferred by us.	We have not discussed material alternative accounting treatments related to any matters during the year.
Material weakness in internal control	
We communicate all material weaknesses in internal control that may have been identified during the course of the audit.	Our observations have been attached regarding any weaknesses in internal controls.
Disagreements with management	
We discuss with the Board of Directors any reportable disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the Society's financial statements or the auditor's reports.	There were no disagreements between management and our firm concerning accounting policies, presentation or disclosure issues.
Consultants with other accountants	
When we are aware that management has consulted with other accountants about accounting, auditing or reporting matters, we discuss with the Board of Directors our views about significant matters that were the subject of such consultation.	None of which we are aware.
Serious difficulties encountered in dealing with management when performing the audit	
We inform the Board of Directors of any serious difficulties encountered in dealing with management related to the performance of the audit.	There were no difficulties encountered through the course of the audit. We received excellent cooperation from management and staff and had access to all records and documents necessary to perform the audit.



Required Communications

Area	Comments
Fraud and illegal acts involving senior management and fraud and illegal acts that cause a material misstatement of the financial statements	
We communicate to the Board of Directors fraud and illegal acts involving senior management and fraud and illegal acts (whether caused by senior management or other employees) that cause a material misstatement of the financial statements.	We are not aware of any matters that require communication. We take this opportunity to confirm with the Board of Directors that they are also not aware of any fraud or illegal acts conducted within the Society.
Other material written communications with, and representations sought from management	
We determine that the Board of Directors has received copies of all material written communications with management, including representations requested from them related to uncorrected errors.	We previously provided you with a copy of the following communications with management: Engagement letter Our Independence Letter We will also provide you with copies of the management representation letter related to the year end audit.
Independence matters	
We communicate, at least annually, the following to the Board of Directors: <ul style="list-style-type: none">▶ Describe, in writing, all relationships between JAM Accounting Group LLP and the Society that may reasonably be thought to bear on our independence;▶ Discuss with the Board of Directors the potential effects of those relationships on independence; and▶ Affirm, in writing, that we are independent with respect to the Society within the meaning of Canadian professional standards.	We confirm that, in our professional judgement, we are independent of the Society and are not aware of any relationships between JAM Accounting Group LLP and the Society that may be reasonably be thought to bear on our independence. Our total fees for the fiscal 2024 audit are expected to be approximately \$20,000 as estimated in our engagement letter. We would be pleased to discuss with the Board of Directors any matters relating to our independence. Our formal letter confirming our independence has been issued to management under separate cover.
Other findings or issues regarding the oversight of the financial reporting process	
We communicate other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to the Board of Directors regarding their oversight of the financial report process.	There are no other findings or issues arising from the audit that are, in our judgment, significant and relevant to the Board of Directors regarding the oversight of the financial reporting process.
Subsequent events	
We inquire of management and, where appropriate, those charged with governance as to whether any subsequent events have occurred which might affect the financial statements.	None of which we are aware.



Required Communications

Area	Comments
Related party transactions	
The auditor shall communicate with those charged with governance significant matters arising during the audit in connection with the entity's related parties.	None of which we are aware.

Internal Control and Operational Improvements for Discussion

With respect to our examination of the financial statements of the Alberta Society for the Prevention of Cruelty to Animals for the year ended December 31, 2024, we would like to report the following opportunities for control and procedure improvements for your consideration. As part of our examination, we reviewed and evaluated The Society's system of internal controls to the extent we considered necessary under generally accepted auditing standards. These procedures are necessary to enable us to express an opinion on the financial statements and to otherwise assist us in planning and performing our audit. The review was not designed to determine whether or not the Society's systems of internal control are adequate for management purposes and would not necessarily disclose all conditions requiring attention.

Our observations and recommendations concern the systems and procedures of Alberta Society for the Prevention of Cruelty to Animals and are not intended to reflect in any way upon senior management or the Society's employees. In fact, we would like to thank the Society's staff for their assistance during our audit and compliment them on the actions taken to address prior year observations.

Observation	Recommendation
1. Management review	
Upon review of the Society's cash accounts, review by management was not evidenced on the bank reconciliations. There is a risk that cash balances could be over/under-stated.	Bank reconciliations and outstanding cheques should be reviewed monthly by the executive director. Any long outstanding balances should be followed up on and dealt with.
2. GST rebate – underclaiming ITCs	
Upon review of the Society's GST account, we identified a few issues where GST was not being claimed at the appropriate rate or not being claimed at all on qualifying purchases. There is a risk of GST input tax credits (ITCs) being underclaimed.	We recommend that expenses are reviewed to ensure GST ITCs are being claimed at the correct rate on each purchase to avoid underclaiming ITCs on the GST rebate returns.



Timing of required communications

	Communicate when event occurs	Communicate on a timely basis, at least annually
Auditor's responsibility under Canadian GAAS, including discussion of the type of opinion we are issuing		X
Overview of planned scope and timing		X
Other information in documents containing the audited financial statements		X
Major issues discussed with management in connection with initial or recurring retention	X	
Significant audit adjustments, including significant disclosure differences that merit the attention of those charged with governance		X
Uncorrected misstatements, including significant disclosure differences that merit the attention of those charged with governance, considered by management to be immaterial		X
Critical accounting policies and practices		X
Our judgements about the quality of the Society's accounting principles		X
The adoption of, or a change in, an accounting policy	X	
Methods of accounting for significant unusual transactions and for controversial or emerging areas	X	
Sensitive accounting estimates		X
Material alternative accounting treatments discussed with management		X
Disagreements with managements	X	
Consultations with other accountants	X	
Serious difficulties encountered in dealing with management when performing the audit	X	
Fraud and illegal acts involving senior management and fraud and illegal acts that cause a material misstatement of the financial statements	X	
Audit committee pre-approval of services		X
Other material written communications with, and representations sought from management		X
Independence matters		X
Fees and related disclosures		X
Other findings or issues regarding the oversight of the financial reporting process	X	



Timing of required communications

	Communicate when event occurs	Communicate on a timely basis, at least annually
Subsequent events		X
Related-party transactions		X
Matters related to the component entities of the Society		X
All relationships between auditor and the Society		X

Leanne Niblock Apr 15 2025

Heather Hunt Apr 10 2025

Andrea Edwards Apr 14 2025

Connie Varnhagen Apr 10 2025



**THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
INDEX TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Operations	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 11
STATEMENT OF GAMING ACTIVITY (<i>Schedule 1</i>)	12
STATEMENT OF FUNDRAISING ACTIVITY (<i>Schedule 2</i>)	13



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CHARTERED PROFESSIONAL ACCOUNTANTS
AN ASSOCIATION TO PRACTISE CHARTERED PROFESSIONAL ACCOUNTANCY

Daniel J. St. Arnaud, CPA, CA ▪
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JAM Accounting Group LLP ®

INDEPENDENT AUDITOR'S REPORT

To the Members of The Alberta Society for the Prevention of Cruelty to Animals

Qualified Opinion

We have audited the financial statements of The Alberta Society for the Prevention of Cruelty to Animals (the Society), which comprise the statement of financial position as at December 31, 2024, and the statements of changes in net assets, operations 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, 2024, 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 activities, 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 fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2024, current assets and net assets as at December 31, 2024. Our audit opinion on the financial statements for the year ended December 31, 2023 was modified accordingly because of the possible effects of this limitation of scope.

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)

▪ Operating as a Professional Corporation ▪ Operating as a Limited Liability Partnership

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Independent Auditor's Report to the Members of The Alberta Society for the Prevention of Cruelty to Animals (*continued*)

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.

JAM Accounting Group LLP

Edmonton, Alberta
March 26, 2025

JAM Accounting Group LLP
Chartered Professional Accountants



THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024

	2024	2023
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash (Note 5)	2,837,278	2,215,609
Short term investments (Note 6)	4,934,049	4,411,262
Accounts receivable	408	161
Goods and services tax recoverable	108,344	83,114
Prepaid expenses	146,810	162,429
Trust accounts receivable (Note 4)	14,160	-
	8,041,049	6,872,575
PROPERTY, PLANT AND EQUIPMENT (Note 7)	2,439,664	2,459,578
TOTAL ASSETS	10,480,713	9,332,153
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	327,016	506,769
Trust accounts payable (Note 4)	-	24,232
	327,016	531,001
DEFERRED CONTRIBUTIONS (Note 8)	711,551	1,119,170
UNAMORTIZED CAPITAL ALLOCATIONS (Note 9)	121,440	-
TOTAL LIABILITIES	1,160,007	1,650,171
NET ASSETS		
Unrestricted	5,509,432	3,786,072
Capital assets	2,318,224	2,459,578
Internally restricted (Note 11)	1,493,050	1,436,332
	9,320,706	7,681,982
TOTAL LIABILITIES AND NET ASSETS	10,480,713	9,332,153

CONTINGENCIES (Note 12)

COMMITMENTS (Note 13)

ON BEHALF OF THE BOARD

_____ Director

_____ Director

The accompanying notes form part of these financial statements

THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2024

	Unrestricted \$	Capital Assets \$	Internally Restricted \$	2024 \$	2023 \$
BALANCE - BEGINNING OF YEAR	3,786,072	2,459,578	1,436,332	7,681,982	7,604,036
Excess of revenues over expenses	1,638,724	-	-	1,638,724	77,946
Transfer to internally restricted	(56,718)	-	56,718	-	-
Amortization of capital assets	170,221	(170,221)	-	-	-
Investment in capital assets - net	(28,867)	28,867	-	-	-
BALANCE - END OF YEAR	5,509,432	2,318,224	1,493,050	9,320,706	7,681,982

The accompanying notes form part of these financial statements

THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2024

	2024 \$	2023 \$
REVENUES		
Donations and capital bequests	4,034,046	2,460,563
Gaming revenue (<i>Note 10</i>)	2,334,186	2,206,699
Grants	1,395,517	1,270,556
Other contributions and revenue	9,109	600
	7,772,858	5,938,418
EXPENSES		
Salaries and wages	2,476,829	2,334,221
Veterinary fees, boarding and animal transport	1,255,076	497,638
Lottery draw prizes	717,665	739,795
Office	422,603	354,339
Automotive	375,789	414,560
Education	316,461	277,327
Advertising and promotion	303,918	125,708
Professional fees	179,622	430,756
Amortization of capital assets	170,221	159,995
Interest, bank and processing charges	102,671	225,222
Insurance	94,327	91,836
Telephone and utilities	71,307	67,574
Staff training	44,795	11,062
Travel	37,266	25,389
Rent	36,872	38,671
Repairs and maintenance	29,736	24,467
Uniforms and supplies	14,169	8,983
License, fees and dues	14,012	8,150
	6,663,339	5,835,693
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	1,109,519	102,725
OTHER ITEMS		
Unrealized gain on investments	480,897	168,619
Interest income	41,408	41,166
Dividend income	6,900	21,979
Seizure write-offs	-	(345,526)
Realized gain on sale of investments	-	88,983
	529,205	(24,779)
EXCESS OF REVENUES OVER EXPENSES FOR THE YEAR	1,638,724	77,946

The accompanying notes form part of these financial statements

THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024

	2024	2023
	\$	\$
OPERATING ACTIVITIES		
Excess of revenues over expenses	1,638,724	77,946
Items not affecting cash:		
Amortization of property, plant and equipment	170,221	159,995
Amortization of capital allocations	21,431	-
Unrealized gain on investments	(480,897)	(168,619)
	<u>1,349,479</u>	<u>69,322</u>
Changes in non-cash working capital:		
Accounts receivable	(247)	(161)
Inventory	-	39
Accounts payable and accrued liabilities	(179,757)	(203,829)
Prepaid expenses	15,619	(75,480)
Goods and services tax recoverable	(25,230)	(57,492)
Trust accounts receivable	(14,160)	347,083
Trust accounts payable	(24,232)	13,824
Deferred contributions, net of unamortized capital allocations	(307,610)	(434,515)
	<u>(535,617)</u>	<u>(410,531)</u>
Cash flow from (used by) operating activities	<u>813,862</u>	<u>(341,209)</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(150,305)	(92,074)
Change in short term investments	(41,888)	(1,567,146)
Cash flow used by investing activities	<u>(192,193)</u>	<u>(1,659,220)</u>
INCREASE (DECREASE) IN CASH FLOW	621,669	(2,000,429)
Cash - beginning of year	<u>2,215,609</u>	<u>4,216,038</u>
CASH - END OF YEAR (Note 5)	<u>2,837,278</u>	<u>2,215,609</u>

The accompanying notes form part of these financial statements

THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

1. NATURE OF THE ORGANIZATION

The Alberta Society for the Prevention of Cruelty to Animals (the "Society") is a not-for-profit charitable organization incorporated in September 1959. The Society is dedicated to the education and promotion of responsible ownership and humane treatment of animals through the enforcement of Alberta's Animal Protection Act. The Society is exempt from the payment of income taxes under Section 149 of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Society prepares its financial statements in accordance with Canadian accounting standards for not-for profit organizations (ASNPO). These 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:

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant financial statement items that require the use of estimates are the useful life and amortization of property, plant and equipment. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Revenue recognition

The Alberta Society for the Prevention of Cruelty to Animals follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. In the case of designated contributions intended for the purchase of capital assets, the contributions are recognized as revenue in a manner consistent with the amortization of the related capital asset.

Unrestricted contributions and unrestricted investment income 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 in the year received.

Income taxes

The Alberta Society for the Prevention of Cruelty to Animals is a charitable organization and as such is exempt from income taxes.

Cash

The Society's policy is to present bank balances, less outstanding cheques and deposits, under cash.

(continues)

THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Short term investments

Short term investments are recorded at fair value with gains and losses recorded in the statement of operations and changes in net assets in the period in which they arise. The majority of the Society's short term investments are internally restricted and only available for operational use through the approval of the Board of Directors.

Fund accounting

The Society uses fund accounting to segregate its activities. Interfund transfers are not recognized as revenues and expenditures but rather as a change in fund balances.

The following funds are used:

Unrestricted fund - used for revenues and expenses related to general operating activities of the Society.

Invested in capital assets fund - used to ensure the Society continues to maintain a sufficient working capital reserve.

Externally restricted fund - used for revenues and expenses related to lottery and other gaming activities of the Society.

Internally restricted fund - used for expenditures that are specifically approved by the Board of Directors for supporting the sustainability of the operations or the orderly winding up of the Society.

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Buildings	4%	declining balance method
Office and enforcement equipment	20%	declining balance method
Leasehold improvements	20%	declining balance method
Automotive equipment	30%	declining balance method
Computer hardware	55%	declining balance method
Computer software	55%	declining balance method

Amortization is calculated at one-half of the annual rate in the year the asset is acquired.

Contributed services

Volunteers contribute an indeterminable number of hours to assist the Society in carrying out its activities. In addition, in-kind contributions of materials, supplies, and use of equipment are received from cooperative institutions, external contributors and other sources. Neither the value of the contributions nor the cost of these goods and services is recognized in these financial statements.

3. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, short term investments, trust accounts receivables and accounts payable. The Society initially measures its financial assets and liabilities at cost. The Society subsequently measures all its financial assets and liabilities at cost or amortized cost. Carrying values approximate their fair market values due to the relatively short period to maturity of these instruments. Short term investments include publicly traded equity which are recorded at market value.

The Society is exposed to the following risks arising from these financial instruments, without being exposed to concentrations of risk.

(continues)

THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

3. FINANCIAL INSTRUMENTS (continued)

Credit risk

Financial instruments that subject the Society to credit risk consist primarily of cash and accounts receivable. The Society provides services to a diverse client base and its credit risk is not concentrated in any one particular client, industry or geographic sector.

Currency risk

Financial instruments that subject the Society to currency risk consist primarily of short term investments. Short term investments in US dollars are exposed to foreign exchange fluctuations.

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. TRUST AMOUNTS RECOVERABLE

As part of its enforcement of responsible ownership of animals, the Society often seizes animals from owners against whom a complaint and investigation is filed. When such animals are seized and cared for by the Society, they may be reclaimed by the owners through procedures set out in Alberta's Animal Protection Act, or the animals may be auctioned off to new owners. Funds from these auctions are then held in trust for the owners. As set by the Act, expenses incurred for the care of the animals during the seizure are recorded against the trust account. These amounts may be reimbursed by the previous owner (if set out by the courts) or expensed by the Society after all legal proceedings and processing have been completed and closed.

5. CASH

	2024	2023
	\$	\$
Unrestricted cash	2,566,770	1,403,692
Externally restricted cash	270,508	811,917
	2,837,278	2,215,609

THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

6. SHORT TERM INVESTMENTS

	2024	2023
	\$	\$
RBC Wealth Management investments	3,433,939	2,854,175
RBC investment savings account (Note 11)	1,493,050	1,436,332
RBC premium CAD investment account	7,060	114,759
RBC premium USD investment account	-	5,996
	4,934,049	4,411,262

Investments are recorded at cost and subsequently measured at fair market value.

7. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
	\$	\$	\$	\$
Land	392,063	-	392,063	392,063
Buildings	2,507,517	782,292	1,725,225	1,797,109
Office and enforcement equipment	391,952	350,577	41,375	48,337
Leasehold improvements	628,939	500,443	128,496	160,620
Automotive equipment	169,179	47,175	122,004	807
Computer hardware	459,849	431,096	28,753	56,758
Computer software	144,486	142,738	1,748	3,884
	4,693,985	2,254,321	2,439,664	2,459,578

8. DEFERRED CONTRIBUTIONS

Deferred contributions represent funds internally and externally restricted for specific programs received in the current period that are related to subsequent periods.

	2024	2023
	\$	\$
Grants	317,500	283,365
Gaming	218,008	691,917
Capital contributions	108,699	76,544
Restricted trusts	67,344	67,344
	711,551	1,119,170

THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations consist of capital contributions received and spent related to the purchase of capital assets of the Society. These capital contributions are amortized and recognized to revenue at a rate equal to the amortization expense for that capital asset.

	2024 \$	2023 \$
Additions to unamortized capital allocations	142,871	-
Recognized as revenue during the year	(21,431)	-
	121,440	-

10. GAMING REVENUE

Gaming revenue is controlled by the Alberta Gaming, Liquor and Cannabis Commission and includes casino, lottery and raffle events. The Society holds three lottery and five raffle events: Spring, June, Summer, Christmas and New Years. Each lottery and raffle is required to maintain two of its own bank accounts from which spending can take place specifically for lottery and raffle expenses. Once all expenses are paid, the profits are transferred to a consolidated gaming account from which expenditures can be made on approved expenses, as specified by the Alberta Gaming, Liquor and Cannabis Commissions use of proceeds restrictions.

11. INTERNALLY RESTRICTED FUNDS

The Society's internally restricted fund is related to an investment savings account used for expenditures that are specifically approved by the Board of Directors for supporting the sustainability of the operations or the orderly winding up of the Society. These internally restricted funds are held in the RBC investment savings account.

12. CONTINGENCIES

In the normal course of business, the Society may be subject to various legal undertakings by former owners of animals seized by the Society. The outcomes of such actions are unknown as of December 31, 2024 but potential losses, if any, are not considered to be material to the financial position of the Society.

13. COMMITMENTS

The Society leases vehicles and office space under short and long-term leases. Future minimum lease payments to be made are as follows:

	\$
2025	194,303
2026	73,090
2027	14,143
2028	9,286
	290,822

THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
STATEMENT OF GAMING ACTIVITY
(Schedule 1)
YEAR ENDED DECEMBER 31, 2024

	2024	2023
	\$	\$
REVENUE		
Lotteries	1,860,277	1,617,762
Recognition of deferred lotteries	473,909	511,059
Casino	-	77,878
	2,334,186	2,206,699
EXPENSE		
Prizes	717,665	739,795
Printing and advertising	174,754	181,763
Contract work	77,418	-
Postage and distributions	76,539	113,530
Interest, bank and processing charges	55,577	153,482
Licenses, fees and dues	5,250	4,000
	1,107,203	1,192,570
EXCESS OF REVENUES OVER EXPENSES	1,226,983	1,014,129

The accompanying notes form part of these financial statements

THE ALBERTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
STATEMENT OF FUNDRAISING ACTIVITY
(Schedule 2)
YEAR ENDED DECEMBER 31, 2024

	2024 \$	2023 \$
REVENUE		
Donations	3,006,328	1,614,099
Capital bequests	1,027,719	846,464
Interest	1,016	-
	4,035,063	2,460,563
EXPENSES		
Salaries	279,558	190,265
Contract work	129,063	153,766
Printing and advertising	125,978	83,678
Postage	105,519	115,406
Professional fees	49,853	12,902
Interest and bank charges	36,472	36,151
Maintenance and supplies	29,092	37,312
Memberships	713	145
	756,248	629,625
EXCESS OF REVENUES OVER EXPENSES	3,278,815	1,830,938

Leanne Niblock Apr 15 2025

Heather Hunt Apr 10 2025

Andrea Edwards Apr 14 2025





Connie Varnhagen Apr 10 2025

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