



PAWS FOR HOPE ANIMAL FOUNDATION
Financial Statements
Year Ended March 31, 2021
(Unaudited)



PAWS FOR HOPE ANIMAL FOUNDATION

Index to Financial Statements

Year Ended March 31, 2021

(Unaudited)



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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Paws for Hope Animal Foundation

We have reviewed the accompanying financial statements of Paws for Hope Animal Foundation that comprise the statement of financial position as at March 31, 2021 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

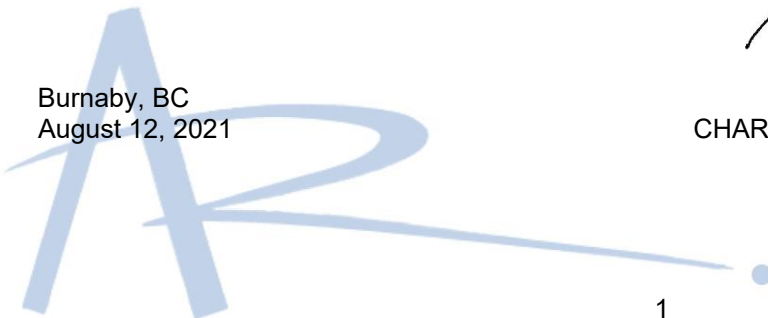
The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Paws for Hope Animal Foundation as at March 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.



A-R PARTNERS
CHARTERED PROFESSIONAL ACCOUNTANTS



Burnaby, BC
August 12, 2021

PAWS FOR HOPE ANIMAL FOUNDATION

Statement of Financial Position

March 31, 2021

(Unaudited)



	2021	2020
ASSETS		
CURRENT		
Cash (Note 3)	\$ 116,601	\$ 39,961
Restricted cash (Note 3)	114,023	100,851
Term deposit	10,000	-
Goods and services tax recoverable	8,531	6,016
	<u>249,155</u>	<u>146,828</u>
EQUIPMENT (Note 4)	7,596	839
	<u>\$ 256,751</u>	<u>\$ 147,667</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 8,076	\$ 6,337
Deferred contributions (Note 10)	114,023	100,851
	<u>122,099</u>	<u>107,188</u>
NET ASSETS		
Unrestricted funds	<u>134,652</u>	<u>40,479</u>
	<u>\$ 256,751</u>	<u>\$ 147,667</u>

ON BEHALF OF THE BOARD

Director

Director

The accompanying notes form an integral part of these financial statements

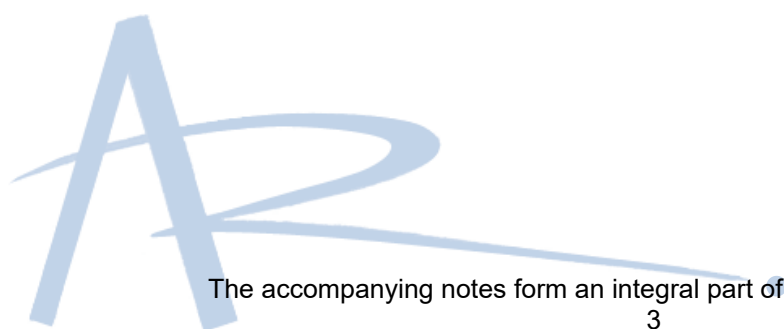
PAWS FOR HOPE ANIMAL FOUNDATION

**Statement of Operations
Year Ended March 31, 2021**

(Unaudited)



	2021	2020
REVENUE		
Donations	\$ 290,187	\$ 214,380
Events	-	8,759
General	-	940
Interest	2,114	82
Memberships	50	100
Merchandise	731	216
Restricted grants <i>(Note 5)</i>	373,060	125,214
Unrestricted grants	69,050	-
	735,192	349,691
EXPENSES <i>(Note 7)</i>		
Advertising and promotion	58,893	30,231
Amortization	1,475	339
Conferences and events	16,702	36,996
Fund development	11,175	32,981
Information technology	1,631	422
Insurance	7,955	5,100
Interest and bank charges	3,624	3,120
Licenses and dues	598	336
Meals and entertainment	446	5,043
Office	9,085	3,693
Pet supplies	22,288	177
Professional fees	23,145	28,485
Rent	1,249	600
Research	10,700	-
Strategic planning	-	2,252
Telephone	3,970	2,553
Training	636	-
Travel	10,725	8,815
Veterinary Care	311,145	149,553
Wages and salaries	145,568	66,835
	641,010	377,531
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	94,182	(27,840)
OTHER (LOSS) INCOME		
(Loss) Gain on disposal of marketable securities	(9)	5,890
Unrealized market value increase of marketable securities	-	(6,426)
	(9)	(536)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 94,173	\$ (28,376)



The accompanying notes form an integral part of these financial statements

PAWS FOR HOPE ANIMAL FOUNDATION

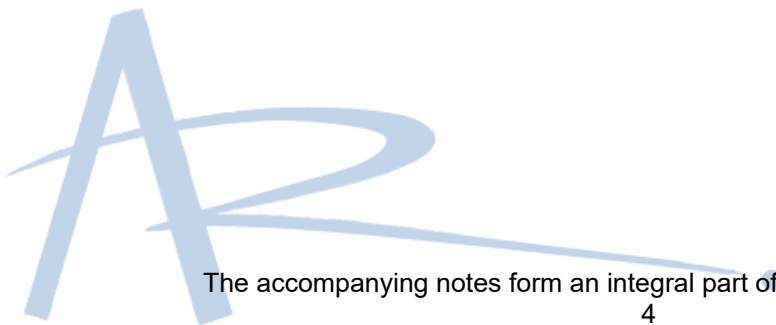
Statement of Changes in Net Assets

Year Ended March 31, 2021

(Unaudited)



	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 40,479	\$ 68,855
EXCESS OF REVENUE OVER EXPENSES	94,173	(28,376)
NET ASSETS - END OF YEAR	\$ 134,652	\$ 40,479



The accompanying notes form an integral part of these financial statements

PAWS FOR HOPE ANIMAL FOUNDATION

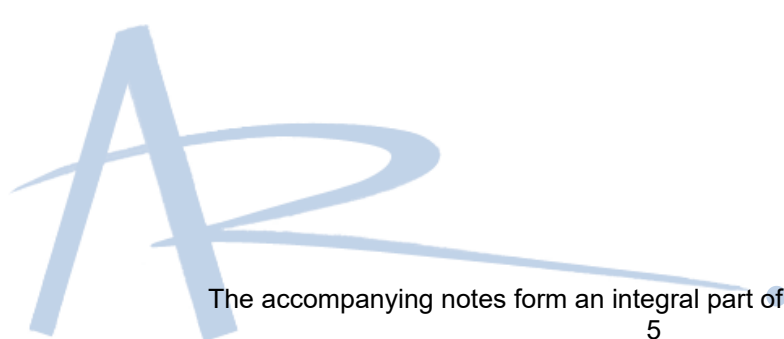
Statement of Cash Flows

Year Ended March 31, 2021

(Unaudited)



	2021	2020
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 94,173	\$ (28,376)
Items not affecting cash:		
Amortization of property, plant and equipment	1,475	339
Loss (gain) on disposal of investments	9	(5,890)
Write-down of marketable securities	-	6,426
	<u>95,657</u>	<u>(27,501)</u>
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	1,740	2,689
Deferred contributions	13,172	63,695
Prepaid expenses	-	629
Sales taxes receivable	<u>(2,515)</u>	<u>(775)</u>
	<u>12,397</u>	<u>66,238</u>
Cash flow from operating activities	<u>108,054</u>	<u>38,737</u>
INVESTING ACTIVITIES		
Purchase of equipment	(8,233)	-
Proceeds from (purchase) sale of marketable securities	(9)	22,128
Purchase of marketable securities and term deposits	<u>(10,000)</u>	<u>(1,528)</u>
Cash flow (used by) from investing activities	<u>(18,242)</u>	<u>20,600</u>
INCREASE IN CASH FLOW	89,812	59,337
Cash - beginning of year	<u>140,812</u>	<u>81,475</u>
CASH - END OF YEAR	\$ 230,624	\$ 140,812



The accompanying notes form an integral part of these financial statements

PAWS FOR HOPE ANIMAL FOUNDATION

Notes to Financial Statements

Year Ended March 31, 2021

(Unaudited)



1. NATURE OF OPERATIONS

Paws for Hope Animal Foundation (the Foundation) was incorporated on June 16, 2011. The Foundation is dedicated towards responding to the immediate and urgent needs of animals in crisis and functions to significantly improve the overall welfare of animals through education programs, awareness campaigns and community support.

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 (ASNPO).

Cash

Cash represents unrestricted cash on hand, restricted cash on hand and deposits with banks.

Revenue recognition

Paws for Hope Animal Foundation 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.

Unrestricted investment income is recognized as revenue when earned.

Contributed services

Volunteers contribute a significant amount of their time each year. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Equipment

Equipment is stated at cost less accumulated amortization. Equipment is amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Computer equipment	30-55%	declining balance method
Office equipment	20%	declining balance method

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. One such estimate involves determining the useful life of assets for amortization purposes. 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.

PAWS FOR HOPE ANIMAL FOUNDATION

Notes to Financial Statements

Year Ended March 31, 2021

(Unaudited)



3. CASH

	<u>2021</u>	<u>2020</u>
CASH RESTRICTED FOR PROGRAMS BELOW:		
BC Gaming Account	\$ 1,803	\$ 1,582
Chris Spencer Foundation	-	5,000
Community Cats Reserve	10,000	-
Lakes Animal Friendship Society	2,220	4,368
No Pet Left Behind	-	15,471
The Animal Welfare Foundation of Canada	-	5,000
Vancouver Foundation Grant	100,000	69,430
	<u>114,023</u>	100,851
UNRESTRICTED CASH:	<u>116,601</u>	39,961
	<u>\$ 230,624</u>	\$ 140,812

4. EQUIPMENT

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer equipment	\$ 10,722	\$ 3,216	\$ 7,506	\$ 726
Office equipment	306	216	90	113
	<u>\$ 11,028</u>	\$ 3,432	\$ 7,596	\$ 839

5. RESTRICTED GRANT REVENUE

	<u>2021</u>	<u>2020</u>
BC Gaming	\$ 65,011	\$ 43,865
Better Together	112,500	-
Chris Spencer Foundation	5,000	-
First West Foundation	-	10,000
Lakes Animal Friendship Society	2,148	633
No Pet Left Behind	80,471	5,629
SpayAid	20,000	-
The Animal Welfare Foundation of Canada	5,000	-
The River Foundation	8,000	-
Vancouver Foundation	74,930	65,087
	<u>\$ 373,060</u>	\$ 125,214

6. CREDIT FACILITIES

The Foundation has a line of credit available in the amount of \$10,000 from Vancouver City Savings Credit Union. The line of credit bears interest at the bank's prime rate plus 2.9%. At March 31, 2021, the Foundation has no amount outstanding under this line of credit.

PAWS FOR HOPE ANIMAL FOUNDATION

Notes to Financial Statements

Year Ended March 31, 2021

(Unaudited)



7. EXPENSES BY PROGRAM

	<u>2021</u>
AWANBC General	\$ 15,799
Better Together	196,216
Clinic	14,186
Guardian Angel	23,825
No Pet Left Behind	151,958
Remote Underserved Communities	12,134
Rescue Standards Accreditation	11,855
SpayAid BC	51,389
Animal Intake	27,663
Pets Are Not Products	17,584
Connections and companionship	10,700
General	<u>107,701</u>
	<u>\$ 641,010</u>

8. FINANCIAL INSTRUMENTS

The Foundation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Foundation's risk exposure and concentration as of March 31, 2021.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its receipt of funds from its donors and other related sources, accounts payable and accrued liabilities.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Foundation is mainly exposed to other price risk.



PAWS FOR HOPE ANIMAL FOUNDATION

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9. COVID-19

In early March 2020 the impact of the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. The Foundation's operations were impacted by COVID-19 due to the closure of operations, increase in government funding, increase in support requests, cancellation of events, and cost management strategies.

The impact of COVID-19 has been partially offset by available Government programs for which the Foundation was eligible. The Foundation has received additional funding from March 2020 to the date of completion of these financial statements. Eligibility requirements under these programs have evolved since first announced and can be subject to changes in legislation or administrative positions, further, there is significant uncertainty of the period of time into the future that the Government will continue these programs.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Foundation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause staff shortages, and increased government regulations, all of which may negatively impact the Foundation's business and financial conditions.





Notes to Financial Statements
Year Ended March 31, 2021
(Unaudited)

10. DEFERRED CONTRIBUTIONS ON RESTRICTED GRANTS

	BC Gaming	Vancouver Foundation	Lakes Animal Friendship Society	Summer Lee Foundation Reserve	Total
Better Together (Roxy's Relief)	\$ 1,804	\$ -	\$ -	\$ -	\$ 1,804
Animal Welfare Advisory Network of BC	-	100,000	-	-	100,000
SpayAid BC	-	-	2,219	-	2,219
Community Cats Reserve	-	-	-	10,000	10,000
	<u>\$ 1,804</u>	<u>\$ 100,000</u>	<u>\$ 2,219</u>	<u>\$ 10,000</u>	<u>\$ 114,023</u>

The BC Gaming grant is externally restricted for certain expenses related to the Better Together (Roxy's Relief), SpayAid, and No Pet Left Behind.

The Vancouver Foundation grant is externally restricted for certain expenses related to the Animal Welfare Advisory Network of BC program.

The Lakes Animal Friendship Society grant is restricted for expenses related to the SpayAid BC program.

The Summer Lee Foundation Reserve grant is restricted for expenses related to the Community Cats Reserve.

