

# The Hamilton/Burlington Society for the Prevention of Cruelty to Animals

Financial Statements  
For the year ended March 31, 2022

Contents	Page
<b>Independent Auditors' Report</b>	
<b>Financial Statements</b>	
Statement of Financial Position	1
Statement of Operations	2
Statement of Changes in Net Assets	3
Statement of Cash Flows	4
Notes to Financial Statements	5 - 11

To the Directors of  
The Hamilton/Burlington Society for the Prevention of Cruelty to Animals

### **Independent Auditors' Report**

#### **Qualified Opinion**

We have audited the accompanying financial statements of The Hamilton/Burlington Society for the Prevention of Cruelty to Animals (the Society), which comprise the statement of financial position as at March 31, 2022, 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.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of The Hamilton/Burlington Society for the Prevention of Cruelty to Animals as at March 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, the Society derives revenue from fundraising and donation activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to revenue and excess of revenues over expenses, assets, and net assets for the year ended March 31, 2022 and March 31, 2021.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' 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.

### **Auditors' 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 Auditing Standards (CASs), 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.

June 6, 2022  
Burlington, Ontario

*SB Partners LLP*

Chartered Professional Accountants  
Licensed Public Accountants

**The Hamilton/Burlington Society for the Prevention of Cruelty to Animals**  
**Statement of Financial Position**  
**March 31, 2022**

	Operating Fund	Reserve Fund (Note 7)	Directed Bequest Fund (Note 8)	2022	2021 (Note 16)
<b>Current assets</b>					
Cash and cash equivalents	\$ 855,999	\$ 302,249	\$ -	\$ 1,158,248	\$ 2,416,315
Short term investments	400,044	709,025	-	1,109,069	555,715
Restricted funds (Note 3)	32,500	-	-	32,500	28,500
Accounts receivable, trade and other	87,035	-	-	87,035	102,065
Prepaid expenses and other assets	19,936	-	-	19,936	18,831
Interfund loan	579,632	(563,988)	(15,644)	-	-
	1,975,146	447,286	(15,644)	2,406,788	3,121,426
<b>Long-term investments</b>	-	5,978,531	345,986	6,324,517	4,378,454
<b>Property, plant and equipment (Note 4)</b>	2,234,447	-	-	2,234,447	2,308,528
	\$ 4,209,593	\$ 6,425,817	\$ 330,342	\$ 10,965,752	\$ 9,808,408
<b>Current liabilities</b>					
Accounts payable and accrued liabilities	\$ 140,982	\$ -	\$ -	\$ 140,982	\$ 123,726
Deferred revenue	197,285	-	-	197,285	188,334
Current portion of deferred government assistance (Note 6)	40,600	-	-	40,600	37,966
	378,867	-	-	378,867	350,026
<b>Deferred capital contributions (Note 5)</b>	9,207	-	-	9,207	11,049
<b>Deferred government assistance (Note 6)</b>	471,712	-	-	471,712	487,287
	859,786	-	-	859,786	848,362
<b>Net Assets</b>					
Internally restricted (Note 7)	-	6,425,817	330,342	6,756,159	6,051,450
Unrestricted	3,349,807	-	-	3,349,807	2,908,596
	3,349,807	6,425,817	330,342	10,105,966	8,960,046
	\$ 4,209,593	\$ 6,425,817	\$ 330,342	\$ 10,965,752	\$ 9,808,408

Approved on Behalf of the Board

\_\_\_\_\_  
Directors

\_\_\_\_\_  
Directors

*The accompanying notes are an integral part of the financial statements.*



**The Hamilton/Burlington Society for the Prevention of Cruelty to Animals**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2022**

	Operating Fund	Reserve Fund	Directed Bequest Fund	2022	2021
<b>Fund balances, beginning of year</b>	\$ 2,908,596	\$ 5,774,501	\$ 276,949	\$ 8,960,046	\$ 7,656,039
Excess of revenues over expenses	363,192	651,316	131,412	1,145,920	1,304,007
Transfer from Restricted Bequest Fund to Operating Fund	78,019	-	(78,019)	-	-
<b>Fund balances, end of year</b>	\$ 3,349,807	\$ 6,425,817	\$ 330,342	\$ 10,105,966	\$ 8,960,046

*The accompanying notes are an integral part of the financial statements.*



**The Hamilton/Burlington Society for the Prevention of Cruelty to Animals**  
**Statement of Operations**  
**Year Ended March 31, 2022**

Revenue	Operating		Directed		2022	2021
	Fund	Reserve Fund	Bequest Fund			
Appeals	\$ 184,229	\$ -	\$ -	\$ 184,229	\$ 214,777	
Bequests	-	623,286	131,412	754,698	790,152	
Donations	654,316	-	-	654,316	639,040	
Events	109,862	-	-	109,862	70,705	
Grants and subsidies (Note 12)	546,607	-	-	546,607	571,728	
Investment and other	31,597	169,310	-	200,907	28,951	
Lotteries	310,258	-	-	310,258	221,731	
Membership and merchandise sales	112,742	-	-	112,742	87,971	
Program fees	935,874	-	-	935,874	518,123	
	<b>2,885,485</b>	<b>792,596</b>	<b>131,412</b>	<b>3,809,493</b>	<b>3,143,178</b>	
<b>Expenses</b>						
Advertising and promotion	76,640	-	-	76,640	69,846	
Animal care fees	233,770	-	-	233,770	184,427	
Building repairs and maintenance	36,183	-	-	36,183	51,310	
Communications	31,883	-	-	31,883	27,662	
Computer maintenance and supplies	77,761	-	-	77,761	52,414	
Employee benefits	147,226	-	-	147,226	108,677	
Equipment repairs and maintenance	25,872	-	-	25,872	20,113	
Insurance	33,574	-	-	33,574	30,865	
Interest, bank charges, and investment fees	31,590	70,406	-	101,996	72,093	
Memberships and dues	4,920	-	-	4,920	4,575	
Office and postage	32,822	-	-	32,822	37,186	
Professional fees	296,937	-	-	296,937	301,251	
Program awards and supplies	179,410	-	-	179,410	149,870	
Salaries and wages	1,067,274	-	-	1,067,274	815,691	
Staff and volunteer development	19,356	-	-	19,356	2,287	
Travel and hospitality	458	-	-	458	147	
Utilities	79,212	-	-	79,212	83,856	
Vehicle	6,863	-	-	6,863	6,945	
	<b>2,381,751</b>	<b>70,406</b>	<b>-</b>	<b>2,452,157</b>	<b>2,019,215</b>	
<b>Excess of revenues over expenses before other items</b>	<b>503,734</b>	<b>722,190</b>	<b>131,412</b>	<b>1,357,336</b>	<b>1,123,963</b>	
Amortization of capital assets	(181,667)	-	-	(181,667)	(171,885)	
Amortization of government assistance	39,283	-	-	39,283	37,966	
Amortization of deferred capital contributions	1,842	-	-	1,842	1,842	
Unrealized gain (loss) on investments	-	(70,874)	-	(70,874)	312,121	
<b>Excess of revenues over expenses</b>	<b>\$ 363,192</b>	<b>\$ 651,316</b>	<b>\$ 131,412</b>	<b>\$ 1,145,920</b>	<b>\$ 1,304,007</b>	

The accompanying notes are an integral part of the financial statements.



**The Hamilton/Burlington Society for the Prevention of Cruelty to Animals**  
**Statement of Cash Flows**  
**Year Ended March 31, 2022**

	Operating Fund	Reserve Fund	Directed Bequest Fund	2022	2021 (Note 16)
<b>Cash flows from operating activities</b>					
Excess of revenues over expenses	\$ 363,192	\$ 651,316	\$ 131,412	\$ 1,145,920	\$ 1,304,007
Amortization of capital assets	181,667	-	-	181,667	171,885
Amortization of deferred government assistance	(39,283)	-	-	(39,283)	(37,966)
Transfers	78,019	-	(78,019)	-	-
Amortization of deferred capital contributions	(1,842)	-	-	(1,842)	(1,842)
Unrealized loss (gain) on investments	-	70,874	-	70,874	(312,121)
	<b>581,753</b>	<b>722,190</b>	<b>53,393</b>	<b>1,357,336</b>	<b>1,123,963</b>
Net change in accounts receivable, trade and other	15,030	-	-	15,030	(12,083)
Net change in accounts payable and accrued liabilities	17,256	-	-	17,256	13,053
Net change in interfund loans	1,915	-	(1,915)	-	-
Net change in other operating working capital balances	7,846	-	-	7,846	65,988
Cash flows from operating activities	<b>623,800</b>	<b>722,190</b>	<b>51,478</b>	<b>1,397,468</b>	<b>1,190,921</b>
<b>Cash flows from financing activities</b>					
Increase in deferred government assistance	26,342	-	-	26,342	-
Cash flows from financing activities	<b>26,342</b>	<b>-</b>	<b>-</b>	<b>26,342</b>	<b>-</b>
<b>Cash flows from investing activities</b>					
Sale (purchase) of long-term investments, net of proceeds	-	(2,086,287)	(51,478)	(2,137,765)	1,349,072
Purchase of short-term investments	(104,044)	(332,483)	-	(436,527)	(300,000)
Purchase of capital assets	(107,585)	-	-	(107,585)	(589,494)
Cash flows from (used in) investing activities	<b>(211,629)</b>	<b>(2,418,770)</b>	<b>(51,478)</b>	<b>(2,681,877)</b>	<b>459,578</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>438,513</b>	<b>(1,696,580)</b>	<b>-</b>	<b>(1,258,067)</b>	<b>1,650,499</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>417,486</b>	<b>1,998,829</b>	<b>-</b>	<b>2,416,315</b>	<b>765,816</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 855,999</b>	<b>\$ 302,249</b>	<b>\$ -</b>	<b>\$ 1,158,248</b>	<b>\$ 2,416,315</b>

The accompanying notes are an integral part of the financial statements.





# The Hamilton/Burlington Society for the Prevention of Cruelty to Animals

## Notes to Financial Statements

Year Ended March 31, 2022

---

### 1. Form of Organization

The Hamilton/Burlington Society for the Prevention of Cruelty to Animals (the "Society") was established in 1887 with the objective of providing an effective means for the prevention of cruelty to animals. The Society is incorporated under the Corporations Act of Ontario as a not-for-profit organization without share capital.

### 2. Significant accounting policies

#### Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### Fund accounting

The Society maintains its accounts in accordance with the principles of fund accounting. Resources are classified for accounting and reporting purposes into funds according to the activity or objective specified by the Board of Directors.

The internally restricted funds include both the Reserve Fund and the Directed Bequest Fund. The Reserve fund has been restricted by the Board of Directors to ensure the long-term stability of the Society whereas the Directed Bequest Fund has been restricted by the Board of Directors to honour funds bequeathed for a specific purpose. Certain donation revenue and investment income earned on internally restricted funds are recorded as revenue of the restricted funds. An annual reserve granting policy transfers to the Operating Fund an amount up to 5.5% of the average value of the invested reserve assets for the last four quarters. If the Board determines that an additional amount should be transferred from the Reserve Fund and made available for Operations of the Society, the additional amount will also be recorded as a transfer between the funds.

All other revenues and expenses of the Society are recorded in the Statement of Operations in the Operating Fund.

#### Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit, cheques issued and outstanding, and investments in money market instruments.

#### Financial instruments

The Society's financial instruments consist of cash and cash equivalents, short-term investments, restricted funds, accounts receivable, long-term investments, and accounts payable and accrued liabilities. The Society's long-term investments, which consist of shares of publicly traded companies and government bonds, are initially recognized and subsequently measured at fair value without adjustment for transaction costs that would be incurred on disposal and exclude adjustment for premiums and discounts associated with government bonds. Changes in fair value are recognized in income in the period. All other financial instruments are initially recognized at fair value and subsequently measured at amortized cost. Transaction costs and financial fees associated with financial instruments carried at amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the life of the financial instrument.



# The Hamilton/Burlington Society for the Prevention of Cruelty to Animals

## Notes to Financial Statements

Year Ended March 31, 2022

---

### 2. Significant accounting policies (cont'd.)

#### Capital assets

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided as follows:

Building and leasehold improvements	straight-line until the year 2036
Computer equipment	30% straight-line
Website	30% straight-line
Office equipment	10% straight-line
Shelter equipment	10% straight-line
Animal hospital equipment	10% straight-line
Outdoor	10% straight-line
Vehicles	40% straight-line

One-half the normal rate of amortization is provided for in the year of acquisition.

#### Revenue recognition

The Society follows the deferral method of accounting for revenue generated through contributions, sponsorships, grants, fundraising events, memberships, program fees, and merchandise sales. These revenues are recognized when received or when the amount can be reasonably estimated and collection is reasonably assured. Lottery revenue and other amounts received for future services are deferred until the service is provided. Investment income is recognized as revenue is earned.

#### Contributed services

Volunteers contribute a significant number of hours per year. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

#### Income taxes

The Society is a not-for-profit organization registered under the Income Tax Act (the "Act") and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Society must meet certain requirements of the Act. In the opinion of management, these requirements have been met.

#### Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expense during the period. Actual results could differ from those estimates.

#### Government assistance

The Society recognizes government assistance when amounts are determinable and collection is reasonably assured. Government assistance received towards current expenses or revenues are included in the determination of net income for the period.



# The Hamilton/Burlington Society for the Prevention of Cruelty to Animals

## Notes to Financial Statements

Year Ended March 31, 2022

---

### 3. Restricted funds

Restricted fund investments are comprised of a Guaranteed Income Certificate earning interest at a rate of 0.40%, with a maturity date of March 6, 2023. The investment is restricted in that it is held as collateral on the letter of credit as disclosed in Note 11.

### 4. Property, plant and equipment

	Cost	Accumulated Amortization	2022 Net book value	2021 Net book value
Land	\$ 221,191	\$ -	\$ 221,191	\$ 221,191
Building and leasehold improvements	3,292,609	1,522,047	1,770,562	1,898,999
Computer equipment	94,930	36,752	58,178	35,830
Website	12,639	5,688	6,951	10,743
Office equipment	65,019	44,232	20,787	25,850
Shelter equipment	188,151	117,717	70,434	27,503
Animal hospital equipment	183,245	114,410	68,835	76,654
Outdoor	38,446	24,424	14,022	10,331
Vehicles	66,231	62,744	3,487	1,427
	<b>\$ 4,162,461</b>	<b>\$ 1,928,014</b>	<b>\$ 2,234,447</b>	<b>\$ 2,308,528</b>

### 5. Deferred capital contributions

	2022	2021
Deferred contributions - construction	\$ 11,049	\$ 12,891
Amortization of deferred capital contributions	(1,842)	(1,842)
	<b>\$ 9,207</b>	<b>\$ 11,049</b>

Contributions received for the renovations of the premises have been accounted for on a deferred basis. Amortization will be provided for using the same method and rate as the respective renovations.



# The Hamilton/Burlington Society for the Prevention of Cruelty to Animals

## Notes to Financial Statements

Year Ended March 31, 2022

### 6. Deferred government assistance

	Shelter	Animal Hospital	Fence	Mechanical	2022	2021
Opening balance	\$ 416,341	\$99,368	\$ 9,544	\$ -	\$ 525,253	\$ 563,219
Additions	-	-	-	26,342	26,342	-
Amortization of deferred government assistance	(28,684)	(6,737)	(2,545)	(1,317)	(39,283)	(37,966)
	387,657	92,631	6,999	25,025	512,312	525,253
Less: Current portion	(28,684)	(6,737)	(2,545)	(2,634)	(40,600)	(37,966)
Ending balance	\$358,973	\$85,894	\$ 4,454	\$ 22,391	\$ 471,712	\$ 487,287

Government assistance received for the construction of the premises in 1996 and the Companion Animal Hospital in 2009 has been accounted for on a deferred basis. Amortization is provided for using the same method and rate as the respective building. Additional assistance was received in 2015 for the supply and installation of a fence for the leash free park and in fiscal 2022 to replace mechanical equipment. Amortization is provided for using the same method as the respective outdoor and shelter equipment asset.

### 7. Internally restricted reserve fund

All bequests received are internally restricted by the Board of Directors for investment purposes. These internally restricted funds are not available for other purposes without prior approval of the Board of Directors.

### 8. Internally restricted - Directed bequest fund

The directed bequest fund honours funds bequeathed to the Society for specific purposes. The Free Spay/Neuter Fund was started in 2013 with the inaugural bequest from McGinley Estate (2013); the Society has partnered with a community partner to provide spay/neuter services to their clients with low income households in Hamilton. The Veterinary Care for Homeless Animals Fund received its inaugural contribution from the Cichra Estate (2014) and the Animals at Risk fund was started by McKay Estate (2022).

	Opening Balance	Additions	Spending	Ending Balance
Free Spay/Neuter	\$ 113,573	\$ -	\$ (5,345)	\$ 108,228
Veterinary Care for Homeless Animals	163,376	-	(58,120)	105,256
Animals at Risk	-	131,411	(14,554)	116,857
	\$ 276,949	\$ 131,411	\$ (78,019)	\$ 330,341



# The Hamilton/Burlington Society for the Prevention of Cruelty to Animals

## Notes to Financial Statements

Year Ended March 31, 2022

---

### 9. Fund transfers

#### Reserve Fund

Consistent with the annual reserve granting policy (Note 2), the Board of Directors approved the transfer of funds from the Reserve Fund to the Operating Fund of \$Nil (2021 - \$Nil).

### 10. Operating lease commitments

Future minimum payments for operating leases that have initial or remaining terms of one year or more consist of the following amounts:

	<b>2023</b>	\$	20,901
	<b>2024</b>		11,584
	<b>2025</b>		11,220
	<b>2026</b>		11,220
	<b>2027</b>		2,805
		<hr/>	
		\$	57,730

### 11. Commitments

The Society has a letter of credit in favour of the City of Hamilton in the amount of \$32,500 expiring March 7, 2023.

### 12. Government assistance

Included in grants and subsidies in the period is government assistance in the form of Canada Emergency Wage Subsidy (CEWS) totaling \$182,811 (2021 - \$340,074) and Canada Recovery Hiring Program (CRHP) totaling \$19,993 (2021 - \$Nil)

Also included in grants and subsidies in the period is government assistance from Employment and Social Development Canada through the Canada Summer Jobs program totaling \$20,237 (2021 - \$Nil).

### 13. Non-monetary transactions

During the year the Society received one donation of publicly traded shares for total proceeds of \$6,679 (2021 - \$Nil). The proceeds received for these shares have been determined based on the fair market value of the publicly traded shares on the date of receipt of the donations. There were no realized gains or losses on these non-monetary transactions.



# The Hamilton/Burlington Society for the Prevention of Cruelty to Animals

## Notes to Financial Statements

Year Ended March 31, 2022

---

### 14. Financial instruments

The Society's financial instruments consist of cash and cash equivalents, short-term investments, restricted funds, accounts receivable, long-term investments, and accounts payable and accrued liabilities.

#### Liquidity risk

The Society's exposure to liquidity risk is dependent on the donations, program fees as well as membership and merchandise volumes, the collection of accounts receivable, purchasing commitments and obligations or raising of funds to meet commitments and sustain operations. The Society controls liquidity risk by management of working capital, cash flows and the availability of borrowing facilities.

#### Market Risk

The Society's investments in publicly-traded securities exposes the Society to price risks as equity investments are subject to price changes in an open market. The Society does not use derivative financial instruments to alter the effects of this risk.

The Society has the following mix of investments as of March 31, 2022:

	<b>2022</b>	<b>2021</b>
Fixed income/Principal protected notes	\$ 1,852,996	\$ 963,126
Segregated funds and equities	\$ 4,471,521	\$ 3,415,328
	<b>\$ 6,324,517</b>	<b>\$ 4,378,454</b>

---

All financial investments are recorded at fair value with unrealized gains/losses included in statement of operations.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant credit, interest, or currency risks.



# The Hamilton/Burlington Society for the Prevention of Cruelty to Animals

## Notes to Financial Statements

Year Ended March 31, 2022

---

### 15. Impact of COVID-19 pandemic

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian federal and provincial governments, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally and in Canada resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions, however the success of these interventions is not currently determinable. The current challenging economic climate may lead to adverse changes in cash flows, and future fundraising efforts, which may also have a direct impact on the Society's operating results and financial position in the future. The Provincial emergency order issued in March 2020 declared veterinary services (urgent care only) and other businesses that provide for the health and welfare of animals as essential services. In response to this order management assigned some staff to work from home, some staff to provide urgent care and placed other staff on layoff. The Society reviewed announced government support programs and successfully applied for the Canada Emergency Wage Subsidy (CEWS), to keep staff and mitigate expected financial loss. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Society is not known at this time.

### 16. Comparative information

The comparative figures for 2021 have been reclassified where necessary to conform with the 2022 financial statement presentation.

