

**FRASER VALLEY HUMANE SOCIETY**

**FINANCIAL STATEMENTS**

(Unaudited)

**OCTOBER 31, 2006**

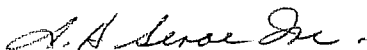
## REVIEW ENGAGEMENT REPORT

To the Directors of:  
Fraser Valley Humane Society

I have reviewed the statement of financial position of Fraser Valley Humane Society as at October 31, 2006 and the statements of changes in net assets, and the statement of operations and net assets and cash flows for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the company.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.



A.H. Senae Inc.  
Certified General Accountant

Mission, BC  
January 8, 2007

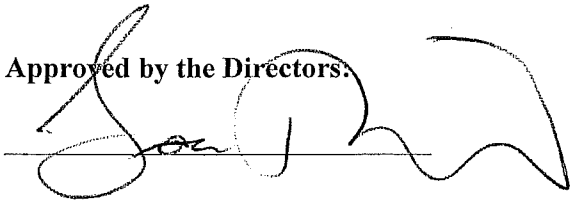
**FRASER VALLEY HUMANE SOCIETY**

**STATEMENT OF FINANCIAL POSITION**

**AS AT OCTOBER 31, 2006**

	2006	2005
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ -	\$ 12,044
Accounts receivable	400	675
Goods and services tax refundable	3,101	4,094
Prepaid expenses	2,080	2,070
	<u>5,581</u>	<u>18,883</u>
<b>Capital assets (note 1c)</b>	2,930	2,930
	<u>\$ 8,511</u>	<u>\$ 21,813</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Bank overdraft	\$ 1,689	\$ -
Accounts payable	15,096	18,850
	<u>16,785</u>	<u>18,850</u>
<b>NET ASSETS</b>		
Invested in capital assets	2,930	2,930
Unrestricted	(11,204)	33
	<u>(8,274)</u>	<u>2,963</u>
	<u>\$ 8,511</u>	<u>\$ 21,813</u>

Approved by the Directors:



Charlote Mcintosh

Unaudited - See Review Engagement Report.  
The accompanying notes are an integral part of these statements.

**FRASER VALLEY HUMANE SOCIETY**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED OCTOBER 31, 2006**

	Unrestricted Net Assets	Investment in Capital Assets	Total 2006	Total 2005
Net assets, beginning of year	\$ 33	\$ 2,930	\$ 2,963	\$ 49,723
Excess (deficiency) of revenue over expenses for the year	(11,237)	-	(11,237)	(46,760)
Net assets, end of year	\$ (11,204)	\$ 2,930	\$ (8,274)	\$ 2,963

Unaudited - See Review Engagement Report.  
The accompanying notes are an integral part of these statements.

**FRASER VALLEY HUMANE SOCIETY**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED OCTOBER 31, 2006**

	2006	2005
<b>Revenue</b>		
Adoptions	\$ 23,521	\$ 27,326
Donations	39,260	55,147
Fundraising, net	23,526	14,294
Grants	39,500	48,500
Interest	52	495
Membership dues	955	620
	<u>126,814</u>	<u>146,382</u>
<b>Expenses</b>		
Accounting	1,339	1,346
Administration and office	4,458	3,793
Advertising	172	50
Bank charges	18	49
Charitable activities	8,873	26,399
Grant expense	3,100	-
Insurance	2,042	2,066
Rent	8,035	7,872
Repairs and maintenance	1,653	2,577
Telephone	4,162	3,600
Travel	-	2,189
Utilities	1,968	1,777
Veterinary fees	50,132	90,268
Wages	52,099	51,156
	<u>138,051</u>	<u>193,142</u>
<b>Net loss for the year</b>	<b>\$ (11,237)</b>	<b>\$ (46,760)</b>

Unaudited - See Review Engagement Report.  
The accompanying notes are an integral part of these statements.

**FRASER VALLEY HUMANE SOCIETY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED OCTOBER 31, 2006**

	2006	2005
<b>Cash used in operating activities</b>		
Net loss	\$ (11,237)	\$ (46,760)
<b>Changes in non-cash working capital balances</b>		
Accounts receivable	275	(675)
Goods and services tax refundable	993	(1,216)
Prepaid expenses	(9)	(11)
Accounts payable and accrued liabilities	(3,755)	7,514
	(2,496)	5,612
<b>Decrease in cash</b>	(13,733)	(41,148)
<b>Cash, beginning of year</b>	12,044	53,192
<b>Cash (deficiency), end of year</b>	\$ (1,689)	\$ 12,044
Cash is defined as cash less cheques issued in excess of funds on deposit and demand loans.		
<b>Cash(deficiency)</b>	\$ (1,689)	\$ 12,044

Unaudited - See Review Engagement Report.  
The accompanying notes are an integral part of these statements.

**FRASER VALLEY HUMANE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**OCTOBER 31, 2006**

---

**Nature of operations**

Fraser Valley Humane Society was incorporated under the Society Act of the Province of British Columbia on September 3, 1999, for the purpose of providing services for animals as follows: a natural disaster hotline; a central lost and found phone service; emergency medical attention for strays; spay and neuter programs; adoption of surrendered and stray animals; and public education regarding animal welfare issues.

The Society is a registered charity under the Income Tax Act and accordingly is exempt from income taxes provided certain requirements of the Income Tax Act are met.

**1. Summary of significant accounting policies**

(a) The Society's financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

(b) Revenue recognition

The Society follows the deferral method of accounting for contributions. Grants approved but not received at the end of the accounting period are accrued. Where a portion of the funding relates to a future period, it is deferred and recognized in the subsequent period.

Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection assured.

Externally restricted contributions are recognized as revenue in the year which the related expenses are recognized.

Revenue from fundraising and donations is recognized when the funds are received. Donations in kind for material and services are not reported in these financial statements.

(c) Capital assets are recorded at cost. The Society does not record amortization on its capital assets. The Society annually reviews its inventory of capital assets and writes down the value when it is determined there is a permanent impairment in value. Capital assets consist of office equipment, furniture and fixtures.

(d) Use of estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amount reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**2. Building lease commitment**

The Society is committed to a 3 year building lease which expires March 31, 2009. The lease is renewable for an additional 1 year term. Approximate lease costs are \$8,320 per year.

**FRASER VALLEY HUMANE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**

**OCTOBER 31, 2006**

---

**3. Fair value of financial assets and liabilities**

The fair value of the Society's cash, term deposits, accounts receivable, accounts payable and accrued liabilities approximate their carrying amounts.

**4. Donations for the year - in kind (estimated)**

Animal food and supplies	\$ 4,242
Veterinary fees	57,400
	<hr/>
	\$ 61,642

---