

**FRASER VALLEY HUMANE SOCIETY**

**FINANCIAL STATEMENTS**

(Unaudited)

**OCTOBER 31, 2007**

**FRASER VALLEY HUMANE SOCIETY**

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**OCTOBER 31, 2007**

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## 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, 2007 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.*

A.H. Senae Inc.  
Certified General Accountant

Mission, BC  
January 29, 2008

**FRASER VALLEY HUMANE SOCIETY**

**STATEMENT OF FINANCIAL POSITION**

**AS AT OCTOBER 31, 2007**

	2007	2006
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 3,170	\$ -
Accounts receivable	-	400
Goods and services tax refundable	1,806	3,101
Prepaid expenses	2,086	2,080
	<u>7,062</u>	<u>5,581</u>
<b>Capital assets (note 1c)</b>	3,073	2,930
	<u>\$ 10,135</u>	<u>\$ 8,511</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Bank overdraft	\$ -	\$ 1,689
Accounts payable and accrued liabilities (note 2)	13,065	15,096
	<u>13,065</u>	<u>16,785</u>
<b>NET ASSETS</b>		
Invested in capital assets	3,073	2,930
Restricted - spay and neuter fund	-	
Unrestricted	(6,003)	(11,205)
	<u>(2,930)</u>	<u>(8,274)</u>
	<u>\$ 10,135</u>	<u>\$ 8,511</u>

Approved by the Directors:



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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, 2007**

	Unrestricted Net Assets	Investment in Capital Assets	Total 2007	Total 2006
Net assets, beginning of year	\$ (11,204)	\$ 2,930	\$ (8,274)	\$ 2,963
Excess (deficiency) of revenue over expenses for the year	5,344	-	5,344	(11,237)
Additions to capital assets	(143)	143	-	-
	5,201	143	5,344	(11,237)
<b>Net assets, end of year</b>	<b>\$ (6,003)</b>	<b>\$ 3,073</b>	<b>\$ (2,930)</b>	<b>\$ (8,274)</b>

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, 2007**

	2007	2006
<b>Revenue</b>		
Adoptions	\$ 35,211	\$ 23,521
Donations	40,656	39,260
Fundraising, net	29,849	23,526
Grants	21,000	39,500
Interest	13	52
Membership dues	1,210	955
	<u>127,939</u>	<u>126,814</u>
<b>Expenses</b>		
Accounting	1,333	1,339
Administration and office	4,791	4,458
Advertising	729	172
Bank charges	63	18
Charitable activities	9,215	8,873
Grant expense	-	3,100
Insurance	2,194	2,042
Rent	8,172	8,035
Repairs and maintenance	717	1,653
Telephone	2,904	4,162
Travel	344	-
Utilities	2,635	1,968
Veterinary fees	43,485	50,132
Wages	46,013	52,099
	<u>122,595</u>	<u>138,051</u>
<b>Net income (loss) for the year</b>	<b>\$ 5,344</b>	<b>\$ (11,237)</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, 2007**

	2007	2006
<b>Cash provided by (used in) operating activities</b>		
Net income (loss)	\$ 5,344	\$ (11,237)
<b>Changes in non-cash working capital balances</b>		
Accounts receivable	400	275
Goods and services tax refundable	1,295	993
Prepaid expenses	(7)	(9)
Accounts payable and accrued liabilities	(2,542)	(3,755)
Employee deductions payable	512	-
	(342)	(2,496)
	5,002	(13,733)
<b>Investing activities</b>		
Additions to capital assets	(143)	-
<b>Increase (decrease) in cash</b>	4,859	(13,733)
<b>cash (deficiency), beginning of year</b>	(1,689)	12,044
<b>Cash (deficiency), end of year</b>	\$ 3,170	\$ (1,689)

Cash is defined as cash less cheques issued in excess of funds on deposit and demand loans.

**FRASER VALLEY HUMANE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**OCTOBER 31, 2007**

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**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 reported in the notes to the 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) 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. Accounts payable and accrued liabilities**

	2007	2006
Trade accounts payable	\$ 12,552	\$ 15,096
Employee deductions payable	513	-
	<b>\$ 13,065</b>	<b>\$ 15,096</b>

**FRASER VALLEY HUMANE SOCIETY**  
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**3. 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.

**4. 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.

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

Animal food and supplies	\$ 3,125
Other	4,194
Veterinary fees	34,630
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	\$ 41,949

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