

TURTLE VALLEY DONKEY REFUGE SOCIETY

Financial Information

December 31, 2021



TURTLE VALLEY DONKEY REFUGE SOCIETY
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Year Ended December 31, 2021

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COMPILATION ENGAGEMENT REPORT

To the Members of Turtle Valley Donkey Refuge Society

On the basis of information provided by management, we have compiled the statement of financial position of Turtle Valley Donkey Refuge Society as at December 31, 2021, and the statements of changes in net assets, operations and cash flow for the year then ended, and Note 2, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We have not performed an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Financial statements for the year ended December 31, 2020 were prepared by an individual that was not a professional accountant.



Clark, Robinson
Chartered Professional Accountants

Vernon, BC
August 19, 2022

TURTLE VALLEY DONKEY REFUGE SOCIETY
Statement of Financial Position
December 31, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 320,238	\$ 138,526
Restricted cash - gaming	54,815	55,819
Term deposits	-	5,100
Sales tax receivable	7,009	4,803
Inventory	23,000	23,000
	<u>405,062</u>	<u>227,248</u>
TANGIBLE CAPITAL ASSETS (Note 3)	<u>1,229,218</u>	<u>1,232,179</u>
	<u>\$ 1,634,280</u>	<u>\$ 1,459,427</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 9,723	\$ 2,473
Government remittances payable	12,274	6,042
Deferred contributions	53,000	-
Current portion of long term debt (Note 5)	81,971	21,479
	<u>156,968</u>	<u>29,994</u>
LONG TERM DEBT (Note 5)	<u>427,661</u>	<u>491,790</u>
ADVANCES FROM RELATED PARTIES (Note 6)	<u>353,595</u>	<u>366,529</u>
	<u>938,224</u>	<u>888,313</u>
NET ASSETS	<u>696,056</u>	<u>571,114</u>
	<u>\$ 1,634,280</u>	<u>\$ 1,459,427</u>

TURTLE VALLEY DONKEY REFUGE SOCIETY
Statement of Changes in Net Assets
Year Ended December 31, 2021

	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 571,114	\$ 400,764
EXCESS OF REVENUES OVER EXPENSES	<u>124,942</u>	<u>170,350</u>
NET ASSETS - END OF YEAR	<u>\$ 696,056</u>	<u>\$ 571,114</u>

TURTLE VALLEY DONKEY REFUGE SOCIETY**Statement of Operations****Year Ended December 31, 2021**

	2021	2020
REVENUES		
Donations - receipted	\$ 395,947	\$ 310,038
Fundraising	103,308	9,807
Donations - unreceipted	66,390	49,620
Grants - BC Gaming	65,960	53,000
Merchandise sales (net of costs)	20,421	43,008
Grants - other	46,500	61,950
Interest and sundry	418	15,337
COVID subsidies	-	112,003
	<u>698,944</u>	<u>654,763</u>
DIRECT COSTS		
Animal care	137,149	148,813
Repairs and maintenance - buildings and fences	26,440	8,384
Vehicle	24,996	17,892
	<u>188,585</u>	<u>175,089</u>
GROSS PROFIT	<u>510,359</u>	<u>479,674</u>
EXPENSES		
Advertising and promotion	9,323	3,580
Amortization	47,228	24,131
Insurance	7,832	7,521
Interest and bank charges	7,726	8,791
Interest on long term debt	17,277	17,293
Office	8,119	24,041
Professional fees	2,049	49
Property taxes	-	3,066
Repairs and maintenance - equipment	9,411	3,417
Salaries and wages	252,288	200,957
Subcontracts	6,370	377
Telephone and internet	7,103	3,995
Utilities	10,691	12,106
	<u>385,417</u>	<u>309,324</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 124,942</u>	<u>\$ 170,350</u>

TURTLE VALLEY DONKEY REFUGE SOCIETY

Statement of Cash Flow Year Ended December 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Receipts from customers	\$ 751,944	\$ 654,763
Paid to suppliers and employees	(492,384)	(456,717)
Interest paid	(25,001)	(26,085)
Sales taxes	(2,206)	(2,470)
Cash flow from operating activities	<u>232,353</u>	<u>169,491</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(44,269)	(154,492)
Term deposits	5,100	14,900
Cash flow used by investing activities	<u>(39,169)</u>	<u>(139,592)</u>
FINANCING ACTIVITIES		
Proceeds from long term debt	20,000	40,000
Repayment of long term debt	(23,638)	(988)
Advances to related parties	(12,934)	(12,010)
Cash flow from (used by) financing activities	<u>(16,572)</u>	<u>27,002</u>
INCREASE IN CASH FLOW	<u>176,612</u>	<u>56,901</u>
Cash - beginning of year	<u>143,626</u>	<u>86,725</u>
CASH - END OF YEAR	<u>\$ 320,238</u>	<u>\$ 143,626</u>

TURTLE VALLEY DONKEY REFUGE SOCIETY

Notes to Financial Information

Year Ended December 31, 2021

1. NATURE OF OPERATIONS

The Turtle Valley Donkey Refuge Society is incorporated under the Society Act of British Columbia. The mission of the society is to provide a loving, healthy and safe, permanent home for donkeys who are neglected or abused, or, through no fault of their own, cannot be properly cared for in their present circumstance. The Society is a Registered Charity with Canada Revenue Agency.

2. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the statement of financial position of Turtle Valley Donkey Refuge Society as at December 31, 2021, and the statements of changes in net assets, operations and cash flow for the year then ended is the historical cost basis and reflects cash transactions with the addition of:

- accounts receivable less an allowance for doubtful accounts
- inventory valued at cost
- tangible capital assets amortized over their useful lives
- accounts payable and accrued liabilities
- restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Land	\$ 627,290	\$ -	\$ 627,290	\$ 627,290
Barns and farm buildings	417,433	16,184	401,249	391,767
Fencing	20,134	6,260	13,874	17,343
Furniture and fixtures	18,813	9,496	9,317	3,588
Generators	23,443	8,305	15,138	18,923
Irrigation system	58,065	18,197	39,868	49,835
Security system	6,705	3,959	2,746	3,433
Small Buildings	39,008	1,560	37,448	39,008
Storage Buildings	96,675	31,885	64,790	71,989
Tractors and trailers	76,846	59,348	17,498	9,003
	<u>\$ 1,384,412</u>	<u>\$ 155,194</u>	<u>\$ 1,229,218</u>	<u>\$ 1,232,179</u>

4. DEFERRED CONTRIBUTIONS

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

	2021	2020
BC Gaming Commission	<u>\$ 53,000</u>	<u>\$ -</u>

TURTLE VALLEY DONKEY REFUGE SOCIETY

Notes to Financial Information

Year Ended December 31, 2021

5. LONG TERM DEBT

	2021	2020
Salmon Arm Savings and Credit Union loan bearing interest at 3.69% per annum, repayable in monthly blended payments of \$731. The loan matures on May 1, 2022 and is secured by Registered first mortgage against specific real property.	\$ 449,632	\$ 471,111
Canada Emergency Business Account loan bearing interest at 0% per annum. The loan matures on December 31, 2022 and is secured by Export Development Canada through the Business Credit Availability Program Guarantee. Repayment of the loan on or before December 31, 2023, will result in loan forgiveness of up to \$20,000.	60,000	40,000
John Deer Finance - paid out during the year.	-	2,158
	<u>509,632</u>	<u>513,269</u>
Amounts payable within one year	<u>(81,971)</u>	<u>(21,479)</u>
	<u>\$ 427,661</u>	<u>\$ 491,790</u>

Principal repayment terms are approximately:

2022	\$ 81,971
2023	22,789
2024	23,637
2025	24,518
2026	25,431
Thereafter	<u>331,286</u>
	<u>\$ 509,632</u>

In May of 2022, the mortgage was renewed for a 5 year term with weekly blended payments of \$746 and interest at 4.49%.

6. ADVANCES FROM RELATED PARTIES

The advances from related parties are amounts due to a founding member of the society. The advances are unsecured, bear no interest and do not have any specific terms of repayment.

7. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.