

TURTLE VALLEY DONKEY REFUGE SOCIETY

Financial Information

December 31, 2022

TURTLE VALLEY DONKEY REFUGE SOCIETY
Index to Financial Information
Year Ended December 31, 2022

| | Page |
|------------------------------------|-------|
| COMPILATION ENGAGEMENT REPORT | 1 |
| FINANCIAL INFORMATION | |
| Statement of Financial Position | 2 |
| Statement of Changes in Net Assets | 3 |
| Statement of Operations | 4 |
| Statement of Cash Flow | 5 |
| Notes to Financial Information | 6 - 7 |

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, 2022, 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 did not perform 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.



Clark, Robinson
Chartered Professional Accountants

Vernon, BC
June 28, 2023

TURTLE VALLEY DONKEY REFUGE SOCIETY
Statement of Financial Position
December 31, 2022

| | 2022 | 2021 |
|---|--------------|--------------|
| ASSETS | | |
| CURRENT | | |
| Cash | \$ 241,946 | \$ 320,238 |
| Term deposits | 184,461 | - |
| Restricted cash - gaming | 1,109 | 54,815 |
| Sales tax recoverable | 8,458 | 7,009 |
| Inventory | 43,113 | 23,000 |
| | 479,087 | 405,062 |
| TANGIBLE CAPITAL ASSETS <i>(Note 3)</i> | 1,231,043 | 1,229,218 |
| | \$ 1,710,130 | \$ 1,634,280 |
| LIABILITIES AND NET ASSETS | | |
| CURRENT | | |
| Accounts payable | \$ 5,339 | \$ 9,724 |
| Government remittances payable | 3,325 | 12,274 |
| Deferred contributions <i>(Note 4)</i> | 124,461 | 53,000 |
| Current portion of long term debt <i>(Note 5)</i> | 78,000 | 81,971 |
| | 211,125 | 156,969 |
| LONG TERM DEBT <i>(Note 5)</i> | 412,624 | 427,661 |
| ADVANCES FROM RELATED PARTIES | 353,595 | 353,595 |
| | 977,344 | 938,225 |
| NET ASSETS | 732,786 | 696,055 |
| | \$ 1,710,130 | \$ 1,634,280 |

TURTLE VALLEY DONKEY REFUGE SOCIETY
Statement of Changes in Net Assets
Year Ended December 31, 2022

| | 2022 | 2021 |
|---|-------------------|------------|
| NET ASSETS - BEGINNING OF YEAR | \$ 696,055 | \$ 571,113 |
| EXCESS OF REVENUES OVER EXPENSES | 36,731 | 124,942 |
| NET ASSETS - END OF YEAR | \$ 732,786 | \$ 696,055 |

TURTLE VALLEY DONKEY REFUGE SOCIETY
Statement of Operations
Year Ended December 31, 2022

| | 2022 | 2021 |
|--|------------------|-------------------|
| REVENUES | | |
| Donations - receipted | \$ 256,574 | \$ 395,947 |
| Fundraising | 220,766 | 103,308 |
| Grants - other | 58,043 | 46,500 |
| Donations - unreceipted | 54,441 | 66,390 |
| Grants - BC Gaming | 53,000 | 65,960 |
| Merchandise sales (net of costs) | 20,228 | 20,421 |
| Wage subsidy | 7,636 | - |
| Interest and sundry | 485 | 418 |
| | <u>671,173</u> | <u>698,944</u> |
| DIRECT COSTS | | |
| Animal care | 155,919 | 137,149 |
| Vehicle | 22,194 | 24,996 |
| Repairs and maintenance - buildings and fences | 12,957 | 26,440 |
| Facility costs | 2,758 | - |
| | <u>193,828</u> | <u>188,585</u> |
| | <u>477,345</u> | <u>510,359</u> |
| GROSS PROFIT | | |
| EXPENSES | | |
| Advertising and promotion | 8,497 | 9,554 |
| Amortization | 45,030 | 47,228 |
| Insurance | 10,080 | 7,832 |
| Interest and bank charges | 6,783 | 7,726 |
| Interest on long term debt | 19,474 | 17,277 |
| Office | 20,182 | 7,888 |
| Professional fees | 3,725 | 2,049 |
| Repairs and maintenance - equipment | 4,947 | 9,411 |
| Salaries and wages | 305,708 | 252,288 |
| Subcontracts | - | 6,370 |
| Telephone and internet | 4,701 | 7,103 |
| Utilities | 11,487 | 10,691 |
| | <u>440,614</u> | <u>385,417</u> |
| EXCESS OF REVENUES OVER EXPENSES | <u>\$ 36,731</u> | <u>\$ 124,942</u> |

TURTLE VALLEY DONKEY REFUGE SOCIETY
Statement of Cash Flow
Year Ended December 31, 2022

| | 2022 | 2021 |
|---|--------------------------|--------------------------|
| OPERATING ACTIVITIES | | |
| Receipts from customers | \$ 742,634 | \$ 751,944 |
| Paid to suppliers and employees | (596,604) | (493,388) |
| Interest paid | (26,256) | (25,001) |
| Sales tax | (1,449) | (2,206) |
| Cash flow from operating activities | <u>118,325</u> | <u>231,349</u> |
| INVESTING ACTIVITIES | | |
| Purchase of tangible capital assets | (46,854) | (44,269) |
| Restricted cash - gaming | 53,706 | 1,004 |
| Term deposits | - | 5,100 |
| Cash flow from (used by) investing activities | <u>6,852</u> | <u>(38,165)</u> |
| FINANCING ACTIVITIES | | |
| Proceeds from long term financing | - | 20,000 |
| Repayment of long term debt | (19,008) | (23,638) |
| Advances to related parties | - | (12,934) |
| Cash flow used by financing activities | <u>(19,008)</u> | <u>(16,572)</u> |
| INCREASE IN CASH FLOW | 106,169 | 176,612 |
| Cash - beginning of year | <u>320,238</u> | <u>143,626</u> |
| CASH - END OF YEAR | <u>\$ 426,407</u> | <u>\$ 320,238</u> |
| CASH CONSISTS OF: | | |
| Cash | \$ 241,946 | \$ 320,238 |
| Term deposits | <u>184,461</u> | <u>-</u> |
| | <u>\$ 426,407</u> | <u>\$ 320,238</u> |

TURTLE VALLEY DONKEY REFUGE SOCIETY

Notes to Financial Information

Year Ended December 31, 2022

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, 2022, and the statements of changes in net assets, operations and cash flow for the year then ended is on the historical cost basis and reflects cash transactions with the addition of:

- accounts receivable
- 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

3. TANGIBLE CAPITAL ASSETS

| | Cost | Accumulated amortization | 2022 Net book value | 2021 Net book value |
|--------------------------|---------------------|-----------------------------|---------------------------|---------------------------|
| Land | \$ 627,290 | \$ - | \$ 627,290 | \$ 627,290 |
| Barns and farm buildings | 459,572 | 33,077 | 426,495 | 401,249 |
| Fencing | 20,134 | 9,035 | 11,099 | 13,874 |
| Furniture and fixtures | 23,528 | 11,831 | 11,697 | 9,317 |
| Generators | 23,443 | 11,332 | 12,111 | 15,138 |
| Irrigation system | 58,065 | 26,171 | 31,894 | 39,868 |
| Security system | 6,705 | 4,508 | 2,197 | 2,746 |
| Small Buildings | 39,008 | 3,058 | 35,950 | 37,448 |
| Storage Buildings | 96,675 | 38,364 | 58,311 | 64,790 |
| Tractors and trailers | 76,846 | 62,847 | 13,999 | 17,498 |
| | \$ 1,431,266 | \$ 200,223 | \$ 1,231,043 | \$ 1,229,218 |

4. DEFERRED CONTRIBUTIONS

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

| | 2022 | 2021 |
|-----------------|-------------------|------------------|
| BC Gaming Grant | \$ - | \$ 53,000 |
| Barn Project | 124,461 | - |
| | \$ 124,461 | \$ 53,000 |

TURTLE VALLEY DONKEY REFUGE SOCIETY
Notes to Financial Information
Year Ended December 31, 2022

5. LONG TERM DEBT

| | 2022 | 2021 |
|---|-------------------|------------|
| Salmon Arm Savings and Credit Union loan bearing interest at 4.99% per annum, repayable in monthly blended payments of \$746. The loan matures on May 1, 2027 and is secured by Registered first mortgage against specific real property. | \$ 430,624 | \$ 449,632 |
| Canada Emergency Business Account loan bearing interest at % per annum. The loan matures on December 31, 2023 and is secured by UnsecuredExport 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 | 60,000 |
| | 490,624 | 509,632 |
| Amounts payable within one year | (78,000) | (81,971) |
| | \$ 412,624 | \$ 427,661 |
| Principal repayment terms are approximately: | | |
| 2023 | \$ 78,000 | |
| 2024 | 19,000 | |
| 2025 | 20,000 | |
| 2026 | 21,000 | |
| 2027 | 352,624 | |
| | \$ 490,624 | |

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.