

**British Columbia Society
for the Prevention of
Cruelty to Animals**

Consolidated Financial Statements
September 30, 2020
(in thousands of dollars)



Independent auditor's report

To the Members of British Columbia Society for the Prevention of Cruelty to Animals

Our qualified opinion

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of British Columbia Society for the Prevention of Cruelty to Animals and its subsidiary (together, the Society) as at September 30, 2020, and the results of its operations and its cash flows for the year the ended in accordance with Canadian accounting standards for not-for-profit organizations.

What we have audited

The Society's consolidated financial statements comprise:

- the consolidated statement of financial position as at September 30, 2020;
- the consolidated statement of operations for the year then ended;
- the consolidated statement of changes in net assets for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Basis for qualified opinion

In common with many not-for-profit organizations, the Society derives revenues from cash donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, net operating surplus and cash flows from operating activities for the year ended September 30, 2020 and the period from January 1, 2019 to September 30, 2019, current assets as at September 30, 2020 and 2019 and net assets as at January 1, 2019, September 30, 2019, and September 30, 2020. Our audit opinion on the consolidated financial statements for the period from January 1, 2019 to September 30, 2019 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independence

We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Society to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
January 18, 2021

British Columbia Society for the Prevention of Cruelty to Animals

Consolidated Statement of Financial Position

As at September 30, 2020

(in thousands of dollars)

				2020	2019
	Operating Fund \$	Capital Fund \$	Endowment Fund \$	Total \$	Total \$
Assets					
Current assets					
Cash	228	-	-	228	646
Unrestricted investments (note 3)	14,274	-	-	14,274	12,712
Accounts receivable	580	-	-	580	527
Prepaid expenses	176	-	-	176	339
Supplies	453	-	-	453	426
	15,711	-	-	15,711	14,650
Property, buildings and equipment and intangible assets (schedule A)					
	-	31,556	-	31,556	31,781
Life insurance policies (note 6)	510	-	-	510	456
Restricted investments (note 3)	33,240	11,845	1,772	46,857	34,093
	49,461	43,401	1,772	94,634	80,980
Liabilities					
Current liabilities					
Bank indebtedness (note 4)	866	-	-	866	-
Accounts payable and accrued liabilities (note 5)	3,974	-	-	3,974	3,284
Current portion of capital leases	-	606	-	606	464
	4,840	606	-	5,446	3,748
Capital leases	-	962	-	962	1,028
Deferred contributions (note 6)	33,349	-	-	33,349	23,696
Post-employment benefits payable (schedule B)	464	-	-	464	468
	38,653	1,568	-	40,221	28,940
Net Assets					
Net assets held for endowments (note 7)					
	-	-	1,772	1,772	1,698
Net assets restricted for capital	-	41,833	-	41,833	39,444
Unrestricted net assets	10,808	-	-	10,808	10,898
	10,808	41,833	1,772	54,413	52,040
	49,461	43,401	1,772	94,634	80,980

Commitments (note 9)

Approved by the Board of Directors


Catherine Ruby (Jun 21, 2021 14:09 PST)

Director

Catherine Ruby



Director

Melissa Barcellos

The accompanying notes are an integral part of these consolidated financial statements.

British Columbia Society for the Prevention of Cruelty to Animals

Consolidated Statement of Operations

(in thousands of dollars)

	Year ended September 30, 2020			Period from January 1, 2019 to September 30, 2019	
	Operating Fund \$	Capital Fund \$	Endowment Fund \$	Total \$	Total \$
Revenue					
Donations and fundraising	17,555	3,814	-	21,369	11,726
Legacy and life insurance	5,310	292	-	5,602	8,973
Kennelling and bylaw enforcement services	1,980	-	-	1,980	1,590
Sheltering, medical, clinical and social enterprise services	7,205	-	-	7,205	6,527
Lottery and raffles	1,379	-	-	1,379	1,096
Government grants received	3,881	-	-	3,881	-
Other grants received	754	80	-	834	643
Endowment contributions	-	-	74	74	10
Investment income (note 3)	1,159	393	-	1,552	4,028
Loss on disposal of property, buildings and equipment and intangible assets	-	(14)	-	(14)	(18)
	<u>39,223</u>	<u>4,565</u>	<u>74</u>	<u>43,862</u>	<u>34,575</u>
Program expenses					
Sheltering, kennelling, bylaw enforcement and social enterprise services	14,435	-	-	14,435	11,425
Hospital and clinics	4,457	-	-	4,457	3,565
Veterinary care and spay and neuter	2,689	-	-	2,689	2,707
Cruelty investigations	3,873	-	-	3,873	2,902
Animal health and welfare	775	-	-	775	527
Humane education	886	-	-	886	878
Advocacy	1,183	-	-	1,183	740
	<u>28,298</u>	<u>-</u>	<u>-</u>	<u>28,298</u>	<u>22,744</u>
General expenses					
Administration and program support	4,352	-	-	4,352	3,082
Revenue development	5,865	-	-	5,865	3,970
	<u>10,217</u>	<u>-</u>	<u>-</u>	<u>10,217</u>	<u>7,052</u>
Operating surplus before the undernoted	708	4,565	74	5,347	4,779
Bank charges and interest	587	-	-	587	359
Amortization of property, buildings and equipment and intangible assets	-	2,361	-	2,361	1,487
Net operating surplus	<u>121</u>	<u>2,204</u>	<u>74</u>	<u>2,399</u>	<u>2,933</u>

The accompanying notes are an integral part of these consolidated financial statements.

British Columbia Society for the Prevention of Cruelty to Animals

Consolidated Statement of Changes in Net Assets

(in thousands of dollars)

	Operating Fund \$	Capital Fund \$	Endowment Fund \$	Total \$
Balance – December 31, 2018	10,823	36,522	1,688	49,033
Net operating surplus	2,095	828	10	2,933
Actuarial gain and plan amendments on accrued employee future benefits	74	-	-	74
Interfund transfer	(2,094)	2,094	-	-
Balance – September 30, 2019	10,898	39,444	1,698	52,040
Net operating surplus	121	2,204	74	2,399
Actuarial loss and plan amendments on accrued employee future benefits	(26)	-	-	(26)
Interfund transfer	(185)	185	-	-
Balance – September 30, 2020	-	-	-	-
	10,808	41,833	1,772	54,413

The accompanying notes are an integral part of these consolidated financial statements.

British Columbia Society for the Prevention of Cruelty to Animals

Consolidated Statement of Cash Flows

(in thousands of dollars)

	Year ended September 30, 2020 \$	Period from January 1, 2019 to September 30, 2019 \$
Cash provided by (used in)		
Operating activities		
Net operating surplus	2,399	2,933
Items not affecting cash		
Amortization of property, buildings and equipment and intangible assets	2,361	1,487
Loss on disposal of property, buildings and equipment and intangible assets	14	18
Gifted land	(430)	(394)
Post-employment benefits	3	(45)
(Gain) loss on investments	(178)	(3,364)
	<u>4,169</u>	<u>635</u>
Changes in non-cash working capital items		
Deferred contributions	9,653	4,168
Accounts receivable	(53)	442
Prepaid expenses	163	(140)
Supplies	(27)	(46)
Actuarial (loss) gain and plan amendments on accrued employee future benefit	(26)	74
Accounts payable and accrued liabilities	690	(511)
Post-employment benefits payable	(4)	(7)
	<u>14,565</u>	<u>4,615</u>
Investing activities		
Purchase of property, buildings and equipment and intangible assets	(1,593)	(3,792)
Proceeds on disposal of property, buildings and equipment and intangible assets	427	-
Purchase of investments	(25,470)	(26,832)
Proceeds on sale of investments	11,336	26,739
	<u>(15,300)</u>	<u>(3,885)</u>
Financing activities		
Repayment of capital leases	(549)	(324)
(Decrease) increase in cash and cash equivalents	<u>(1,284)</u>	<u>406</u>
Cash and cash equivalents – Beginning of year	<u>646</u>	<u>240</u>
Cash and cash equivalents – End of year	<u>(638)</u>	<u>646</u>
Cash and cash equivalents consist of		
Cash	228	646
Bank indebtedness	(866)	-
	<u>(638)</u>	<u>646</u>

The accompanying notes are an integral part of these consolidated financial statements.

British Columbia Society for the Prevention of Cruelty to Animals

Notes to Consolidated Financial Statements

September 30, 2020

(in thousands of dollars)

1 Organization information

The British Columbia Society for the Prevention of Cruelty to Animals (the Society) is a charitable organization incorporated in 1895 by an Act of the Legislative Assembly of the Province of British Columbia, now called the Prevention of Cruelty to Animals Act, R.S. 372. The Society may form and establish branches in its discretion anywhere in British Columbia. The Society helps prevent cruelty to animals, investigates incidents of animal cruelty, delivers medical and clinical animal health care, provides education to the public on the ethical and humane treatment of animals, and provides kennelling and bylaw enforcement services to municipalities throughout the Province. As a registered charity, the Society is not subject to income taxes.

Effective September 30, 2016, 100% ownership of the issued share capital of Burnaby Veterinary Hospital Ltd. (the Hospital) was gifted, for \$nil consideration, to the Society. The Hospital is a private limited company incorporated under the Canadian Business Corporations Act, providing veterinary services and selling related products to its customers, thereby, the operations of the Hospital compliment those of the Society directly. Subsequent to the gift, the results of the Hospital are consolidated into those of the Society.

In 2019, the Society changed its year-end from December 31 to September 30.

2 Summary of significant accounting policies

Basis of presentation and consolidation

The consolidated financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). These consolidated financial statements reflect the combined assets, liabilities, net assets, revenue and expenses of the Society's Provincial Office, four veterinary facilities, thirty animal community centres, four education and adoption centres, a wild animal rehabilitation centre, two branches without facilities, and the results of the wholly owned subsidiary, Burnaby Veterinary Hospital Ltd. (see note 1 above).

Intercompany balances, and income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

The Society is now accounting for contributions using the restricted fund method and has decided to report two restricted funds in its consolidated financial statements – the Capital Fund and the Endowment Fund.

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.

The Operating Fund reports the general operating activities of the Society and the allocation of fund balances for internally and externally restricted purposes.

The Capital Fund reports the Society's property that has been funded by capital contributions and amounts transferred from the Operating Fund.

The Endowment Fund reports contributions subject to externally imposed stipulations that the resources contributed be maintained permanently.

British Columbia Society for the Prevention of Cruelty to Animals

Notes to Consolidated Financial Statements

September 30, 2020

(in thousands of dollars)

Revenue recognition

The Society follows the restricted fund method of accounting for contributions. Fundraising revenues, unrestricted donations and unrestricted grants are recorded as revenue in the Operating Fund when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured. When the donor has specified that a contribution is intended for a specific use in operations or in a future period, the donation is recorded as a deferred contribution in the Operating Fund and recognized as revenue when the specified terms have been satisfied. Kennelling, bylaw enforcement, sheltering, medical, clinical and social enterprise services are recognized as revenue in the Operating Fund in the period in which the services are provided. Revenues from lottery ticket sales and raffles are recognized in the Operating Fund when received. Legacies are recorded as revenue in the Operating Fund when cash is received, unless restricted by the terms of the will. If externally restricted, legacies are recorded as deferred contributions in the Operating Fund and recognized as revenue when the terms of the will are met.

Contributions externally restricted for capital expenditures are recorded as revenue in the Capital Fund when received or when receivable if the amount can be reasonably estimated and collection is reasonably assured.

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

Unrestricted investment income is recorded as revenue when earned in the Operating Fund. If externally restricted for capital purposes, investment income is recorded as revenue when earned in the Capital Fund. If externally restricted for other purposes, investment income is allocated to the deferred contribution account in the Operating Fund and recognized as revenue in the Operating Fund when the related expenses have been incurred.

The Society receives donations of goods and services from time to time as well as donated shares. Because of the difficulty in determining their fair value, contributed goods and services are not recognized in the consolidated financial statements. Contributed share capital is recognized in the consolidated financial statements at fair value of the consideration received.

Investments

Investments consist of amounts invested in both individual securities and pooled fund units. The investments consist of short-term notes, bonds and debentures, and marketable equity securities.

Investment income comprises the Society's share of interest, dividends and realized and unrealized gains/losses on the underlying assets.

All investments are carried at market value. Changes in market value are included in the consolidated statement of operations or in deferred contribution balances, as appropriate.

Supplies

Supplies consist of animal medication and feed, office supplies and items held in stock to support merchandise sales operations and are valued at the lower of cost and net realizable value.

British Columbia Society for the Prevention of Cruelty to Animals

Notes to Consolidated Financial Statements

September 30, 2020

(in thousands of dollars)

Property, buildings and equipment and intangible assets

Property, buildings and equipment are recorded at cost and amortized over their estimated useful economic lives using the straight-line method at the following annual rates:

Buildings	20 years
Furniture and equipment	8-10 years
Shelter and medical equipment	8-10 years
Vehicles	5 years
Computer equipment and software	3 years
Leasehold improvements	life of lease
Leased vehicles	life of lease

Projects-in-progress are not amortized until the assets are put into use.

Intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses. Amortization is calculated over the estimated useful economic lives of the intangible assets using the straight-line method at the following annual rate:

Intangible assets	5 years
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Post-employment benefits payable

The Society is required to pay post-employment benefits to certain unionized employees upon completion of employment. The Society is also required to pay post-employment benefits to salaried employees for services provided prior to December 31, 2001. Certain senior managers who retired prior to December 31, 2001 also receive post-employment benefits including the payment of insurance premiums for health, medical, dental, life, and accidental death and dismemberment.

The Society records these benefits based on annual actuarial valuations. The cost of benefits earned is determined as the actuarial present value of all future post-employment benefits that will be paid on behalf of employees and their dependants, multiplied by the ratio of their service at the valuation date to their projected service at their full eligibility date.

Adjustments from plan amendments, changes in assumptions, and experience gains and losses are recognized immediately in the consolidated statement of changes in net assets.

Financial instruments

The Society's financial instruments consist of cash, restricted and unrestricted investments, accounts receivable, bank indebtedness, accounts payable and accrued liabilities and capital leases.

Cash, accounts receivable, bank indebtedness accounts payable and accrued liabilities and capital leases are initially measured at fair value and subsequently carried at amortized cost.

Unrestricted and restricted investments are initially measured at and subsequently carried at fair value.

British Columbia Society for the Prevention of Cruelty to Animals

Notes to Consolidated Financial Statements

September 30, 2020

(in thousands of dollars)

Use of estimates

The preparation of consolidated financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those reported. Significant items requiring the use of management estimates include recognition of accrued liabilities, amortization periods and rates related to buildings and equipment, intangible assets and claims relating to contingencies.

3 Investments

	Fair value	
	2020	2019
	\$	\$
Cash and short-term deposits	3,948	3,498
Bonds and debentures		
Commercial	33,888	23,063
Marketable equity securities – Canadian	15,714	14,957
Marketable equity securities – Foreign	7,581	5,287
	61,131	46,805
Less: Restricted investments (non-current)	46,857	34,093
Unrestricted investments (current)	14,274	12,712

Investment income (loss) consists of the following:

	Year ended September 30, 2020	Period from January 1, 2019 to September 30, 2019
	\$	\$
Interest income and dividends	1,533	1,141
Gain on investments	204	3,364
	1,737	4,505
Less: Restricted investment income allocated to deferred contributions	(936)	(2,295)
Add: Restricted investment income recognized as revenue	751	1,818
	(185)	(477)
	1,552	4,028

British Columbia Society for the Prevention of Cruelty to Animals

Notes to Consolidated Financial Statements

September 30, 2020

(in thousands of dollars)

4 Bank indebtedness

At September 30, 2020, the Society had two lines of credit, a \$2,000 line of credit for general operating purposes (operating line) and a \$1,000 line of credit for capital purposes (capital line).

The operating line includes a maximum of \$200 for Society credit cards and a maximum of \$250 in standby provisions relating to letters of guarantee. The remainder of \$1,550 is available for the Society's operations. The amount drawn against the operating line at September 30, 2020 was \$866 (2019 – \$nil). The credit card facility used by the Society at September 30, 2020 was \$59 (2019 – \$87). The amount drawn against the standby provisions at September 30, 2020 was \$nil (2019 – \$nil). The operating line bears interest at the bank's prime rate plus 0.25%, payable monthly.

The capital line bears interest at the bank's prime rate plus 0.50%, payable monthly. There were no amounts drawn against this facility at September 30, 2020 (2019 – \$nil).

The Society has provided the following as security for the lines of credit: a general assignment of book debts; a general security agreement over all present and future personal property with appropriate insurance coverage payable to the bank; and hypothecation of unrestricted investment assets for which the bank is custodian.

Loan covenants include certain reporting requirements that include providing audited consolidated financial statements and monthly cash flow forecasts for the following year within 120 days of the fiscal year-end. The Society was in compliance with all covenants at year-end.

5 Accounts payable and accrued liabilities

Accounts payable and accrued liabilities include government remittances which consist of amounts (such as property taxes, sales taxes, payroll withholding taxes and workers' compensation premiums) required to be paid to government authorities and are recognized when the amounts become due. At September 30, 2020, \$487 (2019 – \$146) is included within accounts payable and accrued liabilities.

6 Deferred contributions

	2020 \$	2019 \$
Balance – Beginning of year	23,696	19,546
Deferred contributions received	12,792	10,739
Deferred contributions recognized as revenue	(3,193)	(6,571)
Tax receipts issued for life insurance policy premiums	54	-
Life insurance policies recognized or lapsed	-	(18)
	<hr/>	<hr/>
Balance – End of year	33,349	23,696

The principal amount of the life insurance policies assuming they do not lapse is \$1,668 (2019 – \$1,543).

British Columbia Society for the Prevention of Cruelty to Animals

Notes to Consolidated Financial Statements

September 30, 2020

(in thousands of dollars)

7 Endowments

The endowments are included in restricted investments. Earnings from the endowments are to be used for the purposes specified by the donors. The capital is permanently endowed to the Society. Income from endowments, net of expenses, totalling \$23 was recorded for the year ended September 30, 2020 (period from January 1, 2019 to September 30, 2019 – \$212).

8 Financial instruments and risk management

a) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Society is exposed to currency risk as a portion of investments is invested in foreign equities (note 3).

b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Society is exposed to interest rate risk on bank indebtedness, short-term deposits and investments. Management frequently reviews the interest rates to mitigate risk and uses professional investment management services.

c) Market and other price risk

Market and other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. The Society's investments are subject to market risk through its equity and fixed income investments. The Society mitigates this risk by diversifying its investments across asset classes and by using professional investment management services.

d) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur financial loss. The Society does not have a significant concentration of credit risk in any single party or group of parties. Accounts receivable are due primarily from several donors and British Columbia municipalities under animal control contracts.

e) Liquidity risk exposure

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Society is not exposed to significant liquidity risk.

There have not been any significant changes in risk exposure from prior years.

British Columbia Society for the Prevention of Cruelty to Animals

Notes to Consolidated Financial Statements

September 30, 2020

(in thousands of dollars)

9 Commitments

The Society has committed to leases on certain of its vehicles and properties. The lease payments are as follows:

	\$
2021	1,356
2022	1,079
2023	795
2024	600
2025	242
	<hr/>
	4,072
	<hr/>

10 Related party transactions

The Society receives grants annually from the SPCA Vancouver Hospital Trust Fund (the Trust Fund) to provide funds for spay and neuter services, to provide emergency and ongoing care to ill, injured and destitute animals, whether stray or owned, and to promote public education encouraging responsible pet ownership. Some of the trustees of the Trust Fund are employees of the Society. Grants received during the year ended September 30, 2020 totalled \$30 (period from January 1, 2019 to September 30, 2019 – \$nil).

11 Impact of COVID-19

On March 11, 2020, the World Health Organization declared the COVID-19 infectious virus a global pandemic, with resulting travel bans, physical distancing requirements, and closure of social, cultural, educational facilities and non-essential businesses.

The COVID-19 pandemic will have short-term and long-term negative implications for the charitable sector in Canada. The full extent of the impact of COVID-19 will depend on future developments, including the availability of vaccines and actions taken to contain the virus.

To support operations during the pandemic, a grant application was made, and received, from the Government of British Columbia. In addition, subsidies from the Federal Government under the Canada Emergency Wage Subsidy program were received. The Society does not expect its financial position or results of its operations to be significantly impacted by the COVID-19 pandemic.

British Columbia Society for the Prevention of Cruelty to Animals

Consolidated Schedule of Property, Buildings and Equipment and Intangibles Assets

At as September 30, 2020

Schedule A

(in thousands of dollars)

	2020		
	Cost	Accumulated	Net
	\$	amortization	\$
		\$	
Land	6,112	-	6,112
Buildings	34,391	13,512	20,879
Leasehold improvements including buildings on unowned land	4,818	4,072	746
Shelter and medical equipment	2,180	1,178	1,002
Computer equipment and software	1,928	1,702	226
Furniture and equipment	176	71	105
Vehicles	92	72	20
Construction-in-progress	887	-	887
Intangible assets	200	200	-
Capital leases on vehicles	2,913	1,334	1,579
	53,697	22,141	31,556
			2019
	Cost	Accumulated	Net
	\$	amortization	\$
		\$	
Land	5,192	-	5,192
Buildings	30,127	11,932	18,195
Leasehold improvements including buildings on unowned land	5,150	4,301	849
Shelter and medical equipment	2,087	926	1,161
Computer equipment and software	1,852	1,517	335
Furniture and equipment	76	62	14
Vehicles	127	80	47
Construction-in-progress	4,480	-	4,480
Intangible assets	200	170	30
Capital leases on vehicles	2,284	806	1,478
	51,575	19,794	31,781

Construction-in-progress are building and leasehold improvements that are being constructed.

British Columbia Society for the Prevention of Cruelty to Animals

Consolidated Schedule of Post-Employment Benefits Payable

As at September 30, 2020

Schedule B

(in thousands of dollars)

Information about the Society's post-employment benefit obligation is as follows:

	2020	2019
	\$	\$
Post-employment benefits payable – Beginning of year	468	520
Current service cost	23	15
Interest cost	13	14
Benefits paid	(66)	(7)
Actuarial loss (gain)	26	(74)
	<hr/>	<hr/>
Post-employment benefits payable – End of year	464	468
	<hr/>	<hr/>
Change in plan assets		
Employer contributions	66	7
Benefits paid	(66)	(7)
	<hr/>	<hr/>
Market value of plan assets – End of year	-	-
	<hr/>	<hr/>

The significant actuarial assumptions adopted in measuring the Society's accrued benefit obligation are as follows:

	2020	2019
	%	%
At beginning of year		
Discount rate	2.80	3.70
Rate of compensation increase	2.00	2.00
At end of year		
Discount rate	2.40	2.80
Rate of compensation increase	2.00	2.00

The most recent actuarial valuation was prepared by Mercer LLC as of September 30, 2020.