

# **TORONTO WILDLIFE CENTRE**

**Financial Statements**  
December 31, 2014

# TORONTO WILDLIFE CENTRE

Financial Statements  
For the year ended December 31, 2014

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## Independent Auditors' Report

To the Directors of Toronto Wildlife Centre

We have audited the accompanying financial statements of **Toronto Wildlife Centre**, which comprise the statement of financial position as at December 31, 2014, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Toronto Wildlife Centre's preparation and fair presentation of the financial statements 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 Toronto Wildlife Centre's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, Toronto Wildlife Centre derives substantial revenue from donations and fundraising events, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the accounting records of the Centre and we were not able to determine whether any adjustments might be necessary to revenue, deficiency of revenues over expenditures, current assets and net assets.

**Independent Auditors' Report (continued)**

*Qualified Opinion*

Except as noted in the above paragraph, in our opinion, these financial statements present fairly, in all material respects, the financial position of Toronto Wildlife Centre as at December 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Toronto, Canada  
July 28, 2015

A handwritten signature in black ink that reads "Fruitman Kates LLP." The signature is written in a cursive, flowing style.

Chartered Accountants  
Licensed Public Accountants

# TORONTO WILDLIFE CENTRE

## Statement of Financial Position As at December 31, 2014

	2014	2013
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 307,385	\$ 5,837
Accounts receivable	154,201	48,268
Prepaid expenses and sundry assets (note 2)	108,891	-
	<u>570,477</u>	<u>54,105</u>
<b>Capital assets (note 3)</b>	77,021	510,016
	<u>\$ 647,498</u>	<u>\$ 564,121</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 79,175	\$ 143,897
Government remittances payable	12,090	6,980
Deferred contributions (note 4)	108,026	58,420
Advances from related party (note 5)	-	234,228
	<u>199,291</u>	<u>443,525</u>
<b>Commitment (note 6)</b>		
<b>Net assets</b>	448,207	120,596
	<u>\$ 647,498</u>	<u>\$ 564,121</u>

Approved on behalf of the board

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# TORONTO WILDLIFE CENTRE

## Statement of Operations For the year ended December 31, 2014

	2014	2013
<b>Revenues</b>		
Donations - individuals	\$ 1,374,280	\$ 738,693
Donations - foundations	174,691	220,321
Special projects	109,258	40,869
Municipal contracts	49,884	4,374
Donations - corporations	23,391	55,270
Donations - in kind	20,134	30,592
Sales	16,435	37,568
Special events	6,020	5,953
Government funding	5,183	40,457
Gain on sale of capital assets	2,625	-
	1,781,901	1,174,097
<b>Expenditures</b>		
Wildlife rehabilitation	428,988	264,678
Facility and operations	195,873	183,075
Education and outreach	178,080	150,029
Fundraising	148,527	129,604
Veterinary hospital	147,201	124,089
Wildlife rescue and release	103,358	87,827
New facility planning	89,924	81,647
Administration	83,970	80,192
Volunteer co-ordination	34,845	36,034
Special projects	26,571	54,751
Amortization	11,133	30,031
Interest and bank charges	5,820	18,806
	1,454,290	1,240,763
<b>Excess (deficiency) of revenues over expenditures before the following item</b>	327,611	(66,666)
Impairment of long-lived assets	-	41,000
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ 327,611</b>	<b>\$ (107,666)</b>

# TORONTO WILDLIFE CENTRE

Statement of Changes in Net Assets  
For the year ended December 31, 2014

	2014	2013
<b>Balance, beginning of year</b>	\$ 120,596	\$ 228,262
Excess (deficiency) of revenues over expenditures	327,611	(107,666)
<b>Balance, end of year</b>	<b>\$ 448,207</b>	<b>\$ 120,596</b>

# TORONTO WILDLIFE CENTRE

## Statement of Cash Flows For the year ended December 31, 2014

	2014	2013
<b>Cash flows from (used in):</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenues over expenditures	\$ 327,611	\$ (107,666)
Adjustments for		
Gain on sale of capital assets	(2,625)	-
Amortization	11,133	30,031
Impairment of long-lived assets	-	41,000
	336,119	(36,635)
Change in non-cash working capital items		
Accounts receivable	(105,933)	29,903
Prepaid expenses and sundry assets	(108,891)	-
Accounts payable and accrued liabilities	(64,723)	12,618
Government remittances payable	5,110	(23,521)
Deferred contributions	49,606	29,894
	111,288	12,259
<b>Investing activities</b>		
Purchase of capital assets	(82,137)	-
Proceeds on disposal of capital assets	506,625	-
	424,488	-
<b>Financing activities</b>		
Bank indebtedness	-	(15,630)
Advances from related party	(234,228)	9,208
	(234,228)	(6,422)
<b>Increase in cash</b>	301,548	5,837
<b>Cash, beginning of year</b>	5,837	-
<b>Cash, end of year</b>	\$ 307,385	\$ 5,837



# TORONTO WILDLIFE CENTRE

Notes to Financial Statements  
For the year ended December 31, 2014

## General

Toronto Wildlife Centre (the "Centre") was established with the following objectives:

Wildlife rehabilitation: To provide high quality medical treatment and care for sick, injured and orphaned wildlife, and prepare them for release back into the wild;

Public education: To teach the public about wildlife issues and provide advice regarding wildlife concerns.

Pursuant to the Income Tax Act (Canada), the Centre is classified as a not-for-profit organization and therefore, is not subject to income tax.

## 1. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

### (a) Revenue recognition

The Centre follows the deferral method of accounting for contributions.

Unrestricted contributions are recognized as revenue in the year when they are received or become receivable, are measurable and collectibility is reasonably assured.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred and collectibility is reasonably assured.

Contributed depreciable capital assets are recorded at fair value and revenue is recognized equal to the contributed capital asset's respective amortization expense.

The Centre records revenue from the sale of goods and provision of services when the goods are shipped and services are provided and collectibility is reasonably assured.

# TORONTO WILDLIFE CENTRE

Notes to Financial Statements  
For the year ended December 31, 2014

## 1. Significant accounting policies (continued)

### (b) Capital assets

Capital assets are recorded at cost. The Centre provides for amortization using the declining balance method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Veterinary equipment	20%
Leasehold improvements	20%
Computer equipment	30-50%

### (c) Impairment of long-lived assets

The Centre tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

### (d) Contributed services

Volunteers contribute their time to the ongoing programs of the Centre. Because of the difficulty of determining their fair value, volunteer time is not recognized in the financial statements. Contributed materials and services, other than volunteer time, are recognized in the financial statements when a fair value can be reasonably estimated.

### (e) Financial instruments

#### Measurement of financial instruments

The Centre initially measures its financial assets and liabilities at fair value and subsequently at amortized cost.

Financial assets recorded at amortized cost include cash and accounts receivable.

Financial liabilities recorded at amortized cost include accounts payable and accrued liabilities.

# TORONTO WILDLIFE CENTRE

Notes to Financial Statements  
For the year ended December 31, 2014

## 1. Significant accounting policies (continued)

### (e) Financial instruments (continued)

#### Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

### (f) Allocation of expenses

The Centre allocates personnel expenses to each expense category based on management's estimate of the time and amount spent on each function.

### (g) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

## 2. Prepaid expenses and sundry assets

Comprised of costs directly attributable to the development of a proposed new facility.

Subsequent to year end, the Board of Directors designated \$300,000 of the cash balance for the development of the new facility.

## TORONTO WILDLIFE CENTRE

Notes to Financial Statements  
For the year ended December 31, 2014

### 3. Capital assets

	2014		2013	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Land	\$ -	\$ -	\$ 504,000	\$ -
Veterinary equipment	219,703	171,863	171,896	165,880
Leasehold improvements	77,774	77,774	77,774	77,774
Vehicles	34,330	5,149	-	-
Computer equipment	25,311	25,311	25,311	25,311
	<u>357,118</u>	<u>280,097</u>	<u>778,981</u>	<u>268,965</u>
Net book value	<u>\$ 77,021</u>		<u>\$ 510,016</u>	

### 4. Deferred contributions

	2014	2013
Deferred contributions, beginning of year	\$ 58,420	\$ 28,526
Contributions received		
Government funding for new facility	65,000	-
Donated veterinary equipment	-	58,420
Recognized as revenue	<u>(15,394)</u>	<u>(28,526)</u>
Deferred contributions, end of year	<u>\$ 108,026</u>	<u>\$ 58,420</u>

# TORONTO WILDLIFE CENTRE

Notes to Financial Statements  
For the year ended December 31, 2014

## 5. Advances from related party

The advances from an individual related to management bear interest at 4% per annum, are unsecured and have no specific terms of repayment. During the year, the advances were repaid in full.

## 6. Commitment

The Centre is committed to a lease on its premises, which expires in January 2017. The approximate annual future lease payments are as follows:

2015	\$	72,000
2016		72,000
2017		6,000

## 7. Related party transactions

Included in interest and bank charges is an amount of \$3,000 (2013 - \$9,000) charged by an individual related to management.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

## 8. Financial instruments

It is management's opinion that the Centre is not exposed to significant credit or interest rate risk.

## 9. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.