

SECOND CHANCE ANIMAL RESCUE SOCIETY

YEAR 2023

# ANNUAL REPORT 2023



*Second Chance!*  
animal rescue society

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## Petunia

survived canine parvo virus and  
was adopted by her foster home

# ANNUAL MESSAGE

Our first full year at the Morinville Rescue Centre proved to be invaluable. This facility enabled us to provide greater assistance to animals. This was especially true during the 2023 wildfire season where we supported remote communities and took in animals with no other options. Some of these rescues remained in our care for months before reuniting with their families.

The demand for our services continued to rise, with increased requests to help homeless pets, take in animals from rural pounds, and respond to pet surrenders. Decreased access to veterinary services and rising costs compounded these challenges. In 2023, we had an increased focus on stray pets, which represented 47 per cent of our intakes, up from 33 per cent in 2022. Our adoption return requests remained at 5 per cent.

We continued to serve a wide range of communities including the MD of Opportunity, Sturgeon County, Buffalo Lake, Frog Lake, Onion Lake, Morinville, Athabasca, Edmonton, and many more. We helped 126 more animals than in 2022, but we are concerned about reduced capacity for people to care for their pets due to our challenging economy and a lack of available veterinary services and pet friendly housing.

Our financial outlook remains positive, and we are excited to begin advancing our long-term vision of building a modern facility. This will ensure we can provide world class care to animals for many years to come.

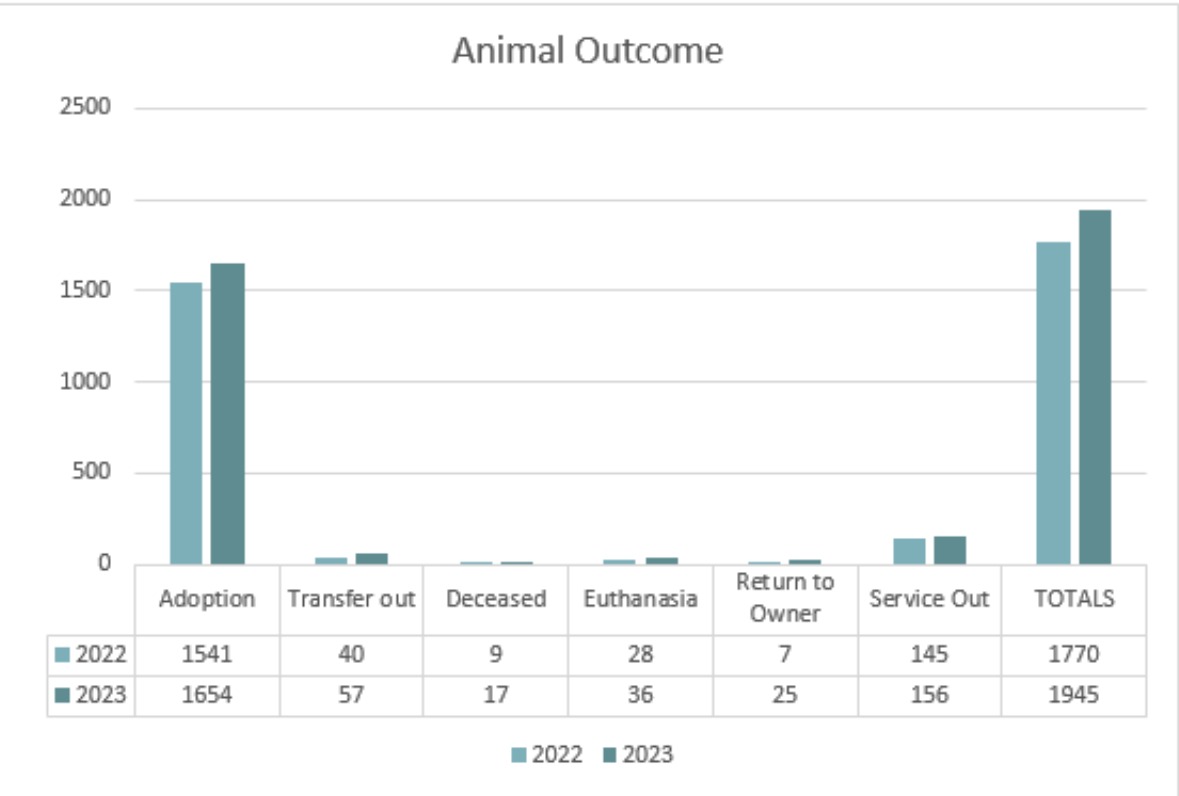
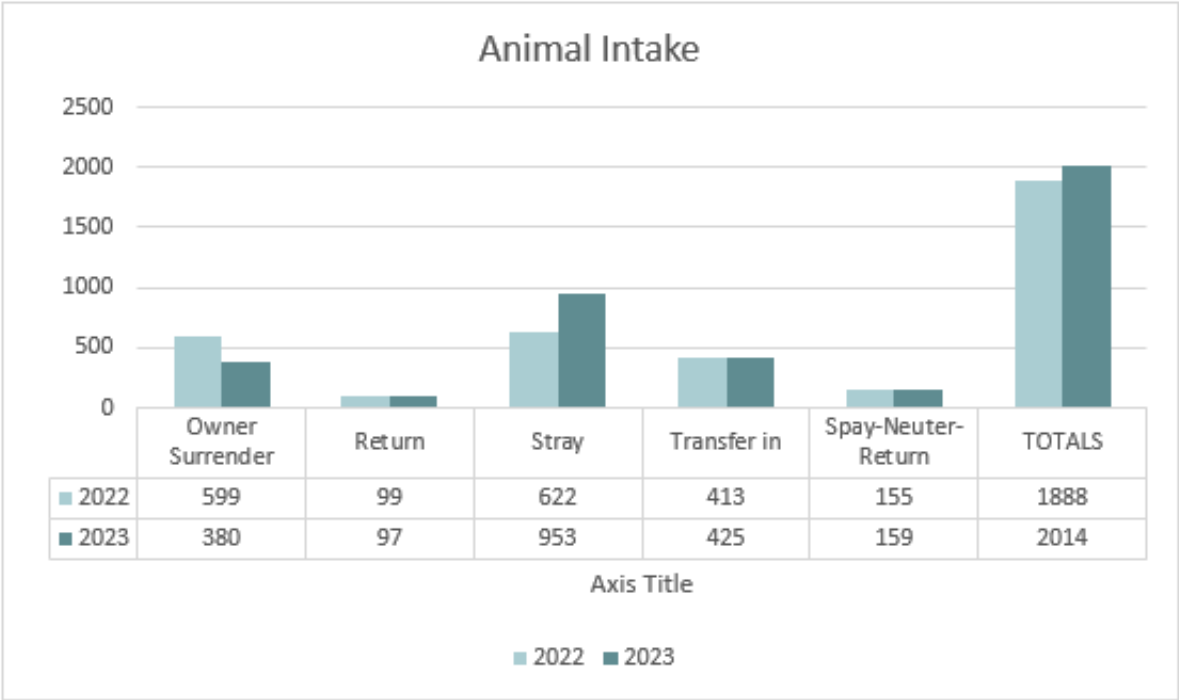
**SYLVIA CHRISTIANSEN**

ACTING EXECUTIVE DIRECTOR/  
OPERATIONS MANAGER

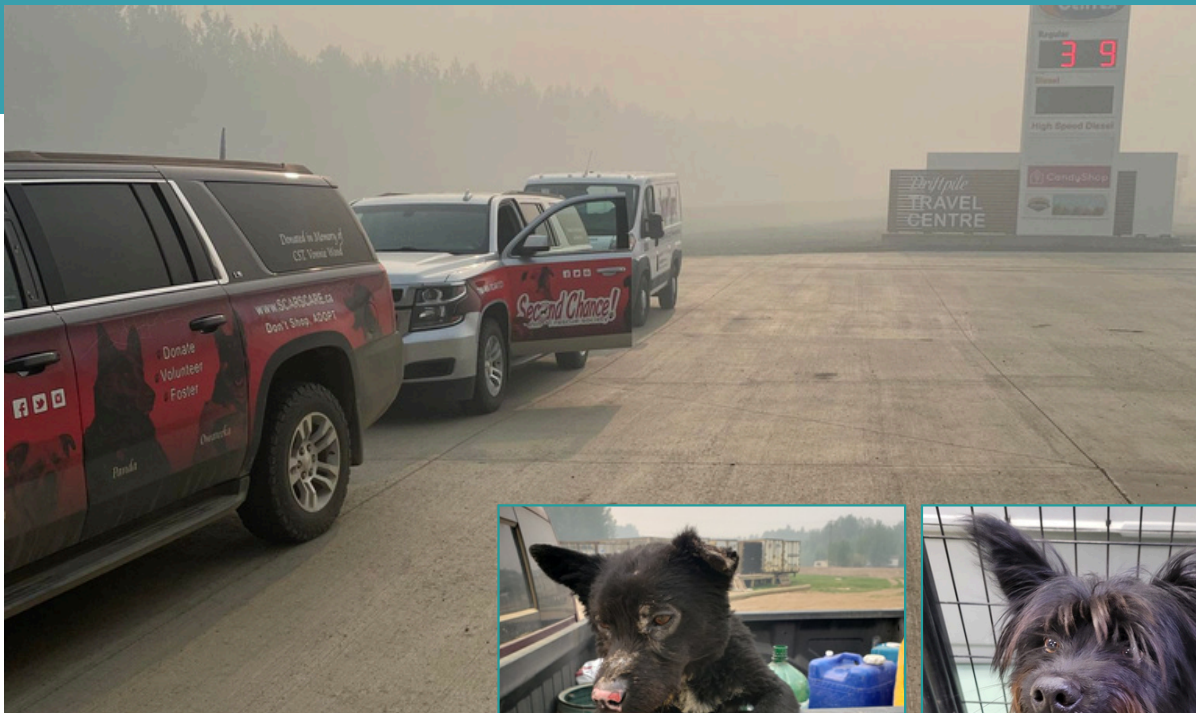
ON BEHALF OF THE BOARD OF DIRECTORS

# INTAKE AND OUTCOMES

SCARS assisted 2,014 animals during 2023, including 928 dogs and 1,086 cats.







Before and after

## ALBERTA WILDFIRES

### Rescue Missions Through Fire and Smoke

SCARS brought 84 animals into care during the summer of 2023 in support of two communities affected by wildfires. Some pets were returned to their owners while others were surrendered for rehoming.

Our first rescue mission to High Level involved two Suburbans and a van, carrying a substantial load of food and gear. Coordinating with local RCMP, we picked up numerous dogs rescued from evacuated communities and received two additional puppies from firefighters. The journey back was surreal, driving through thick smoke and burned forests, on the road approximately 725 km each way.

Another trip to Chateh involved one Suburban and a van. After an overnight stop in Peace River, we met with RCMP in High Level, who escorted us to Chateh. We picked up stray dogs from the fire command centre and various evacuated homes, leaving food and water for those we needed it. We rescued several dogs, including a mom with new puppies and a pregnant dog. This mission also required a long drive, covering about 835 km each way.



## VOLUNTEER HIGHLIGHTS

### The heartbeat of our operations

We are grateful to over 450 volunteers who do everything from fostering animals to coordinating function areas in support of our daily operations.

With their help, we maintained our pet food and supplies, we transported animals, we screened potential adopters, we built and delivered pet shelters, we walked adoptable dogs, we organized fundraising events, and much more!





# FUNDRAISING HIGHLIGHTS

Throughout the year, we held various fundraisers to support our mission. They included everything from Purdy's Chocolate sales to bottle drives and our annual SCARS calendar fundraiser.

We also held our annual events including the Spring and Fall Craft Fairs, Gimme Shelter, Tails on the Trails pledged dog walk, Pars for SCARS golf tournament, and the Critters & Cocktails gala.

We received numerous requests for third-party events, school visits, and donations, highlighting the dedication and hard work of our volunteers. Our sponsors, both new and long-standing, have been invaluable to our efforts, and we are immensely grateful for their support.

As we continue to plan events and seek sponsorships and donations, our focus remains on serving our community and advancing our mission.



**Pars for SCARS**



**Tails on the Trails**



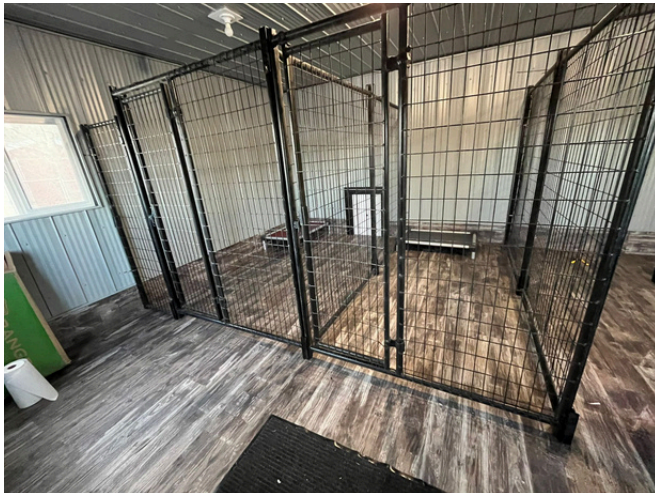
**Critters & Cocktails**



# FACILITY HIGHLIGHTS

## Morinville Rescue Centre Capacity

We added more capacity for dogs at Morinville by converting a space we intended for meet-and-greets to become additional kennel space for dogs.



## Athabasca Second-Chance Country Refuge

The addition of a new portable building at our Athabasca facility created more indoor/outdoor kennel capacity for dogs.







# SPONSOR HIGHLIGHTS

We have so many sponsors to thank! From the companies and individuals who sponsor areas of our facilities to those who sponsor events and sanctuary animals, your support makes all the difference.

In no particular order, thank you to Instabox, Champion Petfoods, Castle Wolf Creek Building Supplies, MrPets St. Albert, PetSmart, Rozen Steelworks, Westlock Veterinary Centre, Athabasca Veterinary Services, Westside Acura, Sherwood Ford, Bushell Transport, Bosch Hydraulic Connections Ltd., Inline Group, Desjardins Insurance, Town & Country Today, MCSNet, Central Sewing Machines, Christiansen & McLean Roofing Co., bird, Stahl Peterbilt, Wolfe Cadillac, Original Joes, Blackjacks Roadhouse, The BBQ Shoppe, and more. We couldn't help animals without your support!



Kittens helped at the Morinville Rescue Centre

# DIGITAL AND SOCIAL MEDIA HIGHLIGHTS

We published 16 e-newsletters to over 17,000 subscribers, plus we established a new e-newsletter for our 450+ volunteers.

## Social media:

- Instagram – 26,300 followers (compared to 26,026 followers last year)
- Twitter – 10K followers (unchanged from last year).
- Facebook – 79,000 followers (up from 75,000 last year)
- TikTok – 3,721 following, 82.9K likes (last year: 3,119 followers, 64.3K likes)

Our SCARS Alumni Facebook group – where we welcome updates, stories, photos/videos of adopted pets – grew to over 1,900 members.

TownandCountryTODAY.com generously continued to provide our free community page on their website. We are also grateful for the support we received from CBC (TV/radio), Global Edmonton, CTV Edmonton, CityNews Edmonton, St. Albert Gazette, and 630 CHED.



# FINANCIAL STATEMENTS


SECOND CHANCE ANIMAL RESCUE SOCIETY  
FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023

# FINANCIAL STATEMENTS (CONTINUED)

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ST. ARNAUD PINSENT STEMAN

CHARTERED PROFESSIONAL ACCOUNTANTS



# FINANCIAL STATEMENTS (CONTINUED)



## ST. ARNAUD PINSENT STEMAN

CHARTERED PROFESSIONAL ACCOUNTANTS

Daniel J. St. Arnaud, CPA, CA\*\*  
John H.C. Pinsent, FCPA, FCA, ICD D\*\*  
Bernardus C. Steman, CPA, CA, CFA\*\*

### INDEPENDENT AUDITOR'S REPORT

To the Members of Second Chance Animal Rescue Society

#### Qualified Opinion

We have audited the financial statements of Second Chance Animal Rescue Society (the Society), which comprise the statement of financial position as at December 31, 2023, and the statements of changes in net assets, revenue and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

#### Basis for Qualified Opinion

In common with many not-for-profit organizations, the Society derives revenue from donations and fundraising activities 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 revenues, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2023, current assets and net assets as at December 31, 2023. The predecessor auditor's opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this limitation of 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 Financial Statements* section of our report. We are independent of the Society in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

#### Other Matter

The financial statements for the year ended December 31, 2022 were audited by another auditor who expressed a qualified opinion on those financial statements on May 23, 2023 for the reasons described in the *Basis for Qualified Opinion* section.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

In preparing the 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.

(continues)

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\* An Association to Practice Chartered Accountancy \*\* Operates as a Professional Corporation



# FINANCIAL STATEMENTS (CONTINUED)

Independent Auditor's Report to the Members of Second Chance Animal Rescue Society (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

*JAM Accounting Group LLP*

Edmonton, Alberta  
May 25, 2024

JAM Accounting Group LLP  
Chartered Professional Accountants



# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2023

	2023	2022
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	1,257,832	928,553
Short term investments (Note 6)	-	515,040
Accounts receivable	27,053	28,881
Goods and services tax recoverable	27,735	21,925
Prepaid expenses	17,668	14,908
	<u>1,330,288</u>	<u>1,509,287</u>
PROPERTY AND EQUIPMENT (Note 3)	<u>304,197</u>	<u>190,296</u>
<b>TOTAL ASSETS</b>	<u><b>1,634,485</b></u>	<u><b>1,699,583</b></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 9)	280,428	238,375
Wages payable	7,901	-
Employee deductions payable	20,988	12,142
Deferred revenue (Note 5)	78,575	110,021
	<u>387,892</u>	<u>358,538</u>
<b>TOTAL LIABILITIES</b>	<u><b>387,892</b></u>	<u><b>358,538</b></u>
<b>NET ASSETS</b>		
Unrestricted	(7,604)	200,749
Internally restricted (Note 4)	950,000	950,000
Invested in capital assets	<u>304,197</u>	<u>190,296</u>
	<u><b>1,246,593</b></u>	<u><b>1,341,045</b></u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>1,634,485</b></u>	<u><b>1,699,583</b></u>
CONTINGENCIES (Note 7)		
COMMITMENTS (Note 8)		

### ON BEHALF OF THE BOARD

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

The accompanying notes form part of these financial statements

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# FINANCIAL STATEMENTS (CONTINUED)

**SECOND CHANCE ANIMAL RESCUE SOCIETY  
STATEMENT OF CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2023**

	Unrestricted \$	Internally Restricted \$	Invested in Capital Assets \$	2023 \$	2022 \$
<b>BALANCE - BEGINNING OF YEAR</b>	200,749	950,000	190,298	<b>1,341,045</b>	1,221,460
Excess (deficiency) of revenues over expenses	(94,452)	-	-	(94,452)	119,585
Amortization of capital assets	72,913	-	(72,913)	-	-
Investment in capital assets	(186,814)	-	186,814	-	-
<b>BALANCE - END OF YEAR</b>	<b>(7,604)</b>	950,000	304,197	<b>1,246,593</b>	1,341,045

The accompanying notes form part of these financial statements

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ST. ARNAUD PINSENT STEMAN  
CHARTERED PROFESSIONAL ACCOUNTANTS



# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY STATEMENT OF REVENUE AND EXPENDITURES YEAR ENDED DECEMBER 31, 2023

	2023 \$	2022 \$
<b>REVENUES</b>		
Donations and sponsorships	1,462,561	1,172,844
Adoption fees and merchandise	524,086	462,282
Gaming proceeds	286,370	247,408
Fundraising events	245,883	234,415
Gifts in kind	137,230	65,410
Memberships	2,560	2,709
	<u>2,658,690</u>	<u>2,185,068</u>
<b>EXPENSES</b>		
Advertising and promotion	74,860	90,806
Amortization	72,913	41,997
Contract work	84,747	53,785
Donations	500	-
Gaming expenses	136,774	144,172
Gifts in kind	137,230	65,410
Insurance	10,455	9,350
Interest and bank charges	2,562	2,448
Office	22,360	17,354
Professional fees	164,572	116,759
Rental	149,699	99,618
Repairs and maintenance	16,598	11,360
Salaries and wages	640,850	355,673
Telephone and utilities	18,523	22,075
Vehicle	36,580	45,735
Veterinary fees and animal supplies	1,247,873	1,024,953
	<u>2,817,096</u>	<u>2,101,295</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<u>(158,406)</u>	<u>83,773</u>
<b>OTHER ITEMS</b>		
Dividend income	70	279
Gain on investments	336	-
Interest income	28,683	10,509
Other grants	34,865	24,878
Unrealized gain on investments	-	148
	<u>63,954</u>	<u>35,812</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>(94,452)</u>	<u>119,585</u>

The accompanying notes form part of these financial statements

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ST. ARNAUD PINSENT STEMAN  
CHARTERED PROFESSIONAL ACCOUNTANTS





# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY STATEMENT OF CASH FLOWS YEAR ENDED DECEMBER 31, 2023

	2023	2022
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	(94,452)	119,585
Items not affecting cash:		
Amortization of property and equipment	72,913	41,997
Unrealized gain on investments	-	(146)
	<u>(21,539)</u>	<u>161,436</u>
Changes in non-cash working capital:		
Accounts receivable	1,808	(15,741)
Accounts payable and accrued liabilities	44,053	122,579
Deferred revenue	(31,446)	(1,831)
Prepaid expenses	(2,760)	(8,921)
Goods and services tax recoverable	(5,810)	(5,380)
Wages payable	7,901	-
Employee deductions payable	8,846	(14,460)
	<u>22,592</u>	<u>76,246</u>
Cash flow from operating activities	<u>1,053</u>	<u>237,682</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(186,814)	(109,547)
Change in short term investments	515,040	(502,787)
Cash flow from (used by) investing activities	<u>328,226</u>	<u>(612,334)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<u>329,279</u>	<u>(374,652)</u>
Cash - beginning of year	<u>928,553</u>	<u>1,303,205</u>
<b>CASH - END OF YEAR</b>	<u>1,257,832</u>	<u>928,553</u>

The accompanying notes form part of these financial statements

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ST. ARNAUD PINSENT STEMAN  
CHARTERED PROFESSIONAL ACCOUNTANTS



# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2023

### 1. PURPOSE OF THE SOCIETY

Second Chance Animal Rescue Society (the "Society") is a not-for-profit organization incorporated under the Societies Act of the Province of Alberta. The Society is a registered charity under the Income Tax Act and is exempt from income taxes.

The purpose of the Society is to raise funds and save animals as well as promote humane care and protection of all animals.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

#### Contributed services

The operations of the Society depend on both the contribution of time by volunteers and donated materials from various sources.

The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Contributed materials and gifts in kind are recorded at their fair market value at the time of the donation. During the year, \$137,230 in goods were donated (2022 - \$65,410).

#### Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets and liabilities are measured at amortized cost, except financial assets that are quoted in an active market, which are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment when there are indicators of impairment. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at amortized cost include cash, term deposits, and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

#### Cash

The Society's policy is to present bank balances, less outstanding cheques and deposits under cash.

#### Government assistance

Government assistance for current expenses is recorded as other income.

#### Government grants

Government grants are recorded when there is a reasonable assurance that the Society has complied with and will continue to comply with, all the necessary conditions to obtain the grants.

(continues)



# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2023

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant financial statement items that require the use of estimates are the useful life and amortization of property and equipment. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

#### Short term investments

Short term investments are recorded at fair value with gains and losses recorded in the statement of operations and changes in net assets in the period in which they arise.

#### Net assets

- a) Net assets invested in property and equipment represents the Society's net investment in capital assets which is comprised of the unamortized amount of capital assets purchased with restricted funds.
- b) Internally restricted funds include amounts not available for use without the prior approval of the Board of Directors.
- c) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, net of transfers, and are available for general purposes.

#### Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Automotive equipment	30% declining balance method
Building	4% declining balance method
Computer equipment	55% declining balance method
Equipment	30% declining balance method
Leasehold improvements	5 years straight-line method

The Society regularly reviews its property and equipment to eliminate obsolete items.

#### Revenue recognition

Second Chance Animal Rescue Society follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted investment income is recognized as revenue when earned.

Revenue from sales of merchandise is recognized when title passes to the customer, which generally coincides with the delivery and acceptance of goods.

Revenue from all other sources is included in revenue in the year in which it is received or becomes receivable.





# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2023

### 3. PROPERTY AND EQUIPMENT

	Cost \$	Accumulated amortization \$	2023 Net book value \$	2022 Net book value \$
Automotive equipment	201,888	86,236	115,652	52,419
Building	71,046	7,511	63,535	31,421
Computer equipment	11,058	5,601	5,457	4,856
Equipment	158,349	60,548	97,801	72,649
Leasehold improvements	37,000	15,248	21,752	29,151
	<u>479,341</u>	<u>175,144</u>	<u>304,197</u>	<u>190,296</u>

### 4. INTERNALLY RESTRICTED NET ASSETS

The internally restricted net assets consist of:

- Amounts restricted by the Board of Directors to provide financial resources in case of a significant revenue disruption in the amount of \$300,000. This fund is intended to equal three months of the Society's operating expenses, adjusted for the time required to cease operations.
- Amounts restricted by the Board of Directors for future capital development.

	2023 \$	2022 \$
Reserve fund	300,000	300,000
Future capital development	650,000	650,000
	<u>950,000</u>	<u>950,000</u>

### 5. DEFERRED REVENUE

Deferred contributions represent funds restricted for specific programs that are related to expenses of subsequent periods.

	2023 \$	2022 \$
Alberta Gaming, Liquor and Cannabis	78,575	110,021

# FINANCIAL STATEMENTS (CONTINUED)

## SECOND CHANCE ANIMAL RESCUE SOCIETY NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2023

### 6. SHORT TERM INVESTMENTS

		2023 \$	2022 \$
RBC investment account	1	-	12,531
RBC Guaranteed Investment Certificate		-	502,509
		-	515,040

Investments are recorded at cost and subsequently measured at fair market value. The RBC Guaranteed Investment Certificate (GIC) matured on November 18, 2023 with an interest rate of 4.3%. All investments were transferred to ATB savings account during fiscal 2023.

### 7. CONTINGENCIES

In the normal course of business, the Society may be subject to various legal undertakings. The outcomes of any legal proceedings cannot be predicted with certainty. Management is of the opinion that, apart from those cases where a provision has already been recognized, there are no such matters pending which would be likely to have any material adverse effect in relation to its business, financial position, or results of operations. There are no provisions recognized in the current or prior year.

### 8. COMMITMENTS

The Society has rent agreements with respect to its office, storage unit and Morinville building lease. The office rent agreement is with a party related to management of the Society (Note 9) and has no end date specified in the lease terms. The storage unit rental is with Sentinel Storage and has no end date specified in the lease terms. The Morinville building lease expires on February 28, 2025. Future minimum payments for the next two fiscal years are approximated as follows:

	Office \$	Morinville Building \$	Storage \$	Total \$
2024	41,820	101,352	6,725	149,897
2025	41,820	16,892	6,725	65,437
	83,640	118,244	13,450	215,334

### 9. RELATED PARTY TRANSACTIONS

The Society's main facility is located on premises owned by key management. The transactions are in the normal course of operations and are measured at the exchange amount, which is the consideration mutually established and agreed upon by both parties. The monthly rent paid is \$3,400 plus GST and utilities. During the current year, the Society paid \$51,291 (2022 \$53,961) in rent expense and utilities. There is an outstanding balance of \$420 included in accounts payable at year end.

The Society paid \$86,814 (2022 \$55,097) in contracted IT services to a corporation owned by a party related to a Director of the Society. There is an outstanding balance of \$7,182 included in accounts payable at year end.







## ABOUT US

Second Chance Animal Rescue Society (SCARS) is a non-profit, registered charitable organization that is dedicated to reducing the number of abandoned animals in Alberta.

Since 2002, SCARS has rescued, rehabilitated and rehomed thousands of cats and dogs, and helped make communities safer and healthier.

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*Our mission. To make a positive impact on animals and people by engaging with others to rescue and care for animals in need, share knowledge, and provide access to services and resources.*

*Our vision. A world where all animals are valued and treated with compassion, where no animal is left behind.*

*Our values: Inclusion. Compassion. Integrity. Resilience.*

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## CONTACT

Second Chance Animal Rescue Society  
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