



Annual Report 2014



Quinte Humane Society

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Tel: (613) 968-4673 Fax: (613) 968-7602

www.quintehumanesociety.com

Charitable # 898381439RR0001

Executive Director's Report

OUR MISSION: To promote the prevention of cruelty to animals that are neglected, abused, exploited, stray or homeless. Work within the law and in cooperation with the government, OSPCA and the public, in order to improve conditions for animals while maintaining a balanced sensitivity toward both animal and human needs.

Having joined the Quinte Humane Society on January 2nd 2015 I can only look forward to 2015 with hope and anticipation of the things to come. We are planning a couple of new fundraising initiatives that promise to be exciting and help to increase both our revenue and profile throughout the community. I am also looking forward to working with our team of dedicated staff and volunteers as we strive to provide the best care possible for the animals we serve..

Adoptions for 2014

956



ANIMALS WHO FOUND NEW FOREVER HOMES

Dogs

240

Cats

677

Other

39



Quinte Humane Society Investigation Summary Report

For Jan 01, 2014 to Dec 31, 2014

Branch/Municipality:

Infraction Type:



Printed by: Quinte Humane Society
Printed on: July 28, 2015 5:13 pm

# of Complaints Received:	406
# of Complaints Investigated:	404
# of Complaints Closed:	410

of Complaints by Investigation Type:

	17
Domestic	338
Exotic	2
Farm	42
Wildlife	5

of Complaints by Investigator:

	Primary Investigator	Secondary Investigator
Degerlund-Smith, Marja	0	0
Doucette, Marie	34	19
Duffy, Jenny	0	0
Matson, Joshua	3	1
Ridder, Tex	365	16

of Complaints by Establishments Type:

Apartment	81
Campground	3
Car/Truck	1
Farm	63
Pet Shop	2
Private, Non-Dwelling	4
Public Property	5
Residential Home	236
Retail/Commercial Establish	8
Vacant Land	1

of Complaints by Infraction Type:

By-law	1
SPCA	403

of Complaints by Validity Type:

	3
False	74
Justified	232
N/A	6
Reasonable Concern	89



Quinte Humane Society Investigation Summary Report

For Jan 01, 2014 to Dec 31, 2014

Branch/Municipality:

Infraction Type:



Printed by: Quinte Humane Society

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of Complaints by Important Date Category:

Cost of Removal Sent	11
Reg. letter release date	10
Trespass	3
While you were out	63
Recheck	272
Order Issued	187
Order Modified	55
Order Revoked	110
Animals Removed	14
Animals Returned	3
Voluntary Surrender	32
OSPCA Search Warrant Issu	10
Vet Destruction Certificate Is	2

Total Sum of Animals by Species:

	Number	Removed	Returned	Surrendered	Abandon
Chickens	40	0	0	0	0
Donkeys	8	0	0	0	0
ducks	32	0	0	0	0
emus	0	0	0	0	0
exotic	14	0	0	0	0
geese	11	0	0	0	0
hedge ho	0	0	0	0	0
Llamas	21	0	0	0	0
Rodent	6	0	0	0	0
Cats	488	12	0	43	1
Dogs	724	18	6	28	0
Cattle	146	0	0	0	0
Goats	74	0	0	0	0
Horses	235	1	0	0	0
Pigs	54	0	0	0	0
Sheep	119	0	0	0	0
Wildlife	9	0	0	0	0
Other	3	0	0	0	0
rabbits	61	9	0	1	0
Birds	34	0	0	1	0
Turkeys	2	0	0	0	0
Total	2081	40	6	73	1

Signatures:

Inspector/Agent

Regional Manager / President

A Word from our Treasurer



For the close of 2014, I would like to make the following comments:

On behalf of the Quinte Humane Society, I would like to extend a vote of thanks for the audit services provided by Jeff Snider, Chartered Accountant of Wilkinson & Company LLP and his staff.

The total assets for 2014 were valued at \$2,239,340 compared to \$1,035,946 for 2013.

Revenue

Revenue for the year 2014 totalled \$656,147 compared to \$757,312 for 2013.

Includes: A decrease in revenue from bequests and legacies of \$122,609

 An increase in revenue from OSPCA transfer payments of \$94,303

 An increase in revenue of \$65,283 in realized gains from investments.

Expenses

Expenses for the year 2014 totalled \$624,841 compared to \$537,182 for 2013.

Includes: An increase of \$16,863 for veterinary care.

 An increase of \$12,605 for foster care and supplies.

Salaries including benefits were up \$21,592.00 due to wage increases and changes in staffing levels.

The Quinte Humane Society ended the year 2014 with a profit of \$31,306 compared with a profit of \$220,130 for 2013.

Going Forward

With income in the positive for 2014 and plans to strengthen our fundraising activities in 2015, we are anticipating even greater success in the coming year.

**QUINTE HUMANE SOCIETY
FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2014**

**QUINTE HUMANE SOCIETY
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AS AT DECEMBER 31, 2014**

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INDEPENDENT AUDITORS' REPORT

To the Members of
Quinte Humane Society

Report on the Financial Statements

We have audited the accompanying financial statements of Quinte Humane Society, which comprise the statement of financial position as at December 31, 2014, and the statements of accumulated surplus, revenues and expenditures 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.

Auditor's 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 auditor's 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 auditor considers internal control relevant to the entity'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 entity'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 qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the organization derives revenue from donations, memberships and fundraising 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 records of the organization and we were not able to determine whether any adjustments might be necessary to donations, membership and fundraising revenue, net revenue and assets and members' equity.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Quinte Humane Society as at December 31, 2014, and results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Wilkinson & Company LLP

BELLEVILLE, Canada
July 15, 2015

Chartered Accountants
Licensed Public Accountants

WILKINSON & COMPANY LLP - CHARTERED ACCOUNTANTS

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QUINTE HUMANE SOCIETY
STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2014

	2014 \$	2013 \$
ASSETS		
CURRENT		
Cash - Note 3	141,556	122,314
Accounts receivable	2,737	1,265
HST receivable	25,285	22,396
Portfolio investments - Note 4	828,609	783,161
Pledges receivable	8,000	
	<u>1,006,187</u>	<u>929,136</u>
LONG-TERM		
Portfolio investments - Note 4	1,151,645	16,768
TANGIBLE CAPITAL ASSETS - at cost	81,508	90,042
less accumulated amortization - Note 5		
	<u>2,239,340</u>	<u>1,035,946</u>

LIABILITIES

CURRENT		
Accounts payable and accrued liabilities	62,012	27,461
DEFERRED CONTRIBUTIONS - Note 6	1,154,227	16,690
	<u>1,216,239</u>	<u>44,151</u>

MEMBERS' EQUITY

ACCUMULATED SURPLUS		
Invested in tangible capital assets	81,508	90,042
Unrestricted net assets	941,593	901,753
	<u>1,023,101</u>	<u>991,795</u>
	<u>2,239,340</u>	<u>1,035,946</u>

APPROVED ON BEHALF OF THE BOARD

Director

Director

The accompanying notes form an integral part of these financial statements

**QUINTE HUMANE SOCIETY
STATEMENT OF ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Invested in Tangible Capital Assets \$	Unrestricted \$	2014 Total \$	2013 Total \$
BALANCE - BEGINNING OF YEAR	90,042	901,753	991,795	771,665
NET REVENUES FOR YEAR	(12,453)	43,759	31,306	220,130
NET CHANGE IN INVESTMENTS TO TANGIBLE CAPITAL ASSETS	3,919	(3,919)		
BALANCE - END OF YEAR	81,508	941,593	1,023,101	991,795

The accompanying notes form an integral part of these financial statements

**QUINTE HUMANE SOCIETY
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	2014 \$	2013 \$
DIRECT OPERATING REVENUE		
Shelter and Adoption	165,228	152,095
Pound Services		
Municipal contracts	34,164	34,164
Pound fees	6,125	4,450
	40,289	38,614
Other		
Sale of microchips	2,945	9,080
TOTAL DIRECT OPERATING REVENUES	208,462	199,789
DIRECT OPERATING EXPENDITURES		
Wages and benefits	290,700	269,108
Premises - per Schedule	55,100	50,017
Vehicle	9,718	15,508
Office - per Schedule	26,478	15,213
Supplies and services - per Schedule	171,823	152,141
General - per Schedule	52,230	12,521
Purchase of microchips	6,339	11,523
Amortization of tangible capital assets	12,453	11,151
TOTAL DIRECT OPERATING EXPENDITURES	624,841	537,182
LOSS FROM DIRECT OPERATIONS	(416,379)	(337,393)
OTHER REVENUE (EXPENSE)		
Bingo revenue	14,044	13,514
Donations, memberships, contributions and fundraising	263,466	263,155
Bequests and legacies		122,609
Other revenue	1,201	1,856
OSPCA grants	94,303	
Dividend income	14,099	9,035
Interest income	5,648	3,708
Investment management fees	(21,707)	(18,464)
Realized gain on sale of investments	117,949	52,666
Unrealized gain (loss) on investments	(41,318)	104,412
Gain on disposition of tangible capital assets		5,032
	447,685	557,523
NET REVENUES FOR YEAR	31,306	220,130

The accompanying notes form an integral part of these financial statements

**QUINTE HUMANE SOCIETY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	2014 \$	2013 \$
OPERATING ACTIVITIES		
Net revenues for the year	31,306	220,130
Adjustment for items which do not affect cash -		
Gain on sale of portfolio investments	(117,949)	(52,666)
Unrealized loss (gain) on portfolio investments	41,318	(104,412)
Amortization of tangible capital assets	12,453	11,151
Gain on sale of tangible capital assets		(5,032)
Adjusted net revenues for the year	(32,872)	69,171
Net change in non-cash working capital balances related to operations		
Accounts receivable	(1,472)	(315)
HST receivable	(2,889)	(1,746)
Pledges receivable	(8,000)	
Accounts payable and accrued liabilities	34,551	252
CASH FLOWS PROVIDED FROM (USED IN) OPERATING ACTIVITIES	(10,682)	67,362
INVESTING ACTIVITIES		
Purchase of portfolio investments	(3,273,051)	(865,483)
Proceeds from disposition of portfolio investments	2,169,357	822,966
Purchase of tangible capital assets	(3,919)	(22,595)
Disposal of tangible capital assets		11,693
CASH FLOWS USED IN INVESTING ACTIVITIES	(1,107,613)	(53,419)
FINANCING ACTIVITIES		
Deferred contributions received - net	1,137,537	5,680
NET INCREASE IN CASH AND CASH EQUIVALENTS FOR YEAR	19,242	19,623
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	122,314	102,691
CASH AND CASH EQUIVALENTS - END OF YEAR	141,556	122,314
REPRESENTED BY:		
Cash	141,556	122,314

The accompanying notes form an integral part of these financial statements

**QUINTE HUMANE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

1. NATURE AND PURPOSE OF THE ORGANIZATION

The Quinte Humane Society is a not-for-profit organization that is a registered charity under the Income Tax Act of Canada and is incorporated under the Ontario Business Corporations Act as a corporation without share capital. The purpose of the corporation is to provide a compassionate refuge for domestic animals in the Quinte area. The corporation is also committed to educating the general public regarding responsible animal ownership.

2. SIGNIFICANT ACCOUNTING POLICIES

Outlined below are those accounting policies adopted by the organization and considered to be of particular significance:

(a) Accounting Estimates

The preparation of financial statements in conformity with Canadian Accounting Standards for Non-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 date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include valuation of accounts receivable and the estimated useful life of tangible capital assets. Actual results could differ from those estimates.

(b) Basis of Accounting

These financial statements are prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations.

(c) Portfolio Investments

Investments are classified as fair value through profit and loss and are initially recorded at their acquisition cost. Changes in fair value are recognized in the statement of revenues and expenditures.

(d) Tangible Capital Assets and Amortization

Tangible capital assets are stated at acquisition cost and capitalized if the individual item amount exceeds \$2,500. Gains or losses on the disposal of individual assets are recognized in earnings in the year of disposal. Amortization of tangible capital assets, which is based on estimated useful life, is calculated on the following bases and at the rates set out below:

Asset	Basis	Rate
Buildings	Straight-line	Over 25 years
Equipment	Declining balance	20%
Automotive equipment	Declining balance	30%

**QUINTE HUMANE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Contributed Services

Volunteers contribute their time to the organization each year. Because of the difficulty of determining fair value, contributed services are not recognized in the financial statements.

(f) Donated Goods and Services

Goods and services which are donated to the organization are recorded in the accounts at fair market value. Donated goods and services recognized are those that would normally be purchased by the organization and would be paid for if not donated.

(g) Revenue Recognition

The organization follows the deferral method of accounting for contributions.

Pledged contributions are recognized when the related pledge documentation is received, less an allowance for uncollectible amounts.

Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated.

Restricted contributions related to operations are recognized as revenue in the year in which the related expenditures are incurred.

Contributions restricted to capital are deferred and amortized to income at the same rate as the related asset is amortized.

Revenue from services is recognized at the time the services are provided and billed.

Endowment contributions are recognized as direct increases in endowment net assets.

Unrestricted investment income is recorded when received or receivable. Restricted investment income is recognized in revenue in the year in which the related expenses are recognized.

The organization holds several fundraising events annually. Proceeds from events and one-time donations generated during the calendar year are recognized as revenue in the year in which they are received. Fundraising expenditures are expensed as incurred.

**QUINTE HUMANE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Financial Instruments

(i) Measurement of Financial Instruments

The organization initially measures its financial assets and liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The organization subsequently measures all its financial assets and financial liabilities at amortized costs except for equities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, accounts receivable, pledges receivable and HST receivable. Financial assets measured at fair value include portfolio investments.

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

(ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is reflected in excess (deficiency) of revenues over expenditures. When events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in excess (deficiency) of revenue over expenditures, up to the amount previously recognized as impaired.

(i) Income Taxes

The organization is a registered charity under the Income Tax Act of Canada and as such is exempt from income taxes.

(j) Deferred Revenue Relating to Capital Assets

Donations and other revenues received relating to the purchase of capital assets are deferred and amortized over future periods. The amortization period is based on the period used to amortize the corresponding capital asset.

(k) Cash and Equivalents

Cash and equivalents consist of cash on deposit and bank term deposits in money market instruments with maturity dates of less than six months from the date they are acquired.

QUINTE HUMANE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

3. CASH

Within the cash balance, a guaranteed investment certificate in the amount of \$2,500 is being held as a collateral security to support borrowing facilities and is to be restricted until June, 2019. The interest rate on this guaranteed investment certificate is 1.0% and has an expiry date of June, 2015.

4. PORTFOLIO INVESTMENTS

(a) Portfolio investments are recorded at fair value. The market values of the portfolio investments as at the date of the statement of financial position are as follows:

	2014		2013	
	Cost \$	Market \$	Cost \$	Market \$
Term deposits	384,453	379,758	97,933	95,962
Equities	641,955	741,102	560,517	698,257
High interest savings	859,395	859,394	5,710	5,710
Balance - End of year	1,885,803	1,980,254	664,160	799,929

	2014 \$	2013 \$
General portfolio investments	828,609	783,161
Portfolio investments restricted to capital	1,151,645	16,768
	1,980,254	799,929

(b) The effective interest rates range from 1.60% to 4.50% for these investments. The maximum exposure to credit risk would be the carrying value as shown above.

(c) The term deposits have maturity dates within one year.

Maturity Profile

The expected maturity dates for fixed-income securities are as follows:

	2014 \$	2013 \$
Maturing within one year	379,758	11,059
Maturing between one and five years		84,903
	379,758	95,962

**QUINTE HUMANE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

5. TANGIBLE CAPITAL ASSETS

	2014		2013	
	Cost	Accumulated amortization	Cost	Accumulated amortization
	\$	\$	\$	\$
Equipment	13,414	4,717	9,495	3,033
Building	142,053	81,112	142,053	75,430
Automotive	31,544	19,674	31,544	14,587
	187,011	105,503	183,092	93,050
Cost less accumulated amortization	\$	81,508	\$	90,042

6. DEFERRED CONTRIBUTIONS

The Quinte Humane Society received a \$1,000,000 bequest restricted for capital investment. The interest from this investment is to be used on spaying and neutering. The investment has been recorded as a deferred contribution. The remaining funds are restricted for construction of a new building.

7. FINANCIAL RISKS AND CONCENTRATION OF RISK

The organization has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include interest rate risk, liquidity risk, and market (other price) risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Management mitigates market risk by utilizing diversification techniques. Market factors include three types of risk: currency risk, interest rate risk, and equity risk.

**QUINTE HUMANE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

7. FINANCIAL RISKS AND CONCENTRATION OF RISK (Cont'd)

Interest Rate Risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. Management mitigates interest rate risk by holding interest-bearing instruments with a variety of maturity dates.

The organization is exposed to interest rate risk through its interest-bearing investments with a market value of \$379,758 as disclosed in Note 4 to these financial statements. As prevailing interest rates increase or decrease, the market value of the interest-bearing investments will change. If interest rates change by 1%, the value of interest-bearing investments would change by approximately \$8,051.

Currency Risk

Currency risk relates to the Society operating in different currencies and converting non-Canadian earnings at different points in time at different foreign exchange levels when adverse changes in foreign currency exchange rates occur.

The organization is exposed to currency risk as it holds equities in the amount of \$270,757 USD, as at December 31, 2014.

Equity Risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The organization is exposed to equity risk as it holds equity investments with a market value of \$741,102 as described in Note 4 to these financial statements. As equity markets fluctuate, the market value of these investments will change. If the stock market decreases by 1%, the value of equity investments would decrease by approximately \$6,151.

Liquidity Risk

Liquidity risk is the risk that the organization will not be able to meet all cash outflow obligations as they come due. The organization mitigates this risk by monitoring cash activities and expected outflows and by holding interest-bearing investments with a variety of maturity dates.

Credit Risk

Credit risk is the risk of financial loss if a debtor fails to make payments of interest and principal when due. Management continually monitors the credit risk of their financial instruments.

It is management's opinion that the organization is not exposed to significant credit risks from these financial statements as receivables are short-term in nature.

**QUINTE HUMANE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

8. COMPARATIVE FIGURES

The prior year balances have been reclassified for comparative purposes.

9. SUBSEQUENT EVENTS

Effective May 12, 2015, certain of the organization's employees unionized, joining United Food and Commercial Workers Canada, Local 175.

**QUINTE HUMANE SOCIETY
SCHEDULE OF OPERATING EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	2014 \$	2013 \$
PREMISES		
Utilities	20,816	24,647
Repairs and maintenance	11,945	8,646
Waste removal	10,096	7,332
Municipal taxes	3,714	3,532
Insurance	5,631	5,860
Security	2,898	
	55,100	50,017
OFFICE		
Telephone	3,482	4,828
Printing	3,446	303
General	11,893	10,082
Website costs	5,259	
Software	2,398	
	26,478	15,213
SUPPLIES AND SERVICES		
Food	7,584	8,139
Spay/neuter	67,569	68,354
Cadaver removal	4,409	5,637
Litter	3,711	4,459
Vaccinations	9,796	13,471
Euthanasia	2,948	7,494
Medical	51,269	34,406
Foster care and supplies	18,381	5,776
Fundraising	6,156	4,405
	171,823	152,141
GENERAL		
Travel	208	132
Professional fees	44,012	4,612
Courses and seminars	805	489
Affiliation fees	2,461	2,632
Credit card charges and other miscellaneous expenses	4,744	4,656
	52,230	12,521

The accompanying notes form an integral part of these financial statements