



Regina  
Humane  
Society

# 2019 Annual Report

*Honey*

*Adopted January 2019*

*Photo credit: Diggety Dog Pet Photography*

**MORE** than a Shelter

# BETTER TOGETHER

Dear Friends,

Every homeless pet who comes through our doors needs something. For some, it may be as simple as some cuddle therapy or a treat-stuffed toy that makes their stay a bit more comfortable. For others, it is an extensive surgery that is the difference between life and death. Every action we take makes a difference to the more than 3,500 homeless pets we care for each year. Every donation adds up to a life saved. Every volunteer hour improves a pet's stay with us. Every animal advocate gives hope. Everything we are doing, and everything you are doing, counts. Together, we are making an incredible difference and changing our community for animals.

2019 was a year of both continued successes and challenges for the Regina Humane Society (RHS). A lot is changing in the animal welfare sector. The homeless, neglected and abused animals that arrive at our Shelter are more likely to be neonatal, have complex medical needs or behavioural challenges. This requires more time in our care as well as increased costs to help them thrive and recover. With your support in 2019, we were able to heal 65% more treatable and rehabilitatable animals than in the previous year which aligns with a five year trend. Sadly, we experienced an increase in euthanasia in untreatable cases, primarily due to a significant increase in the incidence of Panleukopenia (feline distemper) in cats and kittens arriving at the Shelter resulting in 10 more quarantines for the deadly disease in 2019 over 2018. Positive outcomes, however, were achieved for the 1,993 homeless pets adopted to new families in 2019.

Our Animal Protection Officers were there for animals at risk, investigating 610 suspected cases of cruelty in 2019 including one of the largest animal hoarding seizures in RHS history, where 79 cats were rescued from horrific living conditions. Following massive intake, veterinary care and spay/neuter efforts by the RHS team, the Regina community showed up in record numbers to adopt and, within days, they were welcomed into the hearts and homes of their new families. As the only animal welfare charity in our community who rescues vulnerable animals through its Animal Protection Services, cases such as these demonstrate the vital need for our solely donor-funded animal protection work.

We are looking toward the future when we replace our time-expired facility with a new Animal Community Centre that will allow us to save even more lives. In 2019, we finalized the plans for our new facility and secured its location, central to serving the needs of people and animals in our community. With its architecturally enlightened design reflecting the Harbour Landing Community, the Centre will be a place for everyone. It will be an efficient model of humane care and community involvement with the health standards of a hospital, the educational aspects of a school and the appeal of a community destination. The Centre will welcome visitors to participate in wide-ranging programs and services for people and animals alike.

This report tells the story of pets whose lives have been transformed through the work of RHS and the power of our supporters. One by one, they begin a new chapter in their lives as they find new homes, recover from abuse and neglect, learn new behaviors and heal from injury and illness.

The stories and figures in this annual report are YOUR stories. Year after year, as we reach new milestones and continue to write the next chapter in our history, our commitment to our vision of a more humane society never wavers. What we do, together, will get us there.

Thank you for being on this journey with us.

Sincerely,



**Chris Taschuk**  
President, Board of Directors



**Lisa Koch**  
Executive Director

**Luca**  
Adopted August 2019

# OUR COMMITMENT

The Regina Humane Society respectfully serves animals and the community. Since 1964 we have passionately encouraged responsible pet ownership and humane policies, legislation, and progressive animal welfare programs.

We offer clean, healthy and safe facilities for unwanted, lost, abused and neglected animals. We provide compassionate, professional and caring adoption, cremation and animal protection services, and educational and public safety programs. We are accountable to animals, pet owners, members, volunteers, donors, employees and our community.

We work in partnership with members of our community and are proud of the care, quality and leadership we provide.

## VALUES

### Compassion

We are caring, empathetic and understanding.

### Professionalism

Our facilities are clean and safe. Our people are ethical and knowledgeable. Our policies are balanced. We are proud to be of service.

### Teamwork

We collaborate, co-operate and build trusting networks within the community.

### Integrity & Honesty

We are accountable, responsible and respectful.

### Leadership

We are focused, driven by immediacy and a desire to make a difference, while being financially stable (because financial stability is the foundation to future success).

### Care

We provide support through camaraderie, collegiality and a positive atmosphere, supporting one-another through difficult times and celebrating success.

# THE BIG PICTURE

## Strategic Goal

To create the most humane community in Canada through a commitment to animal lifesaving.

The Regina Humane Society Strategic Plan incorporates our Mission, Vision and Values in a framework that serves as our most fundamental guide to decision-making. As our community evolves, we must operate from a position of flexibility, capable of adapting quickly to changes in our operating environment as well as animal welfare best practices. That flexibility is targeted towards a common Strategic Goal and a shared sense of who we are and where we are going. Three Strategic Priorities encompass multiple Strategic Initiatives which define the primary activities to achieve our vision. Having a well-thought out plan is essential – so is measuring its effectiveness. A Balanced Scorecard allows us to measure our progress by showing where we are on the right track and where further work and resources may be needed.

We will lead and energize our community to work in partnership in the implementation of best practice shelter management and community lifesaving programs to ensure quality care and save more animal lives. Together, we will fundraise and build the foundation of our lifesaving community – a new Animal Community Centre to replace the current time worn and expired facility which is remote, crowded and not user friendly. To ensure our longevity, we will generate income streams that support existing animal welfare initiatives and fund future needs.

## Three Strategic Priorities

- 1 LIFESAVING**  
Implement best practice animal lifesaving strategies
- 2 NEW ANIMAL COMMUNITY CENTRE**  
Design and construct a new shelter
- 3 FINANCIAL STABILITY**  
Raise funds to support existing and future needs

*Tulip*  
Adopted February 2019  
Photo credit: Diggety Dog Pet Photography

# PREVENTION PROGRESS

With the support of our donors in 2019, we continued to focus our work on the reasons why animals come into shelters and tailor our programs for the greatest impact in preventing surrender and homelessness of pets in our community.

Intake diversion resources were advanced to provide pet owners with the help they need to keep, or rehome, their healthy pets versus surrendering them to the Shelter. Systems to reunite lost pets with their owners within the community are reducing the number of animals admitted. These strategies combined, help healthy animals circumvent the Shelter with positive outcomes leaving more shelter capacity, and resources, to aid animals who are injured or ill.

Our prevention strategy continues to address the need for accessible pet care in at-risk communities through our Pet S.T.O.P. (Supply, Training and Outreach Program), Subsidized Spay/Neuter Program and Animal Well Fair, by meeting people where they are, reaching out proactively and keeping animals happy in loving homes by empowering the people who care for them.

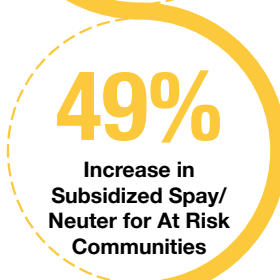
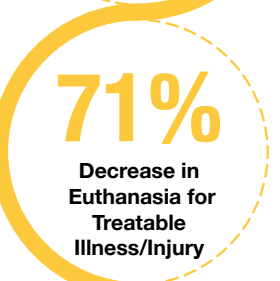
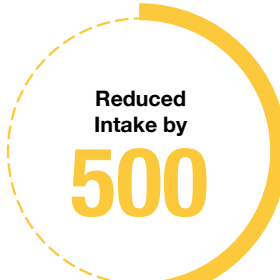
The demand for RHS play and reward based training programs to address and prevent behavioural concerns, as well as the surrender of dogs, increased significantly in 2019. The program's comprehensive curriculum provides pet owners the foundation for good behaviours as well as resources to address issues as they occur.

In 2019, we extended our support of humane communities with the launch of the RHS Community Based Solutions for Companion Animal Management toolkit targeted for use by Saskatchewan rural municipalities and towns. The comprehensive guide addresses the need for detailed resources to develop and implement effective and humane programs to manage companion animal populations in these communities.


Over the last five years, our best practice community partnerships, prevention outreach and shelter management programs have supported significant achievements.

**0** HEALTHY ANIMALS  
EUTHANIZED


**1** LIFESAVING  
COMMUNITY



# TOGETHER WE...



**ENRICHED**  
the lives of residents in hospitals and seniors facilities through **276** Pet Assisted Therapy visits.




**STRENGTHENED**  
the bond between **635** dogs and their owners through **107** play and reward based learning programs.


**INVESTIGATED**  
**610** animal cruelty complaints under animal cruelty legislation. The RHS receives no government funding for this vital service made possible only by our community of donors.



**REDUCED**  
unwanted pets with **2,313** subsidized lifesaving spay/neuter surgeries.




**SPREAD THE WORD**  
with the help of **56,365** social media supporters who shared animal welfare news, adoptable pets and our success stories.



**FOSTERED**  
**537** infant, injured, ill or afraid pets to recovery with **154** Foster Families.

# A SAFETY NET for Animals in Need

When an animal is lost, abused or in distress, our doors are open. We are the safety net for any animal in our community who needs help, regardless of breed, health, age or medical condition. The Regina Humane Society collects and reports its statistics according to a North American and widely recognized formula for animal shelters. This standard method is a first step in collecting and reporting reliable data on the number of at-risk animals in our community. The statistics calculate live outcomes for pets which leave the shelter over the course of the year. Animals which remain in care are not included in this calculation. The RHS believes it is acceptable to euthanize pets for humane reasons to eliminate pain and suffering or for untreatable temperament reasons which may cause harm. Pets that are determined to be a health or safety risk to humans or other pets are not placed for adoption. Pets that are unable to be helped by reasonable veterinary care may also not be placed for adoption. In 2019, we served the following animals in need.

**PETS RECEIVED**

Cats and kittens	2,383
Dogs and puppies	1,038
Small critters	81
<b>TOTAL</b>	<b>3,502</b>

**PETS REUNITED**

Cats and kittens	163
Dogs and puppies	304
Small critters	2
<b>TOTAL</b>	<b>469</b>

**PETS ADOPTED**

Cats and kittens	1,409
Dogs and puppies	550
Small critters	34
<b>TOTAL</b>	<b>1,993</b>

**PETS TRANSFERRED**

Through placement partners and other sheltering organizations

In	49
Out	41



*Oakley  
Adopted March 2019*

Total number of pets saved: **2,503** Live release rate: **73%**

*Of the 964 pets that were humanely euthanized, 90% were euthanized for serious health or behavior issues, 10% had medical conditions or were medically contagious. Euthanasia figures also include animals euthanized, in the same categories, from hoarding seizures.*



## HOME GROWN

When seven-day-old siblings Clover and Ivy arrived at the Regina Humane Society, their survival looked bleak. Tragically, these tiny babies were orphaned shortly after their birth, leaving them to face an uncertain future. Without a mother, week-old puppies are very fragile requiring around the clock care. The sisters would need time to grow in the safety and comfort of a foster home willing to rise to such an imposing task. The puppies required bottle feeding with a special formula every hour to keep them alive. A Regina Humane Society foster family staff member, and her friendly black lab, Guinness, accepted the challenge to give the puppies a fighting chance.

The sisters blossomed in foster care and after eight weeks of growing like weeds, the little sprouts were planted in permanent homes. From the moment they saw her, Clover's new family knew she was the one they had been waiting for. She has added many more smiles and much happiness to their lives with her loving, kind and mischievous ways. In their words, "she is the joy of our life".

The Regina Humane Society has been connecting hearts and growing families for more than 55 years. Clover, and her sister Ivy, are just two of the 1,993 pets adopted through progressive adoption initiatives including adoption events, sponsorships and promotions, satellite partnerships and transfer programs.



**1,993** Adoptions

**381** Satellite Adoptions

*Pat's Pets, Pet Depot, Petland, PetSmart Grasslands & Quance, Pet Valu North & South*

**469** Lost & Found Reunions

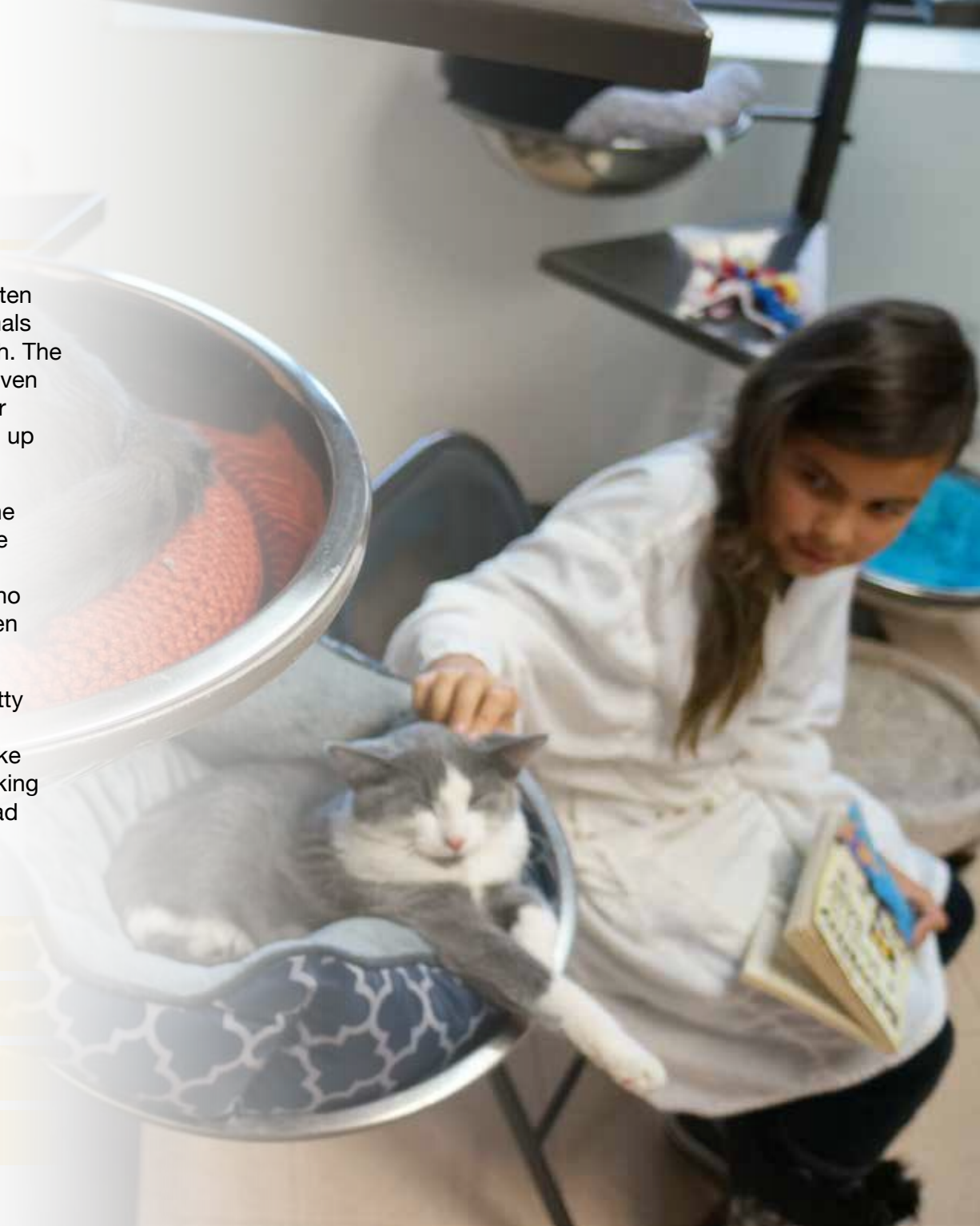
*Clover, now Sada*  
Adopted August 2019  
Photo credit: Diggety Dog Pet Photography

## SOMETHING TO MEOW ABOUT

The Regina Humane Society Kitty Readers Program has written a new chapter in building empathy and compassion for animals through developing literacy and a love of reading in our youth. The Program is designed to help children between seven and eleven years of age improve their reading skills by reading silently or aloud to Shelter cats and kittens. The children will often hold up their books, so the cats can see the pictures, too!

The calm reading and the presence of a child both relaxes the cats and also improves their socialization, making them more appealing to potential adopters. For struggling and reluctant readers, our Shelter cats are a non-judgemental audience who don't mind hearing the same story countless times as children build their confidence and reading skills.

Along with our Read and Relax Program for Shelter dogs, Kitty Readers is a textbook example of how we are engaging our community in saving animal lives. Whether baking for cupcake fundraisers, fostering newborns, walking shelter dogs or making enrichment toys for cats, RHS volunteers are rewriting the sad stories of Shelter pets to end with "happily-ever-after".



**861** Volunteers

**5,572** Volunteer Hours

**154** Foster Families

**204** Kitty Reader Hours



# THE RIGHT MEDICINE

On a frosty September morning, one could easily pass by what appeared to be nothing but a discarded box left as garbage on the side of an alley. But this box contained something precious... a young life. Left with nothing more than a small bag of food in his make-shift cardboard home, Oscar was abandoned to survive the dangers of the street and the elements on his own.

What's worse is that Oscar was in agony. He cried in pain when he scratched his tiny body due to a severe case of sarcoptic mange and a bacterial skin infection that left raw patches of his skin hairless and scaly. The Regina Humane Society veterinary team was able to save their pint-sized patient from further suffering and pain when he arrived at the Shelter. Along with the support of a dedicated team of foster families who help ensure susceptible animals are given quiet refuge to recover, Oscar, was given a fresh start. Once left as trash, this lucky pup is now the treasure of his adoptive family.

The RHS Veterinary Hospital provides a high standard of medical care to every animal who enters the Shelter ranging from minor treatments to emergency surgery. In 2019, our team of veterinarians and medical support staff performed 2,071 medical examinations, 2,313 spay/neuter surgeries, and 55 reparative surgeries. Thanks to our donors, the Regina Humane Society veterinary team is able to deliver the right medicine to heal hurts and restore health to our community's most vulnerable animals.



**Oscar, now Sako**  
Adopted September 2019

# FROM THE DARKNESS ... LIGHT

Regina Humane Society Animal Protection Officers could not have imagined what awaited them when they arrived with a search warrant at a Regina home in response to an animal welfare complaint in late August. Squeezing carefully through the front door, the lead Officer shone her flashlight inside illuminating a haunting scene that she would never forget. Seventy nine pairs of eyes were staring back at her through the darkness, all of them crying and meowing as she began to wade through the urine, feces and garbage polluted space.

The cats and kittens rescued that day were part one of the largest hoarding cases investigated by the Society to date. Following massive intake, veterinary care and spay/neuter efforts by the RHS team, the Regina community showed up in record numbers to adopt and, within days, the majority were welcomed into the hearts and homes of their new families.

This vital animal welfare system, which includes enforcement of animal protection legislation, provision of specialized knowledge and assistance to policing forces and delivery of forensic, shelter, veterinary and rehabilitation services to the victims of neglect and abuse, is not funded by government. It is our donors alone which ensure we are there for animals at risk.

This was just one of the close to 4,500 calls received in 2019 by RHS Officers who wear many hats, rescuing injured or lost animals, enforcing municipal bylaws and provincial animal protection laws as well as providing education on the humane care and treatment of animals.



**610** Animal Cruelty Cases Investigated

**4** Criminal Files

# SUPPORTING A HUMANE COMMUNITY

A humane community is one that ensures not only the care and well-being of animals but also the people with whom they share their lives. For many people, their pet is what gets them out of bed in the morning so keeping pets with their families during difficult times is the right thing to do. The Regina Humane Society is committed to fostering humane communities through its pet retention, prevention and outreach initiatives.

Our strategy recognizes the need for accessible pet care in at-risk communities through Alternatives to Admission resources, Pet S.T.O.P. (Supply, Training and Outreach Program), Subsidized Spay/Neuter Program and Animal Well Fair. Through these programs, pet identification, pet care supplies, subsidized spay/neuter and education are delivered where animal population and welfare issues exist due to financial and accessibility barriers. The RHS Spay and Neuter Clinic has provided subsidized spay, neuter, microchip and tattoo services for 20,039 adopted and community pets (2,313 in 2019) since its opening in 2011. By meeting people where they are and reaching out proactively, our work is keeping animals happy in loving homes by supporting the people who care for them.

Quality education programs in the community, at the shelter and in the classroom, instill the values of empathy, respect and responsibility and provide the knowledge and tools to put these values into action. With the help of in-classroom resource kits that teachers incorporate into their curriculum, elementary students are learning about humane values, responsible pet care and dog bite prevention. Safety and respect are the focus of our partnership with the Saskatchewan Health Authority in delivery of the Be Dog Smart Program which focuses on dog bite and rabies prevention by teaching youth how to safely interact with dogs they encounter.

Service learning programs continue to engage young people annually including those with cognitive or physical disabilities or undertaking vocational assistance and career exploration opportunities. Service Learning programming enhances student learning, increases confidence in abilities and teaches new skills while addressing community needs.

The Society's Pet Assisted Therapy and Safe Places Programs also recognize the special connection between animals and people. Through the Pet Assisted Therapy Program, RHS volunteers and Shelter pets visit senior's residences, schools, care homes and rehabilitation centres, bringing the power of purrs and cuddles to residents. These visits help to ease feelings of isolation and loneliness, reduce anxiety and depression, and create the opportunity for increased socialization for both participants and pets. Some residents reminisce about their past pets, while others simply delight in the presence of a furry friend. The Safe Places Program provides temporary foster care for the pets of those escaping domestic violence situations. Fostering protects the pets themselves and removes the possibility of them being used to manipulate victims as they transition to a non-abusive environment.

**2,313** Subsidized Spay/Neuters

**2,434** Identification Microchips Placed

**276** Pet Assisted Therapy Visits

**128** Service Learning Students

# GOVERNANCE AND ACCOUNTABILITY

## Introduction

Established in 1964, the Regina Humane Society (RHS) exists to provide an animal welfare shelter for neglected, abused and abandoned animals as well as investigation services to enforce The Animal Protection Act of Saskatchewan and The Criminal Code of Canada. These services have been funded through voluntary donations and self-generated income. In 1988, the City closed their pound and entered into an agreement with RHS for the Society to provide care and housing of city animals. In 1998, the contract with Bylaw Officers was up for renewal, and bylaw enforcement was also contracted to the Society.

RHS operates as a Canada Revenue Agency registered charity, and is therefore exempt from paying income tax and can issue official donation receipts for gifts it receives. RHS receives no government funding and is not a United Way agency. RHS is not affiliated with any national or provincial humane organizations nor any local or regional humane societies or SPCAs; each is a grassroots, independent and autonomous not-for-profit organization serving individual community needs.

RHS operates in Saskatchewan under The Non-profit Corporations Act and is regulated by the RHS bylaws, which identify the organization's name, purpose, membership composition, fees and meetings, duties of officers, and wind-up procedures. According to those bylaws, the RHS mandate is as follows:

- ensure the humane treatment of animals;
- provide the facilities and amenities for this purpose;
- encourage the humane treatment of animals by all means possible;
- encourage spaying and neutering of all dogs and cats;
- develop and promote an education program stressing responsible pet ownership and care;
- carry out these objects in the City of Regina and surrounding districts; and assist other municipalities or other individual people requesting our assistance.

RHS is an animal welfare organization, rather than an animal rights organization. Animal welfare is the viewpoint that animals, especially those under human care, should not suffer unnecessarily, including where the animals are used for food, work, companionship, or research. This position focuses on the morality of human action or inaction, as opposed to making deeper political or philosophical claims about the status of animals. RHS directs its energies to inspire and mobilize society to create a world in which all animals and, in particular, those animals whose lives we can influence, enjoy as a minimum five essential freedoms of animal welfare:

1. freedom from hunger and thirst
2. freedom from pain, injury and disease
3. freedom from distress
4. freedom from discomfort
5. freedom to express behaviours that promote well-being

## Accountability

The RHS organization and its employees serve and are accountable to the membership and a number of community stakeholders including:

- Members, adopting families, volunteers, donors and sponsors who are the core of our organization.  
*Daily someone adopts an animal or donates money so that more animals can live better, healthier and more enriched lives.*
- City of Regina administrators, politicians, community members, public health, safety and service workers (police, fire fighters, meter readers) who rely on RHS employees who provide support services involving public health and safety and the continuation of the courts.  
*A dangerous dog is removed by RHS employees from a playground, which saves children from serious injuries.*
- Professionals who help RHS operate through sponsorship, promotions or professional advice including local media and businesses, financial planners, lawyers and accountants.  
*A lawyer helps their client prepare a will leaving their legacy with the RHS to help animals for the future.*
- Veterinarians, animal welfare/rights groups, individuals and the pet care industry.  
*RHS works with charitable animal welfare groups to provide accessible spay/neuter services as well as donating excess supplies.*

## Leadership

The role of the Board is to provide governance oversight for the RHS. In all but exceptional circumstances, Directors are not expected to carry out a hands-on management role.

The Board of Directors hires the Executive Director who hires the Management Team to run the day-to-day shelter operations and implement the strategic plan. The RHS Board of Directors is a volunteer board and no member of the Board receives compensation to perform their Board role.

In addition to demonstrating a base of compassion for animals, the Board of Directors is actively recruited to bring a wide range of specific competencies and professional expertise to the organization.

They are elected to the Board at the Annual General Meeting and when vacancies occur throughout the year, are appointed by the Board.

# 2019 BOARD OF DIRECTORS

## PRESIDENT

**Chris Taschuk**, P. Eng.  
*Senior Vice President, Farm Credit Canada*

## VICE-PRESIDENT

**Timothy F. Huber**, B.A., J.D.  
*Deputy Executive Director - General Counsel, Law Society of Saskatchewan*

## TREASURER

**Karen Mayne**, CPA, CMA  
*Chief Financial Officer/Chief Operating Officer, Paradigm Consulting Group LP*

## DIRECTORS

**David Bellerive**  
*Vice President Creative & Interactive, Phoenix Group*

**Erick Erickson** \*Appointed November 2019  
*President, Erickson Contracting & Management Ltd.*

**Glenn Fradette**, CPA, CA  
*Detteson Management Inc.*

**Gayl Hipperson**  
*Non-Profit Professional, Retired*

**Dr. Melissa Hunchak**, DVM  
*Veterinarian, Careport Animal Hospital*

**David Kim Jones**, B.A. (Honours), M.A., LLB  
*Senior Crown Prosecutor, Saskatchewan Justice*

**Cathy Joyner**, BHEC, MPA  
*Human Resources Professional, Retired*

**Steve Miller**, B. Admin., PMP  
*Human Resources, Health & Safety Manager, Degelman Industries*

**Dr. Kathleen O'Reilly** \*To April 2019  
*Associate Professor of Education, First Nations University of Canada, University of Regina*

**James Youck**, B.A., B.Arch., SAA, MRAIC, AIA Int'l Associate  
*Principal, Architect, P3Architecture Partnership (P3A)*

**Jennifer Zalusky**  
*Medical/Surgical Sales Representative, Medtronic*



**Ivy**  
*Adopted August 2019*



## Governance Committee

Assists the Board of Directors and Management to fulfill its oversight responsibilities by reviewing all aspects of the Board's governance framework to ensure that the Board functions in an effective and efficient manner that successfully supports the operations of the Regina Humane Society.

### Board Committee Chair

Chris Taschuk, P. Eng.

### Board Committee Member

Tim Huber, B.A., J.D.

### Management Committee Member

Lisa Koch, B.Ed.

## Audit and Finance Committee

Provides oversight of RHS accounting and financial reporting processes, systems of internal accounting and financial controls, risk management, investment policy and the audits of the Company's financial statements.

### Board Committee Chair

Karen Mayne, CPA, CMA

### Board Committee Member

Glenn Fradette, CPA, CA

### External Committee Members

Lou Beatch, CPA, CA, CMA

Brenda Johnson, CPA, CGA

### Management Committee Members

Lisa Koch, B.Ed.

Sharon Swanson, CPA, CA

## Human Resources Committee

Assists RHS by providing guidance and counsel first to the RHS management team, and secondly to the Board regarding human resources (HR) functions as they pertain to the day-to-day operations and strategy of the RHS respectively.

### Board Committee Chair

Cathy Joyner, BHEc, MPA

### Management Committee Member

Lisa Koch, B.Ed.

### External Committee Members

Bobbie-Lee Zeiben, BA, CPHR

Betty Rogers, B.Ed., CPHR *\*To June 2019*

Cortnie Jacobson, BAdmin, CPHR

Donna Kane, B.Ed., CPHR, CEC

Dawn Anaquodd, MHRM, BBA, CPHR, ACC

Deanna Milton, BAdmin, CPHR *\*From March 2019*

## Animal Advisory Committee

Reviews existing RHS position statements on issues pertaining to the treatment of animals and recommend revisions where appropriate; and further to broaden the scope of issues and develop position statements for review and approval by the Board of Directors.

### Board Committee Chair

Kim Jones, B.A. (Honours), M.A., LLB

### Board Committee Members

Gayl Hipperson

Dr. Kathleen O'Reilly *\*To April 2019*

Jennifer Zalusky

### External Committee Member

Louise Yates, B. V/T Ed., M.B.A.

### Management Committee Members

Lisa Koch, B.Ed.

Lindsay West, B.Sc.

## Capital Steering Committee

Provides construction and operationalization oversight for Regina's new animal shelter, including fundraising and stakeholder engagement.

### Board Committee Chair

Chris Taschuk, P. Eng.

### Board Committee Members

Tim Huber, B.A., J.D.

Cathy Joyner, BHEc, MPA

Karen Mayne, CPA, CMA

James Youck, B.A., B.Arch., SAA, MRAIC,

AIA Int'l Associate

Jennifer Zalusky

### Management Committee Members

Lisa Koch, B.Ed.

Dr. Katherine Ball, DVM, PhD

Deanne Guest, B.B.A.

Sharon Swanson, CPA, CA

Bill Thorn

Lindsay West, B.Sc.

### Capital Campaign Director

Karen Mercier, CFRE, B.Ed. *\*From September 2019*

## RHS Management Team

Lisa Koch, B.Ed.

Executive Director

Dr. Katherine Ball, DVM, PhD *\*Appointed April 2019*

Director of Veterinary Care

Deanne Guest, B.B.A.

Director of Development

Dr. Brie Hamblin, DVM *\*To April 2019*

Director of Veterinary Care

Sharon Swanson, CPA, CA

Director of Finance and Administration

Bill Thorn

Director of Marketing and Public Relations

Lindsay West, B.Sc.

Director of Operations

## Code of Conduct

The RHS Board of Directors, all employees including permanent, term, contract and work placements, and foster families are bound by the RHS Code of Conduct which clarifies expectations and creates an environment that fosters disclosure of contravention.

## Audit

RHS annual financial statements are audited by Virtus Group Chartered Accountants & Business Advisors LLP. Members of the Audit Committee are independent of management. All committee members are financially literate and several members are considered to be financial experts. The Audit Committee oversees RHS' financial performance and ensures the integrity, effectiveness and accuracy of the corporation's financial reporting, control systems, processes and audit functions.

## Strategic Planning

In alignment with the organization's mandate, mission, vision, values, RHS uses the balanced scorecard model for strategic planning. This framework uses financial and non-financial measures to determine progress towards the organization's strategy.

The strategy is RHS' change agenda – it is an itemized list of objectives and actions that an organization does so it can be sustainable for the future; however, the day-to-day business goes on. In addition to the strategy components of this plan, key measures and targets for business-as-usual activities are identified. These provide employees with clarity about measures and targets that management and the board are working toward.

## Enterprise Risk Management

Enterprise Risk Management (ERM) is a process used to manage risks and seize opportunities. The RHS ERM framework includes identifying a comprehensive list of negative events or circumstances that could impact the organization, assessing them in terms of likelihood and magnitude of impact, determining a response strategy, implementing the strategy, and monitoring progress.

This process allows RHS to avoid issues and capitalize on opportunity in a more holistic manner while creating value for stakeholders, including donors, employees, customers, partners, regulators, and society overall.

## 2019 Top Risk List

### Image/Reputation

The potential for negative publicity or public perception regarding RHS activities or positions, whether true or not, to damage the organization's image in the community, or reduce long-term stakeholder confidence in the Society's ability to fulfill its mandate causing decline in the customer base or revenue reductions.

### Financial Risk

The possibility of decline in donations, self-generated revenue streams or fundraising activities which can risk the organization's financial stability and operational sustainability.

### Safety Risk - Human

The prospective danger or threat of harm, injury, or loss to personnel or the public, whether caused deliberately or by accident, during the delivery of RHS programs or services.

### Human Resource and Labour Risks

The potential negative impact of inadequate recruitment, development and retention of human resources.

### Safety Risk - Animal

The prospective danger or threat of harm, injury or loss to animals, whether caused deliberately or by accident, during the delivery of RHS programs and services.

### Theft Risk

The possible risk for staff or the public to commit acts of deception, misrepresentation or illegal activity at the cost of the organization.

### Disaster Risk

The potential risk that the organization may incur losses from damage or destruction of tangible assets or a decline in the quality of the working environment as a result of disasters or inability to maintain assets.

### Privacy/Security Risks

The potential risk that customers or the organization may incur losses arising from loss of critical databases, inappropriate use of protected information or unauthorized use of computer systems and data.

### New Facility

Risks associated with directing and coordinating resources, relationships and reputation to achieve predetermined new facility capital project objectives of scope, cost, financing, time, quality, stakeholder satisfaction and sustainability.

### Public Animal Welfare Misconception

Risks from established misperceptions which polarize animal rescues and shelters without knowledge or understanding of the significant complexities involved in open or limited animal admission agencies and their impact on animal welfare, animal rehoming and euthanasia as a whole.

## INDEPENDENT AUDITORS' REPORT

**To the Members,  
Regina Humane Society Inc.**

*Qualified Opinion*

We have audited the accompanying financial statements of Regina Humane Society Inc. ("the Society") which comprise the statement of financial position as at December 31, 2019, 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.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, these financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2019 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.

*Basis for Qualified Opinion*

In common with many not-for-profit organizations, the Society derives a portion of its revenue in the form of donations, 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 Society and we are not able to determine whether any adjustments might be necessary to revenues, assets, liabilities or net assets.

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 the ethical requirements that are relevant to our audit of the financial statements in Saskatchewan, 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 opinion.

*Information Other than the Financial Statements and Auditors' Report Thereon*

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

*Responsibilities of Management and Those Charged with Governance 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.

### MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying financial statements of Regina Humane Society Inc. have been prepared by the Society's management in accordance with Canadian accounting standards for not-for-profit organizations and necessarily include some amounts based on informed judgement and management estimates.

To assist management in fulfilling its responsibilities, a system of internal controls has been established to provide reasonable assurance that the financial statements are accurate and reliable and that assets are safeguarded.

The board of directors have reviewed and approved these financial statements.

These financial statements have been examined by the independent auditors, Virtus Group LLP, and their report is presented separately.



Chair of the Audit Committee



Executive Director



**INDEPENDENT AUDITORS' REPORT continued**

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.

*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 scepticism 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 significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

March 30, 2020  
Regina, Canada

**VIRTUS GROUP LP**  
Chartered Professional Accountants

**REGINA HUMANE SOCIETY INC.  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2019**  
(with comparative figures at December 31, 2018)

	<b>ASSETS</b>					
	<b>General Operating Fund</b>	<b>Operating Reserve Fund</b>	<b>Tangible Capital Asset Fund</b>	<b>Capital Asset Reserve Fund</b>	<b>Total 2019</b>	<b>Total 2018</b>
<b>Current Assets</b>						
Cash (Note 3)	\$ 722,812	\$ -	\$ -	\$ 2,358,943	\$ 3,081,755	\$ 1,604,366
Short term investments (Note 4)	-	520,237	-	-	520,237	511,263
Accounts Receivable	90,343	-	-	-	90,343	49,178
Prepaid expenses	23,442	-	-	-	23,442	28,437
Deposits	-	-	231,000	-	231,000	-
Due (to) from funds	60,576	-	-	(60,576)	-	-
Inventory	31,686	-	-	-	31,686	44,644
	<u>928,859</u>	<u>520,237</u>	<u>-</u>	<u>-</u>	<u>3,978,463</u>	<u>3,352,927</u>
<b>Long term Investments (Note 5)</b>	-	360,899	-	-	360,899	367,328
<b>Tangible Capital Assets (Note 6)</b>	-	-	783,166	-	783,166	483,253
	<u>\$ 928,859</u>	<u>\$ 881,136</u>	<u>\$ 969,166</u>	<u>\$ 2,298,367</u>	<u>\$ 5,077,528</u>	<u>\$ 4,203,508</u>
	<b>LIABILITIES AND NET ASSETS</b>					
<b>Current Liabilities</b>						
Accounts payable and accruals	\$ 292,056	\$ -	\$ -	\$ -	\$ 292,056	\$ 236,255
Current portion of capital lease (Note 7)	3,500	-	-	-	3,500	2,200
Deferred revenue	5,000	-	-	300,000	305,000	300,000
	<u>238,455</u>	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>600,556</u>	<u>538,455</u>
Obligation under capital lease (Note 7)	2,171	-	-	-	2,171	6,269
<b>Surplus</b>	626,132	881,136	969,166	1,998,367	4,474,801	3,658,784
	<u>\$ 928,859</u>	<u>\$ 881,136</u>	<u>\$ 969,166</u>	<u>\$ 2,298,367</u>	<u>\$ 5,077,528</u>	<u>\$ 4,203,508</u>

See accompanying notes to the financial statements

Approved on behalf of the board:

**REGINA HUMANE SOCIETY INC.  
STATEMENT OF OPERATIONS  
AS AT DECEMBER 31, 2019**

(with comparative figures for the year ended December 31, 2018)

	General Operating Fund	Operating Reserve Fund	Tangible Capital Asset Fund	Capital Asset Reserve Fund	2019 Total	2018 Total
<b>Revenues</b>						
Adoptions and administration	\$ 550,945	\$ -	\$ -	\$ -	\$ 595,468	\$ 518,447
Donations	515,747	-	-	-	515,747	477,940
Education	109,622	-	-	-	109,622	85,514
Estates	952,937	-	-	-	952,937	1,397,512
Fundraising	763,549	-	-	-	763,549	742,976
Kennel	368,674	-	-	-	368,674	336,594
Lost and found	16,155	-	-	-	16,155	10,243
Municipal animal services	1,224,640	-	-	-	1,224,640	1,204,733
Interest	-	2,545	-	41,978	44,523	-
Gain on capital assets	-	-	-	-	-	150
	<u>4,502,269</u>	<u>2,545</u>	<u>-</u>	<u>41,978</u>	<u>4,546,792</u>	<u>4,774,109</u>

See accompanying notes to the financial statements

**REGINA HUMANE SOCIETY INC.  
STATEMENT OF OPERATIONS  
AS AT DECEMBER 31, 2019**

(with comparative figures for the year ended December 31, 2018)

	General Operating Fund	Operating Reserve Fund	Tangible Capital Asset Fund	Capital Asset Reserve Fund	2019 Total	2018 Total
<b>Expenses</b>						
Administration	\$ 274,631	\$ -	\$ -	\$ -	\$ 274,631	\$ 275,081
Amortization	-	-	93,896	-	93,896	92,911
Building - taxes, utilities, insurance	128,204	-	-	-	128,204	139,866
Campaign expenses	-	-	-	27,307	27,307	27,307
Communication	43,506	-	-	-	43,506	43,970
Development	53	-	-	-	53	891
Education	19,456	-	-	-	19,456	5,795
Fundraising	223,948	-	-	-	223,948	258,776
Interest – capital lease	1,835	-	-	-	1,835	2,428
Kennel	177,622	-	-	-	177,622	150,455
Maintenance	26,887	-	-	-	26,887	20,907
Municipal animal services	2,996	-	-	-	2,996	1,135
Vehicle	32,239	-	-	-	32,239	48,588
Veterinary care	203,700	-	-	-	203,700	183,919
Volunteer expenses	1,011	-	-	-	1,011	1,583
Wages and benefits	2,430,247	-	-	42,237	2,473,484	2,432,383
	<u>3,566,335</u>	<u>-</u>	<u>93,896</u>	<u>70,544</u>	<u>3,730,775</u>	<u>3,658,688</u>
<b>Excess of revenues over expenses</b>	<u>\$ 935,935</u>	<u>\$ 2,545</u>	<u>\$ (93,896)</u>	<u>\$ (28,566)</u>	<u>\$ 816,017</u>	<u>\$ 1,115,421</u>

See accompanying notes to the financial statements

**REGINA HUMANE SOCIETY INC.**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**  
(with comparative figures for the year ended December 31, 2018)

	General Operating Fund	Operating Reserve Fund	Tangible Capital Asset Fund	Capital Asset Reserve Fund	2019 Total	2018 Total
<b>Balance, beginning of year</b>	\$ 533,274	\$ 878,591	\$ 483,253	\$ 1,763,666	\$ 3,658,784	\$ 2,543,363
<b>Excess of revenues over expenses</b>	935,934	2,545	(93,896)	(28,566)	816,017	1,115,421
<b>Transfer between funds</b>	(700,000)	-	-	700,000	-	-
<b>Tangible capital asset additions</b>	(143,076)	-	348,809	(205,733)	-	-
<b>Deposits for tangible capital assets</b>	-	-	231,000	(231,000)	-	-
<b>Balance, end of year</b>	<u>\$ 626,132</u>	<u>\$ 881,136</u>	<u>\$ 969,166</u>	<u>\$ 1,998,367</u>	<u>\$ 4,474,801</u>	<u>\$ 3,658,784</u>

See accompanying notes to the financial statements.

**REGINA HUMANE SOCIETY INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**  
(with comparative figures for the year ended December 31, 2018)

	2019	2018
<b>Cash provided by (used in) operating activities:</b>		
Excess of revenue over expenses	\$ 816,017	\$ 1,115,421
Amortization	93,896	92,911
Change in non-cash operating working capital		
Accounts receivable	(41,165)	17,452
Prepaid expenses	4,995	8,741
Inventory	12,958	(8,412)
Accounts payable	55,801	32,063
Deferred revenue	5,000	292,014
	<u>947,502</u>	<u>1,550,190</u>
<b>Cash provided by (used in) investing activities:</b>		
Change in short-term investments	(8,974)	(106,371)
Change in long-term investments	6,429	100,797
Net purchase of tangible capital assets	(231,000)	-
Net purchase of tangible capital assets	(348,809)	(22,480)
	<u>(582,354)</u>	<u>(28,054)</u>
<b>Cash provided by (used in) financing activities:</b>		
Proceeds from capital lease	-	-
Repayment of obligation under capital lease	(2,798)	(2,205)
	<u>(2,798)</u>	<u>(2,205)</u>
<b>Increase (decrease) in cash</b>	362,350	1,519,931
<b>Cash position – beginning of year</b>	<u>2,719,405</u>	<u>1,199,474</u>
<b>Cash position – end of year</b>	<u>\$ 3,081,755</u>	<u>\$ 2,719,405</u>

See accompanying notes to the financial statements

**REGINA HUMANE SOCIETY INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**  
(with comparative figures for the year ended December 31, 2018)

**1. General**

The Regina Humane Society Inc. (the "Society") was incorporated under the *Non-Profit Corporations Act, 1995* of Saskatchewan. The Society is dedicated to improving the welfare of animals through programs and services in sheltering, education, protection and advocacy.

**2. Summary of significant accounting policies**

The financial statements required management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following accounting policies:

**Fund accounting**

The general operating fund reports the assets, liabilities, revenues and expenses related to the day-to-day operations of the Society.

The operating reserve fund is defined as the designated fund set aside by action of the Board of Directors to ensure the stability of the mission, programs, and ongoing operations of the Society. The operating reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, uninsured losses or wind-down of the organization. The operating reserve may also be used for one-time nonrecurring expenses that will build long-term capacity, such as staff development or research and development.

The tangible capital asset fund reports the Society's net investment in tangible capital assets.

The capital asset reserve fund includes funds for the development and construction of a new facility to house the Society's operations.

**REGINA HUMANE SOCIETY INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**  
(with comparative figures for the year ended December 31, 2018)

**2. Significant accounting policies (continued)**

**Inventory**

The inventory of veterinary supplies is recorded at the lower of cost and net realizable value. Cost is determined on the average cost method.

**Tangible capital assets**

Tangible capital assets are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over their estimated useful life of the assets at the following annual rates:

Buildings	2.5%
Computers	33.33%
Equipment	20%
Furniture & fixtures	20%
Capital lease	20%
Landscaping	2.5%
Software	100%
Vehicles	20%

In the year of acquisition, amortization is provided at half of the annual rate.

**Income taxes**

The Society is a registered charity, and as such, no income taxes are payable pursuant to Paragraph 149(1)(f) of the *Income Tax Act*.

**REGINA HUMANE SOCIETY INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**  
(with comparative figures for the year ended December 31, 2018)

**2. Significant accounting policies (continued)**

**Revenue recognition**

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized in the appropriate fund 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. Adoptions, administration, animal protection, education, kennel and lost and found revenues are recognized in the year to which they relate.

Donated labour of volunteers is not reflected in the financial statements as a fair value cannot be reasonably obtained. Small donated goods are not recorded in the financial statements, though contributors may receive an income tax receipt for the item's fair value.

**Financial instruments - recognition and measurement**

Financial assets and financial liabilities are recorded on the statement of financial position when the Society becomes party to the contractual provisions of the financial instrument. All financial instruments are required to be recognized at fair value upon initial recognition, except for certain related party transactions. Measurement in subsequent periods of equity instruments is at fair value. All other financial instruments are subsequently measured at amortized cost adjusted by transaction costs, which are amortized over the expected life of the instrument. Fair value is the amount at which a financial instrument could be exchanged at arm's length between willing, unrelated parties in an open market. Changes in fair value of financial instruments measured at fair value are recognized in excess of revenues over expenses. When impairment has occurred the carrying amount is reduced and such write downs may subsequently be reversed if conditions change.

**3. Cash and cash equivalents**

The Society has an authorized line of credit of \$100,000 which bears interest at 5.25% (prime plus 1.3%). At year end, the line of credit was not utilized (2018 - not utilized).

**REGINA HUMANE SOCIETY INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**  
(with comparative figures for the year ended December 31, 2018)

**4. Short term investments**

Short term investments consist of \$329,159 (2018 - \$329,159) held in a redeemable guaranteed investment certificate earning interest at a rate of 1.15% (2018 – 0.75%), maturing May 2021, as well as \$191,078 (2018 - \$182,104) in a nonredeemable guaranteed investment certificate earning interest at a rate of 1.35% (2018 – 1.15%), maturing June 2020 (2018 – June 2019).

**5. Long term investments**

Long term investments consist of nonredeemable guaranteed investment certificates, earning interest at rates from 1.60% to 1.80% (2018 – 1.35% to 1.60%), with maturities from June 2021 to June 2022 (2018 - June 2020 to June 2021).

**6. Tangible capital assets**

	<b>2019</b>		<b>2018</b>	
	<b>Cost</b>	<b>Accumulated amortization</b>	<b>Net book value</b>	<b>Net book value</b>
Land	\$ 21,637	\$ -	\$ 21,637	\$ 21,637
Buildings	994,348	698,833	295,515	238,296
Computers	63,271	57,959	5,312	17,850
Equipment	626,980	364,758	262,222	64,319
Furniture & fixtures	40,957	39,547	1,410	2,160
Capital lease	11,740	2,935	8,805	9,979
Landscaping	17,038	15,151	1,886	2,313
Software	73,666	73,666	-	2,034
Vehicles	342,122	200,744	141,378	124,665
	<b>\$ 2,191,759</b>	<b>\$ 1,453,593</b>	<b>\$ 738,166</b>	<b>\$ 483,253</b>

**REGINA HUMANE SOCIETY INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**  
(with comparative figures for the year ended December 31, 2018)

**7. Obligation under capital lease**

Obligation under capital lease to Pitney Bowes in quarterly payments of \$1,072 including interest at 24.07%. Equipment with a net book value of \$8,805 is pledged as security. Due April 2021.

Current portion

	<b>2019</b>	<b>2018</b>
	\$ 5,671	\$ 8,469
	5,671	8,469
	3,500	2,200
	\$ 2,171	\$ 6,269

The future minimum lease payments under capital lease, together with the balance of the obligation under capital lease are as follows:

2020	\$ 4,600
2021	2,200
Total minimum lease payments	6,800
Less: interest portion	1,129
Balance of the obligation	\$ 5,671

**8. Commitments**

The Society has entered into an agreement to purchase approximately 2.64 acres of land for \$2,310,000, with the condition that the lands receive the appropriate zoning approval and utilities and services installed. A deposit of \$231,000 has been made to date.

**9. Financial instruments**

The Society's recognized financial instruments consist of cash, short term investments, accounts receivable, long term investments, accounts payable, accruals and obligation under capital lease. The fair value of cash, short term investments, accounts receivable, accounts payable and accruals approximate their carrying value given the short-term nature of the amounts. The fair value of the long term investments and obligation under capital lease approximate their carrying value given the terms of the agreements.

**REGINA HUMANE SOCIETY INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**  
(with comparative figures for the year ended December 31, 2018)

**10. Financial risk management**

The Society has a risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The significant risks to which the Society is exposed are:

**Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society is exposed to credit risk on the accounts receivable from its customers, however, does not have a significant exposure to any individual customer or counterpart. The Society incurred insignificant bad debt expense during the past three years and its customers are mainly in the veterinary care industry.

**Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society's exposure to liquidity risk is dependent on the receipt of funds from its operations and other related sources. Funds from these sources are primarily used to finance working capital and capital expenditure requirements and are considered adequate to meet the Society's financial obligations.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society's exposure to interest rate risk is limited to the investments, line of credit and obligation under capital lease. The interest rate risk on the line of credit is variable; therefore, the Society may face increasing interest costs in an increasing interest rate market. The investments and obligation under capital lease have fixed interest rates and therefore, do not expose the Society to additional risk.

**11. Subsequent events**

On March 11, 2020, the World Health Organization declared a global pandemic for the COVID-19 virus. The Society is following health advisories and mandatory requirements from local, provincial and national health and government organizations. On March 17, 2020, the Society suspended its public outreach, education and non-emergency owner surrender services, and volunteer activities at the shelter were discontinued. Core services continue to be offered, with pet viewings available online and adoptions completed by appointment only. The Society continues to respond to high priority and emergency calls. Administrative employees are working remotely. The financial impact, if any, on the Society is uncertain at this time.





**Regina  
Humane  
Society**

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**MORE** than a Shelter

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