

Zig Zag Adopted March 2023
Photo Credit: Diggety Dog Pet Photography



Regina
Humane
Society

2023

ANNUAL REPORT



THE JOURNEY HOME

Dear RHS Family,

What a full year 2023 has been – a year of challenges, new beginnings, second chances, and celebrations.

As we settled into our post-pandemic world, we faced new challenges as we worked to achieve our mission. These challenges are not unique to the Regina Humane Society (RHS) as most are impacting shelters across North America. Economic uncertainty, housing insecurity, and a veterinary shortage have all led to an increase in homeless animals. Animal shelters across the continent have been operating at full capacity and the RHS is no exception. In 2023, the RHS cared for 3,711 pets who needed us, which is a significant increase over the previous five years. Dogs represented the greatest part of that increase with 165 more dogs received than in 2022, with more than half of them brought to the safety of the Shelter as strays.

To meet the demand, our Capacity for Care best practice shelter management program coordinated Shelter intake to align our resources to best meet the needs of every animal and support them in their journey home. In 2023, we celebrated 1,870 animals who embarked on a new beginning through adoption along with 477 animals who were reunited with their worried families. Thanks to the tireless work of our teams and the unwavering commitment of our donors and supporters, zero healthy, treatable or rehabilitatable animals were euthanized.

Keeping pets in their loving homes remains an integral part of our lifesaving strategy. By providing accessible spay/neuter, microchipping, a pet

food bank and supplies, education and more, our outreach programs serve as a safety net for families who fall on hard times or lack the resources to provide care to their furry family members. In 2023, the RHS distributed two tons of pet food through Community Fridges and the RHS Pet Connection Food Bank to help pets stay with their families where they belong. This is in addition to 2,308 subsidized spay/neuter surgeries and 2,494 subsidized microchips provided by the RHS to reduce the number of animals in need of sheltering services.

RHS Animal Protection Officers served determinedly in the field 24/7, responding to animals in urgent need. Post-pandemic economic and mental health challenges continued to contribute to a surge in animal cruelty investigations, reaching an unprecedented 827 cases in 2023. Despite the critical nature of this work, the lack of government funding for enforcing the Province's Animal Protection Act remains a pressing financial concern. Operating costs, wages, and the demand for these essential services continue to rise, underscoring the urgency of addressing this funding gap.

In the final months of 2023, we achieved a massive milestone from our strategic plan. It was with immense joy and heartfelt gratitude that we celebrated the end of our decade-long journey to complete construction of the RHS Animal Community Centre. It takes a village to bring something of this size to life and so many hands and hearts contributed to this milestone for animals to transform our \$15M *Almost Home* Capital Campaign to *Home*.

Our new Animal Community Centre is far more than a shelter. It's a place of second chances, a place where the broken find healing, and where the abandoned find belonging. It's a testament to our shared commitment to making this world a kinder, gentler place for all beings.

As we prepare to open the doors of our new home in 2024, we embark on a new phase of our mission—a phase that demands our continued dedication. Our new home represents not just a destination but a launching pad for our ongoing commitment to advance animal welfare in our community and beyond.

Your continued support is the lifeline that sustains this haven of hope. Together, let us continue to make a difference for those who cannot speak, one paw at a time.

With thanks,



Chris Taschuk
President



Lisa Koch
Executive Director

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.



OUR 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 is our compass, embodying our Mission, Vision, and Values, which guides our decision-making. As our community shifts and evolves, we remain flexible, swiftly adapting to changes in our environment and the best practices in animal welfare. This adaptability is aimed at achieving a common Strategic Goal, guided by our shared identity and direction.

Our plan focuses on three Strategic Priorities, each encompassing various Strategic Initiatives that outline the core activities needed to realize our vision. Thoughtful planning is crucial, as is assessing its impact. Through a Balanced Scorecard, we track our progress, identifying areas where we excel and areas requiring further effort and resources.

In 2023, we achieved a significant milestone in our Strategic Plan, marking a major step forward in

supporting our humane community. The completion of the Regina Humane Society Animal Community Centre in late 2023 was a moment of immense joy and heartfelt gratitude, culminating a decade-long journey.

The Regina Humane Society's \$15M *Almost Home* Capital Campaign is the largest fundraising effort in our 60-year history. It takes a village to bring something of this size to life and so many hands and hearts contributed to this achievement for animals in our community. Displayed in the corridors, painted on the walls, and shared on the plaques that adorn each room, are the names of those who believed in our vision. They have created a legacy of hope, love, and kindness for every animal that finds refuge within the Animal Community Centre. As Regina's Municipal Animal Services provider, our City's investment in the Centre and animal care system is indeed an important part of the quality of life of our community.

The Animal Community Centre, our new home, is a model of humane care and public engagement with the health standards of a hospital, the educational aspects of a school and the appeal of a community destination. The Centre offers safe refuge for homeless pets; an adoption gallery with home-like habitats for dogs and cats; an education center with multi-purpose classrooms for after-hours public use; a veterinary hospital supporting RHS animals as well as continued delivery of spay/neuter services to financially disadvantaged pet owners; family pet cremations; dog park; dog washing station; green spaces; training centre and gift shop.

As we prepare to open the doors of our new Animal Community Centre in 2024, we're embarking on a new phase of our mission—one that requires our continued commitment to create the most humane community in Canada, and update of our Strategic Plan to reflect this goal.

The generosity and kindness of every individual who contributed, volunteered, and supported this initiative has turned "*Almost Home*" into "*Home*" where countless lives, both four-legged and two-legged, will be changed for the better for many decades to come.



LIFESAVING

Implement best practice animal lifesaving strategies.

ANIMAL COMMUNITY CENTRE

Construct our new Shelter.

FINANCIAL STABILITY

Raise funds to support existing and future needs.

TOGETHER WE

ACCEPTED

3,711 animals with nowhere else to turn.



ADOPTED

1,870 pets who had no home to people who had one to give.



STRENGTHENED

the bond between 772 dogs and their owners through 140 play and reward-based learning programs.



SPREAD THE WORD

with the help of 69,348 social media supporters who shared animal welfare news, adoptable pets and our success stories.



REUNITED

477 lost pets with their worried families.



FOSTERED

719 infant, injured, ill or afraid pets to recovery with 199 foster families.

INVESTIGATED

827 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 2,308 subsidized lifesaving spay/neuter surgeries.



A SAFE HAVEN

As Regina’s community Animal Shelter and Municipal Animal Services provider, we serve as a safe haven for every animal in need, regardless of their breed, age, medical condition, or temperament. Each time one of them is rescued, adopted, or reunited with their family, a life is changed. Whether they need us for days, weeks, or months — we are committed to caring for them until they find their way to a loving home.

Throughout 2023, the animal welfare landscape in our city faced significant challenges. Economic stressors, accessing readily available veterinary care, and shifting lifestyles following the pandemic presented obstacles for many pet owners. Amidst this uncertainty, the RHS was there for pets and their families who had nowhere else to turn. In 2023, the RHS cared for 3,711 pets who needed us, which is a significant increase in intake over the previous five years. Dogs represented the greatest part of that increase with 165 more dogs received than in 2022. Animal shelters across the continent are experiencing this post pandemic influx of animals operating at capacity for much of 2023 and stretching resources to the limits.

The RHS collects and reports its statistics according to a universal formula for animal shelters which helps to identify the number of at-risk animals in our community. Despite the significant increase in intake and medical/behavioural cases, zero healthy, treatable or rehabilitatable animals were euthanized.

Pets Received

Cats and kittens	2,614
Dogs and puppies	1,042
Small critters/wildlife	55
TOTAL	3,711

Pets Adopted

Cats and kittens	1,327
Dogs and puppies	524
Small critters	19
TOTAL	1,870

Pets Reunited

Cats and kittens	160
Dogs and puppies	313
Small critters	4
TOTAL	477

Pets Transferred

Through placement partners and other sheltering organizations	
In	25
Out	429



Magenta with her foster family. Adopted October 2023.

2,776 Pets Saved

HAPPY TAILS TO YOU!

Fern Adopted March 2023

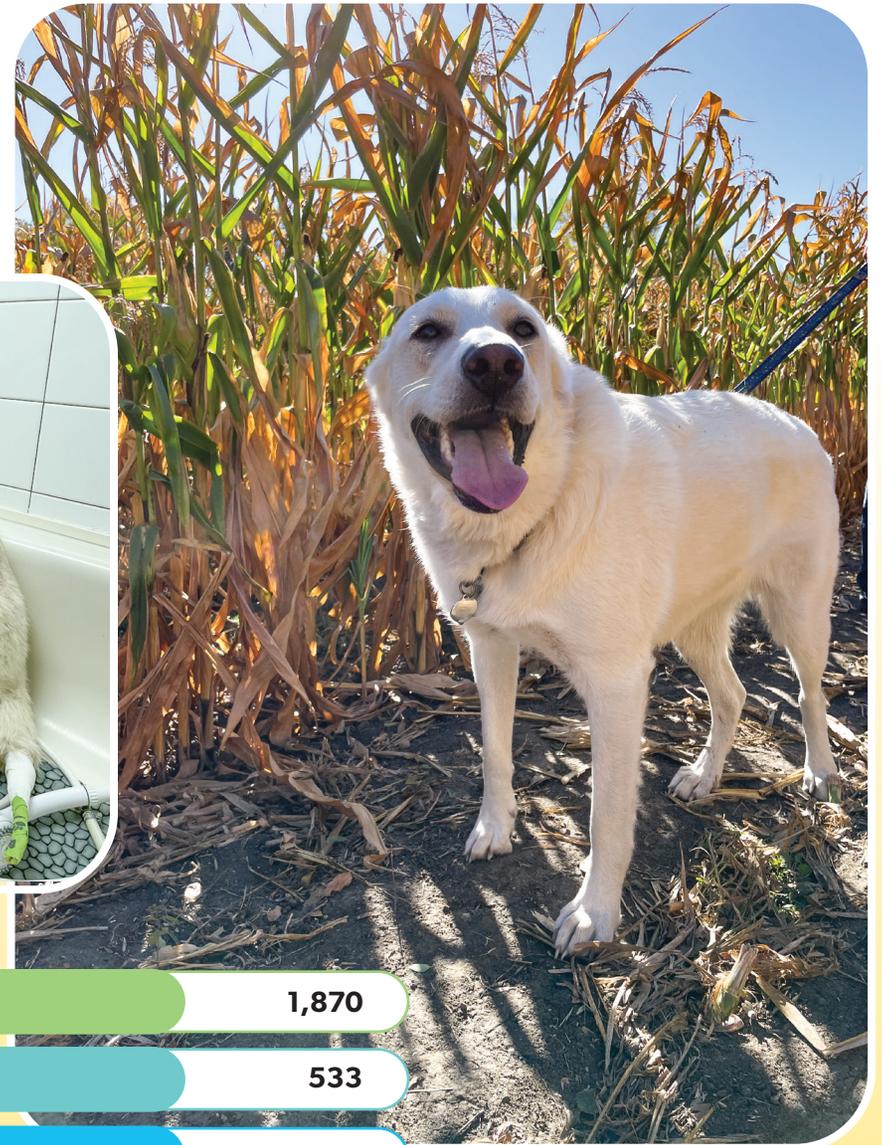
The tale of Fern's tail is a sad story with a happy ending! When she arrived at the Shelter, the one-year-old Husky mix was in need of veterinary care to treat her infected and severed tail.

Although every effort was made to save her ailing appendage, amputation became the only option to help her heal. Fern is doing just fine without it and bestows her very best bum wiggles on her new mom and dad.

For six decades, the Regina Humane Society has been fostering connections and joining families. Every year, our innovative strategies and commitment to providing exceptional adoption value ensure that every healthy and treatable pet gets the opportunity to live their happily ever after.

In 2023 alone, Fern was among 1,870 pets who found their new family thanks to the Society's diverse adoption initiatives. These programs encompass adoption sponsorships, engaging events and promotions, satellite adoption collaborations, as well as transfer programs facilitated through our Humane Society network.

Happy tails to you, Fern!



ADOPTIONS

1,870

SATELLITE ADOPTIONS

533

SATELLITE ADOPTION PARTNERS

11

Satellite Partners: Pat's Pets, Pet Depot, PetSmart Grasslands & Quance, The Cathedral Pet Stop, Petland, Pet Valu North, South, Prince of Wales & Lewvan Crossing, Heylo Pets.

WITH A LITTLE HELP FROM OUR FRIENDS

Multiple times a week, Trevor is a very welcome sight to the dogs in our adoption areas. As soon as he arrives, tails start wagging in anticipation of what is to come. Recently retired, Trevor is one of our amazing Caring Hands volunteers who holds a special spot in the hearts of so many Shelter dogs who join him for sunshine, exercise, and tummy scratches in our off-leash dog walking spaces or on “doggie dates” visiting various destinations in our community. Trevor goes above and beyond by posting photos and videos of his adventures with our dogs to his social media channels, helping to spotlight his furry friends as they search for a new home and family.

Fresh approaches to engage our community to help animals are a vital component of our lifesaving plan. Enrichment programs like Caring Hands, Kitty Readers and Read & Relax are just some of the innovative initiatives designed to be a win-win for animals in need and a legion of community volunteers, young and old, who fill their hearts by dedicating their time to do the same for Shelter pets.

Our foster families played a crucial role in this team of everyday superheroes in 2023, saving the lives of 719 recovering pets. They opened their hearts and homes to these animals, providing a healing space away from our busy Shelter.

Whether selling raffle tickets, folding laundry or making enrichment toys and treats, RHS volunteers are friends indeed to animals in need.

Caring Hands Volunteer Trevor and Nala



FOSTER FAMILIES

199

PETS FOSTERED

719

VOLUNTEERS

499

VOLUNTEER HOURS

4,246

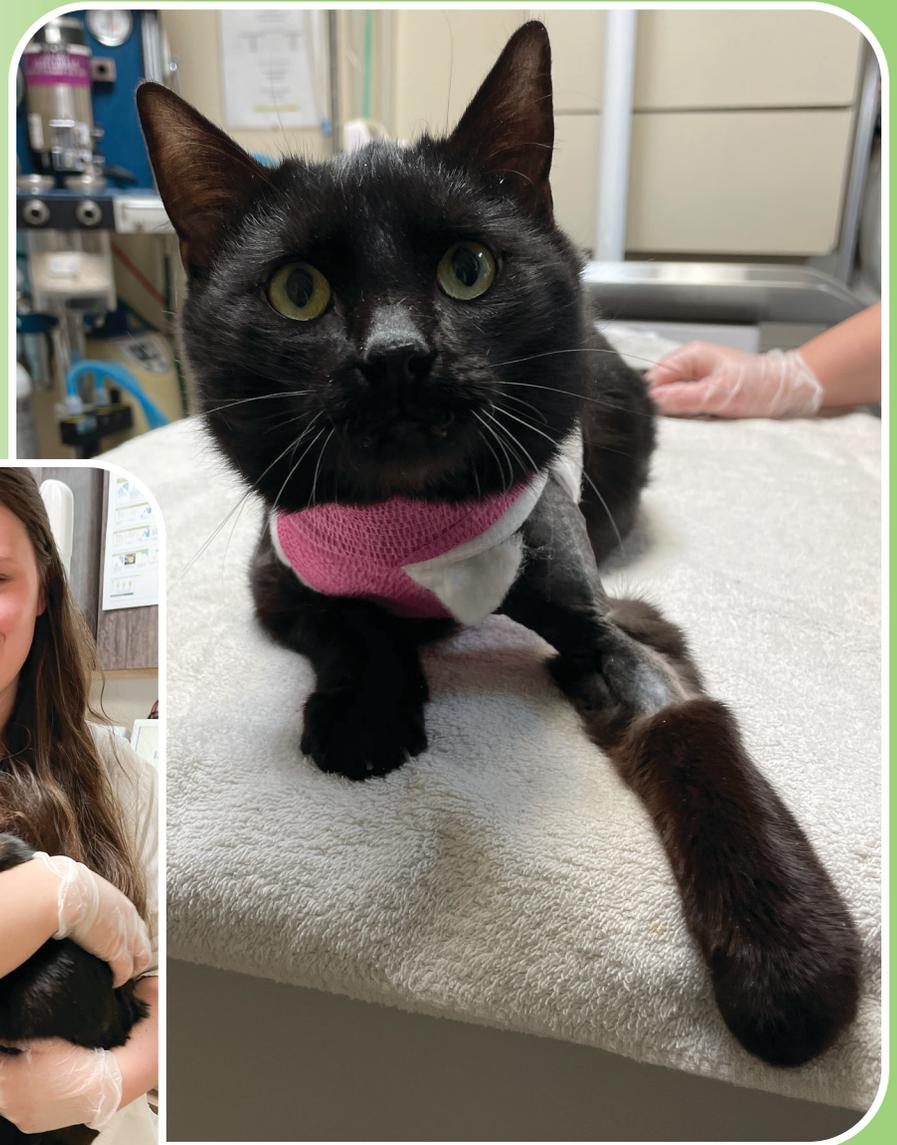
ON THE MEND

The RHS veterinary medicine program gives hope to thousands of animals every year. In addition to routine medical care, our veterinary team offers comprehensive treatment to animals facing life-threatening conditions. This means that animals with nowhere else to turn can count on us to give them a second chance at a happy life. Whether it's an emaciated kitten in need of nourishment or an animal suffering from a fractured limb, the RHS team of professionals, supported by our dedicated foster family network, stand ready to provide unwavering care.

Our RHS veterinary team was there for Fabio when he arrived at the Shelter with a deep gash under his arm. A collar, which had slipped from around his neck, had embedded itself under his skin making every movement excruciating for the young stray. Following surgery to repair his wounds, Fabio was soon feeling FAB-ulous again, and charmed his way into the hearts of his new family.

The RHS operates the only animal shelter veterinary hospital in our province and is certified by the Saskatchewan Veterinary Medical Association. Our Clinic is central to our ability to deliver critical medical care and is the hub of healing and hope for pets in need. In 2023, our dedicated veterinary team performed 2,371 medical examinations and conducted 2,308 spay/neuter surgeries—a testament to the Society's commitment to the well-being of every animal in its care.

None of this would be possible without the steadfast support of our community. It is through their generosity and compassion that the RHS can continuously strive for advancement in standards of care, ensuring that every pet receives the attention and treatment they deserve on their journey home.



Fabio Adopted November 2023

MEDICAL EXAMINATIONS

2,371

SUBSIDIZED SPAY/NEUTER SURGERIES

2,308

REPARATIVE SURGERIES

80

TO THE RESCUE

Huey, Duey, and Luey were indeed lucky ducks when RHS Animal Protection Officers found them alone and afraid in a school field. At just eight weeks of age, the trio had been abandoned to fend for themselves. Dirty, hungry and dehydrated, the tiny family was delivered to the Shelter where they thrived in its care before being adopted.

Animals can't tell us when bad things happen to them – we are their voice. As the only organization in the city of Regina dedicated to upholding laws that protect animals, the RHS is the place people call when an animal is in trouble.

RHS Animal Protection Officers receive thousands of reports each year from members of the public who are concerned about an animal's well-being. In 2023, Humane Officers responded to 3,908 calls under municipal and provincial animal laws to protect animals, as well as public safety. These reports resulted in 827 cruelty investigations but only a small fraction result in criminal files. More often, RHS Animal Protection Officers are able to resolve complaints by providing education and support to pet owners.

In the delivery of animal protection legislation, RHS Officers provide specialized support to police, and a range of forensic, shelter, veterinary and rehabilitation services for animals affected by neglect or abuse. Recognizing the link between animal abuse and broader societal issues like

mental health, criminality, and family violence, Animal Protection Services support integrative solutions, fostering collaboration among education, law enforcement, social services, and healthcare sectors to promote a holistic One Health approach.



CRUELTY INVESTIGATIONS

827

CRIMINAL FILES

4

*Huey, Duey, and Luey Adopted
September 2023*

FOSTERING A HUMANE COMMUNITY

We believe that creating a more humane world means extending compassion to both ends of the leash — and through our variety of services, we are working to do just that.

The Regina Humane Society acts as a safety net for pet families who fall on hard times, lack access to resources or just need a little extra support. By providing accessible spay/neuter, and microchipping, a pet food bank and supplies, education resources and more, we are here for pets and people in our community when they need us most — keeping more animals happy, healthy and with the families who love them.

RHS education programs 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.

Our Kitty Readers Program continues to create heartwarming stories, fostering empathy for animals through literacy and a passion for reading among young minds. Tailored for children aged seven to eleven, the program encourages them to enhance their reading abilities by reading silently or aloud with Shelter cats and kittens.

Service-learning programs actively involve young people, enriching their learning experiences, boosting confidence, and imparting valuable new skills. In 2023, a total of 106 youth aged twelve to eighteen cultivated empathy and a sense of responsibility through this impactful community service initiative.

As we look forward to 2024 and beyond, the advancement of prevention programming will not only grow in the type of services we provide in our community, but equally in the number of pets and families we serve.



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. 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 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 and fire fighters) who rely on RHS employees to 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 by participating in animal transfers and 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, they are appointed by the Board.



Vixen Adopted December 2023

2023 BOARD OF DIRECTORS

PRESIDENT

Chris Taschuk

IT Executive and Entrepreneur, Retired

VICE-PRESIDENT

Timothy F. Huber, K.C., B.A., J.D.

Deputy Executive Director - General Counsel,
Law Society of Saskatchewan

TREASURER

Lou Beatch, CPA, CMA, CA

Lou Beatch, CPA, Professional Corporation

DIRECTORS

David Bellerive

Vice President Creative, Phoenix Group

Terry Bachinski

Project Manager, Saskatchewan Health Authority

Kim Carroll, CPA, CMA

Independent Consultant

Gayl Hipperson

Non-Profit Professional, Retired

Dr. Melissa Hunchak, DVM

Veterinarian, Careport Animal Hospital

Michelle Hunter

Business Consultant

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

Senior Crown Prosecutor, Saskatchewan Justice, Retired

Cathy Joyner, BHEc, MPA

HR Professional, Retired

Steve Miller, B. Admin., PMP

Human Resources, Health & Safety Manager,
Degelman Industries

Jennifer Zalusky

Medical/Surgical Sales Representative, Stryker Canada

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 PRESIDENT

Chris Taschuk

BOARD COMMITTEE MEMBER

Tim Huber, K.C., 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 Organization's financial statements.

BOARD COMMITTEE CHAIR

Lou Beatch, CPA, CA, CMA

BOARD COMMITTEE MEMBER

Kim Carroll, CPA, CMA

EXTERNAL COMMITTEE MEMBERS

Brenda Johnson, CPA, CGA (non-practicing)
Shelby Puchala, CPA

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

EXTERNAL COMMITTEE MEMBERS

Cortnie Jacobson, BAdmin, CPHR
Donna Kane, B.Ed., CPHR, CEC
Dawn Anaquod, MHRM, BBA, CPHR, ACC
Deanna Milton, BAdmin, CPHR
Shelley Lichtenwald, CPHR **resigned September 2023*
Kaitlyn Duchin

MANAGEMENT COMMITTEE MEMBERS

Lisa Koch, B.Ed.
Lindsay West, B.Sc.
Bill Thorn
Sharon Swanson, CPA, CA
Dr. Katherine Ball, CVM, PhD

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
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.

RHS Management Team

Lisa Koch, B.Ed.
Executive Director

Dr. Katherine Ball, DVM, PhD
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

Capital Campaign Director

Karen Mercier, CFRE, CAWA

Code of Conduct

The RHS Board of Directors, all employees including permanent, term, contract and work placements, and volunteers 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.

2023 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.

REGINA HUMANE SOCIETY INC.

FINANCIAL STATEMENTS

December 31, 2023

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 has 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, Audit Committee



Executive Director

INDEPENDENT AUDITORS' REPORT

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

Qualified Opinion

We have audited the financial statements of **Regina Humane Society Inc.** ("Society") which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net assets 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 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, 2023 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.

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 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.

March 25, 2024
Regina, Saskatchewan


Chartered Professional Accountants

REGINA HUMANE SOCIETY INC.
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023
(with comparative figures as at December 31, 2022)

ASSETS						
	General Operating Fund	Operating Reserve Fund	Tangible Capital Asset Fund	Capital Asset Reserve Fund	2023	2022
Current assets						
Cash (Note 3)	\$ 1,139,063	\$ -	\$ -	\$ 467,918	\$ 1,606,981	\$ 3,240,686
Short term investments (Note 4)	-	965,625	-	-	965,625	586,201
Accounts receivable	425,113	-	-	-	425,113	444,383
Prepaid expenses	45,245	-	-	-	45,245	129,727
Inventory	48,014	-	-	-	48,014	38,315
	<u>1,657,435</u>	<u>965,625</u>	<u>-</u>	<u>467,918</u>	<u>3,090,978</u>	<u>4,439,312</u>
Long term investments (Note 4)	-	-	-	-	-	376,952
Tangible capital assets (Note 5)	-	-	20,996,152	-	20,996,152	12,077,073
	<u>\$ 1,657,435</u>	<u>\$ 965,625</u>	<u>\$ 20,996,152</u>	<u>\$ 467,918</u>	<u>\$ 24,087,130</u>	<u>\$ 16,893,337</u>
LIABILITIES AND NET ASSETS						
Current liabilities						
Accounts payable and accruals	\$ 344,524	\$ -	\$ -	\$ -	\$ 344,524	\$ 2,015,459
Holdback payable	-	-	-	-	-	1,304,203
Current portion of obligation under capital lease (Note 6)	-	-	2,600	-	2,600	-
Current portion of callable debt (Note 8)	-	-	2,030,972	-	2,030,972	-
Deferred contributions (Note 7)	-	-	-	7,056,378	7,056,378	5,177,157
	<u>344,524</u>	<u>-</u>	<u>2,033,572</u>	<u>7,056,378</u>	<u>9,434,474</u>	<u>8,496,819</u>
Callable debt (Note 8)	-	-	6,217,780	-	6,217,780	-
Obligation under capital lease (Note 6)	-	-	5,534	-	5,534	-
	<u>344,524</u>	<u>-</u>	<u>8,256,886</u>	<u>7,056,378</u>	<u>15,657,788</u>	<u>8,496,819</u>
Net asset (deficit)	<u>1,312,911</u>	<u>965,625</u>	<u>12,739,266</u>	<u>(6,588,460)</u>	<u>8,429,342</u>	<u>8,396,518</u>
	<u>\$ 1,657,435</u>	<u>\$ 965,625</u>	<u>\$ 20,996,152</u>	<u>\$ 467,918</u>	<u>\$ 24,087,130</u>	<u>\$ 16,893,337</u>

Commitments (Note 9)

See accompanying notes to the financial statements.

Approved on behalf of the board:




REGINA HUMANE SOCIETY INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023
(with comparative figures for the year ended December 31, 2022)

	General Operating Fund	Operating Reserve Fund	Tangible Capital Asset Fund	Capital Asset Reserve Fund	2023	2022
Balance - beginning of year	\$ 603,451	\$ 893,152	\$ 12,077,072	\$ (5,177,157)	\$ 8,396,518	\$ 7,780,554
Excess (deficiency) of revenue over expenses	113,623	19,697	(92,544)	(7,952)	32,824	615,964
Purchase of tangible capital assets		-	9,016,906	(9,016,906)	-	-
Proceeds from borrowing		-	(8,256,886)	8,256,886	-	-
Interfund transfers	595,837	52,776	(5,282)	(643,331)	-	-
Balance - end of year	\$ 1,312,911	\$ 965,625	\$ 12,739,266	\$ (6,588,460)	\$ 8,429,342	\$ 8,396,518

See accompanying notes to the financial statements.

REGINA HUMANE SOCIETY INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023
(with comparative figures for the year ended December 31, 2022)

	General Operating Fund	Operating Reserve Fund	Tangible Capital Asset Fund	Capital Asset Reserve Fund	2023	2022
Revenue						
Adoptions	\$ 494,237	\$ -	\$ -	\$ -	\$ 494,237	\$ 485,839
Donations	741,258	-	-	-	741,258	793,126
Education	114,271	-	-	-	114,271	139,701
Estates	464,836	-	-	-	464,836	1,227,666
Fundraising	826,172	-	-	-	826,172	678,692
Interest	5,615	19,697	-	20,961	46,273	36,467
Kennel	434,643	-	-	-	434,643	388,438
Lost and found	7,411	-	-	-	7,411	5,825
Municipal animal services	1,352,517	-	-	-	1,352,517	1,319,602
	<u>4,440,960</u>	<u>19,697</u>	<u>-</u>	<u>20,961</u>	<u>4,481,618</u>	<u>5,075,356</u>
Expenses						
Administration	316,120	-	-	-	316,120	285,205
Amortization	-	-	92,544	-	92,544	108,815
Building - taxes, utilities, insurance	193,877	-	-	-	193,877	165,683
Campaign expenses	-	-	-	28,913	28,913	105,946
Communication	45,485	-	-	-	45,485	44,278
Development	306	-	-	-	306	630
Education	30,107	-	-	-	30,107	178,973
Enforcement supplies	1,794	-	-	-	1,794	3,184
Fundraising	300,368	-	-	-	300,368	262,330
Interest - capital lease	1,980	-	-	-	1,980	518
Kennel	220,765	-	-	-	220,765	218,376
Maintenance	22,743	-	-	-	22,743	28,451
Vehicle	39,846	-	-	-	39,846	35,382
Veterinary care	205,829	-	-	-	205,829	201,737
Volunteer expenses	334	-	-	-	334	133
Wages and benefits	2,947,783	-	-	-	2,947,783	2,819,751
	<u>4,327,337</u>	<u>-</u>	<u>92,544</u>	<u>28,913</u>	<u>4,448,794</u>	<u>4,459,392</u>
Excess (deficiency) of revenue over expenses	\$ 113,623	\$ 19,697	\$ (92,544)	\$ (7,952)	\$ 32,824	\$ 615,964

See accompanying notes to the financial statements.

REGINA HUMANE SOCIETY INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023
(with comparative figures for the year ended December 31, 2022)

	2023	2022
Cash provided by (used in) operating activities:		
Excess of revenue over expenses	\$ 32,824	\$ 615,964
Amortization	92,544	108,815
Gain on capital lease	5,283	-
Change in non-cash operating working capital:		
Accounts receivable	19,270	(24,102)
Prepaid expenses	84,482	(100,130)
Inventory	(9,700)	(2,811)
Accounts payable and accrued liabilities	(1,670,935)	1,688,496
Holdback payable	(1,304,203)	1,304,203
Deferred contributions	1,879,221	3,088,251
	<u>(871,213)</u>	<u>6,678,685</u>
Cash provided by (used in) investing activities:		
Change in short-term investments	(379,424)	3,715,684
Change in long-term investments	376,952	334,096
Purchase of tangible capital assets	(9,016,906)	(9,778,824)
	<u>(9,019,378)</u>	<u>(5,729,044)</u>
Cash provided by (used in) financing activities:		
Proceeds from long-term debt	8,248,752	-
Proceeds (repayment) of obligation under capital lease	8,134	(2,957)
	<u>8,256,886</u>	<u>(2,957)</u>
Increase in cash	(1,633,705)	946,684
Cash position - beginning of year	<u>3,240,686</u>	<u>2,294,002</u>
Cash position - end of year	<u>\$ 1,606,981</u>	<u>\$ 3,240,686</u>

See accompanying notes to the financial statements.

REGINA HUMANE SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

(with comparative figures for the year ended December 31, 2022)

1. Nature of operations

The Regina Humane Society Inc. (the “Society”) is continued under *The Non-Profit Corporations Act, 2022* of Saskatchewan. The Society is dedicated to improving the welfare of animals through programs and services in sheltering, education, protection and advocacy. 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*.

2. Summary of significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. 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 statements reflect the following accounting policies:

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.

Fund accounting

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

**REGINA HUMANE SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

(with comparative figures for the year ended December 31, 2022)

2. Summary of significant accounting policies (continued)

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.

Inventory

The inventory of veterinary supplies is recorded at the lower of cost and net realizable value. Cost is determined using 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%
Landscaping	2.5%
Software	100%
Vehicles	20%

**REGINA HUMANE SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

(with comparative figures for the year ended December 31, 2022)

2. Summary of significant accounting policies (continued)

Capital leases are amortized on a straight-line basis over the term of the lease. In the year of acquisition, amortization is provided at half of the annual rate.

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, municipal and animal protection services, education, kennel and lost and found revenues are recognized in the year in which the services are provided. Interest revenue is recognized as it is earned. Donations, estate and fundraising revenue is recorded when received.

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.

3. Cash and cash equivalents

The Society has an authorized line of credit of \$100,000 which bears interest at 8.5% (prime plus 1.3%). At year end, the line of credit was not utilized (2022 - not utilized).

4. Investments

Short term investments consist of \$965,625 (2022 - \$586,201) held in guaranteed investment certificates earning interest at rates ranging from at 1.15% to 4.95% (2022 – 0.74% to 2.80%), with maturities between March and June 2024 (2022 – May and June 2023).

In 2022, long term investments of \$376,952 was held in guaranteed investment certificates earning interest at a rate of 1.15% with maturity in June 2024.

REGINA HUMANE SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

(with comparative figures for the year ended December 31, 2022)

5. Tangible capital assets

	2023		2022	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 21,637	\$ -	\$ 21,637	\$ 21,637
Land - new facility	1,252,594	-	1,252,594	1,252,594
Buildings	948,193	793,069	155,124	178,829
Buildings - new facility	19,399,097	-	19,399,097	10,393,930
Computers	77,754	77,754	-	2,535
Equipment	638,599	609,073	29,526	81,414
Furniture & fixtures	43,441	42,447	994	1,609
Capital lease	11,740	1,174	10,566	5,283
Landscaping	17,038	16,458	580	609
Software	73,666	73,666	-	-
Vehicles	373,231	247,197	126,034	138,633
	\$ 22,856,990	\$ 1,860,838	\$ 20,996,152	\$ 12,077,073

The Society has undertaken a project to construct a new Animal Community Centre in Regina. At December 31, 2023, the Society held land for the new facility with an original cost of \$2,319,619, which was reduced by \$1,067,025 in contributions received from service agreements. In addition, the Society has incurred building development costs of \$24,440,823, which was reduced by \$5,041,726 in contributions from service agreements. As the facility is under construction, no amortization expense has been recorded. The building was completed and the Society moved into the new space in February 2024.

REGINA HUMANE SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

(with comparative figures for the year ended December 31, 2022)

6. Obligation under capital lease

	2023	2022
Obligation under capital lease to Pitney Bowes in quarterly payments of \$930 including interest at 16.19%.	\$ 8,134	\$ -
Current portion	(2,600)	-
	\$ 5,534	\$ -

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

	2024	\$	3,724
	2025		3,724
	2026		2,792
Total minimum lease payments			10,240
Less interest portion			2,106
Balance of the obligation		\$	8,134

7. Deferred contributions

Deferred contributions relate to restricted donations associated with the construction of a new building.

	2023	2022
Opening balance	\$ 5,177,157	\$ 2,088,906
Additions	1,879,221	3,088,251
Ending balance	\$ 7,056,378	\$ 5,177,157

REGINA HUMANE SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

(with comparative figures for the year ended December 31, 2022)

8. Callable debt

In 2023, the Society borrowed \$8,248,752 from the Royal Bank of Canada. The Society has the ability to draw additional amounts on this instrument to a maximum of \$8,582,490. The outstanding loan consists of two components:

	2023	2022
Borrowing of \$6,582,490, with monthly payments of \$72,466, including interest of 7.24%. Loan matures January 23, 2025.	\$ 6,582,490	\$ -
Borrowing of \$1,666,262, with interest only payments, bearing interest at prime + 1.120%. Loan matures December 31, 2024	1,666,262	-
	8,248,752	-
Current portion	(2,030,972)	-
	\$ 6,217,780	\$ -

The current portion consists of 12 months of principal payments on the first instrument and the balance outstanding on the second instrument. The Society expects that the first instrument will be renewed at maturity and that any remaining balance on the second instrument will be converted to a term loan at the end of 2024. As the future terms are unknown, disclosure of future principal payments has not been provided.

The loans are secured by a mortgage over the land and buildings at the new facility, with a net book value of \$20,651,691 at the end of the year.

REGINA HUMANE SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(with comparative figures for the year ended December 31, 2022)

9. Commitments

The Society has negotiated agreements for the design and construction of the new Animal Community Centre. The remaining amount outstanding on the commitment totals \$138,700.

The Society also has various operating leases for equipment, with payments over the next two years as follows:

2024	\$	19,000
2025		11,500

10. Financial instruments

The Society's recognized financial instruments consist of cash, investments, accounts receivable, investments, accounts payable, accruals, holdback payable, obligation under capital lease and long term debt. The fair value of these items approximates their carrying value given the short term nature of the amounts.

11. Financial risk management

The Society has a risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The significant financial 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 counterparty. The Society incurred insignificant bad debt expense during the past three years.

**REGINA HUMANE SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

(with comparative figures for the year ended December 31, 2022)

11. Financial risk management (continued)

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 line of credit and long term debt. The interest rate on these instruments are variable; therefore, the Society may face increasing interest costs in an increasing interest rate market.



Regina
Humane
Society