TORONTO WILDLIFE CENTRE

Financial Statements
December 31, 2023

TORONTO WILDLIFE CENTRE

Financial Statements
For the year ended December 31, 2023

Contents

Independent Auditors' Report

To the Directors of Toronto Wildlife Centre

Qualified Opinion
We have audited the financial statements of ***Toronto Wildlife Centre*** (the "Centre"), 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre 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
Toronto Wildlife Centre, in common with many not-for-profit organizations, derives revenue from various sources, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenues was limited to the amounts recorded in the records of The Toronto Wildlife Centre and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenditures, assets, and net assets.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Centre in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

In preparing the financial statements, management is responsible for assessing the Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre's financial reporting process.

FRUITMAN KATES LLP, CHARTERED PROFESSIONAL ACCOUNTANTS
1055 Eglinton Ave. W, Toronto, ON M6C 2C9 T: 416-920-3434 www.fruitman.ca

Independent Auditors' Report (continued)

Auditors' 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 auditors' 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 Centre'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 Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Centre 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.

Fruitman Kates LLP

Toronto, Canada
July 3, 2024

Chartered Professional Accountants
Licensed Public Accountants

TORONTO WILDLIFE CENTRE

Statement of Financial Position
As at December 31, 2023

		2023		2022
Assets				
Current				
Cash	$	747,341	$	63,613
Short term investments		5,277,410		4,418,769
Accounts receivable (note 2)		256,004		330,400
Prepaid expenses and sundry assets		27,416		2,401
		6,308,171		4,815,183
Capital assets (note 3)		1,757,271		1,473,823
	$	**8,065,442**	$	**6,289,006**
Liabilities and Net Assets				
Liabilities				
Current				
Accounts payable and accrued liabilities	$	241,636	$	308,178
Government remittances payable		26,438		49,587
Current portion of deferred contributions (note 4)		66,430		88,435
		334,504		446,200
Long-term				
Deferred contributions (note 4)		4,675,929		3,137,795
		5,010,433		3,583,995
Net assets		3,055,009		2,705,011
	$	**8,065,442**	$	**6,289,006**

Approved on behalf of the board

Nathalie Karvonen Director

_____________________ Director

See accompanying notes to the financial statements

TORONTO WILDLIFE CENTRE

Statement of Operations
For the year ended December 31, 2023

	2023	2022
Revenue		
Donations - individuals	$ 3,260,395	$ 3,714,203
Donations - foundations	572,905	283,338
Donations - corporations	366,289	153,818
Donations - in kind	229,806	305,268
Interest and other	208,192	71,684
Government grants and contracts	148,107	163,363
Merchandise sales	26,578	23,541
Special projects and events	25,460	6,770
Government assistance	-	21,271
	4,837,732	4,743,256
Expenditures		
Wildlife rehabilitation	1,291,559	1,213,895
Fundraising	605,932	411,496
Education and outreach	498,327	444,177
Veterinary hospital	463,814	365,794
Facility and operations	412,516	334,154
Administration	353,795	361,215
Wildlife rescue and release	285,316	259,983
New centre planning and operations	262,023	191,269
New centre capital campaign	129,073	118,277
Amortization	94,674	71,953
Volunteer co-ordination	90,705	80,154
	4,487,734	3,852,367
Excess of revenue over expenditures	**$ 349,998**	**$ 890,889**

TORONTO WILDLIFE CENTRE

Statement of Changes in Net Assets
For the year ended December 31, 2023

	2023	2022
Net assets, beginning of year	$ 2,705,011	$ 1,814,122
Excess of revenue over expenditures	349,998	890,889
Net assets, end of year	**$ 3,055,009**	**$ 2,705,011**

TORONTO WILDLIFE CENTRE

Statement of Cash Flows
For the year ended December 31, 2023

		2023		2022
Cash flows from (used in):				
Operating activities				
Excess of revenue over expenditures	$	349,998	$	890,889
Adjustments for				
Amortization of capital assets		94,674		71,953
Deferred contributions recognized as revenue		(108,761)		(94,911)
		335,911		867,931
Change in non-cash working capital items				
Accounts receivable		74,396		(67,628)
Prepaid expenses and sundry assets		(25,015)		2,190
Accounts payable and accrued liabilities		(66,542)		(6,335)
Deferred contributions		1,624,890		161,200
Government remittances payable		(23,149)		36,535
		1,920,491		993,893
Investing activities				
Short term investments		(858,641)		(3,512,650)
Capital assets		(378,122)		(341,367)
		(1,236,763)		(3,854,017)
Increase (decrease) in cash		683,728		(2,860,124)
Cash, beginning of year		63,613		2,923,737
Cash, end of year	**$**	**747,341**	**$**	**63,613**

General

Toronto Wildlife Centre (the "Centre") is a registered charity established with the following objectives:

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

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

Pursuant to the Income Tax Act (Canada), the Centre is classified as a not-for-profit organization and therefore, is not subject to income tax. The Centre's Charitable Registration Number is 14114 6290 RR0001.

1. Significant accounting policies

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

(a) Revenue recognition

The Centre follows the deferral method of accounting for contributions.

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

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

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

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

Government assistance related to current revenues and expenses is included in the determination of net income if there is reasonable assurance of collection and it can be reasonably concluded that the Centre will meet the criteria required to qualify for the assistance.

1. Significant accounting policies (continued)

(b) Short term investments

Short term investments comprises of fixed income securities and guaranteed investment certificates with original maturities of one year and less.

(c) Contributed materials and services

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

(d) Capital assets

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

Enclosures	10%
Equipment	20%
Fences	10%
Portable buildings	30%
Veterinary equipment	20%
Vehicles	20%
Computer equipment	50%

(e) Impairment of long-lived assets

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

1. Significant accounting policies (continued)

(f) Financial instruments

Measurement of financial instruments

The Centre initially measures its financial assets and liabilities at fair value and their subsequent measurement depends on the nature and classification of the financial instrument.

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

Financial assets measured at fair value through profit or loss include short term investments.

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

Impairment

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

(g) Allocated expenses

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

(h) Use of estimates

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

2. Accounts receivable

Included in accounts receivable are government remittances receivable of $38,350 (2022 - $86,300).

3. Capital assets

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
New centre development	$ 1,269,006	$ -	$ 1,269,006	$ 997,408
Enclosures	149,304	10,961	138,343	142,975
Equipment	158,824	60,650	98,174	72,969
Fences	143,491	45,995	97,496	108,329
Portable buildings	179,253	85,796	93,457	86,274
Veterinary equipment	254,698	224,739	29,959	26,213
Vehicles	36,480	16,551	19,929	28,470
Computer equipment	56,307	45,400	10,907	11,185
	$ 2,247,363	$ 490,092	$ 1,757,271	$ 1,473,823

The Centre is in the process of developing a new centre, which will be located on leased land that has been committed to the Centre. New centre development costs are comprised of architect fees, consulting fees, site investigations, permit applications and construction costs.

4. Deferred contributions

	2023	2022
Deferred contributions	$ 4,742,359	$ 3,226,230
Less current portion	66,430	88,435
Due beyond one year	$ 4,675,929	$ 3,137,795

	Balance, beginning of year	Received	Recognized	Balance, end of year
New centre development	$ 2,988,516	$ 1,585,001	$ (92,093)	$ 4,481,424
Enclosures	155,200	10,000	(7,219)	157,981
Tractor	-	23,045	-	23,045
Wildlife kitchen	25,296	-	(7,321)	17,975
Veterinary equipment	7,218	6,844	(2,128)	11,934
Other	50,000	-	-	50,000
	$ 3,226,230	$ 1,624,890	$ (108,761)	$ 4,742,359

5. Financial instruments

The significant financial instrument risks to which the Centre is exposed are the following:

(a) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Centre is exposed to other price risk through its short term investments.