TORONTO WILDLIFE CENTRE

Financial Statements
December 31, 2022

TORONTO WILDLIFE CENTRE

Financial Statements
For the year ended December 31, 2022

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Independent Auditors' Report

To the Directors of Toronto Wildlife Centre

Qualified Opinion
We have audited the financial statements of ***Toronto Wildlife Centre***, which comprise the statement of financial position as at December 31, 2022, 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 organization as at December 31, 2022, 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 expenses, 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 organization 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

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 organization'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 organization'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 organization 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 19, 2023

Chartered Professional Accountants
Licensed Public Accountants

TORONTO WILDLIFE CENTRE

Statement of Financial Position
As at December 31, 2022

		2022		2021
Assets				
Current				
Cash	$	63,613	$	2,923,737
Short term investments		4,418,769		906,119
Accounts receivable (note 2)		330,400		262,772
Prepaid expenses and sundry assets		2,401		4,591
		4,815,183		4,097,219
Capital assets (note 3)		1,473,823		1,204,409
	$	**6,289,006**	**$**	**5,301,628**

		2022		2021
Liabilities and Net Assets				
Liabilities				
Current				
Accounts payable and accrued liabilities	$	308,178	$	314,513
Government remittances payable		49,587		13,052
Current portion of deferred contributions (note 4)		88,435		40,434
		446,200		367,999
Long-term				
Deferred contributions (note 4)		3,137,795		3,119,507
		3,583,995		3,487,506
Net assets		2,705,011		1,814,122
	$	**6,289,006**	**$**	**5,301,628**

Approved on behalf of the board

_______________ Director

_______________ Director

See accompanying notes to the financial statements

TORONTO WILDLIFE CENTRE

Statement of Operations
For the year ended December 31, 2022

	2022	2021
Revenue		
Donations - individuals	$ 3,713,888	$ 4,373,793
Donations - in kind	305,268	242,445
Donations - foundations	283,338	366,653
Donations - corporations	153,818	158,565
Government grants and contracts	163,363	171,523
Interest and other	71,684	8,904
Merchandise sales	23,541	17,257
Government assistance	21,271	285,810
Special projects and events	6,770	83,790
New centre revenue	315	-
	4,743,256	5,708,740
Expenditures		
Wildlife rehabilitation	1,213,895	970,264
Education and outreach	444,177	374,668
Fundraising	411,496	410,585
Veterinary hospital	365,794	241,353
Administration	361,215	290,889
Facility and operations	334,154	266,202
Wildlife rescue and release	259,983	231,294
New centre planning and operations	191,269	140,845
New centre capital campaign	118,277	73,425
Volunteer co-ordination	80,154	80,899
Amortization	71,953	56,636
	3,852,367	3,137,060
Excess of revenue over expenditures	**$ 890,889**	**$ 2,571,680**

TORONTO WILDLIFE CENTRE

Statement of Changes in Net Assets
For the year ended December 31, 2022

	2022	2021
Net assets (net deficiency), beginning of year	$ 1,814,122	$ (757,558)
Excess of revenue over expenditures	890,889	2,571,680
Net assets, end of year	**$ 2,705,011**	**$ 1,814,122**

TORONTO WILDLIFE CENTRE

Statement of Cash Flows
For the year ended December 31, 2022

	2022	2021
Cash flows from (used in):		
Operating activities		
Excess of revenue over expenditures	$ 890,889	$ 2,571,680
Adjustments for		
Amortization of capital assets	71,953	56,636
Deferred contributions recognized as revenue	(94,911)	(116,211)
	867,931	2,512,105
Change in non-cash working capital items		
Accounts receivable	(67,628)	28,841
Prepaid expenses and sundry assets	2,190	(164)
Accounts payable and accrued liabilities	(6,335)	(80,248)
Deferred contributions	161,200	39,925
Government remittances payable	36,535	(24,310)
	993,893	2,476,149
Investing activities		
Short term investments	(3,512,650)	(5,859)
Capital assets	(341,367)	(74,980)
	(3,854,017)	(80,839)
Increase (decrease) in cash	(2,860,124)	2,395,310
Cash, beginning of year	2,923,737	528,427
Cash, end of year	**$ 63,613**	**$ 2,923,737**

TORONTO WILDLIFE CENTRE

Notes to Financial Statements
For the year ended December 31, 2022

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 expenses 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 expense.

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 comprise 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:

Fences	10%
Portable buildings	30%
Equipment	20%
Vehicles	20%
Veterinary equipment	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 subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, short term investments and accounts receivable.

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 expenses during the year. Actual results could differ from those estimates.

TORONTO WILDLIFE CENTRE

Notes to Financial Statements
For the year ended December 31, 2022

2. Accounts receivable

Included in accounts receivable are government remittances receivable of $86,300 (2021 - $28,500) and government assistance receivable of $NIL (2021 - $8,300).

3. Capital assets

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
New centre development	$ 997,408	$ -	$ 997,408	$ 924,518
Enclosures	142,975	-	142,975	-
Fences	143,491	35,162	108,329	122,684
Portable buildings	140,353	54,079	86,274	56,891
Equipment	114,602	41,633	72,969	69,787
Vehicles	36,480	8,010	28,470	2,403
Veterinary equipment	244,711	218,498	26,213	20,874
Computer equipment	49,221	38,036	11,185	7,252
	$ 1,869,241	$ 395,418	$ 1,473,823	$ 1,204,409

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.

TORONTO WILDLIFE CENTRE

Notes to Financial Statements
For the year ended December 31, 2022

4. Deferred contributions

	2022	2021
Deferred contributions	$ 3,226,230	$ 3,159,941
Less current portion	88,435	40,434
Due beyond one year	$ 3,137,795	$ 3,119,507

	Balance, beginning of year	Received	Recognized	Balance, end of year
New centre development	$ 3,075,622	$ -	$ (87,106)	$ 2,988,516
Enclosures	-	155,200	-	155,200
Wildlife kitchen	25,296	-	-	25,296
X-ray machine	9,023	-	(1,805)	7,218
Other	50,000	-	-	50,000
	$ 3,159,941	$ 155,200	$ (88,911)	$ 3,226,230

5. Financial instruments

It is management's opinion that the Centre is not exposed to any significant credit, liquidity, interest rate or market risks.