

**DOGS WITH WINGS ASSISTANCE DOG SOCIETY**  
**Financial Statements**  
**Year Ended December 31, 2022**

**DOGS WITH WINGS ASSISTANCE DOG SOCIETY**

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**Year Ended December 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Dogs With Wings Assistance Dog Society

*Qualified Opinion*

I have audited the financial statements of Dogs With Wings Assistance Dog Society (the Society), which comprise the statement of financial position as at December 31, 2022, and the statements of revenues and expenses, 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 my opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

*Basis for Qualified Opinion*

In common with many not-for-profit organizations, the Society derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, I was not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2022, current assets and net assets as at December 31, 2022. My audit opinion on the financial statements for the year ended December 31, 2021 was modified accordingly because of the possible effects of this limitation of scope.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Society in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit 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 ASNPO, 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 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.

(continues)

Independent Auditor's Report to the Members of Dogs With Wings Assistance Dog Society (*continued*)

*Auditor's Responsibilities for the Audit of the Financial Statements*

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

St. Albert, Alberta  
May 15, 2023



Ken Macrae Professional Corporation  
CHARTERED PROFESSIONAL ACCOUNTANT

**DOGS WITH WINGS ASSISTANCE DOG SOCIETY****Statement of Financial Position****December 31, 2022**

	2022	2021
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 276,453	\$ 248,539
Marketable securities (Note 3)	177,811	-
Term deposits (Note 4)	-	77,432
Restricted cash (Note 5)	3,832	9,120
Accounts receivable	40,623	37,663
Goods and services tax recoverable	5,953	5,447
Prepaid expenses	2,443	1,138
	<u>507,115</u>	<u>379,339</u>
CAPITAL ASSETS (Note 6)	718,001	743,283
LONG TERM INVESTMENTS (Note 7)	<u>29,309</u>	<u>18,311</u>
	<u>\$ 1,254,425</u>	<u>\$ 1,140,933</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 13,286	\$ 39,044
Wages payable	10,377	13,769
Deferred revenue (Note 9)	6,058	25,110
Current portion of long term debt (Note 10)	55,197	30,269
	<u>84,918</u>	<u>108,192</u>
LONG TERM DEBT (Note 10)	135,056	187,958
DEFERRED CAPITAL CONTRIBUTIONS (Note 11)	<u>213,033</u>	<u>221,910</u>
	<u>433,007</u>	<u>518,060</u>
NET ASSETS	<u>821,418</u>	<u>622,873</u>
	<u>\$ 1,254,425</u>	<u>\$ 1,140,933</u>

**ON BEHALF OF THE BOARD**\_\_\_\_\_  
Director\_\_\_\_\_  
Director*Ken Macrae* Chartered Professional Accountant

**DOGS WITH WINGS ASSISTANCE DOG SOCIETY****Statement of Revenues and Expenses****Year Ended December 31, 2022**

	2022	2021
<b>REVENUES</b>		
Donations, sponsorships and fundraising	\$ 752,914	\$ 654,187
Other gaming, adoption program and other	148,697	22,174
Bequests	125,180	173,713
Donations in kind	122,809	31,565
Annual fundraising gala	99,254	23,246
Casino income	92,239	16,299
Grants and government assistance (Note 13)	74,939	198,317
Bingo income	26,574	31,935
Deferred capital contributions	8,876	9,246
	<u>1,451,482</u>	<u>1,160,682</u>
<b>EXPENSES</b>		
Salaries and wages	693,019	690,424
Veterinary	85,505	67,605
Graduation and gala costs	81,481	4,271
Donated goods and services	50,782	31,565
Advertising and promotion	50,468	26,448
Dog supplies and food	42,850	51,417
Repairs and maintenance	37,777	4,645
Amortization	30,466	30,598
Travel	26,540	16,210
Office supplies	24,008	14,816
Telephone and utilities	21,744	16,053
Fundraising costs	18,053	18,389
Insurance	16,149	14,171
IT equipment	14,176	9,396
Interest and bank charges	10,948	7,411
Professional fees	9,868	13,853
Condo fees and rent	8,580	8,580
Professional development	8,578	2,318
Interest on long term debt	8,312	7,045
Licenses and memberships	6,624	4,947
Training costs	4,994	2,270
Meals and entertainment	712	182
Bad debts	-	3,028
	<u>1,251,634</u>	<u>1,045,642</u>
<b>EXCESS REVENUES OVER EXPENSES FROM OPERATIONS</b>	<u>199,848</u>	<u>115,040</u>
<b>OTHER INCOME</b>		
Investment income	379	162
Expense recoveries	-	125
Loss on disposal of capital assets	(819)	-
Loss on sale of marketable securities	(863)	-
	<u>(1,303)</u>	<u>287</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>\$ 198,545</u>	<u>\$ 115,327</u>

See notes to financial statements

**DOGS WITH WINGS ASSISTANCE DOG SOCIETY**

**Statement of Changes in Net Assets**

**Year Ended December 31, 2022**

	2021 Balance <i>(Restated)</i>	Excess of revenues over expenses	Transfers	2022 Balance
Operating Fund	\$ 271,415	\$ 220,953	\$ (44,974)	\$ <b>447,394</b>
Property & Equipment Fund	333,147	(22,408)	33,976	<b>344,715</b>
Endowment Fund	18,311	-	10,998	<b>29,309</b>
	<b>\$ 622,873</b>	<b>\$ 198,545</b>	<b>\$ -</b>	<b>\$ 821,418</b>

  

	2020 Balance	Excess of revenues over expenses	Transfers	2021 Balance <i>(Restated)</i>
Operating Fund	\$ 169,829	\$ 136,679	\$ (35,093)	\$ 271,415
Property & Equipment Fund	319,406	(21,352)	35,093	333,147
Endowment Fund	18,311	-	-	18,311
	<b>\$ 507,546</b>	<b>\$ 115,327</b>	<b>\$ -</b>	<b>\$ 622,873</b>

**DOGS WITH WINGS ASSISTANCE DOG SOCIETY****Statement of Cash Flows**

Year Ended December 31, 2022

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 198,545	\$ 115,327
Items not affecting cash:		
Amortization of capital assets	30,466	30,598
Amortization of deferred capital	(8,876)	(9,246)
Gain on disposal of capital assets	-	(125)
Loss on disposal of capital assets	819	-
Loss on disposal of investments	863	-
	<u>221,817</u>	<u>136,554</u>
Changes in non-cash working capital:		
Accounts receivable	(2,960)	(36,892)
Accounts payable	(25,761)	25,531
Government receivable	-	3,502
Restricted cash	5,287	8,499
Deferred revenue	(19,052)	(8,499)
Prepaid expenses	(1,305)	(677)
Goods and services tax payable	(506)	(2,886)
Wages payable	(3,392)	(10,546)
	<u>(47,689)</u>	<u>(21,968)</u>
Cash flow from operating activities	<u>174,128</u>	<u>114,586</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(6,000)	(6,727)
Proceeds on disposal of capital assets	-	1,000
Purchase of term deposits	-	(162)
Share donations in kind	(71,996)	-
Proceeds from sale of marketable securities	71,134	-
Purchase in ECF endowment fund	(10,998)	-
Transfer into investment account	(100,379)	-
Cash flow used by investing activities	<u>(118,239)</u>	<u>(5,889)</u>
<b>FINANCING ACTIVITY</b>		
Repayment of long term debt	(27,975)	(29,242)
<b>INCREASE IN CASH FLOW</b>	<b>27,914</b>	<b>79,455</b>
Cash - beginning of year	<u>248,539</u>	<u>169,084</u>
<b>CASH - END OF YEAR</b>	<b>\$ 276,453</b>	<b>\$ 248,539</b>
<b>CASH CONSISTS OF:</b>		
Cash at bank	<u>\$ 276,453</u>	<u>\$ 248,539</u>



# DOGS WITH WINGS ASSISTANCE DOG SOCIETY

## Notes to Financial Statements

Year Ended December 31, 2022

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### 1. PURPOSE OF THE ORGANIZATION

Dogs With Wings Assistance Dog Society (the "Society") is a not-for-profit organization, incorporated provincially under the Societies Act of Alberta on May 10, 1996. As a registered charity the organization is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The mission of the Society is to be the leading organization that fosters integration and independence for people by providing them with highly trained dogs and aftercare, in a timely manner.

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

#### Fund accounting

Dogs With Wings Assistance Dog Society follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund.

The Capital Fund reports the assets, liabilities, revenues, and expenses related to Dogs With Wings Assistance Dog Society's capital assets and building improvements campaign.

Endowment contributions are reported in the Endowment Fund. Investment income earned on resources of the Endowment Fund is reported in the Endowment Fund or Operating Fund depending on the nature of any restrictions imposed by contributors of funds for endowment.

#### Revenue recognition

Dogs With Wings Assistance Dog Society follows the deferral method of accounting for contributions.

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

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Deferred capital contributions are recognized as revenue of the Capital fund in relation to the amortization of the property purchased.

#### Government grants

Government grants are recorded when there is a reasonable assurance that the Society had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

#### Bequests

Bequests will not be recognized as a contribution receivable until a definite valuation is received from the executor of the estate after the will is probated.

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# DOGS WITH WINGS ASSISTANCE DOG SOCIETY

## Notes to Financial Statements

Year Ended December 31, 2022

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### Income Tax

The organization is a registered charity under the Income Tax Act, and therefore is not subject to either Federal or Provincial income tax.

#### Fund accounting

These financial statements include the following funds:

Operating Fund - Unrestricted

Capital Fund - Externally Restricted

Endowment Fund - Externally Restricted

#### Donated services and materials

The value of donated goods and services is recorded as revenue and as expense in the financial statements when the fair value can be reasonably estimated and when the goods and services are normally purchased and would be paid for if not donated.

The operations of the organization depend heavily on the contribution of time by volunteers. The fair value of volunteer services cannot be reasonably determined and are therefore not reflected in these financial statements.

#### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are short term investments and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

#### Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Buildings	4%	declining balance method
Furniture and equipment	20%	declining balance method
Leasehold improvements	20%	declining balance method
Artwork	20%	declining balance method
Motor vehicles	30%	declining balance method
Computer equipment	55%	declining balance method

The Society regularly reviews its capital assets to eliminate obsolete items.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

#### Allocation of General Expenses between programs

Management allocates general expenses to programs based on management's best estimate of each programs utilization of the cost.

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## DOGS WITH WINGS ASSISTANCE DOG SOCIETY

### Notes to Financial Statements

Year Ended December 31, 2022

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#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### Measurement uncertainty

When preparing financial statements according to ASNPO, management makes estimates and assumptions relating to:

- reported amounts of revenues and expenses
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities.

Estimates are based on a number of factors including historical experience, current events and actions that the Society may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ. In particular, estimates are used in accounting for certain items such as revenues, allowance for doubtful accounts, useful lives of capital assets, asset impairments, legal and tax contingencies, employee compensation plans, employee benefit plans, retained interest in securitized receivables, and goodwill impairment.

##### Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

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#### 3. MARKETABLE SECURITIES

The Society has opened a direct trading account with TD. At the year end, the balance is all in cash totalling \$177,811.

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#### 4. TERM DEPOSITS

Term deposits prior year with stated interest rate of 0.20% matured within the 2022 year end.

	<u>2022</u>	<u>2021</u>
\$	-	\$ 77,432

The market value of these investments approximate their cost.

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## DOGS WITH WINGS ASSISTANCE DOG SOCIETY

### Notes to Financial Statements

Year Ended December 31, 2022

#### 5. RESTRICTED CASH

There are two (2) bank accounts included in restricted cash: 1) a "bingo" bank account to hold funds received from the AGLC until spent on authorized programs and 2) a "casino" bank account to hold funds received from AGLC until spent on authorized programs. The breakdown is as follows:

	2022	2021
Cash in Bank - Bingo - TD	\$ 1,523	\$ 824
Cash in Bank - Casino TD	2,309	8,296
	<u>\$ 3,832</u>	<u>\$ 9,120</u>

The organization receives funding from the Alberta Gaming and Liquor Commission (AGLC) from volunteering to work shifts at Casinos and Bingos. The funds received pay for operating expenses, special projects and capital assets, as requested in the organization's application for a "gaming license" and approved by the AGLC.

#### 6. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Buildings	\$ 1,019,760	\$ 379,271	\$ 640,489	\$ 667,176
Land	64,000	-	64,000	64,000
Furniture and equipment	42,798	33,631	9,167	9,207
Computer equipment	32,198	29,014	3,184	630
Artwork	-	-	-	819
Leasehold improvements	7,560	6,399	1,161	1,451
	<u>\$ 1,166,316</u>	<u>\$ 448,315</u>	<u>\$ 718,001</u>	<u>\$ 743,283</u>

Amortization provided in the current period totalled \$30,466 (2021: \$30,598).

#### 7. LONG TERM INVESTMENTS

The organization established a permanent endowment fund with Edmonton Community Foundation. The organization's net income from the fund will be 3.5% of the market value of each fund at the prior fiscal year end, and it will be used within the intent and purpose of the funds.

The intent and purpose of the funds is to support qualified donees who foster the independence and integration of people living with disabilities, with the highest priority given to providing highly skilled guide or assistance dogs.

Fair market value of the fund balance is \$29,309 (2021: \$18,311).

#### 8. BANK OVERDRAFT

The organization's overdraft limit is \$150,000. As at year end, no amount was drawn against the overdraft.

## DOGS WITH WINGS ASSISTANCE DOG SOCIETY

### Notes to Financial Statements

Year Ended December 31, 2022

#### 9. DEFERRED REVENUE

Deferred revenue represents unspent restricted contributions or funding received in advance of the actual funding period. The deferred revenue is made up of the following:

	<u>2021 Balance</u>	<u>Received</u>	<u>Revenue recognized</u>	<u>2022 Balance</u>
SIT Program	\$ 15,990	\$ -	\$ 13,764	\$ 2,226
Bingo funds - AGLC	823	27,273	26,574	1,522
Casino funds - AGLC	8,297	189,933	195,920	2,310
	<u>\$ 25,110</u>	<u>\$ 217,206</u>	<u>\$ 236,258</u>	<u>\$ 6,058</u>

The SIT programs deferred revenues will reallocate next year to the operating fund at the request of the donor.

#### 10. LONG TERM DEBT

	<u>2022</u>	<u>2021</u>
TD Canada Trust (Canada Emergency Business Account) loan bearing interest at 0% per annum, repayable on maturity. The loan matures on December 31, 2023.	\$ 30,000	\$ 30,000
Mortgage Payable loan bearing interest at prime plus 1% per annum (presently 7.45%), repayable in monthly blended payments of \$3,024. The loan is secured by real property with a carrying value of \$640,489.	<u>160,253</u>	<u>188,227</u>
	<u>190,253</u>	<u>218,227</u>
Amounts payable within one year	<u>(55,197)</u>	<u>(30,269)</u>
	<u>\$ 135,056</u>	<u>\$ 187,958</u>

Principal repayment terms are approximately:

2023	\$ 55,197
2024	27,140
2025	29,232
2026	31,486
2027	33,913
Thereafter	<u>13,285</u>
	<u>\$ 190,253</u>

## DOGS WITH WINGS ASSISTANCE DOG SOCIETY

### Notes to Financial Statements

Year Ended December 31, 2022

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#### 11. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent contributions received to fund the cost of previous property and equipment additions. The funds were fully spent on the acquisition of the building. The capital contributions are amortized to revenue at the same rate as the building is amortized. The changes in the deferred contributions balances are as follows:

	<u>2022</u>	<u>2021</u>
Deferred contributions, beginning of the year	<b>221,910</b>	231,156
Less amount amortized to revenue	<b>(8,877)</b>	(9,246)
Deferred contributions, end of year	<b>\$ 213,033</b>	\$ 221,910

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#### 12. FUND DEVELOPMENT

Resource development expenses incurred for the purpose of soliciting contributions were \$261,538 (2021: \$175,855). Of that, \$149,341 (2021: \$151,998) was remuneration paid to employees whose duties mostly involve fundraising.

No expenditures were paid to third parties for soliciting contributions.

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#### 13. GRANTS AND GOVERNMENT ASSISTANCE

Included in government assistance is Canada Emergency Wage Subsidy (CEWS) proceeds of \$39,141 (2021: \$174,788), a part of the federal government COVID-19 relief program. The 2022 amount is net of \$25,510 of adjustments to claims received in the previous years, as a result of a Canada Revenue Agency review of claims made.

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#### 14. CANADA EMERGENCY BUSINESS LOAN

As part of the Government of Canada's COVID -19 Economic Response Plan the company received a \$40,000 loan in 2020 under the Canada Emergency Business Account registered with TD Canada Trust. This loan is non - interest bearing with no repayment required until December 31, 2023. Repayment of any portion of this loan on or before December 31, 2023 will result in loan forgiveness of 25% of the amount paid. The \$10,000 forgivable portion of the loan was recognized as revenue in the 2020 year, as per the terms of the agreement.

Should the company choose to carry a balance beyond December 31, 2023, the remaining principal owed will be renewed with a 5% per annum interest rate and an amended maturity date.

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## DOGS WITH WINGS ASSISTANCE DOG SOCIETY

### Notes to Financial Statements

Year Ended December 31, 2022

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#### 15. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Society's risk exposure and concentration as of December 31, 2022.

##### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its grants and other related sources, long-term debt and accounts payable.

The organization manages liquidity risk by maintaining adequate reserves, banking facilities, and monitoring forecast and actual cash flows. The organization has \$150,000 of available borrowing facilities.

##### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Society is mainly exposed to market risk on its long term investments held with the Edmonton Community Foundation. Risk is managed through the Foundation which professionally manages the diverse investment portfolio.

##### Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through its normal operating and financing activities. The Society is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

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#### 16. RELATED PARTY TRANSACTIONS

The following is a summary of the organization's related party transactions:

	<u>2022</u>
Gil Espejo (Board of Director) Travel/Mileage expense	<u>\$ 496</u>
Janice Kent (Board of Director) Donation of shares	<u>\$ 50,524</u>

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

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#### 17. SUBSEQUENT EVENTS

Subsequent to December 31, 2022, there arose a property dispute with a former employee. The organization is requesting the return of the property via court action. As of the current date it is unknown what the property value and cost of proceedings will be.

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**DOGS WITH WINGS ASSISTANCE DOG SOCIETY**

**Notes to Financial Statements**

**Year Ended December 31, 2022**

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18. CONTINGENT LIABILITY

The Society has a contingent liability for a \$2,000 bonus to a member of management which will be paid following the receipt of the audited financial statements (in 2023) and will be contingent upon meeting the Society's budget.

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19. COMPARATIVE FIGURES

Some of the comparative figures have been restated to conform to the current year's presentation.

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