



2023

ANNUAL REPORT



AARCS
ALBERTA ANIMAL
RESCUE CREW SOCIETY

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A LETTER FROM OUR EXECUTIVE DIRECTOR

AARCS has been making a difference for animals and our community and is needed more now than ever. From animals displaced by the wildfires to those who fall victim to neglect and abandonment, we have been there to be a voice for the voiceless and we are also leading the way in programs that keep pets and families together.

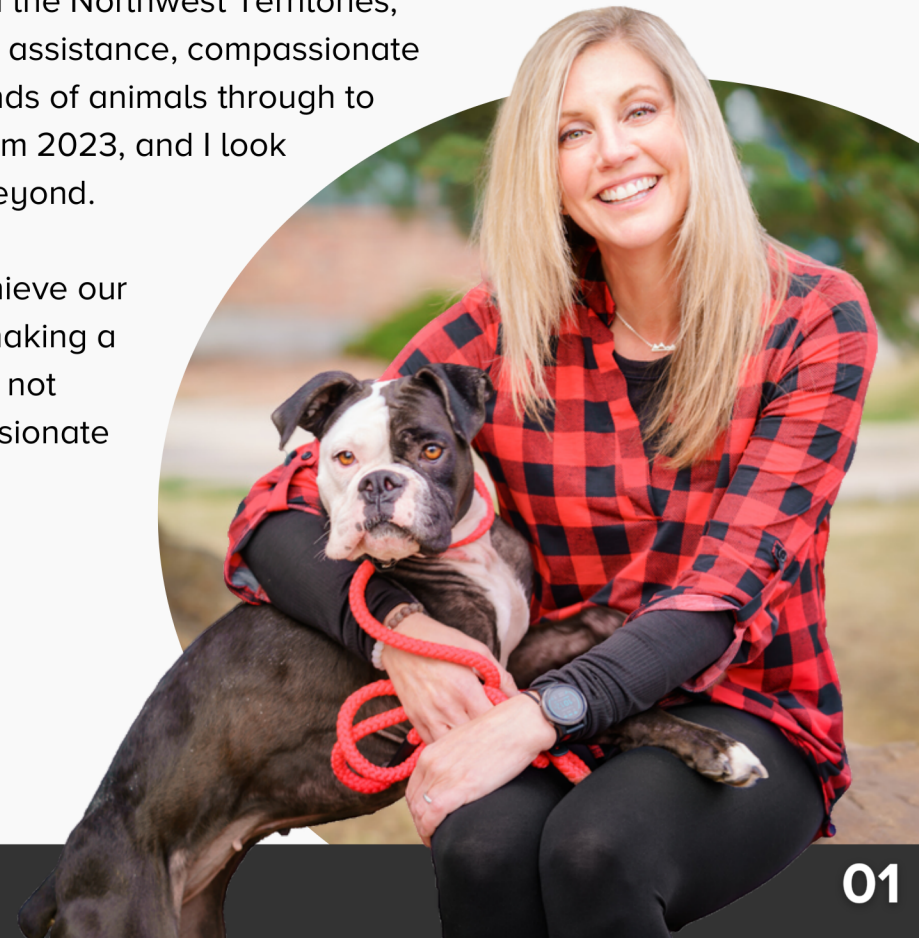
I am extremely grateful for the support we received from the community and the work put in by the staff and volunteers to successfully assist over 7,000 animals in 2023! Although it was a tough year with higher costs, lower adoption rates, and more effort required to raise each dollar, we persevered.

This included assisting with the devastating wildfires in Alberta and the Northwest Territories, helping to keep pets in homes and out of shelters through our food assistance, compassionate veterinary care and our spay/neuter programs, and seeing thousands of animals through to adoption into new loving homes. We have so much to celebrate from 2023, and I look forward to all we will accomplish for animal welfare in 2024 and beyond.

Thank you for being a part of the AARCS family and helping us achieve our mission of helping animals and our community. Together, we are making a real difference in the lives of both people and animals. Your efforts not only save lives, but you are also creating a stronger, more compassionate community.



Deanna Thompson
Executive Director, AARCS



OUR MISSION IS

CHANGING LIVES THROUGH KINDNESS

so that one day we may achieve

OUR VISION OF

A COMPASSIONATE WORLD FOR ALL ANIMALS



OUR VALUES AND CULTURE:

(COMPASSION) is at the core of all our interactions - with animals and with people. We seek to be open-minded, inclusive and non-judgmental, respecting others in all we do. Compassion forms the foundation of our commitment to public service, meaningful work and our responsibility to help make our communities better places for all to live.

(SERVING PEOPLE) We know that by serving the needs of animals, we serve people: pet guardians, fosters, adopters, our staff, and the community.

(COLLABORATION) We believe that our communities are best served by organizations that work together to make a difference. We believe in cooperation and helping others to achieve a world of kindness for animals and people. We build relationships and networks that help communities address animal welfare.

(INTEGRITY) We are committed to ethical practices, fiscal responsibility and transparency, and strong stewardship of our resources to build trust in our organization and our people. We strive for honesty in all our work and are dedicated to the best possible outcomes.

(LEARNING + EDUCATION) We learn from every situation and the people and organizations we interact with to ensure a continuous improvement mindset. We contribute to knowledge-building in the animal welfare sector. Together, we can meet the needs of animals, individuals and communities.

(LEADERSHIP) We are committed to leadership and professionalism within the animal welfare industry. We do this through a supportive and positive culture, accountability, adaptability and innovation in the way we do things. We work to inspire others.

2023 AT A GLANCE

3 wildfire responses

\$500K+ raised through four fundraising lotteries

5,432 animals cared for in our two shelters

14,500+ veterinary exams performed

3,500+ forever homes found

703 free spays or neuters provided through SNAP and TNR programs

3,000 animals fed through Pet Food Bank

100,000+ km travelled

58 compassionate veterinary care cases

59,000+ volunteer hours

7,000+ ANIMALS HELPED!

CHALLENGES

- Break-in + van theft at Edmonton shelter
- 73% increase in public intake requests over 2019
- 6 animals abandoned at our shelters
- Office space challenges resulting in renovation
- 23% overall cost increase, including 49% increase in food costs from 2022
- Capacity crisis



Awarded Top 100 Charities in Canada by Charity Intelligence (for the third year in a row!)

A SUMMER OF OF RAGING WILDFIRES

2023 took an unexpected turn when wildfires ignited across the province, displacing families and leaving hundreds of pets with nowhere to go. It was a devastating time for thousands of Albertans, and AARCS rescue teams were there to help.

In collaboration with the Canadian Animal Task Force, we activated our Alberta Animal Disaster Response team to take action in communities affected by Alberta's wildfires. Together, our teams deployed to three disasters: Sturgeon Lake Cree Nation, Fox Lake and Yellowknife.

We first deployed on May 15, 2024 to Sturgeon Lake Cree Nation with a small but mighty team, evacuating more than 150 displaced animals. Less than a week later, while caring for these animals, our team received a call for help in Fox Lake. We made the 1,000+km drive North to focus on the most vulnerable animals.

Our team brought a total of 177 animals in dire need out of the evacuation zone and transported them to a holding facility in Edmonton. Each animal received a full medical workup, including vaccines and deworming. Broken bones, wounds, infections and even the arrival of a litter of 11 puppies kept our teams busy. More than 30 puppies needed treatment for the deadly canine parvovirus.

Sturgeon Lake residents returned to their homes on June 1, and our team arranged for pets to be returned to the community and reunited with their families. Fox Lake residents and pets were displaced far longer, not returning home until September.

On August 18, we received word that Yellowknife and much of the Northwest Territories was under mandatory evacuation with residents coming to Alberta. AARCS assisted the NWT SPCA with the evacuation of their shelter, taking in 27 dogs, 7 cats and even 2 snakes, allowing the staff in Yellowknife to continue to care for pets left behind in the evacuation.



THANK YOU TO:



3 FIRES | 2 DEPLOYMENTS | 380+ ANIMALS EVACUATED | 150+ DAYS CARING FOR ANIMALS
30+ INFECTIOUS DISEASE CASES | 2,200+ STAFF HOURS | COUNTLESS VOLUNTEER HOURS



PEOPLE MATTER

Our people are at the heart of our organization. Without them, we cannot fulfill our mission of caring for the animals who need us most. We prioritize supporting our dedicated staff and ensuring that our volunteers have a meaningful experience. Our collaborations with other non-profits and schools – such as the Katimavik student project and Bow Valley College – enrich student learning opportunities. We celebrated our volunteers with two appreciation events and engaged impactful corporate volunteer experiences in Calgary and Edmonton. Our commitment to fostering an inclusive environment is evident in all staff completing Diversity & Inclusion training, and we've reinforced this focus by hiring a Human Resources manager to further support our team.

	2020*	2021**	2022	2023
Total Number of Volunteers	2,793	3,201	3,164	3,116
Active Volunteers	1,235 (COVID)	1,861 (COVID)	2,564	1,995
Total Volunteer Hours	41,079	51,507	61,131	69,887
KM Travelled	68,618	145,320	104,716	111,171
Corporate Volunteer Groups	7	1	20	50
Number of Cat Foster Homes	413	426	468	463
Number of Dog Foster Homes	783	879	966	946

*COVID-19 year when volunteer hours were reduced and staff were reassigned to animal care duties during the peak waves of the pandemic to reduce the number of people in the building.
 **Continue to recover slowly from COVID-19 with continued restrictions through 2021.

Like 65% of all charities across Canada, AARCS is seeing a shortage of new volunteers and challenges in retaining volunteers since the pandemic eased.

A SHINING LIGHT AT AARCS

Hanna volunteers as a Dog Caregiver and is typically at the shelter in Calgary twice per week. Her constant smile and warmth brighten the days of everyone who sees her! Hanna won our Culture Champion award, which honours an outstanding volunteer who has demonstrated exceptional commitment to fostering a positive and inclusive organizational culture.

“I enjoy volunteering at AARCS because I LOVE animals! When I volunteer I feel happy and joyful.” – Hanna Christy





DOGS, DOGS, DOGS!

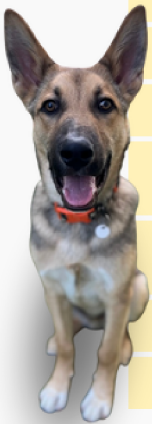


The state of welfare for dogs has been declining post-Covid across North America. Shelter Animal Counts' national database reports, "A total of 900,000 animals have entered and lingered in our nation's shelters and rescues since January 2021. This surplus is on top of the population already residing within organizations, resulting in an ongoing capacity crisis."

We are seeing a similar trend in Canada: higher rates of dog surrenders and abandonments, fewer adoptions, more complex behaviour issues and increased length of stay in care. To combat this, we are improving enrichment activities for dogs in our shelters, including getting dogs out of the building on field trips with staff and volunteers; onboarding enrichment volunteers; hosting multiple adoption specials throughout the year; and reducing barriers for foster families.

We are happy to report 960 dogs found loving adoptive homes in 2023! This is down from previous years and in line with trends across the country. Our teams spent much of the summer caring for a large number of evacuated animals from the wildfires, noting that we cared for over 1,300 dogs in our Calgary shelter and nearly 500 dogs in our Edmonton shelter in 2023.

	2020	2021	2022	2023	2024 Estimate
Animals in Care on Jan. 1	148	218	214	219	180
Total Intake	1,493	1,629	1,455	1,218	1,440
Adoptions	1,114	1,272	1,130	960	1,140
Transfers	45	55	45	69	-
Return to Owner <i>(Includes emergency boarding/disaster response)</i>	9	11	7	5	-
SNAP Dogs <i>(Outcomes, not service in)</i>	189	236	199	180	180
Died/Humanely Euthanized*	66	59	69	43	-
Animals in Care on Dec. 31	218	214	219	180	-



*AARCS remains committed to transparency and helping all animals. We do not euthanize for space or time in care. This number represents all deaths in care, including ending suffering through humane euthanasia, deceased on arrival, stillborns, and in extreme cases, behaviour euthanasia, etc.

Thank you to Petco Love & BOBS from Skechers for their support of our dog program!



Meet Kitchi, The Littlest Warrior

Kitchi came to AARCS at just four weeks old after being tragically attacked by another animal, leaving her with a fractured jaw.

AARCS veterinarian Dr. Sam Sharpe was able to surgically close the open wound in her jaw.

This was a challenging surgery due to the risks of undergoing anaesthetic at Kitchi's young age, but Dr. Sharpe did a phenomenal job!

Kitchi was officially cleared for adoption, and, after nearly two months in AARCS care, she found her forever home!





ALL THINGS CATS



From Abandoned to Loved Forever

On a (thankfully mild) winter morning, one of our staff members arrived at the shelter as usual, ready to start her day. She was just about to step inside the building when she heard a faint meowing.

She opened our 24/7 donation bin and was horrified to find a cat in a carrier inside the closed wooden bin.

The abandoned cat, dubbed Bernessa, was brought inside and treated for the next several weeks at our Veterinary Hospital. Thankfully, she made a full recovery, and was soon adopted by her loving foster home!



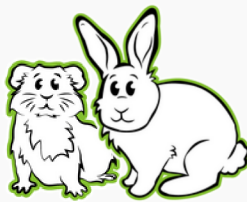
	2020	2021*	2022	2023	2024 Estimate
Animals in Care on Jan. 1	222	223	304	318	367
Total Intake	2,307	2,896	2,812	2,739	2,220
Adoptions	1,706	2,263	2,154	2,081	2,160
Transfers	2	68	15	24	-
Return to Owner <i>(Includes emergency boarding/disaster response)</i>	35	23	8	5	-
Trap-Neuter-Return	324	231	347	303	300
Spay-Neuter Assistance Program <i>(Outcomes, not service in)</i>	149	140	182	220	180
Died/Humanely Euthanized*	90	90	92	57	-
Animals in Care on Dec. 31	223	304	318	367	-



*AARCS remains committed to transparency and helping all animals. We do not euthanize for space or time in care. This number represents all deaths in care, including ending suffering through humane euthanasia, deceased on arrival, stillborns, etc.

*In 2021, we opened our Cat Adoption Centre in Edmonton

CRITTER CARE



Special thanks to Jumpy Animal Welfare Fund for a grant to assist with medical costs for rabbits!



The AARCS critter program has experienced a remarkable 73% increase in adoptions within just three years. We are grateful to collaborate with The Alex Pathways to Housing Program to host a critter enrichment session once monthly for their clients. Paul, one of our critter volunteers coordinates this effort as he also works at The Alex. In addition, we partnered with the University of Calgary Veterinary Medicine department to be their "pocket pet lab" partner. Through this partnership, we provide the university with ethically sourced rescue guinea pigs for physical exam and handling practice, reducing the need for breeding while promoting education and adoption. It's a win-win partnership!

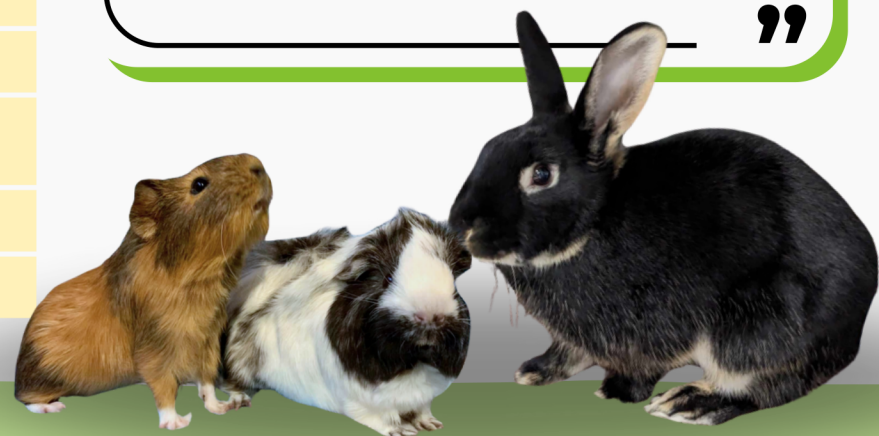
	2020	2021	2022	2023	2024 Estimate
Animals in Care on Jan. 1	5	7	40	32	42
Total Intake	47	170	145	162	168
Adoptions	39	99	138	145	168
Transfers	4	20	10	2	-
Return to Owner <i>(Includes emergency boarding/disaster response)</i>	0	0	0	0	-
Died/Humanely Euthanized	2	18	5	5	-
Animals in Care on Dec. 31	7	40	32	42	-

“

Thank you all again for helping us find our newest family member! We are looking forward to a life of fun with him.

-AARCS rabbit adopter

”



Piggies on the Loose!

In the summer of 2023, we received multiple phone calls from concerned citizens. There were guinea pigs running at large at Big Hill Springs Provincial Park! We dispatched a rescue team to the park and spent seven hours working to catch the adorable, abandoned critters. Together, we were able to secure six piggies and bring them to safety!

We are so grateful to the folks who called this in, as it's very unlikely that these little piggies would have survived for long on their own. All six guinea pigs have since been adopted into loving homes!



VETERINARY HOSPITAL



The phenomenal veterinary team at AARCS has been incredibly active this year, not only caring for the thousands of animals that pass through our doors annually, but also offering exceptional experiences in animal welfare and shelter medicine! We hosted University of Calgary Veterinary Medicine rotations in January, June, and November, providing invaluable learning opportunities for aspiring veterinarians. We also provided work experience for Technologists and Tech Assistants through Olds College and Robertson College, and we offered numerous internships for experienced veterinarians seeking surgical and shelter medicine experience.

Our Veterinary Hospital was privileged to participate in Season 1 of "Wild Rose Vet" TV show with Dr. Emma. As well, we organized our annual Canine Blood Donor Clinic in collaboration with the Canadian Animal Blood Bank.

Veterinary Hospital Stats	2020	2021	2022	2023
Exams	11,207	14,475	14,337	14,639
Vaccines	10,295	13,764	13,303	12,688
Spay/Neuter	2,603	2,737	2,451	2,445
Dental	288	358	371	382
Other Surgeries	491	623	500	528
Veterinary Students Education and Hours	2020	2021	2022	2023
Practicum/Rotations	39 students	21 students	22 students	33 students
DVM	1,138	800*	640	1,200
RVT/VTA	1,898	500*	1,064	1,160

In 2020 we hosted Olds College Dual Credit program which has not restarted since COVID-19.
*2021 numbers are estimates.



Brave Barley's Big Win

Barley, a shy, fluffy orange cat, was diagnosed with a peritoneal-pericardial diaphragmatic hernia (PPDH). This was an incidental finding that came about after a dental recheck appointment! Our veterinarian noted a heart murmur, which prompted us to complete x-rays, and that's when his diagnosis was made. PPDH means that he had a tear in his diaphragm and his abdominal contents could enter the chest cavity.

We were given an opportunity to attempt an extensive surgery to repair the defect, thanks to Dr. Jill Johnson. She is a local veterinarian that supports our rescue and volunteered to give Barley a chance. She and our staff veterinarian Dr. Marta Gunn scrubbed into this surgery and embarked on an intensive operation with the help of two of our vet techs, Jessica and Nicole.

Barley needed emergency resuscitation twice during the procedure. However, despite the stacked odds against him, Barley persevered! He has since recovered from this procedure and has been adopted into a loving home alongside his bonded (and equally fluffy) friend, Baobob!



EDMONTON OPERATIONS



We are so grateful to our Edmonton shelter team for what was an incredibly busy year.

Most of the summer was filled up with the fire evacuations. Being the closest shelter to the fires, this team really stepped up, going above and beyond to care for displaced community pets. They also had to deal with a break-in at the shelter where a number of items were stolen, including our rescue van. Thankfully the van was recovered a few days later, although it was missing the catalytic convertor. The response from the community was heartwarming, and a number of companies and individuals reached out to help in whatever way they could. Notably, Telsco offered a free security system and monitoring; OTR Engineered Solutions replaced the damaged parking lot gate for free, and the local radio station morning show hosts at Play 107 hosted a fundraiser that raised almost \$9,000 to help with repairs for the van!

AARCS received a call from a community member who had unfortunately found herself with a number of cats and was being pressured by the City of Edmonton to ensure her cats were altered or to reduce her numbers. AARCS assisted with spaying and neutering 16 of the cats with approval from the City, and took in one young mother cat, Tilley, who had given birth to kittens mere days before the intake. Tilley and her kitten Tayte became instant celebrities around North Haven. With Tilley's sweet, gentle nature, and Tayte's exuberant, rambunctious kitten energy, they brought a sense of joy to all who met them. Tayte proved to be a bit of a challenge however as he struggled to gain weight and was slow to grow. Staff and volunteers supplemented his feeding daily with a bottle and with time, perseverance and some extra tasty food, Tayte was able to thrive. He and his mother Tilley were adopted together 3.5 months after they arrived!

440
CATS
ADOPTED!

6
CRITTERS
ADOPTED!



NORTH HAVEN & ADOPTION CENTRE

FUNDRAISING AND EVENTS

We had an incredible year celebrating our community's commitment to helping animals and providing funds for our essential programs. Our revamped Kenneled for a Cause event yielded fantastic results, raising over \$68,000 and drawing hundreds of attendees to the AARCS Calgary shelter. At our Mutts, Meows & Martinis end-of-year gathering, we celebrated another year of saving lives by enjoying puppy cuddles, a group painting with Dean Stanton, a heartfelt video, and both silent and live auctions. Additionally, individuals, families, and teams showed up with enthusiasm to run, walk and wheel in the Calgary Marathon and Dash of Doom, a Halloween fun-run, all in support of AARCS!

In Edmonton, the inaugural Ales for Animals event sold out, bringing together local brewery Campio and animal lovers at the AARCS Edmonton shelter and raising nearly \$3,000. We look to build on the success of this fundraiser in coming years!

To ensure supporters have ample chances to aid animals, AARCS organized various activities, including its annual spring flower fundraiser, an online auction, four lotteries, a sizable garage sale, and year-end holiday decor sales. Supporters could also purchase AARCS merchandise both in person at the shelter and via our online store throughout the year.

Our volunteers and staff attended numerous festivals and events, spreading the word about the work AARCS does in the community. We're especially grateful for our partnership with CIR Realtors, whose donations have surpassed \$1 million since the inception of our partnership, benefiting AARCS and another partner charity.

On Giving Tuesday, our efforts were met with resounding success! In just one day, animal lovers raised an incredible \$123,643, boosted by Heather Waddell's generous \$25,000 match.

None of this crucial work would be possible without the support of our community - thank you for partnering with us in our life-saving mission.



HELPING OUR COMMUNITY

More than just providing care and finding homes for homeless animals, AARCS is passionate about providing supports for our community to help keep pets healthy, fed, in the loving homes they already have and out of shelters. We have seen an increase in abandonments at our shelter and higher than ever intake requests in 2023. To combat this capacity crisis in animal welfare and to enact positive change, we provide a number of programs that address the root cause of animal homelessness, including spay/neuter assistance, trap-neuter-return, food assistance and compassionate veterinary care. In addition, when needed, our teams are ready to respond to help our community in the event of an emergency. [Read more about our 2023 wildfire response on page 4.](#)

On top of disaster response, our teams assisted another community dealing with a crisis. Maskwacis First Nation was dealing with a canine distemper outbreak in their dog population. This deadly virus was spreading rapidly through the community, claiming the lives of dogs. Our team of 20 medical staff and volunteers arranged an Emergency Canine Distemper Vaccination clinic in the community and managed to vaccinate just shy of 200 dogs! This is the first vaccine clinic that we have hosted since 2019 and we are incredibly proud of this successful initiative that will have saved so many animals from needless suffering or death.



Community Outreach Programs	2020	2021	2022	2023	2024 Estimate
Spay-Neuter Assistance Program Dogs	189	236	199	180	180
Spay-Neuter Assistance Program Cats	149	140	182	220	180
Trap-Neuter-Return	352	235	347	303	300
Food Assistance Program	242	299	818	1,469	1,500
Compassionate Care Program	0	0	50	58	70
Animal Disaster Response	0	0	0	372	-



I am writing to express my deepest gratitude on behalf of the Pathways to Housing Program for the incredible support you provided during a challenging time for one of our participants.

Recently, one of our program participants faced the heartbreaking decision of having to say goodbye to their beloved cat, Ally, who was seriously ill. The financial burden of euthanasia and cremation was overwhelming, and the participant was struggling to cover the costs. In this moment of need, your intervention with the Compassionate Care Program offered by AARCS proved to be a lifeline.

The Compassionate Care Program not only provided financial assistance but also facilitated a caring and low-barrier process for our participant to bid farewell to their furry best friend. Your compassion and dedication to ensuring that pet owners can navigate such difficult circumstances with dignity and support is truly commendable.

The impact of AARCS' work extends beyond the alleviation of financial burdens; it touches the hearts of individuals facing challenging moments in their lives. The ability to say goodbye to a cherished companion in a compassionate manner is a testament to the invaluable service that AARCS provides.

I cannot thank you enough for your kindness, generosity, and the remarkable work that AARCS continues to do. Your commitment to enhancing the well-being of both pets and their owners is making a positive and lasting impact in our community.

With sincere appreciation,

Marie Terraro
Peer Support Worker



GROWTH AND STRENGTH: 2024 AND BEYOND STRATEGIC PLAN



Financial stability and growth, effective governance, program and policy development, partnerships, and employee and volunteer support are all key to our mission of helping animals. AARCS was first rated by Charity Intelligence in 2019, and in 2021 we earned the honour of being on their list of Top 100 Charities in Canada. We have proudly maintained that position every year since. We take the responsibility of managing charitable donations seriously, ensuring transparency, accountability, and maximum impact in our efforts to help animals in need.

Our focus going into the next few years will be improving our programs and facilities to meet the demand and need. In 2023, we completed an office renovation to accommodate our growing team, and our long-term goal is to build a purpose-built shelter in Calgary. We are excited about these plans, which are only possible due to the support we receive from our community, including individuals, businesses, and other partners in animal welfare.

Strategic Directions

- Facilities that meet the needs for increased and improved service.
- Strengthen relationships and partnerships.
- Diversify revenue streams to meet expanding needs and enhance financial sustainability.

Priorities

- Expand and develop our programming to improve the quality of life and care of animals, volunteers and staff.
- Expand veterinary capacity to serve more animals and pet owners.
- Improve communication to stakeholders to increase organizational profile.

Board of Directors

Lisa Makinson, President
Brian Churchman, Vice President
Alison Steeves, Treasurer
Karin King, Secretary
Brianna Bridgeman, Director
Vanessa Salopek, Director
Marita Zouraviloff, Director
Jonathan Robins, Director

Executive Team

Deanna Thompson, Executive Director
Niki Wilson, Director of Finance & Facilities
Rachel Cote, Director of Programs
Amy Corpe, Director of Animal Health



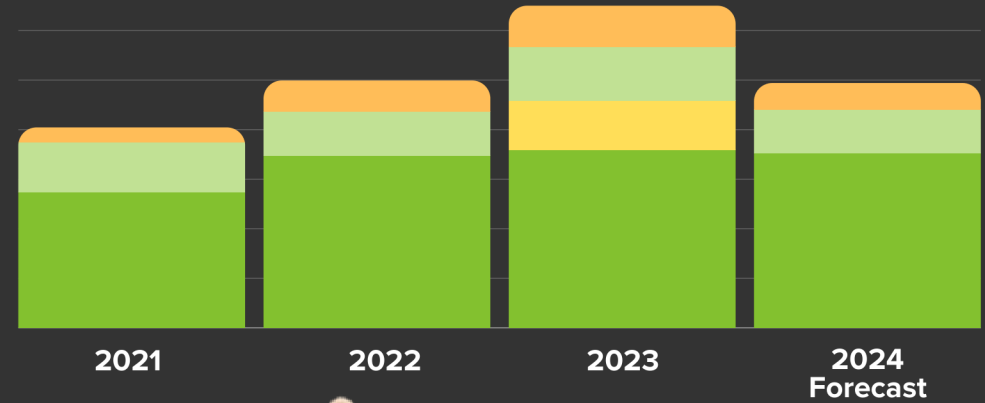


FINANCIAL HIGHLIGHTS

Sources of Revenue	2021	2022	2023	2024 Estimate
Donations & Fundraising	\$2,740,153	\$3,478,200	\$3,586,863	\$3,525,285
Bequests	\$0	\$0	\$1,000,000	-
Program Fees <i>(mostly adoption fees)</i>	\$1,013,154	\$890,113	\$1,087,686	\$881,280
Grants	\$291,105	\$623,160	\$826,225	\$534,000
Other	\$10,282	\$21,658	\$69,194	\$60,000
Total	\$4,054,694	\$5,013,131	\$6,569,968	\$5,000,565

Allocation of Resources by Program	2021	2022	2023	2024 Estimate
Cat Program	\$1,150,166	\$1,326,971	\$1,430,420	\$1,581,745
Dog Program	\$919,705	\$1,015,376	\$998,983	\$1,100,077
Critter Program	\$47,713	\$51,318	\$94,236	\$146,443
Community Support Programs	\$203,580	\$305,587	\$419,197	\$439,239
Disaster Response	\$210	\$0	\$390,843	-
Safe Haven Shelter Operations	\$230,241	\$270,490	\$277,121	\$273,970
North Haven Shelter Operations	\$139,609	\$175,568	\$210,636	\$209,258
Resource Development	\$388,865	\$492,430	\$659,139	\$710,140
Administration	\$392,189	\$467,769	\$595,471	\$664,263
Amortization	\$358,640	\$295,412	\$273,254	\$235,428
Total	\$3,830,918	\$4,400,921	\$5,349,300	\$5,360,563

■ Donations/Fundraising
 ■ Bequests
 ■ Program Revenue
 ■ Grants





INDEPENDENT AUDITOR'S REPORT

To the Members of Alberta Animal Rescue Crew Society

Qualified Opinion

We have audited the financial statements of Alberta Animal Rescue Crew Society (the organization), which comprise the statement of financial position as at December 31, 2023, and the statements of revenues and expenditures, 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 possible 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, 2023, 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 organization 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 organization. Therefore, we were 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, 2023, current assets and net assets as at December 31, 2023. Our audit opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this limitation of scope.

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 organization in accordance with 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 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 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.

(continues)

Independent Auditor's Report to the Members of Alberta Animal Rescue Crew Society (continued)

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 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 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 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.

Calgary, Alberta
June 3, 2024

Sunstone Chartered Professional Accountants

ALBERTA ANIMAL RESCUE CREW SOCIETY
Statement of Financial Position
December 31, 2023

	2023	2022
ASSETS		
Current		
Cash	\$ 1,618,036	\$ 1,552,259
Restricted cash (Note 5)	1,925,865	1,186,132
Term deposits (Note 6)	50,000	50,000
Marketable securities	28,208	-
Accounts receivable (Note 7)	239,039	67,852
Prepaid expenses	74,245	57,920
	3,935,393	2,914,163
Capital assets (Note 8)	432,696	554,080
	\$ 4,368,089	\$ 3,468,243
LIABILITIES		
Current		
Accounts payable	\$ 61,364	\$ 53,401
Employee deductions payable	25,187	20,657
Deferred contributions related to operations (Note 9)	141,199	427,132
Deferred contributions related to capital assets (Note 9)	45,559	92,941
	273,309	594,131
NET ASSETS		
Unrestricted	1,883,084	1,561,032
Invested in capital assets	432,696	554,080
Restricted (note 6)	1,779,000	759,000
	4,094,780	2,874,112
	\$ 4,368,089	\$ 3,468,243



See notes to financial statements

ALBERTA ANIMAL RESCUE CREW SOCIETY
Statement of Revenues and Expenditures
Year Ended December 31, 2023

	2023	2022
Revenue		
Donations and Fundraising (Schedule 3)	\$ 4,586,863	\$ 3,478,200
Program revenue	1,087,686	890,113
Grant revenue	826,225	623,160
Interest and other revenue	69,194	21,658
	6,569,968	5,013,131
Expenses		
Shelter and Program Delivery (Schedule 1)	3,821,436	3,145,310
General and Administrative (Schedule 2)	595,471	467,769
Donations and Fundraising (Schedule 3)	659,139	492,430
Amortization	273,254	295,412
	5,349,300	4,400,921
Excess of revenue over expenses	\$ 1,220,668	\$ 612,210



See notes to financial statements

ALBERTA ANIMAL RESCUE CREW SOCIETY
Statement of Changes in Net Assets
Year Ended December 31, 2023

	Unrestricted	Invested in capital assets	Restricted (Note 5)	2023	2022
Net assets - beginning of year	\$ 1,561,032	\$ 554,080	\$ 759,000	\$ 2,874,112	\$ 2,261,902
Excess of revenue over expenses	1,220,668	-	-	1,220,668	612,210
Amortization reallocation	273,254	(273,254)	-	-	-
Net purchase of capital assets	(151,870)	151,870	-	-	-
Transfer to restricted fund	(1,020,000)	-	1,020,000	-	-
Net assets - end of year	\$ 1,883,084	\$ 432,696	\$ 1,779,000	\$ 4,094,780	\$ 2,874,112



See notes to financial statements

ALBERTA ANIMAL RESCUE CREW SOCIETY
Statement of Cash Flows
Year Ended December 31, 2023

	2023	2022
Operating activities		
Excess of revenue over expenses	\$ 1,220,668	\$ 612,210
Items not affecting cash:		
Amortization of capital assets	273,254	295,412
Loss on disposal of assets	2,303	495
	<u>1,496,225</u>	<u>908,117</u>
Changes in non-cash working capital:		
Accounts payable	7,963	(8,580)
Employee deductions payable	4,530	(11,999)
Prepaid expenses	(16,324)	(24,895)
Marketable securities	(28,208)	-
Deferred contributions related to capital assets	(47,382)	(55,626)
Accounts receivable	(171,187)	(18,780)
Deferred contributions related to operations	(285,933)	(239,422)
Restricted cash	(739,733)	184,422
	<u>(1,276,274)</u>	<u>(174,880)</u>
Cash flow from operating activities	<u>219,951</u>	<u>733,237</u>
Investing activity		
Purchase of capital assets	(154,174)	(82,441)
Financing activity		
Repayment of obligations under capital lease	-	(4,896)
Increase in cash flow	65,777	645,900
Cash - beginning of year	1,552,259	906,359
Cash - end of year	<u>\$ 1,618,036</u>	<u>\$ 1,552,259</u>



See notes to financial statements

ALBERTA ANIMAL RESCUE CREW SOCIETY
Notes to Financial Statements
Year Ended December 31, 2023

1. PURPOSE OF THE ORGANIZATION

Alberta Animal Rescue Crew Society (the "Society") is a not-for-profit organization incorporated provincially under the Societies Act of Alberta. As a registered charity the society is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Society has a mission to improve the lives of animals by rescuing and providing sanctuary to abandoned, surrendered, or abused animals, assisting communities to achieve healthy and respectful relationships with animals, and promoting responsible and compassionate guardianship, and advocating on behalf of all animals.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) consistently applied. The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. While actual results could differ from such estimates, these financial statements have, in management's opinion, been properly prepared using careful judgment within reasonable limits of materiality and within the framework of the significant accounting policies summarized as follows:

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash includes cash and cash equivalents. Where applicable, cash equivalents are investments in treasury bills 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:

Leasehold improvements	5 years	straight-line method
Other machinery and equipment	5 years	straight-line method
Equipment	3 years	straight-line method
Furniture and fixtures	3 years	straight-line method
Motor vehicles	2 -3 years	straight-line method

Revenue recognition

Alberta Animal Rescue Crew 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.

Service fees are recognized when the services are rendered, the amount of the revenue can be reasonably estimated, and collection is reasonably assured.

(continues)



ALBERTA ANIMAL RESCUE CREW SOCIETY
Notes to Financial Statements
Year Ended December 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed services

The operations of the Society depend on both the contribution of time by volunteers and donated materials from various sources.

Contributed materials are recorded at their fair market value at the time of donation. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Goods and Services Tax

Contributed materials and services are recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable. In addition, GST is collected and remitted net of Input Tax Credits on sales of merchandise as part of fundraising activities.

Foreign currency translation

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the average rates of exchange during the year, except for amortization, which has been translated at the same rate as the related assets.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, where applicable, 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.

4. FINANCIAL INSTRUMENTS

The organization 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 organization's risk exposure and concentration as of December 31, 2023.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The society is not materially exposed to credit risk.

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 donors.

(continues)

ALBERTA ANIMAL RESCUE CREW SOCIETY
Notes to Financial Statements
Year Ended December 31, 2023

4. FINANCIAL INSTRUMENTS (continued)

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.

a) Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Society is not materially exposed to foreign currency exchange risk as there are no material foreign currency transactions.

b) 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. The Society is not materially exposed to interest rate risk.

c) 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 (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society is not exposed to other price risk.

Fair value risk

The Society's carrying value of cash and cash equivalents, accounts receivable, and accounts payable approximate their fair value due to the immediate or short term maturity of these instruments. The Society is not materially exposed to fair value risk



ALBERTA ANIMAL RESCUE CREW SOCIETY
Notes to Financial Statements
Year Ended December 31, 2023

5. RESTRICTED CASH

Cash includes internally and externally restricted cash for specific purposes as follows:

	2023	2022
<u>Internally restricted cash</u>		
Purchase and/or replace capital asset	\$ 364,000	\$ 349,000
Operating costs in the event of a shortage of funds	415,000	410,000
Capital project	<u>1,000,000</u>	<u>-</u>
	1,779,000	759,000

Cash is internally restricted by the Board of Directors for the above initiatives and is reviewed regularly to ensure adequate cash flow needs of the Society are met.

	2023	2022
<u>Externally restricted cash</u>		
AGLC lottery and casino	58,842	374,659
Other restricted accounts	88,023	52,436
Other	<u>-</u>	<u>37</u>
	146,865	427,132
	\$ 1,925,865	\$ 1,186,132

Externally restricted cash is received from various fundraising efforts and is recorded as deferred contributions (Note 9) until the restricted expense is incurred.

AGLC (Alberta Gaming and Liquor Commission) cash is received from lotteries and casinos hosted by the Society and is restricted to certain operating expenses setout by AGLC.

Other restricted cash is received as grants for specific purposes and initiatives.

6. TERM DEPOSIT

The term deposit is a 24 month, non redeemable guaranteed investment certificate bearing interest at 4.07% per annum, maturing August 26, 2024.

7. ACCOUNTS RECEIVABLE

Included in accounts receivable is a grant from the Canadian Red Cross to fund AARCS for the costs associated with their 2023 Alberta wildfire response. The grant was awarded on January 15, 2024 for \$173,486 and has not been received by the Society at the financial statement date.

ALBERTA ANIMAL RESCUE CREW SOCIETY
Notes to Financial Statements
Year Ended December 31, 2023

8. CAPITAL ASSETS

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Leasehold improvements	\$ 965,043	\$ 679,789	\$ 285,254	\$ 326,865
Other machinery and equipment	316,604	257,088	59,516	65,243
Equipment	586,350	540,016	46,334	113,219
Furniture and fixtures	97,495	61,326	36,169	17,944
Motor vehicles	173,494	168,071	5,423	30,809
	<u>\$ 2,138,986</u>	<u>\$ 1,706,290</u>	<u>\$ 432,696</u>	<u>\$ 554,080</u>

9. DEFERRED CONTRIBUTIONS

Deferred contributions consist of the following

	2023	2022
<u>Deferred contributions related to operations</u>		
Balance - beginning of the year	\$ 427,132	\$ 666,554
Additions	1,089,477	1,732,284
Utilizations	(1,375,410)	(1,971,706)
	<u>141,199</u>	<u>427,132</u>
<u>Deferred contributions related to capital assets</u>		
Balance - beginning of the year	92,941	148,567
Additions	-	-
Utilizations	(47,382)	(55,626)
	<u>45,559</u>	<u>92,941</u>
	<u>\$ 186,758</u>	<u>\$ 520,073</u>

10. COMMITMENTS

The Society renewed an occupancy lease agreement with a base lease amount of \$10,490 per month, expiring February, 2027.

The Society has entered an occupancy lease agreement for its Edmonton location with a base lease amount of \$7,265 per month, expiring April, 2025.

11. GIFTS IN KIND

During the year, the Society recognized \$35,785 (2022: \$10,100) of donated materials that were recorded at fair market value as donation revenue and consumed in the shelter and program delivery expense.

ALBERTA ANIMAL RESCUE CREW SOCIETY
Shelter and Program Delivery
Year Ended December 31, 2023 (Schedule 1)

	2023	2022
Expenses		
Direct animal and rescue outreach	\$ 2,043,990	\$ 1,567,741
Wages, salaries, and benefits	1,181,176	1,041,197
Shelter operations	592,576	533,460
Memberships	3,694	2,912
	<u>\$ 3,821,436</u>	<u>\$ 3,145,310</u>



ALBERTA ANIMAL RESCUE CREW SOCIETY
General and Administrative (Schedule 2)
Year Ended December 31, 2023

	2023	2022
Expenses		
Wages, salaries, and benefits	\$ 384,929	\$ 319,304
Office and other administrative	62,174	50,541
Goods and service tax	51,667	39,994
Staff and volunteer development	52,555	29,247
Professional fees	35,173	23,805
Interest and bank charges	8,973	4,878
	\$ 595,471	\$ 467,769



See notes to financial statements

ALBERTA ANIMAL RESCUE CREW SOCIETY
Donations and Fundraising (Schedule 3)
Year Ended December 31, 2023

	2023	2022
Revenues		
Donations	\$ 3,456,955	\$ 2,391,693
AGLC and other fundraising	852,667	830,830
Merchandise	236,753	224,102
Events	40,488	31,575
	4,586,863	3,478,200
Expenses (recovery)		
Fundraising	471,618	341,313
Merchandise	161,771	131,965
Events	25,750	19,152
	659,139	492,430
Net donations and fundraising income	\$ 3,927,724	\$ 2,985,770



See notes to financial statements



2023

ANNUAL REPORT

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AARCS

ALBERTA ANIMAL
RESCUE CREW SOCIETY

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REGISTERED CHARITY NO. 80718 8479 RR0001