

**CANADIAN GOLDEN RETRIEVER ADOPTION SERVICE INC.**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**CANADIAN GOLDEN RETRIEVER ADOPTION SERVICE INC.**  
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**YEAR ENDED DECEMBER 31, 2024**

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Chartered Professional  
Accountants

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Canadian Golden Retriever Adoption Service Inc.

### *Qualified Opinion*

We have audited the financial statements of Canadian Golden Retriever Adoption Service Inc. (the organization), which comprise the statement of financial position as at December 31, 2024, 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 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, 2024, 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, 2024, current assets and net assets as at December 31, 2024. Our audit opinion on the financial statements for the year ended December 31, 2023 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.

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*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.

Toronto, Ontario  
June 19, 2025



Chartered Professional Accountants  
Licensed Public Accountants

**CANADIAN GOLDEN RETRIEVER ADOPTION SERVICE INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2024**

	2024	2023
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents	762,338	916,275
Investment <i>(Note 2)</i>	41,146	41,164
Accounts receivable	9,190	3,295
Inventory <i>(Note 3)</i>	16,539	17,938
Harmonized sales tax recoverable	38,000	31,326
Prepaid expenses	41,855	24,365
	<b>909,068</b>	<b>1,034,363</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	40,895	38,091
<b>NET ASSETS</b>	<b>868,173</b>	<b>996,272</b>
	<b>909,068</b>	<b>1,034,363</b>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ *Director*

\_\_\_\_\_ *Director*

**CANADIAN GOLDEN RETRIEVER ADOPTION SERVICE INC.**

**STATEMENT OF OPERATIONS**

**YEAR ENDED DECEMBER 31, 2024**

	2024	2023
	\$	\$
<b>REVENUE</b>		
Donations	534,510	882,807
Adoption fees	277,650	209,825
Lottery	104,322	131,530
General store	32,742	36,908
Silent auctions	7,330	23,223
Special events	22,061	22,564
Interest income	23,762	14,168
Intake fees	5,120	3,700
	<b>1,007,497</b>	<b>1,324,725</b>
<b>EXPENSES</b>		
Veterinary fees and dog supplies	966,439	672,853
Administration expenses	63,025	30,704
Fundraising	58,559	117,642
Professional fees	17,653	15,703
Interest and bank charges	8,229	11,840
Newsletter and printing	7,961	6,954
Website	6,891	9,573
Insurance	3,564	3,258
Telephone	3,275	3,283
	<b>1,135,596</b>	<b>871,810</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>(128,099)</b>	<b>452,915</b>

**STATEMENT OF CHANGES IN NET ASSETS**

**YEAR ENDED DECEMBER 31, 2024**

	2024	2023
	\$	\$
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>996,271</b>	<b>543,356</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>(128,099)</b>	<b>452,915</b>
<b>NET ASSETS - END OF YEAR</b>	<b>868,172</b>	<b>996,271</b>

**CANADIAN GOLDEN RETRIEVER ADOPTION SERVICE INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2024**

	2024	2023
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	<b>(128,099)</b>	452,915
Changes in non-cash working capital:		
Accounts receivable	<b>(5,895)</b>	1,391
Inventory	<b>1,399</b>	45,946
Prepaid expenses	<b>(17,490)</b>	(9,825)
Accounts payable and accrued liabilities	<b>2,804</b>	3,630
Harmonized sales tax recoverable	<b>(6,674)</b>	28,431
	<b>(25,856)</b>	69,573
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(153,955)</b>	522,488
Cash - beginning of year	<b>957,439</b>	434,951
<b>CASH - END OF YEAR</b>	<b>803,484</b>	957,439
<b>CASH CONSISTS OF:</b>		
Cash and cash equivalents	<b>762,338</b>	916,275
Investment	<b>41,146</b>	41,164
	<b>803,484</b>	957,439

**CANADIAN GOLDEN RETRIEVER ADOPTION SERVICE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

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**PURPOSE OF THE ORGANIZATION**

Canadian Golden Retriever Adoption Service Inc. ("The Organization") was created on September 27, 1999 by Letters Patent under the Canada Corporations Act as a not-for-profit corporation without share capital. The Organization's objective is to rescue and re-home displace Golden Retrievers, and to educate the public, in general, about pet ownership.

For Canadian income tax purposes, Canadian Golden Retriever Adoption Service Inc. qualifies as a not-for-profit organization which is exempt from income tax under the Income Tax Act.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

**(a) Revenue recognition**

Canadian Golden Retriever Adoption Service Inc. 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.

Revenue on the sale of its products is recognized when they are delivered, title has passed, customer acceptance has occurred, there is persuasive evidence that an arrangement exists, the price is fixed and determinable, and the ultimate collection is reasonably assured.

Revenue from lotteries is recognized once approval for the lottery is received from the municipality.

Adoption fee revenue is recognized when the signed adoption agreement is received from the foster parent.

All other revenue is recognized as earned.

**(b) Inventory**

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis. Net realizable value is the estimated selling price less estimated costs to sell in the ordinary course of business.

**(c) Expenses**

Expenses are recorded on the accrual method.

**(d) Investments**

Investments are purchased to be held to maturity and accordingly are recorded at cost plus accrued interest, calculated using the effective interest rate method.

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**CANADIAN GOLDEN RETRIEVER ADOPTION SERVICE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***

**(e) Contributed services**

The Organization receives a substantial amount of services and materials donated by citizens interested in the programs. These invaluable services and materials are not recorded in these financial statements due to the difficulty in determining their fair value. However, when the value of these items and services is ascertainable, the amounts thereof are reflected in the financial statements as revenue and expenses.

**(f) Measurement uncertainty**

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. The assets and liabilities which require management to make significant estimates and assumptions in determining carrying values include accounts receivable, useful life of equipment and accounts payable.

**(g) Measurement of Financial Instruments**

The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include accounts receivable. Financial liabilities measured at amortized cost include accounts payable. The Organization has not designated any financial asset or liability to be measured at fair value.

**2. INVESTMENT**

The investments consist of a non-redeemable Guaranteed Investment Certificate maturing June 10, 2025 bearing interest at 5.10% .

**3. INVENTORY**

Inventory as at December 31, 2024 consists of finished goods. The total value of inventory expensed to fundraising expenditures for the year was \$nil (2023 - \$nil). Inventory write-downs of \$nil were recognized in the year (2023 - \$20,042).

**4. REMUNERATION OF DIRECTORS**

No remuneration was paid to directors and officers during the year and they had no interest in any transactions of the corporation

**5. CONTINGENT LIABILITY**

In May 2024, the Corporation and certain individuals associated with it were named as respondents in a legal proceeding brought before the Ontario Superior Court of Justice. The matter relates to the surrender and subsequent adoption of a golden retriever dog originally owned by the plaintiff, who is alleging that the Corporation acted improperly in accepting the surrender and rehoming the animal. The plaintiff is seeking \$195,000 in damages for alleged negligence, breach of contract, discrimination, and violation of human rights, along with the return of the dog or information regarding its adoption.

CANADIAN GOLDEN RETRIEVER ADOPTION SERVICE INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

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**5. CONTINGENT LIABILITY *(continued)***

The Corporation denies the allegations and is defending the action. The Corporation's insurer, Travelers Canada, has accepted coverage under its Directors' and Officers' and Employment Practices Liability insurance policies and has appointed legal counsel to represent the Corporation and the named individuals. While the outcome of the proceeding cannot be determined at this time, management believes that the Corporation has a valid defense, and no provision has been recorded in these financial statements.

**6. FINANCIAL INSTRUMENTS**

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposures and concentrations at the date of the statement of financial position:

***(a) Credit risk***

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

***(b) Liquidity risk***

The Organization's exposure to liquidity risk is dependent on the collection of accounts receivable and raising of funds to meet commitments and sustain operations. The Organization controls liquidity risk by performing fundraising activities and management of working capital and cash flows. In the opinion of management the liquidity risk exposure to the Organization is low and is not material. This risk is unchanged from prior year. There were no concentration risks in the liquidity risk.