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Financial statements of  
The Calgary Zoological Society

December 31, 2020

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## Independent Auditor's Report

To the Members of  
The Calgary Zoological Society

### Opinion

We have audited the financial statements of The Calgary Zoological Society (the "Society"), which comprise the statement of financial position as at December 31, 2020, and the statements of revenue and expenses and changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

### 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 GAAS 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 GAAS, we exercise professional judgement 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 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 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 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.

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.

*Deloitte LLP*

Chartered Professional Accountants  
April 15, 2021

## The Calgary Zoological Society

### Statement of revenue and expenses and changes in fund balances

Year ended December 31, 2020

(In thousands of dollars)

	Notes	Operating Fund \$	Capital Fund \$	Endowment Fund \$	2020 Total \$	2019 Total \$
<b>Revenue</b>						
Admissions		7,986	—	—	7,986	15,727
Grants	18	11,960	1,448	—	13,408	9,721
Food and beverage		2,928	—	—	2,928	8,548
Memberships		3,934	—	—	3,934	6,016
Donations, sponsorships and fundraising		2,155	740	—	2,895	1,463
Gift services		1,266	—	—	1,266	3,369
Parking		1,485	—	—	1,485	2,540
Education programs		107	—	—	107	1,046
Other		478	—	—	478	1,021
		<b>32,299</b>	<b>2,188</b>	<b>—</b>	<b>34,487</b>	<b>49,451</b>
<b>Expenses</b>						
Salaries, wages and benefits	14	13,159	—	—	13,159	17,662
General and administrative	14	6,598	76	—	6,674	8,571
Amortization		—	6,544	—	6,544	7,022
Cost of goods sold		1,506	—	—	1,506	3,895
Facility operations and maintenance	14	2,210	—	—	2,210	2,473
Botanical and animal care supplies	14	1,326	—	—	1,326	1,467
Project expenditures		—	2,769	—	2,769	2,924
Donations, grants and scholarships		21	—	—	21	5
Panda conservation payment		753	—	—	753	1,303
Wildlife conservation activities	14	2,242	—	—	2,242	2,036
Other		—	—	—	—	5
		<b>27,815</b>	<b>9,389</b>	<b>—</b>	<b>37,204</b>	<b>47,363</b>
(Deficiency) excess of revenue over expenses before the undernoted		4,484	(7,201)	—	(2,717)	2,088
Net loss due to write-off of capital assets	15	—	(748)	—	(748)	(388)
<b>Investment income</b>						
Realized gains		109	7	65	181	400
Unrealized gains		556	32	44	632	1,101
Net investment income		266	16	47	329	427
Calgary Zoo Foundation start-up contribution	14	—	—	—	—	(14,216)
(Deficiency) excess of revenue over expenses		5,415	(7,894)	156	(2,323)	(10,588)
Fund balances, beginning of year		14,065	133,461	1,724	149,250	159,838
<b>Interfund transfers</b>						
Loan repayment support		(456)	456	—	—	—
Other		(6,304)	6,404	(100)	—	—
		(6,760)	6,860	(100)	—	—
<b>Fund balances, end of year</b>		<b>12,720</b>	<b>132,427</b>	<b>1,780</b>	<b>146,927</b>	<b>149,250</b>

The accompanying notes are an integral part of these financial statements.

**The Calgary Zoological Society**  
**Statement of financial position**

At at December 31, 2020  
(In thousands of dollars)

	Notes	Operating Fund	Capital Fund	Endowment Fund	2020 Total	2019 Total
		\$	\$	\$	\$	\$
<b>Assets</b>						
Current assets						
Cash		13,650	9,864	—	23,514	21,470
Accounts receivable	3	3,474	854	—	4,328	6,130
Inventories		865	—	—	865	905
Prepaid expenses		178	—	—	178	623
Loan receivable from The Calgary Zoo Foundation	4	500	—	—	500	500
		<b>18,667</b>	<b>10,718</b>	<b>—</b>	<b>29,385</b>	29,628
Investments	5	225	11,323	1,780	13,328	12,080
Capital assets	6	—	113,070	—	113,070	118,935
Other assets		5	—	—	5	5
		<b>18,897</b>	<b>135,111</b>	<b>1,780</b>	<b>155,788</b>	160,648
<b>Liabilities</b>						
Current liabilities						
Accounts payable and accrued liabilities		1,612	892	—	2,504	5,013
Accrued vacation liability		520	—	—	520	613
Deferred revenue	8	3,174	—	—	3,174	3,296
Deferred contributions	9	414	—	—	414	150
Current portion of long-term debt	10	—	437	—	437	2,128
Due to (from) The Calgary Zoo Foundation	14	457	(2)	—	455	116
		<b>6,177</b>	<b>1,327</b>	<b>—</b>	<b>7,504</b>	11,316
Long-term debt	10	—	1,357	—	1,357	82
		<b>6,177</b>	<b>2,684</b>	<b>—</b>	<b>8,861</b>	11,398
Commitments	16					
<b>Fund balances</b>						
Invested in capital assets		—	111,276	—	111,276	116,807
Internally restricted	11	3,000	19,633	—	22,633	18,080
Externally restricted	12	—	1,518	—	1,518	1,574
Endowments	13	—	—	1,780	1,780	1,724
Unrestricted		9,720	—	—	9,720	11,065
		<b>12,720</b>	<b>132,427</b>	<b>1,780</b>	<b>146,927</b>	149,250
		<b>18,897</b>	<b>135,111</b>	<b>1,780</b>	<b>155,788</b>	160,648

The accompanying notes are an integral part of these financial statements.

Approved by the Board of Trustees

  
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Chairman

  
\_\_\_\_\_  
Treasurer

## The Calgary Zoological Society

### Statement of cash flows

Year ended December 31, 2020

(In thousands of dollars)

	2020 \$	2019 \$
<b>Operating activities</b>		
Deficiency of revenue over expenses	(2,323)	(10,588)
Items not affecting cash		
Foundation start-up contribution - non-cash	—	9,162
Amortization	6,544	7,022
Non-cash impact of investment income	(1,142)	(1,928)
Net loss due to write-off of capital assets	748	388
	<b>3,827</b>	4,056
Change in non-cash working capital items		
Accounts receivable	1,802	(54)
Prepaid expenses	445	92
Inventories	40	20
Accounts payable, accrued vacation liability and other accrued liabilities	(1,656)	(1,295)
Deferred revenue	(122)	(286)
Deferred contributions	264	48
Due to The Calgary Zoo Foundation, net	339	341
Change in non-cash, non-working capital items		
Collection of long term receivable for charitable remainder trust	—	66
	<b>4,939</b>	2,988
<b>Financing activities</b>		
Repayments on long-term debt	(396)	(363)
Repayments on capital lease	(20)	(4)
Capital lease additions	—	100
	<b>(416)</b>	(267)
<b>Investing activities</b>		
Deposits into externally managed investments, net	(106)	(4,464)
Purchase of capital assets	(1,446)	(5,942)
Proceeds on disposal	19	8
Loan to The Calgary Zoo Foundation	—	(500)
Change in accounts payable affecting investing activities	(946)	730
	<b>(2,479)</b>	(10,168)
Net increase (decrease) in cash	2,044	(7,447)
Cash, beginning of year	21,470	28,917
<b>Cash, end of year</b>	<b>23,514</b>	21,470
<b>Represented by</b>		
Internally restricted	11,310	7,738
Externally restricted	1,518	1,553
Unrestricted	10,686	12,179
<b>Cash, end of year</b>	<b>23,514</b>	21,470

The accompanying notes are an integral part of these financial statements.

# The Calgary Zoological Society

## Notes to the financial statements

December 31, 2020  
(In thousands of dollars)

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### 1. Purpose of the Society

The Calgary Zoological Society (the "Society" or "CZS"), operating under the title "Calgary Zoo", develops, operates, and promotes an integrated zoological, botanical and prehistoric park for the combined purposes of conservation, education, recreation and scientific study. The Society is a not-for-profit organization incorporated under the Societies Act of the province of Alberta on January 9, 1929, and is a registered charity under the Income Tax Act of Canada.

The Society operates under an agreement with The City of Calgary (the "City"), which expires December 31, 2027. As part of the agreement, the City annually provides a grant to support the operating expenses of the Society (Note 18).

### 2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

#### *Cash*

Cash includes bank balances.

#### *Fund accounting*

The Operating Fund accounts for the Society's program delivery and administrative activities related to the operation of the Calgary Zoo. This fund reports unrestricted resources and restricted operating grants.

The Capital Fund reports the assets, liabilities, revenues and expenses related to the Society's capital assets, projects under development and funds designated for long-term capital development initiatives.

The Endowment Fund reports resources contributed that are subject to restrictions stipulating that the principal amount of the resources be maintained permanently.

The Conservation Fund reports internally and externally restricted resources that are to be used for Canadian and international conservation and scientific study purposes and funds designated for long-term conservation initiatives that yield tangible conservation outcomes in the wild. This fund is no longer in use in 2020 and has a nil fund balance.

#### *Revenue recognition*

The Society follows the restricted fund method of accounting for contributions.

Contributions externally restricted by third parties and related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other externally restricted contributions and endowments are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenues for admissions, food and beverage, gift services, education programs and parking are recognized as services are provided. Membership revenue is recorded as deferred revenue when received and recognized in revenue over the period of membership.



**The Calgary Zoological Society**  
**Notes to the financial statements**

December 31, 2020  
(In thousands of dollars)

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**2. Significant accounting policies (continued)**

*Revenue recognition (continued)*

Restricted investment income is recorded as revenue of the appropriate restricted fund when earned. Unrestricted investment income earned on the Capital Fund is recognized as revenue of the Operating Fund and allocated to the Capital Fund through interfund transfer when internally restricted by the Board of Trustees.

Pledges are recognized only if amounts are received during the year, due to uncertainty surrounding collectability.

*Inventories*

Inventories consisting primarily of goods purchased and held for resale are valued at the lower of cost, using the first-in, first-out method, and net realizable value. Net realizable value is determined using the current estimated selling price less the selling cost.

*Controlled related party*

The Society has a controlled related party, The Calgary Zoo Foundation (the "Foundation"), which is a not-for-profit organization that has the same mission as that of the Society, to take and promote action to sustain wildlife and wild places. The Foundation is not consolidated.

*Capital assets*

Purchased capital assets are recorded at cost. Donated capital assets are recorded at their fair values at the date of donation. Amortization is provided on a straight-line basis over the assets' estimated useful lives, which generally fall within ranges as follows:

Buildings	10-40 years
Habitats and infrastructure	10-40 years
Major software application	3-10 years
Short term habitats	1-5 Years
Computer hardware and software	2-5 years
Equipment	4-10 years
Vehicles	4-6 years

No amortization is provided on assets under construction until the assets are put in use, on land, or on artifacts that are held for public exhibition.

Leased assets that are treated as capital leases are amortized over the term of the lease agreement.

*Impairment of long-lived assets*

When a tangible capital asset no longer has any long-term service potential to the Society, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of revenue and expenses. A write-down will not be reversed.

*Animal and botanical purchases*

Animal and botanical purchases are expensed at the time of purchase.

**The Calgary Zoological Society**  
**Notes to the financial statements**

December 31, 2020  
(In thousands of dollars)

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**2. Significant accounting policies (continued)**

*Donated materials and services*

Donated materials and services, including volunteer services, are not recognized in the financial statements.

*Financial instruments*

The Society initially measures financial assets and financial liabilities at their fair value. It subsequently measures its financial assets and financial liabilities at amortized cost, other than investments which are reported at fair value. The financial assets subsequently measured at amortized cost include cash, amounts due from The Calgary Zoo Foundation, accounts receivable and the loan receivable from The Calgary Zoo Foundation. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities, accrued vacation liability and long-term debt.

Transaction costs related to financial instruments measured at fair value are expensed as incurred. For all other financial instruments, the transaction costs are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in the statement of revenue and expenses and changes in fund balances.

With respect to financial assets measured at cost or amortized cost, the Society recognizes in the statement of revenue and expenses and changes in fund balances an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in the statement of revenue and expenses and changes in fund balances in the period in which the reversal occurs.

*(a) Interest rate risk*

The Society would be exposed to interest rate fluctuations on the revolving demand operating facility if this facility were drawn upon, as the facility is provided at prime rate.

*(b) Credit risk*

The Society does not have a concentration of credit exposure with any one donor or member. The majority of the Society's accounts receivable balances are related to government grant funding and the collectability of these balances is reasonably assured. Thus, the Society does not consider that it is exposed to undue credit risk.

*(c) Price risk*

The investments of the Society are subject to price risk because changing interest rates impact the market value of the fixed rate investments, general economic conditions affect the market value of equity investments and currency exchange rate changes impact the market value of investments denominated in currencies other than the Canadian dollar. This risk is mitigated through the use of an investment manager for the long-term portfolio investments and by investing other funds in short-term fixed rate products with high credit ratings.

**The Calgary Zoological Society**  
**Notes to the financial statements**

December 31, 2020  
(In thousands of dollars)

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**2. Significant accounting policies (continued)**

*Financial instruments (continued)*

*(d) Liquidity risk*

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to liquidity risk arising primarily from the accounts payable and accrued liabilities and current portion of long-term debt. The Society's objective is to have sufficient liquidity to meet its liabilities when due. The Society monitors its cash balances and cash flows generated from operations to meet its requirements. The Society's investments are subject to liquidity risk if the Society is required to sell at a time when the market value of the investments is unfavorable.

*Use of estimates*

The preparation of the financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the year. The most significant of these estimates are related to the recoverable amount of the Society's accounts receivable, the amortization period for and potential impairment of capital and other assets, accrued liabilities and potential contingencies. Actual results could differ from those estimates. Management reviews these estimates on a periodic basis and, if required, makes adjustments prospectively.

Management continues to assess the impact of the novel coronavirus ("COVID-19") and governments' response to it on the Society. The amounts recorded in these financial statements are based on the latest reliable information available to management at the time the financial statements were prepared where that information reflects conditions as at the date of the financial statements. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and conditions of the Society in future periods.

*Government remittances*

Government remittances consist of amounts required to be paid to government authorities and are recognized when the amounts are due. In respect of government remittances, payroll withholding tax of \$9 (2019 - \$88) is included in accounts payable and accrued liabilities and \$22 (2019 - \$12) of Goods and Services Tax recoverable is included in accounts receivable.

*Government assistance*

Government assistance is not recognized until there is reasonable assurance the Society will comply with the conditions attached to it and that the assistance will be received.

*Accounting standard amendments effective on or after January 1, 2021*

ASPNO Section 4460 – Disclosure of related party transactions by not-for-profit organizations. This standard has been amended to clarify that a not-for-profit organization applies Section 3856, Financial instruments, for the accounting and disclosure of financial instruments in a related party transaction. The Society has assessed the impact of the amended standard and has deemed that the impact of the amendment is not material.

**The Calgary Zoological Society**  
**Notes to the financial statements**

December 31, 2020  
(In thousands of dollars)

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**2. Significant accounting policies (continued)**

*Accounting standard amendments effective on or after January 1, 2022*

ASNPO Section 3032 – Inventories held by not-for-profit organizations. This standard has been amended to clarify that a not-for-profit organization accounts for agricultural inventories in accordance with Section 3041, Agriculture. The Society has assessed the impact of the amended standard and has deemed that the amendment is not applicable.

ASPNO Section 4433 – Tangible capital assets held by not-for-profit organizations. This standard has been amended to clarify that a not-for-profit organization accounts for biological assets in accordance with Section 3041, Agriculture. The Society has assessed the impact of the amended standard and has deemed that the amendment is not applicable.

**3. Accounts receivable**

Accounts receivable is comprised of:

	<b>2020</b>	2019
	<b>\$</b>	\$
Canada Emergency Wage Subsidy Receivable (Note 18)	<b>2,328</b>	—
City of Calgary – Operating Grant	<b>865</b>	4,441
City of Calgary – Capital Grant	<b>785</b>	669
Accrued Accounts Receivable	<b>212</b>	283
Trade Accounts Receivable	<b>138</b>	737
	<b>4,328</b>	6,130

**4. Loan Facility to The Calgary Zoo Foundation (“the Foundation”)**

The Society has extended a \$10 million non-interest bearing demand loan facility to the Foundation. The facility is secured by a mortgage on the land owned by the Foundation, and a general security agreement including a first charge on all property of the Foundation. As of December 31, 2020, \$500 has been drawn on this facility (2019 - \$500). The Society does not expect to demand repayment of this loan within the next twelve months.

**The Calgary Zoological Society**  
**Notes to the financial statements**

December 31, 2020  
(In thousands of dollars)

**5. Investments**

	<b>2020</b>	2019
	<b>\$</b>	\$
Operating Fund		
Short-term	<b>1</b>	—
Fixed income funds	<b>103</b>	—
Equity funds	<b>121</b>	—
	<b>225</b>	—
Capital Fund		
Short-term	<b>24</b>	264
Fixed income funds	<b>3,493</b>	3,198
Equity funds	<b>7,806</b>	6,904
	<b>11,323</b>	10,366
Conservation Fund		
Short-term	—	2
Fixed income funds	—	30
Equity funds	—	65
	—	97
Endowment Fund		
Short-term	<b>4</b>	41
Fixed income funds	<b>815</b>	499
Equity funds	<b>961</b>	1,077
	<b>1,780</b>	1,617
Total	<b>13,328</b>	12,080

During the year, the Society recorded interest income of \$615 (2019 - \$1,062). Interest from investments of \$372 (2019 - \$473) was recorded as a component of net investment income. Interest from other financial assets of \$243 (2019 - \$589) was recorded as a component of other revenue.

**The Calgary Zoological Society**  
**Notes to the financial statements**

December 31, 2020  
(In thousands of dollars)

**6. Capital assets**

	<b>Cost</b>	<b>Accumulated amortization</b>	<b>2020 Net book value</b>
	\$	\$	\$
Buildings	<b>131,557</b>	<b>42,614</b>	<b>88,943</b>
Habitats and infrastructure	<b>51,467</b>	<b>32,130</b>	<b>19,337</b>
Major software application	<b>1,429</b>	<b>296</b>	<b>1,133</b>
Short term habitats	<b>2,398</b>	<b>1,239</b>	<b>1,159</b>
Computer hardware and software	<b>2,744</b>	<b>2,705</b>	<b>39</b>
Equipment	<b>11,503</b>	<b>9,711</b>	<b>1,792</b>
Vehicles	<b>462</b>	<b>340</b>	<b>122</b>
Artifacts	<b>22</b>	<b>—</b>	<b>22</b>
Assets under construction	<b>523</b>	<b>—</b>	<b>523</b>
	<b>202,105</b>	<b>89,035</b>	<b>113,070</b>

  

	Cost	Accumulated amortization	2019 Net book value
	\$	\$	\$
Buildings	131,337	39,344	91,993
Habitats and infrastructure	46,861	31,070	15,791
Major software application	913	192	721
Short term habitats	2,794	885	1,909
Computer hardware and software	2,704	2,572	132
Equipment	11,306	8,565	2,741
Vehicles	439	313	126
Artifacts	364	—	364
Assets under construction	5,158	—	5,158
	<b>201,876</b>	<b>82,941</b>	<b>118,935</b>

Under the terms of the agreement with the City, title to lands acquired, buildings constructed and other capital projects is vested with the City. As the Society has the beneficial risks and rewards of ownership for the assets, the financial statements account for these expenditures as capital assets of the Society; however, the Society is restricted from encumbering these capital assets without express authorization from the City.

Assets under capital lease are recorded in Equipment.

Please refer to Note 15 for details of capital assets impaired or written off in the year.

**7. Operating line**

The Society has a \$2,000 (2019 - \$2,000) revolving demand operating facility, which bears interest at the Bank's prime interest rate per annum. The line is secured by a general security agreement including a first charge on all property of the Society. No amounts were outstanding at December 31, 2020 or 2019.

**The Calgary Zoological Society**  
**Notes to the financial statements**

December 31, 2020  
(In thousands of dollars)

**8. Deferred revenue**

Deferred revenue consists of revenue that the Society has received but not yet utilized for the purpose provided. It consists of the following:

	<b>2020</b>	2019
	\$	\$
Memberships	<b>1,833</b>	2,361
Gift cards	<b>751</b>	662
Customer deposits	<b>310</b>	175
Ticket Sales	<b>190</b>	36
Bulk Ticket Sales	<b>43</b>	17
Exclusivity fees	<b>28</b>	8
Education programs	<b>19</b>	37
	<b>3,174</b>	3,296

**9. Deferred contributions**

Deferred contributions includes donations and sponsorships directed to support programs to be delivered in the following fiscal year.

	<b>2020</b>	2019
	\$	\$
Balance, beginning of year	<b>150</b>	102
Additions	<b>546</b>	150
Amortized	<b>(282)</b>	(102)
Balance, end of year	<b>414</b>	150

**10. Long-term debt**

	<b>2020</b>	2019
	\$	\$
Fixed rate term loan bearing interest at 1.95% per annum with monthly principal and interest payments of \$37, maturing December 18, 2024	<b>1,712</b>	2,107
Obligations under capital leases bearing interest at rates varying from 3.95% - 9.50% per annum	<b>82</b>	103
	<b>1,794</b>	2,210
Less: current portion	<b>437</b>	2,128
	<b>1,357</b>	82

The term loan is collateralized by a general security agreement covering all personal property of the Society. The fixed rate term loan has additional collateral guarantees from the City for \$5,040 (2019 - \$5,040).

The capital leases are collateralized by the underlying assets. Assets with a net book value of \$78 (2019 - \$99) are held under capital lease.

During the year, interest expense on long-term debt of \$64 (2019 - \$114) was reported as part of general and administrative expense.

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**10. Long-term debt (continued)**

Contractual principal repayments for all long-term debt over the next five years and thereafter are as follows:

	\$
2021	437
2022	446
2023	453
2024	458
2025	—
	<u>1,794</u>

**11. Internally restricted fund balances**

The Board of Trustees has internally restricted the following balances, which are not available for other purposes without approval of the Board of Trustees. Reserve funds are to be used to fund the Society's long-term capital plan and other extraordinary expenses:

*Operating Fund*

	<b>2020</b>	2019
	\$	\$
Operating reserve	<b>3,000</b>	3,000

*Capital Fund*

	<b>2020</b>	2019
	\$	\$
Long-term capital reserve	<b>19,214</b>	14,661
Funds restricted for use in specific projects	<b>419</b>	419
	<b><u>19,633</u></b>	<u>15,080</u>

**12. Externally restricted fund balances**

Externally restricted balances represent contributions received for use in specific capital projects, which had not been spent at year-end.

	<b>2020</b>	2019
	\$	\$
Funds restricted for use in specific projects	<b>1,518</b>	1,574



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**13. Endowment fund balances**

	<b>2020</b>	2019
	<b>\$</b>	\$
Ruth Barker Endowment Fund	<b>1,060</b>	979
Zooshare Endowment Fund	<b>720</b>	720
Canadian Wilds Endowment Fund	<b>—</b>	25
	<b>1,780</b>	1,724

**14. Related party**

*The Calgary Zoo Foundation (the "Foundation")*

The Foundation, which was incorporated under the Societies Act of the Province of Alberta on April 29, 1988, is a not-for-profit organization, and is a registered charity under the Income Tax Act of Canada. Its purpose is to take and promote action to sustain wildlife and wild places through activities directed toward saving, supporting or protecting endangered animals and the environment. Its action plans are coordinated with those of the Society. The Society controls the Foundation through its membership in the Foundation and through common Board members.

The Board of Trustees of the Society authorized the reactivation of the Foundation effective January 1, 2019. The Foundation's financial accounts are not consolidated with the Society's financial statements. There are no differences in accounting policies between the Society and the Foundation.

Financial summaries of the Foundation as at December 31, 2020 and 2019, and for the years then ended are as follows:

*Statement of financial position*

	<b>2020</b>	2019
	<b>\$</b>	\$
Total assets (a)	<b>15,908</b>	15,632
Total liabilities (b)	<b>722</b>	1,017
Total net assets	<b>15,186</b>	14,615

(a) In accordance with donor imposed restrictions, \$4,075 (2019 - \$2,561) of the Foundation's total assets must be used for various conservation-related purposes. A further \$5,032 (2019 - \$4,642) of the Foundation's total assets is subject to donor imposed restrictions that they be maintained permanently with the investment revenue earned to be used for various conservation-related purposes.

Total Assets includes amounts of \$455 (2019 - \$116) due from the Society to the Foundation, representing the net of funding to be provided from the Society to support the Foundation's operations.

(b) Total Liabilities includes \$500 (2019 - \$500) drawn on a non-interest-bearing demand loan facility from the Society. Refer to Note 4 for further details.

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**14. Related party (continued)**

*Statement of operations*

	<b>2020</b>	2019
	\$	\$
Calgary Zoological Society (CZS) – Gift Transfer (a)	—	14,216
CZS – Conservation Contributions (b)	<b>2,242</b>	2,036
Other Grant and Donation revenues	<b>2,374</b>	3,628
Total revenue	<b>4,616</b>	19,880
Total expenses (c)	<b>(4,616)</b>	(5,685)
Investment income	<b>571</b>	420
Excess of revenue over expenses	<b>571</b>	14,615

- (a) As part of the reactivation of the Foundation, in 2019 the Society transferred by way of gift the following assets with a net book value of \$14.2 million at their carrying amount:

	\$
Cash	<b>5,054</b>
Prepays	<b>1</b>
Investments – internally restricted	<b>1,326</b>
Investments – externally restricted	<b>444</b>
Endowments	<b>3,873</b>
Land	<b>2,242</b>
Other tangible capital assets	<b>1,155</b>
Assets under construction	<b>247</b>
Vacation pay accrual	<b>(126)</b>
	<b>14,216</b>

- (b) CZS – Conservation Contributions relate to an agreement between the entities whereby the Society provides operating and administrative expense support to the Foundation as required.
- (c) Total expenses include reimbursement of \$1,220 (2019 - \$1,575) to the Society for allocated costs. The Society incurs a number of general support expenses that are common to the administration of both the Society and the Foundation. The Society allocates these expenses by identifying the appropriate basis for allocating each component expense, and applies that basis consistently each year. Expenses have been allocated to the Foundation based on an approximation of time spent, per capita or space, depending on the type of expense. The amounts allocated to the Foundation from each expense category in the Society were:

*Reimbursement of expenses*

	<b>2020</b>	2019
	\$	\$
Salaries, wages and benefits	<b>980</b>	897
General and administrative	<b>214</b>	468
Facility operations and maintenance	<b>26</b>	20
Botanical and animal care supplies	<b>—</b>	190
	<b>1,220</b>	1,575

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**14. Related party (continued)**

*Statement of cash flows*

	<b>2020</b>	2019
	\$	\$
Cash flow (used in) / provided by operating activities	<b>(521)</b>	5,182
Cash flow provided by financing activities	—	500
Cash flow used in investing activities	<b>(1,204)</b>	(554)
(Decrease) / increase in cash	<b>(1,725)</b>	5,128

**15. Net loss due to write-off of capital assets**

Certain capital assets, largely consisting of artifacts and improvements to certain buildings and habitats, were written off during the year. The artifacts had insufficient evidence to support their value and the improvements are no longer in use. As a result, the remaining net book value of these assets (\$767) was written off. The impact of this was partially offset by gains on disposal of other small assets (\$19).

In 2019, the remaining balance of the Master plan, previously included under Other assets, was determined to have nil value as the plan had been revised and the remaining future benefit of the old plan was insignificant. As a result, the net book value of \$396 was written off, partially offset by gains on disposal of other small assets (\$8).

**16. Commitments**

The Society is committed under various agreements for minimum consumption of energy and services, subject to fixed fees and break fees as follows:

	\$
2021	712
2022	862
2023	336
2024	111
2025	111
Thereafter	56
	<b>2,188</b>

**17. Fundraising expenses**

As required under Section 7(2) of the Charitable Fund-raising Regulation in Alberta, the following amounts are disclosed:

	<b>2020</b>	2019
	\$	\$
Amounts paid as remuneration to employees whose principal duties involve fundraising	<b>623</b>	402
Direct expenses incurred for the purpose of soliciting contributions including grants, donations and sponsorships	<b>136</b>	62

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**18. Grants**

Included in grants are the following municipal, provincial and federal funds received:

	<b>2020</b>	2019
	<b>\$</b>	<b>\$</b>
<b>Municipal Grants-Operating</b>		
The City of Calgary grant to support the operating expenses of Society	<b>8,238</b>	8,022
<b>Municipal Grants-Capital</b>		
The City of Calgary Civic Partner Infrastructure Grant	<b>1,391</b>	1,328
The City of Calgary Public Art Funding	—	61
<b>Federal Grants</b>		
Canada Emergency Wage Subsidy	<b>3,493</b>	—
Funding towards summer employment	—	47
<b>Provincial Grants-Operating</b>		
Travel Alberta grant to enhance the on park experience and COVID-19 health and safety requirements	<b>3</b>	—
<b>Provincial Grants-Capital</b>		
Government of Alberta funding to assist with facility upgrades	<b>45</b>	—

**19. Presentation of prior year balances**

Certain comparative figures have been reclassified to conform to the current year's presentation.