
Financial statements of
The Calgary Zoological Society

December 31, 2023

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Independent Auditor's Report

To the Board of Directors 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, 2023 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, 2023 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
Calgary, Alberta
April 18, 2024

The Calgary Zoological Society

Statement of revenue and expenses and changes in fund balances

Year ended December 31, 2023

(In thousands of dollars)

	Notes	Operating Fund	Capital Fund	Endowment Fund	2023 Total	2022 Total
		\$	\$	\$	\$	\$
Revenue						
Admissions		20,952	—	—	20,952	16,736
Grants	18	10,574	16,509	—	27,083	23,530
Food and beverage		12,688	—	—	12,688	9,637
Memberships		6,225	—	—	6,225	5,999
Donations, sponsorships and fundraising		1,634	531	—	2,165	2,771
Gift services		3,914	—	—	3,914	3,068
Parking		3,211	—	—	3,211	2,522
Education programs		1,067	—	—	1,067	858
Other		1,859	420	—	2,279	1,030
		62,124	17,460	—	79,584	66,151
Expenses						
Salaries, wages and benefits	14	23,901	—	—	23,901	19,532
General and administrative	14	9,790	27	—	9,817	9,013
Amortization		—	5,659	—	5,659	6,314
Wildlife conservation activities	14	6,678	—	—	6,678	4,457
Cost of goods sold		5,179	—	—	5,179	3,999
Facility operations and maintenance	14	3,702	—	—	3,702	2,798
Project expenditures		—	5,757	—	5,757	2,805
Botanical and animal care supplies	14	862	—	—	862	794
		50,112	11,443	—	61,555	49,712
Excess of revenue over expenses before the undernoted		12,012	6,017	—	18,029	16,439
Net loss due to write-off of capital assets	15	—	(142)	—	(142)	(483)
Investment income						
Realized gains (losses)		197	—	(27)	170	305
Unrealized gains (losses)		655	—	121	776	(2,153)
Net investment income		534	—	80	614	476
Excess of revenue over expenses		13,398	5,875	174	19,447	14,584
Fund balances, beginning of year		16,150	158,637	1,740	176,527	161,943
Interfund transfers						
Loan repayment support		(445)	445	—	—	—
Other		(14,787)	14,859	(72)	—	—
		(15,232)	15,304	(72)	—	—
Fund balances, end of year		14,316	179,816	1,842	195,974	176,527

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

The Calgary Zoological Society

Statement of financial position

At at December 31, 2023

(In thousands of dollars)

	Notes	Operating Fund \$	Capital Fund \$	Endowment Fund \$	2023 Total \$	2022 Total \$
Assets						
Current assets						
Cash and cash equivalents		7,917	22,443	—	30,360	39,917
Accounts receivable	3	3,926	2,502	—	6,428	3,326
Inventories		905	—	—	905	731
Prepaid expenses		801	—	—	801	715
Due from (to) other funds		73	—	(73)	—	—
Loan receivable from Wilder Institute	4, 14	13,500	—	—	13,500	13,500
		27,122	24,945	(73)	51,994	58,189
Investments	5	294	13,038	1,915	15,247	13,687
Capital assets	6	—	147,675	—	147,675	119,486
Other assets		5	—	—	5	5
		27,421	185,658	1,842	214,921	191,367
Liabilities						
Current liabilities						
Accounts payable and accrued liabilities		5,293	5,376	—	10,669	6,440
Accrued vacation liability		364	—	—	364	402
Deferred revenue	8	5,169	—	—	5,169	5,014
Deferred contributions	9	490	—	—	490	321
Current portion of long-term debt	10	—	460	—	460	454
Due to Wilder Institute	14	1,789	—	—	1,789	1,743
		13,105	5,836	—	18,941	14,374
Long-term debt	10	—	6	—	6	466
		13,105	5,842	—	18,947	14,840
Commitments	16					
Fund balances						
Invested in capital assets		—	147,209	—	147,209	118,566
Internally restricted	11	3,000	32,289	—	35,289	34,544
Externally restricted	12	—	318	—	318	8,527
Endowments	13	—	—	1,842	1,842	1,740
Unrestricted		11,316	—	—	11,316	13,150
		14,316	179,816	1,842	195,974	176,527
		27,421	185,658	1,842	214,921	191,367

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

Approved by the Board of Directors


_____, Chair


_____, Treasurer

The Calgary Zoological Society

Statement of cash flows

Year ended December 31, 2023

(In thousands of dollars)

	Notes	2023 \$	2022 \$
Operating activities			
Excess of revenue over expenses		19,447	14,584
Items not affecting cash and cash equivalents			
Amortization		5,659	6,314
Non-cash impact of investment (income) loss		(1,560)	1,372
Loss due to write-off of capital assets	15	142	483
		23,688	22,753
Change in non-cash working capital items			
Accounts receivable		(3,102)	(565)
Prepaid expenses		(86)	(582)
Inventories		(174)	(128)
Accounts payable, accrued vacation liability and other accrued liabilities		1,574	703
Deferred revenue		155	411
Deferred contributions		169	(205)
Due to Wilder Institute, net		46	213
		22,270	22,600
Financing activities			
Repayments on long-term debt		(432)	(424)
Repayments on capital lease		(22)	(22)
Capital lease additions		—	8
		(454)	(438)
Investing activities			
Purchase of capital assets		(34,138)	(13,290)
Proceeds on disposal	15	148	6
Loan to Wilder Institute	4	—	(6,000)
Change in accounts payable affecting investing activities		2,617	824
		(31,373)	(18,460)
Net (decrease) increase in cash and cash equivalents		(9,557)	3,702
Cash and cash equivalents, beginning of year		39,917	36,215
Cash and cash equivalents, end of year		30,360	39,917
Represented by			
Internally restricted		22,251	22,866
Externally restricted		318	8,527
Unrestricted		7,791	8,524
Cash and cash equivalents, end of year		30,360	39,917

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

The Calgary Zoological Society

Notes to the financial statements

December 31, 2023
(In thousands of dollars)

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 and cash equivalents

Cash and cash equivalents include cash held with Canadian chartered banks in highly liquid investments.

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.

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, 2023
(In thousands of dollars)

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 Directors.

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, operating as Wilder Institute ("Wilder"), 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. Wilder 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 applications	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 land or on assets under construction until the assets are put in use, 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 capital asset no longer contributes to the Society's ability to provide goods and services, or the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. 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, 2023

(In thousands of dollars)

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 and cash equivalents, accounts receivable and the loan receivable from Wilder. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities, amounts due to Wilder, 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. The Society's Investment Policy applies to all investments held by the Society and it includes restrictions regarding the minimum and maximum amount of various asset classes. The diversification across various asset classes is expected to decrease the volatility of portfolio returns due to the lack of correlation between returns.

The Calgary Zoological Society
Notes to the financial statements

December 31, 2023
(In thousands of dollars)

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 accounts payable and accrued liabilities and the 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 and cash equivalents balances and cash flows generated from operations to meet its requirements and has access to a revolving demand operating facility. 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.

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 \$205 (\$123 in 2022) is included in accounts payable and accrued liabilities and amounts netting to \$254 (\$172 in 2022) related to Goods and Services Tax recoverable/payable are included in accounts receivable and accounts payable, respectively.

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.

3. Accounts receivable

Accounts receivable is comprised of:

	2023	2022
	\$	\$
City of Calgary – operating grant	2,205	1,620
Trade accounts receivable	1,595	1,095
City of Calgary - capital grant	1,403	417
Accrued government grant	706	—
Accrued accounts receivable	519	194
	6,428	3,326

The Calgary Zoological Society
Notes to the financial statements

December 31, 2023
(In thousands of dollars)

4. Loan facility to Wilder Institute (“Wilder”)

The Society has extended a \$15,000 non-interest bearing demand loan facility to Wilder (\$15,000 in 2022). The facility is secured by a mortgage on the land owned by Wilder, and a general security agreement including a first charge on all property of Wilder. As of December 31, 2023, \$13,500 has been drawn on this facility (\$13,500 in 2022). The Society does not expect to demand repayment of this loan within the next twelve months.

5. Investments

	2023	2022
	\$	\$
Operating Fund		
Short-term funds	7	1
Fixed income funds	146	128
Equity funds	141	127
	294	256
Capital Fund		
Short-term funds	550	236
Fixed income funds	3,685	3,015
Equity funds	8,803	8,427
	13,038	11,678
Endowment Fund		
Short-term funds	47	18
Fixed income funds	949	864
Equity funds	919	871
	1,915	1,753
	15,247	13,687

During the year, the Society recorded interest income of \$2,563 (\$1,153 in 2022). Interest from investments of \$677 (\$539 in 2022) was recorded as a component of net investment income. Interest from other financial assets of \$1,886 (\$614 in 2022) was recorded as a component of other revenue.

6. Capital assets

	Cost	Accumulated amortization	2023 Net book value
	\$	\$	\$
Buildings	134,422	52,558	81,864
Habitats and infrastructure	97,590	36,178	61,412
Major software applications	1,504	1,006	498
Short-term habitats	2,417	2,399	18
Computer hardware and software	3,145	2,838	307
Equipment	13,146	10,964	2,182
Vehicles	743	418	325
Artifacts	22	—	22
Assets under construction	1,047	—	1,047
	254,036	106,361	147,675

The Calgary Zoological Society
Notes to the financial statements

December 31, 2023
(In thousands of dollars)

6. Capital assets (continued)

	Cost	Accumulated amortization	2022 Net book value
	\$	\$	\$
Buildings	132,627	49,209	83,418
Habitats and infrastructure	53,606	34,733	18,873
Major software applications	1,436	768	668
Short-term habitats	2,398	2,199	199
Computer hardware and software	2,946	2,764	182
Equipment	12,009	11,221	788
Vehicles	640	361	279
Artifacts	22	—	22
Assets under construction	15,057	—	15,057
	220,741	101,255	119,486

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 (\$2,000 in 2022) 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, 2023 or 2022.

8. Deferred revenue

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

	2023	2022
	\$	\$
Memberships	3,233	2,466
Gift cards	1,161	1,044
Customer deposits	452	401
Ticket Sales	176	126
Exclusivity fees	107	76
Education programs	40	16
Proceeds for sold assets	—	123
Canada Emergency Wage Subsidy (Note 18)	—	762
	5,169	5,014

The Calgary Zoological Society
Notes to the financial statements

December 31, 2023
(In thousands of dollars)

9. Deferred contributions

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

	2023	2022
	\$	\$
Balance, beginning of year	321	526
Additions	833	521
Recognized as revenue	(664)	(726)
Balance, end of year	490	321

10. Long-term debt

	2023	2022
	\$	\$
Fixed rate term loan bearing interest at 1.95% per annum with monthly principal and interest payments of \$37, maturing December 18, 2024	441	873
Obligations under capital leases bearing interest at rates varying from 3.95% - 15.94% per annum	25	47
	466	920
Less: current portion	460	454
	6	466

The term loan is collateralized by a general security agreement covering all personal property of the Society, and has additional collateral guarantees from the City for \$441 (\$873 in 2022).

The capital leases are collateralized by the underlying assets. Assets with a net book value of \$23 (\$45 in 2022) are held under capital lease.

During the year, interest expense on long-term debt of \$16 (\$23 in 2022) was reported as part of general and administrative expense.

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

	\$
2024	460
2025	1
2026	2
Thereafter	3
	<u>466</u>

The Calgary Zoological Society
Notes to the financial statements

December 31, 2023
(In thousands of dollars)

11. Internally restricted fund balances

The Board of Directors has internally restricted the following balances, which are not available for other purposes without approval of the Board of Directors:

Operating Fund

The Board of Directors has designated amounts for an emergency operating reserve, in order to provide for necessary expenditures when other sources of funds are not available.

	2023	2022
	\$	\$
Operating reserve	3,000	3,000

Capital Fund

The Board of Directors has designated amounts for strategic long-term capital reserves, which are to provide for future capital needs.

	2023	2022
	\$	\$
Long-term capital reserve	32,289	31,125
Funds restricted for use in specific projects	—	419
	32,289	31,544

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.

	2023	2022
	\$	\$
Funds restricted for use in other specific projects	318	120
Funds restricted for use in the Canadian Wilds Re-Development	—	8,407
	318	8,527

13. Endowment fund balances

Endowments consist of externally restricted donations received by the Society and contributions internally restricted by the Society, in exercising its discretion. The Society ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose and investment income thereon, are expended for the purpose for which they were provided.

	2023	2022
	\$	\$
Ruth Barker Endowment Fund	1,122	1,020
Zooshare Endowment Fund	720	720
	1,842	1,740

The Calgary Zoological Society
Notes to the financial statements

December 31, 2023
(In thousands of dollars)

13. Endowment fund balances (continued)

The Society has adopted investment and spending policies for the Ruth Barker Endowment Fund that are meant to ensure that the endowment's purchasing power is maintained over time. The Zooshare Endowment Fund is not inflation-protected, but is required to be maintained at a balance of \$720 (\$720 in 2022).

14. Related party

Wilder Institute ("Wilder")

Wilder, which was incorporated as The Calgary Zoo Foundation 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 Wilder through its membership in Wilder and through common Board members.

Wilder's financial accounts are not consolidated with the Society's financial statements. There are no differences in accounting policies between the Society and Wilder.

Financial summaries of Wilder as at December 31, 2023 and 2022, and for the years then ended are as follows:

Statement of financial position

	2023	2022
	\$	\$
Total assets (a)	30,812	31,066
Total liabilities (b)	14,096	15,135
Total net assets	16,716	15,931

(a) In accordance with donor imposed restrictions, \$40 (\$36 in 2022) of Wilder's total assets must be used for various conservation-related purposes. A further \$6,809 (\$6,191 in 2022) of Wilder'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 \$1,789 (\$1,743 in 2022) due from the Society to Wilder, representing the net of funding to be provided from the Society to support Wilder's operations.

(b) Total Liabilities includes \$13,500 (\$13,500 in 2022) drawn on a non-interest-bearing demand loan facility from the Society. Refer to Note 4 for further details.

The Calgary Zoological Society
Notes to the financial statements

December 31, 2023
(In thousands of dollars)

14. Related party (continued)

Statement of operations

	2023	2022
	\$	\$
CZS – Conservation Contributions (a)	6,678	4,457
Other Grant and Donation revenues	2,167	2,835
Total revenue	8,845	7,292
Total expenses (b)	(8,845)	(7,292)
Loss due to write off of capital assets	(11)	(5)
Investment income (loss)	796	(745)
Excess (deficiency) of revenue over expenses	785	(750)

(a) CZS – Conservation Contributions relate to an agreement between the entities whereby the Society provides operating and administrative expense support to Wilder as required.

(b) Total expenses include reimbursement of \$2,864 (\$2,605 in 2022) 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 Wilder. 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 Wilder based on an approximation of time spent, per capita or space, depending on the type of expense. The amounts allocated to Wilder from each expense category in the Society were:

Reimbursement of expenses

	2023	2022
	\$	\$
Salaries, wages and benefits	1,895	1,672
General and administrative	765	651
Botanical and animal care supplies	163	249
Facility operations and maintenance	41	33
	2,864	2,605

Statement of cash flows

	2023	2022
	\$	\$
Cash flow provided by in operating activities	869	219
Cash flow provided by financing activities	—	6,000
Cash flow used in investing activities	(2,822)	(6,366)
Decrease in cash	(1,953)	(147)

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

Certain capital assets, largely consisting of equipment and improvements to buildings and habitats, as well as certain components of assets under construction were identified that no longer contribute to the future economic benefit associated with the asset and were written off during the year for \$290. The impact of this was partially offset by gains on disposal of equipment for \$148.

For the year ended December 31, 2022, certain capital assets, largely consisting of assets whose value of future economic benefits associated with the capital asset is less than its net carrying amount due to redevelopment work in the Canadian Wilds and assets which were assessed to have significantly shorter useful lives than originally estimated, were written off during the year for \$489. The impact of this was partially offset by gains on disposal of other small assets for \$6.

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:

	<u>\$</u>
2024	1,041
2025	743
2026	295
2027	137
Thereafter	<u>—</u>
	<u>2,216</u>

17. Fundraising expenses

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

	2023	2022
	\$	\$
Amounts paid as remuneration to employees whose principal duties involve fundraising	1,498	1,130
Direct expenses incurred for the purpose of soliciting contributions including grants, donations and sponsorships	1,322	1,059

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18. Grants

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

	2023	2022
	\$	\$
Municipal Grants-Operating		
The City of Calgary grant to support the operating expenses of Society	8,793	8,455
Municipal Grants-Capital		
The City of Calgary grant for facility upgrades	4,250	—
The City of Calgary Civic Partner Infrastructure Grant	1,602	551
Federal Grants - Capital		
Federal funding for facility upgrades	2,404	2,427
Federal Grants - Operating		
Canada Emergency Wage Subsidy (Note 8)	762	—
Funding to enhance the on park experience	306	—
Funding towards employment	—	404
Funding towards education	—	10
Provincial Grants-Operating		
Funding towards employment	348	—
Travel Alberta grant to enhance the on park experience and COVID-19 health and safety requirements	—	25
Provincial Grants-Capital		
Government of Alberta funding for facility upgrades	2,875	8,450

19. Comparative figures

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