

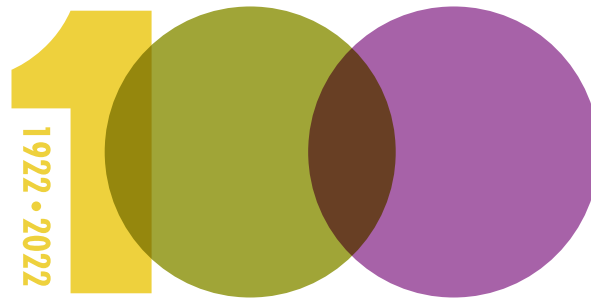


ANNUAL REPORT

2021

Calgary *Humane* Society®
Connecting Lives





100 YEARS OF CONNECTING LIVES

2021 was an unprecedented year of disruption, change, disconnection and isolation. Despite the challenges the COVID-19 pandemic created for the Calgary Humane Society (CHS) team, one thing remained unchanged: our unwavering commitment to improving the lives of the 3,253 animals who came to our facility during the year. Whether having to continuously relocate animals to keep them safe and shielded from construction disturbances or stepping in to cover an unexpected absence of a co-worker at home isolating, our team at CHS worked diligently to keep the shelter operational and provide the highest standard of care to all who needed us.

With COVID restrictions lifting in 2022 and the completion of our Building Enhancement and Renovation project, the future at CHS is bright and our ambitions are strong. As we reflect on the experiences of 2021 and take pride in the accomplishments of the past twelve months, we look forward to 2022 – Calgary Humane Society's Centennial year – with great anticipation.

For 100 years, Calgary Humane Society has been a leader in animal welfare, caring for hundreds of thousands of animals in need. For 100 years, we have been connecting lives, and for the next 100 years to come, we will continue to work harder than ever to create a more humane world.



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BOARD CHAIR, LISA KINDREE



2021 BOARD OF DIRECTORS

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Sage Pullen-McIntosh
Dawn Rault

In 2021, I witnessed the transformation of Calgary Humane Society's facility through the Building Enhancement Project. CHS is a leader in animal welfare. The physical improvements, coupled with our programming, strategic vision and level of care we give to every animal who walks, flies, swims or crawls through our doors, will continue to place CHS in a leadership position in Calgary and across Canada. This large-scale change is especially important in 2022. It marks the centennial anniversary for CHS and sets the organization in a strong position as we look towards the next 100 years.

Reflecting on this past year makes me realize how fortunate I am to be part of such a fantastic organization. On behalf of the Board of Directors, I want to express my gratitude to all volunteers, donors and supporters who generously give to CHS. I also want to thank my colleagues on the Board, whose passion and dedication to CHS is inspiring.

The Board is aware of the challenging year the team at CHS had in 2021. Not only did they continue to operate an animal shelter during the peak of COVID, but they were also in the midst of the Building Enhancement and Renovation project, which is scheduled to be complete in August 2022. They have had to work in the most difficult environment for the past two years (noise, dust, space restrictions, supply chain issues and construction delays). For this reason, I want to extend a heartfelt thank you to the entire CHS team. I am continually in awe of their ability to find solutions and overcome obstacles while ensuring the well-being of the animals is their main priority.

The organization is excited about the centennial celebrations in August. It will be a community celebration and a look into the future of animal welfare with the unveiling of the enhanced facility while honouring and reflecting on the interesting history of the organization. I look forward to seeing you there and celebrating this milestone together.

Sincerely,

Lisa



EXECUTIVE DIRECTOR, CARRIE FRITZ



As we reflect on 2021, it is with a strong sense of accomplishment! I am so incredibly proud of the team and the effort they have put in this year to ensure the organization remained operational and our animals continued to receive the highest standard of care. Whenever another challenge surfaced, our staff and volunteers found an innovative solution, typically doing more with less and always demonstrating such compassion for our animals, as well as for one another.

With a tenaciousness that is characteristic of the CHS team, they used the time during COVID to their advantage and pressed forward with the Building Enhancement and Renovation project. Despite the obstacles they knew COVID would create, they were determined to move forward, knowing this project had been planned for over ten years.

In 2010, we had a vision for the Society that started to germinate when the first set of standards and guidelines for animal sheltering was published. In 2016, we introduced the Capacity for Care program to our team. The findings from this project demonstrated the modifications we needed to make to meet and exceed those standards. In 2018, a transformational plan was in place to revolutionize how we cared for our animals, which we incorporated into our strategic plan. At the end of 2021, we are six months away from this dream becoming a reality.

In 2022, the year CHS turns 100 years old, we will have successfully completed the Building Enhancement

and Renovation project and a complete overhaul of the entire animal flow process. This is a remarkable accomplishment for the team, achieved during one of the most challenging times in our lifetime. It is a huge step towards achieving our vision and mission of creating a more humane world for all living beings and helping as many animals as we can. As we celebrate our remarkable centennial year, CHS is at a turning point, and we can feel the energy building.

However, we cannot forget where we came from. Calgary Humane Society's 100-year history is one we should all be incredibly proud of! It is one that has been brought to life in our centennial book, *100 Years of Connecting Lives*. As I read the pages, I am in awe of how far we have come and the people who have helped shape the Society. Thank you to our donors, volunteers, foster parents, adopters, staff, and community partners – all those who chose to make CHS and our animals a part of your life at one point or another throughout our 100 year history. We would not be where we are today, 100 years later, without your ongoing support and commitment to animal welfare in our city. I am incredibly privileged to be a member of this amazing team, who inspire me every day and are a part of something so special.

It is now time for us to begin the journey toward recovery from the past two years and move towards the next chapter of Calgary Humane Society's story. On August 6th, we will be re-opening our newly renovated facility and we invite everyone to join us to celebrate this incredible milestone. We look forward to reconnecting with you and welcoming you back to our facility. As we move forward into our next 100 years, I thank you once again for your dedication to Calgary Humane Society and the animals we have been able to help and will help in the future because of you.

With sincere gratitude,

Carrie



BUILDING SAFE SPACES...FOR THEM

Facility Enhancement Project

Since 2006, Calgary Humane Society has operated out of our 44,000 square foot home in south Calgary. We have admitted over 97,000 animals since we opened and we will be reaching the milestone of 100,000 animals through our front door in our Centennial year.

At the time of opening, the building was state of the art, designed and constructed after extensive research, consultation and meticulous attention to detail based upon the information known at that time. However, there have been considerable advancements in the science of animal sheltering including:

- New ASV (Association of Shelter Veterinarians) guidelines and standards of care
- Advanced research into the sources of animal stress, fear and anxiety and mitigation strategies through environmental modifications
- Research into the prevention of the transmission of infectious disease and managing high-risk animals in a shelter setting

After extensive consultation with experts in the field, the building design evolved and construction was set into motion. Once the building renovation is complete, the team will be able to provide the animals in our care with:

- Species segregation
- Proper kennel sizes and adaptable configurations
- Better acoustics and access to natural light
- Play and socialization areas
- Proper isolation wards
- A state of the art veterinary clinic





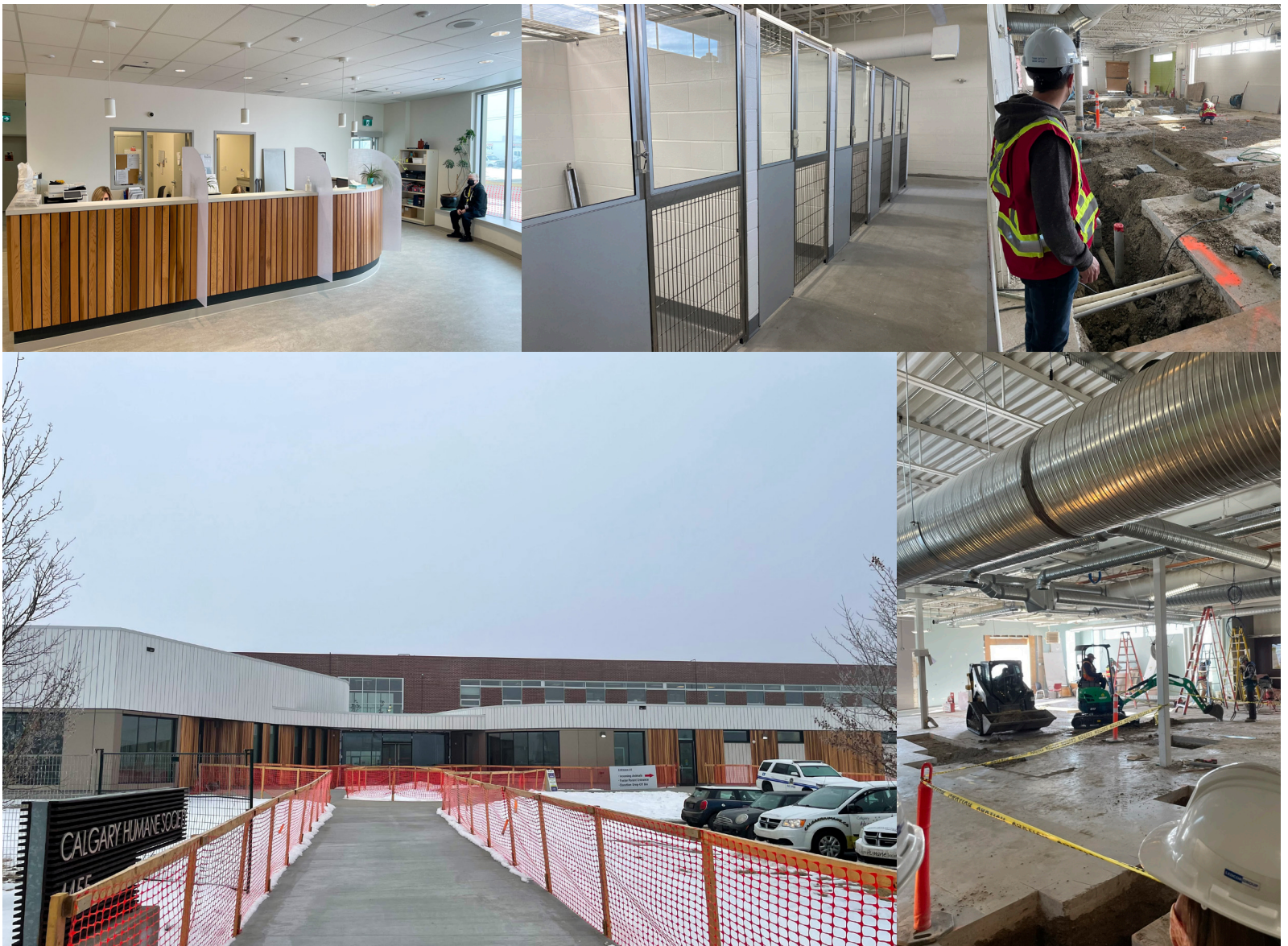
\$3M STILL NEEDED


\$2.3M CONTRIBUTED BY CARING CALGARIANS

\$1M CONTRIBUTED BY GOVERNMENT OF ALBERTA

\$8M CONTRIBUTED BY CHS

The Calgary Humane Society Building and Renovation Enhancement project will cost approximately \$14.3 million. Calgary Humane Society was able to commit \$8 million upfront, and we have already received \$3.3 million in generous donations. Every gift to the For Them Capital Campaign makes a difference in the lives of the vulnerable animals we protect and care for. We invite everyone to learn more about this exciting project and join us in making a difference in the lives of thousands of animals.



A close-up photograph of a woman with long reddish-brown hair and black-rimmed glasses. She is smiling warmly as a dog with black, white, and tan fur licks her cheek. The background is a chain-link fence. The image is overlaid with a green triangle on the left and a purple triangle on the bottom right.

**WHEN ANIMALS
ARE AT THEIR MOST
VULNERABLE, OUR
TEAM SEES THEM
THROUGH.**

CHS CHAMPIONS

Our Volunteers and Foster Parents are true CHS Champions. They bring such positive energy into the shelter, which we definitely missed in 2020. They selflessly give their personal time or open up their own homes and take on the responsibility of caring for our animals and do so knowing it is difficult work, both physically and emotionally.

VOLUNTEERS

In 2021, we started to see the return of volunteers to Calgary Humane Society as restrictions started to ease and people were feeling more confident with vaccinations readily available. The number of active volunteers climbed to 662 versus 554 in 2020 and the number of volunteer hours worked increased by 2,014. We have not yet returned to the peak of volunteer hours we saw in 2019, but we are on our way to restoring our pre-COVID volunteer levels.

In 2022, the team has an aggressive recruitment and re-engagement strategy in place and are confident they will exceed the goal they set at the beginning of the year. CHS relies on our community for support, and our volunteers are vital to our operations, assisting in everything from cleaning to event coordination. We would not be as successful with many of our animals without the help of our volunteers.



Stephen Atkinson, Volunteer of the Year

"I first decided to volunteer with CHS simply because I was bored being at home and looking for something to do! What keeps me coming back is that I feel like the work I put in has helped many animals find their forever homes, and I find that extremely rewarding. The people who work and volunteer at CHS are just awesome."

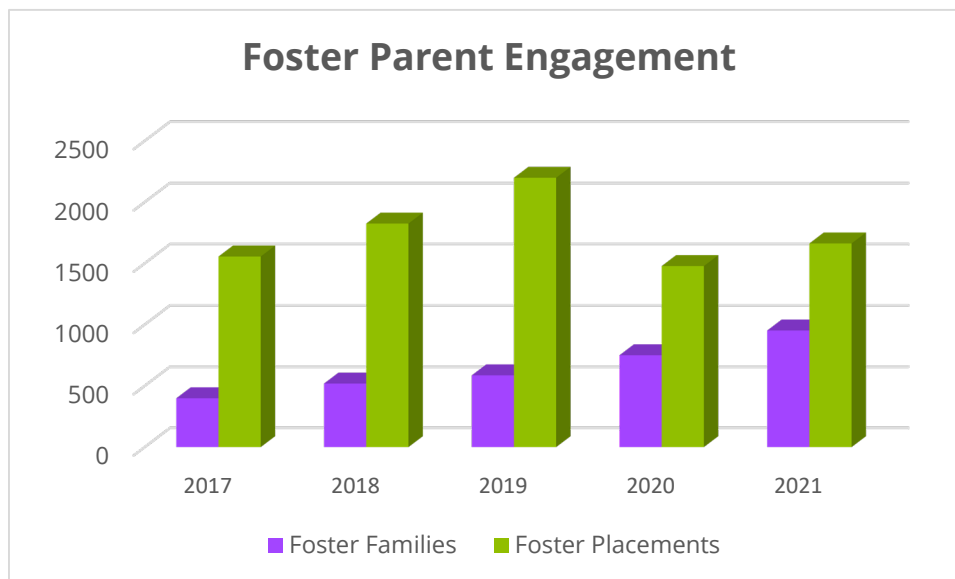
- Stephen Atkinson



FOSTER

While our volunteer hours declined during the pandemic, the number of foster families soared in 2021 as everyone clamoured to foster an animal while they were isolated at home. We all know that animals are an incredible source of comfort during difficult periods in our life. By the end of 2021, we had 952 foster families registered versus 750 in 2020.

It was fortuitous that prior to the pandemic, the Admissions and Foster team joined forces and embarked on an extensive recruitment plan in 2019. They understood the importance of having foster families available as we embarked on our renovation project if we were going to keep the shelter operational during this time. Our foster animal placements were critical in order to keep animals comfortable and away from construction disruption. These wonderful people welcomed our animals into their home on a temporary basis and cared for them outside of the stressful shelter environment. We could not have done it without our foster families! Thank you to everyone who supported our animals this year and helped keep them safe!



Debra Colley, Foster Parent of the Year

"Fostering has been a wild and incredible journey. Zero regrets! -- I've learned to be extra creative, REALLY think outside the box, try to put myself in their paws and view life from their lens, and I've learned the necessity of having absolute trust they will go on to find amazing homes and phenomenal futures.-- I've fallen in love uniquely with each and every foster and shed tears when it comes time to say goodbye. Every. Single. Time." - Deb Colley



ADMISSIONS

In 2021, the Animal Admissions team admitted 3,253 animals, which increased from 2020 but was significantly lower than in previous years. This was due to the pandemic and the ongoing construction project. The majority of the animals admitted were surrendered by their owners (51%), and over half of the animals that arrived at the shelter were cats.

The team's priority in 2021 was to keep the animal population as low as possible. This allowed us to keep our rotational teams in place so staff could maintain proper physical distancing and stay safe. This rotation remained in place until July. It was also important to

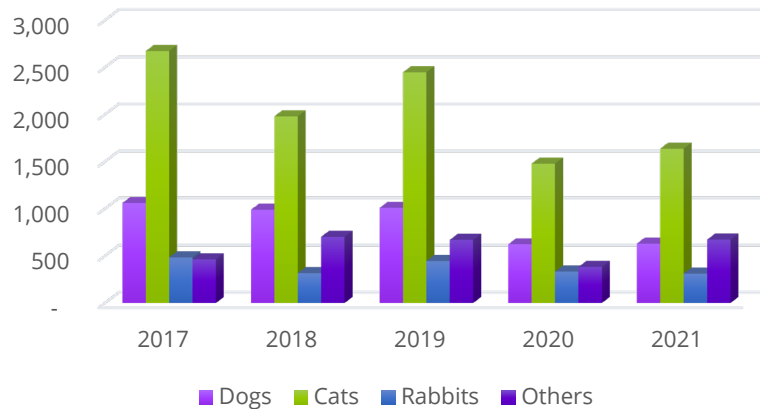
keep animal numbers low so they could be properly cared for, despite the ongoing construction which reduced kennel spaces available for income animals. This was a very careful balancing act that required innovation and community connection!

Various intake diversion strategies were employed. This involved a deeper understanding of the reasons for intake and an exploration of both internal and external support options. If there was a possibility of keeping an animal in a home simply by providing resources to an owner, the team sought this out as an alternative to admission. These strategies included:

- Behaviour consultations
- Pet food bank hampers
- Affordable vet care options
- New pet safekeeping initiatives
- Seniors' programs

In 2022, the Admissions team plans to explore additional partnership opportunities with other not-for-profit organizations and social service agencies to create more robust programming to address pet owners' concerns that lead to surrender. The intent is to support these pet owners before surrendering even becomes a consideration.

Animal Admissions by Species



ANIMAL HEALTH

The Animal Health team is responsible for providing veterinary care to all animals admitted to the facility, whether in a foster home or shelter. In 2021, the team persevered through supply chain issues and managed the temporary loss of treatment and isolation spaces for sick animals while working in close quarters through the pandemic.

While the actual number of procedures performed declined in 2021, this was simply due to the elevated level of veterinary care required for animals upon intake. Our vets are doing more complex procedures than ever before!

The Animal Health team also worked with fewer team members in 2021. We therefore leaned on our external veterinary partners when the scope of work exceeded our capacity. There is a veterinary shortage across Canada at a time when more households than ever include animals. This is a real risk for pets in our community, which is anticipated to worsen in the coming years. With CHS's state-of-the-art veterinary clinic now complete, the Society intends to work with sector partners to find innovative solutions. 2022 will be a year of collaboration to ensure we are meeting the needs of our community.

DRIZZLE

In late January, Drizzle, a terrier in active labour, was transferred to CHS for an emergency cesarean section to save the life of her and her puppies. Her owners knew something was wrong as she began to give birth: one puppy was born at 1:00 am, but no further labour progressed. Drizzle's owners took her to the emergency veterinarian clinic but could not afford the medical care she required, so she was surrendered. The clinic called CHS's Animal Health team to alert them of Drizzle's situation, and the team began to prepare for her arrival.

Once transported to our care, the team performed an ultrasound and found that the seven puppies still had heartbeats; however, time was critical. She would not likely deliver live puppies independently after such difficult labour. To ensure the health of Drizzle and the arrival of the remaining puppies, the team had to intervene swiftly and prepare her for a C-section. Nine Animal Health team members worked tirelessly to ensure all of the remaining puppies were delivered quickly and without further complications. A cesarean section is a major surgery for an animal to go through. However, the team at CHS has made incredible advancements in the level of veterinary care we provide our animals.

Thanks to our dedicated teams, Drizzle and all her puppies are thriving in their new forever homes.



ANIMAL CARE

2021 was the year of adaptability and creativity for the Animal Care team. While the average length of stay for all animals decreased this year, the team was challenged with the constant shuffling of animals into temporary spaces to make room for the ongoing renovations. They had to think quickly and develop innovative solutions for very unique animal management problems. Animals needed to be safe and far from the noise and disarray of construction! The Animal Care team ensured all animals were comfortable and offered appropriate enrichment activities for the duration of their stay.

In 2021, CHS saw an increase in animals admitted with behavioural concerns that had become unmanageable in the home. The Animal Care and Behaviour teams merged to become the Animal Care and Enrichment (ACE) team in their response to this escalating issue. This team provided support for pet owners willing to work with their animals, increasing consultations by 185% in 2021. For those animals admitted, the Behaviour team coordinated with the Animal Care team to develop and implement a detailed enrichment plan to manage the animal's behaviour while in shelter.

These customized plans included activities such as office visits, increased walks and playtime, furloughs and kennel reconfigurations. Our new indoor/outdoor runs were completed in 2021 and gave us one more tool to help with the dogs who prefer to be outside.

In August of 2022, our renovated animal spaces will be complete. Finally, the desire of our Animal Care team – to provide the highest standard of care, meeting the five freedoms – will be in harmony with our new building design. The building's new elements and the ACE team's core considerations will be in lockstep, providing an environment devoted to the physical and psychological wellbeing of our animals.

BRADLEY



Bradley (now Algy) was found in a carrier, abandoned in an alley on a hot June day. A good samaritan found Bradley and called CHS to have him transported to safety. He would not allow anyone near his kennel and refused a health exam. We knew we had our hands full, from him lunging at staff to hissing, growling and attempting to bite. With permission from the AH team, our cat behaviour consultants were able to bring Bradley up to the Call Centre, where they could give him the one-on-one time he desperately needed. He was very nervous and afraid to come out of his kennel and was not interested in human contact. With a lot of love and determination, Bradley thrived in the call centre. He solicited attention from everyone and enjoyed being the lucky cat that got to be out of a kennel and in an

office. He did so well in the Call Centre that he was named CAT OF THE MONTH and enjoyed all the attention that came with that accomplishment. Bradley was adopted and now has the most understanding and loving parents he could ever ask for. He has moments when he is unsure of a situation, but his parents work with him to help him through his struggles. Bradley is the definition of resilience.

PROTECTING ANIMALS - ATHENA



On a cold December day in 2021, a volunteer dog walker found a pregnant dog tethered to a pole on CHS property. There were no people in the area, so Peace Officers from the Protection and Investigations team were alerted to determine if this dog had been abandoned.

Abandonment and failure to provide adequate shelter and protection from the cold are considered crimes under the Animal Protection Act of Alberta and are enforceable under this Act.

From surveillance video, officers determined that an individual had parked on the street, brought the dog to an isolated section of our property, tethered her to a pole, and ran away, leaving her in extreme cold. Fortunately, especially given that she was pregnant, an attentive volunteer dog-walker found Athena within a few minutes of abandonment.

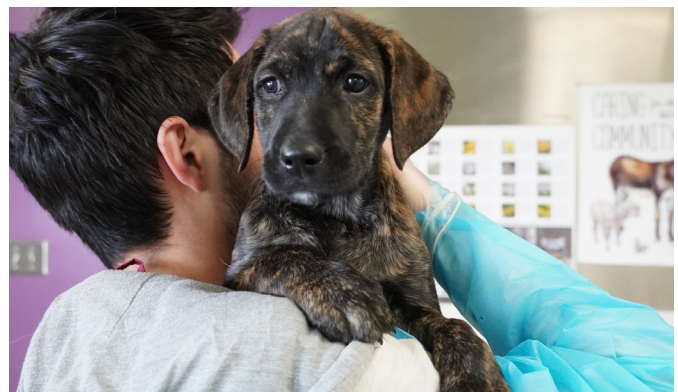
The Peace Officers patiently gained Athena's trust with some treats and gentle coaching and were able to get her into the warm building and to our veterinary team. Athena was terrified, having just watched her owner



run away after tying her up.

While the Peace Officers investigated this case of abandonment, the CHS Foster Team began working on a thoughtful placement, knowing that a pregnant dog would require an extended stay. Athena gave birth to eight puppies and was able to whelp them in a calm foster home, which is always best for moms and babies.

Athena's adorable puppies were featured in one of CHS's innovative puppy parties, which allowed interested adopters to meet the puppies and build a forever bond with their chosen pup while also providing enrichment and socialization for them. Our goal at CHS is to give every animal a second chance, and Athena has now achieved just that. She was adopted and is now settling into her new forever home.



PROTECTION & INVESTIGATION

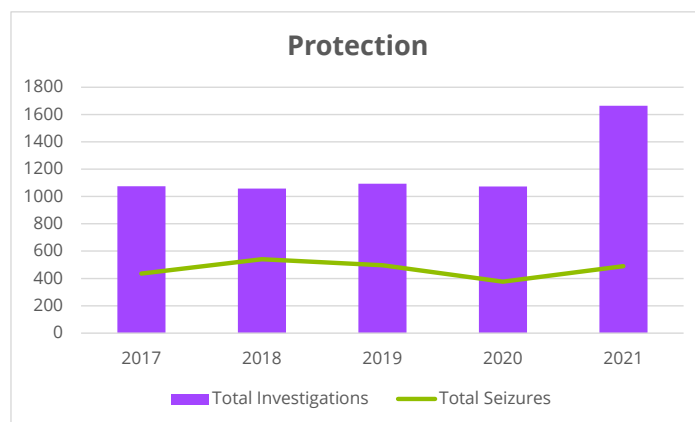
Calgary Humane Society's Protection and Investigation team investigated Athena's case plus 1,164 other animal cruelty concerns reported to our Call Centre in 2021. The vast majority of these cases were quickly resolved through conversation and education. Under 5% of the cases led to charges under the Animal Protection Act, which is consistent with prior years. What is unique about 2021 is the team's collaboration with Calgary Police Service, external agencies, and other strategic partners. Through their combined efforts, they built greater public awareness of the societal issues surrounding animal cruelty. CHS cases are starting to receive more attention, leading to stronger sentences for those convicted of these crimes. The most recent was the John Geick case, where he received a 3-year penitentiary sentence for killing two dogs in a volatile domestic situation. This sentence was a big win for those familiar with the link between animal abuse and violence against people.

CHS Peace Officers also devoted a great deal of time to complete professional development requirements outlined in the Lazenby Fatality Inquiry. Going forward, there will only be one level of Peace Officer. All CHS Peace Officers worked towards their new appointments through the transition program.

CHS has been able to deliver uninterrupted service to the community with Peace Officer safety a top priority. This is a proud accomplishment for the CHS team, as this vital service is a key component of the Society's prevention work in our Calgary community.



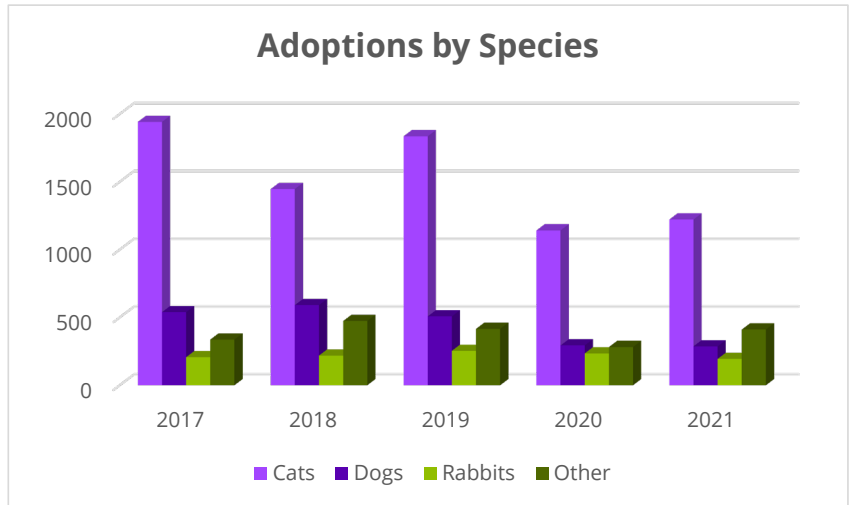
2021 Statistics	Cases
Abandonment	174
Physical Abuse	133
Unsanitary Conditions	62
Overcrowding	5
Malnutrition/Starvation	51
Grooming Neglect	19
Hot Car	43
Medical Neglect	286
Inadequate Shelter	228
Inadequate Water	59
Other	105
Total	1165



ADOPTIONS

The team became adept at offering adoptions by appointment, creating contactless adoption processes, developing innovative puppy adoption parties, and accommodating remote adoption opportunities. Through the team’s commitment and creativity, they helped 2,114 animals find their new home and experience the joy of adoption.

2022 will alleviate a great deal of stress for the team as the construction concludes and our building can re-open to the public. We will be able to welcome people back into the facility to find the perfect companion for their family. This has been a significant barrier to adoption during COVID, and we are anxious to see it removed. The team will also continue to offer post-adoption support for each adopter to ensure their home is the last home for their newly adopted family member.



BRONX

Bronx arrived at Calgary Humane Society in May 2021 after his owner abandoned him.

Bronx was a rambunctious young puppy just over a year old who loved to be outside and was fearful when taken to his kennel. Thankfully a CHS staff member saw how much Bronx was struggling in the shelter and offered to take Bronx home as a foster dog. After 174 days in the care of CHS, Bronx was finally adopted as a “Patient Paw” by a family who lived just outside of the city and had a playmate for Bronx.

We are thrilled with the updates we receive from Bronx’s new family and are so happy he is thriving in his new home.



CONNECTING WITH OUR COMMUNITY

One area of focus in our strategic plan included creating opportunities to engage with our community and create impact. This was incredibly challenging in 2021 due to the pandemic. However, it was very important we remain connected with our community in a time of such turmoil. This is when we are needed most!

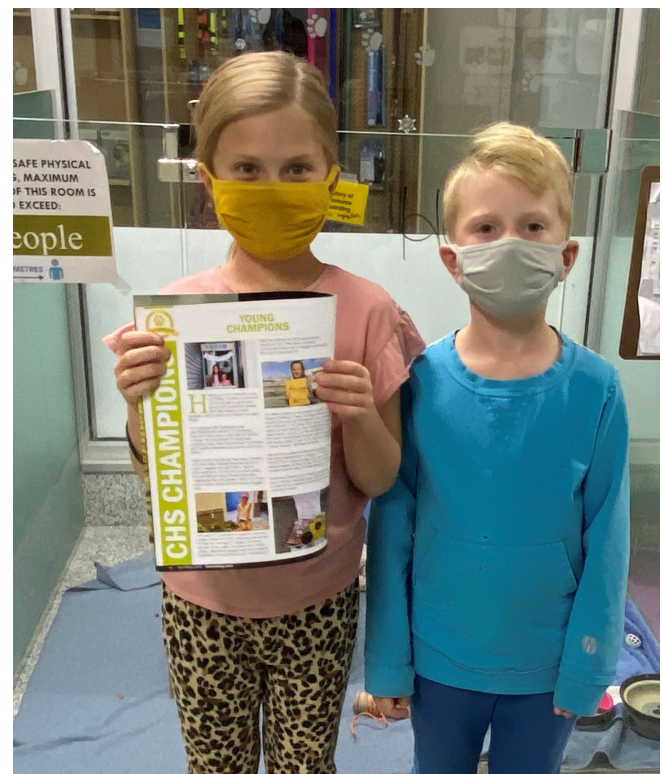
The team established some unique initiatives to keep in touch and still deliver the same programs to those who wanted to engage. We pivoted our events to a virtual format so they could continue uninterrupted while still being able to connect to our donors. It was important for people to know how our animals were doing and if they could help, which gave people purpose. This engagement is so important for the organization's sustainability, and we were thrilled with the results.

- The Humane Education and Outreach team was still able to reach 5,869 people through various youth programs, community outreach events and presentations. They also adapted outdoor children's camps to accommodate social distancing so kids could still participate safely. The Outreach team found opportunities to utilize the ROVER for adoption events outside or where social distancing could be maintained.
- The Fund Development team continued to host our signature events but pivoted to virtual formats. The team was able to generate just over \$450K in revenue and kept our donors informed and engaged!
- The Communications team had to adapt just like the rest of the shelter, so our voice did not disappear. Media interviews were conducted virtually and, more than ever, we had to rely on social media to reach our audience.

These are the teams out in the community acting as the voice for both the organization and the animals we care for. It is a responsibility taken very seriously and a privilege not to be taken lightly.

Our voice in the community is strong, and our brand is leading animal welfare in the community of Calgary and beyond.

For the past 100 years, our message has remained simple: we are so much more than a shelter, and we will help as many animals as we can. Follow along as we embark on the next 100 years of connecting lives.



100
1922 • 2022



Calgary *Humane* Society[®]
Connecting Lives

Our roots started with caring Calgarians wanting to make a difference in the lives of all those who had suffered acts of cruelty, neglect and abandonment. For 100 years, we have carried on the work they started. We have cared for hundreds of thousands of animals, watched them heal and move on to a better life. We were a shelter, a safe space to find refuge, a place to start the life they deserved from the start.

Today, we are evolving into a different organization. We are adjusting to meet the needs that are emerging in the ever-changing demographic we serve. While we will always be a shelter, our role in our community is shifting. We must extend our focus to be able to support the people that call their animals family. To build a more humane world, one where all living things are treated with respect and compassion, we must lead by example and offer compassion in a time of need. In doing so, perhaps the day will come when we will no longer need to shelter animals because they can remain in their home.

We have created a new brand for Calgary Humane Society that represents who we are today. It captures our mission, vision, and dedication to ensuring that every animal is in a safe space, whether with their owner, a new family, or us. It pays tribute to where we came from and reflects our vision for the future.



OUR STORY

Everyone is human. But not everyone is truly humane.

It's the essence of our humanity—within us all, yet an aspiration for most. Because real compassion takes selflessness. And going beyond ourselves every day isn't easy to sustain. But when we achieve it, life takes on a deeply fulfilling purpose.

Our humanity bonds us with animals. Especially those in need.

At Calgary Humane Society, we exist to create a more humane world. When animals are at their most vulnerable, our dedicated care sees them through. We are always there to protect and enforce the welfare of all animals. With sympathy and mercy. Kindness and love. And in turn, animals remind us every day what it truly means to be human.

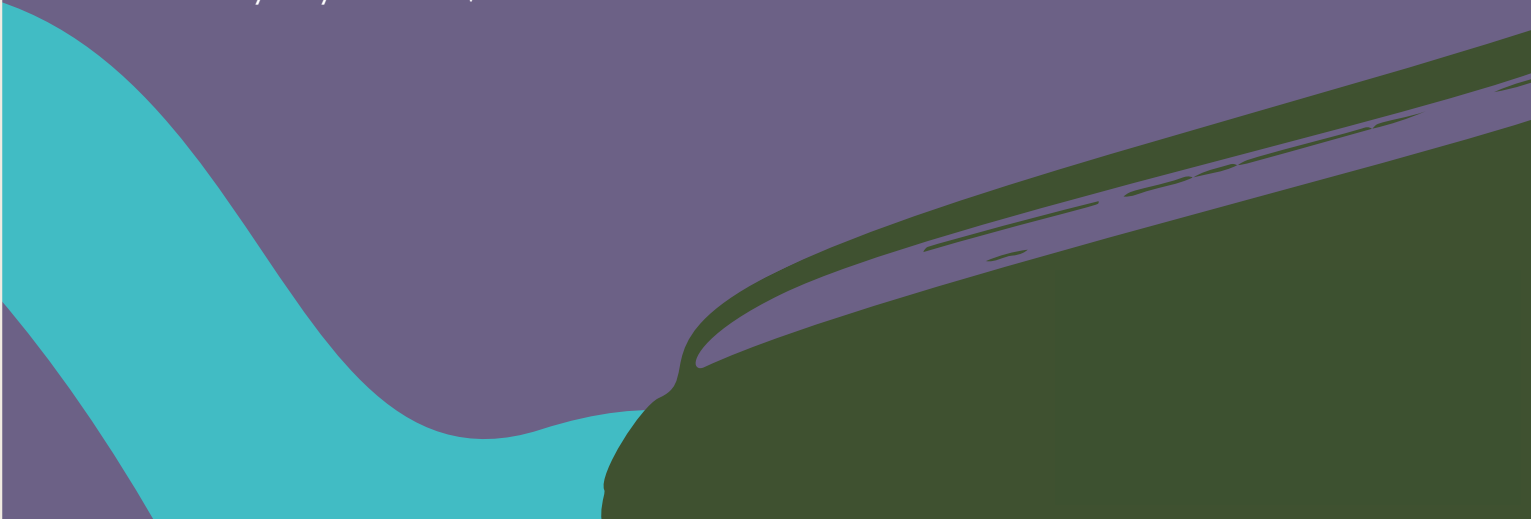
We believe in inclusive animal welfare. Any animal and every situation are welcome through our doors. We'll explore all avenues and care until the very end—with animal wellbeing at the core of every decision.

We will support people and their animals, for life. The joy of initial adoption. The rewards of behavioural classes. The sleepless nights when our animals need emergency care. Our team is there in good times and bad.

When animals need protection, we respond. We'll never shy away from a tough situation—even if it takes an emotional toll. Our work for animal welfare is unending.

Our dreams for the future are rooted in prevention. We're a true community hub for countless Calgarians. Our voice has power. It's our job to inspire empathy and compassion for both animals and humans.

For 100 years, Calgary Humane Society has been at the centre of animal welfare in our city. And for every day to come, we'll work harder than ever to create a more humane world.



INTRODUCING

THE NEW



Calgary Humane Society

Financial Statements of

**CALGARY HUMANE SOCIETY
FOR PREVENTION OF
CRUELTY TO ANIMALS**

And Independent Auditors' Report thereon

Year ended December 31, 2021



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INDEPENDENT AUDITORS' REPORT

To the Members of Calgary Humane Society for Prevention of Cruelty to Animals

Qualified Opinion

We have audited the financial statements of Calgary Humane Society for Prevention of Cruelty to Animals (the Entity), which comprise:

- the statement of financial position as at December 31, 2021
- the statement of revenues and expenses and changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the "**Basis for Qualified Opinion**" section of our auditors' report, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Basis for Qualified Opinion

In common with many not-for-profit organizations, the Entity derives revenue from donations and 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 Entity.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at December 31, 2021 and December 31, 2020
- the donations and fundraising revenues and excess (deficiency) of revenues over expenses reported in the statements of revenues and expenses and changes in fund balances for the years ended December 31, 2021 and December 31, 2020
- the fund balances, at the beginning and end of the year, reported in the statements of revenues and expenses and changes in fund balances for the years ended December 31, 2021 and December 31, 2020
- the excess of revenues over expenses reported in the statements of cash flows for the years ended December 31, 2021 and December 31, 2020.

Our opinion on the financial statements for the year ended December 31, 2020 was qualified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditors’ Responsibilities for the Audit of the Financial Statements***” section of our auditors’ report.

We are independent of the Entity 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 qualified 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' 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 auditors' 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 the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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.
- 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.

KPMG LLP

Chartered Professional Accountants

Calgary, Canada

March 30, 2022

Calgary Humane Society for Prevention of Cruelty to Animals
Statement of Financial Position
As at December 31, 2021, with comparative information for 2020

	General Operating Fund		Restricted Fund		Capital Fund		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Assets								
Current assets								
Cash	\$ 1,618,180	\$ 7,533,328	\$ 67,259	\$ 67,168	\$ -	\$ -	\$ 1,685,439	\$ 7,600,496
Short-term investments (note 3)	-	1,550,000	-	-	-	-	-	1,550,000
Accounts receivable (note 4)	124,694	202,128	-	-	-	-	124,694	202,128
Inventory (note 5)	62,525	64,873	-	-	-	-	62,525	64,873
Prepaid expenses	215,034	157,397	-	-	-	-	215,034	157,397
Due from (to) other funds	(1,905,586)	(8,125,141)	234,267	254,102	1,671,319	7,871,039	-	-
	114,847	1,382,585	301,526	321,270	1,671,319	7,871,039	2,087,692	9,574,894
Marketable securities (note 6)	14,129,090	12,837,233	-	-	-	-	14,129,090	12,837,233
Capital assets (note 7 & note 11)	-	-	-	-	12,722,951	5,738,026	12,722,951	5,738,026
	\$ 14,243,937	\$ 14,219,818	\$ 301,526	\$ 321,270	\$ 14,394,270	\$ 13,609,065	\$ 28,939,733	\$ 28,150,153
Liabilities								
Current liabilities								
Accounts payable and accrued liabilities (note 4)	\$ 1,581,810	\$ 1,250,264	\$ -	\$ -	\$ -	\$ -	\$ 1,581,810	\$ 1,250,264
Deferred revenue (note 8)	17,740	11,904	-	-	-	-	17,740	11,904
	1,599,550	1,262,168	-	-	-	-	1,599,550	1,262,168
Fund balances								
Unrestricted (note 9)	3,157,420	3,397,684	-	-	-	-	3,157,420	3,397,684
Restricted for endowment purposes (note 10)	-	-	45,000	45,000	-	-	45,000	45,000
Externally restricted (note 11a)	44	44	56,526	76,270	-	-	56,570	76,314
Internally restricted (note 11b)	9,486,923	9,559,922	200,000	200,000	1,671,319	7,871,039	11,358,242	17,630,961
Invested in capital assets	-	-	-	-	12,722,951	5,738,026	12,722,951	5,738,026
	12,644,387	12,957,650	301,526	321,270	14,394,270	13,609,065	27,340,183	26,887,985
	\$ 14,243,937	\$ 14,219,818	\$ 301,526	\$ 321,270	\$ 14,394,270	\$ 13,609,065	\$ 28,939,733	\$ 28,150,153

Subsequent events (note 14)

Approved by the Board

 Director

 Director

Calgary Humane Society for Prevention of Cruelty to Animals
Statement of Revenues and Expenses and Changes in Fund Balances
As at December 31, 2021, with comparative information for 2020

	General Operating Fund		Restricted Fund		Capital Fund		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenues								
Donations and fundraising	\$ 3,174,728	\$ 3,128,152	\$ 18,447	\$ 10,556	\$ 1,820,744	\$ 157,740	\$ 5,013,919	\$ 3,296,448
Programs and services	690,495	646,246	-	-	-	-	690,495	646,246
Bequests	705,265	1,213,706	-	-	150,000	75,000	855,265	1,288,706
Investment income	1,314,970	967,367	-	-	-	-	1,314,970	967,367
Change in unrealized gain on marketable securities	31,659	480,524	-	-	-	-	31,659	480,524
Gain (loss) on disposal of capital assets	-	-	-	-	2,500	(17,663)	2,500	(17,663)
	5,917,117	6,435,995	18,447	10,556	1,973,244	215,077	7,908,808	6,661,628
Expenses								
Wages and benefits (note 4, note 11 & note 12)	3,908,008	2,952,738	-	-	106,366	49,277	4,014,374	3,002,015
Operating	1,085,868	971,212	213,142	127,187	10,622	163	1,309,632	1,098,562
Fundraising	403,601	315,859	-	-	408	-	404,009	315,859
General and administrative	626,269	564,701	4,138	6,112	220,339	567,604	850,746	1,138,417
Amortization	-	-	-	-	877,849	730,868	877,849	730,868
	6,023,746	4,804,510	217,280	133,299	1,215,584	1,347,912	7,456,610	6,285,721
Excess (deficiency) of revenues over expenses	(106,629)	1,631,485	(198,833)	(122,743)	757,660	(1,132,835)	452,198	375,907
Fund balances, beginning of year	12,957,650	12,856,992	321,270	331,869	13,609,065	13,323,217	26,887,985	26,512,078
Interfund transfers (note 11a & 11b)	(206,634)	(1,530,827)	179,089	112,144	27,545	1,418,683	-	-
Fund balances, end of year	\$ 12,644,387	\$ 12,957,650	\$ 301,526	\$ 321,270	\$ 14,394,270	\$ 13,609,065	\$ 27,340,183	\$ 26,887,985

Calgary Humane Society for Prevention of Cruelty to Animals
Statement of Cash Flows
As at December 31, 2021, with comparative information for 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Excess of revenues over expenses	452,198	375,907
Items not involving cash:		
Gain on sale of marketable securities	(8,980)	(3,942)
Change in unrealized gain on marketable securities	(31,659)	(480,524)
(Gain) loss on disposal of capital assets	(2,500)	17,663
Amortization	877,849	730,868
	<u>1,286,908</u>	<u>639,972</u>
 Changes in non-cash working capital		
Accounts receivable	77,434	(99,110)
Inventory	2,348	(4,280)
Prepaid expenses	(57,637)	(6,928)
Accounts payable and accrued liabilities	331,546	821,005
Deferred revenue	5,836	(13,724)
	<u>1,646,435</u>	<u>1,336,935</u>
 Cash flows from investing activities		
Purchase of capital assets	(7,862,774)	(859,730)
Holdback receivable	-	160,000
Proceeds on sale of capital assets	2,500	-
Purchase of short-term investments	-	(14,950,000)
Proceeds on maturity of short-term investments	1,550,000	22,200,000
Purchase of marketable securities	(1,323,520)	(871,398)
Proceeds on sale of marketable securities	72,302	67,553
	<u>(7,561,492)</u>	<u>5,746,425</u>
 (Decrease) increase in cash	(5,915,057)	7,083,360
 Cash, beginning of year	<u>7,600,496</u>	<u>517,136</u>
 Cash, end of year	<u>\$ 1,685,439</u>	<u>\$ 7,600,496</u>

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements

December 31, 2021, with comparative information for 2020

1. Nature of operations

Calgary Humane Society for Prevention of Cruelty to Animals (the "Society") is a not-for-profit organization that was incorporated under the Alberta Societies Act in 1922. The Society is a registered charity as defined under paragraph 149(1)(f) of the Income Tax Act, and therefore, is not subject to income tax. The mandate of the Society is to improve the welfare of animals through programs and services in sheltering, education, protection and advocacy.

2. Significant accounting policies

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

a) Fund accounting

The Society follows the restricted fund method of accounting. Activities of the Society are segregated in the following funds:

- i) The General Operating Fund accounts for the Society's program delivery and administrative activities. This fund reports unrestricted resources, restricted operating grants and other internally restricted amounts.
- ii) The Restricted Fund accounts for the assets, liabilities, revenue and expenses of the Society's endowment funds, and its internally and externally restricted funds.
- iii) The Capital Fund accounts for the assets, liabilities, revenues and expenses related to the Society's capital assets. This fund reports both internally and externally restricted funds.

b) Cash

Cash includes cash on hand and balances with banks. Cash that is subject to restrictions, thereby preventing its use for current purposes, is included in restricted cash.

c) Short-term investments

Short-term investments are comprised of guaranteed investment certificates that mature and are redeemable within the next year.

d) Pledges receivable

Pledges receivable are not recorded in the Society's financial statements as there is no assurance that they will ultimately be collected. Pledges are recorded in the financial statements when they are received.

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements

December 31, 2021, with comparative information for 2020

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

Goods for resale are recorded as inventory and are recorded at the lower of cost and net realizable value. Cost is determined using the average cost method, and net realizable value is determined using the current estimated selling price less the selling cost. The estimated selling price takes into account management's best estimate of the most probable set of economic conditions.

f) Due from (to) other funds

Due from (to) other funds represents amounts owed between certain funds. These interfund balances are non-interest bearing and have no fixed terms of repayment.

g) Financial instruments

The Society recognizes its financial instruments when the Society becomes party to the contractual provisions of the financial instrument. Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market (i.e. marketable securities) are subsequently recorded at fair value. All other financial instruments are recorded at cost or amortized cost, unless management has elected to record at fair value. The Society has not elected to carry any such financial instruments at fair value.

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 the 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 the reversal occurs.

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements

December 31, 2021, with comparative information for 2020

2. Significant accounting policies (continued)

h) Capital assets

Capital assets are recorded at cost. Donated capital assets are recorded at fair market value at the date of contribution. Amortization is reported in the Capital Fund and is recorded using the straight-line method at the following annual rates, intended to recognize the cost of the assets over their expected useful lives. In the year of acquisition, amortization is taken at one-half the standard rates:

Buildings and landscaping	-	5% - 10%
Equipment and furniture	-	20%
Automotive equipment	-	15%

Assets under construction

Assets under construction is comprised of progress billings in relation to the Society's facility enhancement project, which commenced in 2020. No amortization is recorded on these assets until they become available for use. In late 2021, \$7,210,252 (2020 - \$nil) from the facility enhancement project became available for use.

Impairment

Capital assets are tested for impairment whenever events or changes in circumstances indicate that an asset can no longer be used as originally expected and its carrying amount may not be fully recoverable. When a capital asset no longer contributes to the Society's ability to provide services, its carrying amount is written down to its fair value or replacement cost. Impairment losses are not reversed if the asset's fair value increases subsequently.

i) Revenue recognition

Restricted contributions related to general operations are recognized as revenue of the General Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund in the year received or receivable, or if no restricted fund exists, they are recognized in the General Operating Fund using the deferral method of accounting.

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

Programs and services and fee for service revenue are recognized when the related service is provided.

Investment income includes dividends and interest income, and realized investment gains and losses, which is recognized as revenue of the General Operating Fund when earned.

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements

December 31, 2021, with comparative information for 2020

2. Significant accounting policies (continued)

j) Donated services and materials

Donated services and materials are recorded in the financial statements at fair market value when fair market value can be reasonably estimated and when these items would have otherwise been purchased. The Society's programs benefit from substantial services in the form of volunteer time, which is not recorded in the Society's financial instruments because of the difficulty in determining fair value.

k) Foreign exchange

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and liabilities reflect the exchange rates at the statement of financial position date. Gains and losses on translation or settlement are included in the determination of excess of revenues over expenses in the statement of revenue and expenses and changes in fund balances for the current period.

l) Income taxes

The Society is registered as a charitable organization under the Income Tax Act (the "Act") and as such is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Society must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

m) Use of estimates

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

During the first quarter of 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had significant negative financial, market and social impacts which have continued into 2021.

The Society has noted a number of indicators of financial implications and has undertaken actions in relation to the COVID-19 pandemic. These indicators and actions include:

- The Society's partially reopened to the public during the latter half of 2021 and subsequent to that, operated under the Restrictions Exemption Program due to recommendations and mandates issued by the City of Calgary and the Government of Alberta in response to the global COVID-19 pandemic;

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements

December 31, 2021, with comparative information for 2020

2. Significant accounting policies (continued)

m) Use of estimates (continued)

- The Society experienced a reduction in operating revenue during this time;
- Essential services required for business continuity have been maintained, and the Society took steps to reduce operating expenses during the closure; and
- Extreme market volatility has been experienced which could result in a decline in the fair value of investments and investment income.

At this time these factors present uncertainty over future cash flows, may cause significant changes to the Society's assets or liabilities and may have a significant impact on future operations. As a result, the Board of Directors released the restriction of \$nil from the Emergency Fund to allow it to be utilized during these uncertain times (2020 - \$1,721,550).

3. Short-term investments

	2021	2020
Guaranteed investment certificate – maturity date January 11, 2021 with an annual interest rate of 0.75%	\$ -	\$ 750,000
Guaranteed investment certificate – maturity date August 9, 2021 with an annual interest rate of 0.95%	-	800,000
	\$ -	\$ 1,550,000

4. Government remittances and subsidies

At December 31, 2021, the Society had government remittances recoverable of \$80,480 (2020 - \$31,203) and government remittances payable of \$nil (2020 - \$nil).

The Government of Canada created a program called the Canada Emergency Wage Subsidy ("CEWS") to provide wage assistance to organizations who experienced a drop in revenues resulting from the COVID-19 outbreak. During the year, the Society met the eligibility requirements and received \$644,183 (2020 - \$948,326). The Society accrued an additional \$nil (2020 - \$87,336) for future CEWS applications relating to the subsequent year. While eligibility and subsidy amounts may be subject to audit by the Canada Revenue Agency, the Society is confident in respect to its entitlement to the subsidy payments received throughout the year. The entire amount has been recognized as a reduction to wages and benefits on the statement of revenues and expenses and changes in fund balances for the year ended December 31, 2021.

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements

December 31, 2021, with comparative information for 2020

5. Inventory

The cost of inventory recognized as an operating expense for the year ended December 31, 2021 amounted to \$109,449 (2020 - \$104,827).

6. Marketable securities

Marketable securities are recorded at fair market value. Market values are obtained from fund managers. Marketable securities comprise investments in Canadian and foreign equities and mutual funds. At December 31, 2021 the cost of the investments was \$13,102,513 (2020 - \$11,842,315).

7. Capital assets

	2021		
	Cost	Accumulated Amortization	Net Book Value
Buildings and landscaping	\$17,054,166	\$ 7,605,185	\$9,448,981
Assets under construction	1,040,900	-	1,040,900
Land	1,550,000	-	1,550,000
Equipment and furniture	1,737,675	1,175,452	562,223
Automotive equipment	380,550	259,703	120,847
	\$21,763,291	\$9,040,340	\$12,722,951
	2020		
	Cost	Accumulated Amortization	Net Book Value
Buildings and landscaping	\$ 9,835,022	\$ 6,933,972	\$ 2,901,050
Assets under construction	800,723	-	800,723
Land	1,550,000	-	1,550,000
Equipment and furniture	1,357,756	1,011,836	345,920
Automotive equipment	357,016	216,683	140,333
	\$ 13,900,517	\$ 8,162,491	\$ 5,738,026

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements

December 31, 2021, with comparative information for 2020

8. Deferred revenue

	2021	2020
Gift cards	\$ 8,760	\$ 8,470
Behaviour classes and seminars	4,953	3,434
Humane Education programs	4,027	-
	\$ 17,740	\$ 11,904

9. Unrestricted fund balances

	2021	2020
Balance, beginning of year	\$3,397,684	\$ 2,622,226
(Deficiency) excess of revenues over expenses	(106,629)	1,631,485
Transfer from Restricted Fund	3,537	5,261
Transfer (to) from Emergency Fund	(302,000)	246,094
Transfer to Capital Fund	(15,000)	(1,418,683)
Transfer from Cremation Asset Sale Fund	375,000	425,000
Transfer to internally restricted fund	(195,172)	(117,405)
Transfer from externally restricted fund	-	3,706
Balance, end of year	\$ 3,157,420	\$ 3,397,684

10. Restricted for endowment purposes

The amount restricted for endowment purposes is a bequest from Gordon Wright, which has externally imposed restrictions that the resources be maintained in perpetuity by the Society.

11. Restricted funds

a) Externally restricted funds

Expenses from the restricted funds are restricted by the terms of the respective donations and are required to be used as follows:

Joan & Phoebe Snyder Fund - Restricted for the Humane Education department to subsidize fees for field trips and presentations for schools.

Protections Fund – Restricted in use for the Protections department.

Benny's Fund - Restricted in use to subsidize the cost of fostering and training for animals requiring long-term care and socialization.

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements

December 31, 2021, with comparative information for 2020

11. Restricted funds (continued)

a) Externally restricted funds (continued)

Animal Health Fund - Restricted in use for the Animal Health department.

Pet Safekeeping Fund – Restricted in use to cover animal care and health costs for individuals utilizing the Pet Safekeeping program.

Humane Education Virtual Learning Fund – Restricted in use for the development of virtual Humane Education programs.

Camp Subsidies Fund - Restricted in use to subsidize fees for children to attend Humane Education summer and winter day camps and clubs.

Alberta Liquor and Gaming Fund - Restricted in use as per gaming licenses.

	2021		2020
Joan & Phoebe Snyder Education Fund	\$44,031	\$	46,493
Protections Fund	4,832		7,837
Benny's Fund	2,458		9,255
Animal Health Fund	2,144		11,048
Pet Safekeeping Fund	1,443		1,029
Humane Education - Virtual Learning Fund	1,010		-
Camp Subsidies Fund	608		608
Alberta Liquor & Gaming Fund	44		44
	\$56,570	\$	76,314

During the year, \$3,537 (2020 - \$5,261) was transferred from restricted funds to unrestricted funds and \$nil (2020 - \$3,706) was transferred from unrestricted to restricted funds within the General Operating Fund. In 2021, \$195,172 (2020 - \$117,405) was transferred from unrestricted funds of the General Operating Fund to restricted funds of the Restricted Fund.

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements

December 31, 2021, with comparative information for 2020

11. Restricted funds (continued)

b) Internally restricted funds

These amounts are internally restricted by the Board to be held for the following purposes:

	2021		2020
Estate of Dr. Bernard Lundberg	\$6,909,466	\$	6,909,466
Emergency Fund	1,777,457		1,475,456
Cremation Asset Sale Fund	800,000		1,175,000
Protections Fund	100,000		100,000
Phoenix Fund	100,000		100,000
Capital Fund	1,671,319		7,871,039
	\$11,358,242	\$	17,630,961

In 2021, the Board of Directors transferred \$302,000 (2020 - \$nil) from the General Operating Fund to the internally restricted Emergency Fund. The Emergency Fund is intended to finance the Society for three months of operations.

In 2021, the Board of Directors transferred \$126,682 (2020 - \$70,437) from unrestricted funds to the Phoenix Fund, to be used for clinic fees for animals requiring extensive medical work. In 2021, the Board of Directors transferred \$68,490 (2020 - \$46,968) from unrestricted funds to the Protections Fund, to be used for medical costs and supplies for the intake of animals brought into the shelter from seizure and neglect cases.

In 2021, \$15,000 (2020 - \$nil) was transferred from unrestricted funds to the Capital Fund for 2020 operating donations made to the Society where the donor decided in 2021 to allocate the donation to the "For Them" capital campaign.

During 2019, the Board of Directors transferred \$1,600,000 from the sale of the Cremation Assets from the Capital Fund to the General Operating Fund to be restricted in use to sustain the Society's operating budget from lost revenue over a five-year period. In 2021, \$375,000 (2020 - \$425,000) was used to sustain operating costs from this fund.

An architectural assessment has been performed on the current facility and the Society has approved a \$14,320,000 facility enhancement project, a portion of which will be funded through Capital Fund reserves, with the remainder funded through the "For Them" capital campaign. The project commenced in 2019 and construction started in 2020, with expected completion in 2022. Refer to Note 2h) for the portion that has become eligible for use in 2021. In 2021, the Society capitalized \$106,366 (2020 - \$49,277) in Wages & Benefits to the Capital Campaign. This project will improve the overall sheltering and wellbeing of animals in the Society's care.

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements

December 31, 2021, with comparative information for 2020

11. Restricted funds (continued)

b) Internally restricted funds

In March 2008, the Board of Directors approved a motion to internally restrict all funds received and expected to be received from the Estate of Dr. Bernard Lundberg for the purpose of achieving the strategic goals of the Society.

12. Fundraising expenses

As required under the Charitable Fund-raising Act of Alberta, the Society reports that \$365,034 was paid as remuneration to employees primarily responsible for fundraising for the year ended December 31, 2021 (2020 - \$331,812).

13. Financial instruments

The Society, as part of its operations, carries a number of financial instruments. It is management's opinion that the Society is not exposed to significant liquidity risk, interest rate risk, currency risk, market risk, or credit risks arising from these financial instruments except as otherwise disclosed.

Liquidity risk

Liquidity risk is the risk that the Society will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Society manages liquidity risk by monitoring its operating requirements. The Society prepares budgets and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to risk exposure from 2020 other than the potential impacts of COVID-19 as disclosed in note 2(m).

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with certain financial assets, known as cash flow risk, and on the fair value of certain financial assets, known as price risk.

Credit risk

Credit risk is the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Society is exposed to credit risk with respect to its cash and investments, which are deposited with Canadian commercial banks and investment managers, and with its accounts receivable and holdback receivable balances. The Society had \$nil (2020 - \$nil) balance in allowance for doubtful accounts at December 31, 2021.

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements

December 31, 2021, with comparative information for 2020

13. Financial instruments (continued)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. In seeking to manage the risks for foreign exchange rate fluctuations, the Society closely follows exchange rates and management monitors investment performance monthly.

The Society enters into investment transactions denominated in foreign currencies for which the related revenue, expenses, cash and marketable securities balances are subject to exchange rate fluctuations.

Market risk

The Society's equity investments are subject to market risk, which includes price risk arising from market volatility and the risk of loss of capital associated with those investments.

14. Subsequent Events

Long Term Debt

Subsequent to year end, the Society signed an agreement with a financial institution for a credit facility up to a maximum of \$5,000,000. All amounts obtained under this facility are intended to assist with capital expenditures for the facility enhancement project (Note 2(h)). This facility is due on demand, bearing interest at the bank's prime lending rate plus 0.25% per annum and payable monthly in arrears. This facility is secured by a first charge on the property of the Society. There are no corresponding financial covenants with this loan.

Further, this agreement contains a Mastercard facility up to a maximum of \$22,500. Interest and repayment terms are in accordance with the Mastercard account agreement. This facility is secured by receipt of deposit instruments in the amount of \$23,113.

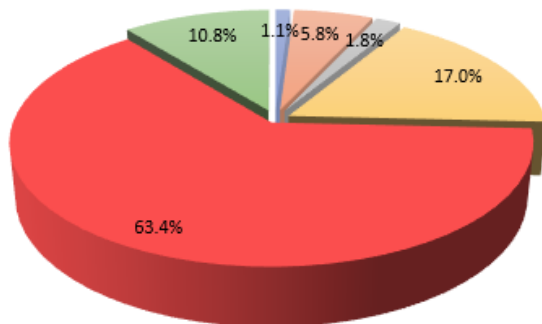
**Calgary Humane Society for Prevention of Cruelty to Animals
Summary of Revenue and Expense by Program
December 31, 2021**

Summary of Revenue by Program:

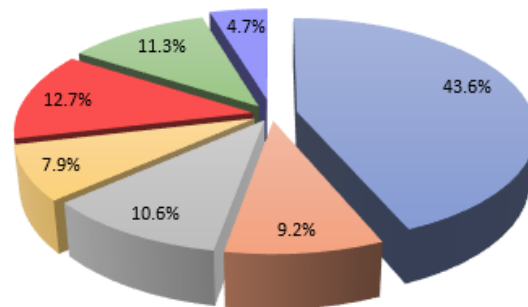
Animal Care & Comfort	84,622	1.1%
Animal Adoptions	461,775	5.8%
Community Outreach	144,097	1.8%
Investment Income	1,346,629	17.0%
Fund Development	5,013,919	63.4%
Bequests	855,265	10.8%
	<u>7,906,308</u>	<u>100.0%</u>
Loss on Disposal of Capital Assets	2,500	
	<u><u>7,908,808</u></u>	

Summary of Expense by Program:

Animal Care & Comfort	2,870,707	43.6%
Animal Adoptions	603,096	9.2%
Animal Investigation & Protection	700,201	10.6%
Community Outreach	518,900	7.9%
Fundraising	837,243	12.7%
Administrative Facility & Enhancement Costs	742,284	11.3%
	<u>306,331</u>	<u>4.7%</u>
	<u>6,578,761</u>	<u>100.0%</u>
Amortization	877,849	
	<u><u>7,456,610</u></u>	



- Animal Care & Comfort
- Animal Adoptions
- Community Outreach
- Investment Income
- Fund Development
- Bequests



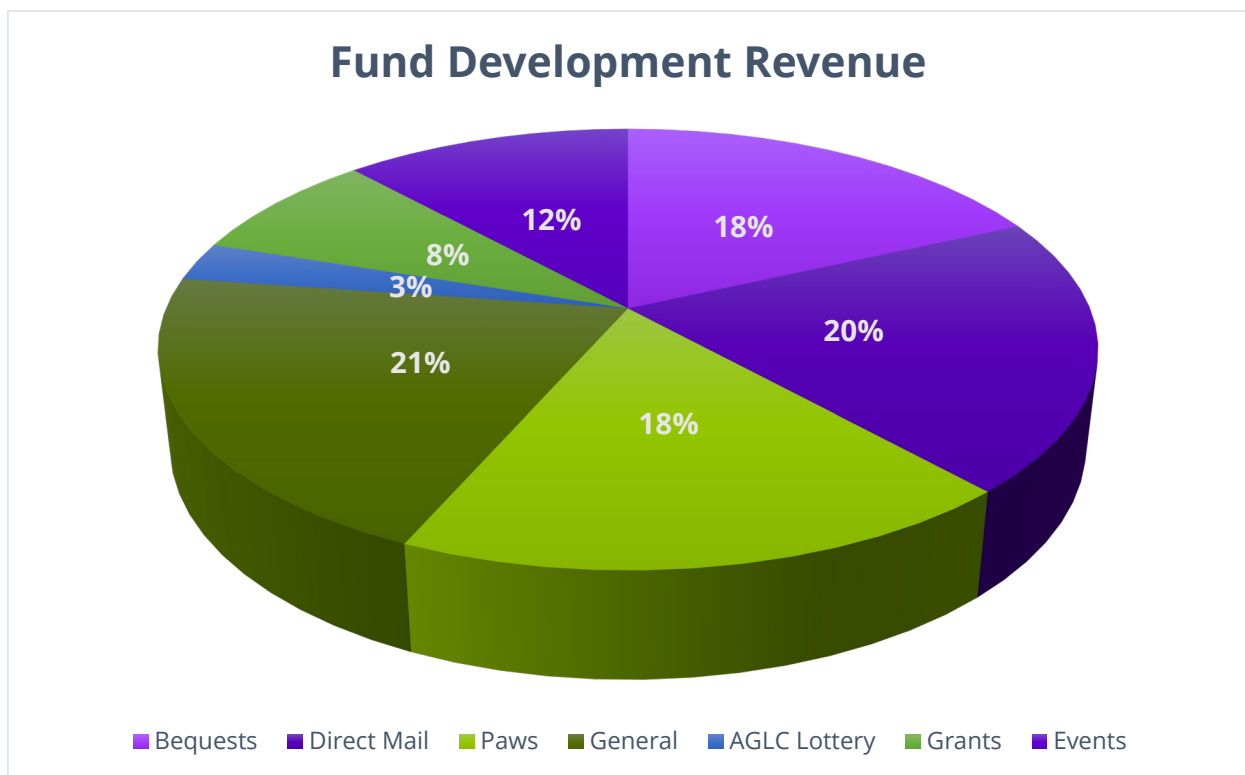
- Animal Care & Comfort
- Animal Adoptions
- Animal Investigation & Protection
- Community Outreach
- Fundraising
- Administrative Facility & Enhancement Costs
- Amortization

FUND DEVELOPMENT REVENUE

Calgary Humane Society relies heavily on the Calgary community for donations to support our ongoing operations. Typically donation revenue and estate gifts contribute approximately two thirds of the annual revenue required to support the Society's operations. In 2021, Fund Development efforts raised a total of \$5.87M. Of this amount, approximately \$3.9M was raised for general operations and close to \$2M was raised for the building project.

In comparison to the prior year, PAWS, Direct Mail, General Giving and our Events performed slightly better than the previous year. However Estates and Grants fell behind the previous year.

Bequests	Direct Mail	Paws	General	AGLC Lottery	Grants	Events
\$705,265	\$780,313	\$709,492	\$803,538	\$109,465	\$314,462	\$457,458



THANK YOU FOR YOUR SUPPORT!

Calgary Humane Society
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Calgary, AB T2C 2T7
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www.calgaryhumane.ca

Calgary Humane Society is a non-profit, charitable organization.
Charitable Registration #118823632 RR0001

