



Calgary *Humane* Society®
Connecting Lives

ANNUAL REPORT 2019

A MESSAGE FROM OUR BOARD CHAIR, MIRIAM CAREY



As I write this, the entire world is confronting the COVID-19 pandemic. I can only imagine what this means for you and your loved ones, but for the team at Calgary Humane Society, it has been the source of executing strategic decisions, planned well in advance, for dealing with emergencies. Animals have been moved from the shelter into foster or forever homes at an incredible rate. The shelter has been closed to the public for several weeks, yet remote adoptions and foster arrangements continue to be managed, safely and securely, by our dedicated staff. Many of our staff have lost their positions temporarily as we work to keep the organization fiscally well. Those who remain working are also trying to maintain their own physical and mental wellness. The sacrifices and distress associated with these necessary and painful decisions cannot be measured. I stand back in absolute awe.

With profound gratitude and on behalf of the entire Board of Directors of Calgary Humane Society, I wish to thank all our volunteers, staff, donors, and supporters for all you have contributed, and continue to contribute, to our organization, the mission of which speaks to us all.

I have said it before, and I will say it again.

- **being with animals makes us better people**

- o They teach us to enjoy every moment, ask for what we need, offer what we can, and love each other and life!

- **being with people who work with animals makes us better people**

- o They teach us to be compassionate, not only with animals but with ourselves and with others, and lead us into our best expression of what it is to be human.

This is my final year as the Board Chair of Calgary Humane Society. As I move into the Past Chair role, I would like to express my profound thanks for the companionship and assistance of my fellow Directors. I would also like to express my confidence that, no matter what challenges face us, our incredible CHS family will meet those challenges and continue to provide compassionate service and dedicated leadership in animal welfare within our community and beyond.

We will have much to celebrate in 2022, not only our Centennial, but our triumph in the face of the adversity caused by this current crisis. Meanwhile, I invite you to join with me celebrating our current successes as we navigate this new terrain together.

A handwritten signature of Miriam Carey in black ink.

Miriam Carey, PhD.
Chair of the Board of Directors

BOARD OF DIRECTORS

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A MESSAGE FROM OUR EXECUTIVE DIRECTOR, CARRIE FRITZ



It is difficult to reflect on the past year when we are currently focused on the COVID-19 situation and navigating our way through these challenges. Calgary Humane Society today looks very different than it did a month ago. However, we continue to care for the animals who need us with a greatly reduced staff and with the utmost attention to the safety of our team.

In 2019, the CHS team concentrated on achieving the goals outlined in the strategic plan approved in the prior year. It was an aggressive plan, but I am so proud of the progress made in all four areas of focus. In the area of “Animal Welfare” it was incredible to see the creativity and innovation as we found unique and fun ways to better care for the animals, ensuring we were meeting the five freedoms of animal welfare to the greatest extent possible. The team took on some large projects with the energy and determination needed to succeed. This included the construction of *Gracie’s Place* and the *Peach Pit*, the creation of an enrichment program for all species; and the development of the volunteer and foster programs to ensure we had the support required to implement these programs. We also made continual progress with the building renovation project, which is very close to the construction phase.

The team at Calgary Humane Society identified an important goal for 2019 was to improve engagement with all key stakeholder groups. We wanted to ensure everyone knew how important their contribution was to the continued success of the organization and because of these efforts we:

- Increased the number of volunteers who actively spent time at the shelter on a regular basis.
- Increased the number of foster families who brought our animals into their homes for extra care and attention.
- Increased community fund raising, which included our PAWS program and participation in our annual events.

Every year as I reflect on the year that has passed, I continue to be in awe of the work that goes on at Calgary Humane Society. The professionalism of the team, their commitment to the mission, and the shared passion to be leaders in animal welfare to ensure we meet our goals is truly inspiring. Every challenge encountered in 2019 was met head on. This is why I am confident the team will take on this latest challenge and come out stronger and better able to meet the needs of our community.

However, this is only possible because of our donors, volunteers, foster families, and everyone who engaged with CHS over 2019. I extend my sincere appreciation to all who supported, and continue to support, the Society. I know I speak for all staff when I say **THANK YOU!** Please know how grateful we are for each of you. You are the reason we get to continue with this very important work of helping as many animals as we can.

All the best,

A handwritten signature in black ink, appearing to read 'CFritz'.

Carrie Fritz
Executive Director

Remembering

DR. DREW VAN NIEKERK

Dr. Drew Van Niekerk began working as a veterinarian in Calgary in 1992. He practiced out of *Calgary North Veterinary Hospital* and very quickly gained the respect and admiration of the pet-owning community in Calgary. His veterinary style was revolutionary. He showed great compassion to the animals he cared for and would often get down on the floor with them to put them at ease. While they did not always appreciate the examination, they seemed to trust his intent and soothing nature. He had a way of making them comfortable in the most stressful of situations, which was why Calgary Humane Society was so incredibly fortunate when Drew accepted a position on the Board of Directors in 1996.

Drew brought much-needed expertise to the Society and was instrumental as the head of our *Animal Care Committee*. At this time, CHS was admitting more than 10,000 animals per year! Drew helped the team develop a comprehensive plan for housing animals in a safe manner, providing much of the research needed to manage infectious outbreaks and to minimize the challenges of housing animals in close quarters. His direction and counsel forever changed the manner in which we cared for animals and the knowledge he shared aided in the design development for our current facility.

Drew not only had a gift with animals, he also had a wonderful way of drawing people into a conversation. He was a bridge between multiple interest groups and encouraged CHS to look beyond its traditional alliances to collaborate with different groups. It was because of the strong relationships he built, and the friends he made, that CHS was the recipient of a very generous estate gift. This gift will allow us to renovate and enhance our current building in time for our centennial birthday in 2022 and we will, once again, be relying on Drew's expertise and insight that he left with us to design a space that will allow us to help more animals.

Drew was truly visionary. He consistently met our copious challenges with a nuanced and balanced approach. He applied this reasoning in every facet of his advocacy work. Nobody else had his expertise, willingness to help, or such a delightful sense of humour. His 22 year tenure as a Board Member, mentor, advocate, supporter and friend is unparalleled in the 98-year history of our organization.

The entire CHS family, including all the animals he helped care for and the ones he took home and made a part of his own family, miss him dearly and always will. We say thank you to Dr. Drew. We will forever be grateful for the time that you spent with us.





5 ANIMAL FREEDOMS

Since its inception, Calgary Humane Society has dedicated itself to being a leader in animal welfare and, in doing so, has positively impacted hundreds of thousands of lives. Every day, the team at Calgary Humane Society strives to achieve the dream of living in a community where the importance of animals in our day-to-day lives is understood and appreciated, where all animals are valued, humanely treated, and live enriched lives. We do this through the educational programs, outreach initiatives, and support services we offer to the citizens of Calgary.

We will continue to promote responsible pet ownership and compassion for animals and will focus our energies on providing the highest standard of care possible to ensure all five freedoms are met for each and every animal who enters our facility. These freedoms are fundamental to the overall mental and physical health of an animal and include:

- 1. Freedom from hunger and thirst**
- 2. Freedom from pain, injury, and disease**
- 3. Freedom from discomfort**
- 4. Freedom from distress**
- 5. Freedom to express normal behavior**

ANIMAL ADMISSIONS

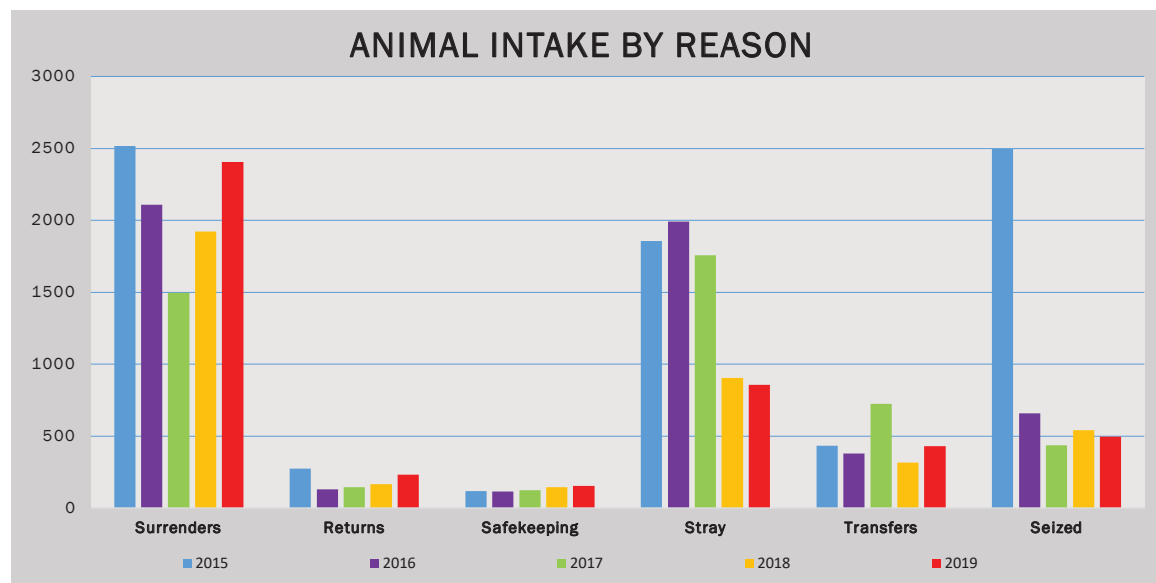
Calgary Humane Society is an “open admission” facility, which means we never turn an animal away. In 2019, Calgary Humane Society admitted 4,573 animals which was an increase of 582 animals over the prior year. The top reasons for admission were owner-surrendered animals followed by stray animals, and finally, animals seized for neglect or abuse.

In 2019, there was a change to the *Veterinary Professions Act*, introduced by the *Alberta Veterinary Medical Association (ABVMA)*. All veterinarians working in the province of Alberta are now required to report any suspected cases of abuse or neglect. The team at Calgary Humane Society was happy to see this change implemented, and as we suspected, this led to an increase in intakes for 2019.

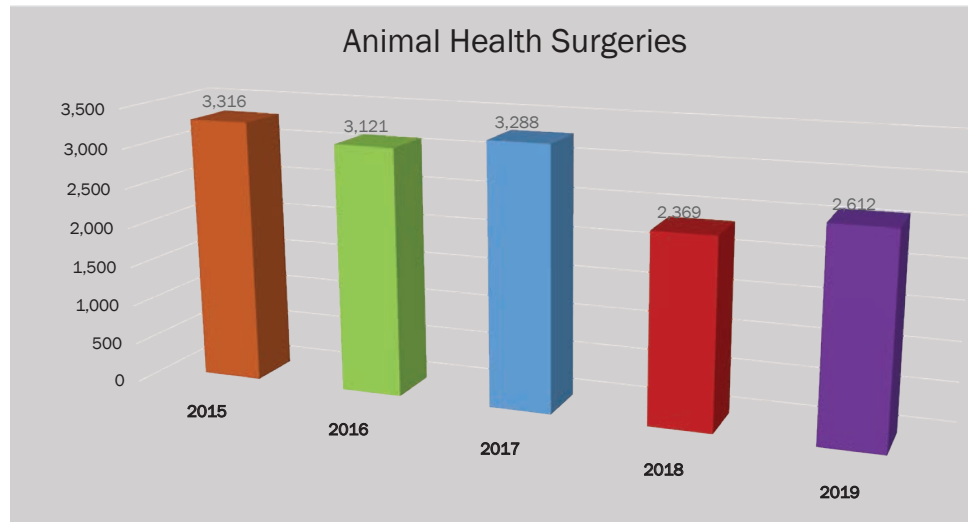
One animal who benefitted from the reporting requirement was Olivia, a cat who was taken to a vet clinic by her owner in April 2019 because of a broken leg. The owner refused treatment so the veterinarian reported this case to Calgary Humane Society. Olivia was seized for medical neglect, along with ten other animals in the home suffering varying levels of neglect. Once in our care, Olivia had surgery to amputate her damaged leg, recovered in a foster home, and was ultimately adopted. The previous owner was charged and convicted under the Animal Protection Act.



Our Animal Admissions team continued to operate programs that set Calgary Humane Society apart from other animal organizations in our community. This includes our *Pet Safekeeping* program for individuals who are fleeing domestic violence, and our *Emergency Boarding* program which offers individuals experiencing crisis the peace of mind that their animal is being cared for while they are dealing with life’s unexpected situations. Often during times of economic uncertainty, we see an increase in utilization of these programs. **In 2019, a record number of animals were admitted to Calgary Humane Society under these programs** outside of 2013 during Calgary’s flood.



The Animal Health team is primarily responsible for ensuring every animal is free from pain, injury, and disease. It is an incredible responsibility and one that requires skill and compassion. The team performed 2,612 surgical procedures in 2019, which is an **increase from the prior year by 243 surgeries**. This is remarkable as the team had one fewer veterinarian on staff in 2019 versus 2018.



The continuing economic downturn in Calgary has been a contributing factor in many medical cases. When pet owners struggle financially, required veterinary care is often deferred or eliminated. Sometimes animals have been suffering for some time before arriving at Calgary Humane Society. The silver lining to dealing with such severe medical neglect is seeing the change in quality of life and personality of an animal after receiving the medical care they needed.

Our Animal Health team conduct consultations, complete surgeries, and provide follow-up care for all shelter animals admitted. They ensure that each animal is relieved of pain and suffering by providing the medical treatment they need to live a full and happy life.



Animal Health faced more complex medical cases in 2019 than in previous years. Many cases involved issues such as internal foreign objects and severe fractures that are expensive to treat and involve time and resources to rehabilitate. One of the most medically intensive cases that the team successfully treated in 2019 was Teddy.

Teddy was a cat who was rushed to Calgary Humane Society after being found by someone on their balcony. It was later discovered that Teddy had fallen from six floors above and had been missing for two days. He suffered from two broken legs, a broken jaw, and several facial fractures. Emergency surgery was performed on Teddy and his long road to recovery began. Teddy had to be tube-fed for several weeks and Animal Health ensured that his pain was being managed while he recovered. Teddy is now in his forever home thanks to the Animal Health team.



ANIMAL CARE

The Animal Care department is known as the unsung heroes of an animal's journey at Calgary Humane Society. They are with an animal from the first moment they arrive at the shelter to the last moments before they move in with their new family.

The Animal Care team strives to meet each of the five freedoms for every single animal in our shelter. This team sets a very high standard and excels at ensuring each animal is free from hunger and thirst, free from discomfort, and works with our Health team to ensure they are free from pain, injury and disease. It is not always possible in a shelter setting to ensure an animal is not distressed and is able to express normal behaviour, however our Animal Care team is incredibly innovative and have developed some unique methods for minimizing distress and allowing animals extra time to express their normal behaviour.



One such initiative was the construction of our new *Peach Pit*. This is a fenced outdoor run and play area built by a group of amazing volunteers. This space was designed to allow dogs in our Holding area to get outside and play, while still being safely separated from the animals in Adoptions. The Animal Care team were thrilled to have this additional space to take active dogs, especially ones that were involved in a protection investigation. It offered a safe space for both the staff member and the dog.

Another important change made in 2019 to Animal Care's daily responsibilities was the creation of different volunteer roles, all designed with the purpose of providing a greater level of enrichment for the animals. These volunteers, who we affectionately call *Bunny Huggers*, *Feline Friends*, and *Litter Mates*, now work alongside our Animal Care staff to ensure every animal gets the love and attention they need. This has helped reduce stress levels and leads to better quality of life for the animal while in shelter.

One of Animal Care's biggest challenges in 2019 was the increase in complex medical cases, leading to extended stays in shelter for a number of animals. The emotional toll of humane euthanasia on Animal Care staff is high. This team spends the most time with the animals in our care and builds strong bonds while they are with us. By meeting physical and emotional needs for the animals, their own needs can sometimes suffer when an outcome is not positive. For this reason, Calgary Humane Society was proactive in **ensuring that all staff have access to mental health support** through our healthcare provider and instituted new mental health initiatives to help team members balance work and life and manage the emotional burden that exists when working in the animal welfare sector.



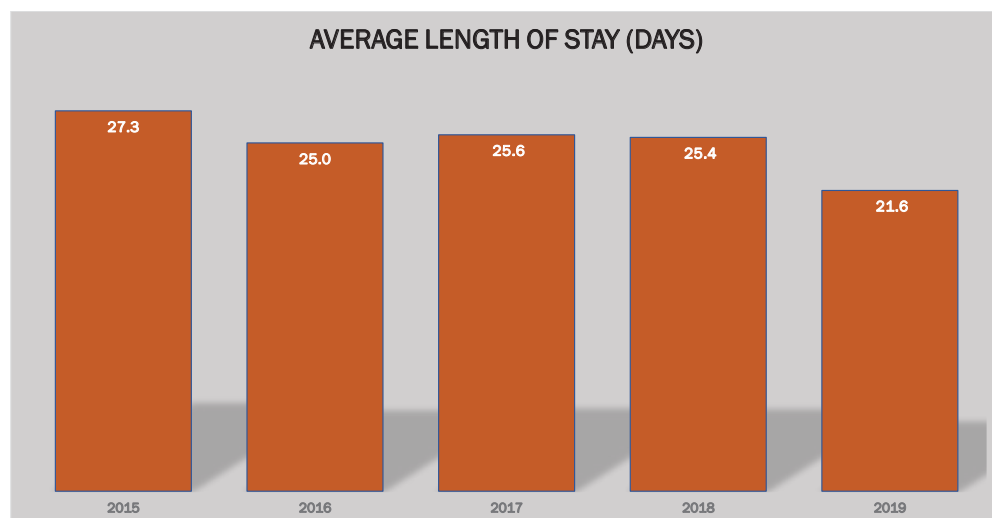
Of the five freedoms, the ability to express normal behaviour and freedom from distress are the most challenging for Calgary Humane Society to meet in a shelter environment. In 2019, our Behaviour staff were tasked with developing and implementing strategies to meet these needs.

The Behaviour team realized that all species could benefit from an *enrichment program*. A number of plans for all shelter animals were created and Behaviour collaborated with Animal Care so some of this work could be done during cleaning and feeding. Volunteer also supported this initiative by recruiting enrichment volunteers. Not only did the Behaviour team work with animals in shelter, they also offered training plans for animals in foster homes. By the end of 2019, the Behaviour team was facilitating **15 times more enrichment activities for animals in shelter** compared to the start of the year. This resulted in a better quality of life for all animals in and out of the shelter.

Calgary Humane Society saw an increase in the number of dogs admitted with complex behavioural concerns in 2019. **The Behaviour team performed 87 more assessments** on shelter dogs than in 2018 and devised 152 more individualized training plans for

shelter animals. We are proud that every adoptable animal gets the opportunity to find their new family and the Behaviour team goes above and beyond for so many of the dogs in our care. This includes animals like Denny.

Denny spent the majority of his life tied up in a yard. He had developed extreme reactivity to new people and situations due to always being on the defensive when he was tethered. The Behaviour team worked to help Denny trust people enough to relax in new situations and when strangers approached. His foster family and the Behaviour team worked tirelessly with Denny for four months to increase his confidence. Although Denny's time in shelter was quite long, the enrichment strategies of the Behaviour team have actually resulted in a shortened length of stay overall for our animals, proving that a happier animal is a more adoptable animal.



FOSTER

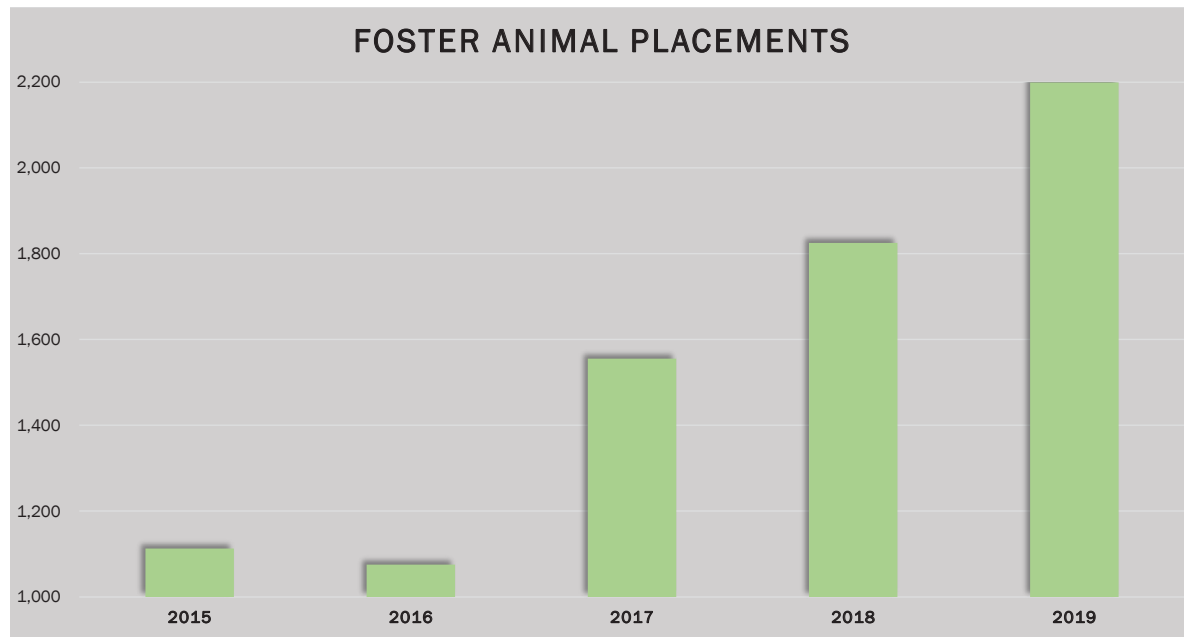
A strong and robust Foster Program is critical for Calgary Humane Society in order to better manage animals who have higher needs and may be with us for a longer period. Our goal for animals is to keep their time in our shelter to a minimum. If it exceeds past ten days, we start to look for an alternative placement outside the shelter so we can continue to meet the five freedoms for the animal. This typically means a foster placement.

In 2019, the Foster department reached and exceeded their goal of over 2,000 foster placements and placed 2,199 animals in foster homes. This success is attributed to a number of different factors:

- The Foster department added an additional employee to their team, which led to more efficient placements and greater support for foster families.
- The team aligned more closely with the Admissions team, which allowed the two teams to better support one another and share information.
- New procedures were developed and implemented for the on-boarding of foster families, which included an improved orientation and training session.

The team also created new programs for our vulnerable animals, which ensured they had a foster home arranged before arriving at the shelter. Designed primarily for kittens, it was discovered to work equally well for puppies and bunnies and they were often placed into a foster home within hours of being admitted.

FOSTER ANIMAL PLACEMENTS



A *Behaviour Foster program* was also developed in 2019 by the Team Leads of the Behaviour and Foster departments. The goal of the program is to identify dogs with behaviour challenges, or those declining in shelter, and place them with an experienced foster home. A training plan is developed and implemented for each foster home to help set the animals and their temporary families up for success. This provided the teams with better information that could be relayed to potential adopters on how these behaviourally-challenged dogs could be supported on an ongoing basis.

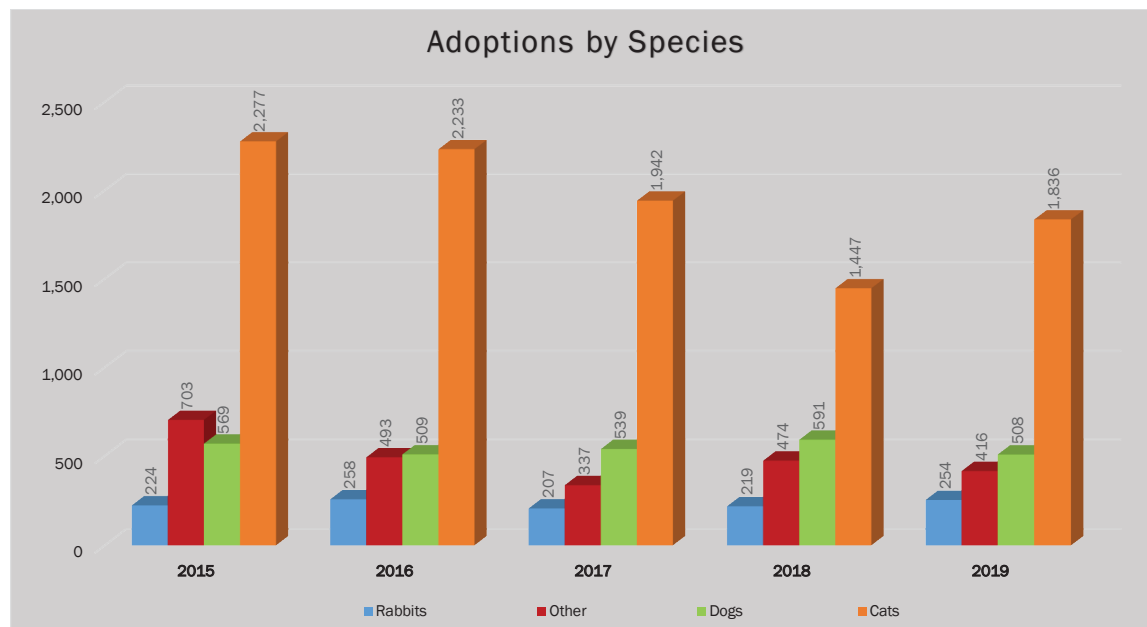
Calgary Humane Society is incredibly fortunate to have such a well-rounded foster program, with committed foster parents who often do the lion's share of the work for their foster animals. The team understands that all animals are unique and that the individualized support a foster parent provides reflects this. Foster homes have a huge impact on an animal's well-being; it improves their animal's quality of life through the attention and enrichment they receive. Calgary Humane Society would not have nearly as many success stories without our amazing foster families.

Calgary Humane Society saw an increase in adoptions in 2019, from 2,731 in the prior year to 3,014, which was expected given the increase in animal intake. What was unexpected was the early start to kitten season, which typically occurs in the late spring. In 2019, kitten season started early for Calgary Humane Society in February.

To support the Adoptions team, the Volunteer department recruited a number of new Adoption Assistants. These volunteers help with processing adoptions and provide enrichment for the animals. Volunteers also created panels for our *Kitty Kabins* and *Feline Flats* so our cats could have a bit more privacy. In a home environment, cats often like to curl up in a quiet spot. These panels allow our cats to perform this normal cat behavior and as a result, our cats were less stressed. They also helped brighten up the Adoptions area.

Calgary Humane Society held a *Clear the Shelter* adoption event from July 2nd to 7th, in preparation for the construction of our new lifestyle rooms, *Gracie's Place*. **113 animals found homes** and this helped us move animals out of the shelter before demolition began. The addition of Gracie's Place was a highlight for Adoptions in 2019 as it allows animals to experience a home environment within the shelter. This reduces stress and allows adopters to interact with animals in a more interactive area. These rooms also offer an indoor space for dogs to meet their potential adopters on days where it is too cold or wet for outdoor introductions.

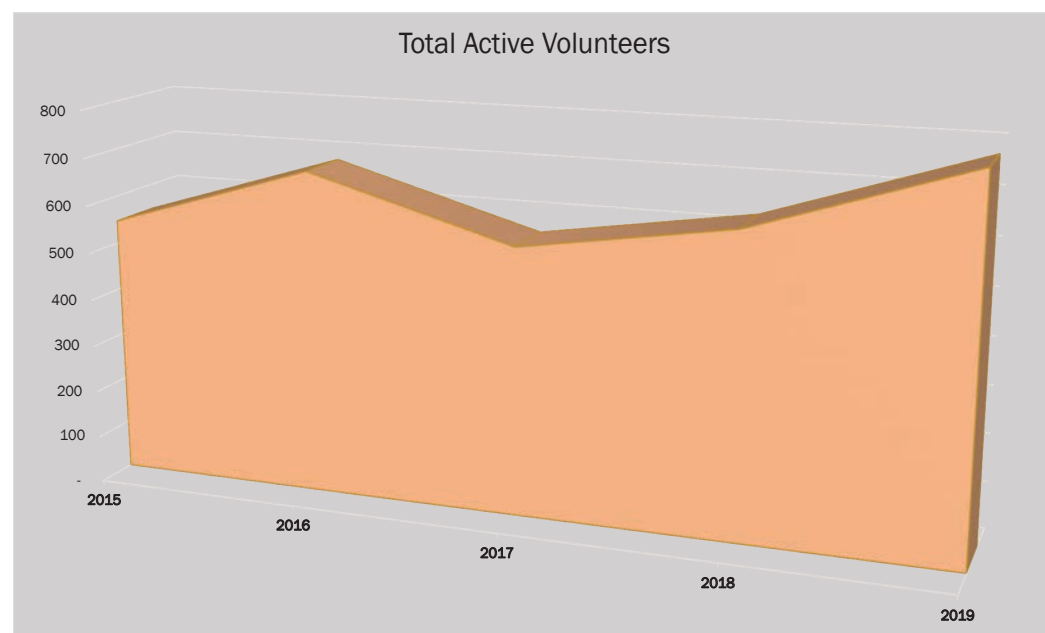
In 2019, Adoptions worked to streamline the adoption process so animals were able to go home as quickly as possible. They eliminated dog-to-dog introductions for puppy adoptions, and instead the team offered adopters resources to help manage energetic puppy behaviour. Behaviour classes were no longer considered mandatory for most dog adoptions. Instead, one-on-one consultations were included for some animals to help each dog get off to a successful start in their new home. These improvements to the adoption process were partially responsible for **283 more animals finding homes in 2019 than in 2018**.



VOLUNTEER

The Volunteer Department had a very busy 2019 with increases in new volunteers, returning volunteers, and an increase in volunteer service hours. Historically, the Volunteer and Foster Department served as one team but the two were separated last year to allow both teams the ability to focus on expanding programs and developing new volunteer opportunities

With the ambitious goal of doubling the Calgary Humane Society volunteer base over a two-year period, the Volunteer team changed their approach to increasing recruitment and strengthened the interview and orientation processes. There was also an emphasis on *volunteer engagement*, so mechanisms were put into place that gave staff the opportunity to get to know volunteers on a personal level, to acknowledge the contributions these individuals were making to the organization, and to say thank you. These efforts had a positive impact on retention rates and helped to build and maintain a highly skilled, dedicated volunteer base. Calgary Humane Society had 779 active volunteers at the end of 2019, which was **up from the previous year by 23%!**



A number of new volunteer roles were also created in 2019 in order to support various initiatives throughout the shelter. Volunteers were on hand to assist teams during events and to help during our busier months. From feeding and caring for the animals, to enrichment positions that get our animals settled in comfortably within the shelter environment, to our laundry volunteers ensuring we have clean and safe bedding for every animal, we are incredibly grateful to have the help of each and every one.

Almost every animal on their journey through Calgary Humane Society comes into contact with one of our 779 supportive volunteers. This small army has been instrumental in helping us achieve the important organizational goal of meeting the five freedoms for every animal admitted to our facility and we cannot thank them enough. Calgary Humane Society would not be the same without our wonderful volunteers!

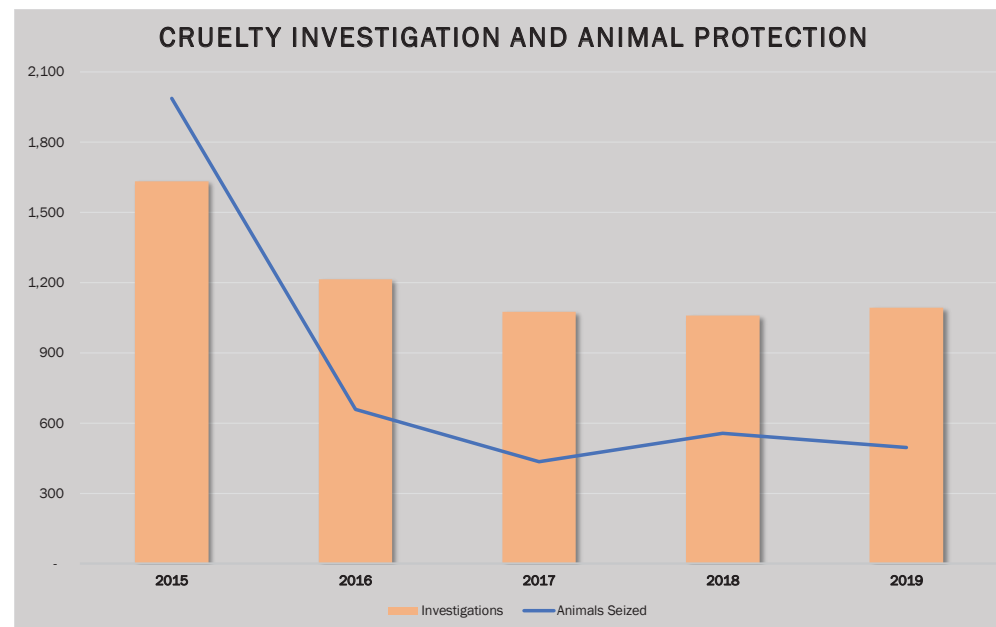


Calgary Humane Society's Protection and Investigations department provides a critical service to the animals in our community by enforcing a version of the five freedoms of animal welfare. For every freedom, there is a corresponding minimum standard that is legislated in the *Animal Protection Act of Alberta*. Our community desires a robust enforcement response to animal abuse and neglect and want the courts to assist with higher conviction rates and tougher sentences in these cases. 2019 saw a positive trend in court outcomes for physical abuse cases, including increased time for incarceration and positive outcomes on cruelty cases, sending a deterrent message to the community.

The past year saw a **20% rise in medical neglect** cases over the previous year and an increase of over 300% from a decade ago. As the economy plunged, the inability to afford veterinary care continued to grow. Additionally, veterinarians are now required to report any cases of suspected abuse or neglect, which also led to an increase in cases for our Peace Officers.

In 2019, there was a concerted effort to provide access and education to audiences we may not otherwise have reached by working with our Humane Education department. Animal protection essentially is humane education and our Peace Officers are conducting targeted education to those who require it. With **charge rates at approximately 4%**, the majority of the work done in the community was educating about proper animal treatment and the consequences of failure to comply.

This team also continued to offer their expertise to other jurisdictions across North America. In 2019, they presented at conferences in Edmonton, Ontario, Quebec, and Florida, educating Humane Societies, SPCAs, and other social service agencies on the link between animal abuse and violent crimes. Sharing their challenges and successes helps to bring awareness to these important issues, along with proven strategies for managing them.



2019 Summary of Animal Investigations	
Abandonment Residence	226
Beaten/Abused	127
Dirty Conditions	54
Food	59
Food/Water/Shelter	6
Grooming	15
Hot Car	44
Medical	279
Overcrowding	2
Shelter	197
Water	20
Poison	3
Pet Store Concern	3
Other	58
TOTAL	1,093
TOTAL ANIMAL SEIZED	496

HUMANE EDUCATION & COMMUNITY OUTREACH

In 2019, Calgary Humane Society's Humane Education and Community Outreach departments focused on building deeper relationships with the people in the community. With the help of our dedicated outreach volunteers, the Community Outreach team was able to engage with different demographics through a number of new initiatives and were also able to **attend over double the events from the prior year** - 39 compared to 18 in 2018.

The Humane Education team continued to find new ways to engage the youth in our community. In 2019, they introduced winter and spring day camps, two new youth opportunities that had not previously been available. They also created a series of camps that catered to teenagers between the ages of 13 to 16, which was a segment of our community where we previously had limited engagement opportunities. These summer camps focused on different animal careers and offered a fun way to learn about a future path they may wish to explore.

The Humane Education team also led class field trips and tours through our shelter. The majority of the tours Humane Education conducted were *thank you tours*, as we are starting to see an **increase in the philanthropy of our younger generation**. These tours are provided to our young donors and fundraisers to show our appreciation for their efforts. The demand for facility tours skyrocketed with evening group tours booking two months in advance.

Behaviour Outreach continued to educate on animal safety and behaviour on TV and radio, highlighting pets available for adoption in each segment. As Behaviour classes were no longer mandatory with adoptions, Behaviour Outreach worked to advertise classes and one-on-one

consultations to other pet owners. New classes were created to fill gaps in training offerings, including *Puppy Club* and one-hour clinics for pet owners who wanted to focus on specific skills. Behaviour Outreach's attention had to shift in 2019, from primarily helping adopters to promoting *force-free training methods* and educating the community on appropriate tools for training their pets.

Behaviour Outreach educates pet owners on the most appropriate ways to work with animals that are force-free, pain-free, and rewarding for both the owner and their pet, while our Humane Education team attempts to influence the next generation of pet owners as a preventative approach to animal cruelty. It is through this work that we find the opportunity to educate people on the five freedoms that every animal should be awarded and to foster a community that consistently demonstrates respect and compassion for all animals.



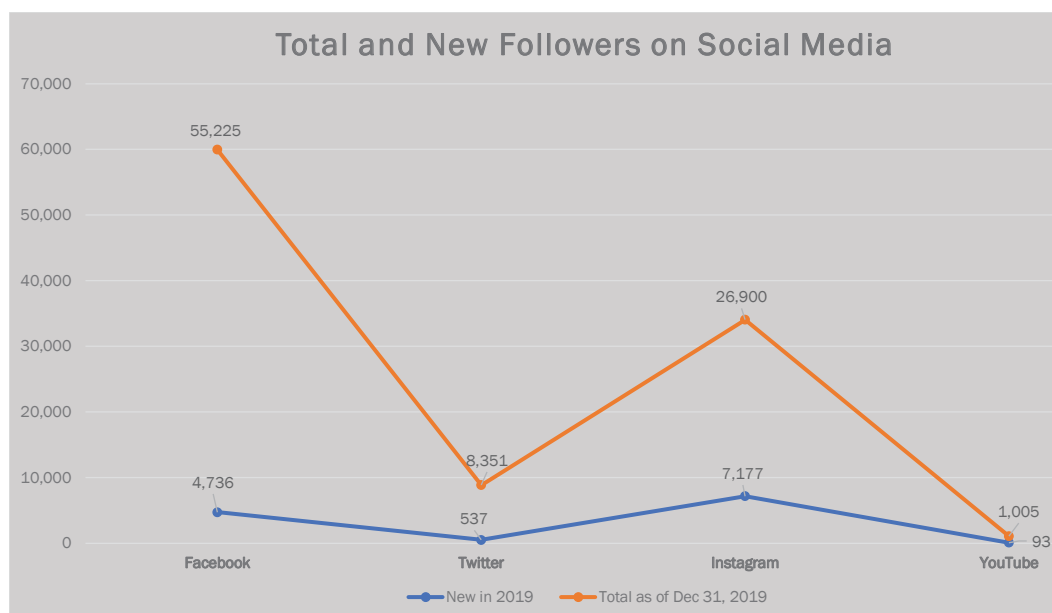
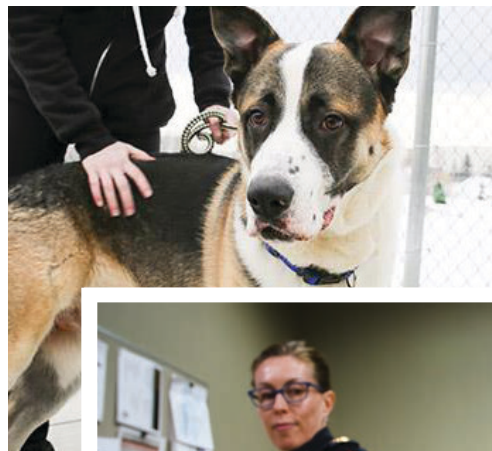
In 2019, Communications was involved in promoting our adoptable animals, events, and fundraisers through our accounts on Facebook, Twitter, and Instagram. Our strongest presence remains on Facebook where we are currently followed or liked by over 57,000 people.

Utilizing social media helped us find homes for long-term residents like Frost and Azakar. Our followers were introduced to animals that had survived horrible accidents, like Teddy, who fell from a balcony, and Gavin, who was found in the hood of a car and was injured by a fan belt. **Communications assisted in helping adopt out 113 animals** by creating a light-hearted video for our *Clear the Shelter* adoption event in July.

Social media also helped Calgary Humane Society highlight some unusual residents. The team featured photos and video of several pigs, roosters, and chickens that had found themselves at the shelter. Many of our social media followers were surprised to learn that we admit these animals, so this content proved to be a valuable tool in explaining our position as an open-admission shelter.

For April Fool's Day, Calgary Humane Society paired up with *Calgary Police Service* to film a prank video about a team of crime-fighting animals called *C.U.T.E. (Critter Unit Tactical Enforcement)*. Humane Education's gecko, Gertie, was featured along with a few adoptable animals that we had in shelter at the time. Brad Nichols, Senior Manager, Cruelty Investigations, also had a cameo in the video.

Communications began discussing the need for a new, more mobile-friendly website in 2019. Our mobile traffic continued to increase last year with cell phone and tablet traffic accounting for over 60% of the visits to our website. We also reached an incredible goal of **over 1,000,000 visits to calgaryhumane.ca** in 2019!



MORE THAN A RENOVATION PROJECT

The most comprehensive goal on our strategic plan is the renovation of our current facility. In 2019, the team spent a great deal of time developing a design plan that aligned with the project budget and construction is scheduled to begin in the summer of 2020.

Calgary Humane Society is incredibly fortunate to have our current facility constructed in 2006, which is close to four times the size of the previous shelter. So much time and thought went into the design and development and it has served us well for the fourteen years we have operated from this location.

However, further research has gone into the science of sheltering animals successfully since this time. In 2010, the *Association of Shelter Veterinarians* came out with the first ever set of standards and guidelines for proper sheltering of animals, which was based upon the *Five Freedoms of Animal Welfare*. It was at this time we realized we were not meeting some of the standards. This meant it was impossible for us to meet the five freedoms.

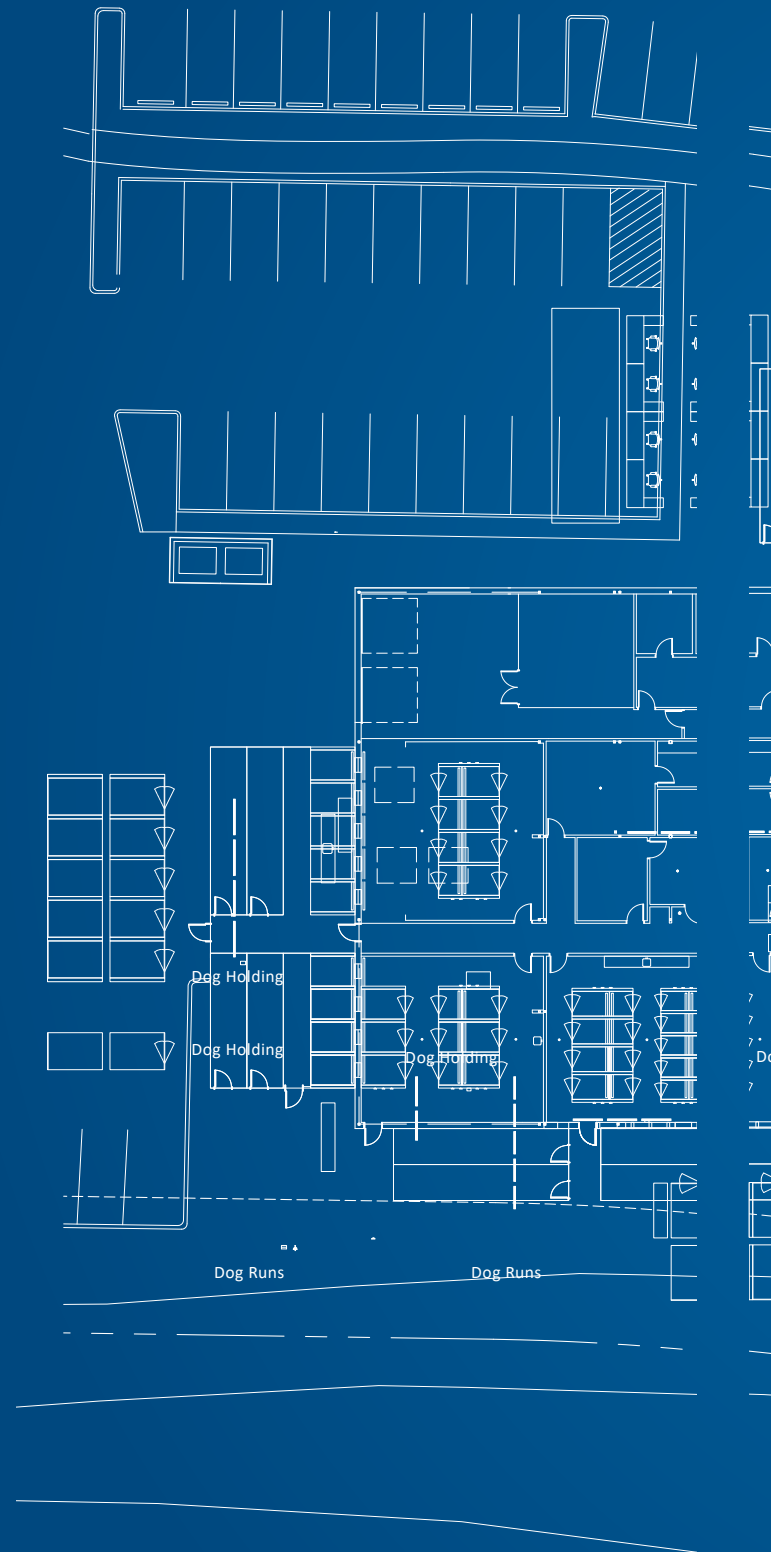
Over the past ten years, the CHS team has therefore endeavoured to improve living conditions for animals wherever possible to try to meet these freedoms and have been amazingly creative in coming up with solutions for the buildings shortcomings.

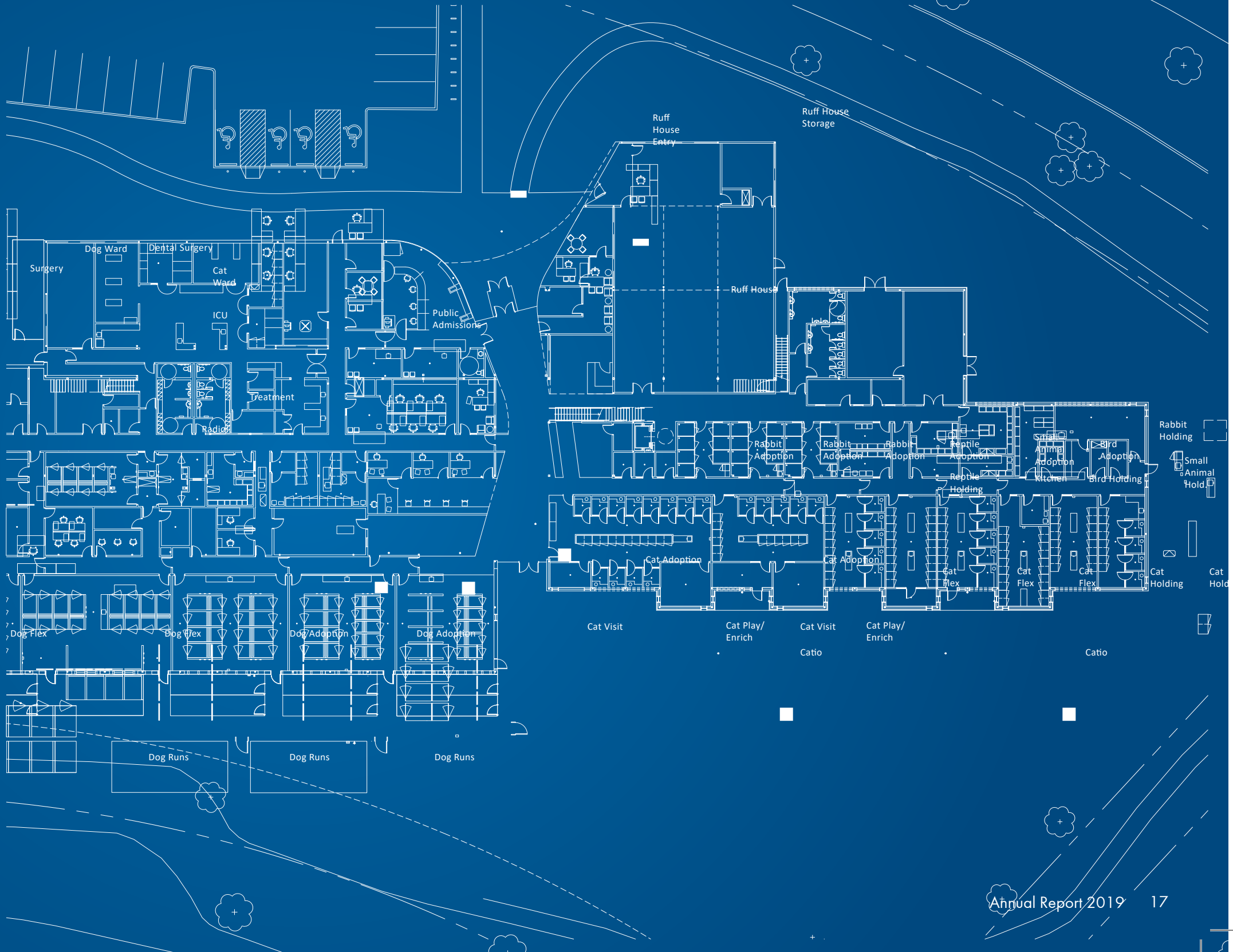
Unfortunately, without a complete design overhaul, we realized we would never be able to fully meet the standards, despite every attempt to do so. Deficiencies were specifically noted in the areas of species segregation, acoustics, lighting, and kennel sizing.

In addition, with the complex medical and behavioural cases being admitted to CHS, we also needed to include in our building design:

- **Proper isolation wards** to prevent disease transmission
- **A more functional animal hospital** so our health team can better diagnose and treat injury and disease
- **Flexible housing options** to accommodate our most vulnerable animals
- **Better outdoor spaces**, including indoor/outdoor kennels for large breed dogs

There is truly nothing more heartbreaking than watching an animal decline in our shelter when we know how to stop it, we just do not have the infrastructure to do so. We know we can do better! We will continue to keep you updated on this very exciting project and we also thank you for helping us make this happen. Your support over the past ten years has allowed us to carefully save for the day when we can now make this dream a reality.





FUND DEVELOPMENT

Fund Development continued to engage with members of our community and foster strong relationships with donors in 2019, with an increased focus on explaining where funds are going and how each donation makes a difference. Similarly, Fund Development has made a point of personally thanking granting agencies or family funds to let them know the impact they have on shelters like Calgary Humane Society.

In 2019, the **number of PAWS monthly donors increased**. People became more interested in making regular contributions and taking advantage of access to corporate matching programs. As Calgary's economy continued to show instability in 2019, our PAWS monthly donors became especially important for providing consistent funding for day-to-day operations. Passionate donors want to ensure that the animals are protected and cared for, regardless of the city's economic situation. **The PAWS program raised an amazing \$569,000, which was an increase of \$21,000 from the prior year.**

The Fund Development team was able to utilize our *ROVER*, our mobile outreach and adoption vehicle to reach even more donors than ever before. Our physical shelter is in the far southeast, which makes it difficult for some of our supporters to visit us. Instead, we went to

them! We had the *ROVER* out at various locations across the city throughout the year to speak with people about what is happening at Calgary Humane Society and thank them for their support. It is through these small interactions with people that we are able to build big relationships.

Building meaningful relationships is truly the key to the Fund Development team's success. By improving donor stewardship practices over the course of 2019, the team was able to acknowledge and thank the donors for their many contributions over the year. These efforts resulted in greater engagement with our supporters, more participation at our signature events, and an overall increase in fundraising revenue of 3.4% over the prior year. It was also the reason we were able to build *Gracie's Place*. The idea behind this transformational project started with a telephone conversation between Brian & Brenda MacNeill and the Fund Development team. They wanted to do something very special for their family for Christmas and when they heard about the lifestyle room project, they provided the opportunity for *Gracie's Place* to become a reality. It is because of this relationship that Calgary Humane Society now has a wonderful space that is making a significant difference in the lives of animals. Thank you to the MacNeill family for a gift that will help us meet the five freedoms for the animals in our care.



Calgary Humane Society's Fund Development department is focused on raising funds so that we can help as many animals as we can. In 2019, Calgary Humane Society received over 36,000 gifts from the Calgary community. We do not receive any government funding and rely solely on the generosity of the Calgary community. **Calgary Humane Society team is incredibly grateful for every gift we receive, because this is what allows us to achieve our mission and save animals lives.** We continue to thank our incredible supporters in every way we possibly can. It is due to their support that we continue this challenging, but rewarding, work.

INDEPENDENT AUDITOR'S REPORT



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

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, 2019
- 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 Calgary Humane Society for Prevention of Cruelty to Animals as at December 31, 2019, 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, 2019 and December 31, 2018
- 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, 2019 and December 31, 2018
- 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, 2019 and December 31, 2018
- the excess (deficiency) of revenues over expenses reported in the statements of cash flows for the years ended December 31, 2019 and December 31, 2018.

Our opinion on the financial statements for the year ended December 31, 2018 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 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

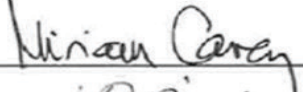

Calgary, Canada
March 25, 2020

Calgary Humane Society for Prevention of Cruelty to Animals

Statement of financial position as at December 31, 2019, with comparative information for 2018

	General Operating Fund		Restricted Fund		Capital Fund		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Assets								
Current assets								
Cash	\$ 450,120	\$ 1,296,260	\$ 67,016	\$ 66,728	\$ -	\$ -	\$ 517,136	\$ 1,362,988
Short-term investments (note 3)	8,800,000	-	-	-	-	-	8,800,000	-
Accounts receivable (note 4)	103,018	211,431	-	-	-	-	103,018	211,431
Holdback receivable (note 11b)	160,000	-	-	-	-	-	160,000	-
Inventory (note 5)	60,593	77,745	-	-	-	-	60,593	77,745
Prepaid expenses	150,469	141,501	-	-	-	-	150,469	141,501
Due from (to) other funds	(7,961,243)	(8,402,150)	264,853	254,267	7,696,390	8,147,883	-	-
	<u>1,762,957</u>	<u>(6,675,213)</u>	<u>331,869</u>	<u>320,995</u>	<u>7,696,390</u>	<u>8,147,883</u>	<u>9,791,216</u>	<u>1,793,665</u>
Marketable securities (note 6)	11,548,922	17,213,781	-	-	-	-	11,548,922	17,213,781
Capital assets (note 7)	-	-	-	-	5,626,827	6,352,938	5,626,827	6,352,938
	<u>\$ 13,311,879</u>	<u>\$ 10,538,568</u>	<u>\$ 331,869</u>	<u>\$ 320,995</u>	<u>\$ 13,323,217</u>	<u>\$ 14,500,821</u>	<u>\$ 26,966,965</u>	<u>\$ 25,360,384</u>
Liabilities								
Current liabilities								
Accounts payable and accrued liabilities (note 4)	\$ 429,259	\$ 505,501	\$ -	\$ -	\$ -	\$ -	\$ 429,259	\$ 505,501
Deferred revenue (note 8)	25,628	31,933	-	-	-	-	25,628	31,933
	<u>454,887</u>	<u>537,434</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>454,887</u>	<u>537,434</u>
Fund balances								
Unrestricted (note 9)	2,622,226	1,368,561	-	-	-	-	2,622,226	1,368,561
Restricted for endowment purposes (note 10)	-	-	45,000	45,000	-	-	45,000	45,000
Externally restricted (note 11a)	3,750	1,407	86,869	75,995	-	-	90,619	77,402
Internally restricted (note 11b)	10,231,016	8,631,166	200,000	200,000	7,696,390	8,147,883	18,127,406	16,979,049
Invested in capital assets (note 11b)	-	-	-	-	5,626,827	6,352,938	5,626,827	6,352,938
	<u>12,856,992</u>	<u>10,001,134</u>	<u>331,869</u>	<u>320,995</u>	<u>13,323,217</u>	<u>14,500,821</u>	<u>26,512,078</u>	<u>24,822,950</u>
	<u>\$ 13,311,879</u>	<u>\$ 10,538,568</u>	<u>\$ 331,869</u>	<u>\$ 320,995</u>	<u>\$ 13,323,217</u>	<u>\$ 14,500,821</u>	<u>\$ 26,966,965</u>	<u>\$ 25,360,384</u>

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, 2019, with comparative information from 2018

	General Operating Fund		Restricted Fund		Capital Fund		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Revenues								
Donations and fundraising	\$ 3,030,647	\$ 2,723,142	\$ 95,928	\$ 48,761	\$ 50,500	\$ 300,734	\$ 3,177,075	\$ 3,072,637
Programs and services	1,449,096	1,775,293	-	-	-	-	1,449,096	1,775,293
Bequests	986,619	1,391,092	-	-	-	-	986,619	1,391,092
Investment income	1,341,186	1,330,178	-	-	-	-	1,341,186	1,330,178
Unrealized gain (loss) on marketable securities	1,467,604	(1,198,781)	-	-	-	-	1,467,604	(1,198,781)
Gain on sale of capital assets (note 11b)	-	-	-	-	1,465,634	-	1,465,634	-
	8,275,152	6,020,924	95,928	48,761	1,516,134	300,734	9,887,214	6,370,419
Expenses								
Wages and benefits	4,359,182	4,586,233	5,602	386	69,591	-	4,434,375	4,586,619
Operating	1,390,367	1,269,932	220,237	206,947	-	-	1,610,604	1,476,879
General and administrative	686,278	711,170	2,808	528	261,024	-	950,110	711,698
Fundraising (note 12)	420,642	414,887	-	-	-	14,548	420,642	429,435
Amortization	-	-	-	-	782,355	784,684	782,355	784,684
	6,856,469	6,982,222	228,647	207,861	1,112,970	799,232	8,198,086	7,989,315
Excess (deficiency) of revenues over expenses	1,418,683	(961,298)	(132,719)	(159,100)	403,164	(498,498)	1,689,128	(1,618,896)
Fund balances, beginning of year	10,001,134	11,086,094	320,995	389,766	14,500,821	14,965,986	24,822,950	26,441,846
Interfund transfers (note 11a & 11b)	1,437,175	(123,662)	143,593	90,329	(1,580,768)	33,333	-	-
Fund balances, end of year	\$ 12,856,992	\$ 10,001,134	\$ 331,869	\$ 320,995	\$ 13,323,217	\$ 14,500,821	\$ 26,512,078	\$ 24,822,950

Calgary Humane Society for Prevention of Cruelty to Animals

Statement of Cash Flows As at December 31, 2019, with comparative information for 2018

	2019	2018
Cash flows from operating activities		
Excess (deficiency) of revenues over expenses	\$ 1,689,128	\$ (1,618,896)
Items not involving cash:		
Gain on sale of marketable securities	(726,860)	(68,237)
Unrealized (gain) loss on marketable securities	(1,467,604)	1,198,781
Gain on sale of capital assets	(1,465,634)	-
Amortization	782,355	784,684
	(1,188,615)	296,332
 Changes in non-cash working capital		
Accounts receivable	108,413	(13,198)
Inventory	17,152	(11,259)
Prepaid expenses	(8,968)	7,467
Accounts payable and accrued liabilities	(76,242)	43,974
Deferred revenue	(6,305)	796
	(1,154,565)	324,112
 Cash flows from investing activities		
Purchase of capital assets	(179,818)	(600,439)
Holdback receivable on sale of capital assets	(160,000)	-
Proceeds on sale of capital assets	1,589,208	-
Purchase of short-term investments	(8,800,000)	-
Purchase of marketable securities	(631,014)	(1,339,506)
Proceeds on sale of marketable securities	8,490,337	1,933,515
	308,713	(6,430)
 (Decrease) increase in cash	(845,852)	317,682
 Cash, beginning of year	1,362,988	1,045,306
 Cash, end of year	\$ 517,136	\$ 1,362,988

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements December 31, 2019, with comparative information for 2018

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 ("ASNFO") 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.

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, 2019, with comparative information for 2018

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%

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. An impairment loss is recognized when and to the extent that management assesses the future useful life or future cash flows of the asset to be less than originally estimated.

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, 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.

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.

2. Significant accounting policies (continued)

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 balance sheet 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 holdback receivable, 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.

n) Changes in accounting policies

In March 2018, the Accounting Standards Board issued "Basis for Conclusions - Accounting Standards Improvements for Not-for-Profit Organizations" resulting in the introduction of new handbook sections in the Accounting Standards for Not-for-Profit Part III of the Handbook as follows:

A. *Section 4433, Tangible capital assets held by not-for-profit organizations*, which directs organizations to apply the accounting guidance of *Section 3061, Property Plant and Equipment* in Part II of the Handbook. In so doing, the new section requires that organizations annually assess for partial impairment of tangible capital assets, to be recorded where applicable, as a non-reversible impairment expense. In addition, where practical, to componentize capital assets when estimates can be made of the useful lives of the separate components.

This section is applied on a prospective basis with the exception of the transitional provision to recognize an adjustment to opening net assets for partial impairments of tangible assets that existed as at January 1, 2019.

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements December 31, 2019, with comparative information for 2018

2. Significant accounting policies (continued)

n) Changes in accounting policies (continued)

- B. Section 4434, Intangible assets held by not-for-profit organizations, which directs organizations to annually assess intangible assets, and where applicable to record an impairment expenses should the net carrying value be higher than the asset's fair value or replacement cost.

This section is applied on a prospective basis with the exception of the transitional provision to recognize an adjustment to opening net assets for partial impairment of intangible assets that existed as at January 1, 2019.

- C. Section 4441, Collections held by not-for-profit organizations, which defines a collection and directs organizations to record such assets on the statement of financial position at either cost or nominal value. It is anticipated that all collections will be accounted for using the same method, with the exception of organizations that opt to account for collections at cost, whereby the cost for certain collections either held or contributed cannot be determined. Such items are to be accounted for at a nominal value. In addition, collections are written down when there is evidence that the net carrying amount exceeds fair value.

Organizations are permitted to retrospectively capitalize collections at their cost or fair value at the date of acquisition, or fair value or replacement cost as at January 1, 2019, based on the most readily determinable value. In addition, an adjustment to opening net assets is permitted to recognize any partial impairment of the value of collections that existed as at January 1, 2019.

The amendments are effective for financial statements for fiscal years beginning on or after January 1, 2019. The implementation of these changes had no impact on the financial statements.

3. Short-term investments

	2019	2018
Guaranteed investment certificate – maturity date January 3, 2020 with an annual interest rate of 2.09%	\$ 1,300,000	\$ -
Guaranteed investment certificate – maturity date January 21, 2020 with an annual interest rate of 2.17%	400,000	-
Guaranteed investment certificate – maturity date January 27, 2020 with an annual interest rate of 2.09%	600,000	-
Guaranteed investment certificate – maturity date February 3, 2020 with an annual interest rate of 2.10%	1,300,000	-
Guaranteed investment certificate – maturity date March 3, 2020 with an annual interest rate of 2.12%	1,300,000	-
Guaranteed investment certificate – maturity date April 2, 2020 with an annual interest rate of 2.13%	1,300,000	-
Guaranteed investment certificate – maturity date December 4, 2020 with an annual interest rate of 2.20%	2,600,000	-
	\$ 8,800,000	\$ -

4. Government remittances

At December 31, 2019, the Society had government remittances recoverable of \$22,125 (2018 - \$18,252) and government remittances payable of \$nil (2018 - \$43,233).

5. Inventory

The cost of inventory recognized as an operating expense for the year ended December 31, 2019 amounted to \$174,683 (2018 - \$159,334).

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, 2019 the cost of the investments was \$11,034,528 (2018 - \$18,166,991).

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements December 31, 2019, with comparative information for 2018

7. Capital assets

	2019		
	Cost	Accumulated Amortization	Net Book Value
Buildings and landscaping	\$ 9,847,436	\$ 6,460,020	\$ 3,387,416
Land	1,550,000	-	1,550,000
Equipment and furniture	1,330,469	834,943	495,526
Automotive equipment	357,016	163,131	193,885
	\$ 13,084,921	\$ 7,458,094	\$ 5,626,827

	2018		
	Cost	Accumulated Amortization	Net Book Value
Buildings and landscaping	\$ 9,770,955	\$ 5,959,868	\$ 3,811,087
Land	1,550,000	-	1,550,000
Equipment and furniture	1,797,394	1,079,769	717,625
Automotive equipment	413,773	139,547	274,226
	\$ 13,532,122	\$ 7,179,184	\$ 6,352,938

8. Deferred revenue

	2019		2018
Behaviour classes and seminars	\$	9,738	\$ 12,922
Gift cards		8,085	7,891
Humane Education programs		7,730	11,120
Fundraising events		75	-
	\$	25,628	\$ 31,933

9. Unrestricted fund balances

	2019	2018
Balance, beginning of year	\$ 1,368,561	\$ 2,360,210
Excess (deficiency) of revenues over expenses	1,418,683	(961,298)
Transfer from Restricted Fund	6,667	12,693
Transfer from Emergency Fund	150	91,955
Transfer to internally restricted fund	(169,492)	(136,355)
Transfer (to) from externally restricted fund	(2,343)	1,356
Balance, end of year	\$ 2,622,226	\$ 1,368,561

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.

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

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

Protections Fund – Restricted in use for the Protections department.

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

Tour Subsidy Fund - Restricted in use to subsidize fees for children to attend Humane Education tours and presentations.

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

Read to Animals Fund – Restricted in use for the annual “Read to Your Pet” Day.

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements December 31, 2019, with comparative information for 2018

11. Restricted funds (continued)

a) Externally restricted funds (continued)

Humane Education Fund - Restricted in use to fund Humane Education presentation expenses.

Keep Animals Home Fund - Restricted for use in subsidizing veterinary costs in medical cases.

	2019	2018
Joan & Phoebe Snyder Education Fund	\$ 51,476	\$ 31,319
Benny's Fund	11,310	3,250
Animal Health Fund	11,292	20,213
Protections Fund	10,399	10,000
Alberta Liquor & Gaming	3,750	1,407
Tour Subsidy Fund	1,683	2,025
Camp Subsidies Fund	607	1,056
Read to Animals Fund	102	2,286
Humane Education Fund	-	4,545
Keep Animals Home Fund	-	1,301
	\$ 90,619	\$ 77,402

During the year, \$6,667 (2018 - \$12,693) was transferred from restricted funds to unrestricted funds and \$2,343 was transferred from unrestricted funds to restricted funds within the General Operating Fund (2018 - \$1,356 was transferred from restricted funds to unrestricted funds within the General Operating Fund). In 2019, \$169,492 (2018 - \$136,355) was transferred from unrestricted to restricted funds. Additionally, \$19,232 (2018 - \$nil) was transferred from the Restricted Fund to Capital Fund when capital purchases were made from restricted funds.

b) Internally restricted funds

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

	2019	2018
Estate of Dr. Robert Lundberg	\$ 6,909,466	\$ 6,909,466
Emergency Fund	1,721,550	1,721,700
Cremation Asset Sale Fund	1,600,000	-
Protections Fund	100,000	100,000
Phoenix Fund	100,000	100,000
Capital Fund	7,696,390	8,147,883
	\$ 18,127,406	\$ 16,979,049

11. Restricted funds (continued)

b) Internally restricted funds (continued)

In 2019, the Board of Directors transferred \$150 (2018 - \$91,955) in the General Operating Fund from the internally restricted Emergency Fund to unrestricted funds. The Emergency Fund is intended to finance the Society for three months of operations.

In 2019, the Board of Directors transferred \$123,285 (2018 - \$90,173) from unrestricted funds to the Phoenix Fund, to be used for clinic fees for animals requiring extensive medical work. In 2019, the Board of Directors transferred \$46,207 (2018 - \$46,182) 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.

During 2019, the Board of Directors accepted a \$1,600,000 offer to purchase the Society's cremation assets. The net book value of these assets at time of sale amounted to \$134,366, resulting in a gain on sale of capital assets of \$1,465,634. Included in the proceeds is a \$160,000 holdback for any equipment damage or repairs required. It is Management's opinion that full receipt of this holdback will be received in July 2020. The Board of Directors transferred the \$1,600,000 (2018 - \$nil) sale proceeds 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.

An architectural assessment has been performed on the current facility and the Society intends to use the Capital Fund for a building enhancement project to improve the overall sheltering and wellbeing of animals in their care. The project commenced in 2019 with construction expected to start in 2020 with completion in 2022.

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. Robert 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 \$357,180 was paid as remuneration to employees primarily responsible for fundraising in the year ended December 31, 2019 (2018 - \$362,111).

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.

Calgary Humane Society for Prevention of Cruelty to Animals

Notes to the Financial Statements December 31, 2019, with comparative information for 2018

13. Financial instruments (continued)

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 2018.

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 (2018 - \$nil) balance in allowance for doubtful accounts at December 31, 2019.

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.

Calgary Humane Society for Prevention of Cruelty to Animals

Summary of Revenue and Expense by Program. Year Ended December 31, 2019

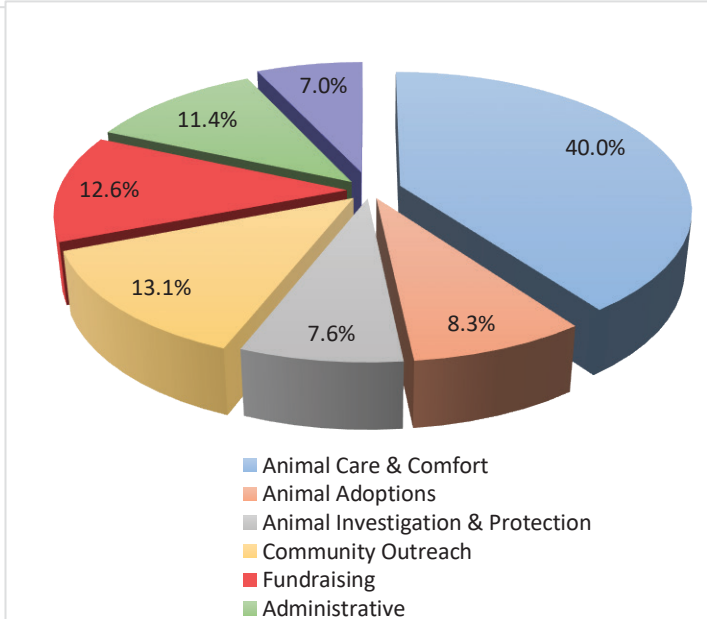
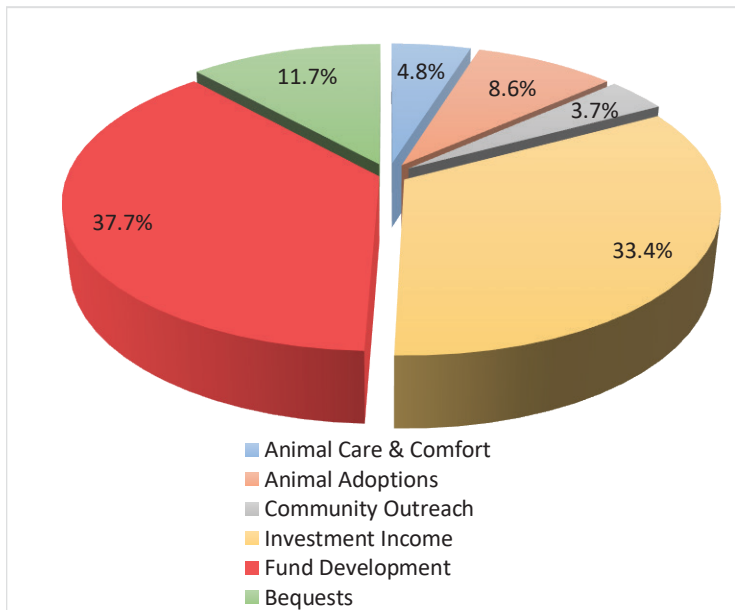
Calgary Humane Society for the Prevention of Cruelty to Animals Summary of Revenue and Expense by Program December 31, 2019

Summary of Revenue by Program:

Animal Care & Comfort	407,667	4.8%
Animal Adoptions	726,483	8.6%
Community Outreach	314,946	3.7%
Investment Income	2,808,790	33.4%
Fund Development	3,177,075	37.7%
Bequests	986,619	11.7%
	<u>8,421,580</u>	<u>100.0%</u>
Gain on Sale of Capital Assets	<u>1,465,634</u>	
	<u><u>9,887,214</u></u>	

Summary of Expense by Program:

Animal Care & Comfort	2,967,228	40.0%
Animal Adoptions	616,800	8.3%
Animal Investigation & Protection	567,134	7.6%
Community Outreach	970,492	13.1%
Fundraising	930,722	12.6%
Administrative	841,877	11.4%
Facility	521,478	7.0%
	<u>7,415,731</u>	<u>100.0%</u>
Amortization (not depicted)	<u>782,355</u>	
	<u><u>8,198,086</u></u>	



Calgary Humane Society for Prevention of Cruelty to Animals

Summary of Revenue and Expense by Program. Year Ended December 31, 2018

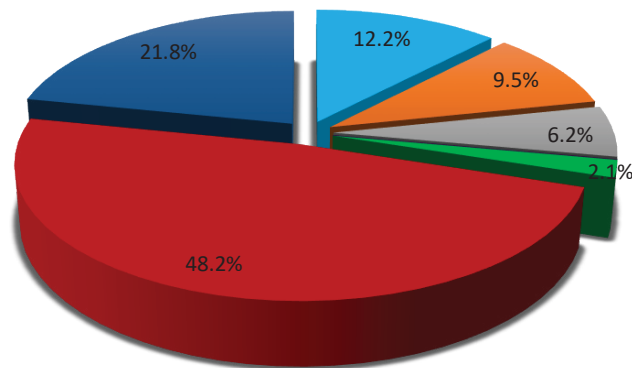
Calgary Humane Society for the Prevention of Cruelty to Animals Summary of Revenue and Expense by Program December 31, 2018

Summary of Revenue by Program:

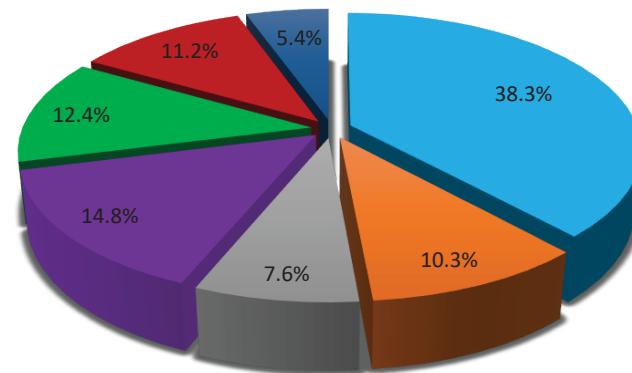
Animal Care & Comfort	776,959	12.2%
Animal Adoptions	606,382	9.5%
Community Outreach	391,952	6.2%
Community Grants	-	0.0%
Investment Income	131,397	2.1%
Fund Development	3,072,637	48.2%
Bequests	1,391,092	21.8%
	<u>6,370,419</u>	<u>100.0%</u>

Summary of Expense by Program:

Animal Care & Comfort	2,755,824	38.3%
Animal Adoptions	743,582	10.3%
Animal Investigation & Protection	549,228	7.6%
Community Outreach	1,065,536	14.8%
Fundraising	890,050	12.4%
Administrative	809,071	11.2%
Facility	391,339	5.4%
	<u>7,204,631</u>	<u>100.0%</u>
Amortization (not depicted)	784,684	
	<u><u>7,989,315</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



THANK YOU FOR YOUR SUPPORT

Calgary Humane Society
is a non-profit, charitable
organization.
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