



HERITAGE PARK SOCIETY ANNUAL REPORT 2021



MESSAGE FROM THE PRESIDENT AND CEO



DESPITE ANOTHER YEAR on the COVID-19 roller coaster, in 2021 Heritage Park was once again able to keep its wheels on the track to fulfill its mandate of connecting people to the past and as a safe gathering place for our community.

More than 320,000 people visited Heritage Park last year, enjoying the Historical Village, Gasoline Alley museum, educational programs, and our Town Square stores and restaurants, and attending special or private events. Although this was only 58% of our long-term average, it was double our attendance from 2020! Even more heartening was that we saw a steady return of visitors as the year went on: August attendance was 97% of our long-term average, September was 92%!

No doubt, the key factors were the safe environment we created (92% felt the Village was safe to visit) and that we delivered a strong Village experience—63% of guests said they

were Exceptionally Satisfied (another 32% said Satisfied); 77% Strongly Agreed “Heritage Park is a fun and entertaining place for me/my family to visit”, and 98% said they would recommend us to others.

Thanks to the stronger than budgeted summer and, once again, the amazing support of donors, sponsors and government, we finished in a positive financial position.

Among the many, many highlights for the year:

- **We had great success with our summer evening events**, with record crowds attending “Music in the Park” on Wednesdays, the outdoor Market Nights on Thursdays and Fridays, and six Tuesday performances of “Shakespeare on the Go” by Theatre Calgary;
- From June to September, thanks to generous sponsors, Gasoline Alley hosted “**Anne Frank: A History for Today**”, a moving exhibit that shares the story of Anne Frank and her family, their life in hiding, and the atrocities of the Holocaust;
- Our volunteer program started to recover: visitors were able to enjoy the talents of 884 volunteers (about half of normal) who contributed an amazing 43,000 hours. We are again particularly proud that **Youth Central was our top community volunteer partner**; and
- Finally, we opened the outdoor portion of the new Natural Resources Area, called **Prospect Ridge**. Thanks to funding from corporate and private donors and all three levels of government, we restored several exhibits and heritage assets including the Park Warden’s Cabin, the Dingman No. 1 Oil Well, the Storage Tank, Narrow Gauge Railway, Waterwheel, and Coal Mine.

We had lots to be proud of in 2021, and I can’t emphasize enough that our success, despite many challenges, was the result of the passion and determination of our incredible employees and volunteers, and the commitment of our community supporters.

We are very optimistic for 2022. We will help our visitors make new memories, offer new experiences, educate future generations, and strengthen our place as one of Alberta’s most visited tourist attractions. We will again share the stories of the diverse people who have shaped the history of western Canada. Told from many perspectives, these stories reveal who we are, how we came together to build our community, and what we value.

Although we will continue to evolve with our community, we are firmly focused on fulfilling the unique mandate that has made Heritage Park such a vital and beloved institution.

A handwritten signature in dark ink, appearing to read 'Lindsey Galloway'.

Lindsey Galloway
President and CEO
HERITAGE PARK

MESSAGE FROM THE CHAIR OF HERITAGE PARK SOCIETY



IT WAS ANOTHER UNPRECEDENTED YEAR for Heritage Park in 2021—but once again, this remarkable organization demonstrated the resiliency that has made it so successful over the past 58 years.

In the face of a health pandemic, our first responsibility was to create a safe space for our community, so we are proud that last year Heritage Park was able to implement exceptional practices to keep our visitors, volunteers and employees safe. It was wonderful to see the positive response of our community, to see the smiles and hear the joy of more than 320,000 guests.

With responsible budget management—supported by critical funding support from donors, sponsors and government—Heritage Park was able to offer a full suite of programs, services, experiences and events that gave Calgarians and visitors of all ages the opportunity to discover history and learn the stories of those who came before us. We opened exciting new experiences—such as the Prospect Ridge area, the temporary Anne Frank exhibit, special Indigenous programming, a mock civic election told through street theatre, and new summer evening events—to create new value for our community.

That Heritage Park ended the year with an operating surplus is no small feat in a year where COVID-19 has ravaged so many other businesses and attractions. We are grateful for the amazing support of our community.

Looking ahead, the Board of Trustees feels optimistic about 2022 and the future of Heritage Park. We have started work with Senior Management to develop a new long-term plan to enable renewal and growth. Since 1964, Heritage Park has showcased the stories of the past to help people discover that many lessons from yesterday remain relevant today. Similarly, our plans for the Park's future will build on the strengths and legacy of the past.

Sadly, my term as chair of the Heritage Park Society will end at the annual general meeting. It has been an honour for me to serve this remarkable community organization for the past six years.

Finally, on behalf of my fellow Board members, I want to thank the many donors, employees, volunteers and supporters of this fantastic institution. We look forward to engaging visitors and serving our community in 2022 and for many decades to come.

A handwritten signature in dark ink, appearing to read 'M. Kiel', with a long horizontal line extending from the end of the signature.

Margriet Kiel
Chair
HERITAGE PARK SOCIETY

Heritage Park Society

Financial Statements
December 31, 2021



Independent auditor's report

To the Members of Heritage Park Society

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Heritage Park Society (the Society) as at December 31, 2021 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

What we have audited

The Society's financial statements comprise:

- the balance sheet as at December 31, 2021;
- the statement of revenue and expenses and changes in fund balances for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Calgary, Alberta
May 5, 2022

Heritage Park Society

Balance Sheet

As at December 31, 2021

	2021		2020	
	Operating Fund \$	Capital and Preservation Fund \$	Total \$	Total \$
Assets				
Current assets				
Cash	6,754,928	-	6,754,928	4,586,554
Short-term investments	1,000,712	-	1,000,712	1,000,970
Accounts receivable (notes 8 and 13)	1,515,879	414,255	1,930,134	2,351,173
Prepaid expenses	147,051	19,776	166,827	79,392
Inventory	515,000	-	515,000	606,039
	9,933,570	434,031	10,367,601	8,624,128
Accounts receivable (note 13)	83,021	-	83,021	168,657
Collection assets (note 4)	-	30,028,426	30,028,426	29,377,463
Capital assets (note 5)	-	41,571,817	41,571,817	42,291,862
	10,016,591	72,034,274	82,050,865	80,462,110
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities (note 12)	1,464,126	159,073	1,623,199	2,198,988
Due to/from other funds	2,725,807	(2,725,807)	-	-
Deferred revenue	576,771	-	576,771	313,170
Deposits on account	290,592	-	290,592	277,228
	5,057,296	(2,566,734)	2,490,562	2,789,386
Deferred contributions (note 6)	2,535,835	-	2,535,835	1,509,833
	7,593,131	(2,566,734)	5,026,397	4,299,219
Fund Balances				
Unrestricted	2,423,460	-	2,423,460	2,980,423
Internally restricted (note 7(a))	-	2,187,570	2,187,570	826,820
Externally restricted (note 7(b))	-	1,435,338	1,435,338	1,331,704
Internally restricted – net investment in collection assets	-	30,028,426	30,028,426	29,377,463
Internally restricted – net investment in capital assets	-	40,949,674	40,949,674	41,646,481
	2,423,460	74,601,008	77,024,468	76,162,891
	10,016,591	72,034,274	82,050,865	80,462,110

Approved by the Board of Directors



Trustee



Trustee

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

Heritage Park Society

Statement of Revenue and Expenses and Changes in Fund Balances

For the year ended December 31, 2021

	2021		2020	
	Operating Fund \$	Capital and Preservation Fund \$	Total \$	Total \$
Revenue				
Food services (note 8)	3,006,920	-	3,006,920	1,545,559
Admissions	3,169,279	-	3,169,279	1,185,561
Grants (note 10)	8,083,493	3,414,165	11,497,658	10,723,264
Retail	990,494	-	990,494	490,361
Donations and sponsorships	874,006	1,373,838	2,247,844	4,274,728
Other revenue	724,507	-	724,507	346,224
Heritage Park Foundation contribution (note 8)	293,644	-	293,644	302,670
Interest	55,957	-	55,957	92,709
Gain (loss) on disposal of capital assets	-	24,582	24,582	(17,672)
	17,198,300	4,812,585	22,010,885	18,943,404
Expenses				
Operating and maintenance (note 4)	9,423,731	586,799	10,010,530	8,212,935
Selling, general and administrative (note 8)	4,692,559	444,742	5,137,301	3,212,929
Product costs – food	1,079,520	-	1,079,520	585,961
Product costs – retail	559,453	-	559,453	280,564
Amortization	-	3,573,194	3,573,194	2,975,457
Reduction in collection assets	-	287,369	287,369	182,656
Contribution to Heritage Park Foundation (note 8)	-	501,941	501,941	-
	15,755,263	5,394,045	21,149,308	15,450,502
Excess (deficiency) of revenue over expenses	1,443,037	(581,460)	861,577	3,492,902
Interfund transfer (note 7(a))	(2,000,000)	2,000,000	-	-
Fund balances – Beginning of year	2,980,423	73,182,468	76,162,891	72,669,989
Fund balances – End of year	2,423,460	74,601,008	77,024,468	76,162,891

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

Heritage Park Society

Statement of Cash Flows

For the year ended December 31, 2021

	2021 \$	2020 \$
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses of the Operating Fund	1,443,037	2,408,749
Revenue of the Capital and Preservation Fund related to operating and maintenance	586,799	619,763
Expenses of the Capital and Preservation Fund related to operating and maintenance	(586,799)	(619,763)
	1,443,037	2,408,749
Change in non-cash working capital items	1,273,957	(1,663,355)
	2,716,994	745,394
Investing activities		
Additions to collection assets	(922,342)	(666,424)
Additions to capital assets	(2,876,388)	(5,394,857)
Net decrease in short-term investments	258	2,940
Proceeds on disposal of capital assets	47,822	1,290
Contributions to Heritage Park Foundation (note 8)	(501,941)	-
Change in non-cash working capital items related to investing activities	(692,251)	755,802
	(4,944,842)	(5,301,249)
Financing activities		
Revenue of the Capital and Preservation Fund restricted for capital asset additions	4,185,213	4,340,841
Fundraising expenses for capital activities	(444,742)	(93,499)
Change in non-cash working capital items related to financing activities	655,751	(762,278)
	4,396,222	3,485,064
Increase (decrease) in cash during the year	2,168,374	(1,070,791)
Cash – Beginning of year	4,586,554	5,657,345
Cash – End of year	6,754,928	4,586,554
Supplemental information		
Interest received	55,957	92,709

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

Heritage Park Society

Notes to Financial Statements

December 31, 2021

1 Basis of operations

Heritage Park Society (the Society) operates the Heritage Park Historical Village (the Park) and has a mission to connect people with the settlement of Western Canada by preserving and sharing Western Canadian heritage. The Society was incorporated in 1963 under the Societies Act of Alberta and has operated under a multi-year lease agreement with the City of Calgary (the City) since 1964. Provisions under the agreement include an annual operating grant, the amount of which is set by the City. The agreement is in effect through to July 31, 2022, with renewal opportunity before that date or termination by either party with one year's notice.

Under the terms of the agreement with the City, the Society is to maintain and improve the land on which the Park is located. The Society does not pay taxes for use of the land. The agreement also stipulates that title to all lands and improvements is vested with the City. The Society may encumber its capital and collection assets within the guidelines of the Society bylaws, and the land with the approval of the City.

The Society, as a registered charity, is exempt from income taxes and may issue tax receipts to donors for qualified donations.

2 COVID-19

The Society has assessed the financial impact of COVID-19 as at December 31, 2021, including valuation of assets, receivables, decline in revenue and impact on funding agreements. Management did not identify any significant impact to its financial statements as at December 31, 2021.

The long-term impact of the pandemic on the Society and the economy is not yet known and information surrounding the global economic impact of COVID-19 and the estimated length of the pandemic continues to evolve. COVID-19 has impacted the Society's attendance and non-grant revenue. In 2021 we were able to re-open the park and thanks to federal wage subsidies, keep the majority of our full-time employees on staff. One area of continued impact is catered events, which, due to restrictions, remained well below normal levels during the past two years. Future impacts of the pandemic may have a financial effect on the Society's future revenue, expenses and assets. It is not possible to estimate any results of future financial impacts of COVID-19 on the Society subsequent to December 31, 2021.

3 Summary of significant accounting policies

Basis of accounting

The Society prepares its financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Heritage Park Society

Notes to Financial Statements

December 31, 2021

Fund accounting

The Society follows the restricted fund method of accounting for contributions. The Society maintains the following funds:

- i) the Operating Fund contains the assets, liabilities, revenue and expenses related to the Park's operating activities; and
- ii) the Capital and Preservation Fund contains the assets, liabilities, revenue and expenses related to the Society's collection and capital assets.

Amounts due to/from funds are non-interest bearing, unsecured and have no fixed terms of repayment.

Revenue recognition

Restricted contributions are recognized as revenue of the appropriate restricted fund or, if no appropriate restricted fund exists, they are recognized as revenue in the Operating Fund as the related expenditures are incurred. Unrestricted contributions are recognized as revenue in the Operating Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted investment income is recognized as revenue in the fund in which it is earned. Unrestricted investment income is recognized as revenue in the Operating Fund.

The Society may receive government subsidies that provide immediate financial assistance as compensation for costs or expenditures to be incurred. The Society recognizes government subsidies as revenue when received or receivable and when there is reasonable assurance that conditions attached to the subsidies are met.

Food services, admissions, retail and other revenue are recognized when services are provided or goods sold and collection is reasonably assured.

Capital assets

Purchased and donated capital assets are recorded in the Capital and Preservation Fund at cost or at their estimated fair value at the date of contribution for donated capital assets. The cost of capital assets made up of significant separable component parts is allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components. Amortization is computed using the declining balance method as follows:

Infrastructure	5 – 15%
Buildings and components	5 – 20%
Equipment and furnishings	20 – 45%
Computer hardware and software	45%
Construction-in-progress	nil%

Amortization expense is reported in the Capital and Preservation Fund.

Heritage Park Society

Notes to Financial Statements

December 31, 2021

- Impairment of long-lived assets

Capital assets are tested for impairment when conditions indicate that a tangible capital asset no longer has any long-term service potential to the Society. When conditions indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. Writedowns are not subsequently reversed.

Collection assets

Collection assets held for exhibit are recorded in the Capital and Preservation Fund at cost, if purchased or at their estimated fair value at the date of contribution for donated collection assets. No amortization is charged on these assets. Collection assets are disposed of in accordance with the Society's deaccessioning policy. Proceeds from the sale of any items in the collection are recorded in the Capital and Preservation Fund and earmarked for the care of the collection. The Society cannot monetize collection assets to meet financial obligations.

Capitalized labour

Labour costs associated with the construction of collection and capital assets are capitalized.

Investments

Short-term investments, comprised entirely of guaranteed investment certificates (GICs) having a maturity greater than 30 days but less than one year from the date of purchase, are carried at market value with realized and unrealized gains or losses recognized directly in the statement of revenue and expenses and changes in fund balances.

Inventory

Inventory comprised primarily of food and supplies is valued at average cost. Inventory comprised of goods purchased and held for resale is valued at the lower of average cost and net realizable value.

Pension plan

The Society maintains a voluntary defined contribution pension plan for its full-time and part-time continuous employees. The Society matches employees' contributions up to a maximum 5% of their gross salary.

The 2021 pension cost of \$233,875 (2020 – \$263,561) was expensed in operating and maintenance and selling, general and administrative expenses in the statement of revenue and expenses and changes in fund balances of the Operating Fund during the year.

Heritage Park Society

Notes to Financial Statements

December 31, 2021

Gifts in-kind

Gifts in-kind include donated goods and services and donated investments.

Donated goods and services are recorded as revenue and expenses when the fair market value is reasonably determinable and when they would normally be purchased and paid for by the Society, if not donated. During 2021, \$24,726 (2020 – \$37,052) of donated goods and services was recorded in the financial statements.

The Society maintains records of volunteer hours for statistical reporting purposes. Services donated to the Society through volunteer work are not reflected in the financial statements, since objective measurement or valuation is indeterminable.

During the year, the Society received \$320,218 (2020 – \$172,665) of donated investments, which were immediately liquidated for cash proceeds and recorded in the financial statements.

Financial instruments

The Society initially measures financial assets and liabilities at their fair value. It subsequently measures its financial assets and liabilities at amortized cost, other than short-term investments and long-term receivables, which are reported at fair value. The financial assets subsequently measured at amortized cost include cash and short-term accounts receivable. The financial liabilities subsequently measured at amortized cost include the line of credit deposits on account and accounts payable and accrued liabilities.

It is management's opinion that the Society's exposure to risk on its financial instruments did not change from the prior period and is as follows.

- Credit risk

The Society's credit risk exposure relates primarily to its cash and accounts receivable. Cash balances are denominated in local currency and held with reputable Canadian financial institutions and accounts receivable are not concentrated with any one party and management considers them fully collectible. Management does not consider the Society to be exposed to significant credit risk, even in light of COVID-19.

- Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulties in meeting its financial obligations. The Society manages its liquidity risk through cash and investment management. Management does not consider the Society to be exposed to significant liquidity risk, even in light of COVID-19.

- Interest rate, currency and other price risk

Short-term investments are limited to GICs held with a reputable Canadian financial institution. Cash balances, short-term investments and accounts receivable are denominated in local currency. Management does not consider the Society to be exposed to significant interest rate, currency and other price risk.

Heritage Park Society

Notes to Financial Statements

December 31, 2021

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

4 Collection assets

The Society owns a collection of historical buildings, rolling stock, furnishings and equipment that are held for public exhibition and education. These assets are protected, cared for and preserved on an ongoing basis. The change in collection assets during 2021 was as follows:

	2020 \$	Additions \$	Reductions \$	2021 \$
Food and retail buildings	5,476,442	631,092	201,309	5,906,225
Exhibit buildings	7,839,226	42,891	18,299	7,863,818
Railway and streetcars	4,456,039	90,137	15,677	4,530,499
Midway assets	2,081,850	31,172	23,676	2,089,346
Other period structures	1,898,056	113,699	8,693	2,003,062
Artifacts	5,859,930	27,718	693	5,886,955
Marine	1,008,819	1,624	19,023	991,420
Period buses	364,090	-	-	364,090
Buggies and wagons	224,926	-	-	224,926
Period vehicles	168,085	-	-	168,085
	<u>29,377,463</u>	<u>938,333</u>	<u>287,370</u>	<u>30,028,426</u>

During 2021, collection assets were donated to the Society in the amount of \$15,916 (2020 – \$12,596). Reductions of collection assets reflect the book value of collection assets that were reconstructed, replaced or disposed during the year. Proceeds arising from disposals of collection assets in the year were \$nil (2020 – \$nil). The Society uses the proceeds for the direct care and maintenance of the collection assets.

During 2021, \$196,029 (2020 – \$225,164) of maintenance expenses related to the collection assets were incurred and are included in operating and maintenance expenses.

Heritage Park Society

Notes to Financial Statements

December 31, 2021

5 Capital assets

	2021		2020	
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Infrastructure	33,159,850	19,389,653	13,770,197	13,949,872
Service buildings, components and improvements	51,363,070	24,990,100	26,372,970	23,661,745
Equipment and furnishings	8,204,666	7,240,963	963,703	453,503
Computer hardware and software	4,657,084	4,192,137	464,947	187,877
Construction-in-progress	-	-	-	4,038,865
	97,384,670	55,812,853	41,571,817	42,291,862

Assets under construction having a value of \$nil (2020 – \$4,038,865) have not been amortized. Amortization of these assets will commence when the asset is put into service.

During 2021, \$4,038,865 in completed construction costs related to Innovation Crossing were moved out of construction-in-progress to infrastructure (\$148,291), equipment and furnishings (\$353,638), and service buildings, components and improvements (\$3,536,936).

6 Deferred contributions

Deferred contributions represent externally restricted amounts received that have not been spent. These amounts are restricted as follows:

	2020 \$	Additions \$	Releases \$	2021 \$
Program donations and grants	1,509,833	1,579,911	553,909	2,535,835

Heritage Park Society

Notes to Financial Statements

December 31, 2021

7 Fund balances

a) Internally restricted

Capital and Preservation Fund

Internally restricted funds of \$2,187,570 (2020 – \$826,820) represent amounts approved by the Board for projects not funded by external parties or to meet matching requirements of grantors as needed.

	2021 \$	2020 \$
Balance – Beginning of year	826,820	478,159
Utilized in year	(663,832)	(433,667)
Interfund transfer	2,000,000	800,000
Gain (loss) on disposal of capital assets	24,582	(17,672)
Balance – End of year	<u>2,187,570</u>	<u>826,820</u>

b) Externally restricted

Capital and Preservation Fund

Externally restricted funds of \$1,435,338 (2020 – \$1,331,704) remain restricted by contributors for capital expenditures.

	2021 \$	2020 \$
Balance – Beginning of year	1,331,704	2,711,975
Donations and grants	4,788,002	4,973,200
Utilized during the year	(4,684,368)	(6,353,471)
Balance – End of year	<u>1,435,338</u>	<u>1,331,704</u>

8 Related party transactions

During the year, the Society made a contribution of \$501,941 (2020 – \$nil) to Heritage Park Foundation (the Foundation), a related not-for-profit organization whose purpose is to carry out fundraising and investment activities for the benefit of the Society, but operates under an independent Board of Directors, to support the ongoing operation and maintenance costs of the Natural Resources Area (Prospect Ridge and Innovation Crossing).

The Society received a contribution of \$293,644 (2020 – \$302,670) from the Foundation.

Heritage Park Society

Notes to Financial Statements

December 31, 2021

The Society provided management and administrative services to the Foundation in the amount of \$177,076 (2020 – \$188,400), which are reimbursed to the Society by the Foundation and are recorded as a reduction of selling, general and administrative expenses. In addition, the Society provided catering and other services to the Foundation for fundraising events totalling \$7,651 (2020 – \$8,272) that are recorded in food services revenue.

Accounts receivable includes \$435,013 (2020 – \$491,350) due from the Foundation. These balances are non-interest bearing with no fixed terms of repayment.

9 Fundraising expenses

As required under Section 7(2) of the Charitable Fundraising Regulation in Alberta, the following amounts are disclosed.

	\$
Amounts paid as remuneration to employees whose principal duties involve fundraising	129,080
Direct expenses incurred for the purpose of soliciting contributions, including grants and donations	148,835

10 Grants awarded

a) City of Calgary Lifecycle & Maintenance Grant (CPIG and MSP)

The City provides the Society with an annual grant to support the ongoing maintenance of assets. In 2021, the Society received \$2,487,949 (2020 – \$2,080,402) from the City for lifecycle maintenance expenses.

b) City of Calgary Wet Dock Replacement Grant

In 2021, the City provided the Society with a capital grant for replacement of the SS Moyie Summer Dock. The total grant amount is \$2,908,080. During the year, \$28,374 (2020 – \$nil) was recorded as grant revenue of the Capital and Preservation Fund.

c) City of Calgary Operating Grant

The City provides funding to cover a portion of the operating and capital expenditures of the Society. Funding is determined annually at the discretion of City Council. In 2021, total operating support was \$3,739,788 (2020 – \$3,614,787).

d) City of Calgary Emergency Resiliency Fund

In 2020, the City offered a COVID-19 relief grant for civic and community partners. This program was extended in 2021. The Society was awarded \$648,500 (2020 – \$490,000) to offset any operating deficit. At December 31, 2021, the balance of the grant totalling \$1,138,500 was deferred, and is included in deferred contributions on the balance sheet.

Heritage Park Society

Notes to Financial Statements

December 31, 2021

e) Canada-Alberta Integrated Bilateral Agreement Natural Resources Project

In 2020, the Society entered into a grant agreement with the Government of Alberta under the Canada-Alberta Integrated Bilateral Agreement for the Investing in Canada Infrastructure Program. The grant is to be used exclusively for construction of the Natural Resources Interpretive Centre based on reimbursement of 40% of eligible expenditures, to a maximum grant contribution of \$2,045,605. During the year, \$841,538 (2020 – \$735,779) was recorded as grant revenue of the Capital and Preservation Fund. As at December 31, 2021, this grant has been fully utilized for its intended purpose.

f) Government of Canada subsidies

In 2020 and 2021, the Government of Canada introduced COVID-19 relief emergency wage subsidies. The subsidies are paid to employers who meet eligibility requirements for each period of the subsidies, based on a reduction in revenue compared to prior periods. In 2021, the Society was eligible to claim the subsidies in almost every period offered, and accessed \$4,216,702 (2020 – \$4,118,857) of relief, which was recognized as grant revenue. As at December 31, 2021, \$823,999 (2020 – \$504,694) of this amount was recorded as a receivable.

	2021 \$	2020 \$
Canada Emergency Wage Subsidy (CEWS)	3,035,164	4,118,857
Canada Recovery Hiring Program (CRHP)	357,539	-
Tourism and Hospitality Recovery Program (THRP)	823,999	-
	<u>4,216,702</u>	<u>4,118,857</u>

11 Line of credit

The Society has a \$1,000,000 revolving demand facility. It is secured by the Society's investment account with National Bank Financial Group. The balance outstanding at December 31, 2021 is \$nil (2020 – \$nil). This line of credit bears interest at rate of BMO prime plus 0.25% per annum and is payable on a monthly basis.

12 Government remittances

Accounts payable and accrued liabilities includes government remittances payable of \$nil (2020 – \$38,302).

13 Accounts receivable

In 2017, the Society entered into a sponsorship agreement with BMO Financial Group for an amount of \$1,000,000 to support the Colonist Car National Pride Tour. The agreement allowed the sponsorship amount to be paid over time. As of December 31, 2021, the Society has received \$800,000 (2020 – \$700,000). The remaining receivable balance was discounted to net present value with amounts due in 2021 of \$85,636 (2020 – \$88,333) classified as current accounts receivable, and amounts due in future years of \$83,021 (2020 – \$168,657) classified as long-term accounts receivable.

HERITAGE PARK SOCIETY

MISSION STATEMENT

Connecting people with the Settlement of Western Canada
and Preserving our Culture and Heritage.

VISION

To be recognized as Canada's leading living history museum.

Western Canada is defined as the geographic area bordered by the Manitoba/Ontario border on the East, the interior of British Columbia on the West, the tree line in the North and the Canada/U.S.A. border in the South.

PATRONS

The Honourable

Salma Lakhani, AOE, B.Sc.
Lieutenant Governor of Alberta

The Honourable

Jason Kenney
Premier of Alberta

His Worship

Mayor Naheed Nenshi
Mayor of The City of Calgary
[to Oct.]

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[from June]

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Snr. Director, Guest Services

Cindy Harder

Snr. Director, People & Culture
[from May]

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Director, Fund Development
[to June]

Viola Midegs

Director, Marketing
[from Feb.]

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Executive Assistant

Susan Reckseidler

Director, Interpretation

Leighton Smyth

Executive Chef [to Sept.]

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Director, Retail Operations/
Guest Relations

Jennifer Wakeford

Director, Food Services

Bob Wyatt

Director, Facilities &
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Fred Callaway
Gord Case
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Ashley Henrickson
Margriet Kiel*
Donald Watkins

*Ex Officio

In their memory we honour the Patrons, Life, Active and Committee members, volunteers and staff who are no longer with us, and whose contributions helped lay the foundation on which we continue to build.

With deepest respect, we remember.



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HERITAGE PARK SOCIETY CHARITABLE REGISTRATION #11895 6457 RR0001