

Calgary Stampede Foundation

Financial Statements
December 31, 2016



April 24, 2017

Independent Auditor's Report

To the Shareholders of Calgary Stampede Foundation

We have audited the accompanying financial statements of Calgary Stampede Foundation, which comprise the statement of financial position as at December 31, 2016 and the statement of revenue and expenses, changes in net assets and cash flows for the year then ended and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Calgary Stampede Foundation as at December 31, 2016 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Calgary Stampede Foundation

Statement of Financial Position

As at December 31, 2016

					2016	2015
	General Fund \$	Designated Youth Fund \$	Designated Fund \$	Capital Fund \$	Total \$	Total \$
Assets						
Current assets						
Cash	5,633,299	500	100,000	-	5,733,799	4,290,313
Accounts receivable (notes 10 and 14)	400,407	-	-	-	400,407	1,131,168
Current portion of prepaid rent	-	323,618	-	-	323,618	1,112
Interfund balances	(4,951,613)	31,742	1,072	4,918,799	-	-
	1,082,093	355,860	101,072	4,918,799	6,457,824	5,422,593
Long term portion of prepaid rent	-	2,912,558	-	-	2,912,558	-
Investments (note 3)	4,448,886	3,005,701	486,361	20,998,765	28,939,713	24,621,236
Tangible capital assets (note 4)	63,896	-	-	17,595,705	17,659,601	12,128,931
	5,594,875	6,274,119	587,433	43,513,269	55,969,696	42,172,760
Liabilities						
Current liabilities						
Accounts payable and accrued liabilities (notes 10 and 14)	270,990	67,747	-	1,536,727	1,875,464	238,935
Deferred revenue	345,000	303,247	-	-	648,247	298,576
Deferred capital contributions (note 6)	20,047	-	-	-	20,047	26,731
	636,037	370,994	-	1,536,727	2,543,758	564,242
Long-term debt (notes 5 and 10)	-	-	-	5,000,000	5,000,000	824,034
	636,037	370,994	-	6,536,727	7,543,758	1,388,276
Share capital						
Authorized 2 common shares without nominal or par value						
Issued and outstanding (2015 – 2) common shares	2	-	-	-	2	2
Net Assets						
Externally restricted (note 7)	-	5,903,125	587,433	20,727,760	27,218,318	19,322,702
Internally restricted (note 12)	-	-	-	5,000,000	5,000,000	5,000,000
Invested in tangible capital assets	29,637	-	-	11,248,782	11,278,419	11,278,419
Unrestricted	4,929,199	-	-	-	4,929,199	5,183,361
	4,958,836	5,903,125	587,433	36,976,542	48,425,936	40,784,482
	5,594,875	6,274,119	587,433	43,513,269	55,969,696	42,172,760

Subsequent events (note 15)

Approved by the Board of Directors

_____ Director _____ Director

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

Calgary Stampede Foundation

Statement of Revenue and Expenses

For the year ended December 31, 2016

					2016	2015
	General Fund \$	Designated Youth Fund \$	Designated Fund \$	Capital Fund \$	Total \$	Total \$
Revenue						
Donations (note 10)	360,663	556,051	356,600	7,628,633	8,901,947	8,616,708
Fundraising	7,280	341,578	-	-	348,858	412,512
Sponsorship (note 10)	-	135,000	-	-	135,000	130,000
Investment income (notes 3 and 7)	332,652	5,701	12,368	174,904	525,625	485,763
Amortization of deferred capital contributions (note 6)	6,684	-	-	-	6,684	6,686
Other	36,394	304,858	-	-	341,252	537,434
	743,673	1,343,188	368,968	7,803,537	10,259,366	10,189,103
Expenses						
Programs						
Young Canadians School of Performing Arts	-	760,999	-	-	760,999	627,722
Stampede School	-	196,204	-	-	196,204	183,100
OH Ranch	-	83,777	-	-	83,777	90,000
Stampede Band	-	1,103,899	-	-	1,103,899	1,000,727
Grants and scholarships (note 9)	13,000	130,500	4,907	-	148,407	120,750
Fundraising (note 8)	-	35,834	-	-	35,834	13,297
Administration	288,792	-	-	-	288,792	284,334
	301,792	2,311,213	4,907	-	2,617,912	2,319,930
Excess of revenue over expenses before contribution from Calgary Stampede	441,881	(968,025)	364,061	7,803,537	7,641,454	7,869,173
Contribution from Calgary Stampede (note 10)	-	-	-	-	-	610,052
Excess of revenue over expenses	441,881	(968,025)	364,061	7,803,537	7,641,454	8,479,225

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

Calgary Stampede Foundation

Statement of Changes in Net Assets

For the year ended December 31, 2016

	2016				
	General Fund \$	Designated Youth Fund \$	Designated Fund \$	Capital Fund \$	Total \$
Balance – Beginning of year					
Externally restricted	-	3,000,000	173,372	16,149,330	19,322,702
Internally restricted	-	-	-	5,000,000	5,000,000
Internally restricted net assets invested in tangible capital assets	29,637	-	-	11,248,782	11,278,419
Unrestricted	5,183,361	-	-	-	5,183,361
	5,212,998	3,000,000	173,372	32,398,112	40,784,482
Excess of revenue over expenses	441,881	(968,025)	364,061	7,803,537	7,641,454
Interfund transfers	(696,043)	3,871,150	50,000	(3,225,107)	-
Balance – End of year	4,958,836	5,903,125	587,433	36,976,542	48,425,936
	2015				
	General Fund \$	Designated Youth Fund \$	Designated Fund \$	Capital Fund \$	Total \$
Balance – Beginning of year					
Externally restricted	-	24,198	169,578	10,748,623	10,942,399
Internally restricted	-	-	-	5,000,000	5,000,000
Internally restricted net assets invested in tangible capital assets	29,637	-	-	11,248,782	11,278,419
Unrestricted	5,269,077	(184,638)	-	-	5,084,439
	5,298,714	(160,440)	169,578	26,997,405	32,305,257
Excess of revenue over expenses	502,959	2,626,749	9,458	5,340,059	8,479,225
Interfund transfers	(588,675)	533,691	(5,664)	60,648	-
Balance – End of year	5,212,998	3,000,000	173,372	32,398,112	40,784,482

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

Calgary Stampede Foundation

Statement of Cash Flows

For the year ended December 31, 2016

	2016 \$	2015 \$
Cash provided by (used in)		
Operating activities		
(Deficiency) excess of revenue over expenses of the General, Designated Youth and Designated Funds	(162,083)	3,139,166
Items not affecting cash		
Amortization of tangible capital assets	6,894	6,893
Amortization of deferred capital contributions	(6,684)	(6,686)
Contribution of donated tangible capital assets	(14,675)	(5,849)
Unrealized and net realized gain on investments	(527,294)	(48,664)
	(703,842)	3,084,860
Changes in non-cash working capital		
Accounts receivable	730,761	507,940
Prepaid expenses (note 10)	(3,235,064)	79,823
Accounts payable and accrued liabilities	99,802	33,941
Deferred revenue	349,671	214,081
	(2,758,672)	3,920,645
Investing activities		
Purchase of property, plant and equipment	(5,522,889)	(824,034)
Contribution of investments	(249,938)	-
Net purchase of investments	(3,541,245)	(8,345,371)
Net change in non-cash working capital	1,536,727	-
	(7,777,345)	(9,169,405)
Financing activities		
Donations to the Capital Fund	7,628,633	4,952,710
Increase in long-term debt of Capital Fund	4,175,966	824,034
Investment income in the Capital Fund	174,904	271,767
	11,979,503	6,048,511
Net increase in cash	1,443,486	799,751
Cash – Beginning of year	4,290,313	3,490,562
Cash – End of year	5,733,799	4,290,313

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

Calgary Stampede Foundation

Notes to Financial Statements

December 31, 2016

1 Purpose of the organization

Calgary Stampede Foundation (the "Foundation") operates programs to promote education, western values and culture, and other activities in Southern Alberta. The Foundation's programs include the Stampede School, Young Canadians School of Performing Arts, Calgary Stampede Showband, Band of Outriders, Showriders and OH Ranch School. The Foundation also administers a number of youth scholarship programs.

The Foundation is incorporated under the Companies Act of Alberta as a not-for-profit organization and is a registered charity under the Income Tax Act and, accordingly, is not subject to income taxes. The Foundation's two shareholders are the Calgary Exhibition and Stampede Limited (the "Calgary Stampede") and The Calgary Foundation. The Foundation also administers a number of youth scholarship programs.

2 Significant accounting policies

Basis of accounting

The financial statements of the Foundation are prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNPO") as issued by the Canadian Accounting Standards Board.

The Foundation follows the restricted-fund method of accounting for contributions, with the following Funds:

General Fund

The General Fund accounts for the Foundation's equipment and art and administrative activities and programs.

Designated Youth Fund

The Designated Youth Fund accounts for activities related to the designated youth programs.

Designated Fund

The Designated Fund accounts for the Foundation's endowment funds, the principal of which must be permanently maintained and for contributions specified by the donor to be held for a period of not less than ten years, the income from which is to be used for the benefit of a specified activity. Once a contribution exceeds the ten year minimum, the funds are transferred to the General Fund until the Foundation's board of directors determines the specific use for any remaining funds from that contribution.

Capital Fund

The Capital Fund accounts for the assets, liabilities, revenue and expenses related to land, as well as the fundraising revenue and construction costs of capital projects.

Calgary Stampede Foundation

Notes to Financial Statements

December 31, 2016

Revenue recognition

Restricted contributions for the acquisition of land, and capital projects are recognized as revenue in the Capital Fund. Restricted contributions for equipment are recognized in the General Fund as deferred contributions and are recognized over the period that the related asset is amortized. Contributions of gifts to be held for a period no less than 10 years is recognized as revenue in the Designated Fund.

Unrestricted donations, pledges, contributions, investments and other income are recognized as revenue when received or receivable in the General Fund. Restricted contributions related to general operations are recognized as revenue in the General Fund in the period in which the expenses are incurred.

Investment income restricted by the contributor for capital projects is recorded in the Capital Fund. Investment income on designated funds that is restricted by the contributor is recorded in the Designated Fund. Investment income restricted by the contributor for designated youth programs is recorded in the Designated Youth Fund. Unrestricted investment income is recorded in the General Fund.

Investments

Investments include cash, bonds, debentures, pooled and non-pooled equities and the cash surrender value of a life insurance policy and are recorded at fair value in accordance with the Foundation's investment policies. Investment income is valued using bid pricing rates. Long-term investments include cash items held in the investment portfolio that are not for operating purposes and cannot be relied on for immediate liquidation and use.

Investment income including interest and dividends are recognized as revenue when receivable. Realized and unrealized gains and losses due to changes in fair value are recorded in investment income in the period in which they arise.

Tangible capital assets

Tangible capital assets are recorded at cost. The Foundation provides for amortization of equipment on a straight-line basis designed to amortize the cost of the asset over its estimated useful life.

Tangible 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 their carrying amounts may not be fully recoverable. An impairment loss is recognized when and to the extent that management assesses the future useful life of an asset to be less than originally estimated.

The Foundation has been gifted artwork for public display. The value of the artwork has been determined at fair market value at the time of gifting, and if the artwork were to be sold, the proceeds of disposition would be used for general operations of the Foundation. Amortization is not applied to the public art collection.

Calgary Stampede Foundation

Notes to Financial Statements

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Donations of materials and services

Donated materials that would otherwise be paid for by the Foundation are recorded at fair value when provided. The work of the Foundation is dependent on the voluntary services of many individuals. As such, these services are not normally purchased by the Foundation, and because of the difficulty of determining their fair value, such donated services are not recognized in these financial statements.

Financial instruments

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market 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 Foundation 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.

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

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses for the reporting periods. The most significant of these estimates are related to the recoverable amount of the Foundation's accounts receivable, the amortization period for and potential impairment of tangible 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.

Calgary Stampede Foundation

Notes to Financial Statements

December 31, 2016

3 Investments

Investments aggregating \$28,939,713 (2015 – \$24,621,236) are composed of \$28,893,016 (2015 – \$24,576,284) held by third party investment managers and \$46,697 (2015 – \$44,950) in cash surrender value of an insurance policy.

The investment portfolio is composed of cash, bonds, debentures and both pooled and non-pooled equities in accordance with the Foundation's investment policies. The asset mix of the funds at December 31 is as follows:

	2016			2015		
	Capital %	Other %	Total %	Capital %	Other %	Total %
Cash	0.6	0.8	1.4	1.6	0.7	2.3
Bonds	72.4	14.6	87.0	81.3	4.5	85.8
Canadian equity	-	5.3	5.3	-	4.3	4.3
U.S. equity	-	3.1	3.1	-	3.9	3.9
International equity	-	3.2	3.2	-	3.7	3.7
	73.0	27.0	100.0	82.9	17.1	100.0

At December 31, 2016, the bonds invested on behalf of the Capital Fund had an average term of 1.25 years (2015 – 3.33 years), duration of 1.17 years (2015 – 2.0 years), and an effective interest yield of 1.24% (2015 – 2.6%).

At December 31, 2016, the remaining bonds in the investment portfolio had an average term of 9.75 years (2015 – 9.66 years), duration of 7.33 years (2015 – 7.00 years), and an effective interest yield of 2.20% (2015 – 3.18%).

4 Tangible capital assets

	Useful lives	2016		
		Cost \$	Accumulated amortization \$	Net \$
Equipment	5 – 10	108,938	88,256	20,682
Land	-	11,248,782	-	11,248,782
Art	-	43,214	-	43,214
Youth Campus development projects	-	6,346,923	-	6,346,923
		17,747,857	88,256	17,659,601

Calgary Stampede Foundation

Notes to Financial Statements

December 31, 2016

			2015	
	Useful lives	Cost \$	Accumulated amortization \$	Net \$
Equipment	5 – 10	108,939	81,363	27,576
Land	-	11,248,782	-	11,248,782
Art	-	28,539	-	28,539
Youth Campus development projects	-	824,034	-	824,034
		<u>12,210,294</u>	<u>81,363</u>	<u>12,128,931</u>

In 2015, the Foundation began significant renovation of the TransAlta Performing Arts Studios. To fund the renovation, the Calgary Stampede provided the Foundation with a \$5 million credit facility (note 5). As of December 31, 2016, \$5,399,442 (2015 – \$824,031) has been spent on this project. Also included in Youth Campus development projects as at December 31, 2016 is \$282,147 (2015 – \$nil) spent on the BMO Amphitheatre and \$665,334 (2015 – \$nil) spent on the SAM Centre. Amortization on each of these projects will not commence until they are put into use.

5 Long-term debt

In 2015, the Calgary Stampede Foundation entered into a \$5 million long-term credit facility with the Calgary Stampede to finance the significant renovation of the TransAlta Performing Arts Studios. The facility is a 10-year non-interest bearing loan and is now fully advanced.

	2016 \$	2015 \$
Utilized credit facility maturing in 2025	<u>5,000,000</u>	<u>824,034</u>

A mortgage lien has been registered on TransAlta Performing Arts Studios as security for the above credit facility.

6 Deferred capital contributions

The Foundation receives capital contributions from various sources to assist in the financing of tangible capital asset acquisitions. Details of deferred contributions are as follows:

	2016 \$	2015 \$
Balance – Beginning of year	26,731	33,417
Amortization	<u>(6,684)</u>	<u>(6,686)</u>

Calgary Stampede Foundation

Notes to Financial Statements

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Balance – End of year	20,047	26,731
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7 Designated Fund

Endowment Funds

Amounts restricted for endowment purposes are donations from donors which have externally imposed restrictions requiring donated funds to be maintained in perpetuity. In 2016, all endowment funds were directed to support the Foundation's education programs.

	2016 \$	2015 \$
Endowment Funds – Anonymous Donors	350,000	-

Other designated funds

Other designated funds are composed of the following individual funds:

	2016 \$	2015 \$
Past Presidents and Honorary Life Directors	124,787	87,497
Robson Family Scholarship	52,858	70,678
Queen's Alumni Advancement Fund	55,016	-
Bennett Jones	5,343	15,197
	<hr/> 238,004	<hr/> 173,372

Designated funds are used to award scholarships as outlined in the specific donor agreements. All investment income for these funds is restricted, and income that is not disbursed as scholarships remains within the Designated Fund. In 2016, the Designated Fund generated investment income of \$12,938 (2015 – \$12,558).

At December 31, 2016, as per agreements with the Foundation pertaining to funds required to be held for a period of not less than ten years, restrictions of \$9,854 expired (2015 – \$3,100) and were released into the General Fund. The remaining restrictions expire as follows:

	\$
2017	2,500
2018	-
2019	-
2020	49,750
Thereafter	<hr/> -
	<hr/> 52,250

Calgary Stampede Foundation

Notes to Financial Statements

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8 Fundraising expenses

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

	2016 \$	2015 \$
Amounts paid as remuneration to employees whose principal duties involve fundraising	-	2,089
Amounts paid as remuneration to a fundraising business	-	849

9 Grants and scholarships

The Foundation awarded the following grants and scholarships:

	2016 \$	2015 \$
Jr. Livestock Scholarship	78,750	64,000
Western Showcase Committee Art Scholarships	6,000	13,750
Enbridge Citizens of Tomorrow	6,000	6,000
Brager Scholarship	2,000	2,000
Robson Family Scholarship	4,907	5,000
Steer Classic Scholarship	42,250	21,000
Dr. Margaret Hess Scholarship	5,000	5,000
Youth Cutting Horse Scholarship	3,500	4,000
	<hr/> 148,407	<hr/> 120,750

10 Related party transactions

The Calgary Stampede Foundation is controlled by the Calgary Stampede by its ability and right to appoint the majority of the Foundation's Board of Directors.

The Foundation conducted business transactions with the Calgary Stampede to assist the Foundation in delivering its programs and host fundraising events. Transactions relating to expenses incurred and services provided, totalling \$437,608 (2015 – \$629,036), are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Of the total amount, \$411,641 (2015 – \$604,036) was used for program expenses and \$25,967 (2015 – \$25,000) was used for administrative expenses.

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In 2016, the Foundation received \$1,200,000 from the Calgary Stampede to support certain construction costs related to the development of Youth Campus and was recorded as a donation in the Capital Fund. In 2015, the Foundation received \$3,610,052 to support various youth programs and that contribution was recorded as a donation in the Designated Youth Fund.

The net accounts payable due to the Calgary Stampede at December 31, 2016 was \$1,732,402 (2015 – net accounts receivable of \$490,200). The amount due is non-interest bearing and has no specified terms of repayment.

In 2014, the Calgary Stampede and the Foundation entered into a new five year term sponsorship agreement, for a total of \$675,000 of funding over the term of the agreement. In 2016, \$135,000 (2015 – \$130,000) was contributed to the Foundation under the terms of the agreement.

In 2015, the Foundation began the significant renovation of the Victoria Park Community Hall to create the TransAlta Performing Arts Studios. To fund the renovation, the Calgary Stampede provided the Foundation with a \$5,000,000 credit facility at zero interest for a 10 year term. As at December 31, 2016, \$5,000,000 was advanced to the Foundation (2015 – \$824,034) pursuant to this facility. An additional \$566,048 relating to this project is included in the net accounts payable to the Stampede at December 31, 2016 (2015 – \$nil).

In 2016, Construction Agency Agreements were signed between the Foundation and the Calgary Stampede to support the construction of the BMO Amphitheatre and the SAM Centre. The Calgary Stampede is to act as the Foundation's development manager and agent in all matters pertaining to the services, materials and equipment required to complete the projects. Under the terms of the agreements, all project costs incurred by the Calgary Stampede are reimbursed by the Foundation at cost. Expenditures on the BMO Amphitheatre totaled \$292,618 (2015 – \$nil) and \$681,562 for the SAM Centre (2015 – \$nil). These amounts are included in the net payable to the Stampede as at December 31, 2016.

In 2016, the Foundation also signed license and preferred access agreements with the Calgary Stampede to use each of the Agrium Western Event Centre and the OH Ranch Cookhouse over the next 10 years. The license fees due to the Calgary Stampede under these agreements were paid in advance as at December 31, 2016. The aggregate paid up license fee for the related facilities is \$3,236,176.

11 Financial instruments

The Foundation's financial instruments include cash, accounts receivable, investments, accounts payable, accrued liabilities and long-term debt. The risk assessment of these accounts is as below:

Equity risk

A significant portion of the Foundation's financial assets are investments, which represents the Foundation's exposure to equity risk. As disclosed in note 3, the Foundation's investment portfolio is largely invested in marketable securities, such as bonds, common shares, or in equity-like securities, such as mutual funds. The value of these securities changes as the business, financial condition, management and other relevant factors affecting the company that issued the securities change, as well as changes in the general economic condition of the markets in which they operate, thereby exposing the Foundation to these fluctuations in value.

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Foreign exchange risk

As a portion of the Foundation's investment portfolio is denominated in foreign currencies, the organization is exposed to fluctuations in those currencies.

Credit risk

30% (2015 – 45%) of the Foundation's accounts receivable are from a diverse group and are subject to normal credit risks. 70% (2015 – 55%) of the total accounts receivable are due from a related party or government agencies.

Liquidity risk

The Foundation's objective is to have sufficient liquidity to meet its liabilities when due. The Foundation monitors its cash balances and cash flows generated from operations to meet its requirements.

Interest rate risk

The Foundation is exposed to interest rate risk given that its investments have varying maturity dates. Accordingly, if interest rates decline, the Foundation may not be able to reinvest the maturing investment at a rate similar to that of the balance maturing.

12 Internally restricted

In 2004, the Foundation received a \$5,900,000 contribution from the Nat Christie Foundation, \$5,000,000 of which was internally restricted by the Foundation's board of directors, and invested separately from the other investments and intended for a future capital projects to be built on Stampede Park.

13 Capital campaign

The Calgary Stampede Foundation and Calgary Stampede conducted a "We're Greatest Together" capital campaign that formally concluded in 2015. As at December 31, 2016, a total of \$135.4 million (2015 – \$135.4 million) has been raised through this campaign, with \$91.4 million (2015 – \$82.0 million) received and \$44.0 million (2015 – \$53.4 million) pledged and to be received in future periods. The campaign funds will be allocated to the development of three major Stampede Park community initiatives, and further transform Stampede Park into a world-class year-round gathering place for the community. These include: Youth Campus, ENMAX Park and the Agriculture Discovery Zone.

Calgary Stampede Foundation

Notes to Financial Statements

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"We're Greatest Together" capital campaign contributions

	\$
Funds received	
Calgary Stampede	64,026,044
Calgary Stampede Foundation	<u>27,384,250</u>
Funds received to December 31, 2016	<u>91,410,294</u>
Funds pledged and to be received	
2017	18,501,257
2018	8,027,100
2019	3,103,300
2020	3,093,200
Future years	<u>11,272,000</u>
Total pledged and to be received	<u>43,996,857</u>
Total funds received and pledged	<u>135,407,151</u>

The campaign expects to collect all pledged amounts, but no assurances can be given as to the ultimate collectability. The pledged amounts are recorded in the financial statements when received.

14 Government remittances recoverable and/or payable

At December 31, 2016, the Foundation had government remittances receivable relating to GST rebates of \$249,350 (2015 – \$7,841) and government remittances payable relating to payroll of \$5,580 (2015 – \$453).

15 Subsequent events

On April 19, 2017, the Foundation signed a joint venture agreement with the Calgary Stampede to further develop, construct, maintain and operate ENMAX Park ("the Park"). The Park consists of 16 acres of green space on lands that include year round outdoor spaces for public gatherings, a performance stage for indigenous, cultural, youth and other events, a legacy trail which will tell Calgary's story through interpretative displays and public art and a facility which will house numerous community and indigenous cultural events, named Sweet Grass Lodge. The agreement requires the Foundation to contribute an amount up to \$6,539,141 in exchange for 42% undivided interest in the joint venture. The Park will be maintained and operated by the joint venture and the maintenance costs will be shared between the Calgary Stampede and the Foundation in accordance with their proportionate share.