

Financial Statements of

CALGARY FLAMES FOUNDATION

And Independent Practitioner's Review Engagement

Report thereon

For the year ended June 30, 2025



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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of Calgary Flames Foundation

We have reviewed the accompanying financial statements of Calgary Flames Foundation, which comprise the statement of financial position as at June 30, 2025, the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes, comprising 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Calgary Flames Foundation as at June 30, 2025, 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.

A handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants

Calgary, Canada

September 19, 2025

CALGARY FLAMES FOUNDATION

Statement of Financial Position

As at June 30, 2025, with comparative information for 2024

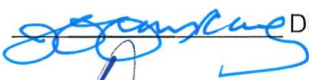

	2025	2024
Assets		
Current assets:		
Cash – Unrestricted (note 3)	\$ 833,546	\$ 2,294,235
Cash – Internally restricted (note 3)	2,905,000	1,975,250
Investments – Unrestricted (note 3)	2,308,000	8,739,191
Investments – Internally restricted (note 3)	7,192,000	1,282,000
Accounts receivable (note 6)	331,414	356,593
Prepaid expenses	40,347	26,109
GST recoverable	49,019	72,318
	13,659,326	14,745,696
Equipment (note 5)	60,285	75,707
	\$ 13,719,611	\$ 14,821,403

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 6)	\$ 1,035,766	\$ 397,457
Deferred revenue	222,000	215,730
	1,257,766	613,187
Net assets:		
Internally restricted for donation commitments (note 8)	10,097,000	3,257,250
Unrestricted	2,364,845	10,950,966
	12,461,845	14,208,216
	\$ 13,719,611	\$ 14,821,403

See accompanying notes to financial statements.

Approved by the Board:

 Director
 Director

CALGARY FLAMES FOUNDATION

Statement of Operations

For the year ended June 30, 2025, with comparative information for 2024

	2025	2024
Revenue:		
50/50 raffles	\$ 2,902,255	\$ 3,951,903
Fundraising events	1,082,952	945,664
Interest	605,405	674,577
Donations	508,586	373,412
Programs	140,428	—
Other revenue	143,177	122,847
Sponsorship	102,000	58,111
	5,484,803	6,126,514
General and administrative expenses:		
Personnel (note 6)	393,437	342,226
Advertising	64,186	80,778
Professional fees	34,077	33,351
Bank charges	30,926	33,847
Community and promotion	29,355	23,982
Other	16,736	5,395
Office and general	11,114	11,954
	579,831	531,533
Excess of revenue over expenses before disbursements and amortization	4,904,972	5,594,981
Charitable disbursements and programs	(6,635,921)	(4,670,674)
(Deficit) surplus before amortization	(1,730,949)	924,307
Amortization	(15,422)	(8,374)
(Deficit) surplus for the year	\$ (1,746,371)	\$ 915,933

See accompanying notes to financial statements.

CALGARY FLAMES FOUNDATION

Statement of Changes in Net Assets

For the year ended June 30, 2025, with comparative information for 2024

	Internally restricted	Unrestricted	2025 Total	2024 Total
Net assets, beginning of the year	\$ 3,257,250	\$ 10,950,966	\$ 14,208,216	\$ 13,292,283
Surplus (deficit) for the year	6,839,750	(8,586,121)	(1,746,371)	915,933
Net assets, end of year	\$ 10,097,000	\$ 2,364,845	\$ 12,461,845	\$ 14,208,216

See accompanying notes to financial statements.

CALGARY FLAMES FOUNDATION

Statement of Cash Flows

For the year ended June 30, 2025, with comparative information for 2024

	2025	2024
Cash, provided by (used in):		
Operating:		
(Deficit) surplus for the year	\$ (1,746,371)	\$ 915,933
Add item not involving cash:		
Amortization	15,422	8,374
	(1,730,949)	924,307
Change in non-cash working capital		
Change in other non-cash operating working capital (note 4)	678,819	510,934
	(1,052,130)	1,435,241
Investing:		
Proceeds on redemption of unrestricted and internally restricted investments	521,191	978,809
Acquisition of equipment	–	(84,081)
	521,191	894,728
(Decrease) increase in cash	(530,939)	2,329,969
Cash, beginning of the year	4,269,485	1,939,516
Cash, end of year (note 3)	\$ 3,738,546	\$ 4,269,485

Cash is comprised of:

	2025	2024
Cash – Unrestricted (note 3)	\$ 833,546	\$ 2,294,235
Cash – Internally restricted (note 3)	2,905,000	1,975,250
	\$ 3,738,546	\$ 4,269,485

See accompanying notes to financial statements.

CALGARY FLAMES FOUNDATION

Notes to Financial Statements

For the year ended June 30, 2025, with comparative information for 2024

1. Nature of operations:

Calgary Flames Foundation (the "Foundation") is a registered non-profit organization. The Foundation is incorporated under the Companies Act of Alberta as a not-for-profit organization. The Foundation is committed to supporting education, health and medical research, and amateur and grassroots sports in Calgary and raises funds throughout the year for these key areas. Fundraising initiatives include contests and special events such as celebrity poker and golf tournaments. The Foundation carries out 50/50 raffles at Calgary Flames, Calgary Wranglers, Calgary Roughnecks, and Calgary Stampeders games which are regulated by the Alberta Gaming Liquor and Cannabis Commission ("AGLC").

As a registered non-profit organization under Section 149(1)(f) of the Income Tax Act, the Foundation is exempt from income taxes; therefore, no provision for income taxes is recorded in the financial statements.

2. Significant accounting policies:

(a) Cash:

Cash consists of cash on hand, deposits with third-party Canadian financial institutions and is reduced by cheques issued in excess of cash.

(b) Investments:

Investments are highly-liquid investments redeemable on demand.

(c) Equipment:

Equipment is recorded at cost less accumulated amortization and is amortized over its useful life as follows:

Asset	Method	Rate
Furniture and fixtures	Straight-line	3 years
Computer hardware and software	Declining balance	20%
Equipment	Declining balance	20%

(d) Revenue recognition:

Unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Deposits for events that have not occurred are deferred and recognized at the time of the event.

Revenues and related expenses generated from certain programs are reported as net amounts within the financial statements.

CALGARY FLAMES FOUNDATION

Notes to Financial Statements

For the year ended June 30, 2025, with comparative information for 2024

2. Significant accounting policies (continued):

(e) Contributed materials and services:

Volunteers contribute labour each year to assist the Foundation in delivering its services. Due to the difficulty in determining fair value, contributed services are not recognized in the financial statements.

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost, unless management has elected to carry the instruments at fair value. The Foundation has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount of timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(g) Use of estimates:

The preparation of financial statements of the Foundation are in conformity with Canadian accounting standards for not-for-profit organizations which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period.

There are no specific items subject to significant measurement uncertainty.

CALGARY FLAMES FOUNDATION

Notes to Financial Statements

For the year ended June 30, 2025, with comparative information for 2024

3. Internally restricted funds and unrestricted funds:

Funds are comprised of cash deposits and investments in redeemable guaranteed investment certificates ("GICs") that are held in a major Canadian bank that may be internally restricted by virtue of donation commitments made by the Foundation.

2025	Cash	Investments	Total Funds
Unrestricted funds available for other charitable purposes	\$ 833,546	\$ 2,308,000	\$ 3,141,546
Internally restricted funds	2,905,000	7,192,000	10,097,000
Total funds, unrestricted and restricted	\$ 3,738,546	\$ 9,500,000	\$ 13,238,546

2024	Cash	Investments	Total Funds
Unrestricted funds available for other charitable purposes	\$ 2,294,235	\$ 8,739,191	\$ 11,033,426
Internally restricted funds (note 8)	1,975,250	1,282,000	3,257,250
Total funds, unrestricted and restricted	\$ 4,269,485	\$ 10,021,191	\$ 14,290,676

All GIC's held are redeemable and in compliance with AGLC requirements. As such, GIC's are classified as short term investments. Total GIC's held at June 30, 2025 were \$9,500,000. \$1,000,000 bearing interest of 3.40% maturing September 29, 2025 and \$8,500,000 bearing interest of 2.85% maturing April 27, 2026 (2024 – GIC's held at June 30, 2024 were \$10,021,191, bearing interest of 4.75%, with a maturity date of April 25, 2025).

4. Changes in non-cash working capital:

	2025	2024
Changes in non-cash working capital:		
Accounts receivable	\$ 25,179	\$ 269,021
GST recoverable	23,299	(35,886)
Prepaid expenses	(14,238)	(14,002)
Accounts payable and accrued liabilities	638,309	131,071
Deferred revenue	6,270	160,730
	\$ 678,819	\$ 510,934

CALGARY FLAMES FOUNDATION

Notes to Financial Statements

For the year ended June 30, 2025, with comparative information for 2024

5. Equipment:

2025	Cost	Accumulated amortization	Net book value
Computer hardware and software	\$ 236,929	\$ (236,929)	\$ —
Furniture and fixtures	19,280	(19,280)	—
Equipment	84,081	(23,796)	60,285
	\$ 340,290	\$ (280,005)	\$ 60,285

2024	Cost	Accumulated amortization	Net book value
Computer hardware and software	\$ 236,929	\$ (236,929)	\$ —
Furniture and fixtures	19,280	(19,280)	—
Equipment	84,081	(8,374)	75,707
	\$ 340,290	\$ (264,583)	\$ 75,707

6. Related party transactions:

The Calgary Flames Limited Partnership ("CFLP") exercises significant influence over the Foundation by virtue of the Board members consisting, in part, of CFLP employees and representatives of owners. Related party transactions during the year not separately disclosed in the financial statements include reimbursements and purchases of goods and services from CFLP for fundraising events and raffles in the amount of \$825,103 (2024 – \$662,161), which amount includes \$518,186 (2024 – \$447,481) for reimbursement of payments made to third parties by CFLP on behalf of the Foundation. Additionally, allocations from CFLP with respect to payroll expenses were made in the amount of \$393,437 (2024 – \$342,226). Accounts receivable includes amounts due from CFLP in the amount of \$186,691 (2024 – accounts payable of \$48,128). CFLP provides office space, equipment and support services at no charge to the Foundation including event planning, event ticketing, marketing and creative services, accounting, regulatory compliance, information technology and communications.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

CALGARY FLAMES FOUNDATION

Notes to Financial Statements

For the year ended June 30, 2025, with comparative information for 2024

7. Financial instruments and risk:

The Foundation has assessed the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include interest rate risk, liquidity risk, and market (other price) risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices.

(a) Interest rate risk:

Interest rate risk arises on cash. The Foundation is exposed to interest rate risk due to fluctuations in the bank's interest rates.

(b) Credit risk:

Accounts receivable are subject to minimal liquidity risk as the majority of receivables relate to GST refunds or amounts that have been collected subsequent to year end.

The Foundation is exposed to credit risk on its GICs. The Foundation manages this risk by depositing cash and GICs with large financial institutions.

(c) Market risk:

Market risk is the risk that change in market prices, interest rate levels, indices, liquidity and other market factors will result in losses. The Foundation is not exposed to significant market risk.

(d) Liquidity risk:

Liquidity risk is the risk that the Foundation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Foundation manages its liquidity risk by monitoring its operating requirements. The Foundation does not believe this is a significant risk.

There have been no significant changes to the risk exposures from June 30, 2024.

CALGARY FLAMES FOUNDATION

Notes to Financial Statements

For the year ended June 30, 2025, with comparative information for 2024

8. Donation commitments and internally restricted net assets:

The Foundation has an internally restricted reserve fund which is made up of donation commitments that the Foundation has made in respect of future periods. The commitments made are as follows:

	2025-2026	2026-2027	2027-2028	2028-2029	Total
CSEC Inclusion Program	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,000,000
Flames Rotary Sport Courts (Parks Foundation)	500,000	500,000	—	—	1,000,000
Renfrew Education Services	300,000	300,000	300,000	300,000	1,200,000
Alberta Children's Hospital Foundation	250,000	250,000	—	—	500,000
YMCA Calgary	250,000	250,000	—	—	500,000
Flames EvenStrength (Kidsport)	200,000	200,000	—	—	400,000
Flames Hockey Programs (Kidsport)	167,000	167,000	—	—	334,000
Post-Secondary Hockey Programs	125,000	—	—	—	125,000
Classroom Championships	120,000	120,000	—	—	240,000
HEROS/SuperHEROS	101,000	—	—	—	101,000
APPLE Schools Foundation	100,000	—	—	—	100,000
Flames Sports Bank	100,000	100,000	—	—	200,000
Kids Cancer Care Foundation	75,000	75,000	—	—	150,000
Post-Secondary Scholarships	57,000	—	—	—	57,000
Pacekids	50,000	50,000	50,000	—	150,000
Kidsport - Ken King Community Awards	10,000	10,000	10,000	10,000	40,000
CEC Charitable Commitment	—	—	1,500,000	1,500,000	3,000,000
	\$ 2,905,000	\$ 2,522,000	\$ 2,360,000	\$ 2,310,000	\$ 10,097,000