Royal Military Colleges of Canada Alumni Association Inc.

Financial Statements

December 31, 2025

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Independent Auditor's Report

To the members of
Royal Military Colleges of Canada Alumni Association Inc.

Qualified Opinion
We have audited the financial statements of Royal Military Colleges of Canada Alumni Association Inc., which comprise the statement of financial position as at December 31, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Accounting Standards for Not-for-Profit Organizations (ASNPO).

Basis for Qualified Opinion
In common with many not-for-profit organizations, the Association derives revenue from 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 Association. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2025 and 2024, current assets as at December 31, 2025 and 2024, and net assets as at January 1 and December 31 for both the 2025 and 2024 years. The prior auditor issued a qualified opinion on the financial statements for the year ended December 31, 2024 for the same reason.

Other Matter
The financial statements for the year ended December 31, 2024 were audited by a different auditor, who issued a qualified opinion on those financial statements on May 7, 2025, for the same reason described above.

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 ASNPO, 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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

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Independent Auditor's Report (continued)

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 Association'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 Association'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 Association 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.

Vaive and Associates

Ottawa
May 6, 2026

Vaive and Associates Professional Corporation
(Authorized to practice public accounting by the Chartered Professional Accountants of Ontario)

Royal Military Colleges of Canada Alumni Association Inc.

Statement of Operations

For the year ended December 31	Operating Fund	Life Membership	Restricted Fund	Endowment Fund	2025 Total	2024 Total
Revenue						
Administration fee	$ 277,909	$ -	$ -	$ -	**$ 277,909**	$ 244,956
Advertising revenue	-	-	-	-	**-**	400
Affinity revenue	118,943	-	-	-	**118,943**	168,180
Donations	91,296	-	801,914	116,143	**1,009,353**	2,280,253
Gift shop revenue	158,955	-	-	-	**158,955**	141,813
Investment income	97,533	485,957	3,182,299	-	**3,765,789**	3,657,176
LMIF permissible withdrawal	160,987	-	-	-	**160,987**	146,812
Membership revenue	2,491	2,299	-	-	**4,790**	11,929
RMC Research Services (note 6)	260,360	-	-	-	**260,360**	261,626
Special projects	88,025	-	-	-	**88,025**	90,600
Grants	-	-	-	-	**-**	2,986
Sponsorships	7,159	-	-	-	**7,159**	7,681
Other revenue	1,000	-	-	-	**1,000**	2,044
Total revenue	1,264,658	488,256	3,984,213	116,143	**5,853,270**	7,016,456
Expenses						
Administration fee	-	-	277,909	-	**277,909**	244,956
Administrative	426,169	-	-	-	**426,169**	339,011
Alumni expenses	38,508	-	-	-	**38,508**	15,258
Branch dues (note 10)	27,896	-	-	-	**27,896**	28,987
College benefactions	-	-	2,016,030	-	**2,016,030**	2,161,690
Depreciation	3,894	-	-	-	**3,894**	3,014
Endowed capital expended (note 2(a))	-	-	-	34,000	**34,000**	-
Gift shop - cost of goods sold	129,047	-	-	-	**129,047**	110,716
Gifts to other qualified donees	-	-	30,582	-	**30,582**	3,464
LMIF permissible withdrawal	-	160,987	-	-	**160,987**	146,812
Personnel	723,660	-	-	-	**723,660**	714,292
RMC Research Services (note 6)	76,003	-	-	-	**76,003**	71,140
Special projects	44,681	-	-	-	**44,681**	43,439
Write down of accounts receivable	-	2,732	-	-	**2,732**	-
Total expenses	1,469,859	163,719	2,324,521	34,000	**3,992,099**	3,882,779
Excess (deficiency) of revenue over expenses	$ (205,201)	$ 324,537	$ 1,659,692	$ 82,143	**$ 1,861,171**	$ 3,133,677

Royal Military Colleges of Canada Alumni Association Inc.

Statement of Changes in Fund Balances

December 31,					2025	2024
	Operating Fund	Life Membership	Restricted Fund	Endowment Fund	**Total**	Total
Balance, beginning of the year	$ 385,713	$ 4,065,054	$ 13,667,974	$ 15,480,209	**$ 33,598,950**	$ 30,465,273
Interfund transfers (note 9)	-	-	(540,000)	540,000	**-**	-
Excess (deficiency) of revenue over expenses	(205,201)	324,537	1,659,692	82,143	**1,861,171**	3,133,677
Balance, end of the year	$ 180,512	$ 4,389,591	$ 14,787,666	$ 16,102,352	**$ 35,460,121**	$ 33,598,950

Royal Military Colleges of Canada Alumni Association Inc.

Statement of Financial Position

December 31,	Operating Fund	Life Membership	Restricted Fund	Endowment Fund	2025 Total	2024 Total
Assets						
Current						
Cash and bank	$ 285,662	$ 1,511	$ 326,652	$ 10,774	**$ 624,599**	$ 465,971
Short term investments (note 3)	301,684	-	2,575,000	-	**2,876,684**	3,678,539
Inventory	113,934	-	-	-	**113,934**	97,651
Accounts receivable	28,744	-	-	-	**28,744**	39,377
Accrued investment income	18,708	-	-	-	**18,708**	40,993
Government remittances receivable	15,116	-	-	-	**15,116**	7,217
Prepaid expenses	28,137	-	-	-	**28,137**	31,086
Inter-fund receivables	-	-	497,728	-	**497,728**	1,599,905
Total Current	791,985	1,511	3,399,380	10,774	**4,203,650**	5,960,739
Life insurance policy - cash surrender value	-	-	25,546	-	**25,546**	24,037
Long-term investments (note 4)	-	4,391,442	21,186,473	16,091,578	**41,669,493**	38,674,189
Capital assets (note 5)	10,777	-	-	-	**10,777**	6,492
	$ 802,762	$ 4,392,953	$ 24,611,399	$ 16,102,352	**$ 45,909,466**	$ 44,665,457
Liabilities						
Current						
Accounts payable	$ 93,104	$ -	$ -	$ -	**$ 93,104**	$ 86,995
Deferred revenue	21,316	-	-	-	**21,316**	26,006
Government remittances payable	13,464	-	-	-	**13,464**	15,164
Monies held in trust (note 6)	-	-	9,823,733	-	**9,823,733**	9,338,437
Inter-fund payables	494,366	3,362	-	-	**497,728**	1,599,905
Total Current	622,250	3,362	9,823,733	-	**10,449,345**	11,066,507
Fund Balances						
Unrestricted	180,512	-	-	-	**180,512**	385,713
Life memberships	-	4,389,591	-	-	**4,389,591**	4,065,054
Externally restricted	-	-	13,846,773	-	**13,846,773**	12,596,506
Internally restricted (note 7)	-	-	940,893	-	**940,893**	1,071,468
Endowed Capital restricted (note 8)	-	-	-	16,102,352	**16,102,352**	15,480,209
	180,512	**4,389,591**	**14,787,666**	**16,102,352**	**35,460,121**	33,598,950
	$ 802,762	$ 4,392,953	$ 24,611,399	$ 16,102,352	**$ 45,909,466**	$ 44,665,457

Approved by the board:

CPA Treasurer

FCPA Chairperson

Royal Military Colleges of Canada Alumni Association Inc.

Statement of Cash Flows

December 31,					2025	2024
	Operating Fund	Life Membership	Restricted Fund	Endowment Fund	**Total**	Total
Cash Flows from Operating Activities						
Sources of Cash						
Donations	$ 80,558	$ -	$ 801,915	$ 116,144	**$ 998,617**	$ 2,274,120
Gift shop revenue	158,955	-	-	-	**158,955**	141,813
Memberships	2,491	2,426	-	-	**4,917**	13,547
Research services contract	275,396	-	-	-	**275,396**	287,002
Government remittances receivable	(7,899)	-	-	-	**(7,899)**	27,863
Affinity	105,291	-	-	-	**105,291**	148,296
Special projects	88,025	-	-	-	**88,025**	90,599
Investment income	119,817	144,958	977,221	-	**1,241,996**	1,042,601
Advertising	-		-	-	**-**	2,444
Branch dues returned	-	-	-	-	**-**	13,406
Sponsorship revenue	7,159	-	-	-	**7,159**	9,695
Grant revenue	1,000	-	-	-	**1,000**	2,986
Uses of Cash						
Personnel	(723,660)	-	-	-	**(723,660)**	(713,648)
Administrative	(432,234)	-	-	-	**(432,234)**	(344,117)
Research services contract	(78,036)	-	-	-	**(78,036)**	(71,140)
Benefactions	-	-	(1,058,105)	-	**(1,058,105)**	(1,347,371)
Endowment distributions	-	-	(957,925)	-	**(957,925)**	(814,319)
Gifts to other qualified donees	-	-	(30,582)	-	**(30,582)**	(3,464)
Endowed capital extended	-	-	-	(34,000)	**(34,000)**	-
Gift shop inventory and direct expenses	(145,329)	-	-	-	**(145,329)**	(96,150)
Membership fee transfer to branches	-	-	-	-	**-**	-
Special projects	(44,681)	-	-	-	**(44,681)**	(43,439)
Alumni activities	(38,508)	-	-	-	**(38,508)**	(15,258)
Cash flows provided from (used in) operating activities	(631,655)	147,384	(267,476)	82,144	**(669,603)**	605,466
Cash Flows from Investing Activities						
Increase in life insurance policy cash surrender value	-	-	(1,509)	-	**(1,509)**	(1,404)
Decrease (increase) in investments	(1,000,000)	266,152	909,450	(624,840)	**(449,238)**	(286,118)
Purchase of computer equipment	(8,180)	-	-	-	**(8,180)**	-
Cash flows provided from (used in) investing activities	(1,008,180)	266,152	907,941	(624,840)	**(458,927)**	(287,522)
Cash Flows from Financing Activities						
Monies held in trust received	-	-	2,210,430	-	**2,210,430**	2,089,789
Monies held in trust disbursed	-	-	(2,184,934)	-	**(2,184,934)**	(2,519,632)
Monies held in trust investment income (loss)	-	-	459,807	-	**459,807**	654,663
Cash flows provided from financing activities	-	-	485,302	-	**485,302**	224,820
Increase (Decrease) in Cash and Equivalents for Period	(1,639,835)	413,536	1,125,768	(542,696)	(643,227)	542,764
Cash and Equivalents Beginning of Year	1,382,797	1,114	2,747,129	13,470	4,144,510	3,601,746
Interfund adjustments	844,384	(413,139)	(971,245)	540,000	-	-
Cash and Equivalents End of Year	$ 587,346	$ 1,511	$ 2,901,652	$ 10,774	$ 3,501,283	$ 4,144,510
Represented by						
Cash	$ 285,662	$ 1,511	$ 326,652	$ 10,774	**$ 624,599**	$ 465,971
Short term investments	$ 301,684	$ -	$ 2,575,000	$ -	**$ 2,876,684**	$ 3,678,539

1. Nature of operations

Royal Military Colleges of Canada Alumni Association Inc. was incorporated without share capital under the Canada Business Corporations Act and was continued on October 24, 2013 under the Canada Not-for-Profit Corporations Act. The principal purposes of the Alumni Association are to:

i. financially support education at the Canadian Military Colleges;
ii. promote the efficiency of the Canadian Armed Forces for the benefit of the public; and
iii. establish, protect, preserve and commemorate monuments and significant heritage sites at Canadian Military Colleges locations.

The Alumni Association is exempt from tax under subparagraph 149 (1)(f) of the Income Tax Act. In order to maintain its status as a registered charity under the Income Tax Act, the Alumni Association must meet certain requirements within the Income Tax Act.

The financial position and the results of operations from branches of the Alumni Association are not included in these financial statements.

2. Significant accounting policies

The Alumni Association applies the Canadian accounting standards for not-for-profit organizations.

(a) Fund accounting

The Alumni Association follows the restricted fund method of accounting for contributions. Restricted contributions are recognized and reported in the appropriate fund and are expended in accordance with the related restrictions.

i. **Operating Fund**
The Operating Fund reports resources available for the Alumni Association's general operating activities. The costs of supporting these activities are reported as expenditures in the operating fund.

ii. **Life Membership Investment Fund**
The Life Membership Investment Fund (LMIF) reflects life memberships purchased. These funds are invested separately. On an annual basis, funds are transferred to the operating fund from the LMIF based on an approved present value model.

iii. **Restricted Fund**
The Restricted Fund reports resources that are available to be used for purposes in accordance with the donors' direction and do not form part of the Endowment Fund. The Restricted Fund also includes resources that the Board of Directors have internally restricted by Alumni Association policy for benefactions.

iv. **Endowment Fund**
The Endowment Fund reports resources that are required, in accordance with the donors' direction, for the capital to be maintained by the Alumni Association on a permanent basis. During the year $34,000 from the Class of 1969 Bade Endowment was authorized by the donors to be spent on a specific project.

2. Significant accounting policies (continued)

(b) Revenue recognition

Donor restricted contributions for endowment purposes are recognized as revenue in the Endowment Fund. Other restricted contributions are recognized as revenue in the Restricted Fund depending on the nature of the donor's direction. Operating Fund contributions are recognized as revenue when received.

Income is recorded in the funds as follows:

(i) The Restricted Fund reports income earned on resources of the endowment and restricted funds, as well as donations that must be spent on donor directed activities.

(ii) The LMIF reports life memberships as received or receivable. Annually, life membership revenue earned is transferred to the operating fund based on an approved present value model.

(iii) The Operating Fund reports income earned on the assets held in the Operating Fund, donations specially earmarked for facilitating the Alumni Association's operations in the short term and the administrative fee charged to all endowment and restricted funds.

Investment income includes dividend and interest income and realized and unrealized investment gains and losses. Such income is recognized in the Operating, LMIF or Restricted Fund, or deferred and reported directly in net assets, depending on the nature of any external restriction imposed on the investment income. Investment income earned on RMC Research Services investments is recognized as revenue in the Operating Fund. Dividend and interest income are recognized when earned, provided collection is reasonably assured.

Affinity compensation is recorded as revenue when it is received.

Gift shop revenues are recognized as revenue when the goods have been delivered to the customer and if the amount to be received can be reasonably estimated and collection is reasonably assured.

Deferred revenues represent monies received in advance for future activities. They will be recorded as revenues in the period the related expenses are incurred.

(c) Cash and cash equivalents

Cash and equivalents consist of cash on deposit and short term investments maturing in 90 days or less.

(d) Inventory

Inventory consists of gift shop merchandise and is valued at lower of cost and replacement cost. Cost is determined on the first-in, first-out basis.

2. Significant accounting policies (continued)

(e) Capital assets

Capital assets are recorded at cost. The Alumni Association provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Computer equipment	3 years
Equipment	5 years

(f) Accounting estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically and are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

(g) Financial instruments

(i) **Measurement of financial instruments**
The Alumni Association initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Alumni Association subsequently measures all its financial instruments at amortized cost, except for equity securities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized as income.

Financial assets measured at amortized cost include cash, accounts receivable, short term investments, government remittances receivable, cash surrender value of life insurance policy, and long term investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, government remittances payable, and monies held in trust.

(ii) **Impairment**
Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income. When events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the impairment amount previously recognized.

2. Significant accounting policies (continued)

(h) Contributed goods and services

Volunteers contribute a substantial number of hours each year to assist the Alumni Association in carrying out its activities. Because of the difficulty of determining the fair value, contributions of such services are not recognized in the financial statements.

(i) Foreign currency translation

Foreign currency accounts are translated into Canadian dollars as detailed. At the transaction date, each asset, liability, revenue and expense is translated into Canadian dollars by the application of the exchange rate in effect at that date. At the period end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in income in the current period except for the foreign currency gains and losses on long-term monetary items which are deferred and amortized over the remaining terms of the related items.

3. Short term investments

The Operating Fund short-term investments consists of guaranteed investment certificates with a maximum term of one year. Interest rates on the current investments range from 2.22% to 3.11% and all investments mature by February 23, 2026.

The Restricted Fund short-term investments consists of guaranteed investment certificates with a maximum term of one year. Interest rates on the current investments range from 2.39% to 3.11% and all investments mature by August 4, 2026.

4. Long-term investments

The investments held at December 31, 2025 consist of bonds and equities. Investments have been recorded at the fair market value provided by the investment managers as at December 31, 2025 and December 31, 2024.

	2025	2024
Restricted and Endowment Fund		
Canadian equity	**$ 101,041**	$ 51,808
Foreign equity	**63,020**	25,857
TDV Balanced Fund	**30,191,893**	27,687,651
	30,355,954	27,765,316
Life Membership Investment Fund		
TDV Balanced Fund	**4,391,443**	4,316,596
Monies Held in Trust		
Canadian fixed income	**5,326,121**	5,218,495
Canadian equity	**780,856**	649,591
Foreign equity	**815,119**	724,190
	6,922,096	6,592,276
	$ 41,669,493	$ 38,674,188

5. Capital assets

			2025
	Cost	**Accumulated amortization**	**Net book value**
Computer equipment	**$ 28,613**	**$ 18,577**	**$ 10,036**
Equipment	**1,404**	**663**	**741**
	$ 30,017	**$ 19,240**	**$ 10,777**

			2024
	Cost	Accumulated amortization	Net book value
Computer equipment	$ 20,435	$ 14,870	$ 5,565
Equipment	1,404	477	927
	$ 21,839	$ 15,347	$ 6,492

6. Monies held in trust

In 2005, the Alumni Association entered into a contract with Federal Granting Agencies, namely The Natural Sciences and Engineering Research Council (NSERC), the Social Sciences and Humanities Research Council (SSHRC) and the Canadian Institutes of Health Research (CIHR) to provide services on a trust basis as outlined in The Memorandum of Understanding between the parties. In 2020 this Memorandum of Understanding was extended until 2030.

In 2018, the Alumni Association entered into a contract with the Principal's Office of the Royal Military College to provide services on a trust basis as outlined in the Agreement between the parties.

During the year, the provision of services under the aforementioned Memorandum of Understanding and Agreement resulted in net contributions to the operating fund of $184,357 (2024 - $190,486).

7. Restricted fund

The Restricted Fund balance includes both internally and externally restricted funds. The internally restricted funds are comprised of a non endowed fund named the TDV Fund established in 2017. The Fund receives unrestricted donations as well as the residual share of the annual investment income/loss. The Board of Directors is required to approve any transfers to the Operating Fund. As of December 31, 2025 there have been no transfers from the TDV Fund to support the Operating Fund. Details of the internally restricted fund are below:

	2025	2024
Opening balance	$ 1,071,468	$ 912,378
Receipts	155,547	381,700
Disbursements	(286,122)	(222,987)
Transfers received	-	377
Closing balance	$ 940,893	$ 1,071,468

For the year ended December 31 **2025**

8. Externally Restricted - Endowment Funds

	Opening Balance	Donations	Inter-Fund Transfer	Endowed Capital Expended	Ending Balance
(a) Major Giving Endowed Funds					
Battlefield Tour	$ 6,500,607	$ -	$ -	$ -	**$ 6,500,607**
Captain Bart Leadership Award	41,594	-	-	-	**41,594**
Captain Bart Teamwork Prize	148,841	-	-	-	**148,841**
Carswell ROTP Gala Travel	170,000	-	-	-	**170,000**
Carswell TDV	98,010	-	-	-	**98,010**
Chaudry Operations Research Prize	40,000	-	-	-	**40,000**
Dacey Memorial Fund/ Chemical and Mechanical Engineering Fund	19,589	-	-	-	**19,589**
Danny McLeod Athletics	390,438	760	-	-	**391,198**
Howard B. Ripstein First Year Endowment Fund	60,000	-	-	-	**60,000**
Howard B. Ripstein Reserve Entry Fund	60,000	-	-	-	**60,000**
Howard B. Ripstein Third Year Endowment Fund	125,000	-	-	-	**125,000**
J.W. Brown Memorial Fund	11,086	-	-	-	**11,086**
James Carruthers Endowment Fund	625,559	-	-	-	**625,559**
Ken Smee Memorial Endowment Fund	36,809	-	-	-	**36,809**
Keyser Red & White	25,000	-	-	-	**25,000**
Mech Eng P.G. Scholarship Fund	253,274	-	-	-	**253,274**
Netherlands Liberation	194,365	5,000	-	-	**199,365**
No. 1 Fund - Wurtele	143,759	-	-	-	**143,759**
P Cadieux Memorial Award Fund	40,000	-	-	-	**40,000**
Phil Cowie Endowment	27,125	300	-	-	**27,425**
RG Haycock Grad Student Fund	35,575	-	-	-	**35,575**
Ripstein Library Endowment Fund	20,000	-	-	-	**20,000**
RMC Excellence in Research	110,820	-	-	-	**110,820**
RMC Female Bronze Statue	25,000	-	-	-	**25,000**
Sandhurst Endowment Fund	23,450	-	-	-	**23,450**
Sea Log Sword Endowment	25,000	-	-	-	**25,000**
Seath Endowment Fund	102,688	-	-	-	**102,688**
TDV Endowment Fund	184,165	2,950	-	-	**187,115**
Toronto Branch	25,655	-	-	-	**25,655**
UTPNCM Fund (Otter Sqn)	19,661	120	-	-	**19,781**
W.A. Ferguson	10,000	-	-	-	**10,000**
Wall of Honour	226,145	600	-	-	**226,745**
Wolfgang Eder Bursary Fund	51,066	-	-	-	**51,066**
Young Memorial Fund	100,000	-	-	-	**100,000**
	9,970,281	9,730	-	-	**9,980,011**
(b) Endowed Class Funds					
Class of 56	121,555	-	-	-	**121,555**
Class of 57	46,135	875	-	-	**47,010**
Class of 59	69,093	700	-	-	**69,793**
Class of 60	176,396	50,268	-	-	**226,664**
Class of 62	251,206	1,200	-	-	**252,406**
Class of 62 - Recreation Clib	652,830	596	-	-	**653,426**
Class of 64	364,841	3,450	-	-	**368,291**
Class of 65 - Teaching Excellence	510,785	19,220	-	-	**530,005**
Class of 66	2,379,318	2,700	-	-	**2,382,018**
Class of 68	138,255	6,300	-	-	**144,555**
Class of 69 - Bade Bursary	109,929	-	-	(34,000)	**75,929**
Class of 70	241,762	1,950	-	-	**243,712**
Class of 72	76,835	75	-	-	**76,910**
Class of 73	25,000	-	-	-	**25,000**
Class of 76	231,688	16,238	-	-	**247,926**
Class of 77	73,950	2,840	-	-	**76,790**
Class of 80	40,350	-	-	-	**40,350**
Class of 80 North American BFT Endowment	-	-	540,000	-	**540,000**
	5,509,928	106,413	540,000	(34,000)	**6,122,341**
Total Endowed Funds	$ 15,480,209	$ 116,143	$ 540,000	$ (34,000)	$ 16,102,352

9. Interfund transfers

During 2025 the Alumni Association transferred a total of $540,000 from the Externally Restricted Fund to the Class Endowed Fund. Within the Externally Restricted Fund, a net total of $8,239 from the Class Restricted Fund and Other Restricted Fund to the Major Giving Endowed Restricted Fund and Class Endowed Restricted Fund. All transfers were approved by the Board of Directors of the Alumni Association or were in accordance with the Donor Agreements. There were no interfund transfers in 2024.

10. Branch contributions

The Alumni Association transfers an annually designated fee for each member to branches and branches have the option to return a portion of these fees back to the Alumni Association. These fees are reflected as branch dues with the returned portion included as branch contributions on the statement of operations.

In 2025, there were $27,895 (2024 - $28,987) of fees accrued to branches with $NIL (2024 - $859) returned to the Alumni Association. The balance owing to branches at December 31, 2025 is $37,858 (2024 - $35,518).

11. Credit facility

The Alumni Association has a demand operating facility agreement for two revolving demand credit facilities in the amount of $25,000 and $50,000. As of year end, neither facility was utilized.

12. Capital disclosure

The Alumni Association's objectives with respect to capital management are to maintain a minimum capital base that allows the Alumni Association to continue with and execute its overall purpose as outlined in the fund accounting policy in Note 2. The Alumni Association's Board of Directors performs periodic reviews of the Alumni Association's capital needs to ensure they remain consistent with the risk tolerance that is acceptable to the Alumni Association.

13. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year net assets.

14. Financial risks and concentration of risks

The Alumni Association has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. Since the end of the period, the economic climate has been characterized by heightened volatility in financial markets. The Alumni Association recognizes this as a risk factor and will continue monitoring market trends closely and adjusting its strategies accordingly to mitigate potential impacts on its operations.

14. Financial risks and concentration of risks (continued)

(a) Liquidity risk

Liquidity risk is the risk that the Alumni Association will not be able to meet all cash outflow obligations as they come due. The Alumni Association mitigates this risk by monitoring cash activities and expected outflows.

(b) Credit risk

Credit risk is the risk of financial loss to the Alumni Association if a party to the Alumni Association's financial instruments fails to discharge an obligation or make payments of interest and principal when due. The Alumni Association is exposed to this risk relating to its debt holdings in its investment portfolio and in accounts receivable.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk, and equity risk.

(i) Currency risk

Currency risk relates to the Alumni Association operating in different currencies and converting non-Canadian earnings at different points in time at different foreign exchange levels when adverse changes in foreign currency exchange rates occur. The Alumni Association's foreign exchange risk is related to its investment portfolio of which approximately 2.0% is denominated in the United States dollar.

(ii) Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Alumni Association is exposed to interest rate risk through its interest bearing investments within the investment portfolio.

(iii) Equity risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The Alumni Association is exposed to this risk through its equity holdings within its investment portfolio.

There have been no significant changes from the previous period in the exposure to risk or policies, procedures and methods used to measure the risk.