



EE Football Team
2020 ANNUAL REPORT
ANNUAL GENERAL MEETING





CHAIR'S REPORT

Without question, the last year has been the most difficult year in the history of the Edmonton Football Team and the Canadian Football League. The COVID-19 pandemic affected us all in untold ways and was especially difficult for the sports and entertainment industry. The challenges we anticipated at this time last year turned out to be even more profound than we could have ever envisioned.

Due to the pandemic, a normal football season was not possible in 2020. The League and all teams put in a tremendous amount of work to formulate a plan to play a shortened season in a "hub city" format. However, after a great deal of background work and countless meetings, the difficult decision to cancel the season was made. For the first time in 107 years, there was no Grey Cup game.

For 2021, the League, with the support of the teams, has put together a plan to play a 14 game season starting in August. There has been a great deal of work and preparation at all levels to ensure that teams can safely return to play. We are all looking forward to finally seeing our team compete again.

We are delighted to welcome our new head coach, Jaime Elizondo, and his coaching staff to Edmonton. Between free agency, an international draft, a Canadian draft and hiring Jaime, our GM, Brock Sunderland, has been very busy. With the leadership of Brock and Jaime, we are looking forward to a successful season.

The team will take to the field this year with a new name. In July 2020, after a lengthy process of internal and external discussion, we announced that we would discontinue the use of the previous team name. This decision was tremendously challenging. We did not take it lightly. We recognize the pride in our long and successful history under the previous team name, including our 14 Grey Cup Championships along with many other significant, emotional and memorable moments. Looking to the future, we have been working on an extensive and comprehensive re-branding process. The public engagement component of the name selection process started in November 2020 with over 14,000 respondents contributing with over 2,000 unique name submissions. In February 2021, over 38,000 people ranked their preference for the final seven names. The level of interest has been overwhelming but welcomed. We expect to be in a position to announce a new name shortly.

I have been fortunate to have the support, guidance and 100% commitment of our Board of Directors. As my tenure as Board Chair comes to an end, and my time on the Board of Directors also concludes, I want to especially thank the Board of Directors for their undying support and hard work during these very trying times. Over the past eight years, it has been my privilege to serve on the Board of Directors with an exceptional group of talented and dedicated individuals, who generously volunteered their time. I am grateful for the opportunity to have worked with all of them.



President and CEO Chris Presson has navigated some extremely rough waters and endured many challenges. Chris has worked tirelessly to ensure that the organization remains on firm footing. Chris and his entire team should be acknowledged for their determination and hard work.

Rob Heron's term on our Board of Directors is concluding. Rob has generously contributed his knowledge and expertise to the organization over the last six years. Rob's contributions are too many to list, but he deserves special recognition for his outstanding work on our Annual Dinners and for organizing the highly successful tailgate events at Grey Cup 2018. Rob has served the last two years as a member of the Board Executive in the position of Secretary, where his work on governance has significantly improved the organization. I am personally grateful to Rob for always being available to provide sound and practical advice on the many difficult issues that we faced over the last year.

These are uncertain times. Many have suffered and lost loved ones. But Edmonton is and has always been resilient. Our team and our fans are no different. We greatly appreciate the support of our shareholders, season seat holders, partners and fans. We are looking forward to returning to play and welcoming fans back to The Brick Field at Commonwealth Stadium to cheer on our team.

Janice Agrios
Chair, Edmonton Football Team



TREASURER'S REPORT FOR YEAR ENDED DECEMBER 31ST 2020

I am pleased to report the financial status of the Edmonton Football Team for 2020.

FINANCIAL RESULTS

The COVID-19 pandemic had a negative impact on all aspects of operations, particularly a material decrease in revenues. In 2020, the Club experienced significant decreases in net operating income creating a net operating loss of \$7.1MM (2019 – \$626K).

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This event resulted in emergency measures being implemented by governments worldwide. The provincial government imposed a number of public health restrictions to combat the spread of the virus, including restrictions on large public gatherings and live sporting events. The Club had prepared to play the 2020 season and at that time had incurred significant expenses and commitments to that date. The CFL considered multiple scenarios to play a shortened 2020 season but ultimately cancelled the 2020 season on August 17, 2020 to focus on planning for 2021.

REVENUE

Overall, the Club's revenue decreased to \$3.8MM (2019 - \$23.5MM). This 84% decrease was significantly driven by the complete loss of ticket sales, sponsorship, league distributions, concessions and game day revenue due to the cancellation of the season. The Edmonton Football Team was able to mitigate this decline in revenue somewhat through government assistance from the Canadian Emergency Wage Subsidy in the amount of \$2.5MM during the year.

EXPENSES

The total operating expenses decreased by 55% to \$10.9MM (2019 - \$24.1MM). Although the Club incurred typical expenses in anticipation of a regular season in Q1 of 2020, upon pandemic restrictions going into effect, the Club took action to significantly reduce expenses, including reductions in contracts and operating costs, staff reduction and decrease in employee compensation. Expenses were incurred to continue the day-to-day operation of the Club with a focus on ramping up for a 2021 season. The Club was under the 2020 CFL salary cap.

OTHER NON-OPERATING ITEMS

There were a number of non-operating items that included investment income earned on the Trust Fund of \$737K (2019 - \$1.7MM), amortization of \$1.0MM (2019 - \$1.1MM), and community and 50/50 donations of \$1.4M (2019 - \$1.3M) to support and promote Amateur Football in Edmonton and a donation to the Winnifred Stewart Association in support of Joey Moss. The 50/50 expense was offset by 50/50 revenue of \$1.4MM (2019 – \$1.3MM).

CASH AND WORKING CAPITAL

In spite of the significant losses caused by the extraordinary circumstances, the Club has sufficient cash and working capital at this time to meet all of its current and anticipated obligations.

Ian Murray

Treasurer – Edmonton Football Team



PRESIDENT'S REPORT

The challenges of keeping the Edmonton Football Team operating on reasonably firm footing during the continuing global Covid-19 pandemic have presented themselves every day and continue to be my prime focus.

It has not been easy, and there is no previous experience to be relied upon to cope with sustaining our business during the pandemic. Over the past 12 months we have been forced to reduce the core business and football operations components of the Edmonton Football Team to a skeleton operation. Our priorities, however, have remained the same. The senior management and all other personnel remain committed to building a championship caliber football team and to sustaining the relationship with our fans, our customers, our partners and our rightsholders. Followers and fans of our football team should be assured that those priorities are maintained so that when we return to play, fan expectations are met and exceeded.

The path we have travelled over the past 12 months has seen highs and lows. Losing our friend and stalwart Edmontonian Joey Moss has left a void, but we were very pleased and proud to be able to conduct online 50/50 events to support Joey's legacy through the Winnifred Stewart Association's Joey Moss Memorial Fund, and to support our amateur football friends at the University of Alberta, Edmonton Huskies and Edmonton Wildcats. In addition, our fans provided 50/50 support towards the fight against cancer through the World's Longest Hockey Game 50/50 during Edmonton's coldest stretch of winter. I salute Edmonton for supporting us as we support others in our community. I look forward to the day when we can hold our much-loved Annual Dinner and Women's Dinner and do so in person.

We continue to work on plans to launch our new Edmonton Football Team brand. This has been another very challenging project. I once again want to assure our shareholders that the decision to change our identity was not taken lightly. Your football team was faced with dynamics locally, nationally and internationally that inevitably left no other option but to take a leadership position on change. We have had, and have encouraged, a great deal of input and public engagement during the process. We have distilled, analyzed and listened to ALL of it. We have engaged third party expertise throughout the process from beginning to end, and are now at an exciting time as we prepare to launch our new brand.

Football is paramount to what we do. For all of us, it seems like a lifetime since we last enjoyed being together to watch our team on the Brick Field at Commonwealth Stadium. I remain very confident that General Manager Brock Sunderland has restructured our football operations with the goal of another championship. He retained key veterans, such as receiver Greg Ellingson and offensive lineman SirVincent Rogers, while also securing a number of key free agents, including the return of all-star wide receiver Derel Walker and Defensive Back Aaron Grymes, along with the addition of defensive back Jonathan Rose, and offensive tackle Derek Dennis.



On February 1st, Jaime Elizondo was announced as our new head coach. Jaime brings an extensive coaching background to our team and, perhaps most importantly, a very highly regarded CFL coaching resume of success. Jaime and Brock have also completed the hiring of our 2021 coaching staff.

I have been working continuously with the other member clubs and the League office to plan for a safe return to play. There are a number of structural changes and initiatives that we must thoroughly explore in order to ensure the safety of our players and fans. Commonwealth Stadium is a fabulous place to enjoy our football team and we are working daily to make sure that happens as soon and as safely as possible.

The Treasurer's report reflects our situation and the situation of every team in the League. No games means virtually no revenue, but we will get beyond this and witness games either in person, on television, radio or other broadcast platforms, aiming for a healthy future. I want to acknowledge the undying support that Chairman Agrios, and all other members of the Board, have given me. They have been pillars of strength, commitment, and much appreciated advice through these difficult times.

Please know that every member of this organization has the following goals. Playing games in front of fans, making the experience safe and enjoyable, and presenting a championship caliber football team with a goal of another championship for Edmonton.

Chris Presson,
President & CEO, Edmonton Football Team



EE FOOTBALL TEAM COMMUNITY RELATIONS SUMMARY

COMMUNITY SUMMARY

- Due to the global pandemic, 2020 player appearances were reduced significantly. From April 2020 to March 2021, appearances were via live streams and pre-recorded videos in order to abide by provincial health restrictions and for the safety of our staff and players.

COMMUNITY APPEARANCES

- TELUS Wise anti-bullying virtual appearance in May and December 2020.
- Video messages from players for various charities, Food Bank of Edmonton, “Keep Fighting” to a young boy in hospital, surprise birthday messages from players.
- David Beard and his family along with our mascot, Punter assisted with 630 CHED’s Santa’s Anonymous toy delivery in December 2020.
- Players and staff participated in a virtual read-in-week with various schools by recording themselves reading their favourite books in October 2020.

AMATEUR FOOTBALL

- Capital District Minor Football Association held its annual Flag Football league (following all safety protocols) in partnership with the EE Football Team in September and October 2020 with no decline in registration.

COMMUNITY DONATIONS

- Over 30 EE Football Team items were donated to various charities and fundraisers throughout Edmonton and surrounding area to help with online fundraising initiatives in 2020.
- Over \$350,000 of old merchandise was donated to various charities in Edmonton and surrounding areas, including the Hope Mission, Edmonton People in Need Society, the Mustard Seed, various church groups and Kids up Front Foundation.

OTHER

- EE Football Team partnered with the Alberta Ministry of Culture, Multiculturalism and Status of Women in a new program, Valuable Opportunities to Inspire Change thru Empowerment (VOICE). The program started in January 2021 and includes three player ambassadors from the EE Football Team.
- Held three 50/50 raffles online generating total donations of over \$900,000:
 - November 22, 2020 - Winifred Stewart Association’s Joey Moss Memorial Fund
 - December 5, 2020 - UofA Golden Bears, Edmonton Wildcats and Edmonton Huskies Football Programs
 - February 1, 2021 – Cure Cancer Foundation

EE Football Team

Summary Consolidated Financial Statements
December 31, 2020



Report of the Independent Auditor on the Summary Consolidated Financial Statements

To the Shareholders of Edmonton Eskimo Football Club

Our opinion

In our opinion, the accompanying summary consolidated financial statements of Edmonton Eskimo Football Club and its subsidiaries (the Club) are a fair summary of the audited consolidated financial statements, on the basis described in Note 1 to the summary consolidated financial statements.

The summary consolidated financial statements

The Club's summary consolidated financial statements derived from the audited consolidated financial statements for the year ended December 31, 2020 comprise:

- the summary consolidated statement of financial position as at December 31, 2020;
- the summary consolidated statement of changes in fund balances for the year then ended;
- the summary consolidated statement of revenue and expenses for the year then ended;
- the summary consolidated statement of cash flows for the year then ended; and
- the related note to the summary consolidated financial statements.

The summary consolidated financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated April 26, 2021.

Management's responsibility for the summary consolidated financial statements

Management is responsible for the preparation of the summary consolidated financial statements on the basis described in Note 1.

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



Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are a fair summary of the audited consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Edmonton, Alberta

April 26, 2021

EE Football Team

Summary Consolidated Statement of Financial Position

As at December 31, 2020

				2020	2019
	Operating Fund \$	Stabilization Fund \$	Capital Asset Fund \$	Total \$	Total \$
Assets					
Current assets					
Cash	4,980,524	-	-	4,980,524	8,783,042
Investments	-	15,359,808	-	15,359,808	14,622,695
Accounts receivable	1,138,463	-	-	1,138,463	1,159,680
Note receivable	-	-	-	-	500,000
Prepaid expenses and deposits	87,419	-	-	87,419	7,357
Inventory	391,792	-	-	391,792	943,403
	6,598,198	15,359,808	-	21,958,006	26,016,177
Capital assets	-	-	1,554,423	1,554,423	2,344,105
	6,598,198	15,359,808	1,554,423	23,512,429	28,360,282
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	1,463,023	-	-	1,463,023	2,942,586
Deferred revenue	8,044,722	-	-	8,044,722	3,871,552
	9,507,745	-	-	9,507,745	6,814,138
Non-current accrued liabilities	-	-	-	-	6,400
	9,507,745	-	-	9,507,745	6,820,538
Net Assets					
Unrestricted	(2,909,547)	-	-	(2,909,547)	4,572,944
Investment in capital assets	-	-	1,554,423	1,554,423	2,344,105
Internally restricted	-	15,359,808	-	15,359,808	14,622,695
	(2,909,547)	15,359,808	1,554,423	14,004,684	21,539,744
	6,598,198	15,359,808	1,554,423	23,512,429	28,360,282

Approved by the Board of Directors


 _____ Director
 Janice Agrios


 _____ Director
 Ian Murray

EE Football Team

Summary Consolidated Statement of Changes in Fund Balances

For the year ended December 31, 2020

				2020	2019
	Operating Fund \$	Stabilization Fund \$	Capital Asset Fund \$	Total \$	Total \$
Fund balances – Beginning of year	4,572,944	14,622,695	2,344,105	21,539,744	22,654,634
Deficiency of revenue over expenses for the year	(7,260,019)	737,113	(1,012,154)	(7,535,060)	(1,114,890)
Purchase of capital assets with operating funds	(222,472)	-	222,472	-	-
Fund balances – End of year	(2,909,547)	15,359,808	1,554,423	14,004,684	21,539,744

EE Football Team

Summary Consolidated Statement of Revenue and Expenses

For the year ended December 31, 2020

	2020 \$	2019 \$
Revenue		
Government assistance	2,531,061	-
Merchandise	672,498	967,591
Sponsorship	476,664	5,917,823
Interest and other	75,187	246,301
Canadian Football League distributions	47,509	4,340,973
Gate receipts	-	8,121,602
Concessions and game day	-	3,838,003
Post-season games	-	30,000
	<u>3,802,919</u>	<u>23,462,293</u>
Football operations expenses		
Players and coaches	3,919,995	8,987,105
Scouting and football administration	831,667	1,037,411
Medical, video and other team costs	343,006	948,055
Equipment and training supplies	136,744	434,963
Away game travel	-	963,171
Training camp	-	556,586
	<u>5,231,412</u>	<u>12,927,291</u>
Administration and other expenses		
Administration	2,178,572	3,018,636
Merchandise	1,285,277	962,866
Ticketing and customer service	862,633	1,444,669
Marketing and community relations	716,187	1,671,481
Sponsorship	472,614	883,510
Communications and broadcasting	158,820	456,933
Game day	-	2,512,388
Post-season games	-	211,271
	<u>5,674,103</u>	<u>11,161,754</u>
Total operating expenses	<u>10,905,515</u>	<u>24,089,045</u>
Deficiency of revenue over expenses from operations	<u>(7,102,596)</u>	<u>(626,752)</u>
Other revenue (expenses)		
Investment income – Stabilization Fund	737,113	1,703,584
Amortization of capital assets – Capital Asset Fund	(1,012,154)	(1,083,092)
Rental and miscellaneous	(11,342)	(23,762)
Community donations	(7,316)	(53,903)
League expenses	(138,765)	(949,706)
Grey Cup expenses	-	(81,259)
50/50 raffle revenue	1,407,700	1,269,540
50/50 raffle expenses	(1,407,700)	(1,269,540)
	<u>(432,464)</u>	<u>(488,138)</u>
Deficiency of revenue over expenses for the year	<u>(7,535,060)</u>	<u>(1,114,890)</u>

EE Football Team

Summary Consolidated Statement of Cash Flows

For the year ended December 31, 2020

	2020 \$	2019 \$
Cash provided by (used in)		
Operating activities		
Deficiency of revenue over expenses for the year	(7,535,060)	(1,114,890)
Items not affecting cash		
Amortization of capital assets	1,012,154	1,101,431
Impairment of inventory	490,560	-
Net unrealized gain on fair value of investments	(403,529)	(1,159,872)
Net realized loss (gain) on sale of investments	63,996	(16,765)
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	(6,371,879)	(1,190,096)
Net change in non-cash working capital items		
Note and accounts receivable	521,217	3,831,857
Inventory	61,051	(218,643)
Prepaid expenses and deposits	(80,062)	104,557
Accounts payable and accrued liabilities	(1,485,963)	(8,710,053)
Deferred revenue	4,173,170	689,048
	<hr/>	<hr/>
	(3,182,466)	(5,493,330)
Investing activities		
Purchase of capital assets	(222,472)	(679,180)
Interest and dividends reinvested	(397,580)	(526,947)
	<hr/>	<hr/>
	(620,052)	(1,206,127)
Decrease in cash during the year	(3,802,518)	(6,699,457)
Cash – Beginning of year	8,783,042	15,482,499
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Cash – End of year	4,980,524	8,783,042
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EE Football Team

Note to Summary Consolidated Financial Statements

December 31, 2020

1 Basis of presentation

The summary consolidated financial statements are derived from the audited consolidated financial statements of EE Football Team (the Club) prepared in accordance with Canadian accounting standards for not-for-profit organizations, as at December 31, 2020 and for the year then ended.

While the legal entity name of the Club is the Edmonton Eskimo Football Club, management is in the process of changing its name and is currently operating as the EE Football Team.

The preparation of these summary consolidated financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited consolidated financial statements.

Management prepared these summary consolidated financial statements using the following criteria:

- the summary consolidated financial statements include a statement for each consolidated statement included in the audited consolidated financial statements;
- information in the summary consolidated financial statements agrees with the related information in the audited consolidated financial statements;
- major subtotals, totals and comparative information from the audited consolidated financial statements are included; and
- the summary consolidated financial statements contain the information from the audited consolidated financial statements dealing with matters having a pervasive or otherwise significant effect on the summarized consolidated financial statements.

The audited consolidated financial statements of the Club are available upon request by contacting the Club.