



Annual Report 2012-2013

The Scottish Rite Charitable Foundation of Canada

President's Report

Upon becoming the President of the SRCF, I quickly realized how blessed our Foundation had been by the dedication, insight and wise decision making of those who have gone before us. The Founders and their successors have created a wonderful way to fulfill our belief in Benevolence, of sharing of what we have with our fellow humans in need. Through the forty-nine years of our existence, one can trace a marvelous array of great men and women who have faithfully served as leaders and support staff in this great enterprise created by our Supreme Council. To all of them and to all of you, I express my thanks and the thanks of all the people who have benefitted from the labours and dedication of so many people.

To the gifted, passionate and dedicated Board Members, Committee Chair Members, Foundation Representatives and our own Supreme Council Staff, my sincere thank you.

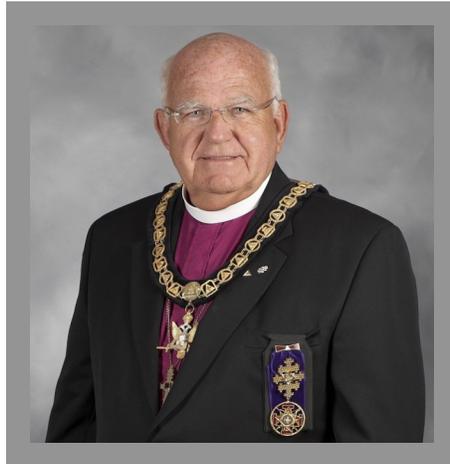
Our Letters Patent, incorporating our SRCF of Canada, states within its framework the purpose and objects of our Foundation, namely:

A. To promote, encourage and carry on charitable work within Canada, including the relief of poverty and the advancement of education.

B. To make grants for charitable purposes to any educational or other charitable organization, which carries on its work solely within Canada.

C. To do all such things as are incidental or conducive to the attainment of the above objects.

This mandate, for our Foundation, is largely fulfilled through the work of the Board of Directors, and through its committee on Grants and Awards and in



C. Robert Townshend

its Learning Centre Program under the leadership and direction of our Executive Director of the Learning Centre Program.

Included in this Annual Report are the Reports from the chair of Grants and Awards Committee, the Report from the Executive Director of Learning Centres and the Financial Statements and Report from the Treasurer, that clearly show how your Directors seek to and indeed fulfill, the mandate given to it by Supreme Council and our Letters Patent.

As President, I would like to thank, on behalf of the Foundation, Ill Bro. Brian Gilkinson and all those who worked on the "Penny for Your Thoughts" campaign. This project was not only successful financially but did a lot to refocus our minds on the need for financial assistance for our many projects." Well Done" to all who helped make this project a great success.

Now we move onward in our great enterprise to even greater achievements. I am pleased and thankful that our Supreme Council generously has given us a major

place in our annual gathering. Instead of our luncheon gathering, we now will be given the opportunity to gather together at our Thursday Night Banquet. It is truly wonderful that our ladies now have the same opportunity to be part of our annual review of our "work" to date. The Thursday banquet will be a time to share the wonderful stories of our many Blessings in the work we do together for our Foundation.

Next year, 2014, we will celebrate our 50th year in this great enterprise. Under the leadership of Ill Bro. James Sutherland, our 50th Anniversary committee has planned several events for our annual gathering in Halifax, NS. It is our hope and intent to put together the Foundation's continuous journey from 1984 to 2014. We have engaged Past Grand Master Gary Dowling of the Grand Lodge of Canada in the Province of Ontario to be our coordinator of the material which will result in our continuing historical account of our life together in the SRCF of Canada.

I have formed a Capital Fund Raising Committee under the able leadership of Ill Bro Sydney (Skip) Whiteley to prepare a program to increase the Capital base of our Foundation. This campaign will be launched Jan 1 2014 and end Dec 31 2014. It is our hope that our goal will be reached by our Annual Meeting in Halifax.

As your president, I thank you for the confidence and support you have given me and the Board of Directors this past year. The work you have given us to do on your behalf has enriched each one of us and has blessed us immeasurably. Please continue your personal support and financial donations to this worthy endeavour.

C. Robert Townshend
President
Scottish Rite Charitable Foundation

Treasurer's Report

For the year ended May 31, 2013 the Foundation continued to benefit from the generosity of our supporters and from positive events in the financial markets. The investment portfolio closed the year at \$15.7 million compared with \$14.8 million at May 31, 2012. The portfolio is stated at market values at year end.

The Foundation began reporting under Part III of the CICA Handbook accounting standards for not-for-profit organizations with a transition date of June 1, 2012. The financial statement formats and disclosures have changed somewhat and provide a clearer view of the Foundation's activities.

Donations received were \$124,934 compared to \$121,606 last year. The generosity of our supporters through bequests helps the Foundation tremendously.

Investment income consists of realized income and unrealized gains and losses. In the current year, realized investment income was \$504,979 compared to \$750,306 in 2012. Unrealized gains or losses arise from changes in the portfolio values on the last trading day of the financial year. In 2012, the market declined and we recognized an unrealized loss of \$760,697. In 2013, the improving market conditions provided an unrealized gain of \$736,344. Interest rates remain low and affect the renewal rates we can earn on the fixed income instruments.

Your directors continue to look for ways to control costs. In 2013, operating expenses were \$138,839 compared with \$155,797 for 2012. During the year, payments were made to Calgary and Edmonton Learning Centres. Total distributions for grants, awards and bursaries were \$441,723 in 2013 compared with \$462,422 in 2012.

In 2013, the Foundation recognized an excess of revenue over expenses of \$820,826. In 2012, for reasons as explained above, the excess of expenses over revenue was \$262,429.

The directors have approved increasing the equity portion of the portfolio to 50%. The plan is to move cautiously towards this target. Since interest rates remain low, and are not expected to rise for an unpredictable period, equities provide opportunities for dividend yields that are higher than interest.

Duncan S. Skinner
Treasurer

Statement of Operations

Year ended May 31	2013	2012
Revenue	\$	\$
Donations	124,934	121,606
Bequests	35,131	244,575
Investment Income	482,400	558,251
Gain on disposal of investments	22,579	192,055
	<u>665,044</u>	<u>1,116,487</u>
Expenses		
Administration	63,476	72,408
Directors' expenses	16,779	13,216
Insurance	7,761	7,872
National Learning Centre expenses	25,407	21,788
Professional fees	22,916	29,359
Promotion & public relations	2,500	11,154
	<u>138,839</u>	<u>155,797</u>
Excess of revenue over expenses before distributions & change in unrealized gain (loss) on Investments	526,205	960,690
Distributions		
Grants	381,723	407,672
Awards	-	6,000
Bursaries	15,000	3,750
Learning Centre grants	45,000	45,000
	<u>441,723</u>	<u>462,422</u>
Excess of revenue over expenses before change in unrealized gain (loss) on investments	84,482	498,268
Change in unrealized gain/(loss) on investments	<u>736,344</u>	<u>(760,697)</u>
Excess of revenue over expenses (expenses over revenue)	<u>820,826</u>	<u>(262,429)</u>

Statement of Financial Position

Year ended May 31	2013	2012
Assets	\$	\$
Cash	41,530	145,298
Receivables	400	15,648
HST/GST receivable	37,915	31,109
Prepays	5,269	-
	<u>85,114</u>	<u>192,055</u>
Investments	15,741,116	14,837,462
	<u>15,826,230</u>	<u>15,029,517</u>
Liabilities		
Payables and accruals	68,582	64,855
Due to Learning Centres	17,160	45,000
	<u>85,742</u>	<u>109,855</u>
Net assets	<u>15,740,488</u>	<u>14,919,662</u>
	<u>15,826,230</u>	<u>15,029,517</u>

During the last year, the Awards committee received 14 new applicants for Major Research Grants (\$35,000 per year for up to three years) and recommended funding 4 new Research Grants. In addition, the Foundation continues its support of 4 Major Grant recipients for a 2nd year and 3 recipients for a 3rd year. Total Major Grants in support of for 2012-2013 was \$378,822.

The Foundation was again indebted to Dr. Anurag Tandon from the University of Toronto, who Chairs the review panel with the generous assistance from professional colleagues across Canada.

The Deputy's Provincial Charitable Program continues to distribute funds across the country to worthy recipients. A total of 12 Deputy's Provincial Charitable Donations were distributed during the year with a total value of \$13,500.

The SRCF receives many letters of thanks from recipients expressing appreciation for the support received.

Scottish Rite members may learn more about the scope and results of the research funded through their donations through the Scottish Rite Charitable Foundation website (www.srcf.ca).

Respectfully submitted,

Dr. Gareth R. Taylor

Chair, Awards Committee

Dr. Loren Kline

Vice-Chair

Statement of Changes in Net Assets

Year ended May 31	2013	2012
	\$	\$
Net assets, beginning of year	14,919,662	15,829,213
Excess of revenue over expenses (expenses over revenue)	820,826	(262,429)
Transferred to Learning Centres		(647,122)
Net assets, end of year	<u>15,740,488</u>	<u>14,919,662</u>

Grants & Awards

The Scottish Rite Charitable Foundation of Canada continues to support researchers who are seeking to "Help Solve the Puzzles of the Mind". Success can be seen in new understandings of the diseases, which may lead to new and effective treatments and a better quality of life for those coping with the disease, along with family and caregivers.

The Awards Committee is committed to supporting promising researchers during the early years of their studies. Recipients tell us that it was only through early funding by the Foundation that they were able to conduct their research and develop a personal reputation that attracted funding from other agencies in later years. They credit the Foundation with being the spark plug in starting a successful career.

Dr. Robert Araya **\$35,000**

Université de Montréal

Role of dendritic spines in the processing, storage and integration of excitatory inputs on a murine model of Fragile-X mental retardation syndrome

Dr. Sarah Lippé **\$33,648**

Hôpital Ste-Justine

Learning mechanisms in Fragile-X syndrome patients

Dr. Marc Woodbury-Smith **\$34,675**

McMaster University

Identifying causes of Autism Spectrum disorder through Next-Generation Sequencing in combination with Genetic Linkage (2 Years only)

Dr. Hong-Shuo Sun **\$35,000**

University of Toronto

Role of ion channels in neonatal hypoxic-ischemic injury and cerebral palsy and its potential therapeutic application

Learning Centre Program

During the past year the Learning Centre Program opened the 7th and 8th Centres in Calgary and Edmonton respectively. Tutors are being trained in Edmonton by Paul Barber, Director of the Windsor Centre and in Calgary by Ms. Thelma Gregan, Director of the Halifax Centre. Overall statistics of all the Centres show 76 volunteer Tutors tutoring 90 children and accumulating a total of 4,608 tutoring hours. Five of the Centres are now "Mature Centres" having been dedicated and graduated children from the program. These children have been in the program for three years. Calgary, Edmonton and Moncton will have a little time to go before their Centres are dedicated.

In May of this year we held a first ever Conference of Centre Directors in Halifax. It proved to be a meaningful time for Centre Directors

to talk face-to-face and share ideas and comments about Centre operations. A second annual Conference is planned for next May in Hamilton.

The key to success for any Centre is, of course, sustaining financial support from fund raising activities. Equally important, however, is the involvement of Valley Scottish Rite volunteers and the direct interest by the Boards of Directors. While for the most part our Centres are made up of volunteers, it goes without saying that these people are the life blood of the operations and need moral and physical support from the project organizers.

The recognition of our program in the communities where we are located is vastly improving and the Scottish Rite is becoming well known in the field of Learning Disabilities. Our mission is to

train Tutors in the Orton-Gillingham method and in doing so, they are able to take this learning to other fields of education, where there is a definite lack of understanding about dyslexia.

The total cost of operating the eight Centres in Canada will exceed \$700,000 in 2013-14 and it is a commendable effort that Valleys across Canada can sustain this budget. The source of funds comes from a variety of sources and requires dedicated and sincere people to make this Learning Centre Program such an outstanding success.

Matthew F. Todd

Executive Director Learning Centres



Donating to the Foundation

There are a number of ways that you can support the work of the Scottish Rite Charitable Foundation.

Just recently the Foundation has made on-line donations available through the internet. Simply go to the Scottish Rite Charitable Foundation of Canada website www.srcf.ca and click on "Donating to the Foundation". When you click on "On Line Donations" you will be re-directed to a secure on-line site hosted by CanadaHelps.org (third party donation). We have contracted CanadaHelps to administer our "on-line" donations. CanadaHelps has facilitated over 100 million in charitable donations through their website since it was launched in 2000. It makes it very easy for you and our members to make donations.

There are also a number of other ways to donate to the Foundation.

By calling the Scottish Rite Charitable Foundation Office at 905-522-0033 during regular business hours (Monday to Friday, 8:30 a.m. to 4:00 p.m. EST) and have your Visa or Mastercard information ready.

Estate Planning: Include the Scottish Rite Charitable Foundation in the planning of your Estate by: including the Foundation in your Will; naming the Foundation as a beneficiary of a new or existing life insurance policy; gifting assets such as stocks, bonds, mutual funds or term deposits; or willing residual funds from a RRIF to the Foundation.

Memorial Donation: If you wish to make a donation in the name or memory of someone, you can do so by calling the office at 905-522-0033, or fill out the memorial section of the attached form available on the web, through on-line donations or of a "Blue Envelope".

Fund Raising: Participate in fund raising events for the foundation.

Remember, anyone who, over a period not exceeding five years, makes contributions that total at least \$500, is designated a Fellow of the Scottish Rite Charitable Foundation of Canada and is entitled to receive and wear a sterling pin crafted in the shape of the Foundation Logo.

