

# Annual Report 2015-2016

## The Scottish Rite Charitable Foundation of Canada

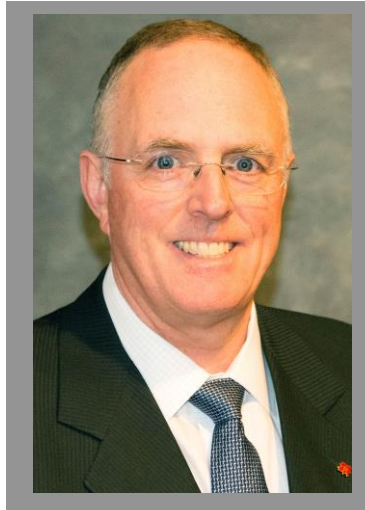
### President's Report

I am deeply honoured to serve as the 8<sup>th</sup> President of the Foundation. My involvement with the Foundation has been on-going since 2001 when I was asked to assist with the Grants and Awards Program. It has been very special to watch and to take part in the growth of the Foundation's programs over the last 15 years.

Congratulations to our \$1 Million fundraising team lead by Sydney R. (Skip) Whiteley, 33° that went over the top to achieve a remarkable total of \$1,610,177.65 for the 50<sup>th</sup> Anniversary Capital Funding Raising Project. This additional funding will certainly allow the Foundation to grow its core programs and to assist the Learning Centres.

Our deep appreciation to Ill. Bro. D. Garry Dowling, 33° for his time and effort in the writing of the Scottish Rite Charitable Foundation of Canada – Our History Volume Two (1985-2014). This edition is now available. This book is the companion volume to "The First Twenty Years" (1964- 984) written by Ill. Bro. Donald M. Fleming, 33°.

The joint publication of the "Clarion" by the SRCF and Supreme Council was sent to all Scottish Rite members in Canada in December 2015. This issue highlighted the success of the Foundation's Capital Campaign. Congratulations to our Editor in Chief, Ill. Bro. Kenneth D. McComb, 33° and his Editorial Board for another outstanding issue.



**Dr. Gareth R. Taylor**

This year we welcomed four new Directors. Ill. Bros. James G. Finch 33°, Brian W. Gilkinson 33°, Alan J. Stoddart 33° and Robert S. Whitmore 33°. 2016-2017 will see two new Directors being elected. We thank Ill. Bros. Marvin L. Munro, 33° and Duncan S. Skinner, 33° who will be stepping down as Directors, for their time and efforts on behalf of the Foundation. A special thanks to Ill. Bro. Skinner who has served as the Foundation's Treasurer for the past five years. In spite of a serious health concern in late 2015, Duncan continued to perform his duties as Treasurer. We are very pleased that Duncan has agreed to continue as the Foundation's Treasurer for the next year.

In the last year, I was able to attend the graduation ceremonies at the Barrie and Halifax Learning Centres. In April 2016, I was able to meet with the annual Conference of Learning Centre Directors

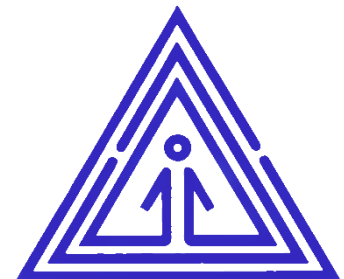
which was arranged by Ill. Bro. Matthew F. Todd, 33° Executive Director Learning Centres. These events certainly reinforce the difference that we are making in these communities.

My especial thanks to the Directors, Officers, Committee Chairman, Executive Director Learning Centres, Learning Centre Directors, Learning Centre Tutors and Volunteers, Valley Representatives and the Foundation office staff for all of your efforts on behalf of the Foundation to help us in our work to *Help Solve the Puzzles of the Mind*.

To our Scottish Rite members, thank you for your ongoing financial support of the Foundation.

Dr. Martin Luther King once said to an audience "Life's most persistent and urgent question is, 'What are *you doing for others?*'". I believe that we can be truly proud of what The Scottish Rite Charitable Foundation accomplishes for others through its Grants and Awards and the Learning Centre Programs.

Dr. Gareth R. Taylor  
President  
*Scottish Rite Charitable Foundation*



## Treasurer's Report

The 50<sup>th</sup> Anniversary campaign encouraged an increase in donations and bequests and this support has continued into the current financial year. The Foundation receives wonderful support from Scottish Rite members, families and other organizations. The financial highlights of the year ended May 31, 2016 follow.<sup>1</sup>

Donations and bequests in the current year amounted to \$281,064 compared to \$649,467 in the prior year. Investment income of \$540,266 showed improvement over that of \$384,285 earned last year. Crude prices remain low which affects the value of our equity portfolio and the Canadian dollar. Instability in the equity and bond markets continue to cause lower interest and equity yields. At year end, an unrealized loss of \$465,722 arose compared with an unrealized loss of \$104,497 in 2015.

Expenses for the year were \$164,195 compared to \$157,478 in the prior year. The Foundation incurred the costs of \$28,007 for the first part of an advanced language training course for tutor trainers. Similar costs will be incurred in the next financial year and have been budgeted. These costs incurred by the Foundation demonstrate the continuing commitment to Learning Centre operations. Less was spent on information technology improvements in 2016 than in the prior year. 50<sup>th</sup> Anniversary costs of \$12,925, partially for the book "Our History", were lower than incurred in prior year when the Foundation launched and continued the celebration. Other expense categories in total were lower.

Research grants and bursaries were \$423,541 in 2016 compared to \$400,249 in 2015. Many supporters donated directly to the Foundation but requested that their donations be directed to specific Learning Centres. Distributions to Learning Centres in 2016 were \$51,355 compared to \$128,895 in 2015.

Excess of expenses and distributions over revenue was \$283,483 compared to an excess of revenue of \$242,633 in 2015. The net increase in cash was \$236,120 in 2016 compared to \$54,596 in 2015.

The portfolio had a market value of \$16.6 million at May 31, 2016 and \$17.1 million in 2015. Accounting standards require that we state the portfolio at market value, rather than at cost, and this creates unrealized gains and losses each year end. The unrealized loss this year explains much of the decline in the portfolio value. However, more cash was on hand at year end due to liquidating some equity positions in 2016. Net assets were \$16.9 million in 2016 compared to \$17.2 million in 2015.

Commodity and equity markets continue to be weak in 2016. The Foundation takes a very long-term view with respect to the earning potential of the portfolio. Since January 1, 2000, the portfolio has earned a return of 5.74%. We hope for improved returns in future.

### Duncan S. Skinner

*Treasurer*

<sup>1</sup> The financial information presented in this report is a subset of the full 2016 audited financial statements due to available space. The full 2016 audited set of comparative financial statements is available by contacting the Foundation's office.

## 2015-2016 Financial Highlights

### Statement of Operations

Year ended May 31	2016	2015
<b>Revenue</b>	\$	\$
Donations & Bequests	281,064	649,467
Investment income	540,266	384,285
	<u>821,330</u>	<u>1,033,752</u>
<b>Expenses</b>		
Administration	54,622	61,538
Directors	5,438	8,659
Insurance	8,023	7,902
National Learning Centre	45,376	18,771
Professional fees	25,000	18,591
Promotion & public relations	25,736	33,585
Information Technology	0	8,432
	<u>164,195</u>	<u>157,478</u>
Excess of revenue over expenses	<u>657,135</u>	<u>876,274</u>
<b>Distributions</b>		
Grants	422,041	388,249
Bursaries	1,500	12,000
Learning Centre Donations	51,355	128,895
	<u>474,896</u>	<u>529,144</u>
Excess of revenue over expenses	182,239	347,130
Unrealized (loss) gain	(465,722)	(104,497)
<b>(Deficiency) / Excess</b>	<b><u>(283,483)</u></b>	<b><u>242,633</u></b>

### Statement of Financial Position

Year ended May 31	2016	2015
<b>Assets</b>	\$	\$
Cash	401,677	165,557
Receivables	400	900
HST/GST receivable	4,499	3,371
Prepays	610	2,700
	<u>407,186</u>	<u>172,528</u>
Investments	16,557,969	17,072,133
	<b><u>16,965,155</u></b>	<b><u>17,244,661</u></b>
<b>Liabilities</b>		
Payables and accruals	31,660	27,683
	<u>31,660</u>	<u>27,683</u>
<b>Net assets</b>	<u>16,933,495</u>	<u>17,216,978</u>
	<b><u>16,965,155</u></b>	<b><u>17,244,661</u></b>

### Statement of Changes in Net Assets

Year ended May 31	2016	2015
	\$	\$
Net assets, beginning of year	17,216,978	16,974,345
(Deficiency) / Excess	(283,483)	242,633
Net assets, end of year	<b><u>16,933,495</u></b>	<b><u>17,216,978</u></b>

## 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 disease, 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.

During the last year, the Awards committee received 21 new applications 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 4 recipients for a 3rd year. Total support for the Major Grants program for 2015-2016 was \$422,041.

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.

No new bursaries were approved as the Deputies’ Provincial Bursary program underwent a review this year. It was decided to continue the program with some slight modifications in future. Many thanks to Gordon Greasley who chaired the review of this program.

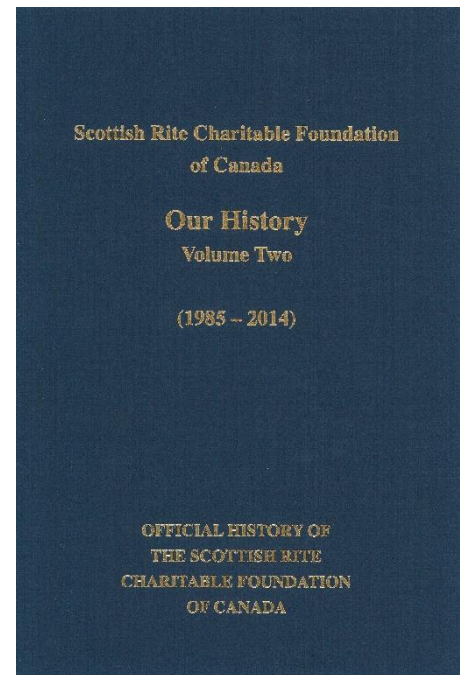
The SRCF receives many letters of thanks from recipients expressing appreciation for the support received. Scottish Rite members may learn more about the scope and results of the research funded through their donations through the Scottish Rite Charitable Foundation website ([www.srcf.ca](http://www.srcf.ca)).

Respectfully submitted,  
**Dr. Loren Kline**  
*Chair, Awards Committee*

## Scottish Rite Charitable Foundation of Canada Our History Volume Two (1985-2014)

To commemorate the 50<sup>th</sup> Anniversary of the Foundation, Ill. Bro. D. Garry Dowling 33° was commissioned to write the second volume of the Foundation’s history. This edition covers the period 1985 to 2014 and is the companion edition to the “First Twenty Years” (1964-1984) written by Ill. Bro. Donald M. Fleming 33°.

Copies of Volume Two of the History are now available for purchase from the Foundation Office.



“The First Twenty Years” (1964-1984) have been digitized and copies are available for download at <https://archive.org/details/firsttwentyyears00flem>

### NEW MAJOR RESEARCH GRANTS

<b>Dr. Mark Brandon</b> McGill University/Douglas Hospital Research Centre, Montreal, QC <i>Is the entorhinal navigational circuit disrupted in early stages of Alzheimer’s disease?</i>	<b>\$35,000</b>
<b>Dr. Viviane Labrie</b> Centre for Addiction and Mental Health, Toronto, ON <i>DNA epigenetics interactions in the mechanism underlying Alzheimer’s disease.</i>	<b>\$34,910</b>
<b>Dr. Leigh Anne Swayne</b> University of Victoria, Victoria BC <i>Pannexin 1: role in neurodevelopmental disorders?</i>	<b>\$35,000</b>
<b>Dr. John Vessey</b> University of Guelph, Guelph ON <i>Investigating the role of RNA localization and splicing in the development of Autism Spectrum Disorder.</i>	<b>\$34,999</b>

Scottish Rite  
Charitable  
Foundation  
Helping to Solve  
“Puzzles of the Mind”  
since 1964



# Learning Centre Program

The Learning Centre Program continues to operate with 8 Centres in Canada, and 1 satellite pilot operation in Bracebridge, Ontario. Overall statistics show 97 volunteer Tutors, tutoring 146 children and accumulating a total of 7352 tutoring hours. During the past year, there have been 46 children who have completed the Orton-Gillingham program and have moved on in their educational journey. All Centres except Calgary have graduated children and that Centre will have a Celebration of Achievement in September, at which time, the Centre will be dedicated and become a mature Centre.

The Foundation has provided funding for a 45 hours Advanced Language Course which will be held in four sessions. The first session was held in Halifax last October, the second in Hamilton in April of this year. There are eleven Certified Tutors from five Centres taking the course. Additionally, there are three Certified Tutors from The Department of Labour and Advanced Education project in Nova Scotia. Some of the successful candidates in this course will hopefully move on to become Certified Trainers and/or Senior Mentors. There still remains a shortage of Certified Trainers in our Canadian Program and our standards are high, and it takes up to 8 years or more to attain this special level. The lack of Certified Trainers has not enabled us to expand the Program in Canada to other Valleys other than the 8 existing ones. We are



looking closely at Hamilton where a steering committee is working very hard to be in a position to obtain a license in the next year or so.

The key to success for any Centre is, of course, sustaining financial support from ongoing fund raising activities. There needs to be strong support from the Valley where the Centre is located, as well as Valleys in surrounding areas to join in promoting and helping to maintain the operating costs required to sustain a Centre. Along with the financial support, each Centre needs a staff of volunteers who are life blood of each Centre. Those people who have, and continue to fill these roles, find it a very rewarding and fulfilling experience. The total

yearly operating budget for the 8 Centres will exceed \$775,000 again this year, which is a huge amount for the Centres to raise.

Our project with the Department of Labour and Advanced Education has been a great success. At the present time there are more than 60 adults throughout the province of Nova Scotia receiving the Orton-Gillingham tutoring. We have certified 8 Tutors under our Program who are working with adults in Learning Networks and Community Colleges. We are very proud of the advance our Program has made in the field of adult literacy.

We held our annual conference of Centre Directors in Hamilton during the last week in April. All of the Centres reported the recognition and acceptance of our program increases each year. This is substantiated by the fact each Centre has a waiting list of children and more and more volunteer tutors are lining up for our training. The Scottish Rite Charitable Foundation is proud and satisfied with the success of the Learning Centre Program since its inception in 2003.

**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**

**1. Telephone:** Call the 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 ready.

**2. Printable Form:** (available on our website) If you would like to make a donation by mail or fax, please complete the form and return with your payment.

**3. On-line:** (available on our website) You will be directed to a secure online site hosted by [Canadahelps.org](http://Canadahelps.org) (third party donation). *If you wish to donate to a specific project or other Foundation initiative, please enter that information in the comments box on the donation page.*

**4. Blue Envelope:** Use your "blue envelope" that you periodically get in the mail or obtain one from your Valley Secretary.

**5. Estate Planning:** Include the Foundation in the planning of your Estate; naming the Foundation as a beneficiary of a new or existing life insurance policy; gifting stocks,

bonds, mutual funds or term deposits; or willing residual funds from a RRIF. Both the brochure and the form can be found on our website.

**6. Memorial Donation:** If you wish to make a donation in the name or memory of someone, you can do so by calling the office or fill out the memorial section of the "Printable Form" or "Blue Envelope".

**7. Securities Transfer – A Win/Win Donation** Did you know that you are able to make a gift to the Foundation by transferring Securities? This way you avoid paying capital gains on the Security (stock) being transferred, the SRCF would receive the full value of the stock being transferred, and you would receive a donation receipt for tax purposes for the full value of the stock on the day it is being transferred. Simply call the Office for the proper form and they will guide you through the process or download the form available on our website.

**8. Fund Raising:** Participate in fund raising events for the Foundation.

**Note:** You do not need to be a member of the Scottish Rite or be a Mason to make a donation to the Scottish Rite Charitable Foundation. **Anyone** can make a donation using one of the options listed above.

**Income Tax** receipts will be issued for a *minimum donation of \$20* to the Foundation.

**"One time"** or specified **"monthly"** donations can be made using your Visa or Master Card. See the Printable Form, Blue Envelope or Donation Card.

**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 a pewter pin crafted in the shape of the Foundation Logo to wear.