



Annual Report 2010-2011

THE SCOTTISH RITE CHARITABLE FOUNDATION OF CANADA

President's Report

Another year in our Charitable Foundation History has come and gone. The year may be gone, but our legacy in the work we do will be with us forever. What a privilege it is for us Scottish Rite Brethren to be able to make a difference in helping make this a better country and helping those in need. I thank all of you who have been involved in the last year, whether it is through your charitable donations or through your volunteering at our Learning Centres. We are making a difference, and the Scottish Rite Fraternity in Canada can be proud.

Your Board of Directors and our Executive Director Learning Centres along with his committee continue to work hard in administering and managing the assets of the Scottish Rite Charitable Foundation of Canada and that of our Learning Centre Program within the guidelines, by-laws and charter of the Foundation. It is not always easy, and sometimes challenging, but we are blessed with a group of men that have the skill set and passion to execute the Foundation's mandate year after year.

This past year, we have finally completed our organizational transformation. All five existing Learning Centres (London, Windsor, Halifax, Vancouver, and Barrie) are now all individually incorporated. Our Learning Centre Handbook has been updated and changed to reflect the new structure along with many of the other changes the Board of Directors felt necessary to ensure that Learning Centres are sustainable and operate at a high level of excellence. The Board is deeply indebted to Ill. Bro. Harold Crosby, Executive Director Learning Centres and his committee for that work. We also want to thank the individual Learning Centres for their efforts in obtaining their individual

incorporation status and embracing this change that was so necessary to protect the Foundation in the future and to ensure a more sustainable and efficient Learning Centre Program.

There are three other Valleys that are presently working diligently on establishing a Learning Centre. They are Moncton, Calgary and Edmonton. This is not an easy task, and the Brethren involved are to be commended for their efforts and desire to make this happen.

But as we continue to expand our Learning Centre Program, we as Scottish Rite Brethren should not forget our other very important initiatives in "solving puzzles of the mind". A major initiative of the Foundation is to provide research grants of \$35,000 each in Biomedical Research into intellectual impairment especially as it affects children and the causes and cure of Alzheimer's disease. To continue to support these important initiatives, we need your ongoing financial support. I humbly ask all Scottish Rite Brethren to consider making a donation within your capabilities in our 2011/2012 Masonic year.

During the last year, we were blessed with many individual donations and two very large donations. One was a bequest for \$564,000 and the other a donation of \$35,000 from a Brother in memory of his wife who passed away as a result of Alzheimer's. These are remarkable donations and are a tribute to the memory of those who passed away. These donations, as with all donations to our Foundation, are deposited in our Capital Account, and it is only the investment income that is disbursed each year. In this way, your donations will always continue to make a difference.



Allard B. Loopstra

Regrettably but understandably, our Treasurer, Ill. Bro. George Benton, is resigning from our Board of Directors this September. George is well known in Masonic circles in Ontario, and has and continues to be involved in a great number of Masonic activities. It was time for him to lessen his work load. We appreciate and thank George for his many contributions to Masonry in general, and in particular to the Scottish Rite and its Foundation.

In conjunction with Supreme Council, the Foundation was able to produce its third issue of its magazine, the Clarion. Under the direction of its Editor in Chief, Ill. Bro. Terry McLean, the magazine doubled in size and added advertisers to help defray the costs. We are grateful for Terry's work in assisting Supreme Council and the Foundation in being able to communicate with its Scottish Rite Brethren across Canada. I hope you not only enjoy the contents of this magazine, but share it with your non Scottish Rite Brethren.

In closing, I thank my Board of Directors and Supreme Council office staff for their support and work in ensuring that our Foundation continues to make a difference since its conception in 1964.

Allard B. Loopstra
President

Treasurer's Report

The Scottish Rite Charitable Foundation of Canada continued to experience a slow recovery for the year ending May 31, 2011. The foundation is still not immune from worldwide economic conditions and must continue to monitor its financial activities very closely.

The resources of the foundation were severely taxed to meet its financial obligations both for medical research and the learning centres.

As a result the distribution for research grants was reduced by \$60,000 and awards and bursaries by \$52,000.

During the year three learning centres (Halifax, Barrie and Moncton) were incorporated and received their own charitable registration.

On June 1, 2011 the remaining three learning centres were incorporated and received their charitable registration.

Because of these changes the financial statement presentation has changed dramatically from that of previous years...

Financial Review

The financial highlights of the foundation's financial position and results of operations on this page have been extracted from the annual audited financial statements, copies of which may be obtained from the Foundation Office.

Operations

The operating statement shows expenses in excess of revenue in the amount of \$ 278,014 before the unrealized gain on investments of \$ 1,092,670.

Because of the incorporation of three of the learning centres, learning centre donations for operations decreased by \$ 238,164

Operating expenses increased by \$ 74,000 contributing substantially to the negative cash flow to the foundation.

The positive change in fair market value reflects the unrealized gain on investments from the previous years and the difference between cost and fair market value of the investments.

On a more positive note the donations from individuals, Lodges and Masonic organizations increased by 417,000 and the foundation was the beneficiary of two bequests of almost \$618,000.

Financial Position

Net assets as at May 31, 2011 of \$ 16,420,278 an increase of \$ 952,567 from the previous year. Again this increase can be attributed to the increase in the fair market value of the investments.

The largest asset of the foundation is its investment portfolio. As at May 31, 2011 its fair market value was \$ 16,595,854 the investment portfolio consists of what is considered low risk instruments 31.50% in equities and 68.50 % in fixed term or interest bearing investments.

The Way Ahead

The challenges facing The Scottish Rite Charitable Foundation of Canada have not changed over the years,

1. To continue to support the ongoing medical research through grants, awards and bursaries.
2. To work with and support the newly incorporated learning centres and any new learning centres that are opened.

The evolution of splitting off the learning centres as independent charitable entities will offer new challenges and as more learning centres open our financial resources will be taxed to an even greater extent.

In closing I would like to wish my successor well and pledge my continuing support to the Scottish Rite Charitable Foundation of Canada.

Respectfully submitted
George Benton
Treasurer

Statement of Operations

Year Ended May 31	2011	2010
Revenue		
Donations - Learning Centre operations	\$ 83,524	321,688
Amortization of deferred contributions		
- Ontario Trillium Foundation Grant	—	28,381
Investment Income	567,247	616,145
Gain (loss) on disposal of investments	43,388	96,875
	694,159	1,063,089

Expenses		
	207,726	133,449
Excess of revenue over expenses, before distributions and unrealized gains (losses) on investments		
	486,433	929,640

Distributions		
Grants	368,386	418,630
Awards	30,000	70,000
Bursaries	11,500	24,000
Learning Centre Depreciation	354,561	326,184
	764,447	838,814

Excess of revenue over expenses before change in unrealized gain (loss) on investments		
	(278,014)	90,826
Change in unrealized gain (loss) on investments		
	1,092,670	412,836
Excess of revenue over expenses (expenses over revenue)		
	\$ 814,656	503,662

Statement of Capital Revenue and Capital

Year Ended May 31	2011	2010
Revenue		
Donations		
Individuals, Lodges and Masonic organizations	\$ 117,043	\$107,591
Learning Centre Donations	84,114	\$183,890
Bequests	617,963	\$9,011
	819,120	\$300,492

Internally restricted net assets –		
Capital, beginning of year	14,915,370	\$14,614,878
Capital Revenue	819,120	\$300,492
Learning centres share of interest earned on investments		
	(77,560)	—
Internally restricted net assets - Capital, end of year		
	\$15,656,930	\$14,915,370

Financial Highlights – Financial Position

Year Ended May 31	2011	2010
Assets		
Cash	\$ 49,124	\$334,193
Receivable	24,133	\$8,538
GST Receivable	30,160	\$8,158
Prepays	—	\$9,804
	103,417	\$360,693
Capital assets	143,333	\$152,899
Investments	16,595,854	\$15,045,750
	16,842,604	\$15,559,342
Liabilities		
Payables and accruals	422,326	\$34,868
Deferred contributions	—	\$56,763
	422,326	\$91,631
Net Assets		
Net assets invested in capital	144,333	\$96,136
Unrestricted net assets - Income retained for charitable and benevolent purposes	619,015	\$456,205
Internally restricted net assets - Capital	15,656,930	14,915,370
	16,420,278	15,467,711
	\$16,842,604	\$15,559,342

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.

During the last year, the Awards committee received 15 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 5 recipients for a 3rd year. Total Major Grants in support of for 2010-2011 was \$446,818.

This year marked the end of the Graduate Student Award Program with no new applications being accepted. Two students completed the final year of their funding.

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

A total of 14 Deputy’s Provincial Charitable Donations were distributed during the year with a total value of \$18,000.

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 by reading the brief reports printed in the various SRCF newsletters.

More information about the Grants and Awards Program is available on the Scottish Rite Charitable Foundation website (www.srcf.ca) including details about the funded research.

Respectfully submitted,

Dr. Gareth R. Taylor Dr. Loren Kline
Chair, Awards Committee Vice-Chair

Dr. Danielle Andrade University of Toronto \$35,000
Candidate gene analysis of genes located within regions of chromosomes linked to Mabry Syndrome in patients/families.

Dr. Amando Bertone Hopital Riviere-des-Prairies \$34,200
Behavioural and physiological assessment of lateral neural interactions in autism

Dr. Mojgan Rastegar University of Manitoba \$35,000
High resolution study of MeCP2 isoforms in neurons for therapy applications in Rett Syndrome

Dr. Marc Woodbury-Smith St. Joseph’s Healthcare \$28,309
(2 years only)
Using phenotypic information to identify novel pathogenic alleles overlapping rare inherited copy number variants (CNVs) in Autism Spectrum Disorders

Communications and Website

The following is the report on the activities for the Foundation Website:

- 1) Website was updated in October with the information pertaining to the new Grants and Awards; as well an electronic copy of the Annual Report was posted on the website.
- 2) In January, the new forms and guides for the April 30, 2011 Grants and Awards Competition were posted.
- 3) In March an electronic copy of the Clarion was posted on the website.
- 4) We have redesigning the website. We are deeply indebted to Ill. Bro. Vicky Bagwalla 32°, Valley of Toronto, who designed and created the new site at no charge to the Foundation.
- 5) We had changed the Internet Service Provider for the Foundation. We have identified a Service Provider with a special hosting arrangement for not-for-profits. However, during the redesign of the website, it was found that Myhosting.com was unable to provide the requisite service for the new website. As such we have changed our hosting to U214.com. This service is being provided at no cost to the Foundation.
- 6) We are also looking at a refreshing of the current website. This should be completed by the end of the year.

Many thanks to Sue Thompson and Terry McLean for their assistance to this Committee.

Respectively submitted,
Gareth Taylor

Communications and Website Committee

Learning Centre Program

The Learning Centre Program experienced another very successful year. At June 30, 2011 there were fifty four volunteer tutors delivering remedial tutoring to sixty four children. During the year eighteen children completed the Program. These numbers are an increase over the prior year.

The number of hours of tutoring during the year totaled 3,296. In addition to the time involved in delivering the tutoring session, each of the tutors also must complete a lesson plan for the session thereby greatly increasing the number of hours that the volunteer tutors contribute to the operation of the Program. We are extremely grateful to the volunteer tutors for their significant contribution. We are also most grateful to all the other volunteers who supply the administrative services that are most essential for the proper and successful operation of the Centres.

Each of the Centres continues to see a remarkable positive change in the children who receive the remedial tutoring. The change results not only in increased self esteem but also in much improved results in their regular school work. The success of the Program has resulted in a broader recognition by the public school authorities and by professional psychologists in the communities where the Centres are in operation. The result of this positive recognition is an increase in the number of parents who are being referred to the Centres, and these referrals result in an

ever growing number of children awaiting acceptance into the Program.

During the year the restructuring of the Program commenced in the Spring of 2009 was completed. Effective on May 31, 2011 the Learning Centre Program ceased to be a direct operation of the Foundation. From that date onward the Program, which the Foundation continues to own, is being conducted through the individual corporations created for that purpose under a License Agreement with the Foundation.

The Program has established Standards for the Certification of Tutor Trainers for the Orton-Gillingham Approach to remedial tutoring. The Centre Directors for London, Windsor, and Halifax have accumulated sufficient tutoring hours to enable them to now take the next step toward their certification, which is the successful completion of an Advanced Language Study Course.

The Foundation Board has approved the funding necessary to enable the three Centre Directors to take the Advanced Language Study Course. Patricia Martz, the recently retired Director of the Bangor Maine Centre, who possesses the qualifications necessary for the delivery of the course, has been engaged by the Foundation to do so.

The Advanced Language Study Course will be delivered in four two day sessions over a period of approximately one year. The first session was held at the Halifax Centre in

July 2011. The next session will take place at the London Centre in October 2011, the third at the Windsor Centre in January 2012, and the fourth back in Halifax in May 2012.

Upon the successful completion of the Advanced Language Study Course and the successful delivery of a complete training cycle to a group of volunteer tutor trainees, the three Centre Directors will achieve certification. Certification will then enable them to conduct all the training in their individual Centres, and be available to train tutors in other Centres in Canada, thereby making the Program self sufficient.

The application from the Valley of Moncton to establish a Centre in that city was approved at the September 2011 meeting of the Directors. The necessary renovations to the leased premises have been completed and they are in the process of securing the necessary furnishings and equipment. Arrangements have been made with Patricia Martz to conduct the training of the tutors. An official opening date has not yet been set.

The Valleys of Calgary and Edmonton continue to plan for a Centre in their Valley.

The Executive Director met with the Planning Committee for each of these Valleys in June 2011 to review their planning process and to provide guidance as they move ahead with their planning. It is expected that their application will be placed before the Board at its meeting in September 2011.

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 available on-line donations through the internet. Simply go 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 with 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.

You may also donate through the Blue Envelopes that are available at your regular meetings.

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.