



Annual Report 2018-2019

The Scottish Rite Charitable Foundation of Canada

President's Report

The Scottish Rite Charitable Foundation has now been supporting research into Helping to Solve the Puzzles of the Mind for over 55 years. The brain is the most complex biological structure known and our understanding of the brain and how it functions is still limited. Our programs seek to help unravel the puzzles and help with understanding the basic biology and the health challenges such as dementia (Alzheimer's and related dementias) and Parkinson's disease as examples through our Grants Program while the Learning Centre program is a practical application assisting those with Dyslexia. The importance of research and programs into the complexities of the brain were further underlined this year with Canada's first national dementia strategy.

We would encourage you to visit the Foundation's website at www.srcf.ca to find out more about the research that is being funded. A very interesting 15 minute video of Dr. Joel Watts, University of Toronto, describes the research that the Foundation is funding in his laboratory. The video of Dr. Watt's presentation and several other videos can be found at www.srcf.ca/videos. The Foundation was also very pleased that Dr. Karen Milligan, Ryerson University, was in touch and sent us the following message - "We are still publishing away on our findings from the Mindfulness Martial Arts study funded by the Scottish Rite. Our main outcomes article, showing significant attention change with both parent report and EEG measures, was just published in Mindfulness. Thanks again for all of the amazing support provided by the Scottish Rite!"



Dr. Gareth R. Taylor

The 2018-2019 year will see two new Directors being elected. We thank Ill. Bro. Ronald Findlater who will be stepping down as a Director in September for his service to the Foundation. Unfortunately, Ill. Bro. Stephen Caldwell had to step down from the Board earlier this year. Last September we welcomed the new Lieutenant Grand Commander, Ill. Bro. David A. Bennett and Ill. Bro. John M. Forster as Foundation Directors.

This year also marked the eleventh edition of the Clarion, jointly published by the SRCF and Supreme Council and sent to all Scottish Rite members in Canada. Congratulations to our Editor in Chief, Ill. Bro. Darian Bacon 32° and his Editorial Board for another outstanding issue.

This was another exciting year for the Learning Centre program with the official opening of the Learning Centre for Hamilton on September 16, 2018. Ill. Bro. Matthew F. Todd, Executive Director Learning Centres, reported on the number of graduates for the Learning Centre program which continue to grow year over year. What is truly stunning with the program is the number of volunteers involved in this effort and the number of hours of tutoring provided. This program continues to make a tremendous impact and difference in these communities and to the lives of the dyslexic children.

Special thanks goes 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 their 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.

I continue to 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.

We make a living by what we get, but we make a life by what we give - Sir Winston Churchill.

Dr. Gareth R. Taylor
President

Treasurer's Report

The Foundation receives wonderful support from Scottish Rite members, families, friends and other organizations. Donations and bequests reflect continued support in the current year. The financial highlights of the year ended May 31, 2019 follow.

Donations and bequests in the current year were \$3,470,144 compared to \$674,144 in the prior year. One large bequest of \$3.2 million makes up most of this amount. Investment income of \$242,659 was lower than \$457,635 earned last year due to the sale of underperforming stocks, lower capital gains, and a write-down in value in one aero-space company. Crude prices have been mixed which affects the value of our equity portfolio and the Canadian dollar. Improving equity markets have led to higher returns in some segments. Interest rates have risen and this directly impacts 39% of the portfolio. At year end, an unrealized gain of \$254,993 was recognized compared with an unrealized gain of \$30,103 in 2018.

Expenses for the year of \$142,722 were similar to those of \$141,035 in the prior year. The spring 2019 and 2018 Directors' meetings were held by conference call rather than in Hamilton.

Research grants and bursaries were \$458,080 in 2019 compared to \$435,639 in 2018. As a result of the 50th Anniversary fundraising campaign and a major bequest noted above, the Foundation increased new grants to \$120,000, payable over three years, from \$105,000.

Many supporters donated to the Foundation but requested that their donations be directed to specific Learning Centres. Distributions of \$17,065 to Learning Centres in the current year were lower compared to \$385,808 in 2018. A new Learning Centre in Hamilton was incorporated on November 7, 2016 and donations of \$331,800 received in previous years were paid to Hamilton Learning Centre in the spring of 2018. The Foundation also donated to Hamilton Learning Centre \$5,000 to assist with incorporation costs and \$40,000 for capital improvements.

Net revenue of \$3,349,929 was significantly higher than in 2018, \$199,400, mainly due to the bequest from one member of the Valley of Toronto.

The portfolio had a market value of \$20.5 million at May 31, 2019 and \$17.2 million in 2018. Accounting standards require that we state the portfolio at market value, rather than at cost, and this creates unrealized gains or losses each year end. Equity prices reflect higher valuations and our advisor is holding cash to be prepared to take advantage of buying opportunities. Net assets were \$21.3 million in 2019 compared to \$17.9 million in 2018.

Commodity and equity markets have been at one moment very favourable and disappointing a few weeks later. The Foundation's spending plans are based on a very long-term view with respect to the earning potential of the portfolio. Since January 1, 2000, the portfolio has earned an annualized return of 5.1%. We hope to see improved equity returns and stable interest rates in the near term.

Duncan S. Skinner
Treasurer

¹ The financial information presented in this report is a subset of the full 2019 audited financial statements due to available space. The full 2019 audited set of comparative financial statements is available by contacting the Foundation's office.

2018-2019 Financial Highlights

Statement of Operations

May 31, 2019	2019	2018
Donations	135,441	147,549
Bequests	3,334,703	526,595
Donations & Bequests	3,470,144	674,144
Investment income	753,047	494,207
Gain on disposal	-511,062	-38,946
Other income	674	2,374
Investment Income	242,659	457,635
	3,712,803	1,131,779

Expenses

Admin	51,893	52,847
Insurance	4,650	8,263
National LC	39,284	33,234
Professional fees	24,000	25,900
Promo & Public Rel.	16,089	16,101
IT	6,806	4,690
	142,722	141,035
Excess of revenue over expenses	3,570,081	990,744

Distributions

Research grants	440,580	420,639
Bursaries	17,500	15,000
Donations to LCs	17,065	385,808
	475,145	821,447
Excess of revenue over expenses	3,094,936	169,297
Unrealized gain	254,993	30,103
Excess	3,349,929	199,400

Statement of Financial Position

Year ended May 31	2019	2018
Assets		
Cash	819,524	786,136
Receivables	0	460
GST/HST receivable	2,592	2,794
Prepays	6,034	7,609
	828,150	796,999
Investments	20,482,160	17,157,111
	21,310,310	17,954,110
Liabilities		
Payables & accruals	43,607	37,336
Net assets	21,266,703	17,916,774
	21,310,310	17,954,110

Statement of Changes in Net Assets

Year ended May 31	2019	2018
Net assets, beginning of year	17,916,774	17,717,374
Excess	3,349,929	199,400
Net assets, end of year	21,266,703	17,916,774

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.

This year marked an increase in funding of new Major Research Grants from \$35,000 to \$40,000 for up to three years. The Awards committee received 19 applications for Major Research Grants 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 2018-2019 was \$439,730.

The Foundation was again indebted to Dr. Anurag Tandon from the University of Toronto, who chairs the review panel with the very generous assistance from professional colleagues from across Canada. The enthusiastic support of Dr. Gareth Taylor, President of the Foundation, is also greatly appreciated.

The Provincial Deputy Bursary program funded a total of 20 bursaries totaling \$17,500 which were distributed across the county.

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.

Dr. Loren Kline
Chair, Awards Committee

NEW MAJOR RESEARCH GRANTS

(Amount shown is 3 year total funding)

Dr. Arjun Krishnaswamy McGill University, Montreal, QC <i>The role of serotonergic raphe neuromodulation in behavior and autism models</i>	\$120,000
Dr. Tim Shutt University of Calgary, Calgary, AB <i>Targeting Mitochondrial Form and Function in Autism Spectrum Disorder</i>	\$120,000
Dr. Sophie Tremblay CHU Ste-Justine Research Centre, Montreal, QC <i>Neuroprotective strategies to prevent long-term cognitive deficits induced by CBI</i>	\$120,000
Dr. Joel Watts University of Toronto, Toronto, ON <i>The role of the cellular prion protein in alpha-synuclein propagation</i>	\$120,000

Learning Centre Program

The Learning Centre Program operates with 9 Centres in Canada, and 1 satellite operation in Bracebridge, Ontario. A new Centre in Hamilton was officially opened last September, following Supreme Council Sessions in London. Overall statistics show 130 volunteer Tutors tutoring 158 children and accumulating more than 9532 tutoring hours. During the past year, there have been 62 children who have completed the Orton-Gillingham program and have moved on in their educational journey. Eight Centres have now graduated children and have been dedicated and recognized as mature Centres.

The Foundation will assist with funding for a 45 hour Advanced Language Course which will be held in four sessions, with the first session held in London during the 2018 Supreme Council sessions. The candidates attended a two-day workshop conducted by William VanCleave. The second session was held in Hamilton in the spring and the third will also be in Hamilton in October. The last session is planned for Halifax in the spring of 2020. The candidates for this Advanced Language course are certified tutors from 6 of our Centres, and hopefully, some will go on with further training to become certified Trainers.

The key to success for any Centre is, of course, sustaining financial support from on-going 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. In this regard, it is so pleasing to see the enthusiasm and support from Valleys close to a Centre. Along with the financial support, each Centre needs a staff of volunteers who are the life blood of each Centre. Those people who have, and continue to fill these rolls, find it a very rewarding and fulfilling experience. Recruiting volunteer tutors is not easy as it is a tremendous commitment for tutor trainees to take the required training and other requirements including 100 hours of practicum with 2 children. The total yearly operating budget for the 9 Centres will exceed \$800,000 again this year, which is a huge amount for the Centres to raise.

The Learning Centre Program has been so successful and the Scottish Rite Charitable Foundation is fulfilling a desperate need to children diagnosed with dyslexia, in the 10 communities where we have Learning Centres. The program has been a tremendous boost to the profile and recognition of Freemasons right across the country.

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 (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.

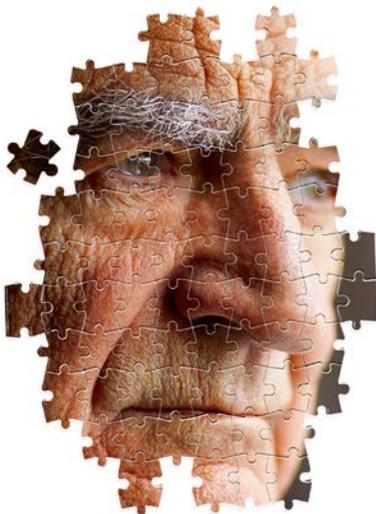
8. Fund Raising: Participate in fund raising events for the Foundation.

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 annually for a *minimum donation of \$20* to the Foundation.

“**One time**” or specified “**monthly**” donations can be made using your Visa or MasterCard. 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 silver plated lapel pin crafted in the shape of the Foundation Logo.



**Scottish Rite
Charitable Foundation
of Canada**

**Helping to Solve
“Puzzles of the Mind”
since 1964**

