



Annual Report 2020-2021

The Scottish Rite Charitable Foundation of Canada

President's Report

If you dream and allow yourself to dream, you can do anything.

Clara Hughes

As the Tokyo 2020 Olympics end, this quote from Clara Hughes, Canadian cyclist and 2006 gold-medal winning speed skater seemed very appropriate not only for the athletes who competed, but also for the Scottish Rite Charitable Foundation. Those individuals who started the Foundation in 1964, did indeed have a dream to make a difference for those who struggle with the Puzzles of the Mind.

It is hard to believe that that COVID-19, the infectious disease caused by a SARS-CoV-2 coronavirus could have such a profound effect on the world that we live in and how we go about our daily lives. Ill. Bro. Matthew F. Todd, Executive Director Learning Centres reported to the April Foundation Board meeting on the continued success of the Learning Centres. Last year COVID-19 halted all activities associated with the Learning Centres. Fortunately, five of our Learning Centres were able to reopen this year with appropriate safety measures in place. Three of the Learning Centres were given permission to do virtual tutoring while one Learning Centre remained closed. These measures allowed the Learning Centres to continue to make a positive impact and difference in these communities and to the lives of the dyslexic children.

In September 2021, we will see one new Director being elected to the Board. We thank Ill. Bro. James Finch who had to step down as a director last September for his service to the Foundation. Last September, we welcomed Ill. Bro. Stephen Kennard and Ill. Bro. Jacques Ruelland as Foundation Directors. Last September, we welcomed a new Treasurer for the Foundation, Ill. Bro. James G. Vasko.



Dr. Gareth R. Taylor

Ill. Bro. Vasko brings an extensive background in the banking world to the Foundation. We are deeply indebted to Ill. Bro. Duncan S. Skinner who has served as Treasurer since 2010. We would also like to thank Ill. Bro. Loren Kline who, following his term as a director, had continued to serve as the Chairman of the Grants and Awards Committee. This responsibility has now shifted to Ill. Bro. Joseph Angel.

We saw a marked upturn in the financial markets with a very positive effect on the Foundation's investment portfolio, as can be seen in the report of James G. Vasko the Foundation's Treasurer. As seen in the Grants and Awards report from Ill. Bro. Joseph Angel, we continue to fund 12 researchers across Canada and their quest into Helping to Solve the Puzzles of the Mind. These researchers are helping to unravel these mysteries and help with understanding the basic biology and the health challenges associated with dementia, Parkinson's and Autism Spectrum Disorder.

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.

Last year also saw a major change to the Provincial Deputy's Bursary Program. Following a review of the program the Directors approved increasing the amount available from \$17,500 to \$40,000 per year. With this increase, it is hoped that every Valley can participate in the program each year. With the review also came the recommendation to rename the program to the Provincial Deputy's Award Program. The Deputies will be in touch with their respective Valleys with more information on the program.

This year also marked the thirteenth 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.

Special thanks go 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 during these difficult times.

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.

Dr. Gareth R. Taylor
President

Treasurer's Report

The Scottish Rite Charitable Foundation expresses its gratitude to Scottish Rite members, families, friends and other organizations for their continued support, Donations and Bequests. The financial highlights of the year ended May 31, 2021, follow.¹

Donations and bequests during the year were \$244,140 including a bequest of \$50,000 compared to \$192,991 in the prior year. Investment income of \$671,682 was lower than the \$1,152,444 earned last year due to changes in Gain (Loss) on disposal of securities.

Interest rates remain low, directly impacting 34% of the portfolio. Dividend income from equity investments remained steady. WTI crude oil rose from \$36US in November 2020 to \$67US on May 31, 2021, which increased the value of our equity portfolio. In spite of equity market volatility, investor confidence was restored by favourable corporate earnings reports, leading to record highs in most sectors. This resulted in unrealized gains of \$4,581,176 at year-end versus unrealized losses of \$2,020,168 in 2020.

Expenses for the year were \$106,580 compared to \$136,881 in the prior year. Directors' expenses were nil, the National Learning Centre expenses were reduced, and Advanced Language Programme remains cancelled due to COVID-19.

Research grants and bursaries were \$486,629 in 2021 compared to \$479,400 in 2020.

The net excess of \$4,881,559 was significantly higher than the net deficiency of \$1,294,195 in 2020, mainly due to unrealized gains of \$4,581,176 that were recorded on the last trading day of May 2021.

The portfolio had a market value of \$23.4 million on May 31, 2021, and \$19.7 million on May 31, 2020. Accounting standards require that we state the portfolio at market value, rather than at cost, and this creates unrealized gains or losses at each year end. Net assets were \$25 million in 2021 compared to \$20 million in 2020.

Commodity and equity markets were at one point earlier in the year, very disappointing followed by a late 2020 rally that continued through our year end. 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 5.60% which is greater than 4.52% reported last year.

COVID-19 has severely affected the entire world. Equity market volatility continues. The Foundation has not identified any events related to COVID-19 which occurred during the Foundation's fiscal period, or subsequently, that adversely affected the financial results other than the temporary volatility of stock values and deferral of certain program expenses into the 2022 year. The Learning Centres continue to be impacted by COVID-19 and many fund-raising activities were postponed. It is not possible to reliably estimate the duration and severity of COVID-19, or what the consequences will be on the financial results for the balance of 2021 and into 2022.

James G. Vasko
Treasurer

¹ The financial information presented in this report is a subset of the full 2021 audited financial statements due to available space. The full 2021 audited set of comparative financial statements is available by contacting the Foundation's office.

2020-2021 Financial Highlights

Statement of Operations

Year ended May 31	2021	2020
Donations	94,240	107,991
Bequests	149,900	85,000
Donations & Bequests	244,140	192,991
Investment income	822,133	812,984
Gain (Loss) on disposal	(150,624)	338,875
Other income	173	585
Investment Income	671,682	1,152,444
	915,822	1,345,435

Expenses

Administration	54,487	53,775
Directors	5,401	6,250
Insurance	5,444	4,911
National Learning Centre	0	28,527
Professional fees	23,000	23,000
Promotion & Public Relations	11,317	12,423
IT	6,931	7,995
	106,580	136,881

Excess of revenue over expenses 809,242 1,208,554

Distributions

Research grants	483,600	461,900
Bursaries	3,029	12,500
Donations to LCs	22,230	8,181
	508,859	482,581

Excess of revenue over expenses 300,383 725,973

Unrealized (loss) gain 4,581,176 (2,020,168)

Net Deficiency or Excess 4,881,559 (1,294,195)

Statement of Financial Position

Year ended May 31	2021	2020
Assets		
Cash	1,587,824	257,890
Receivables	63,342	70,385
GST/HST receivable	2,129	2,069
Prepays	5,277	5,425
	1,658,572	335,769
Investments	23,357,624	19,688,173
	25,016,196	20,023,942

Liabilities

Payables & accruals 162,129 51,434

Net assets 24,854,067 19,972,508

25,016,196 20,023,942

Statement of Changes in Net Assets

Year ended May 31	2021	2020
Net assets, beginning of year	19,972,508	21,266,703
Excess	4,881,559	(1,294,195)
Net assets, end of year	24,854,067	19,972,508

Grants & Awards

The Scottish Rite Charitable Foundation of Canada continues to support research seeking to “Help Solve the Puzzles of the Mind”. Better understanding of the biological and/or behavioral mechanisms underlying conditions which involve the mind may lead to novel remedial approaches and a better quality of life for those coping with such conditions. Better management also benefits both the family and the caregivers.

The Awards Committee is committed to supporting promising researchers during their early years, when funds are needed to acquire equipment, to furnish research laboratories, and to support graduate students and technical assistants. Funding by the Foundation at that stage helps the recipients to launch their research programmes and to build their reputations, which in turn would enhance their abilities to compete for funding by national agencies. The value of funding by the Foundation in this regard is a recurrent theme in the final reports of researchers who had been supported.

The SRCF awards annually 4 major research grants of \$40,000 per year each, for up to 3 years. Thus, the SRCF supports a total of 12 research projects, with total funding of up to \$480,000 per year. The Grants and Awards Committee received 16 applications for research support in the 2020-2021 funding competition, of which 4 were selected by the Grant Review Panel.

The current Chair of the Grant Review Panel is Dr. Joel Watts, Tanz Centre for Research in Neurodegenerative Diseases at the University of Toronto. Thanks to his leadership and the generous assistance of other members of the Committee, we are assured those applications for SRCF research grants are rigorously vetted.

The Provincial Deputy Bursary Programme took a year off in 2020. However, one deputy applied, and 4 Bursaries were awarded: 2 for \$500 each and 2 for \$1,000 each.

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).

Joseph F. Angel, Ph. D.
Chair, Grants & Awards Committee

NEW MAJOR RESEARCH GRANTS

(Amount shown is 3 year total funding)

Dr. Bénédicte Amilhon **\$120,000**

CHU Sainte-Justine Research Center, Université de Montréal, QC

Prefrontal serotonergic alterations underlie cognitive deficits following perinatal asphyxia.

Dr. Wei-Hsiang Huang **\$120,000**

Research Institute of McGill University Health Centre, Montreal QC

Investigating cognitive dysfunction caused by imbalanced excitation and inhibition in autism.

Dr. Jasmin Lalonde **\$120,000**

University of Guelph, Guelph ON

Elucidating synaptic protein organization differences in schizophrenia with patient-derived models.

Dr. Melissa Perreault **\$120,000**

University of Guelph, Guelph ON

Role of GSK-3 signalling in mediating sex differences in neural oscillatory signatures and behaviour in autism spectrum disorders.

Learning Centre Program

The Learning Centre Program operates with 9 Centres in Canada, and 1 satellite operation in Bracebridge, Ontario. Overall statistics as of June 30th show, 123 volunteer Tutors tutoring 164 children and accumulating more than 6000 tutoring hours. During the past year, there have been 39 children who have completed the Orton-Gillingham program and have moved on in their educational journey.

Our Centres had to close in the spring of 2020 due to COVID-19 restrictions, however, five of our Centres gradually got back to in-person tutoring during the fall. This was done with very strict protocols in place and being guided by local and provincial COVID guidelines. Three of our Centres were given permission to virtually tutor existing children until June 30th of this year. Windsor Centre has not re-opened but plans to resume operations this fall. Despite the hardships and concerns for safety, the numbers reported above are commendable and clearly indicate we were helping children during the pandemic. Our congratulations and appreciation to the many volunteers and staff of our Canadian Centres for being diligent and dedicated during trying times.

This is a Scottish Rite Charitable Foundation program and a project of the nine Valleys across Canada, as well as surrounding Valleys close to our Centres. In this regard, Centre Boards look to Scottish Rite members to become volunteers and to step up to assist with recruitment and fund raising. The main challenge for each of our Centres is to recruit and train volunteer tutors in order to maintain and service an ever-growing wait list of children at each Centre.

The Scottish Rite can be very proud of the success of the Learning Centre program, as it has become one of the leading programs in providing quality, state of the art, free remedial tutoring for children identified with dyslexia. The testimonials being received from parents is a clear indication that our program is successful, especially when we know most of our graduates' complete high school and many move on to post-secondary education. The level of confidence and self-esteem in children who receive one-on-one in person Orton-Gillingham tutoring is nothing short of remarkable, and this is the stimulus for our program's success.

My thanks to the Scottish Rite Charitable Foundation for the support in this worthwhile program, and to all the Centre Boards of Directors, volunteers and staff, well done, you are the front-line people who proudly carry and wave the Scottish Rite flag in Canada.

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.

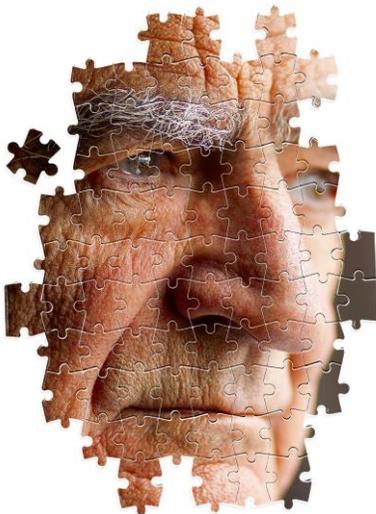
8. Fund Raising: Participate in fund raising events for the Foundation.

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**

