Funder Collaboration: Increasing Our Impact

2012 Annual Report
PFC promotes the growth and development of effective and responsible foundations and organized philanthropy in Canada through provision of membership services, resources and advocacy.

Philanthropic Foundations Canada is a national member association of grant-making foundations and charitable organizations and a registered charity.

Charitable registration number: 89295 2128 RR0001

Since 2009, in an effort to reduce our environmental impact, PFC’s annual report is available online only at www.pfc.ca.
It has been said that the issues tackled by philanthropy are becoming more complicated and multi-layered, be they social, environmental or economic. The more complex the issues, the more challenging it is to make a difference. One way to address this is to share resources and increase impact by working with others in the same field. In 2012, we observed a welcome trend in organized philanthropy towards “collaboration for impact.” Philanthropic Foundations Canada made funder collaboration the theme of our 2012 fall symposium, and we continue to explore this theme in 2013.

Another rich strategy for increasing impact is to share learning with peers and colleagues. This can be done in many ways: writing and publishing an evaluation; distributing project materials; writing a foundation newsletter or policy paper; sharing tools such as grant report templates and applications; funding learning opportunities such as webinars and presentations of lessons learned; speaking at conferences; or participating in informal gatherings of funders such as the regional gatherings convened by PFC. An outstanding example of sharing such learning was demonstrated by the many PFC members who contributed their experiences to _Good Grantmaking: A Guide for Canadian Foundations_ published by PFC in 2012.

Telling our stories is another way to increase impact. We all learn from stories with data, stories about practice, even stories about failure. We will have an opportunity to share stories at our fall symposium in Calgary on October 1, where the theme will be _Making Social Change_. PFC colleagues and others will be sharing experiences and lessons learned in their efforts to make change. We will continue to share these stories and others on our expanded web platform in 2013.

In addition to increased impact through shared knowledge, we have also kept our focus firmly on advocacy for the foundation sector. We spoke to federal policy makers about the need for changes in public policy to support the efforts of private funders in expanding their mission-related investment activities. And we worked closely with other leading voices in the non-profit field to address the new rules for reporting of political activities and help reduce its potential chilling effect on public policy engagement by charitable funders and their grantees.

On behalf of all members, this work has been led by the highly motivated and experienced members of the 2012-2013 Board of Directors. Our growing network is well-served indeed by their collective leadership and passion for sharing the learning with their peers!
PFC in 2012 – Building Collaboration

In 2012, PFC delivered another popular series of learning events on a wide range of topics in foundation management and philanthropy in Canada. We organized 6 webinars (accessible across the country) and 11 face-to-face networking and learning opportunities in Toronto, Calgary, Montreal and Vancouver. The webinars focused on management and operational issues for foundations, including investment strategy, making the transition to the new federal Not for Profit Corporations Act, information technology strategies for foundations, funding political activities, and trends in corporate philanthropy. The discussions at member gatherings focused on topics suggested by members themselves and included impact investing, philanthropy data mapping, Ontario’s efforts to reform fiscal and social policy, and accelerating social impact.

We worked collaboratively with our colleagues at Community Foundations of Canada, Canadian Environmental Grantmakers Network and Imagine Canada to convene seminars on impact investing and funding public policy and advocacy, as well as topics in environmental philanthropy.

For the first time, PFC organized a full-day workshop on Essential Skills and Strategies for Grantmakers, based on a comprehensive curriculum developed initially by our philanthropic colleagues in the United States. This well-attended first workshop in Montreal in October was formulated for a Canadian audience with Canadian models and examples. The source document for the workshop was Good Grantmaking: A Guide for Canadian Foundations, a new PFC guide released in mid-October 2012. This guide and the accompanying workshop are the core elements of our education activities for emerging grantmakers and those new to philanthropy. The workshop will be offered every year from now on in different regions of the country.

“As more of us in the funder community increasingly look at collaborative models to generate broader and deeper impact, the symposium was a very timely and thought provoking day with an interesting array of speakers.”

Bruce Lawson, Executive Director, The Counselling Foundation of Canada
In another first, PFC convened a two-day learning retreat in May 2012 with the leaders of the larger foundations in the PFC membership. This peer gathering was very successful and will also become a regular part of our annual program.

Another important event in 2012 was our fall symposium in October in Montreal on the theme of funder collaboration. About 125 participants attended this event and the presentations, video clips and a summary of the discussions were made available to all through the PFC web site.

PFC advocates and represents its members in public policy debates. In October 2012, PFC appeared before the House of Commons Standing Committee on Finance, to encourage the federal government to review its rules regarding investments for private foundations and to help build opportunities for social finance.

Also in 2012, PFC distributed three member advisories with updates on regulatory and tax changes of interest to registered charitable foundations. Topics included the *Canada Not-For-Profit Corporations Act* (CNPCA, 2009) and *The Ontario Not-for-Profit Corporations Act*, (2010); and federal rule changes on reporting of political activities by foundations.

"The information we receive from PFC helps us stay up-to-date on the latest developments in philanthropy and connected to important work across the country. We count on PFC for thoughtful, well-informed analysis of the issues which affect our sector."

Michelle Clarke, Executive Director, The Burns Memorial Fund

PFC members at PFC’s 2012 Annual General Meeting in Toronto
2012 at a Glance

MEMBER EVENTS

1. symposium, *Funder Collaboration: Making it Work*

2. workshops on Mission-Related Investing and Essential Skills and Strategies for Grantmakers

6. webinars on making the transition to the CNPCA, corporate philanthropy, political activities and charities, and more

11. peer-to-peer events in Toronto, Montreal, Calgary and Vancouver on impact investing, accelerating social impact, regulatory changes, and more

Tim Brodhead, Hilary Pearson, and the Right Honourable Paul Martin during the opening dialogue of the PFC 2012 symposium
PUBLICATIONS

GOOD GRANTMAKING: A GUIDE FOR CANADIAN FOUNDATIONS
by Patrick Johnston

PFC commissioned and produced a first Canadian guide to grantmaking practice for Canadian foundations, written by an experienced grantmaker, and full of stories and practical examples from Canadian foundations of all sizes.

WEBSITE

PFC collaborated with members to produce several new Great Grant Stories, available to the public on our website and we launched a new series of profiles on generational succession in family foundations that will appear regularly in the member area of our website.

MEMBER COMMUNICATIONS

10 issues of our e-newsletter
3 legal & regulatory advisories

Plenary speakers during 2012 PFC symposium, from left to right: Hon. Margaret McCain, The Margaret and Wallace McCain Family Foundation; Stephen Huddart, The J.W. McConnell Family Foundation; Johanne Beavilliers, Fondation Dufresne et Gauthier; James Hughes, Graham Boeckh Foundation.
Our Members

The ALVA Foundation, Toronto
The ASPER Foundation, Winnipeg
The ATKINSON Charitable Foundation, Toronto
The Ralph M. BARFORD Foundation, Toronto
BEALIGHT Foundation, Toronto
de Gaspé BEAUBIEN Foundation, Montreal
Max BELL Foundation, Calgary
Fondation Famille BENOÎT, Montreal
J. P. BICKELL Foundation, Toronto
S.M. BLAIR Family Foundation, Toronto
Fondation J. Armand BOMBARDIER, Montreal
The BOREALIS Foundation, Stittsville, ON
The BRANSCOMBE Family Foundation, Niagara Falls
Brian BRONFMAN Family Foundation, Montreal
Claudine and Stephen BRONFMAN Family Foundation, Montreal
The BURNS Memorial Fund, Calgary
BUTLER Family Foundation, Edmonton
The CARRERA Foundation, Calgary
CARTHY Foundation, Calgary
CGOV Foundation, Toronto
Fondation Lucie et André CHAGNON, Montreal
The Arthur J.E. CHILD Foundation, Calgary
The CLOVERLEAF Foundation, Waterloo
Harry and Martha COHEN Foundation, Calgary
The COLE Foundation, Montreal
The COUNSELLING Foundation of Canada, Toronto
The CRB Foundation, Montreal
DELOITTE & Touche Foundation Canada, Toronto
The Catherine DONNELLY Foundation, Toronto
DONNER Canadian Foundation, Toronto

The DRUMMOND Foundation, Montreal
Fondation DUFRESNE et Gauthier, Québec
ECHO Foundation, Montreal
GALIN Foundation, Toronto
GELMONT Foundation, Montreal
Colin B. GLASSCO Charitable Foundation for Children, Calgary
GOOD Foundation Inc., London
The R K GRANT Family Foundation, Victoria
GREEN SHIELD Canada Foundation, Toronto
Lyle S. HALLMAN Foundation, Kitchener, ON
HAYNES-CONNELL Foundation, Toronto
Lotte and John HECHT Memorial Foundation, Vancouver
The HELDERLEIGH Foundation, Winona, ON
Fondation Sibylle HESSE, Longueuil, QC
The HUNTER Family Foundation, Calgary
HYLCAN Foundation, Montreal
Charles H. IVEY Foundation, Toronto
The JOYCE Foundation, Burlington, ON
The KAHANOFF Foundation, Calgary
The Henry and Berenice KAUFMANN Foundation, Montreal
LAIDLAW Foundation, Toronto
The LAWSON Foundation, London, ON
The Eva LEFLAR Foundation, Burlington, ON
The LUPINA Foundation, Toronto
MACKENZIE Financial Charitable Foundation, Toronto
The Charles and Mary MACLENNAN Foundation, Truro, NS
MACQUARIE Group Foundation, Toronto
Fondation René MALO, Montreal
MARIGOLD Foundation Ltd., Calgary
MARTIN Aboriginal Education Initiative, Montreal
The MASTERCARD Foundation, Toronto
The MAYTREE Foundation, Toronto
The Margaret and Wallace McCaIN Family Foundation, Toronto
The J.W. McConnell Family Foundation, Montreal
The McLean Foundation, Toronto
T.R. MEIGHEN Family Foundation, Toronto
George Cedric METCALF Charitable Foundation, Toronto
The MOLSON Foundation, Montreal
Pierre L. MORRISSETTE Family Foundation, Oakville, ON
MUSAGETES Foundation, Guelph, ON
The MUTTART Foundation, Edmonton, AB
The NEPTIS Foundation, Toronto
NEWTON Foundation, Montreal
NICKLE Family Foundation, Calgary
NORLIEN Foundation, Calgary
The OMEGA Foundation, Toronto
Fondation ONE DROP, Montreal
The PALOMA Foundation, Toronto
The PATERSON Foundation, Thunder Bay, ON
Fondation PATHONIC, Kirkland, QC
The PLURALISM Fund, Toronto
Jimmy PRATT Foundation Inc., St. John’s
Fondation PRÉFONTAINE-HUSHION, Montreal

PRIVATE Giving Foundation, Toronto
RBC Foundation, Toronto
ROASTERS Foundation, Montreal
The Larry and Cookie ROSSY Family Foundation, Montreal
ROZSA Foundation, Calgary
The SALAMANDER Foundation, Toronto
Jeanne SAUVÉ Foundation, Montreal
The SCOTLYN Foundation, Canmore, AB
The SOBEY Foundation, Stellarton, NS
The Belinda STRONACH Foundation, Toronto
TD Friends of the Environment, Toronto
Judith TELLER Foundation, Toronto
TIDES Canada Foundation, Vancouver
The TOSKAN CASALE Foundation, Toronto
TRICO Charitable Foundation, Calgary
TRINITY Development Foundation, Ottawa
The Pierre Elliott TRUDEAU Foundation, Montreal
VIEWPOINT Charitable Foundation, Calgary
Eric T. WEBSTER Foundation, Kirkland, QC
R. Howard WEBSTER Foundation, Montreal
The Mike WEIR Foundation, Oakville, ON
George WESTON Limited, Toronto
The WINDSOR Foundation, Halifax
The Michael YOUNG Family Foundation, Toronto

New members in 2012
Graham BOECKH Foundation, Montreal
The FLANAGAN Foundation, Calgary
Michaëlle JEAN Foundation, Ottawa
SUNCOR Energy Foundation, Calgary
Board Members 2012–2013

From left to right, front row:
J. Alexander Houston, Shira Herzog, Hilary Pearson;
Second row: Margret Hovanec, Susan Killam, Michelle Clarke;
Third row: Graham F. Hallward, Mary Roza de Coquet, Stephen Huddart, Bruce Lawson, James M. Good, Nicole Beaudoin, Lucie Santoro, Liza Goulet;
Back row: Claude Chagnon, Peter Webster, Leila Fenc, Helen McLean
Not present: Pierre-Gerlier Forest, Moses Levy, Bradley Offman, David Peever, Shelley Uytterhagen

Chair
J. ALEXANDER HOUSTON
President and CEO, George Cedric Metcalf Charitable Foundation
Toronto

Vice-Chair
JAMES M. GOOD
President, Good Foundation Inc.
London

Vice-Chair
BRUCE LAWSON
Executive Director, The Counselling Foundation of Canada
Toronto

Treasurer
SUSAN KILLAM
President, The Windsor Foundation
Halifax

Secretary
MARGRET HOVANECE
Chair, The Lupina Foundation
Toronto
CLAUDÉ CHAGNON
President, Fondation Lucie et André Chagnon
Montreal

MICHELLE CLARKE
Executive Director,
The Burns Memorial Fund
Calgary

LEILA FENC
Director, Deloitte & Touche
Foundation Canada
Toronto

PIERRE-GERLIER FOREST
President, The Pierre Elliott
Trudeau Foundation
Montreal

STEPHEN HUDDART
President and CEO, The J.W.
McConnell Family Foundation
Montreal

MOSES LEVY
Executive Director, Asper Foundation
Winnipeg

HELEN MCLEAN
Executive Director,
Donner Canadian Foundation
Toronto

BRADLEY OFFMAN
President, Mackenzie Financial
Charitable Foundation
Toronto

LUCIE SANTORO
Administration Director, Martin
Aboriginal Education Initiative
Montreal

SHELLEY UYTTERHAGEN
President, Carthy Foundation
Calgary

PETER WEBSTER
Chair, R. Howard Webster
Foundation
Montreal

RETIRED FROM THE BOARD IN 2012:

NICOLE BEAUDOIN
Executive president and treasurer,
Fondation J. Armand Bombardier
Montreal

GRAHAM F. HALLWARD
President, The Alva Foundation
Toronto

SHIRA HERZOG
President and CEO,
The Kahanoff Foundation
Calgary

DAVID PEEVER
Executive Director,
Nickle Family Foundation
Calgary

MARY ROZSA DE COQUET
President, Rozsa Foundation
Calgary

Staff

From left to right:
Front row: Micheline Parent,
Administrator; Hilary Pearson,
President and CEO
Back row: Liza Goulet, Director,
Research and Member Services;
Sarah Pinchevsky, Program
Officer
About Our Members

In 2012 we welcomed four new members for a total of 112 members. Our membership includes family foundations of varying sizes and interests, public foundations, corporate foundations and giving programs, charitable organizations that are primarily grantmakers, and donor-advised funds.

Distribution of Members by Asset Size (2012)

Our members collectively manage close to $8.8 billion in assets – close to half the total assets of all private foundations in Canada.

- 51% of PFC members have assets under $10 million;
- 21% have assets over $50 million;
- 28% are mid-sized foundations with assets between $10 and $49.9 million.

Staff & Governance (2012)

- 47% percent of PFC member foundations employ full-time staff;
- 11% of foundations have part-time paid staff only;
- 42% of foundations have no paid staff and are run by volunteers.

PFC member foundations have 6 Board members on average.
Grants and Charitable Activities

PFC members granted close to **$288 million** in 2011. 60% of all grants were directed to social services, education and health. Grants to the environment and community represented another 18%. This granting pattern is consistent with previous years.

Members disbursed over **$138 million** directly on foundation-managed charitable programs and activities.

36% of members target their grants to a particular geographic region and 36% focus on a specific target population (mostly children and youth).

**Distribution of member grants by sector**

(in millions of dollars, based on 2011 data from 112 PFC members):

- **Social Services**: 21% ($49 M)
- **Education**: 21% ($49 M)
- **Health**: 18% ($43 M)
- **Environment**: 11% ($25 M)
- **Arts and Culture**: 9% ($21 M)
- **Other**: 8% ($20 M)
- **Community Benefit**: 7% ($15 M)
- **International Activities**: 5% ($11 M)

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1. Total does not add up to $288 million. Data from year to year can be distorted by a significant change in giving in a particular sector, or by the granting activity of a very large foundation. Thus in 2011 we excluded data from arts and culture and international activities.
2. Does not include a large one-time grant.
3. Does not include grants by a very large foundation that is exclusively committed to international giving. If included, the total amount that was granted to international activities rises to $48 million.
Summary Financial Statements

The accompanying summary financial statements, which comprise the summary statement of financial position as at December 31, 2012, the summary statement of revenue and expenditures, summary statement of changes in net assets and summary cash flow statement for the year then ended, are derived from the audited financial statements of Philanthropic Foundations Canada / Fondations Philanthropiques Canada for the year ended December 31, 2012. We expressed an unmodified audit opinion on those financial statements in our report dated March 7, 2013. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Philanthropic Foundations Canada / Fondations Philanthropiques Canada.

Management’s Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with the guidelines set by the audit committee.

Auditor’s Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, “Engagements to Report on Summary Financial Statements.”

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of Philanthropic Foundations Canada / Fondations Philanthropiques Canada for the year ended December 31, 2012 are a fair summary of those financial statements, in accordance with the guidelines set by the audit committee.

MONGIAT•BERNUCCI

Montréal, March 7, 2013

1 By Michel Bernucci, CA auditor
Summary Statement of Revenue and Expenditures
FOR THE YEAR ENDED DECEMBER 31 2012 2011

**REVENUE**

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership dues</td>
<td>$521,718</td>
<td>$491,644</td>
</tr>
<tr>
<td>Donations for programming and other</td>
<td>61,379</td>
<td>50,729</td>
</tr>
<tr>
<td>Sponsorships</td>
<td>40,000</td>
<td>132,500</td>
</tr>
<tr>
<td>Conference and symposium</td>
<td>29,345</td>
<td>93,230</td>
</tr>
<tr>
<td>Interest</td>
<td>15,954</td>
<td>16,403</td>
</tr>
<tr>
<td>Program fees</td>
<td>3,060</td>
<td>6,415</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>671,456</strong></td>
<td><strong>790,921</strong></td>
</tr>
</tbody>
</table>

**EXPENDITURES**

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and benefits</td>
<td>337,213</td>
<td>375,753</td>
</tr>
<tr>
<td>Meetings and workshops</td>
<td>102,664</td>
<td>233,204</td>
</tr>
<tr>
<td>Professional fees</td>
<td>72,064</td>
<td>19,163</td>
</tr>
<tr>
<td>Office operations</td>
<td>68,590</td>
<td>67,556</td>
</tr>
<tr>
<td>Travel and conferences</td>
<td>34,453</td>
<td>39,628</td>
</tr>
<tr>
<td>Communications and Website</td>
<td>22,162</td>
<td>14,157</td>
</tr>
<tr>
<td>Publications</td>
<td>8,147</td>
<td>3,582</td>
</tr>
<tr>
<td>Amortization of capital assets</td>
<td>1,476</td>
<td>1,064</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>646,769</strong></td>
<td><strong>754,107</strong></td>
</tr>
</tbody>
</table>

**Excess of revenue over expenditures**

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>$24,687</strong></td>
<td><strong>$36,814</strong></td>
</tr>
</tbody>
</table>

Summary Statement of Changes in Net Assets
FOR THE YEAR ENDED DECEMBER 31 2012 2011

<table>
<thead>
<tr>
<th></th>
<th>INTERNALLY RESTRICTED</th>
<th>INVESTED IN CAPITAL ASSETS</th>
<th>UNRESTRICTED</th>
<th>TOTAL</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BALANCE, beginning of year</strong></td>
<td>$400,000</td>
<td>$3,247</td>
<td>$289,415</td>
<td>$692,662</td>
<td>$655,848</td>
</tr>
<tr>
<td>Excess of revenue over expenditures</td>
<td>–</td>
<td>–</td>
<td>24,687</td>
<td>24,687</td>
<td>36,814</td>
</tr>
<tr>
<td>Investment in capital assets</td>
<td>–</td>
<td>1,958</td>
<td>(1,958)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>BALANCE, end of year</strong></td>
<td>$400,000</td>
<td>$5,205</td>
<td>$312,144</td>
<td>$717,349</td>
<td>$692,662</td>
</tr>
</tbody>
</table>

Summary Statement of Cash Flows
FOR THE YEAR ENDED DECEMBER 31 2012 2011

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Activities</td>
<td>$287,300</td>
<td>$(7,770)</td>
</tr>
<tr>
<td>Investing Activities</td>
<td>4,576</td>
<td>(4,167)</td>
</tr>
<tr>
<td>Increase (decrease) in cash</td>
<td>291,876</td>
<td>(11,937)</td>
</tr>
<tr>
<td>Cash, beginning of year</td>
<td>217,071</td>
<td>229,008</td>
</tr>
<tr>
<td>Cash, end of year</td>
<td>$508,947</td>
<td>$217,071</td>
</tr>
</tbody>
</table>
Please visit www.pfc.ca for information about philanthropy and grant-making. You will also find our newsletters, research reports, publications and upcoming events.

PFC

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Montréal, Québec, H2Z 1B1

Nous déménageons
July 15 juillet 2013
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