



Changing Philanthropy

PfC 2011 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.

Message from Chair & President



We can see extraordinary opportunities for private philanthropy in the coming decade. PFC will be the platform to help realize those opportunities for a growing philanthropic field.

In 2011 Philanthropic Foundations Canada began our second decade as a membership network for Canadian organized philanthropy. Philanthropy in Canada today is changing faster than ever. More people are operating with new media and with creatively disruptive new technologies and tools. We have new opportunities for collaboration. There is energy being applied to tackling “old” social problems with “new” approaches. Our people, our practices, our programs and our perspectives are being challenged at a rapid rate. This is why we chose *Changing Philanthropy* as the theme of our 2011 annual conference and of this annual report.

PFC’s members see this change as opportunity to accelerate our impact as funders and to generate breakthroughs in dealing with complex challenges. Change also creates opportunities for us as an organization serving grantmakers to build a stronger platform to connect organized philanthropy and to grow the field. Much of our work in 2011 was planned around convening, sharing and creating new learning opportunities and resources. Our members are eager to connect with and learn from each other and we have focused on making these connections for them.

We also have a mandate from our members to represent and advocate on their behalf to the public and to decision makers. The pace of change for charities in Canada is leading to new demands for flexibility and engagement on the part of funders. Foundations are looking for more and better ways to invest their assets for public benefit. PFC will continue to advocate for changes in public policy to support the effort of private funders to expand their investment activities.

We can see extraordinary opportunities for private philanthropy in the coming decade. PFC will be the platform to help realize those opportunities for a growing philanthropic field.

Thank you to all of the members of the 2011-2012 Board of Directors of PFC for their continuing personal commitment and support. In particular, we extend our appreciation to the following members who are leaving the Board in 2012: Mary Rozsa de Coquet of the Rozsa Foundation, Nicole Beaudoin of the J. Armand Bombardier Foundation, Graham F. Hallward of the Alva Foundation, David Peever of the Nickle Family Foundation, and Marion Gracey of the Muttart Foundation. During their time on the board, they all contributed significantly to changing Canadian philanthropy.



Shira Herzog
Chair



Hilary Pearson
President

Learning for Change

In 2011, PFC's education program continued to be popular with members. PFC hosted or co-hosted ten face-to-face peer learning sessions in Toronto, Calgary and Montréal (double the number held in 2010). Close to 150 people participated in these events. The broad range of topics was suggested by PFC members themselves, who shared information and expertise in their areas of granting focus, such as aging or peace-making. Other presentations focused on trends in philanthropy and the charitable sector in Canada.

The 2011 webinar program included 3 sessions with an average of 25 participants per session. Topics included managing investment challenges, navigating family dynamics on boards and evaluating foundation impact.



Participants at PFC's biennial conference *Changing Philanthropy*, held in Toronto on October 3–4, 2011

A major event during the year was our fourth national conference held in Toronto in October 2011, on the theme of **Changing Philanthropy: New Visions, New Voices**. Over 250 participants attended this highly successful event. Many conference presentations, videos and speeches are posted on the PFC web site. The conference report, *Signposts to the Future of Canadian Philanthropy*, provides an excellent summary of the key themes and lessons from the conference.

The PFC website is continuing to expand as a knowledge hub for our members and for organized philanthropy. Presentations and resources created for our learning events are continually posted in our resource centre.

PFC advocates and represents its members in public policy debates. In October 2011, PFC submitted a pre-budget submission to the House of Commons Standing Committee on Finance, encouraging the federal government to help build opportunities for social finance by clarifying the rules on social investing.

"It was an exceptional experience, and particularly valuable for someone like me who is new to the role. Lots of breadth and rich, quality sessions."

"Impressive conference, well organized, thoughtful speakers, learning atmosphere, great to re-connect with colleagues too seldom seen, good energy."

To support the work of foundations interested in mission-related investing, PFC collaborated with Community Foundations of Canada to host an education workshop on mission investing practices in Canada.

In 2011, PFC distributed three member advisories on regulatory and tax changes of interest to registered charitable foundations. Topics included charitable compensation disclosure; the federal election campaign; the *Canada Not-For-Profit Corporations Act, 2009* and The *Ontario Not-for-Profit Corporations Act, 2010*. PFC also produced a *Guide to the CRA Charities and Giving Website* to help our members find key information more quickly from the federal charities regulator.

In 2012 PFC will continue to seek out collaborative opportunities to deliver education and skills development. The year will see the release of more unique information, resources and tools:

- A PFC guide to good grantmaking practice for Canadian funders
- A 2012 survey of PFC member compensation practices and benefits
- Reports on member investment and disbursement strategies

In October 2012 in Montréal, PFC will host a symposium on Funder Collaboration.



PFC's 2011 Annual General Meeting held in Montreal at Santropol Roulant, a youth-led meals-on-wheels community organization

2011 at a Glance

MEMBER EVENTS

- 1 **national conference**, *Changing Philanthropy: New visions, new voices*
- 2 **collaborative events** with other funder networks on social investing and the green economy
- 3 **webinars** on foundation management and practice
- 12 **peer-to-peer events** in Toronto, Montréal and Calgary on mission related investing, funder collaboration, emergent learning and more

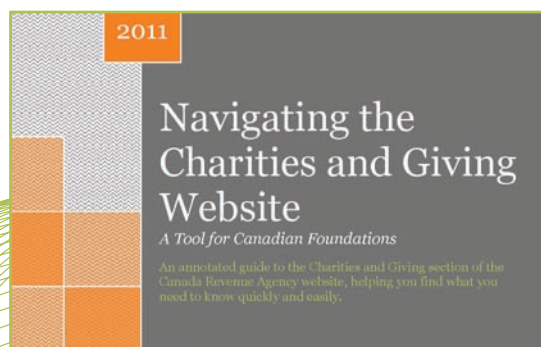


Susan Raymond from Changing Our World, opening keynote speaker at the PFC 2011 national conference

PUBLICATIONS



"The quality of our work and knowledge about philanthropy and the sector is a testament to PFC's programs, networking opportunities and support."



WEBSITE

Top downloads:

- *Starting a Foundation*
- *Good Governance: A Guide for Canadian Foundations*
- *Mission Investing for Foundations: The Legal Considerations*

"Our practice of philanthropy has been greatly influenced by the access to other foundations via membership in PFC, as well as our participation in various PFC events and access to resources."



NEWSLETTERS

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



Sandy Houston, Robert Alain, and Nan Shuttleworth in conversation at the PFC 2011 national conference



Michelle Clarke and Leila Fenc at a member event in Calgary

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, Montréal
Max **BELL** Foundation, Calgary
Fondation Famille **BENOÎT**, Montréal
J. P. **BICKELL** Foundation, Toronto
S.M. **BLAIR** Family Foundation, Toronto
Fondation J. Armand **BOMBARDIER**, Montréal
The **BOREALIS** Foundation, Stittsville, ON
The **BRANSCOMBE** Family Foundation, Niagara Falls
BRIDGEWAY Foundation, Cambridge, ON
Brian **BRONFMAN** Family Foundation, Montréal
Claudine and Stephen **BRONFMAN** Family Foundation,
Montréal
The **BURNS** Memorial Fund, Calgary
BUTLER Family Foundation, Edmonton
The **CARRERA** Foundation, Calgary
CARTHY Foundation, Calgary
CGOV Foundation, Toronto
Fondation Lucie et André **CHAGNON**, Montréal
The Arthur J.E. **CHILD** Foundation, Calgary
The **CLOVERLEAF** Foundation, Waterloo
Harry and Martha **COHEN** Foundation, Calgary
The **COLE** Foundation, Montréal
The **COUNSELLING** Foundation of Canada, Toronto
The **CRB** Foundation, Montréal
DELOITTE & Touche Foundation Canada, Toronto
The Catherine **DONNELLY** Foundation, Toronto

DONNER Canadian Foundation, Toronto
The **DRUMMOND** Foundation, Montréal
Fondation **DUFRESNE** et Gauthier, Québec
The **EJLB** Foundation, Montréal
GALIN Foundation, Toronto
GELMONT Foundation, Montréal
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
HARBINGER Foundation, Toronto
HAYNES-CONNELL Foundation, Toronto
Lotte and John **HECHT** Memorial Foundation,
Vancouver
The **HELDERLEIGH** Foundation, Winona, ON
Fondation Sibylla **HESSE**, Longueuil, QC
The **HUNTER** Family Foundation, Calgary
The **HYLCAN** Foundation, Montréal
Charles H. **IVEY** Foundation, Toronto
The **JOYCE** Foundation, Burlington, ON
The **KAHANOFF** Foundation, Calgary
The Henry and Berenice **KAUFMANN** Foundation,
Montréal
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

Fondation René MALO, Montréal
MARIGOLD Foundation Ltd., Calgary
MARTIN Aboriginal Education Initiative, Montréal
The MASTERCARD Foundation, Toronto
The MAYTREE Foundation, Toronto
The Margaret and Wallace McCAIN Family Foundation, Toronto
The J.W. McCONNELL Family Foundation, Montréal
The McLEAN Foundation, Toronto
T.R. MEIGHEN Family Foundation, Toronto
George Cedric METCALF Charitable Foundation, Toronto
The MOLSON Foundation, Montréal
MUSAGETES Foundation, Guelph, ON
The MUTTART Foundation, Edmonton, AB
The NEPTIS Foundation, Toronto
NEWTON Foundation, Montréal
NICKLE Family Foundation, Calgary
NORLIEN Foundation, Calgary
Fondation ONE DROP, Montréal
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, Montréal
PRIVATE Giving Foundation, Toronto
RBC Foundation, Toronto

ROASTERS Foundation, Montréal
ROZSA Foundation, Calgary
The SALAMANDER Foundation, Toronto
Jeanne SAUVÉ Foundation, Montréal
The SCOTLYN Foundation, Canmore, AB
The SOBEY Foundation, Stellarton, NS
The Belinda STRONACH Foundation, Toronto
Judith TELLER Foundation, Toronto
TIDES Canada Foundation, Vancouver
The TOSKAN CASALE Foundation, Toronto
TRINITY Development Foundation, Ottawa
The Pierre Elliott TRUDEAU Foundation, Montréal
VIEWPOINT Charitable Foundation, Calgary
Eric T. WEBSTER Foundation, Kirkland, QC
R. Howard WEBSTER Foundation, Montréal
The Mike WEIR Foundation, Oakville, ON
The WINDSOR Foundation, Halifax
The Michael YOUNG Family Foundation, Toronto

New members in 2011

MACQUARIE Group Foundation, Toronto
Pierre L. MORRISSETTE Family Foundation, Oakville, ON
The OMEGA Foundation, Toronto
The Larry and Cookie ROSSY Family Foundation, Montréal
TD Friends of the Environment, Toronto
TRICO Charitable Foundation, Calgary
George WESTON Limited, Toronto

Board Members 2011–2012



from left to right: Alexander J. Houston, Stephen Huddart, Nicole Beaudoin, Bradley Offman, James M. Good, Graham F. Hallward, Hilary Pearson, Angie Killoran, Shira Herzog, Claude Chagnon, Bruce Lawson, Susan Killam, Leila Fenc, Lucie Santoro, Peter Warrian, Marion F. Gracey, Margret Hovanec, Liza Goulet
not present: Mary Rozsa de Coquet, David Peever, Peter Webster

Chair

SHIRA HERZOG

President and CEO, The Kahanoff Foundation, Calgary

Vice-Chair

ALEXANDER J. HOUSTON

President, George Cedric Metcalf Charitable Foundation, Toronto

Vice-Chair

JAMES M. GOOD

President, Good Foundation Inc., London

Secretary

MARY ROZSA DE COQUET

President, Rozsa Foundation, Calgary

Treasurer

GRAHAM F. HALLWARD

President, The Alva Foundation, Toronto

NICOLE BEAUDOIN

Director, Fondation J. Armand Bombardier, Montréal

CLAUDE CHAGNON

President, Fondation Lucie et André Chagnon, Montréal

LEILA FENC

Director, Deloitte & Touche Foundation Canada, Toronto

MARGRET HOVANEC

Chair, The Lupina Foundation, Toronto

STEPHEN HUDDART

President and CEO, The J.W. McConnell Family Foundation, Montréal



Angie Killoran receiving a token of appreciation for her service on the Board from Shira Herzog, PFC Chair

SUSAN KILLAM

President, The Windsor Foundation, Halifax

BRUCE LAWSON

Executive Director, The Counselling Foundation of Canada, Toronto

BRADLEY OFFMAN

President, Mackenzie Financial Charitable Foundation, Toronto

DAVID PEEVER

Executive Director, Nickle Family Foundation, Calgary

LUCIE SANTORO

Administration Director, Martin Aboriginal Education Initiative, Montréal

PETER WEBSTER

Chair, R. Howard Webster Foundation, Montréal

Retired from the Board in 2011:

MARION F. GRACEY

President of the Board, The Muttart Foundation, Edmonton

ANGIE KILLORAN

Executive Director, The Lawson Foundation, London

HULENE MONTGOMERY

Executive Director, Lyle S. Hallman Foundation, Kitchener

NANCY ROSENFELD

President, Claudine and Stephen Bronfman Foundation, Montréal

PETER WARRIAN

Managing Director, The Lupina Foundation, Toronto

Staff



from left to right: Liza Goulet, Director, Research and Member Services; Hilary Pearson, President and CEO; and Micheline Parent, Administrator

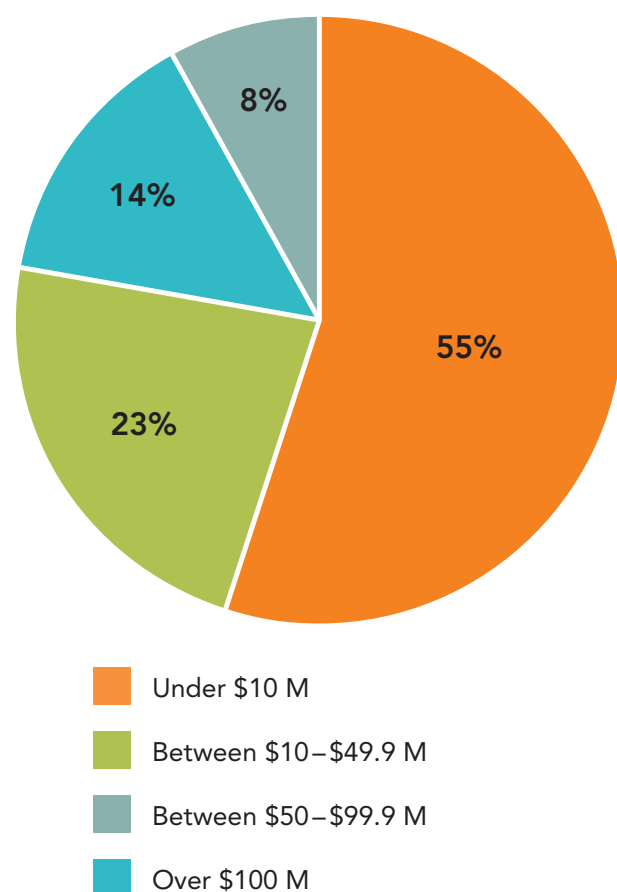
About Our Members

In 2011 we welcomed seven new members for a total of 110 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 (2011)

Our members collectively manage over \$7.3 billion in assets—close to half the total assets of all private foundations in Canada.

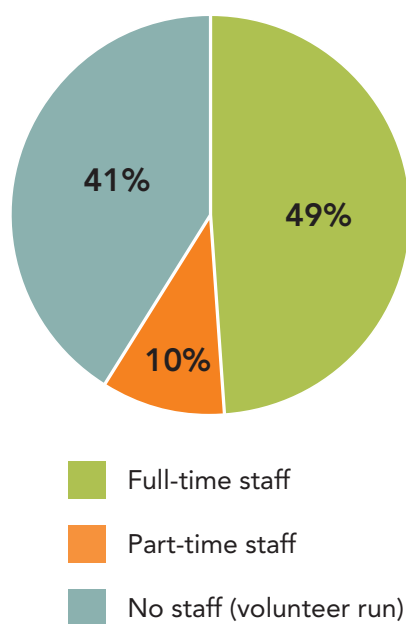
Fifty-five percent of PFC members have assets under \$10 million; 22% have assets over \$50 million; the remaining 23% are mid-sized foundations with assets between \$10 million and \$49.9 million.



Staff & Governance (2011)

Forty-nine percent of PFC member foundations employ full-time staff; 10% of foundations have part-time paid staff only; and 41% of foundations have no paid staff and are run by volunteers.

PFC member foundations have an average of seven Board members.



Close to two-thirds of all grants go to social services, education and health.

Grants and Charitable Activities

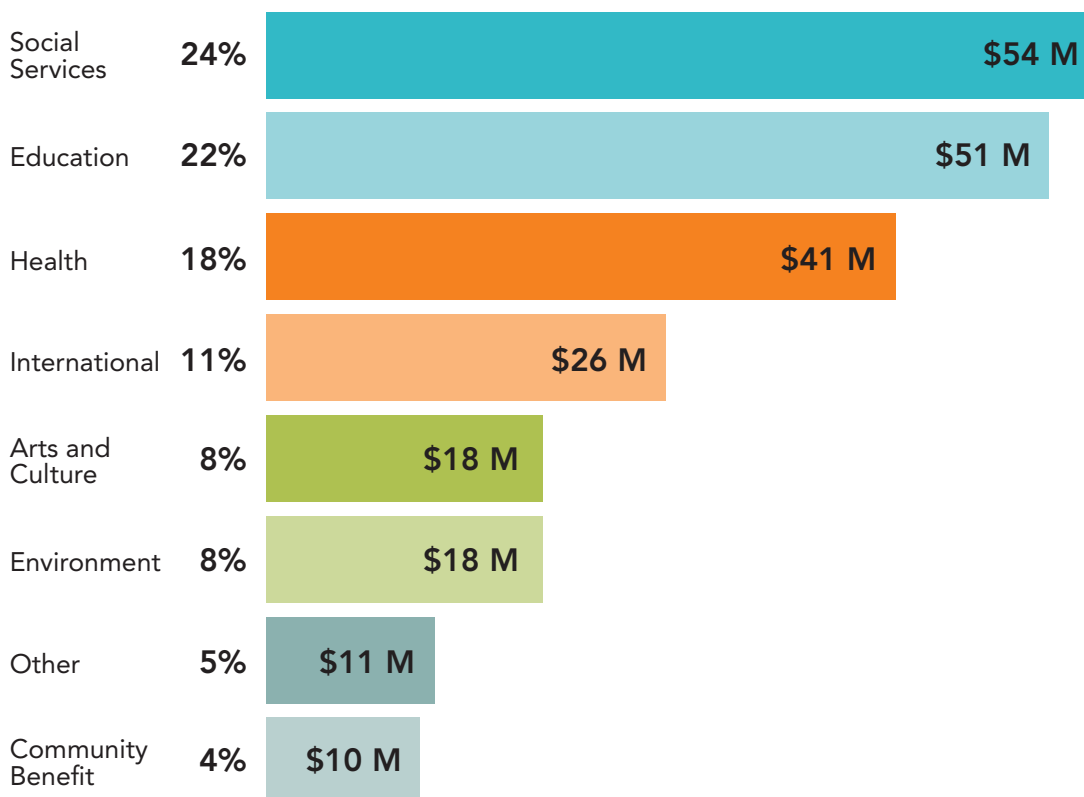
PFC members granted over \$229 million in 2010. Close to two-thirds of all grants were directed to social services, education and health. Grants to the arts and environmental groups represented another 16%. In 2010, we saw an unusual spike in international giving due to new granting activity by a very large foundation.

Members also disbursed close to \$137 million directly on foundation-managed charitable programs and activities.

32% of members restrict their grants to a particular geographic region and 38% focus on a specific target population (mostly children and youth).

Distribution of member grants by sector

(in millions of dollars, based on 2010 data from 110 PFC members):



Summary Financial Statements

The accompanying summary financial statements, which comprise the summary statement of financial position as at December 31, 2011, 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, 2011. We expressed an unmodified audit opinion on those financial statements in our report dated March 15, 2012. 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 generally accepted accounting principles. 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, 2011 are a fair summary of those financial statements, in accordance with the guidelines set by the audit committee.

MONGIAT•BERNUCCI ¹

Montréal, March 15, 2012

¹ By Michel Bernucci, CA auditor

Summary Statement of Financial Position

| DECEMBER 31 | 2 0 1 1 | 2 0 1 0 |
|------------------------------------------|-------------------|-------------------|
| CURRENT ASSETS | | |
| Cash | \$ 217,071 | \$ 229,008 |
| Term deposits and accrued interest | 520,137 | 517,091 |
| Accounts receivable | 6,094 | 11,562 |
| Goods and services tax recoverable | 9,125 | 4,841 |
| Prepaid expenses | 6,845 | 12,593 |
| | 759,272 | 775,095 |
| CAPITAL ASSETS | 3,247 | 3,190 |
| | \$ 762,519 | \$ 778,285 |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued liabilities | \$ 24,997 | \$ 30,744 |
| Deferred contributions | 44,860 | 91,693 |
| | 69,857 | 122,437 |
| NET ASSETS | | |
| Unrestricted | 289,415 | 252,658 |
| Invested in capital assets | 3,247 | 3,190 |
| Internally restricted | 400,000 | 400,000 |
| | 692,662 | 655,848 |
| | \$ 762,519 | \$ 778,285 |

Summary Statement of Revenue and Expenditures

FOR THE YEAR ENDED DECEMBER 31

2011

2010

REVENUE

| | | |
|-------------------------------------|----------------|----------------|
| Membership dues | \$ 491,644 | \$ 435,123 |
| Donations for programming and other | 37,729 | 40,921 |
| Interest | 16,403 | 12,814 |
| Program fees | 6,415 | 16,728 |
| | 552,191 | 505,586 |

For a copy of our complete 2011 financial statements, please contact PFC.

EXPENDITURES

| | | |
|--------------------------------|----------------|----------------|
| Salaries and benefits | 375,753 | 357,641 |
| Office operations | 67,556 | 61,286 |
| Travel and conferences | 39,628 | 17,698 |
| Professional fees | 19,163 | 23,114 |
| Communications and Website | 14,157 | 19,627 |
| Meetings and workshops | 9,543 | 31,083 |
| Publications | 3,582 | 11,327 |
| Amortization of capital assets | 1,064 | 1,102 |
| | 530,446 | 522,878 |

Excess (deficiency) of revenue over expenditures before the under noted item

21,745 (17,292)

Net excess of revenue over expenditures on the following:

PFC conference –

Changing Philanthropy (net)

15,069 -

Excess (deficiency) of revenue over expenditures \$ 36,814 \$ (17,292)


Summary Statement of Changes in Net Assets

FOR THE YEAR ENDED DECEMBER 31

2011

2010

| | UNRESTRICTED | INVESTED IN CAPITAL ASSETS | INTERNALLY RESTRICTED | TOTAL | TOTAL |
|--------------------------------------------------|-------------------|----------------------------|-----------------------|-------------------|-------------------|
| BALANCE, beginning of year | \$ 252,658 | \$ 3,190 | \$ 400,000 | \$ 655,848 | \$ 673,140 |
| Excess (deficiency) of revenue over expenditures | 37,878 | (1,064) | - | 36,814 | (17,292) |
| Investment in capital assets | (1,121) | 1,121 | - | - | - |
| BALANCE, end of year | \$ 289,415 | \$ 3,247 | \$ 400,000 | \$ 692,662 | \$ 655,848 |



Please visit www.pfc.ca for information about philanthropy and grant-making. You will also find our newsletters, research reports, publications, upcoming events and our full 2011 financial statements.



[Philanthropic Foundations Canada](http://www.pfc.ca)

555 René-Lévesque Blvd. West, Suite 900
Montréal, Québec
H2Z 1B1

Tel. : 514-866-5446
Fax : 514-866-5846
E-mail : general@pfc.ca

www.pfc.ca