



*Foundation of Greater Montreal*





The Foundation of Greater Montreal is a non-profit charitable organization dedicated to the well-being of the Greater Montreal community. It builds and manages permanent endowment funds and distributes the income in the form of grants to charitable organizations working in the areas of health, social services, arts and culture, education, and the environment.

## THERE ARE SEVERAL WAYS TO MAKE A DONATION TO THE FGM.

Donors may make an outright donation, in the form of cash or publicly listed securities, or they may plan a future gift, which often takes the form of a bequest or donation of a life insurance policy. They may also contribute to one of the FGM's existing funds, or create a personalized permanent endowment fund.

### FOR MORE INFORMATION:

Foundation  
of Greater Montreal  
1 Place Ville-Marie,  
Suite 1508  
Montreal, Quebec  
H3B 2B5

Telephone:  
(514) 866-0808

Fax:  
(514) 866-4202

[infos@fondationdugrandmontreal.org](mailto:infos@fondationdugrandmontreal.org)  
[www.fondationdugrandmontreal.org](http://www.fondationdugrandmontreal.org)



## MESSAGE FROM THE CHAIRMAN AND PRESIDENT-CEO



**Pierre Brunet**  
Chairman



**Kathleen Weil**  
President & CEO

We are delighted to present the highlights and accomplishments of the Foundation of Greater Montreal for the year 2004, an exceptional year in many respects. The year 2004 marked the end of the FGM's launch period and the beginning of a new era of growth. In October, the Foundation of Greater Montreal adopted its Strategic Plan 2005–2007. The strategic planning process allowed us to draw lessons from the first years of our existence and develop an action plan to meet the challenges of the next three years.

Since it began operations in 2001, the FGM has enjoyed remarkable growth. As this annual report goes to press, the assets under our management have reached \$37 million—nearly double what they were in 2001. This is an impressive performance for such a young community foundation.

Clearly, the community foundation concept is an attractive one. Individuals and families alike have created endowments within the FGM. Many trust funds and charitable organizations have transferred their assets, while other charities have entrusted the FGM with implementing their first endowment funds. Two private foundations have each made a substantial gift to the FGM. Donors and organizations alike are attracted by the FGM's many advantages: the opportunity to join a professionally managed pooled charitable investment fund, a competitive rate of return on investments, lower administrative costs and expertise in planned giving. Montrealers are enthusiastic about the establishment and growth of a permanent nest egg that will benefit all aspects of community life for years to come.

Social and demographic trends reveal that philanthropy in Canada is entering a period of strong growth. The FGM's role in this respect can only broaden. With an aging population, smaller families, increasing numbers of retirees, recent economic growth, and the development of first-generation wealth, conditions are favourable for a significant increase in charitable giving. Moreover, economists are predicting that the next ten years will see an intergenerational transfer of wealth of some \$450 billion. Community foundations are well positioned to receive part of this wealth for the benefit of the community at large because of their flexibility and ability to guide donors who are interested in strategic giving and looking for optimum effectiveness and impact.

The FGM has this year already benefited from this social context, as demonstrated by the growth of our endowment funds. This growth allowed us to distribute four times more grants this year than we did in 2003 and establish new collaborations with different community sectors. All the more gratifying is that our various partnerships have revealed a community environment animated by extraordinary energy and creativity. As a new strategic vehicle to promote philanthropy in Greater Montreal, we will play our part in ensuring the long-term stability and vibrancy of the charitable sector.

In closing, we wish to express our gratitude to the Foundation's volunteers, partners, staff and donors who are helping build a dynamic community foundation for Greater Montreal. Thank you one and all.



## A WIDE CHOICE OF FUNDS FOR GREAT FLEXIBILITY

The Foundation of Greater Montreal gives donors great flexibility, allowing them to set up permanent endowment funds in the field of interest of their choice or for the benefit of a cause or organization they care about. Only fund earnings are used to make grants; under the FGM's sound management, the capital continues to yield earnings year after year, meaning that the donation becomes a permanent gift to the community. These types of funds can take many forms.

### Community **FUND/** Unrestricted Funds

Ideal for donors who want the assurance that their funds will always be used to meet pressing community needs and improve the quality of life in Greater Montreal. Donors place no restrictions on the use of the funds and entrust the FGM with the task of identifying community priorities and the charitable organizations best able to meet them.

### Field-of-interest **FUNDS**

Allow donors to direct their charitable giving to a general area of interest. The FGM makes grants to the charitable organizations best able to meet needs in the chosen field.

### Designated **FUNDS**

Established by donors to support specific charitable organizations in perpetuity. If a designated organization ceases to exist, the income from the fund is redirected to an organization with a similar mission.

### Donor-Advised **FUNDS**

Allow for donors' involvement in selecting charitable organizations to receive grants from their fund.

### Organizational Endowment **FUNDS**

Designated funds established by charitable organizations as permanently endowed funds within the FGM. The fund provides them with an additional source of annual income, which is added to sums raised annually through other means such as fund-raising campaigns. Donors may contribute to such funds through the FGM or by contacting the organization directly.

### Memorial **FUNDS**

Created to commemorate a person, family or important event, these funds can be established as any type of FGM endowment fund.

### Managed **FUNDS**

A charitable organization or foundation entrusts the FGM with the long-term management of its endowment fund while retaining ownership of the fund.

### NEW ENDOWMENT FUNDS

**CENTRE HOSPITALIER JACQUES-VIGER FUND**

**FONDATION QUÉBÉCOISE DE LA  
THALIDOMIDE FUND**

**GUY TIPHANE FUND**

**MARGARET K. DEACON FUND**

**MORGAN'S HOPE MEMORIAL FUND**

**PRIORY SCHOOL FOUNDATION TOUCH  
TOMORROW FUND**

**PIERRE BRUNET FUND**

**ROTARY CLUB OF MONTREAL FUND**

### NEW MANAGED FUNDS

**FOUNDATION FOR RESEARCH INTO  
CHILDREN'S DISEASES FUND**

**PRIORY SCHOOL FOUNDATION FUND**



*Gaston Bouchard, Guy Tiphane*

### **GUY TIPHANE FUND**

A Montrealer by birth, Guy Tiphane has reconnected with the home town he left 25 years ago by creating an endowment fund with the Foundation of Greater Montreal. "I've always felt a special affection for Montreal," he admits. "My family is here, and I still have many ties here. For me, the Foundation of Greater Montreal represents one more."

With this in mind, Mr. Tiphane created the Guy Tiphane Fund, with a capital gift of half a million dollars. The fund will be directed by the donor, in collaboration with the FGM. "For the moment, I'm keeping it open. However, I'm interested in youth, poverty, and social issues. Montreal has changed so much since I left, so I'm counting on the FGM for advice and guidance."

A long-time philanthropist and volunteer, Mr. Tiphane prefers community foundations because of their broad and diverse intervention, their permanence, and their local impact. "As with volunteer work, community foundations give me a chance to get involved, to realize that I can make a contribution and make things happen. That's why I wanted to create this fund during my lifetime. I also hope that with this fund, my heirs will acquire the taste and means for philanthropy."



### **MORGAN'S HOPE MEMORIAL FUND**

Morgan Hill died of colon cancer at the age of 22 on February 1, 2005. The last two years of his life, during which he battled his illness were, above all, years of hope.

Hope of beating his cancer, which gave him the strength to endure four surgeries, repeated rounds of chemotherapy, radiation, experimental drug regimes, and almost constant painful and debilitating side effects. And that if victory were not possible, then hope that his participation in experimental research treatments would help advance research towards a cure.

Hope of having some life experiences: a beautiful love affair, play time with his beloved young nieces, holidays with his siblings and parents, family reunions and get-togethers.

Morgan, with his engaging personality, his strong sense of justice, and his extraordinary courage, made a strong impression on everyone he came in contact with. He fought his cancer to the very end, teaching us that life is worth living, if only for its small pleasures, and that we must never lose hope.

As a tribute to this exceptional young man, Morgan's family created an FGM memorial fund dedicated to research into adolescent and young adult colon cancer, a fund to which his family and friends contributed generously.

"We are very touched by the response of our friends to the creation of the Morgan's Hope Memorial Fund," said Terry and Hammie Hill, Morgan's parents. "Two years ago, when Morgan was diagnosed, we saw that colon cancer was very rare in young people and that as a result, very little funding is allocated to research in this area. We hope this fund will help improve the situation."

**In 2004, several organizations entrusted their assets to the FGM, where they will benefit from the investment and planned giving services offered by the FGM.**



*Victor Drury, Yves Léveillé, Kathleen Weil, Alex K Paterson*

### **FOUNDATION FOR RESEARCH INTO CHILDREN'S DISEASES FUND**

The Foundation for Research into Children's Diseases (FRCD) has created a Hope Fund with the FGM, a permanent endowment fund, with an initial contribution of \$534,000. The income will go toward supporting thousands of sick children and their families. The FRCD intends to grow their endowment fund through planned gifts such as bequests.

The FRCD is dedicated to funding pediatric research in Quebec. Since its creation in 1977, the Foundation has become the primary source of non-governmental funding of research into children's diseases in Quebec, contributing more than \$44 million to this cause.

"We must invest for the long-term to make sure that funding will always be available for the research centres we support: the Centre hospitalier universitaire de Sherbrooke, the Centre hospitalier universitaire de Québec, the Montreal Children's Hospital, and Hôpital Ste-Justine," explains Yves Léveillé, president of the FRCD.

"We were impressed with the approach, expertise and advantages of the FGM: economies of scale, lower administrative costs, professional portfolio management and knowledge of planned giving. People who donate to the FRCD can rest assured that through the Hope Fund their contributions will continue to support excellence in pediatric research."

### **ROTARY CLUB OF MONTREAL FUND**

The Rotary Club of Montreal was founded on October 2, 1913 to promote fellowship as well as civic, national, and international service. To ensure it would continue to be part of the Montreal landscape for years to come, the Rotary Club decided to entrust its capital assets to the FGM. Over the years, Rotary members have undertaken thousands of projects in the service of others. Some examples are the establishment of the HERSTREET shelter for homeless women in 2002, the establishment of the Weredale Home for Boys, funding of the first mobile home put on the road by Le Bon Dieu Dans la rue to feed and serve street kids, and the establishment of the Boys and Girls Club of Caughnawaga. Montreal Rotary members volunteer on a number of committees dedicated to "Service Above Self" and are part of 1.2 million business people belonging to Rotary throughout the world.

### **PRIORY SCHOOL FOUNDATION TOUCH TOMORROW FUND**

The Priory School Foundation was established in 2001 to provide the school with a long-term source of funding, allowing it to maintain the level of excellence it has been known for since 1947. The decision to transfer its fund to the FGM was a natural one since the Priory School's concern for permanence and the FGM's mission complement each other perfectly. The school's motto, "Suscipere et Sustinere" (commitment and support), is also a perfect expression of the leading role the Priory School plays within its community.

The FGM plays a unique role in the charitable sector by focusing almost exclusively on the creation and management of permanent endowments which excludes annual fund-raising campaigns. For community foundations like the FGM, fund development is therefore almost entirely based on planned giving. Planned gifts are usually made through financial, tax, or estate planning.

Planned gifts may be in the form of cash, securities, property or life insurance policies. They may be immediate or deferred (a bequest, for example). Publicly traded stocks have also become a popular way for individuals to make immediate donations to a public foundation while enjoying certain tax advantages. When a donor contributes stocks rather than the proceeds from the sale of those stocks, the taxable portion of the capital gains drops from 50 to 25 percent.

In 2004, the FGM continued to promote its planned giving program among financial, tax, legal and philanthropic advisors to help them better meet their clients' charitable goals. To assist them, the FGM provided advisors with several resources, notably an on-line reference manual and resource guide, sample will provisions and model agreements for endowment funds. The Foundation also made its gift planning expertise available to partner charity organizations which have organizational endowment funds at the FGM.

The Investment Committee is appointed by the Board of Directors to oversee all aspects of investment management. Its members, all volunteers, include seasoned investment and finance professionals who are interested in the community. In summary, it:

- Recommends the Investment Policy to the Board and updates as required
- Recommends the appointment of Investment Managers and the Custodian
- Allocates funds among Investment Managers
- Reviews and reports to the Board, at least quarterly, the performance of each Manager and the Investment Fund.

The year 2004 ended on a positive note. During the year, without departing from its principles of prudence and careful management, the committee made adjustments to the FGM's investment policy to take advantage of a more positive securities market. The return of the investment fund before costs was 8.11%, compared to 6.29% the previous year. This performance enabled us to increase our grants and transfer \$134,366 to our endowment funds to protect the capital against inflation for the years 2001 to 2003.

*Gilles Émond*  
Chair, Investment Committee

## DONATING LISTED SECURITIES

In 2002 a new tax incentive was made permanent. A donor who transfers securities directly to a charity sees the taxable portion of the capital gain reduced by half, from 50 % to 25 %. As the investment market improves donors will find this incentive a beneficial way to make a gift.

## HELPING ADVISORS HELP THEIR CLIENTS-NEW ONLINE TOOLKIT

Professional advisors (lawyers, notaries, accountants, tax and estate planners etc.) are playing an increasingly important role in the growth of philanthropy, by discussing charitable giving with their clients. To help them help their clients the FGM has made available a professional advisors tool kit online.





*Dr Richard Lessard, Wayne Roberts, Lori Stahlbrand*

## FOOD AND THE CITY

The FGM is a principal partner of CBC Radio in the CBC *Montreal Matters* program initiative to stimulate debate around important local issues. As such, we hosted a business breakfast on the topic of food.

Three panelists looked at the issue of access to food in sufficient quantity, quality, and variety from very different angles. First, Dr. Richard Lessard painted a brief picture of food issues in Montreal and around Canada. He spoke about obesity rates that are costing the health-care system close to \$1.6 billion a year. And he pointed out that access to a diversified diet in Montreal is problematic, as food insecurity affects 12% of households.

The second panelist, Wayne Roberts, stressed that food has a major impact on health, community development, environment, the economy, daily life, and municipalities. Yet governments dedicate only 1% of health budgets to food-related issues. For Roberts, the solutions are to be found in advocacy, coordination and support. Advocacy allows those most concerned—consumers and municipalities—to participate in the decision-making process and promote the principles of healthy nutrition and biodiversity. Through coordination, local farmers can meet local needs and reduce the environmental costs related to the transportation of food. And with support, programs can promote broad access to high-quality food.

Lori Stahlbrand, the third panelist, addressed the importance of product labelling in order to give people healthy and ethical choices. This type of labeling is called “eco-labelling”—labelling to educate rather than sell. Studies in other countries show that citizens are ready to make ethical choices and favour products that are respectful of the environment and producers.

Dr. Richard Lessard, Director of Public Health for Montreal

Topic: Food Issues in Montreal

Wayne Roberts, PhD, Project Coordinator, Toronto Food Policy Council

Topic: Urban Food Policy and Citizen Wellness

Lori Stahlbrand, Food Policy Analyst

Topic: Real Food for a Change

*Thank you to all who contributed to the success of this event:*

Lise Bertrand, Social and Human Ecology, Montreal Department of Public Health

Deborah Bonney, Communications Advisor, Montreal Department of Public Health

Richard Lessard, Director of Public Health for Montreal

Nancy Wood, Host of the CBC program “Radio Noon”

National Bank of Canada, Event Host

Montreal Department of Public Health





## **CENTRE COMMUNAUTAIRE HOHELAGA**

This centre, located in the heart of Hochelaga-Maisonneuve, has three objectives: fighting poverty, eliminating hunger, and improving the well-being of children and families. The *Anim'Action* project, which received FGM support, falls under the latter objective. The grant allowed the Centre communautaire Hochelaga to train 38 young recreational leaders. These adolescents—skilled, dynamic and enthusiastic—are proud of their neighbourhood and of their contribution to the development of its youth. The program they are involved with focuses on sports activities and is offered both at the Centre itself and at partner schools.



## **CENTRE DE FORMATION DU JARDIN DU CITOYEN**

This centre, located in Verdun, offers low-income earners employability and social integration programs. With a view to prevention, the centre also introduces 9-12 year old children from lower-income families to cultural activities that will benefit them later in life. It is this program that the FGM chose to support.

## **CUMULUS**

This organization sets up drug abuse prevention programs and services for both the general public and youth at risk. This project will be developed in collaboration with Cardinal Secondary School, whose mission is to help kids stay in school. The FGM grant will go toward developing seven youth awareness workshops. These interactive workshops will be based on games, self-awareness exercises, and examples of life experiences.



## **ENTRAIDE BÉNÉVOLE KOUZIN KOUZIN' DE MONTRÉAL- MÉTROPOLITAIN**

Kouzin Kouzin' functions like an extended family. It is an organization that tries to prevent problems, especially behavioural problems, among youth from ethnic communities. Its purpose is to help them integrate into Quebec society. The organization's methods range from rolemodel mentoring to parental support groups.



## **FRIENDS FOR MENTAL HEALTH WEST ISLAND**

Mental health problems can be extremely trying for the friends and family of the person affected. This self-help group began 23 years ago to support families in this situation and is the only organization of its kind on the West Island. The FGM grant will allow the organization to set up a weekly consultation service for children trying to cope with a close relative with mental health problems.

## **FRONTIER COLLEGE**

A Canada-wide literacy organization, Frontier College focuses primarily on people from lower-income neighbourhoods who face challenges such as poverty, handicaps, violence, racism, and learning disabilities. The FGM grant to Frontier College will go toward training volunteers, who are vital to the Montreal organization.

## COMMUNITY GRANTS PROGRAM



### MOUVEMENT SEM

Based in the south-western Montréal region, this organization works with families and school-aged children to prevent violence and sexual abuse. The program funded by the FGM will involve child-coach mentoring, supervised by parents and teachers.

### QUEBEC SOCIETY FOR DISABLED CHILDREN

This organization, which uses a butterfly for its logo, provides professional services for the personal development and social integration of handicapped children. The FGM is supporting one aspect of the organization's activities, the "Jardin des Papillons." This center provides early childhood stimulation for handicapped children aged 1 to 5 years old so they can integrate into the normal daycare system. The grant will allow the organization to offer 250 stimulation sessions.

### RADIO CENTRE-VILLE SAINT-LOUIS

This community radio station gives air time to citizens and Montreal organizations who are often overlooked by conventional media. The FGM grant was used to update training material for volunteers and interns who take part in the station's activities.



### REVDEC

This community center serves Montreal-area youth with learning or behavioural problems, younger dropouts, and young mothers. It provides psychosocial support, listening, development, and educational services. The FGM grant will go toward setting up two new types of activity: workshops and education-

al trips (Salon du livre, museums, trade schools, etc.) and an educational project to help prepare young people to make the transition back into the school system.



### SANTROPOL ROULANT

This organization prepares and delivers meals to people with limited autonomy who are suffering from malnutrition, social isolation, or poverty. Coordinated by young people 18 to 35 years old, the organization also promotes intergenerational support through activities such as group outings, brunches, conferences, and concerts.

The FGM funding will be used for a new project—the Rooftop Garden—which will promote the use of roofs to grow food and develop new urban green spaces. The project will develop and experiment with soilless growing techniques. These techniques are economical and ecological and are well suited to rooftops, balconies, walls, and other small urban spaces. The project will be integrated into Santropol Roulant's regular food preparation and volunteer work activities.



### SPECTRE DE RUE INC.

This organization, which helps people struggling with drug addiction, prostitution, and homelessness, established the TAPAJ project, a social integration program aimed specifically at street youth who struggle to find employment.

TAPAJ gives these marginalized young people the chance to undertake contracts to do clean-up work and gardening, and to create artistic murals.

The system is a simple one: the young people make a reservation in the morning for work to be performed the same afternoon. In 2004, 190 young people 14-29 years old worked at TAPAJ. In addition to creating a valuable relationship of trust, TAPAJ's alley clean-ups and mural creations (primarily for schools, but even one police station) also help improve the quality of life in targeted sectors. The program also promotes communication between citizens and street youth.

Since 2004, youth also have the option to work on a farm to learn a farm trade, through which they also develop various social skills. With the support of the FGM, the organization hopes this program can reach about 200 young people.

### **WEIGHT OF THE WORLD SCHOOLS CHALLENGE**

*Through Jewish Family Services of the Baron de Hirsch Institute*

Obesity has reached epidemic proportions in recent years. In 15 years, the rate has doubled in young girls and tripled among boys. This issue was highlighted through a business breakfast organized by the FGM as part of the CBC *Montreal Matters* series. The FGM decided to join forces with the CBC, National Film Board, and Jewish Family Services of the Baron de Hirsch Institute to support an educational pilot project for school-aged children. The project, which centers on an animated video produced by the NFB and CBC, will include a teaching CD-ROM and printed materials for teachers.



### **YALDEI DEVELOPMENTAL CENTRE**

Imagine you are told that your child has developmental delays, and in the same breath you are told that you will have to wait to obtain the services your child needs. This very situation is what prompted the parents of handicapped children to create the Yaldei Developmental Centre eight years ago. This community organization provides handicapped children with intensive early intervention services based on a wide range of stimulating, multidisciplinary therapeutic

approaches that promote the physical and mental development of these young children.

Thanks to the efforts of hundreds of parents and volunteers, the Yaldei Developmental Centre is today recognized as a model to be replicated elsewhere in Quebec. The services offered are numerous and diverse: after-school enrichment, day-care, respite programs, parental support groups, and social and school integration programs.

The FGM, won over by the Centre's dynamism, decided to support a program of after-school activities that include sports, visual arts, music, drama, and dance. These activities are led by specialized therapists who adapt the activities to the various types of handicap.



### **YMCA OF GREATER MONTREAL FOUNDATION (Covered Garden)**

The Covered Garden welcomes asylum seekers and refugee claimants, by helping them get established and adapt to their new life. Because many children of these new arrivals experience difficulties in school, it also offers the program "Un pas vers l'école québécoise," aimed at preparing such children for the French-language school system.

In two months, 92 children aged 5 to 13 years learned the rudiments of French and the local school culture. In addition, interested parents attended workshops to discuss parent-child communication, family-school cooperation, and the differences between the education system here and elsewhere. The YMCA also set up meetings with Quebec high school students.

The FGM is proud to have helped launch this project, which has proved enriching for the new arrivals, both parents and children, as well as for the young Quebecers involved.



## COMMUNITY GRANTS PROGRAM

Core funding for the Community Grants Program comes from the Community Fund and Field-of-interest Funds. These funds are created by donors who want to ensure that their gift will be used to meet the community's most pressing needs by allowing the FGM to identify priority issues and recipient organizations.

### COMMUNITY FUND/UNRESTRICTED FUNDS

Donors ensure that their gift will be used to meet the community's most pressing needs by allowing the FGM to identify priority issues and recipient organizations.

Michael Novak Fund  
Suzanne Trépanier-Côté Memorial Fund

### FIELD-OF-INTEREST FUNDS

Donors direct the income from their fund to a field-of-interest, while the FGM chooses the recipient organizations.

Joan and Alex K. Paterson Fund  
Montrusco Bolton Fund  
Red Feather Fund

#### Organization

	<b>GRANT</b>
<i>Centre communautaire Hochelaga</i>	\$5 000
<i>Centre de formation du Jardin du citoyen</i>	\$5 000
<i>Entraide Bénévole Kouzin Kouzin' de Montréal-Métropolitain</i>	\$5 000
<i>Friends for Mental Health West Island</i>	\$5 000
<i>Frontier College</i>	\$2 500
<i>Jewish Family Services of the Baron de Hirsch Institute</i>	\$3 000
<i>Mouvement SEM</i>	\$5 000
<i>Projet de prévention des toxicomanies : Cumulus</i>	\$4 000
<i>Quebec Society For Disabled Children</i>	\$5 000
<i>Radio Centre-Ville Saint-Louis</i>	\$5 000
<i>REVDEC</i>	\$5 000
<i>Sanropol Roulant</i>	\$5 000
<i>Spectre de rue inc.</i>	\$5 000
<i>The YMCA of Greater Montreal Foundation (Covered Garden)</i>	\$5 000
<i>Yaldei Developmental Center</i>	\$5 000

### DESIGNATED FUNDS

Established by donors to support specific charitable organizations in perpetuity.

#### FUND / Organization

	<b>GRANT</b>
Queen Elizabeth Hospital Foundation Health Fund	
<i>Douglas Hospital Foundation</i>	\$13 710
<i>Montreal Neurological Hospital Foundation</i>	\$20 565
<i>Royal Victoria Hospital Foundation</i>	\$20 565
<i>St. Mary's Hospital Foundation</i>	\$20 565
<i>The Montreal Children's Hospital Foundation</i>	\$20 565
<i>The Montreal General Hospital Foundation</i>	\$20 565
<i>The Montreal Chest Institute Foundation</i>	\$6 856
<i>The Sir Mortimer B. Davis Jewish General Hospital Foundation</i>	\$13 710

## DONOR-ADVISED FUNDS

Donors recommend to the FGM the organizations to benefit from their fund's income.

<b>FUND / Organization</b>	<b>GRANT</b>
Malouf Family Fund	
<i>Alzheimer Society of Montreal inc</i>	\$3 000
<i>Cedars Cancer Institute(at the MUHC)</i>	\$1 000
<i>Cedars Home for Elderly People Foundation</i>	\$1 500
<i>Eparchy Saint Sauveur of Montreal</i>	\$2 000
<i>Le Fonds de développement du Collège Jean-de-Brébeuf</i>	\$1 000
<i>Loyola High School Foundation</i>	\$2 000
<i>Royal Institution for the Advancement of Learning McGill University</i>	\$1 000
<i>Refuge Juan Moreno</i>	\$1 000
<i>Selwyn House Association : The Veritas Fund</i>	\$5 000
<i>Share the Warmth Foundation</i>	\$1 000
<i>St Willibrord Parish</i>	\$1 000
<i>The Montreal Children's Hospital Foundation</i>	\$3 000
<i>The Montreal Museum of Fine Arts</i>	\$3 000
<i>The Sacred Heart School of Montreal</i>	\$1 000
<i>The Sir Mortimer B. Davis Jewish General Hospital Foundation</i>	\$2 000
<i>The Study School Foundation</i>	\$5 000
<i>The West Island Palliative Care Service</i>	\$2 000
<i>York University Foundation</i>	\$1 000
<i>Income contributed to the Community Grants Program</i>	\$8 500
Fondation Lucie et André Chagnon Fund	
<i>Income dedicated to the development of the FGM</i>	\$40 000
Gallop Family Fund	
<i>Income contributed to the Community Grants Program</i>	\$998
Patrick H. Irwin Fund	
<i>Income contributed to the Community Grants Program</i>	\$19 563
The J.W. McConnell Family Foundation Fund	
<i>Income dedicated to the development of the FGM</i>	\$40 000



Malouf Family

# FONDS ET SUBVENTIONS

## ORGANIZATIONAL ENDOWMENT FUNDS

Funds created by an organization for its own benefit.

<i>Organization</i>	<i>GRANT</i>
Kateri/Canada World Youth Fund <i>Canada World Youth</i>	\$2 466
St. John Ambulance Fund <i>St. John Ambulance</i>	\$736
Théâtre du Nouveau Monde Fund <i>Théâtre du Nouveau Monde</i>	\$17 123
West Island Palliative Care Service Fund <i>West Island Palliative Care Service</i>	\$736

## MANAGED FUNDS

An organization or foundation entrusts the FGM with the long-term management of its endowment fund while retaining ownership of the fund.

Centraide Foundation Fund  
 Foundation for Research into Children's Diseases Fund \*  
 Fondation Jean Duceppe Fund  
 Foundation of Catholic Community Services Fund  
 Montreal YMCA Foundation Fund  
 Priory School Foundation Fund\*

## START-UP FUNDS

The minimum required to establish a fund with the FGM is \$10,000. However, Start-up Funds allow donors to begin with a minimum contribution of \$1,000 and provide the balance over a period of five years.

Laya and Harry Feldman Fund  
 Marymount Alumni Fund for Children and Youth  
 Morgan's Hope Memorial Fund  
 Parkinson Society Quebec Fund  
 Susan and Jonathan Wener Fund

## DEFERRED GIFTS (BEQUESTS)

Martin Goodwin  
 Guy Tiphane  
 Seven anonymous deferred gifts  
 (four bequests and three life insurance donations)

\* new funds



Donors may contribute any amount to an existing fund, or they may create a fund with a minimum donation of \$10,000. The fund is established without delay, without any administrative or legal start-up fees.

The trustees of a **private foundation** may also convert their foundation into an FGM endowment fund. They may either name advisors to determine which sectors or organizations will receive fund income or integrate the fund into the FGM Community Fund. The FGM assumes all administrative and investment management responsibilities.



# COMMITTEES BOARD OF DIRECTORS



**Pierre Brunet, Chairman\***  
Consultant, National Bank Financial  
Group and Corporate Director



**Brian Levitt, Vice-Chairman\***  
Co-President, Osler, Hoskin & Hartcourt



**Alex K. Paterson, Vice-Chairman\***  
Senior Partner, Borden Ladner Gervais



**Gilles Émond, Treasurer\***  
Treasurer, Centraide Foundation



**Jacques Gagnon, Secretary\***  
Vice-President Public Relations  
Retired, Alcan



**Armand Afilalo**  
President, MEP Technologies Inc.



**Guy Bisaillon**  
Chairman, Centraide Foundation



**Jacques Bougie**  
Former CEO, Alcan



**André Chagnon**  
Chairman of the Board,  
Fondation Lucie et André Chagnon



**Marcel Côté**  
Partner, Secor Conseil Inc.



**Harry Feldman**  
Founding Partner, Schwartz,  
Levitsky, Feldman



**W. John Gallop**  
Director, MacDougall, MacDougall  
& MacTier Inc.



**Sheila Goldbloom,**  
Honorary Member  
Past President, Red Feather  
Foundation



**Claire Richer Leduc**  
Outgoing Chair, Centraide of Greater  
Montreal



**Michael Murray**  
Director, Investor Relations,  
The Jean Coutu Group (PJC) Inc.



**Suzanne Sauvage**  
President, Cossette Communication  
Group, Montréal



**Hélène Wavroch**  
Former President, Conseil des  
aînés du Québec



**Jonathan Wener**  
Chairman, Chief Executive  
Officer, Canderel

\*EXECUTIVE COMMITTEE MEMBERS

## INVESTMENT COMMITTEE

**Gilles Émond**, Chair  
Treasurer, Centraide Foundation

**Guy Bisaillon**  
Chairman, Centraide Foundation

**Armand Afilalo**  
President, MEP Technologies Inc.

**Pierre Comtois**  
Vice-Chairman, Optimum Asset  
Management Inc.

**John Gallop**  
Director, MacDougall, MacDougall  
& MacTier Inc.

**Harry Feldman**  
Founding Partner, Schwartz,  
Levitsky, Feldman

**Michael Murray**  
Director, Investor Relations,  
The Jean Coutu Group (PJC) Inc.

## FUND DEVELOPMENT COMMITTEE

**Roger Samson**, Chair  
Corporate director

**Paul Biron**  
Senior Vice-President & General  
Manager – CGI Group Inc.

**Pierre Brunet**  
Consultant, National Bank  
Financial Group and Corporate  
Director

**Jacques Gagnon**  
Vice-President Public Relations -  
Retired, Alcan

**John Gallop**  
Director, MacDougall, MacDougall  
& MacTier Inc.

**Michel Lamontagne**  
President, MLL Consulting Inc.

**Alex K. Paterson**  
Senior Partner, Borden Ladner  
Gervais

## VOLUNTEER ADVISORS - PLANNED GIVING

**Sylvain Carpentier**  
Notary, Gendron Carpentier L.L.P.

**Diane Hamel**  
Director, Tax & Estate Planning,  
Manulife Financial

**Marc Jolin**  
Lawyer

**Pierre Kirouac**  
Senior Tax Manager, Bessner  
Gallay Kriesman S.E.N.C.R.L.

**Jean Lambert**  
Notary, Lambert Cloutier Pillière  
Bolduc

**Gilbert Lemieux**  
Gift Planning Officer, Planned  
Giving Program, Centraide of  
Greater Montreal

**Troy MacEachern**  
Attorney, Heenan Blaikie

**Monette Malewski**  
President, M. Bacal Insurance  
Agencies Inc.

**Diane Tsonos**  
Attorney, Richter, Usher  
& Vineberg

## MARKETING AND COMMUNICATIONS COMMITTEE

**Jacques Gagnon**, Chair  
Vice-President Public Relations -  
Retired, Alcan

**Alban Asselin**  
President, Communication  
AGA Inc.

**Marcel Côté**  
Partner, Secor Conseil Inc.

**Daniel Granger**  
President, ACJ Communications

**Michel Lamontagne**  
President, MLL Consulting Inc.

**Robert Racine**  
Partner, Keniff & Racine,  
Executive Search

**Suzanne Sauvage**  
President, Cossette  
Communication Group, Montréal

## NOMINATING COMMITTEE

**Manon Vennat**, Chair  
Manon Vennat & Associés

**Tim Brodhead**  
President and CEO, The J. W.  
McConnell Family Foundation

**Pierre Brunet**  
Consultant, National Bank  
Financial Group and Corporate  
Director

**André Caillé**  
Chancellor and Chairman of the  
Board, Université de Montréal

**André Chagnon**  
Chairman of the Board,  
Fondation Lucie et André  
Chagnon

**Maurice Forget**  
Chairman, Arts Council of  
Montreal

**Sheila Goldbloom**  
Past President, Red Feather  
Foundation

**Benoît Labonté**  
Chairman of the Board, Board of  
Trade of Metropolitan Montreal

**Claire Richer Leduc**  
Outgoing Chair of the Board of  
Directors, Centraide of Greater  
Montreal

**Lucette Poliquin**  
Outgoing Chair, Ordre des  
comptables agréés du Québec

**Richard Pound**  
Chancellor, McGill University

**Gérald Tremblay**  
Chair of the Montreal  
Metropolitan Community and  
Mayor of Montreal

## GRANTS COMMITTEE

**Dominique McCaughey**, Co-Chair  
Lawyer, Robinson Sheppard  
Shapiro

**Alex K. Paterson**, Co-Chair  
Senior Partner, Borden Ladner  
Gervais

**Lyse Brunet**  
Vice-President - Social  
Development, Centraide of  
Greater Montreal

**Sheila Goldbloom**  
Past President, Red Feather  
Foundation

**Janis Levine**  
Executive Vice-President, The  
Henry & Berenice Kaufmann  
Foundation

**Anne Marquis**  
Advisor - support services for  
community organizations,  
Agence de développement de  
réseaux locaux de services de  
santé et de services sociaux

**Katharine Pearson**,  
Program Director, The J. W.  
McConnell Family Foundation

## STAFF

**Kathleen Weil**, B.C.L., LL.B.  
President and CEO, ex-officio  
member of board committees

**Diane Bertrand**  
Administrative Assistant

**Gaston E. Bouchard**, LL.B.  
Director, Gift Planning

Technical support:  
Accounting: Centraide of Greater  
Montreal  
Analyst, Grants Program:  
Colin Bérubé



The FGM is privileged to count on several foundations and businesses that support its operations and development activities. The generosity of these organizations has helped build the FGM into a solid and dynamic community foundation for the benefit of Greater Montreal.

Thanks to the generosity of the J. W. McConnell Family Foundation and the Fondation Lucie et André Chagnon, the FGM also has an endowment fund to support its operations.

### THANK YOU TO OUR FIRST CORPORATE PARTNERS.

Alcan  
Alcoa  
Bell Canada  
CGI  
Cirque du Soleil  
Cogeco Inc.  
Fednav  
Hydro Québec  
Merck Frosst  
Metro inc.  
National Bank Financial Group  
National Bank of Canada  
Pratt & Whitney Canada  
RBC Financial Group  
Scotiabank  
SNC Lavalin  
Société des alcools du Québec  
Transat

### THANK YOU TO OUR DONOR FOUNDATIONS AND BUSINESSES.

Laurentian Bank  
Power Corporation of Canada  
The Molson Foundation

Thank you to the Government of Canada for their contributions to the Théâtre du Nouveau Monde Fund through the Endowment Incentive component of the Canadian Arts and Heritage Sustainability Program.

We also wish to thank the following people and businesses for the goods or services they have generously donated to the Foundation of Greater Montreal:

M<sup>e</sup> Jules Charette, Honorary Legal Counsel, Ogilvy Renault  
M<sup>e</sup> Mélanie Beaulieu, Ogilvy Renault  
M<sup>e</sup> Jean Daigle, Ogilvy Renault  
Heidi Hollinger, Photographer  
National Bank Financial  
Corpav Audio Visual Services  
SITQ Real-Estate



The Foundation of Greater Montreal is a member of Community Foundations of Canada (CFC), the membership organization for Canada's community foundations. CFC has more than 140 members, which collectively hold \$2 billion in assets and serve 75% of Canada's population.

As it develops, the Foundation of Greater Montreal is benefiting from the support and

experience of many other CFC member foundations, the oldest of which was founded in Winnipeg in 1921.

CFC also plays a leading role in the world-wide community foundation network and has supported the development of foundations in Brazil, Mexico, Central and Eastern Europe, South Africa, and Australia.

FINANCIAL STATEMENTS OF

# THE FOUNDATION OF GREATER MONTREAL

DECEMBER 31, 2004



# TABLE OF CONTENTS

Auditors' report	21
Statement of operations and changes in fund balances	22
Balance sheet	23
Notes to the financial statements	24-26





## TO THE MEMBERS OF THE FOUNDATION OF GREATER MONTREAL

We have audited the balance sheet of The Foundation of Greater Montreal as at December 31, 2004 and the statement of operations and changes in fund balances for the year then ended. These financial statements are the responsibility of The Foundation of Greater Montreal's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of The Foundation of Greater Montreal as at December 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles..



*Liamson Bélawi*  
*Delatte & Touchette*

Chartered Accountants  
February 11, 2005

# THE FOUNDATION OF GREATER MONTREAL

Statement of operations and changes in fund balances  
year ended December 31, 2004

	Operating Fund	Distribution Fund	Endowment Fund	2004	Total 2003
	\$	\$	\$	\$	\$
<b>REVENUES (NOTE 6)</b>					
Donations	-	62,8769	20,991	983,867	6,034,207
Sponsorships	150,000	-	-	150,000	115,000
Management fees	237,555	(45,548)	-	192,007	173,892
Investment income	-	346,058	-	346,058	308,578
Contribution from investment income	80,000	(80,000)	-	-	-
Bank interest	354	-	-	354	1,187
Other	1,500	-	-	1,500	1,000
	469,409	283,386	920,991	1,673,786	6,633,864
<b>EXPENSES</b>					
Salaries and fringe benefits	160,099	-	-	160,099	158,204
Management fees	80,801	-	-	80,801	71,474
Trustee fees	34,722	-	-	34,722	26,859
Administration fees	14,341	-	-	14,341	16,132
Fees - planned donations	75,758	-	-	75,758	50,711
Professional fees	14,138	3,947	-	18,085	18,602
Donations	-	301,405	-	301,405	62,000
Rent	23,100	-	-	23,100	21,255
Taxes and permits	2,292	-	-	2,292	3,041
Office supplies	5,813	-	-	5,813	4,400
Stationery and printing	-	-	-	-	758
Travel	3,398	-	-	3,398	2,430
Meetings	1,235	-	-	1,235	2,228
Telecommunications	4,313	-	-	4,313	4,636
Insurance	886	-	-	886	799
Delivery	1,327	-	-	1,327	2,013
Publications and subscriptions	495	-	-	495	161
Bank charges	3,352	-	-	3,352	2,651
Communications	25,053	-	-	25,053	20,702
Brochures - planned donations	7,897	-	-	7,897	21,946
Dues	5,792	-	-	5,792	4,602
Conferences	2,105	-	-	2,105	1,282
Amortization	1,559	-	-	1,559	1,917
Other	602	-	-	602	658
	469,078	305,352	-	774,430	499,461
<b>Net result</b>	331	(21,966)	920,991	899,356	6,134,403
Fund balances, beginning of year	23,524	191,137	8,196,349	8,411,010	2,276,607
Interfund transfer (Note 7)	5,000	(139,366)	134,366	-	-
<b>Fund balances, end of year</b>	28,855	29,805	9,251,706	9,310,366	8,411,010

# THE FOUNDATION OF GREATER MONTREAL

Balance sheet  
as at December 31, 2004

	Operating Fund \$	Distribution Fund \$	Endowment Fund \$	2004 \$	<u>Total</u> 2003 \$
<b>ASSETS</b>					
Current assets					
Cash	13,654	-	40,600	54,254	14,310
Accrued interests and dividends	-	33,226	-	33,226	26,378
Accounts receivable	79,066	-	-	79,066	85,929
	<b>92,720</b>	<b>33,226</b>	<b>40,600</b>	<b>166,546</b>	126,617
Investments (Note 3)	-	18,024	9,211,106	9,229,130	8,343,814
Capital assets (Note 4)	5,127	-	-	5,127	6,686
	<b>97,847</b>	<b>51,250</b>	<b>9,251,706</b>	<b>9,400,803</b>	8,477,117
<b>LIABILITIES</b>					
Current liabilities					
Accrued liabilities	48,992	21,445	-	70,437	46,107
Deferred revenues	20,000	-	-	20,000	20,000
	<b>68,992</b>	<b>21,445</b>	-	<b>90,437</b>	66,107
<b>FUND BALANCES</b>					
Externally restricted	-	29,805	9,117,340	9,147,145	8,387,486
Internally restricted	-	-	134,366	134,366	-
Invested in capital assets	5,127	-	-	5,127	6,686
Unrestricted	23,728	-	-	23,728	16,838
	<b>28,855</b>	<b>29,805</b>	<b>9,251,706</b>	<b>9,310,366</b>	8,411,010
	<b>97,847</b>	<b>51,250</b>	<b>9,251,706</b>	<b>9,400,803</b>	8,477,117

## Approved by the Board



Director



Director



Notes to the financial statements  
year ended December 31, 2004

## 1. Description of organization

The Foundation of Greater Montreal ("FGM") is a charity, incorporated on December 20, 1999 under Part II of the Canada Corporations Act, whose purpose is to collect donations, mainly through bequests or endowment funds, to promote social services, arts and culture, education, health and the environment. The FGM can also manage funds entrusted to it for administrative purposes. It is a registered charity under the Income Tax Act.

## 2. Accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

### *Fund accounting*

The organization follows the restricted fund method of accounting for its activities:

#### *i) Operating Fund*

The Operating Fund reports the ordinary operating activities of the FGM and activities relating to capital assets.

#### *ii) Distribution Fund*

The Distribution Fund is an externally restricted fund in which the FGM records donations to be distributed in accordance with the wishes of the donors, the portion of the investment income from the Endowment Fund to be distributed, the donations made, as well as any directly related expenses.

#### *iii) Endowment Fund*

The Endowment Fund is comprised of the elements mentioned below. Investment income earned from the Endowment Fund is recorded as income from the Distribution Fund.

#### *External restrictions*

Include donations that, according to donor specifications, must be held in perpetuity.

#### *Internal restrictions*

Arise from transfers from the Distribution Fund to protect the capital against inflation. These amounts cannot be used without prior consent of the Board of Directors.

### *Revenue recognition*

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. Contributions to be distributed in accordance with the donors' wishes are recognized as revenue in the Distribution Fund. Endowment contributions are recognized as revenue in the Endowment Fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations received in-kind, estimated at the fair value established by an independent appraiser, are recorded in the year in which they are received. Investment income is recognized when it is earned. It is recorded as revenue in the Distribution Fund unless the donors have specified otherwise.

### *Investments*

Investments in bonds are accounted for at amortized cost and other investments are accounted for at cost. Bond premiums and discounts are amortized under the straight-line method to the maturity of the related bonds.

### *Capital assets*

Capital assets are accounted for at cost. Amortization is calculated according to the diminishing balance method at the following annual rates:

Furniture and equipment	20%	Computer hardware	30%
-------------------------	-----	-------------------	-----

### *Deferred revenues*

Deferred revenues are sponsorships received for the year ending December 31, 2005.

### *Use of estimates*

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.



# THE FOUNDATION OF GREATER MONTREAL

Notes to the financial statements  
year ended December 31, 2004

## 3. Investments

	2004		2003	
	Cost	Market value	Cost	Market value
	\$	\$	\$	\$
6,049,690 units of the The Foundation of Greater Montreal Investment Fund (Note 5)	5,822,239	6,273,087	5,013,671	
Bonds, nominal value of \$1,907,000 interest varying from 5.53% to 7.50%, maturing through 2007	1,974,646	2,039,402	2,000,143	2,034,556
Preferred shares, redeemable only after the death of the last survivor of the two donors, annual dividends of 4.725%	1,000,000	1,000,000	1,000,000	1,000,000
Mortgage, bearing interest at an annual rate of 4.5%, redeemable through May 2018	310,970	310,970	330,000	330,000
Investment certificate, bearing interest at an annual rate of 5.0%, redeemable in February 2007	121,275	121,275	-	-
	9,229,130	9,744,734	8,343,814	8,608,030

The market value of the units of the Investment Fund and the bonds is based on the most recent market price, usually the most recent purchase price. The market value of the preferred shares is based on the valuation by Schwartz Levitsky Feldman Valuations Inc. performed in 2002. The market value of the mortgage is considered equal to the loan amount and the market value of the investment certificate is considered equal to its cost.

## 4. Capital assets

	2004		2003	
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Furniture and equipment	6,975	3,404	3,571	4,464
Computer hardware	4,536	2,980	1,556	2,222
	11,511	6,384	5,127	6,686

## 5. The Foundation of Greater Montreal Investment Fund

In addition to managing its own funds, the FGM manages funds entrusted to it by various entities through The Foundation of Greater Montreal Investment Fund.

Separate financial statements are prepared for The Foundation of Greater Montreal Investment Fund, which presents its investments, comprised mainly of bonds and stocks, at market value. As at December 31, 2004, the market values of the funds managed by The Foundation of Greater Montreal Investment Fund are as follows:

	2004		2003	
	Number of units	Market value	Number of units	Market value
	\$	\$	\$	\$
<b>Funds belonging to The Foundation of Great Montreal</b>	<b>6,049,690</b>	<b>6,273,087</b>	5,268,234	5,243,474

## THE FOUNDATION OF GREATER MONTREAL

Notes to the financial statements  
year ended December 31, 2004

	2004		2003	
	Number of units	Market value	Number of units	Market value
	\$	\$	\$	\$
<b>Funds managed for various entities</b>				
Fondation Centraide du Grand Montréal				
Centraide Fund	17,011,401	17,639,581	16,508,529	16,430,938
Red Feather Fund	2,373,733	2,461,387	2,296,932	2,286,136
The Montreal YMCA Foundation Inc.	4,004,304	4,152,171	3,582,952	3,566,112
CCS Foundation	1,178,649	1,222,173	1,182,353	1,176,796
La Fondation Jean Duceppe	1,204,626	1,249,109	856,523	852,498
Priory School Foundation fund	98,816	102,465	-	-
La Fondation des maladies infantiles	528,165	547,669	-	-
	26,399,694	27,374,555	24,427,289	24,312,480
	<b>32,449,384</b>	<b>33,647,642</b>	29,695,523	29,555,9

## 6. Revenues

### i) Donations

During the year, The Foundation of Greater Montreal received donations of \$983,867 (\$6,034,207 in 2003). The amount of 2003 included \$2,000,000 for which donors stipulated that investment income be allocated to operations for a three-year period; i.e., 2003, 2004 and 2005. A contribution from investment income in the amount of \$80,000 was recorded in the Operating Fund for this purpose (\$80,000 in 2003).

### ii) Management fees

	2004	2003
	\$	\$
The Foundation of Greater Montreal Investment Fund	235,305	200,717
Other	2,250	2,340
	<b>237,555</b>	203,057
Less: Professional fees attributable to The Foundation of Greater Montreal	(45,548)	(29,165)
	<b>192,007</b>	173,892

### iii) Investment income

	2004	2003
	\$	\$
Investment Fund	228,499	138,662
Bonds	56,064	105,057
Preferred shares	47,250	47,250
Mortgage	14,245	17,609
	<b>346,058</b>	308,578

## 7. Interfund transfer

The Board of Directors of The Foundation of Greater Montreal allocated \$5,000 (\$5,000 in 2003) to the Operating Fund for current operations. In addition, the Endowment Fund received from the Distribution Fund a contribution for an amount of \$134,366 to protect capital from inflation for the years 2001, 2002 and 2003.

## 8. Financial instruments

### Fair value

The fair value of all financial instruments other than investments approximates the carrying value. The fair value of the investments is presented in Note 3.

## 9. Statement of cash flows

A statement of cash flows has not been prepared since the cash flow information is readily apparent from other financial statements and related notes.