

# Annual Report

For the financial year ending March 31, 2012

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*Canada Lecture*  
**Interfaith**  
*Anti-Racism*  
**Inclusion**  
**CCMARD**  
**Excellence**  
*Roundtables*  
**Leadership**  
*Youth Engagement*  
**Clearing-house**  
**Education & Training**  
**Website**





Canada 

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## The Canadian Race Relations Foundation (CRRF)

### Our History

Between 1942 and 1949, some 23,000 Japanese Canadians, labelled “enemy aliens”, were forcibly removed from their homes, dispossessed of their properties and placed in internment camps across the country.

In September 1988, after much negotiation with the National Association of Japanese Canadians (NAJC), representing the Japanese Canadian community, the Canadian government apologized to the Japanese Canadian community on behalf of all Canadians, for the wrongs committed. Under the Japanese Canadian Redress Agreement, the Government provided compensation to the families who were affected by this racist policy.

In addition to the compensation, the NAJC also negotiated a contribution of \$12 million on behalf of the Japanese Canadian community, which was matched by the Federal Government, to create a one-time \$24 million endowment fund to establish the Canadian Race Relations Foundation (CRRF).



Community kitchen at Japanese Canadian internment camp, ca. 1943.

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Canada / C-024452

### Legislation

*The Canadian Race Relations Foundation Act was passed in 1990 and proclaimed in 1996 “... to facilitate throughout Canada the development, sharing and application of knowledge and expertise in order to contribute to the elimination of racism and all forms of racial discrimination in Canadian society ...” The Foundation opened its doors in November 1997. A Crown Corporation, one of the portfolio agencies of Citizenship, Immigration and Multiculturalism, the CRRF operates at arm’s length from the Government of Canada. The CRRF also has registered charitable status. Its operating income is derived primarily from the interest on the investment of the endowment fund.*



## Message from the Chairperson



This past year has witnessed the adoption of a new multi-year strategic plan for the CRRF, which sets out the Foundation's strategic direction to guide its mission for 2011-2014.

Building on the successes of the last strategic plan for 2008-2010, the new strategy emphasizes the importance of an inclusive Canada within a framework of rights and responsibilities of citizenship. It underscores CRRF's clearing-house function, and reinforces the value of partnership and collaboration with key agencies and other compatible organizations and entities.

During the year, Phase I of the Interfaith and Belonging project, funded by Citizenship and Immigration Canada, was completed. Not only did the Foundation successfully bring together in excess of twenty institutional partners from across Canada for dialogue and civic engagement, the resulting favourable feedback that was received from all parties involved shows that the CRRF is on the right track to fostering civility and positive race relations.

In September 2011, the Auditor General of Canada released a Special Examination Report on the CRRF. The examination focused on the areas of governance, strategic planning and risk management, investment management, and operations. It covered the Foundation's systems and practices that were in place between November 2010 and April 2011. We were gratified and pleased with the report findings, especially when it was the first such examination conducted on the CRRF.

We are proud of the Foundation's successes that are outlined in this report. These could not have been achieved without the commitment and effort of Management, staff and volunteers, as well as the support of stakeholders and partners. We offer them our appreciation and thanks.

On March 17, 2012 Ayman Al-Yassini successfully completed his term as the Foundation's Executive Director. We commend him for his dedication, hard work, leadership and professional approach, which can be credited with much of its success not only during this year, but over the past five and a half years of his tenure as Executive Director. My fellow Board members and I also thank him for agreeing to assume the position of Executive Vice President as he prepares to meet new challenges. He will provide advice to the Board and practical assistance to ensure a smooth transition while the CRRF awaits the appointment of a new Executive Director.

During the year, two new members, Paul Attia of Ottawa and Christine Douglass-Williams of Ancaster, were appointed to the CRRF Board. Given their broad experience and expertise, their appointments will undoubtedly serve to benefit the work of the Foundation.

At the same time, Nazanin Afshin-Jam of Pictou County (formerly of Vancouver) and Claudia Patricia Cáceres Cáceres of Quebec City, completed their terms on the CRRF Board. We thank them for their input and contribution, and wish them the best in their new endeavours.

Albert Lo  
Chairman



## Message from the Executive Director

*(Senior Executive Vice President as of March 18, 2012)*



I am pleased to report on another year of strong accomplishments by the Canadian Race Relations Foundations (CRRF), characterized by a clearer focus and direction and greater capacity for program delivery.

The past five and half years were characterized by a creative period of change and transformation for the CRRF. With the Board's leadership, and in cooperation with the staff, we adopted a new strategic direction which addressed racism and discrimination through the lenses of inclusive citizenship and belonging. We developed a new business model which highlighted partnerships and strategic alliances, enabling the Foundation to fulfill its mandate efficiently and effectively.

The excellence of our programs and initiatives was recognized by our partners and stakeholders through their increased participation in the Foundation's programs. Moreover, the Special Examination report, which was issued by the Office of the Auditor General of Canada, made particular mention of the Foundation's good practices. The Ontario Ministry of Education, Inclusive Education Branch, recognized the excellence of our Education and Training program by contracting with the CRRF to deliver training sessions to school system leaders throughout Ontario as part of the Ministry's Equity and Inclusive Education Strategy. The Department of Citizenship and Immigration Canada provided funding for implementation of the CRRF's 3-year project: "Interfaith and Belonging: A Civic Education and Engagement Initiative." The program's objective is to enhance the civic participation and responsibility of different communities in Canada and to strengthen a sense of belonging in Canada. The program facilitates national dialogue on interfaith cooperation and communication, and promotes civic education and engagement.

The Foundation is proud of its partnership with key Canadian agencies in designing and delivering joint programs. For example, in partnership with the First Nations Statistical Institute and the University of Manitoba, the Canada Lecture featured Keith Conn who presented, at the University of Manitoba, a statistical overview of the First Nations. The Foundation's Roundtable Discussions took place in cooperation with additional partners such as the Canadian Ethnic Media Association (CEMA), the Canadian Ethnocultural Council (CEC), and the Ryerson Centre for Immigration and Settlement (RCIS).

The CRRF is an important national facilitator in building bridges and strengthening the sense of belonging of all Canadians. As I prepare to meet new challenges in the near future, I extend my heartfelt appreciation to the Board of Directors and its Chairperson, Albert Lo, for their vision and commitment. I am also, as always, so appreciative of the staff's contribution and devotion to the Foundation. Their tireless service is a testimonial to the Foundation's values and commitments.

Ayman Al-Yassini



## Purpose of the CRRF as defined in the CRRF ACT 1991

The purpose of the CRRF, as defined by the *Canadian Race Relations Foundation Act 1991*, is “to facilitate throughout Canada the development, sharing and application of knowledge and expertise in order to contribute to the elimination of racism and all forms of racial discrimination in Canadian society by:

- (a) undertaking research, collecting data and developing a national information base in order to further understanding of the nature of racism and racial discrimination, and to assist business, labour, voluntary, community and other organizations as well as public institutions, governments, researchers and the general public in eliminating racism and racial discrimination;
- (b) acting as a clearing-house, providing information about race relations resources and establishing links with public, private and educational institutions and libraries;
- (c) facilitating consultation and the exchange of information relating to race relations policies, programs and research;
- (d) promoting effective race relations training, and assisting in the development of professional standards;
- (e) increasing public awareness of the importance of eliminating racism and racial discrimination;
- (f) collaborating with business, labour, voluntary, community and other organizations, as well as public institutions and all levels of government, in instituting and supporting programs and activities; and
- (g) supporting and promoting the development of effective policies and programs for the elimination of racism and racial discrimination.” \*

\*Excerpts from the *Canadian Race Relations Foundation Act 1991*.

## Governance

According to the *CRRF Act*, the organization’s direction is vested in a Board of Directors consisting of a Chairperson and up to 11 other members. Attempts are made to have at least one representative on the Board from each province and Territory. An Executive Director, who serves as Chief Executive Officer and an ex-officio member of the Board, manages the CRRF’s daily operations. The Governor-in-Council, acting on the recommendation of the Minister of Citizenship, Immigration and Multiculturalism, appoints all members of the Board and the Executive Director. The *Act* states that the Board of Directors must meet a minimum of twice a year. The Board tries to meet three times a year in a different province or Territory, where feasible.



## Board of Directors



From left to right: Ashraf Ghanem (Fredericton, New Brunswick); Art Miki, *NAJC Representative/ Board Secretary*, (Winnipeg, Manitoba); Hakim Feerasta (Toronto, Ontario); Claudia Patricia Cáceres Cáceres (Québec, Québec), *term ended February 28, 2012*; Nazanin Afshin-Jam (Vancouver, British Columbia), *term ended January 29, 2012*; Albert C. Lo, *Chairperson* (Richmond, British Columbia); Ayman Al-Yassini, *Executive Director* (Toronto, Ontario); Toni Siberman, *Vice-Chair* (Toronto, Ontario); Colin Boyd, *Director, Multiculturalism Policy, NHQ Citizenship and Multiculturalism Citizenship and Immigration Canada*, (Ottawa, Ontario); Paul F. Attia (Ottawa, Ontario), *appointed December 15, 2011*.



Kenny Blacksmith  
(Gloucester, Ontario)



Peter Campbell  
(Mississauga, Ontario)  
*term ended June 18, 2011*



Lyn Q. Chow  
(Calgary, Alberta)



Christine Douglass-William  
(Ancaster, Ontario)  
*appointed March 1, 2012*



Roman Melnyk  
(Toronto, Ontario)  
*term ended June 27, 2011*





## An Overview of the Strategic Objectives: 2011-2014

The Board of the Canadian Race Relations Foundation (CRRF), with staff input and under the guidance of a facilitator, determined the strategic objectives of the Foundation for the period 2011-2014.

There were a number of extenuating circumstances which formed the backdrop to the discussions. Over the previous two years, the CRRF encountered major challenges, including the economic downturn which negatively impacted the Foundation's revenues. Consequently, the CRRF's Board and senior management revisited the Foundation's priorities and realities. One of the key outcomes was the adoption of measures to focus on defined objectives, reduce expenditures and maximize impact, considering the organization's limited resources. This was especially necessary since the Foundation's full mandate, as defined in the *Canadian Race Relations Foundation Act 1991*, is extensive and requires financial resources beyond the Foundation's capacity. In addition, the changes in the demographics of Canadian society, and the Foundation's commitment to the promotion of a more harmonious Canada and Canadian identity continue to play a major role in shaping the Foundation's direction.

Throughout its deliberations regarding this Strategic Plan, the Board reaffirmed its commitment to position the CRRF as a national leader in the elimination of racism and to contribute to the strengthening of Canadian identity as it relates, among other things, to the principles of equality, social justice and the promotion of harmonious race and ethnic relations.

The adopted Strategic Plan highlights a number of fundamental advances. These include the Foundation's role as a national clearing-house with a focus on the promotion of effective and harmonious race relations and inclusion, outreach to youth, promotion of civic responsibility, and collaboration with all stakeholders such as government agencies, private sector, and community organizations. These advances are reflected in the updated Vision and Mission statements.

### Vision

To be a leading national voice and clearing-house for race relations in Canada, and agent of change for the elimination of racism and all forms of racial discrimination with the aim to promote a more harmonious Canada.

### Mission

To advance understanding of the past and current causes and manifestations of racism, and recommend approaches to the elimination of racism and the strengthening of Canadian identity as it refers to the principles of equality, fairness, justice and human dignity. The Foundation will rely on its clearing-house and initiatives to inform national policies and public conversations. The Foundation will facilitate discussion and research on racism to advance Canadian identity.

### Values

Our values are premised on the desire to create and nurture an inclusive society based on equity, social harmony, mutual respect and human dignity. Its underlying principle in addressing racism and racial discrimination emphasizes positive anti-racist change and the promotion of shared Canadian values of human rights and democratic institutions. It strives to coordinate and cooperate with all sectors of society, and develop partnerships with relevant agencies and organizations at the local, provincial and national levels.



In the pursuit of the CRRF's Mission, Vision and Values, three Core Goals were identified:

1. Act as a clearing-house through activities and the electronic media with the objective of promoting national policies and public conversations, the establishment and dissemination of information databases, and the hosting of programs and initiatives that will facilitate and engage all sectors of Canadian society in the promotion of Canadian identity.
2. Develop strategic alliances with local, provincial and national institutions to leverage the CRRF's capacity to design and deliver anti-racism programs, and to act as a national facilitator by disseminating anti-racism information and encouraging discussion on best practices.
3. Inform public policy and discourse by promoting positive systemic anti-racist change through the dissemination of information, the development of strategic alliances, and the utilization of electronic media and collaborative projects.

To accomplish the Core Goals, the following Enabling Goals have been identified:

1. Maintain strong governance and organizational structure and capabilities.
2. Ensure long-term sustainability and development.

The Enabling Goals will enhance the organizational structure with clear understanding of the roles and responsibilities of the Board, staff and management, maintain the corporate governance systems and Board oversight, support regional representation on the Board, and facilitate recommendations for Board appointments. The Enabling Goals also support professional development opportunities for the staff and an effective national communications strategy. In addition, the Strategic Plan highlighted the CRRF's commitment to work toward long-term sustainability and development by exploring avenues to increase the financial resources of the organization.

## How We Do It (Summary)

### Award of Excellence & Symposium

Recognizing outstanding initiatives in anti-racism work, this Symposium is designed to share information, best practices, and facilitate networking among organizations and agencies.

### The Canada Lecture

In 2010, the Canadian Race Relations Foundation introduced an annual event called the "Canada Lecture." Each year the lecture takes place in a different part of the country, and a distinguished Canadian is invited to raise awareness and understanding of critical issues related to racism and racial discrimination in our society.

This event provides a forum for addressing ways and challenges in confronting and eliminating racism and its manifestations, and serves as a unique medium for sharing views, experiences and visions about Canadian identity and citizenship.



## Roundtable Series

Three Roundtable discussions are organized annually focusing on current issues and topics of direct relevance to the CRRF's strategic priorities. The Roundtable discussions take place in different parts of the country with teleconferencing opportunities, as occasion permits, to encourage national participation. Target audience includes students, NGO communities, governments, representatives, media and Canadians at large.

## Interfaith and Belonging

The Canadian Race Relations Foundation has undertaken a series of activities designed to promote dialogue and civic engagement among and between faith-based communities. The objective is to enhance the civic participation and responsibility of these communities and to strengthen their sense of belonging to Canada.

The project is intended to facilitate a national dialogue on interfaith cooperation and communication, and to promote civic education and engagement. Through its Leadership Circles, the project effectually constructs a national framework for dialogue between and among groups of different ethno-cultural and faith backgrounds and helps to strengthen their participatory role in Canadian society. Just as importantly, it constructs a national framework for engaging faith-based and ethno-cultural communities in understanding Canadian diversity, democratic values and traditions; it assists communities in understanding our rights and responsibilities as residents and citizens of Canada, and it explores how best to encourage a sense of belonging to Canada.

## Information Clearing-house

The Foundation has built a collection of resources that is unique to work regarding racism within the Canadian context. There are over 3,500 resources in the CRRF's growing collection and the goal is to create an electronic resource that will include the entire collection. Presently there are different types of materials including periodicals, reports, books, organizational pamphlets, study guides, journals and audio-visual materials. The CRRF's clearing-house is accessible through the website and acts as a virtual library for excellent material on combating racism. It allows anyone across Canada to access information within the collection and obtain hard copies if necessary from their local libraries, directly from the CRRF's website, or the publisher's website.

## Education and Training

The CRRF's Education and Training Centre (ETC) develops and delivers diversity, equity and human rights education and training programs within an anti-racism framework. These are delivered to both public and private sectors. The ETC provides facilitators, speakers and panellists with tools to bolster educational initiatives. All initiatives and presentations are tailored to specific audiences and needs.

With the support of the Ontario Ministry of Education and in partnership with Anima Leadership, the CRRF has been delivering the Diversity and Equity Leadership Institute (DELI) training sessions for Ontario school system leaders. DELI is a highly interactive and experiential course grounded in adult pedagogy and layered with cutting-edge information from the fields of neuroscience, social psychology, and bias research. By combining anti-racism strategies with emotional intelligence and conflict resolution, this approach balances intellect with emotions, and internal factors with external forces, while helping participants navigate through difference, diversity, power relations and conflict.

## Canadian Coalition of Municipalities Against Racism and Discrimination (CCMARD)

Since CCMARD's inception, the CRRF has been an active and key partner. In cooperation with the Canadian Commission for the United Nations Educational, Scientific and Cultural Organisation (UNESCO), provincial human rights commissions, and municipalities across the country, CCMARD seeks the elimination of racism and racial discrimination and the promotion of a harmonious Canada.



## Capturing the Pulse of the Nation

One of the main challenges confronting CRRF is to gauge the national pulse with regard to the state of race relations in the country. Under this initiative, and in cooperation with the Association for Canadian Studies, the CRRF commissions an annual survey on issues related to race relations and human rights in Canada.

## Engaging Youth

The Foundation places high importance on youth participation in social change. Occasionally, the CRRF recruits graduate students to work on small research projects on a voluntary basis to help advance their research, analytical and writing skills.

## Website ([www.crrf-fcrr.ca](http://www.crrf-fcrr.ca))

The Foundation's website is an easily accessible resource providing information on racism and racial discrimination in Canada.

### Staff of Canadian Race Relations Foundation



Front row from left to right: Anne Marrian, *Programs Director - Community Support & Knowledge Base*; Dr. Ayman Al-Yassini, *Senior Executive Vice President*; Meg Mochizuki, *Executive Secretary*.

Second row from left to right: Arsalan Tavassoli, *Director, Finance and Administration*; Alisa Lu, *Accounting Assistant*; Aren Sarikyan, *Project Associate*; Jeswyn Pinto, *Library/Project Assistant*; Suren Y. Nathan, *Project Manager, Interfaith and Belonging*.



## COMMITTEES OF THE BOARD

**EXECUTIVE COMMITTEE** may, between meetings of the Board, exercise all the powers of the Board which may be lawfully delegated to the Committee.

**Members:** Albert C. Lo\*\* (Chair), Roman Melnyk\*, Ashraf Ghanem, Toni Silberman (Vice Chair)

**FINANCE AND AUDIT COMMITTEE** ensures the fiscal responsibility of the Foundation, oversees its financial activities, receives investment reports, advises the Board on financial policies and reviews, amends and recommends approval of budgets.

**Members:** Ashraf Ghanem (Chair), Lyn Chow, Roman Melnyk\*, Hakim Feerasta, Albert C. Lo, (ex-officio member)

**GOVERNANCE COMMITTEE** ensures, *inter alia*, appropriate corporate governance, the proper delineation of roles and responsibilities and the duties and responsibilities of management, the Board and its committees.

**Members:** Roman Melnyk (Chair)\*, Ashraf Ghanem, Toni Silberman, Claudia Patricia Cáceres Cáceres, Hakim Feerasta, Albert C. Lo\*\*

**NOMINATIONS COMMITTEE** assists the Board in identifying suitable candidates for the positions of Executive Director, Chair of the Board, Directors, and Standing and Advisory Committee members, in accordance with the established Director competency profile and selection criteria for such positions.

**Members:** Toni Silberman (Chair), Nazanin Afshin-Jam, Art Miki (external member), Albert C. Lo (ex-officio member)

**HUMAN RESOURCES COMMITTEE** ensures the maintenance of a high standard of human resources policies and procedures. It also addresses extraordinary personnel issues.

**Members:** Toni Silberman (Chair), Ashraf Ghanem, Claudia Patricia Cáceres Cáceres, Albert C. Lo (ex-officio member)

**INVESTMENT COMMITTEE** is mandated by the *Canadian Race Relations Foundation Act*. Its members include the Board's Chairperson, another Board member and up to three others who are appointed by Governor-in-Council to advise the Board on the investment of the Foundation's endowment fund.

**Members:** Peter Campbell (Chair)\*\*\*, Hakim Feerasta, Ashraf Ghanem\*\*\*\*, Albert C. Lo (ex-officio member) (ex-officio member)

\*until June 27, 2011

\*\*current Chair

\*\*\*until June 18, 2011

\*\*\*\*current Chair

\*\*\*\*\*Ayman Al-Yassini, as Executive Director, is a non-voting ex-officio member of all Committees.



## Activities

“Act as a clearing-house through initiatives and the electronic media with the objective of promoting national policies and public conversations, the establishment and dissemination of information and the hosting of programs and initiatives that will facilitate and engage all sectors of Canadian society in the promotion of Canadian identity.”

*Strategic Objective*

### CRRF Clearing-house

The sustainability, maintenance and expansion of the CRRF's clearing-house gives credence to the CRRF's mandate to act as a clearing-house, providing information about race relations resources and establishing links with public, private and educational institutions and libraries. CRRF's clearing-house and library also enable the facilitation, consultation, and the exchange of information relating to race relations policies, programs and research.

Since its establishment in 1997, the CRRF has built a unique collection of resources relating to racism within the Canadian context. There are over 3,500 resources in the CRRF's growing collection. The goal is to create an electronic resource that will include the entire collection. During the year, an extensive review of existing resources was undertaken with the aim being to create an efficient, web-based resource that is accessible to stakeholders on a national basis. Since our scope is national, it is imperative that the CRRF's clearing-house provide all aspects of pertinent information to ensure that CRRF's stakeholders are able to access items in the collection across Canada through libraries, community-based organizations and government departments. Presently there are different types of materials including periodicals, reports, books, journals, organizational pamphlets, study guides and audio-visual materials. The CRRF's clearing-house is accessible through the website and acts as a virtual library for the resources that the CRRF has identified as excellent Canadian-based material. Also included in the collection are selected international reports that focus on combating racism. The clearing-house is a comprehensive resource that allows CRRF stakeholders across Canada to access information within the collection and obtain electronic and hard copies if necessary from their local libraries. Active links to publishers' websites have been established for all books in the collection. Publishers who donate books to the CRRF are acknowledged directly on the CRRF's website.

In 2011, the CRRF's website was reviewed and revamped to reflect the direction and content of the clearing-house. The design and content was changed and a detailed section that includes a database in Flexicontent of the CRRF's entire collection was added to the website. This database provides active links via the Internet for all the selected CRRF resources that are classified in the CRRF's unique subject-specific collection, and includes a myriad of subjects through various publication types. Every item in the collection meets the selection criteria developed by the CRRF.

Other items in the collection include the organizational section for which community links will be added and a section that recounts the reports presented to the United Nations Special Rapporteur.

*Through the CRRF's clearing-house function, we ensure that there is an increase in public awareness about the numerous resources that are available about eliminating racism and racial discrimination in Canada.*



## Website and Social Media

Over the past year, the CRRF team devoted particular attention to updating and refreshing the website to ensure its role as one of the Foundation's principal instruments in the dissemination of information. The site's appearance was enhanced, the content was updated, and the search capacity was further developed. These changes were made to enable quicker access and to provide a user-friendly platform for information to our stakeholders, including community-based organizations, private and public sectors, government departments, students, and academia. The on-line bibliographic search includes resources on anti-racism, employment, education, social justice, racial profiling and much more. The CRRF's new website reflects in detail the work of the past, the current initiatives and upcoming programs and events.

In addition to the website, the CRRF is utilizing social media tools such as Facebook and Twitter to promote the message of anti-racism and social cohesion. The unique visitors and "friends" visiting our social media have increased by almost 60%, compared to 2010.

*The new website provides details about the CRRF, its Vision and Mission on how the organization operates, and its governance under the leadership of a Board of Directors. The Programs and Initiatives sections offer a snapshot of the current activities of the Foundation. The library and clearing-house is an active online search engine for the CRRF's collection of materials (books, reports, study guides, audio visual items and special collections) that the CRRF has selected as being relevant to the elimination of racism in Canada. Research reports that were funded by the Foundation are also available on our website. Education and training has been a core activity of the CRRF and information regarding available courses is outlined. News and events are posted on a regular basis.*

We extend an invitation to all to visit the new CRRF website ([www.crrf-fcrr.ca](http://www.crrf-fcrr.ca)) to learn more about our work and connect with us at the Canadian Race Relations Foundation.

## Volunteer Recruitment, Retention and Development

Outreach initiatives to recruit interns were done through the YMCA's Federal Public Sector Youth Internship Program and York University's Teacher Education Community Field Placement program. The CRRF hosted two interns from the YMCA and two students from York University. They were assigned work within the Community Support and Knowledge Base portfolio. One of the York University students was from Glendon College and assisted with work on the French items in the collection. Their responsibilities included building on work already accomplished on the clearing-house. The interns embarked on an outreach project inviting publishers to donate books focused on race, racism, anti-racism, Aboriginal issues, anti-racism education and training and social constructs of racism, to mention a few areas. Publishers responded generously by donating books to the library/clearing-house. The interns also gained experience in working on the new Flexicontent database, cataloguing and shelving acquisitions. The interns reported that their experience at the CRRF was positive and valuable.



“Develop strategic alliances with local, provincial and national institutions to leverage the CRRF’s capacity to design and deliver anti-racism programs, and to act as a national facilitator by disseminating anti-racism information and encouraging discussion on best practices.”

*Strategic Objective*

## Education and Training Centre

The activities of the Education and Training Centre (ETC) include the Diversity and Equity Leadership Institute and the Foundations of Equity and Anti-Racism Training. They fulfill the CRRF’s mandate and Strategic Plan to provide and promote effective education and training across the country, to facilitate changes in civic responsibility, race relations, inclusion and the strengthening of a harmonious Canada.

The ETC works with individuals, communities and organizations to change all manifestations of racism and discrimination. Through transformative and adult education, as well as experiential and participatory approaches, our programs empower learners to effectively challenge social inequities and provide anti-racist education and training in the pursuit of eliminating all forms of racial discrimination, and to work towards a harmonious Canada.

## Diversity and Equity Leadership Institute

In 2010, the CRRF submitted a proposal to the Ontario Ministry of Education, Inclusive Education Branch to deliver training sessions to school system leaders throughout the province, to complement the Ministry’s Equity and Inclusive Education Strategy. In January 2011, the Ministry and the CRRF agreed to deliver the Diversity and Equity Leadership Institute (DELI) program to help enhance the participants’ understanding and application of equity and inclusion in schools.

The objective of the DELI is to guide leaders in implementing equity principles and policies, and providing the space and opportunity to disentangle the complexity of competing interests. Ontario’s Equity Strategy is essentially asking leaders and teachers to take risks and to prevent discrimination. Participants go beyond identifying systems of inequity, and learn concrete strategies to critically examine how systems of exclusion function and are maintained, with a view to developing truly equitable leadership and accountability. Educators had identified the need for more support in this endeavour, and the need to be empowered with more practical tools and strategies.

Guided by the “Ontario Leadership Framework” and the broader “Ontario Leadership Strategy,” the DELI program focuses on the core leadership competencies of self-awareness, empathy, communication, and conflict-resolution skills. By combining equity work with emotional intelligence and conflict transformation, this course empowers school boards to become more effective, respectful and inclusive. The sessions offer a balance between understanding systemic racism, emotional impact, social relationships, processes, and multiple layers of conflict that accompany transformative learning. The program helps participants to safely navigate through difference, diversity, power relations and conflict.

The CRRF, in partnership with Anima Leadership, has successfully delivered Phase I of the project in three different locations in Ontario (GTA, Thunder Bay and Ottawa). The sessions targeted representatives from various school boards in the area, including principals, vice-principals, superintendents, trustees and diversity/equity officers. Phase II of the DELI project was approved for funding by the Ministry and will be implemented in fiscal year 2012-2013.





## Participant Comments

*"The DELI session was excellent for my professional development as a leader. It provided me with an opportunity to examine my own biases and beliefs and to extend this understanding to gain a deeper understanding of equity and inclusivity, particularly in creating safe, respectful and supportive working and learning environments for all students and staff. I highly recommend this leadership institute for supervisory officers and principals/vice-principals in school districts."*

- Catherine Portt, Assistant Superintendent, Hastings Prince Edward District School Board

*"The workshop provided a welcoming and safe environment for me to share my experiences, thoughts and concerns with my peers and proved to be a thought-provoking experience from beginning to end. I left the workshop feeling much more aware of the commonality of experiences, with a heightened awareness of some of the specific needs and concerns of others. Fantastic workshop!"*

- Marc Coates, Vice-Principal, Lambton Kent District School Board

## Partners



**A N I M A**  
**LEADERSHIP**  
WISDOM. POWER. CHANGE.

*Anima Leadership provides innovative programming, coaching and consulting services in the areas of leadership, diversity/equity issues, team-building and conflict resolution. We are committed to fostering leaders who are able to act with integrity, vision and effectiveness to build powerful, inclusive organizations and healthy communities.*

Ontario Ministry of Education



## Foundations of Equity and Anti-Racism Training

Originally conceived in 2004 as a partnership with the Toronto District School Board (TDSB), the Foundations course is geared towards teachers, administrators, and school board officials who are interested in grounding their understanding of, and abilities to deal with, diversity and racism in the school system. Since 2008, the TDSB has incorporated this course into their professional development in-service training for teachers.

During the fiscal year 2011-2012, the ETC designed and delivered six-session training programs to educators and those working for educational institutions. The sessions explored equity and inclusion practices focusing on critical race theory and its application to educational institutions. The sessions were delivered to the following school boards:

The Durham District School Board

The Upper Grand District School Board

The Halton Catholic District School Board

The Halton District School Board

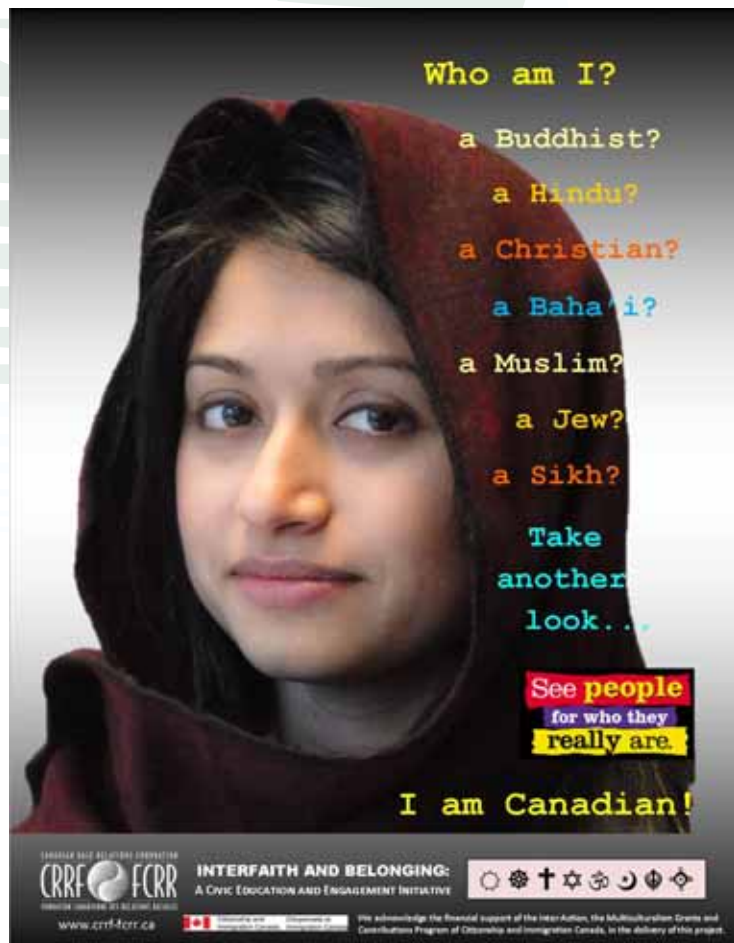


## Interfaith and Belonging: A Civic Education and Engagement Initiative

Funded by the Department of Citizenship and Immigration Canada (CIC) in July 2011, this national project brings together over 20 faith-based and cultural communities with the objective of strengthening interfaith dialogue, belonging and civic engagement. Through its Leadership Circle, a multi-denominational national network of leaders representing diverse religious and ethno-cultural communities, grassroots organizations and youth, a first meeting was held at the University of Toronto. After a full day of energetic conversations around issues of identity and competing human rights, which included presentations from the Ontario Human Rights Commission, the initiative's plan of action was determined. This plan included the development of educational tools and delivery of training sessions across the country to promote interfaith dialogue and enhance civic engagement. A second meeting took place in Ottawa. The meeting focused on values and the interplay between faith, culture and tradition. Further discussions focused on belonging as it pertains to people of different backgrounds and generations seeking to forge a common identity within the Canadian context. In January 2012, a third meeting was held in Montreal where the Leadership Circle began the task of developing an outline for a Workshop Manual. During this period, there were also youth consultations in Toronto and Halifax, to determine issues of concern regarding faith and belonging among young Canadians.

In February 2012, the CRRF partnered with the Association for Canadian Studies in Montreal, and conducted a survey through Leger Marketing, to gauge the perspective of Canadians towards issues of faith, identity, values and belonging. The survey highlighted the need to build strength and trust among and between communities of different faiths and backgrounds. The survey results received national and international coverage.

The Interfaith initiative is developing educational materials to be utilized in the delivery of public education sessions across the country beginning in 2013. These materials include a trainer's manual, information pamphlets, a national video competition inviting youth to produce six public service announcements, and a related National Film Board multi-media platform that will be available on the CRRF website, making it accessible to all.





“Inform public policy and discourse by promoting positive systemic anti-racist change through the dissemination of information, the development of strategic alliances, the utilization of electronic media, and collaborative projects.”

*Strategic Objective*

## Roundtables

### International Human Rights Day December 10, 2011 – Toronto, Ontario

The CRRF, on the occasion of International Human Rights Day, and in partnership with the **Canadian Ethnocultural Council (CEC)** and the **Canadian Ethnic Media Association (CEMA)**, invited Nathalie Des Rosiers, General Counsel of the **Canadian Civil Liberties Association (CCLA)**, to address leaders of diverse ethno-cultural and community groups in Canada.

Ms. Des Rosiers highlighted some of the accomplishments Canadians have made in upholding human rights at home and abroad, but noted that liberties must always be defended and that it is our duty to remain vigilant and ensure that our democracy continues to function without abuse of power. A range of timely and relevant issues ranging from fundamental freedoms, public safety, national security and equality within the Canadian context were discussed.

The event was held to honor the United Nations (UN) General Assembly's adoption and proclamation on December 10, 1948, of the Universal Declaration of Human Rights, the first global enunciation of human rights and one of the first major achievements of the UN. The Roundtable closed with a networking session to allow participants to exchange ideas and create relationships with other stakeholders.



*The Canadian Civil Liberties Association is a national organization that was constituted to promote respect for and observance of fundamental human rights and civil liberties, and to defend, extend, and foster recognition of these rights and liberties.*



*Founded in 1980, the Canadian Ethnocultural Council (CEC) is a non-profit, non-partisan coalition of national ethnocultural umbrella organizations which, in turn, represent a cross-section of ethnocultural groups across Canada. The CEC's objectives are to ensure the preservation, enhancement and sharing of the cultural heritage of Canadians, the removal of barriers that prevent some Canadians from participating fully and equally in society, the elimination of racism and the preservation of a united Canada.*



*Canadian Ethnic Media Association (CEMA) is an organization for professionals engaged in the field of print and electronic journalism and creative writing. CEMA upholds the principles of Canadian citizenship and multiculturalism and maintains the right of freedom of expression without ethnocentric bias. The emphasis of CEMA is on the exchange of ideas rather than lobbying, although when necessary, statements are made on significant topics to whomever they may concern such as the exclusion of ethnic journalists from sources of news and information open to mainstream media.*



## **Race, Identity, and Belonging: A Generation Gap?** **February 17, 2012 - Toronto, Ontario**

Jointly organized by the CRRF and the Ryerson Centre for Immigration and Settlement (RCIS), the Roundtable addressed the changing perceptions and experiences of “identity” and “belonging” among Canada’s increasingly complex ethno-racial composition, and how these changes manifest from generation to generation.

Represented by experts from community and settlement organizations and municipal government and researchers, the panel examined a range of socio-cultural and economic conditions that facilitate or hinder swift and effective integration of newcomers into Canadian society at the individual, group and institutional levels, and how these have evolved over time.

The panel also discussed the rapidly transforming Canadian demographics (especially in metropolitan areas), and identified the challenges and opportunities of these new realities, and assessed their implications for communities, policymakers and Canadian society at large.



*The Ryerson Centre for Immigration and Settlement (RCIS) aims to be a leader in the trans-disciplinary exploration of international migration, integration, and diaspora and refugee studies. In addition to supporting research in these areas, the Centre’s mission includes mentoring students and*

*consolidating Ryerson’s reputation as the pre-eminent site of knowledge development and exchange with governments, community organizations, and other academics. The overall goal of the RCIS is to advance policy-related research and scholarship in the areas of immigration and settlement studies, both nationally and internationally.*

## **Canada Lecture 2012**

### **The Demographic Profile of First Nations in Canada** **March 27, 2012 – Winnipeg, Manitoba**

In 2010, the CRRF introduced an annual event to its programs called the Canada Lecture, at which distinguished Canadians are invited to raise awareness and understanding of critical issues related to racism and racial discrimination in our society. The event provides a forum for addressing ways and challenges in confronting and eliminating racism in all its manifestations, and serves as a unique medium for sharing views, experiences and visions about Canadian identity and citizenship.

The CRRF, in partnership with the University of Manitoba and the First Nations Statistical Institute (FNSI), invited Keith Conn, FNSI’s Chief Operating Officer, to be the keynote speaker for the CRRF’s Canada Lecture 2012. Mr. Conn presented elaborate statistical information on the demographics of First Nations communities and shed light on the social and economic conditions of First Nations throughout Canada.



**UNIVERSITY  
OF MANITOBA**



The issues addressed ranged from healthcare and education to housing and unemployment. The data presented by Mr. Conn highlighted the extent of disparities affecting the livelihood and productivity of Canada's Aboriginal Peoples in all provinces. While some improvements have been recorded, governments at all levels need to allot more attention and resources to effectively address the root causes of the challenges facing First Nations communities.



The event was well-attended and the presentation concluded with a Q&A with the audience which included representatives from Winnipeg's sizeable Aboriginal community. The CRRF was represented by Art Miki, NAJC Representative & CRRF Board Secretary.



*The **First Nations Statistical Institute (FNSI)** is an autonomous, First Nations-led Crown Corporation. FNSI was established to increase the quality and accessibility of First Nations statistics to improve planning, decision-making, and investment. FNSI collects and aggregates objective, high-quality, non-partisan First Nations statistical data; assists communities in data collection, research, analysis, and data-sharing; and provides a direct link with communities for control of and access to their data. FNSI also works to build the expertise of First Nations and their governments in the area of statistics and data.*

## **Crimes of Honour: The Interplay of Culture, Religion and Law**

**March 28, 2012 - Toronto, Ontario**

The CRRF organized an expert panel discussion on Crimes of Honour held at the Ontario Bar Association (OBA) facility in downtown Toronto. The roundtable brought together social and legal experts representing Justice Canada, the Munk School of Global Affairs, legal clinics as well as grass-roots organizations.

The panelists addressed multiple issues related to 'honour crimes' in their different forms and manifestations, and discussed a wide range of underlying cultural, religious and social beliefs and principles that trigger violence within families, and especially against women and girls. The panelists also explored responsive and preventative initiatives and strategies to effectively address honour killings from an intersectional perspective. Also discussed was public and community involvement to counter violations of fundamental human rights, as well as issues around awareness and education through local support networks.

The discussion concluded with a vibrant exchange of thoughts and ideas between the speakers and the audience. The event provided an active forum to share information and knowledge on related practices and incidents in Canada. Suggestions were made to organize a sequel with a focus on the legal dimension of related crimes.



## The Canadian Coalition of Municipalities Against Racism and Discrimination (CCMARD)

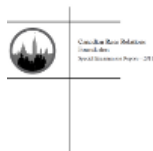
The Canadian Coalition of Municipalities Against Racism and Discrimination (CCMARD) is part of an international network launched by UNESCO in 2004. It is a network of municipalities interested in sharing experiences and best practices on policies and programs to fight racism and discrimination. CCMARD taps into the national, regional and local expertise of municipal governments, federal and provincial partners, human rights commissions, police boards and civil society organizations. By taking action to combat racism and multiple forms of discrimination, municipalities contribute greatly to achieving respectful, inclusive and safe societies.

Over the past fiscal year, CCMARD was very active. The Coalition welcomed nine new signatory municipalities to the network; Caledon, Peel, Ottawa (Ontario); Prince George, Victoria (British Columbia); Fort McLeod, Provost, Devon (Alberta); and Whitehorse (Yukon), for a total of 53 signatory municipalities.

Many activities and workshops were organized by CCMARD partners. Some examples include an “Inclusion Workshop” (Kentville, NS) organized by the Municipality of the County of Kings, in partnership with Human Resources and Skills Development Canada (HRSDC) Racism Free Workplace Strategy and the Canadian Commission for UNESCO; the training event, “Human Rights from A-Z: municipal update on anti-racism, data collection, licensing and zoning” (Kingston, Ontario) organized by the Ontario Human Rights Commission (OHRC), the City of Kingston and the School of Urban and Regional Planning at Queen’s University; a community forum entitled “Building Inclusiveness in Our Diverse Community” (Moose Jaw, Saskatchewan), and many more. Representatives from the City of Calgary were invited to participate in a workshop at the 2011 General Conference of the European Coalition of Cities against Racism and Discrimination held in the City of Ghent, Belgium, to present the City’s CARE Strategy.

The Canadian Commission for UNESCO also prepared a toolkit that provides practical information to support the work of municipalities and their partners in strengthening their local initiatives and policies against racism and discrimination in the context of CCMARD. Launched in February 2012, the development of the toolkit was supported by the Racism-Free Workplace Strategy (RFWS) of HRSDC, the Canadian Association of Statutory Human Rights Agencies (CASHRA), the Canadian Race Relations Foundation (CRRF), the National Film Board of Canada (NFB) as well as Human Rights Commissions in Alberta, Saskatchewan and Ontario.



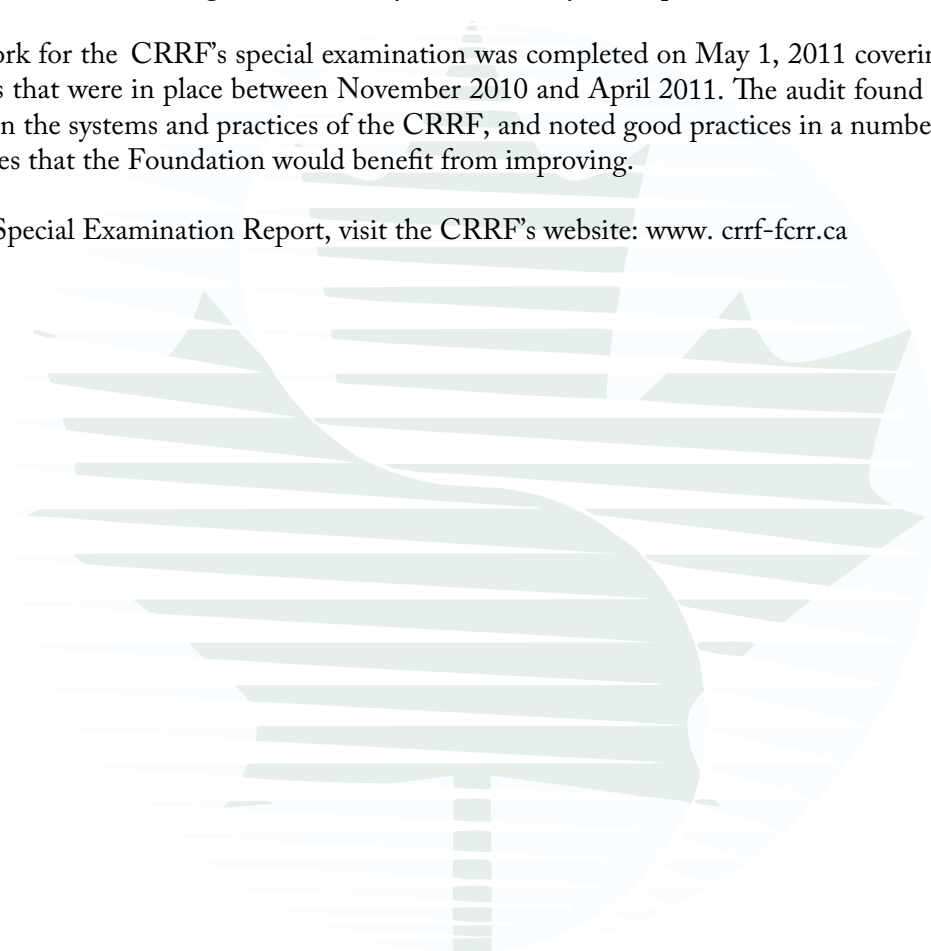


## Special Examination Report

Under section 138 of the Financial Administration Act (FAA), federal Crown corporations are subject to a special examination once every 10 years in which the Auditor General of Canada provides an opinion on the management of the corporation as a whole. The examination's focus seeks to answer the question: Do the Corporation's systems and practices provide reasonable assurance that assets are safeguarded and controlled, resources are managed economically and efficiently, and operations are carried out effectively?

The audit work for the CRRF's special examination was completed on May 1, 2011 covering the systems and practices that were in place between November 2010 and April 2011. The audit found no significant deficiencies in the systems and practices of the CRRF, and noted good practices in a number of areas, and some practices that the Foundation would benefit from improving.

For the full Special Examination Report, visit the CRRF's website: [www.crrf-fcrr.ca](http://www.crrf-fcrr.ca)





## Financial Management Discussion and Analysis 2011-2012

The financial statements for 2011-12 with comparable figures for 2010-11 have been prepared using Canadian public sector accounting standards for government not-for-profit organizations. As a result of the conversion to the public sector accounting standards there are significant changes to the manner in which financial results are recognized and measured in the financial statements.

### Statement of Financial Position Discussion

	2012 March 31	2011 March 31	Changes	
	\$	\$	\$	%
<b>Assets</b>				
Cash	393,368	206,836	186,532	90
Investments	24,074,986	24,577,280	(502,294)	(2)
Prepaid expenses, receivables and inventories	186,928	62,541	124,387	199
Capital assets	47,509	35,220	12,289	35
<b>Total Assets</b>	<b>24,702,791</b>	<b>24,881,877</b>	<b>(179,086)</b>	<b>(1)</b>
<b>Liabilities and Net Assets</b>				
Accounts payable and accrued liabilities	36,769	32,078	4,691	15
Salaries and employees future benefits payable	34,493	30,208	4,285	14
Deferred contributions and deferred revenues	216,294	99,032	117,262	118
Obligation under capital lease	6,962	9,093	(2,131)	(23)
Net assets	24,408,273	24,711,466	(303,193)	(1)
<b>Total Liabilities and Net Assets</b>	<b>24,702,791</b>	<b>24,881,877</b>	<b>(179,086)</b>	<b>(1)</b>

### Assets

**Cash** is composed of cash at banks, cash balances held by the Foundation's investment managers, and cash for "the Diversity and Equity Leadership Institute (DELI) for Ontario School System Leaders" project in a restricted bank account. Total Cash increased \$186,532 from March 31, 2011 primarily due to advanced contribution received close to the year end from Ontario Ministry of Education for the "DELI" project of \$165,000 and unspent cash in the investment manager's accounts.





## Statement of Financial Position Discussion (continued)

**Investments** have decreased 2% compared to the investment value at March 31, 2011. This is mainly due to the decrease in fair value of the Foundation's investments. For the year March 31, 2012, the combined portfolio returned 2.04% or \$491,016 (2011 - 8.4% or \$1,975,617) after all fees, realized gains on sale of investments of \$156,196, and realized losses on foreign exchange of \$65,300. The return rate excluding the remeasurement losses is 3.6% or \$870,115.

**Prepaid expenses, receivables and inventories** are mainly prepaid expenses, trade accounts receivable, refunds of Federal Government's Goods and Services Tax (GST), Ontario Government's Harmonized Sales Tax (HST), and the cost of inventories of the Foundation's publications. The 2012 prepaid expenses, receivables and inventories increased \$124,387 compared to 2011. This is primary due to a receivable from the Department of Citizenship and Immigration Canada for "the Interfaith and Belonging" project of \$103,006 and a receivable from I3 Advisors Inc. for overcharging investment management fee of \$31,183, offset by decreases in the inventories of publication value, GST and HST refunds.

The **Capital assets** are the net book value of office furniture and equipment, computer hardware and software, and artwork. The net increase of capital assets in 2011-12 is for costs of upgrading the Foundation's server of \$ 20,790 and office furniture of \$1,011 reduced by the annual amortization of all assets of \$9,512.

## Liabilities

**Accounts payable and accrued liabilities** represent amounts payable to suppliers and year end expense accruals. There is an increase in accounts payable and accrued liabilities of \$4,691 at March 31, 2012. This is the net result of an increase of \$23,186 in accounts payable offset by a decrease of \$18,495 in accrued expenses.

**Salaries and employees future benefits payable** are vacation and severance pay accruals owed to employees. It is made up of accruals in current liabilities of \$21,652 and severance pay of \$12,841. There is an increase in salaries payable of \$4,285 in 2011-12 compared to 2010-11. This is mainly due to an increase in accrual for salaries and benefits in 2011-12.

**Deferred contributions and deferred revenues** is made up of unspent balance of contributions received by the Foundation for the "DELI" project from the Ontario Ministry of Education of \$167,159, deferred revenues for training workshops on "the Foundations of Equity and Anti-Racism in Education program" for Durham District School Board of \$6,000 and Halton Catholic District School Board of \$6,500, subscriptions received in advance of \$2,020, and education and training center fund of \$34,615. There is an increase of \$117,262 in 2011-12 for deferred contributions and deferred revenues compared to 2010-11. This is mainly due to increase in the advanced contributions received for the "DELI" project of \$112,655.

**Obligation under capital lease** is the balance of capital repayment owed for the office equipment under lease of \$6,962. This is for the printer/copier lease which started at the end of 2009-10. The \$2,131 decrease represents the current year lease obligation payments.

**Net Assets** decreased 1% in 2011-12 (2010-11, 5% increase) mainly due to the excess of revenues over expenses of \$75,906 for the year, offset by remeasurement losses on investments portfolio of \$379,099.



## Statement of Operations Discussion

	2012 March 31	2011 March 31	Changes	
	\$	\$	\$	%
<b>Revenues</b>				
Funded projects	217,446	165	217,281	n/a
Workshops	94,365	33,957	60,408	178
Sponsorships, donations and contributions, honoraria and fundraising gala	7,025	6,250	775	12
Publications	575	1,800	(1,225)	(68)
<b>Total Revenues</b>	<b>319,411</b>	<b>42,172</b>	<b>277,239</b>	<b>657</b>
<b>Net investment gain</b>				
Investment income earned	713,919	563,514	150,405	27
Changes in fair value - realized	156,196	439,092	(282,896)	(64)
Changes in fair value - unrealized	-	973,011	(973,011)	n/a
<b>Net investment gain</b>	<b>870,115</b>	<b>1,975,617</b>	<b>(1,105,502)</b>	<b>(56)</b>

Revenues from **Funded projects** represent payments received by the Foundation from the Department of Citizenship and Immigration Canada for “the Interfaith and Belonging” project of \$141,621 and from the Ontario Ministry of Education for “the Diversity and Equity Leadership Institute (DELI) for Ontario School System Leaders” project of \$75,825. Both projects started in 2011-12.

Revenues from **Workshops** represent fees and in-kind contributions received by the Foundation for conducting education and training sessions. This year revenues from workshops include in-kind contributions of \$79,909 (2011 - \$6,977) and fees for conducting education and training sessions of \$12,025 (2011- \$26,980).

Revenues from **Sponsorships, donations and contributions, honoraria and fundraising gala** relate to honoraria received from public speaking engagements, donations and revenues from sponsorships and fundraising gala. In 2011-12 the donations included to the revenues were \$6,025 compared to \$1,750 in 2010-11.



## Statement of Operations Discussion (continued)

Revenues from **Publications** are sale proceeds of publications and subscriptions for *DIRECTIONS*. Publications sales in 2011-12 were lower due to less demand for publications and postponement of *DIRECTIONS* publication.

**Net investment income gain:** The Foundation's primary source of income is derived from the investment income earned on the investment of the original contribution of \$24 million. Investment income earned includes interest, realized gains (losses) on sale of investments, dividends, distributions from pooled fund units, gain/loss on foreign exchange net after portfolio management fees. Investment income earned for 2011-12 is \$ 713,919 a increase of \$150,405 from 2010-11. This is mainly due to the decrease of the realized losses on foreign exchange.

**Changes in fair value** of investments include realized gain on sales of investments of \$156,196 compared with realized gain of \$439,092 in 2010-2011, a decrease of \$282,896. This is mainly due to the continued instability in the global equity markets in 2011-2012.

In 2011-12, with adaptation of the public sector accounting standards by the Foundation, unrealized gains on investments measured at fair value are recognized in the Statement of Remeasurement Gains and Losses, rather than the Statement of Operations. Unrealized changes in fair value of the investments in 2011-12 were -\$ 469,504 (2011 - \$973,011).

	2012 March 31	2011 March 31	Changes	
<b>Expenses</b>	\$	\$	\$	%
Salaries and benefits	452,393	492,277	(39,884)	(8)
Funded projects	279,692	165	279,527	n/a
Rent	160,728	110,070	50,658	46
Board of Directors honoraria and travel	67,394	80,671	(13,277)	(16)
Professional fees	65,884	41,352	24,532	59
Office and general, conference, symposium and others	62,306	69,476	(7,170)	(10)
Communication	25,223	23,906	1,317	6
Award of Excellence symposium and fundraising gala	-	56,682	(56,682)	(100)
<b>Total Expenses</b>	<b>1,113,620</b>	<b>874,599</b>	<b>239,021</b>	<b>27</b>



## Statement of Operations Discussion (continued)

The Foundation's total expenses were \$1,113,620 for the 2011-2012 year with the three main uses of funds being salaries and benefits, funded projects and rent expenses, totaling \$452,393, \$279,692 and \$160,728 respectively.

There was \$39,884 decrease in **Salaries and benefits** expenses compared to 2010-11, mainly due to the allocation of the staff times to the funded projects of \$40,396. During the year one new contract position was created for "the Interfaith and Belonging" project and one employee returned from long term disability (LTD) leave while another employee went on the LTD leave. The 2011-12 salaries and benefits expenses include in-kind value of YMCA internship program at the Foundation of \$18,520 (2011, \$0).

**Rent** expense for the office space increased by \$50,658 due to cancelation of the sublet of office space by the sublet tenant and annual rent increase. In 2010-11 sublet income was \$46,075.

Honoraria and expenses for the **Board of Directors** have decreased by \$13,277. The 2011-12 expenses include two Directors' face to face meetings in May (Toronto) 2011 and January (Montreal) 2012, in addition to teleconferences meetings throughout the year. The value of in-kind contributions from the board members has not been included in the expenses.

**Office and general, conference, symposium and others expenses** decreased by \$7,170, mainly due to the Foundation's administration fees of \$15,576 received from the funded projects and credited to these expenses.

**Professional fees** are for legal, accounting and corporate services fees. The increase of \$24,532 in professional fees is the net result of an increase in accounting fees of \$46,043, offset by a decrease in legal fees of \$9,810 and a decrease in corporate services fees of \$11,701. Accounting fees in 2011-12 include Grant Thornton LLP fees for the Foundation's internal audit of \$25,703 and the KPMG fees for the consultation in the conversion of the Foundation's financial reporting to PSAS of \$29,358. Legal fees were decreased because of there were fewer employment related legal consultations in 2011-12. There was no corporate services fees expense in 2011-2012.

**Communications** are public and media relations expenses. There were no significant changes to these expenses in 2011-12.

**The Award of Excellence symposium and gala** is an event held every other year. There was no event in 2011-12.



## Outlook for the Future

### Fiscal Year 2012-2013

The Canadian Race Relations Foundation continues to fund its operations through the investment income. In 2012-2013 the Foundation will continue the implementation of “the Interfaith and Belonging” project, funded by the Department of Citizenship and Immigration Canada. The Foundation, in partnership with Anima Leadership, will start delivery of Phase II of the “Diversity and Equity Leadership Institute for Ontario School System Leaders” project, funded by the Ontario Ministry of Education, which will be delivered in nine different locations in Ontario.

In October 2012 the Foundation will hold the Award of Excellence & symposium in Halifax, Nova Scotia. This is the eight anniversary of the program to recognize achievement and Best Practices in equity and anti-racism. The symposium will be followed by a meeting of the Foundation’s Board of Directors.

The Foundation has an approved operating revenues budget of \$1,325,000 and expenditures budget of \$1,411,000 for 2012-13. The approved budget for the year is closely monitored by senior management and the Board of Directors. We review and monitor budget variance reports on regular basis. Adjustments are made as required, and expenditures are consistent with the approved budget and are according to Board resolutions and guidelines of the Treasury Board. Quarterly financial statements and related notes are also prepared in accordance with the Treasury Board standards and are posted in the Foundation website.

The Foundation’s programs and activities are designed in accordance with the Foundations’ Strategic Plan for 2011 to 2014. A key component in the Plan is the development and implementation of the Foundation’s role as a clearing house. We are committed to the strengthening of strategic alliances with sister Crown corporations, federal and provincial government departments and agencies, community groups, and relevant sectors of Canadian society. Our outlook for 2012-2013 is premised on cooperation with our partners and stakeholders with the objective of fulfilling the Foundation’s business plan and priorities.



## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The preparation of the financial statements of the Canadian Race Relations Foundation in accordance with Canadian public sector accounting standards is the responsibility of management. These financial statements have been approved by the Board of Directors. An external auditor conducts an audit of the financial statements and reports to the Minister of Citizenship, Immigration and Multiculturalism on an annual basis. The financial statements include some amounts that are necessarily based on management's best estimates and judgement. Financial information presented elsewhere in the annual report is consistent with that contained in the financial statements.

Management is also responsible for the financial reporting process that produces the financial statements. In support of its responsibility, management has developed and maintained books of accounts, records, financial and management controls and information systems. These are designed to provide reasonable assurance that the Foundation's resources are managed prudently, that its assets are safeguarded and controlled, and that its financial information is reliable and to ensure that transactions are in accordance with subsection 105(2) and sections 113.1, 131 to 148 and 154.01 of Part X of the *Financial Administration Act* and regulations, the *Canadian Race Relations Foundation Act*, and the articles and by-laws of the Foundation.

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting as stated above. The Board carries out its responsibilities mainly through the Finance and Audit Committee. The Committee meets with management and the external auditor to review internal controls, financial reports, and other relevant financial matters. The Auditor General of Canada conducts an independent audit, in accordance with Canadian generally accepted auditing standards, and expresses his opinion on the financial statements. His report is presented on the following page.

Ayman Al-Yassini  
Senior Executive Vice President

July 27, 2012

Arsalan Tavassoli MA, CGA  
Finance and Administration Director

July 27, 2012



## INDEPENDENT AUDITOR'S REPORT

To the Minister of Citizenship, Immigration and Multiculturalism

### Report on the Financial Statements

I have audited the accompanying financial statements of the Canadian Race Relations Foundation, which comprise the statements of financial position as at 31 March 2012, 31 March 2011 and 1 April 2010, and the statements of operations, statements of changes in net assets and statements of cash flows for the years ended 31 March 2012 and 31 March 2011, and statement of remeasurement gains and losses for the year ended 31 March 2012, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

.../2



I believe that the audit evidence I have obtained in my audits is sufficient and appropriate to provide a basis for my audit opinion.

### *Opinion*

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Canadian Race Relations Foundation as at 31 March 2012, 31 March 2011 and 1 April 2010, and the results of its operations and its cash flows for the years ended 31 March 2012 and 31 March 2011, and its remeasurement gains and losses for the year ended 31 March 2012, in accordance with Canadian public sector accounting standards.

### **Report on Other Legal and Regulatory Requirements**

As required by the *Financial Administration Act*, I report that, in my opinion, the accounting principles in Canadian public sector accounting standards have been applied, after giving retroactive effect to the adoption of the new standards as explained in Note 3 to the financial statements except for the change in the method of accounting for financial instruments and foreign currency translation, on a basis consistent with that of the preceding year.

Further, in my opinion, the transactions of the Canadian Race Relations Foundation that have come to my notice during my audits of the financial statements have, in all significant respects, been in accordance with the applicable provisions of Part X of the *Financial Administration Act* and regulations, the *Canadian Race Relations Foundation Act*, and the articles and by-laws of the Canadian Race Relations Foundation.

Sylvain Ricard, CA  
Assistant Auditor General  
for the Auditor General of Canada

27 July 2012  
Ottawa, Canada





## CANADIAN RACE RELATIONS FOUNDATION

### Statement of Financial Position

As at March 31, 2012

	2012 March 31	2011 March 31	2010 April 1
	\$	\$	\$
<b>Assets</b>			
<b>Current Assets</b>			
Cash	393,368	206,836	11,787
Prepaid expenses	7,361	8,317	7,340
Receivable and inventories (note 4)	179,567	54,224	42,437
Investments (note 5)	292,926	454,563	603,143
	873,222	723,940	664,707
Investments (note 5)	23,782,060	24,122,717	22,993,508
Capital assets (note 8)	47,509	35,220	38,222
	<b>24,702,791</b>	<b>24,881,877</b>	<b>23,696,437</b>
<b>Liabilities and Net Assets</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	36,769	32,078	36,474
Accrued salaries	21,652	20,185	33,779
Deferred contributions and deferred revenues (note 10)	216,294	99,032	39,137
	274,715	151,295	109,390
Obligation under capital lease (note 9)	6,962	9,093	11,254
Employees future benefits (note 11)	12,841	10,023	7,517
	294,518	170,411	128,161
<b>Net assets:</b>			
Unrestricted	746,825	685,339	(458,692)
Invested in capital assets (note 15)	40,547	26,127	26,968
Accumulated remeasurement losses	(379,099)	-	-
Restricted for endowment purposes (note 12)	24,000,000	24,000,000	24,000,000
	24,408,273	24,711,466	23,568,276
	<b>24,702,791</b>	<b>24,881,877</b>	<b>23,696,437</b>
Contractual obligations (note 13)			

The accompanying notes are an integral part of the financial statements.

Albert Lo, Director

Ashraf Ghanem, Director



## CANADIAN RACE RELATIONS FOUNDATION

### Statement of Operations

For the year ended March 31, 2012

	2012 March 31	2011 March 31
<b>Revenues</b>	\$	\$
Funded projects	217,446	165
Workshops	91,934	33,957
Sponsorships, donations and contributions, honoraria and fundraising gala	7,025	6,250
Project - competencies for the management of diversity	2,431	-
Publications & Misc. revenue	575	1,800
	319,411	42,172
<b>Expenses (note 19)</b>		
Programs expenses	463,946	459,878
Funded projects	279,692	165
Administration expense	174,398	166,375
Operating expenses	94,485	79,260
Board of directors meetings	67,394	80,671
Conferences, symposia and consultations	19,912	23,951
Information systems and development	8,030	4,983
Public education	3,445	(2,708)
Staff recruitment and development	1,262	1,414
Finance cost	809	1,568
Education and training	247	2,360
Award of Excellence symposium and fundraising gala	-	56,682
	1,113,620	874,599
<b>Deficiency of revenues over expenses before net investment gain</b>	(794,209)	(832,427)
Net investment gain (note 14)	870,115	1,975,617
<b>Excess of revenues over expenses</b>	75,906	1,143,190

The accompanying notes are an integral part of the financial statements.



## CANADIAN RACE RELATIONS FOUNDATION Statement of Remeasurement Gains and Losses For the year ended March 31, 2012

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	<b>2012 March 31</b>
	\$
Accumulated remeasurement gains, beginning of year	—
Unrealized losses attributed to investment portfolio	(469,504)
Unrealized gains attributed to foreign exchange	90,405
<b>Accumulated remeasurement losses, end of year</b>	<b>(379,099)</b>

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The accompanying notes are an integral part of the financial statements.



## CANADIAN RACE RELATIONS FOUNDATION

### Statement of Changes in Net Assets

For the year ended March 31

2012	Unrestricted	Invested in capital assets	Accumulated remeasurement gains (losses)	Endowment	2012
	\$	\$	\$	\$	\$
Net assets, beginning of the year	685,339	26,127	-	24,000,000	24,711,466
Excess of revenues over expenses	75,906	-	-	-	75,906
Remeasurement losses	-	-	(379,099)	-	(379,099)
Net changes in invested in capital assets (note 15)	(14,420)	14,420	-	-	-
<b>Net assets, end of the year</b>	<b>746,825</b>	<b>40,547</b>	<b>(379,099)</b>	<b>24,000,000</b>	<b>24,408,273</b>

2011	Unrestricted	Invested in capital assets	Endowment	2011
	\$	\$	\$	\$
Net assets, beginning of the year	(424,077)	26,968	24,000,000	23,602,891
Adjustment to net assets (note 3)	(34,615)	-	-	(34,615)
Net assets, beginning of the year as currently reported	(458,692)	26,968	24,000,000	23,568,276
Excess of revenues over expenses (note 3)	1,143,190	-	-	1,143,190
Net changes in invested in capital assets (note 15)	841	(841)	-	-
<b>Net assets, end of year</b>	<b>685,339</b>	<b>26,127</b>	<b>24,000,000</b>	<b>24,711,466</b>

The accompanying notes are an integral part of the financial statements.



## CANADIAN RACE RELATIONS FOUNDATION

### Statement of Cash Flows

For the year ended March 31, 2012

	2012 March 31	2011 March 31
	\$	\$
<b>Operating activities:</b>		
Excess of revenues over expenses	75,906	1,143,190
Items not affecting cash:		
Amortization	9,512	6,695
Realized losses on foreign exchange	65,300	172,013
Realized gains on sale of investments and changes in fair value of investments (note 14)	(156,196)	(1,412,103)
	(5,478)	(90,205)
<b>Changes in non-cash operating assets and liabilities:</b>		
(Increase) decrease in prepaid expenses	956	(977)
(Increase) in receivables and inventories	(125,343)	(11,787)
Increase (decrease) in accounts payable and accrued liabilities, accrued salaries and employees future benefits	8,976	(15,484)
Increase in deferred contributions and deferred revenues	117,262	59,895
Net cash used in operating activities	(3,627)	(58,558)
<b>Capital activities:</b>		
Addition to capital assets	(21,801)	(3,693)
Repayment of capital lease obligations	(2,131)	(2,161)
Net cash used in capital activities	(23,932)	(5,854)
<b>Investing activities:</b>		
Proceeds from sale of investments	5,705,432	9,811,078
Purchase of investments	(5,491,341)	(9,551,617)
Net cash provided by investing activities	214,091	259,461
<b>Increase in cash</b>	<b>186,532</b>	<b>195,049</b>
Cash, beginning of year	206,836	11,787
Cash, end of year	393,368	206,836

Note 1: \$474,545 interest received is included in the net cash flow from operating activities (2011 - \$612,051)

Note 2: There is no gain or loss on disposable tangible assets.

The accompanying notes are an integral part of the financial statements.



## Canadian Race Relations Foundation

Notes to Financial Statements

Year ended March 31, 2012

### 1. Description of organization:

The Canadian Race Relations Foundation (“the Foundation”) was established by way of federal government legislation (Bill C-63 “The Canadian Race Relations Foundation Act”, 1991).

The purpose of the Foundation is to facilitate, throughout Canada, the development, sharing and application of knowledge and expertise in order to contribute to the elimination of racism and all forms of racial discrimination in Canadian society.

The Foundation’s Education and Training Centre develops and delivers diversity, equity, and human rights education and training within an anti-racism framework.

The Foundation is a registered charity under the Income Tax Act and, as such, is not subject to income tax.

### 2. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations. The significant accounting policies of the Foundation are as follows:

#### (a) Basis of presentation:

The Foundation has prepared the financial statements applying the Section 4200 series of Canadian public sector accounting standards applicable to government not-for-profit organizations.

The Foundation applies the deferral method of accounting for contributions for not-for-profit organizations.

#### (b) Revenue recognition:

##### (i) Donations and contributions:

Donations and contributions are comprised of contributions received from non-government entities that are not part of the federal government reporting entity, such as individuals and foundations.

Unrestricted donations and contributions are recognized as revenue on the Statement of Operations when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations and contributions externally restricted for specific purposes are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations in the period in which the related expenditures are recognized. Restricted investment income from invested donations and contributions, if any, is recognized as income in the Statement of Operations in the year that the related expenditures are recognized.



## 2. Significant accounting policies (continued):

### (b) Revenue recognition (continued):

Endowment is a restricted contribution subject to externally imposed stipulations specifying that the resources contributed are to be maintained permanently as specified.

### (ii) Net investment income:

Investment transactions are accounted for on a trade-date basis. Trade-date accounting refers to the recognition of an asset to be received and the liability to pay for it on the trade date; and the derecognition of an asset that is sold, recognition of any gain or loss on disposal, and the recognition of a receivable from the buyer for payment on the trade date.

Investment income includes interest from cash, interest from fixed income investments, dividends, distributions from pooled funds and realized changes in the fair value of investments classified in the fair value category. Unrealized changes in the fair value of investments classified in the fair value category are recognized by the Foundation in the Statement of Remeasurement Gains and Losses.

Interest from cash and fixed income investments are recognized as revenue when earned. Dividends are recognized as revenue on the ex-dividend date. Distributions are recognized as revenue on the date the distribution is declared.

Transaction costs, such as brokerage commissions incurred in the purchase and sale of investments are expensed as incurred and charged to investment income for investments recorded in the fair value category.

Investment counsel fees are expensed as incurred and charged to investment income.

### (iii) Sponsorships:

Unrestricted sponsorships are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted sponsorships are deferred and recognized as revenue in the year in which the related obligations are fulfilled. Revenues and offsetting expenses from goods and services received in-kind are recorded at fair market value upon receipt.

### (iv) Donation in kind:

Donated materials and services are recognized in these financial statements when a fair value can be reasonably estimated and when the donated materials and services are used in the normal course of the Foundation's operations and would otherwise have been purchased.

### (v) Volunteer services:

The Foundation records the fair value of revenue and offsetting expenses of volunteer services in its financial statements if the fair value of volunteer services can be reasonably estimated. If the fair value cannot be estimated, a footnote disclosure is provided in the notes to financial statements.



## 2. Significant accounting policies (continued):

### (vi) Other revenues:

Revenues from honoraria, fundraising gala, publications, workshops and funded projects are recognized in the year in which the services or events relating thereto takes place. Funds received in return for future services or events are deferred.

### (c) Cash, receivables and accounts payable and accrued liabilities

Cash is recorded by the Foundation at amortized cost. Receivables, and accounts payable and accrued liabilities are classified in the cost category and measured using the effective interest method. Any gains, losses or interest expense related to accounts payable and accrued liabilities are recorded in the excess of revenues over expenses depending on the nature of the financial liability that gave rise to the gain, loss or expense.

### (d) Financial assets and financial liabilities

The Foundation's financial assets and financial liabilities consist of cash, investments, receivables, accounts payable and accrued liabilities, accrued salaries, deferred revenue and deferred contributions and obligation under capital lease. Investments have been classified in the fair value category based on the policies described below. Other financial assets and financial liabilities are carried at amortized cost.

Investments consist of fixed income investments, equities and pooled funds. All investments have been classified in the fair value category and are recorded at fair value as active management of the investment portfolio including capitalizing on short-term pricing opportunities is integral to generating funding for the Foundation. These investments are recognized at fair value through the Statement of Remeasurement Gains and Losses at each period end. Gains and losses on these investments are recognized in the Statement of Operations when the financial asset is derecognized due to disposal or impairment.

### (e) Determination of fair values:

The fair value of the Foundation's assets and liabilities accounted for are based on market measurement on March 31. Fair values of investments are determined by reference to published price of the most recent transaction in an active market at year end representing by the full price for fixed income investments and the closing price for equities and by reference to transactional net asset values for pooled funds.

The transactional net asset value per unit of a pooled fund is calculated by dividing the net assets of the fund (based on closing market prices) by the total number of units outstanding.





## 2. Significant accounting policies (continued):

### (e) Determination of fair values (continued):

Portfolio investments are reported at fair value. Unrealized changes in the fair value of portfolio investments are recognized in the Statement of Remeasurement Gains and Losses. Once realized, the cumulative gain or loss previously recognized in the Statement of Remeasurement Gains and Losses are recorded in net investment income on an average cost basis for the year. Purchases and dispositions of portfolio investments are recorded on the trade date. Management fees paid are expensed in the year.

### (f) Inventories:

The Foundation records its inventories of publications for resale at the lower of cost or net realizable value at the year-end date. The Foundation uses the “specific identification of cost method” of assigning costs to its ending inventories. This method requires the amount of specific inventory on hand be multiplied by its actual production cost to calculate the amount of ending inventory cost.

### (g) Capital assets:

Capital assets are recorded at acquisition cost. Assets under capital lease are recorded at the present value of the minimum lease payments and are amortized over the term of the lease. Except for the assets under capital lease, amortization is provided for over the estimated useful lives of the assets on a straight-line basis as follows:

Assets	Estimated Useful Lives
Office furniture and equipment	5 years
Office equipment under capital lease	Over the term of the lease
Computer hardware	3 years
Artwork	No amortization is provided
Computer software	3 years
Database development	3 years

### (h) Foreign currency translation:

Transactions in a foreign currency are translated to Canadian dollars at the rate of exchange prevailing at the transaction date and included in the Statement of Operations. The fair value of investments quoted in a foreign currency and accounts denominated in a foreign currency are translated into Canadian dollars at the rates prevailing at the end of the year. Foreign exchange gains or losses prior to the derecognition of a financial asset or the settlement of a financial liability are recognized in the Statement of Remeasurement Gains and Losses. Foreign exchange gains or losses are recognized on the Statement of Operations in net investment income upon derecognition of a financial asset or the settlement of a financial liability.



## 2. Significant accounting policies (continued):

### (i) Employees future benefits:

The Foundation does not have any obligations for retirement benefits (pensions and other retirement benefits, such as extended health care and life insurance benefits, or any other form of compensation offered for services rendered) to its employees or a promise to provide these benefits to employees because of retirement in return for their services.

### (j) Severance benefits:

Employees are entitled to severance benefits, when as provided for under labour contracts and conditions of employment. The cost of these benefits is accrued as the employees render the services necessary to earn them. Management determined the accrued benefit obligation using a method based upon assumptions and its best estimates. These benefits represent an obligation of the Foundation that entails settlement by future payments.

### (k) Measurement uncertainty:

The preparation of financial statements in accordance with Canadian public sector accounting standards applicable for government not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses for the year. Employees future benefits, fair value of investments, and estimated useful lives of capital assets are the most significant items where estimates are used. Actual results could differ significantly from those estimated.

### (l) Contingent liabilities:

In the normal course of its operations, the Foundation becomes involved in various claims or legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, a liability will be accrued and an expense recorded in the Foundations' financial statements. No amount has been included in the Statement of Financial Position for contingent liabilities. At March 31, 2012, there are no outstanding claims.

### (m) Functional allocation of expenses:

The Foundation's operations are performed by functional areas that provide integrated services to its various programs. Expenses are reported by function or major program and in total on the accompanying Statement of Operations and are disclosed by the detail of expenses by object and in total in the schedule in note 19 to financial statements. This schedule outlines the major types of expenses incurred.

Allocations of expenses are made to other functions based on the Foundation's activities and programs. The rates adopted for the allocation of expenses among functions, the nature of the expenses being allocated and the basis on which such allocations have been made are as follows.



## 2. Significant accounting policies (continued):

### (m) Functional allocation of expenses (continued):

<b>2012 Expense</b>	<b>Amount (\$)</b>	<b>Allocation rate (%)</b>	<b>Function</b>	<b>Amount (\$)</b>
Salaries and benefits	452,393	75%	Program expenses	339,295
		25%	Administration expenses	113,098
Funded projects	279,692	100%	Funded projects	279,692
Rent	160,728	65%	Program expenses	104,473
		35%	Administration expenses	56,255
Board of Directors honoraria and travel	67,394	100%	Board of Directors meetings	67,394
Professional fees	65,884	100%	Operating expenses	65,884
Communication	25,223	80%	Program expenses	20,178
		20%	Administration expenses	5,045
Conferences, symposia and consultations	19,912	100%	Conferences, symposia and consultations	19,912
Office and general	19,089	100%	Operating expenses	19,089
Amortization	9,512	100%	Operating expenses	9,512
Information systems and development	8,030	100%	Information systems and development	8,030
Public education	3,445	100%	Education and training	3,445
Staff recruitment and development	1,262	100%	Staff recruitment and development	1,262
Interest expenses	809	100%	Finance cost	809
Education and training center	247	100%	Education and training	247
	<b>1,113,620</b>			<b>1,113,620</b>



## 2. Significant accounting policies (continued):

(m) functional allocation of expenses (continued):

### 2011

Expense	Amount (\$)	Allocation rate (%)	Function	Amount (\$)
Salaries and benefits	492,277	75%	Program expenses	369,208
			Administration expenses	123,069
Rent	110,070	65%	Program expenses	71,545
			Administration expenses	38,525
Board of Directors honoraria and travel	80,671	100%	Board of Directors meetings	80,671
Award of Excellence symposium and fundraising gala	56,682	100%	Award of Excellence symposium and fundraising gala	56,682
Professional fees	41,352	100%	Operating expenses	41,352
Office and general	31,213	100%	Operating expenses	31,213
Communication	23,906	80%	Program expenses	19,125
			Administration expenses	4,781
Conferences, symposia and consultations	23,951	100%	Conferences, symposia and consultations	23,951
Amortization	6,695	100%	Operating expenses	6,695
Information systems and development	4,983	100%	Information systems and development	4,983
Staff recruitment and development	1,414	100%	Staff recruitment and development	1,414
Interest expenses	1,568	100%	Finance cost	1,568
Education and training center	2,360	100%	Education and training	2,360
Funded projects	165	100%	Funded projects	165
Public education	(2,708)	100%	Education and training	(2,708)
	<b>874,599</b>			<b>874,599</b>



### 3. Adoption of new accounting standards:

Effective April 1, 2011, the Foundation adopted the Canadian public sector accounting standards applicable for government not-for-profit organizations. These standards were adopted retroactively and therefore the 2010 opening balances and 2011 comparative financial statements have been restated. In addition, effective April 1, 2011 the Foundation early adopted Sections PS 3041 *Portfolio investments*, PS 2601 *Foreign currency translation*, and PS 3450 *Financial instruments* on a prospective basis.

#### First-time adoption by government organizations

A government organization in its first-time adoption of Canadian public sector accounting standards may elect to apply one or more of exemptions under the CICA PSA Handbook Section 2125. PS2125.08 provides the following exemptions to retroactive application of the PSA standards by government organizations upon transition:

- i. Retirement and post-employment benefits;
- ii. Business combinations;
- iii. Investments in government business enterprises;
- iv. Government business partnerships; and
- v. Tangible capital asset impairment.

The Foundation elected not to apply any of the above exemptions. The exemption under the (i) above is not being applied as the Foundation does not have significant accrued benefit obligations determined through applying a discount rate, nor does it have actuarial gains and losses which are being amortized. Other exemptions are not relevant to the Foundation's operation or assets.

#### Key adjustments resulting from the adoption of these accounting standards are as follows:

- (a) Other comprehensive income is not recognized under public sector accounting standards applicable for a government not-for-profit organization. Consequently, other comprehensive income is no longer reported on the Foundation's Statement of Operations. The 2010 opening balances and 2011 comparative financial statements have been adjusted to record amounts previously recognized as other comprehensive income as deferred contributions and deferred revenues.

The resulting adjustment to the 2010 opening balances is a reallocation of accumulated other comprehensive income of \$34,615 to deferred contributions and deferred revenues. For 2011 comparative financial statements, the amount recognized in other comprehensive income of \$2,775 has been reversed from the Statement of Operations and the amount in accumulated other comprehensive income of \$37,390 in the Statement of Financial Position has been reallocated to deferred contributions and deferred revenues.

- (b) Based upon the Canadian public sector accounting standards applicable for a government not-for-profit organization, the net assets of the Foundation include its investment in capital assets,



### 3. Adoption of new accounting standards (continued)

funds restricted due to endowment, and unrestricted net assets. The 2011 financial statements have been amended to separately disclose each of these elements of the net assets in the Statement of Financial Position as well as the Statement of Change in Net Assets. This has no impact on the Foundation's net assets or excess of revenues over expenses.

#### The impact of these restatements on the 2011 comparative financial statements is as follows:

	2011 CICA Accounting Handbook Part V	Conversion Adjustments Increase(decrease)	2011 PSA Standards for not-for-profit organizations	
<b>Statement of Financial Position:</b>	\$	\$	\$	
<b>Liabilities:</b>				
Deferred contributions and deferred revenues beginning of the year	61,642	(34,615)	-	(a)
Deferred contributions and deferred revenues end of the year	-	(2,775)	99,032	(a)
<b>Net Assets:</b>				
Net assets, beginning of the year	23,602,891	(34,615)	23,568,276	(a)
Net assets, end of the year	24,748,856	(37,390)	24,711,466	(a)
<b>Statement of Operations:</b>				
Net operating gain	1,143,190	(1,143,190)	-	
Excess of revenues over expenses	-	1,143,190	1,143,190	
Other comprehensive income	2,775	(2,775)	-	(a)



## 4. Inventories:

The inventories on hand consist of the Foundation's publications in hardcopy and DVD format package intended for resale. At March 31, 2012 the cost of inventories is \$3,445 (2011 - \$6,890, 2010 April 1 - \$0).

## 5. Investments:

March 31, 2012	Fair Value
Fixed income investments - Canadian	\$ 8,259,287
Fixed income investments - Foreign	142,731
Equity securities- Canadian	2,150,505
Equity securities- Foreign	9,291,468
Pooled fund units	4,230,995
	<b>\$ 24,074,986</b>

March 31, 2011	Fair Value
Fixed income investments - Canadian	\$ 8,425,007
Fixed income investments - Foreign	137,967
Equity securities- Canadian	2,239,785
Equity securities- Foreign	9,206,341
Pooled fund units	4,568,180
	<b>\$ 24,577,280</b>

April 1, 2010	Fair Value
Fixed income investments - Canadian	\$ 9,100,419
Fixed income investments - Foreign	161,567
Equity securities- Canadian	2,214,218
Equity securities- Foreign	8,552,856
Pooled fund units	3,567,591
	<b>\$ 23,596,651</b>

Canadian fixed income investments have effective interest rates ranging from 1.43 % to 10.95% (2011 - 0.2% to 9.2%, 2010 - 0.2% to 6.2%), with maturity dates ranging from April 10, 2012 to



## 5. Investments (continued):

December 14, 2105 (2011 – April 7, 2011 to December 14, 2105, 2010 – April 7, 2010 to December 14, 2105).

Foreign fixed income investments have effective interest rates ranging from 3.65% to 5.5% (2011 - 5.5%, 2010 - 5.5% to 7.7%) with maturity dates ranging from November 17, 2014 to October 6, 2017 (2011 - November 17, 2014, 2010 - November 17, 2014 to March 30, 2015).

Canadian fixed income investments included in the pooled funds have effective interest rates ranging from 1.33% to 12.5% (2011 - 0.5% to 13.5%, 2010 - 0.9% to 16.7%), with maturity dates ranging from November 16, 2012 to June 30, 2108 (2011 – April 11, 2011 to June 30, 2108, 2010 - September 20, 2010 to December 21, 2057).

Annually, the Foundation assesses each of its investment instruments against specific criteria to determine whether there is objective evidence that the adjusted cost may not be recovered and is therefore impaired.

There is no impairment value investment portfolio losses incurred during the fiscal year ended March 31, 2012 (2011 - \$0, 2010 April 1 - \$0).

## 6. Financial risk management:

In the normal course of business, the Foundation is exposed to a variety of financial risks: credit risk, interest rate risk, currency risk, other price risk and liquidity risk. The value of investments within the Foundation's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic conditions and market news related to specific securities within the Foundation's portfolio. The level of risk depends on the Foundation's investment objectives and the types of securities in which it invests.

The Foundation manages these risks by following a diversified investment strategy which is defined and set out in its Investment Policy Statement. The portfolio is diversified according to asset class by combining different types of asset classes such as money market, fixed income and equities within the portfolio. The percentage of the portfolio allocated to each asset class is defined within a specific range and the allocations are reviewed at least every quarter to ensure that they remain within the target range or the portfolio is rebalanced to the target range.

### (a) Asset Mix:

As of March 31, 2012, the Foundation's investment portfolio investment asset mix was as follows:

- 46% in Cash and Fixed Income (2011 - 47%, 2010 April 1 - 49%)
- 9% in Canadian Equities (2011 - 14%, 2010 April 1 - 13%)
- 22% in US Equities (2011 - 16%, 2010 April 1 - 16%)
- 23% in International Equities (2011 - 23%, 2010 April 1 - 22%)





## 6. Financial risk management (continued):

Within each asset class, the Foundation also holds investments with different risk-return characteristics. For example, equities are diversified across industry sectors and by company size (market capitalization) while bonds are diversified by credit ratings, term to maturity, as well as across the government and corporate bond sectors. In addition, the Foundation employs investment managers with different investment styles such as value, growth and growth at a reasonable price (GARP). Diversification also occurs at the individual security selection level whereby securities are selected based on either top-down analysis or bottom-up analysis. The Foundation is also diversified across geographic regions by investing in Canadian, US and international securities.

### (b) Credit risk:

Credit risk is the risk that the counterparty to a financial assets will fail to discharge an obligation or commitment that it has entered into with the Foundation.

#### (i) Fixed income securities:

The Foundation's investments in fixed income securities represent the main concentration of credit risk. The market value of fixed income securities includes consideration of the credit worthiness of the issuer, and accordingly, represents the maximum credit risk exposure of the Foundation.

As at March 31, 2012 the Foundation was invested in fixed income securities with the following credit ratings:

Debt instrument by credit rating	Percentage of Value		
	2012	2011	April 1,2010
AAA (+ R1 rated short-term)	24.0%	30.4%	29.6%
AA	26.9%	28.4%	30.6%
A	33.8%	29.4%	28.2%
BBB	7.0%	6.8%	7.9%
BB or less	8.3%	5.0%	3.7%

Credit ratings are obtained from a number of reputable rating agencies (e.g. Standard & Poor's, Moody's, Fitch or Dominion Bond Rating Services). Where more than one rating is obtained for a security, the lowest rating has been used.



## 6. Financial risk management (continued):

### (ii) Accounts receivable:

The Foundation's exposure to credit risk associated with accounts receivable is assessed as being low mainly due to the type of the Foundation's debtors which are mainly from Government of Canada and related parties. All accounts receivables are less than 3 months.

The maximum exposure to credit risk for accounts receivable by type of customer as at March 31 is as follows:

	2012	2011	2010 April 1
Government of Canada	\$ 133,078	\$ 41,217	\$ 41,606
Other organizations	43,044	6,117	831
	\$ 176,122	\$ 47,334	\$ 42,437

### (c) Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial assets and financial liabilities. Interest rate risk arises when the Foundation invests in interest-bearing financial assets and financial liabilities. The Foundation is exposed to the risk that the value of such financial assets and financial liabilities will fluctuate due to changes in the prevailing levels of market interest rates. Typically longer maturity instruments have greater interest rate risk; however a more sophisticated measure of interest rate risk taking into account the interest (or coupon) received is the duration of the securities. Duration is a measure of the sensitivity of a fixed income security's price to changes in interest rates and is based on the relative size and the time to maturity of expected cash flows. Duration is measured in years and will range between 0 years and the time to maturity of the fixed income security. The Foundation has divided its portfolio to be managed by several independent investment managers. The duration of the Foundation's fixed income portfolio is calculated based on the weighted average of the individual investment manager durations. Individual investment manager durations are computed based on the weighted average of the durations of individual securities (e.g. bonds) within each manager's fixed income portfolio.

The Foundation's fixed income fair value investments comprise:

	2012	2011	2010 April 1
Fixed income investments – Canadian	\$ 8,259,287	\$ 8,425,007	\$ 9,100,419
Fixed income investments – Foreign	142,731	137,967	161,567
Fixed income investments included in pooled fund units	2,614,961	2,742,575	2,395,656
	\$ 11,016,979	\$ 11,305,549	\$ 11,657,642



## 6. Financial risk management (continued):

As at March 31, 2012 the Foundation's exposure to debt instruments by maturity and the impact on operating results and net assets had the yield curve shifted in parallel by 25 basis points with all other variables held constant ("sensitivity analysis"), is as follows:

Fixed income securities fair value by maturity date:

	2012	2011	2010 April 1
Less than 1 year	\$ 342,075	\$ 502,412	\$ 650,043
1-3 years	2,681,070	2,430,159	1,651,455
3-5 years	2,576,822	2,453,864	2,784,528
Greater than 5 years	5,417,012	5,919,114	6,571,616
	<b>\$ 11,016,979</b>	<b>\$ 11,305,549</b>	<b>\$ 11,657,642</b>
<u>Sensitivity</u>	1.30%	1.25%	1.39%
	\$ 143,698	\$ 141,596	\$ 161,750

The Foundation's overall portfolio duration is 5.22 years (2011 - 5.01 years, 2010 - 5.55 years). If the yield curve experiences a parallel shift of 25 basis points, the value of the Foundation's fixed income allocation would shift by approximately 1.30% or \$143,698 (2011 - 1.25% or \$141,596, 2010 - 1.39% or \$161,750). In practice actual trading results may differ from the above sensitivity analysis and the difference could be material.

### (d) Currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial assets and financial liabilities will fluctuate due to changes in foreign exchange rates. Currency risk arises from financial assets and financial liabilities (including cash) that are denominated in a currency other than Canadian dollars, which represents the functional currency of the Foundation.

The Foundation is exposed to currency risk on its investment portfolio from the following currencies:

<b>2012</b>	<b>USD (\$)</b>	<b>GBP (\$)</b>	<b>Euro (\$)</b>	<b>Yen (\$)</b>	<b>Others (\$)</b>
<b>Market Value</b>	\$5,479,818	\$473,978	\$2,255,944	\$659,477	\$1,237,953
<b>% of Portfolio</b>	22.77%	1.97%	9.37%	2.74%	5.14%
<b>2011</b>	<b>USD (\$)</b>	<b>GBP (\$)</b>	<b>Euro (\$)</b>	<b>Yen (\$)</b>	<b>Others (\$)</b>
<b>Market Value</b>	\$4,381,591	\$1,119,802	\$2,465,561	\$634,010	\$1,548,847
<b>% of Portfolio</b>	17.8%	4.5%	10.0%	2.6%	6.3%
<b>2010 April 1</b>	<b>USD (\$)</b>	<b>GBP (\$)</b>	<b>Euro (\$)</b>	<b>Yen (\$)</b>	<b>Others (\$)</b>
<b>Market Value</b>	\$3,453,548	\$1,136,585	\$2,309,668	\$514,654	\$1,342,752
<b>% of Portfolio</b>	14.6%	4.8%	9.8%	2.2%	5.7%



## 6. Financial risk management (continued):

These amounts are based on the fair value of the Foundation's investments. Other financial assets and financial liabilities that are denominated in foreign currencies do not expose the Foundation to significant currency risk.

As at March 31, 2012, if the Canadian dollar strengthened or weakened by 1% in relation to other currencies, with all other variables held constant, operating results and net assets would have an increase or decrease, respectively, by approximately:

	2012 Increase in value	2012 Decrease in value	2011 Increase in value	2011 Decrease in value	2010 April 1 Increase in value	2010 April 1 Decrease in value
US dollars	54,798	(54,798)	43,816	(43,816)	34,535	(34,535)
British pound	4,740	(4,740)	11,198	(11,198)	11,366	(11,366)
Euro	22,559	(22,559)	24,656	(24,656)	23,097	(23,097)
Japanese yen	6,595	(6,595)	6,340	(6,340)	5,147	(5,147)
Others	12,380	(12,380)	15,488	(15,488)	13,426	(13,426)

In practice actual results may differ from the above sensitivity analysis and the difference could be material.

### (e) Other price risk:

Other price risk is the risk that the fair value or future cash flows of financial assets and financial liabilities will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). All investments represent a risk of loss of capital. The investment managers of the portfolio contracted by the Foundation moderate this risk through a careful selection and diversification of securities and other financial assets and financial liabilities within the limits of specified statements of investment policy and guidelines (SIPGs) which are negotiated and agreed upon with each investment manager. The maximum risk resulting from financial assets and financial liabilities is determined by the market value of the financial assets and financial liabilities. The Foundation's overall market positions are monitored on a daily basis by the portfolio managers. Financial assets and financial liabilities held by the Foundation are susceptible to market price risk arising from uncertainties about future prices of the instruments.

The portfolio's actual return is compared to the benchmark return as a measure of relative performance. The benchmark return is based on the index returns for each asset class and the long-term target allocation of each asset class in the portfolio. The portfolio's long-term target asset allocation is specified in the Foundation's Investment Policy Statement. The revised Investment Policy Statement which was approved in 2009-2010 fiscal year was in force during the current year. As a result, the Foundation's long-term target asset allocation and individual asset class indices in effect as at March 31, 2012 is as follows:



## 6. Financial risk management (continued):

<b>Target Asset Allocation</b>	<b>Asset Class Index</b>
50% Fixed Income (including cash)	DEX Universe Bond Index (DEX 91-day T-Bill Index for cash)
15% Canadian equities	S&P TSX Composite Index
17.5% US equities	S&P 500 Index (C\$)
17.5% International equities	MSCI EAFE Index (C\$)

The historical correlation between the Foundation's investment returns and the combined benchmark returns is 0.96% (2011 - 0.94%, 2010 April 1 – 0.89%) The impact on the operating results and net assets of the Foundation due to a 1 percent change in the benchmark, using historical correlation between the Foundation's return as compared to the return of the combined benchmarks, with all other variables held constant, as at March 31, 2012 is estimated to be approximately 0.96% or \$232,349 (2011 - 0.94% or \$231,026, 2010 April 1 – 0.89% or \$210,010).

The historical correlation may not be representative of the future correlation, and accordingly the impact on operating results and net assets could be materially different.

### (f) Liquidity risk:

Liquidity risk is defined as the risk that the Foundation may not be able to settle or meet its obligations on time or at a reasonable price. The Foundation is exposed to liquidity risk as the Foundation is only able to utilize the investment income earned on the Endowment Fund to settle its obligations and such investment income fluctuates with the market conditions relating to the Foundation investment portfolio. The Foundation manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities. The Foundation manages its investments by maintaining capital management policies.

At March 31, 2012 the Foundation has an unrestricted cash balance of \$238,682 (2011 - \$154,516, 2010 April 1 - \$11,787), which is in excess of the total liabilities recorded at March 31, 2012 of \$294,518 (2011 - \$170,411, 2010 April 1 - \$128,161).

**As at March 31, 2012**, the Foundation's liabilities have contractual maturities as follows:

	Less than 3 months \$	3 to 12 months \$	Over 1 year \$	Total \$
Accounts payable and accrued liabilities	35,772	-	997	36,769
Salaries and benefits payable	6,614	15,038	12,841	34,493
Obligation under capital lease	621	1,863	4,478	6,962



## 6. Financial risk management (continued):

**As at March 31, 2011**, the Foundation's liabilities have contractual maturities as follows:

	Less than 3 months \$	3 to 12 months \$	Over 1 year \$	Total \$
Accounts payable and accrued liabilities	27,700	3,381	997	32,078
Salaries and benefits payable	14,457	5,728	10,023	30,208
Obligation under capital lease	621	1,863	6,609	9,093

**As at April 1, 2010**, the Foundation's liabilities have contractual maturities as follows:

	Less than 3 months \$	3 to 12 months \$	Over 1 year \$	Total \$
Accounts payable and accrued liabilities	36,474	-	-	36,474
Salaries and benefits payable	21,822	11,957	7,517	41,296
Obligation under capital lease	621	1,540	9,093	11,254

## 7. Financial assets and financial liabilities – disclosure

All Financial assets and financial liabilities measured at fair value must be classified in fair value hierarchy levels, which are as follows:

- Level 1      Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2      Inputs that are based on quoted prices for similar assets or liabilities and inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3      Fair value determination requiring significant management judgment or estimation and at least one significant model assumption or input that is unobservable.



## 7. Financial assets and financial liabilities – disclosure (continued):

Financial Assets at fair value as at March 31, 2012:

	Level 1	Level 2	Level 3	Total
Fixed income investment	\$ 676,345	\$ 7,725,673	\$ –	\$ 8,402,018
Equity securities	11,441,973	–	–	11,441,973
Pooled fund units	–	4,230,995	–	4,230,995
<b>Total investments</b>	<b>\$ 12,118,318</b>	<b>\$ 11,956,668</b>	<b>\$ –</b>	<b>\$ 24,074,986</b>

During the year ended March 31, 2012, there were no significant transfers between Level 1 and Level 2 of the fair value hierarchy.

Financial Assets at fair value as at March 31, 2011:

	Level 1	Level 2	Level 3	Total
Fixed income investment	\$ 838,926	\$ 7,724,048	\$ –	\$ 8,562,974
Equity securities	11,446,126	–	–	11,446,126
Pooled fund units	–	4,568,180	–	4,568,180
<b>Total investments</b>	<b>\$ 12,285,052</b>	<b>\$ 12,292,228</b>	<b>\$ –</b>	<b>\$ 24,577,280</b>

During the year ended March 31, 2011, there were no significant transfers between Level 1 and Level 2 of the fair value hierarchy.

Financial Assets at fair value as at April 1, 2010:

	Level 1	Level 2	Level 3	Total
Fixed income investment	\$ 324,986	\$ 8,937,000	\$ –	\$ 9,261,986
Equity securities	10,767,074	–	–	10,767,074
Pooled fund units	–	3,567,591	–	3,567,591
<b>Total investments</b>	<b>\$ 11,092,060</b>	<b>\$ 12,504,591</b>	<b>\$ –</b>	<b>\$ 23,596,651</b>

There were no significant transfers between Level 1 and Level 2 of the fair value hierarchy as at April 1, 2010.



## 8. Capital assets:

Capital Assets at net book value as at March 31, 2012:

	Cost	Accumulated amortization	2012 Net book value
Office furniture and equipment	\$ 116,725	\$ 112,239	\$ 4,486
Computer hardware	167,906	154,433	13,473
Computer software	31,357	25,910	5,447
Database development	5,539	5,539	–
Artwork	16,225	–	16,225
Equipment under capital lease	11,254	3,376	7,878
	<b>\$ 349,006</b>	<b>\$ 301,497</b>	<b>\$ 47,509</b>

Amortization of capital assets expense is \$9,512 (2011 - \$6,695).

Capital Assets at net book value as at March 31, 2011:

	Cost	Accumulated amortization	2011 Net book value
Office furniture and equipment	\$ 115,714	\$ 110,599	\$ 5,115
Computer hardware	151,437	150,763	674
Computer software	27,036	23,959	3,077
Database development	5,539	5,539	–
Artwork	16,225	–	16,225
Equipment under capital lease	11,254	1,125	10,129
	<b>\$ 327,205</b>	<b>\$ 291,985</b>	<b>\$ 35,220</b>

Capital Assets at net book value as at April 1, 2010:

	Cost	Accumulated amortization	2010 Net book value
Office furniture and equipment	\$ 115,714	\$ 108,851	\$ 6,863
Computer hardware	151,437	147,557	3,880
Computer software	23,343	23,343	–
Database development	5,539	5,539	–
Artwork	16,225	–	16,225
Equipment under capital lease	11,254	–	11,254
	<b>\$ 323,512</b>	<b>\$ 285,290</b>	<b>\$ 38,222</b>





## 9. Obligation under capital lease:

The Foundation has entered into an agreement to rent office equipment under capital lease in March 2010. The obligation under capital lease, repayable in blended quarterly installments of \$621, including principal and interest at 4.25% with maturing date of March 31, 2015, is secured by related equipment.

	2012	2011	2010
Obligation under capital lease	\$ 6,962	\$ 9,093	\$ 11,254

Future minimum lease payments as at March 31 are as follows:

2011	\$ -	\$ -	\$ 2,484
2012	-	2,484	2,484
2013	2,484	2,484	2,484
2014	2,484	2,484	2,484
2015	2,484	2,484	2,484
	7,452	9,936	12,420
Less amount representing interest	(490)	(843)	(1,166)
Total obligation under capital lease	\$ 6,962	\$ 9,093	\$ 11,254

## 10. Deferred contributions and deferred revenues:

Contributions received from non-government entities that are restricted for funded projects, training workshops, and programs are deferred, and recognized as revenue in the period that the related expenses are incurred.

Funds received by the Foundation through projects or subscriptions that are not yet earned through the provision of goods or services, are deferred by the Foundation, and recognized as revenue in the period that the earnings process is culminated.

Deferred contributions and deferred revenues recorded by the Foundation at March 31, 2012 are as follows:

	2012	2011	April 1 2010
Deferred contributions from non-government sources	\$ 201,774	\$ 89,724	\$ 37,045
Deferred revenues – goods and services	14,520	9,308	2,092
Balance, end of the year	\$ 216,294	\$ 99,032	\$ 39,137



## 10. Deferred contributions and deferred revenues (continued):

Changes in the deferred contributions and deferred revenues balance during the fiscal year were as follows:

	2012	2011
Balance, beginning of the year	\$ 99,032	\$ 39,137
Add: restricted contributions received from non-government sources	202,327	57,360
Add: deferred investment income		2,775
Less: amounts recognized as revenue	(85,065)	(240)
Balance, end of the year	\$ 216,294	\$ 99,032

## 11. Employees future benefits:

Severance benefits liability:

The Foundation provides severance benefits to its employees based on years of service and salary upon termination. This benefit plan is not pre-funded and thus has no assets, resulting in a plan deficit equal to the accrued benefit obligation. Benefits will be paid from future sources of revenue. Information about the plan, measured as at the year- end date, is as follows:

	2012	2011
Accrued benefits obligation, beginning of the year	\$ 10,023	\$ 7,517
Benefits accrued during the year	2,818	2,506
Benefits paid during the year	-	-
Accrued benefit obligation, end of the year	\$ 12,841	\$ 10,023

## 12. Endowment:

The net assets of the Foundation include an Endowment Fund of \$24,000,000, which is considered restricted funds. The original contribution included \$12,000,000 which was part of the Redress Agreement with the National Association of Japanese Canadians, and \$12,000,000 from the Government of Canada.

The “*Canadian Race Relations Foundation Act*” stipulates that this Endowment Fund is to be used only for investment and is not available to fund the Foundation’s activities. Investment income earned from the Endowment Fund excluding changes in the fair value of investments held is available to fund the Foundation’s activities.



## 12. Endowment (continued):

The Foundation has established two policies for the allocation of operating surplus. The Capital Preservation Fund policy is intended to recognize inflation in order to preserve the capital endowment fund of \$24,000,000. The Reserve Fund policy is used for the accumulation of unallocated operating surplus.

## 13. Contractual obligations:

The Foundation entered into a lease agreement for office premises commencing April 1, 2008 and expiring March 31, 2013.

The Foundation is also committed to two office equipment leases and a contract for on-line event management.

The contractual obligations for the next five years are related to operating lease as at March 31, 2012 amounted to \$203,000 (2011 - \$ 396,000, 2010 April 1 - \$586,000).

## 14. Net investment income:

	2012	2011
	\$	\$
Realized gains on sale of investments	156,196	439,092
Unrealized change in fair value of investments *	-	973,011
Realized gain on sale and changes in fair value of investments	156,196	1,412,103
Interest from cash and fixed income investments, dividends, distributions from pooled fund units	928,334	915,886
Realized losses on foreign exchange	(65,300)	(172,013)
Less: transaction costs and investment counsel fees	(149,115)	(180,359)
<b>Net investment income</b>	<b>870,115</b>	<b>1,975,617</b>

\* Unrealized change in fair value of investments for 2012 is reported in the accompanying Statement of Remeasurement Gains and Losses.



## 14. Net investment income (continued):

### Net investment income earned on resources held for endowment

	2012	2011
Recognized in the Statement of Operations in the year	\$ 90,896	\$ 1,240,090
Deferred in the year	-	-
Recognized as direct increases or (decreases) in net assets in the year	(379,099)	-
<b>Total earned in the year</b>	<b>\$ (288,203)</b>	<b>\$ 1,240,090</b>

## 15. Invested in capital assets:

(a) The investment in capital assets consists of the following:

	2012	2011	April 1 2010
Capital assets	\$ 47,509	\$ 35,220	\$ 38,222
Less obligation under capital lease	(6,962)	(9,093)	(11,254)
	<b>\$ 40,547</b>	<b>\$ 26,127</b>	<b>\$ 26,968</b>

(b) The net change in investment in capital assets is calculated as follows:

	2012	2011	April 1 2010
Capital asset additions	\$ 21,801	\$ 3,693	\$ 12,713
Less: capital assets financed with deferred capital contributions	-	-	(11,254)
Capital assets purchased with Foundation funds	\$ 21,801	\$3,693	\$1,459
Amortization of deferred capital contributions	-	-	-
Amortization of capital assets	(9,512)	(6,695)	(7,717)
Repayment of capital lease obligations	2,131	2,161	
<b>Net change in investment in capital assets</b>	<b>\$ 14,420</b>	<b>\$ (841)</b>	<b>\$ (6,258)</b>



## 16. Related party transactions:

The Foundation is related to all Government of Canada departments, agencies, Crown corporations and anybody related to persons fulfilling senior management functions. The Foundation enters into transactions with these entities in the normal course of business. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. During the year, the Foundation incurred expenses totaling \$195,321 (2011 - \$6,000) and recorded revenue of \$152,721 (2011 - \$ 6,000) with the interfaith and belonging project, funded by Citizenship and Immigration Canada.

The Foundation has \$600,136 contractual obligations with Citizenship and Immigration Canada for the interfaith and belonging project as at March 31, 2012 (2011- \$6000, 2010 April 1 - \$0).

As at March 31, the Foundation had the following balance on the statement of financial position related to the Interfaith and Belonging project, funded by Citizenship and Immigration Canada (CIC):

	2012	2011	2010
Accounts receivable from CIC	\$ 103,006	\$ 6,000	\$ -

## 17. Donations in-kind:

During this fiscal year the fair value of donated services and materials included as revenue “in-kind” in the financial statements was \$79,909 (2011 - \$6,977) and the corresponding cost classification were “CIC Interfaith project, roundtable discussions, volunteer & interns and education and training resource material” expenses. Foundation has not received any pledges or bequest in the year. The donations in-kind are included in the line workshops in the Statements of Operation.

## 18. Donated capital assets:

The Foundation received no “capital assets donation” in the year.



## 19. Schedule of expenses by object:

Expenses:	2012	2011
Salaries and benefits	\$ 452,393	\$ 492,277
Funded projects	279,692	165
Rent	160,728	110,070
Board of Directors honoraria and travel	67,394	80,671
Professional fees	65,884	41,352
Communication	25,223	23,906
Conferences, symposia and consultations	19,912	23,951
Office and general	19,089	31,213
Amortization	9,512	6,695
Information systems and development	8,030	4,983
Public education	3,445	(2,708)
Staff recruitment and development	1,262	1,414
Finance costs	809	1,568
Education and training center	247	2,360
Award of Excellence symposium and fundraising gala	-	56,682
	\$ 1,113,620	\$ 874,599

## 20. Comparative figures:

Certain 2011 figures have been reclassified to conform to the presentation adopted in 2012. The changes do not affect prior year earnings.