Great expectations for Greater Montreal

Foundation of Greater Montreal
annual report 2001
Officially launched in 2001, the Foundation of Greater Montreal (FGM) has been working diligently with its partners to establish the solid basis that will ensure its credibility and future success.

We are grateful to our founding partners, the Centraide Foundation, the Montreal YMCA Foundation, and the Red Feather Foundation for placing their confidence in the FGM and pooling their assets in our common investment fund that reached $20 million, our objective for 2001.

Centraide of Greater Montreal and the J.W. McConnell Family Foundation, two of our early partners, also made a strong contribution by renewing their support and commitment. Thanks to them, we were able to create the efficient organizational structure that is essential to accomplish our mission. We are also grateful to the Jewish Community Foundation of Montreal for its ongoing support in 2001.

Conscious of the need for representative community support, we increased our board of directors to sixteen members, whose experience and profile have proven invaluable to the Foundation. Their presence at the same table attests to the commitment of various segments of the community to creating an effective and permanent organization dedicated to the development of philanthropy in the Greater Montreal area.

In keeping with our priorities, we also formed an Investment Committee, whose initial mandate was to formulate an investment policy and set up the FGM’s investment fund. In addition, we adopted a realistic action plan for asset growth based on an appreciation of the philanthropic environment in which we live.

The work carried out during our first full fiscal year will enable us to meet the challenges that await us next year: broadening the FGM partnership to include other charitable organizations into our common investment fund and developing a grant-making program.

Irene Nattel, under whose strong guidance the Foundation was established, resigned as chairman of our board in August. She, our volunteers, and staff deserve our gratitude and admiration for their dedication to this exciting project and for daring to invest with us in a promising future. They contributed immensely to the success of the Foundation in 2001.
GREAT EXPECTATIONS FOR GREATER MONTREAL

More than 700 community foundations across North America are successfully helping to build and strengthen their respective communities. Montréal can now count on its very own community foundation to do the same.

A member of the Community Foundations of Canada, the FGM was established through the combined efforts and contribution of Montréal business and philanthropic leaders and of leading Montréal organizations such as the Centraide Foundation, the Montreal YMCA Foundation, the Red Feather Foundation, the J.W. McConnell Family Foundation, and the Jewish Community Foundation of Montreal.

PURSUING A NOBLE MISSION

The FGM is a non-profit charitable organization, which aims to contribute to the general well-being of the Greater Montréal community. To do so, it establishes permanent endowment funds, manages them in compliance with a prudent investment policy, and distributes their income to support community projects in different areas, such as health, social services, arts and culture, education, and the environment.

SHARING IDEALS

The dynamism of Greater Montreal is rooted in its cultural, economic, and social diversity, and in a sharing of ideals that transcend race, language, religion, and political affiliations. Intent on strengthening this sharing process, the FGM welcomes those who want to contribute to the community in a spirit of transparency that aims to bring together caring people from varied backgrounds to work at improving the well-being of their fellow citizens. By 2003, the FGM will be adding a new dimension to its contribution as it enters the grant-making phase of its mission.
BUILDING A SOLID FINANCIAL FOUNDATION

The foundations that have helped establish the FGM boast a long tradition of successful philanthropy due, in large part, to their responsible and effective financial management. Likewise, the FGM was built on solid financial bases. To that end, it constituted a board of directors that brings together a group of renowned business leaders and representatives from partner foundations that are strongly committed to their community. In turn, the board has formed an Investment Committee made up of finance and investment specialists responsible for the hiring and evaluating of portfolio managers whose work is guided by a prudent investment policy that aims to strike a balance between performance and the protection of capital.

In addition, operating costs are kept to a minimum, thanks to financial and in-kind contributions from individuals and organizations and through the sharing with other North American foundations of expertise that has proven effective over time.

SHARING COMMON PHILANTHROPIC GOALS

Generally, donors and charitable organizations share the same philanthropic goals. To help them achieve these goals, the FGM places its financial structure at their disposal. Thus, individual donors and organizations, large or small, can maximize their returns, minimize their administrative costs, and protect the value of their capital over the long term by pooling their assets in the FGM’s large and diversified portfolio which is managed by independent, paid professionals.

RESPECTING AUTONOMY

The FGM provides great flexibility to its partners by enabling them to identify causes they care about and determine the degree of independence they want to maintain.
Providing a Wide Range of Funds

Donors and charitable organizations enjoy a wide range of choices as to the type and nature of the funds they may wish to establish.

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

- **Field-of-interest Funds**: allow the donors to direct their charitable giving to a general area of concern or chosen field. The FGM makes grants to the charitable organizations best able to meet needs in chosen fields.

- **Designated Funds**: designated by the donors to benefit one or more charitable organizations. Donors establish funds within the FGM rather than give them directly to charitable organizations to ensure that their gifts remain useful over time. If designated organizations cease to exist, revenues from such funds are directed to organizations with similar missions.

- **Donor-Advised Funds**: allow for donors’ involvement in selecting charitable organizations to receive grants.

- **Organizational Endowment Funds**: designated funds established by charitable organizations as permanently endowed funds within the FGM to provide an additional source of annual income, which is added to sums raised annually through fund-raising campaigns, for example.

- **Memorial Funds**: established in the name of a deceased, thereby creating a legacy, a perpetual remembrance.
FUNDS CREATED IN 2001

Three managed funds and four endowment funds enabled the FGM to launch its common fund, totalling $20 million, thereby attaining its objective for 2001.

MANAGED FUNDS

Three managed funds were instituted in 2001. In all instances, the partner foundations retained ownership of their assets, while entrusting the FGM with the management of their funds.

Centraide Foundation

“Centraide of Greater Montreal and the Centraide Foundation signed agreements with the Foundation of Greater Montreal to ensure collaboration between the two organizations. Centraide felt it was important for Greater Montreal to have a new tool that would enable it to raise permanent funds from which revenues could be used to respond to needs in all sectors of our community.”

Michèle Thibodeau-DeGuire, President & Executive Director, Centraide of Greater Montreal

Montreal YMCA Foundation

“Given the role of the Montreal YMCA in the region, it seemed completely natural to lend our support to the implementation of this new tool to assist the people of Greater Montreal. In exchange, the Foundation of Greater Montreal will enable the YMCA to reduce its capital management costs, thereby increasing the amounts paid out every year in support of various causes.”

Claude Garcia, Chairman of the Board, and Marcel Côté, President of the Montreal YMCA Foundation

Red Feather Foundation

“The Red Feather Foundation’s support of the Foundation of Greater Montreal is very much in keeping with our history and charitable tradition. As a leading Centraide partner, we have always supported social services for Montréal’s Anglophone population. By creating an endowment fund in the social field, we are ensuring that our name will live on, especially since Red Feather has played a key role in Montréal’s philanthropic history. In entrusting the management of a portion of our permanent funds to the Foundation of Greater Montreal, we wish to do our part for Montreal’s future.”

Sheila Goldbloom, President, Red Feather Foundation

Endowment Funds

Four endowment funds were instituted in 2003:

Red Feather Fund
Field-of-interest fund for social agencies

Gallop Family Fund
Donor-advised fund

Suzanne Trépanier-Côté Fund
Memorial fund

Montrusco Bolton Fund
Field-of-interest fund for education
CHAIRMAN
Pierre Brunet,
Vice-Chairman of the Board,
National Bank of Canada

VICE-CHAIRMAN
Sheila Goldbloom,
President, Red Feather Foundation

SECRETARY
Claire Richer Leduc,
Lawyer

TREASURER
Gilles Émond, CA, CMA,
Andersen

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

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

Marcel Côté, Partner, Secor
Conseil Inc.

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

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

Louis Gascon, Barrister
& Solicitor

Stanley Hyman, Board
Member, Jewish
Community Foundation
of Montreal

Robert Kleinman, FCA,
Executive Vice-President,
Jewish Community
Foundation of Montreal

Michel Lamontagne, LL.L.,
Adm. A., MLL Consulting Inc.

Brian Levitt, Co-President,
Osler, Hoskin & Hartcourt

Irene Nattel, Managing
Director, RBC Dominion
Securities Inc.

Manon Vennat, Chairman,
Spencer Stuart Montreal

Michael Weil, Chief
Executive Officer, YMCA
Canada

BOARD OF DIRECTORS
FUND DEVELOPMENT COMMITTEE

The Fund Development Committee began its activities at the end of the 2001 and laid the groundwork for the coming year. In order to reach the Foundation’s $30 million objective by the end of 2002, the committee developed an action plan, which targets, initially, small and medium foundations and charitable organizations in the Montreal area.

Pierre Brunet, Vice-Chairman of the Board, National Bank of Canada
Jacques Gagnon, Vice-President Public Relations - Retired, Alcan
W. John Gallop, Director, MacDougall, MacDougall & MacTier Inc.
Michel Lamontagne, LL.L., Adm. A., MLL Consulting Inc.
Irene Nattel, Managing Director, RBC Dominion Securities Inc.

INVESTMENT COMMITTEE

“It was with great pride that I agreed to chair this committee, especially given the importance of the mandate entrusted to us. We knew that the FGM’s credibility would be partly based on the investment policy we would implement and on the managers we would recommend. I would like to thank all the committee members for the tremendous amount of work they accomplished with such singular talent and generosity.”
Gilles Émond, Committee Chairman

Gilles Émond, CA, CMA, Andersen
Pierre Comtois, Vice-Chairman of the Board, Optimum Investment Management Inc.
W. John Gallop, Director, MacDougall, MacDougall & MacTier Inc.
Harry Feldman, FCA, Senior Partner, Schwartz, Levitsky, Feldman
William Ridley, Chairman, Investment, Endowment and Planned giving Committee, Montreal YMCA Foundation

The Investment Committee successfully completed the following missions:
• Formulation of an investment policy
• Constitution of the Investment Fund
• Selection of the portfolio managers and the custodian.

COMMITTEE REPORTS

Thanks to the talent and enthusiasm of its volunteers, the FGM was able to build a solid base for itself in 2001.

PLANNED GIVING SUBCOMMITTEE

Terri Allister, Consultant, Investors Group
Gilbert Lemieux, Coordinator, Planned Giving Program, Centraide of Greater Montreal
Paul Montminy, Advisor in Community Fondations development
Marie-Josée Raymond, Manager, Richter, Usher & Vineberg
Benoît Tremblay, Director General, Montreal YMCA Foundation
Diane Tsonos, Attorney, Richter, Usher & Vineberg
“In philanthropy, as in business, communicating one’s plans and achievements is the first step towards transparency. It is also paramount in ensuring stakeholders – donors, volunteers, and the general public – understand how important their roles are in meeting common objectives for the common good of the community. I am delighted to work with professionals who can provide the FGM with the communications and marketing expertise it needs to achieve its objectives. And I thank them for their invaluable help.”

Jacques Gagnon, Committee Chairman

Alban Asselin, Consultant, Vice-President Communications - Retired, Molson

Marcel Côté, Partner, Secor Conseil Inc.

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

Jonathan Goldbloom, Senior Partner, Columbia Communications

Daniel Granger, General Manager, Vice-President Technology, Edelman

Jac Joanisse, President, Joanisse Marketing Communications

Michel Lamontagne, LL.L., Adm. A., MLL Consulting Inc.

In 2001, the Committee developed a preliminary marketing plan that will be used to guide its own work and that of other committees.

PERSONNEL

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

Diane Bertrand, Administrative Assistant
ACKNOWLEDGMENTS

We wish to thank the following companies for the goods or services they so generously offered the FGM:

BCP
Board of Trade of Metropolitan Montreal
Goodhue & Associé
Joanisse Marketing Communications
National Bank Financial
National Bank Trust
Ogilvy Renault
Richter, Usher & Vineberg
Samson Bélair/Deloitte & Touche
SITQ Immobilier
Financial Statements of

THE FOUNDATION OF GREAT MONTREAL

December 31, 2001

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Samson Bélair/Deloitte & Touche, S.E.N.C.
Assurance and Advisory Services
1 Place Ville-Marie
Suite 3000
Montréal, QC H3B 4T9
Canada

Telephone: (514) 393-7115
Fax: (514) 390-4116
www.deloitte.ca
Auditors’ report

To the Members of
The Foundation of Greater Montreal

We have audited the balance sheet of The Foundation of Greater Montreal as at December 31, 2001 and the statement of operations and changes in Fund balances for the year then ended. These financial statements are the responsibility of The Foundation of Greater Montreal’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of The Foundation of Greater Montreal as at December 31, 2001 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

February 8, 2002
### Operating Endowment Distribution Total Fund Fund Fund 2001 2000

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Operating Fund $</th>
<th>Endowment Fund $</th>
<th>Distribution Fund $</th>
<th>Total 2001 $</th>
<th>Total 2000 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>-</td>
<td>516,685</td>
<td>-</td>
<td>516,685</td>
<td>3,315</td>
</tr>
<tr>
<td>Donations – Centraide du Grand Montréal</td>
<td>75,000</td>
<td>-</td>
<td>-</td>
<td>75,000</td>
<td>75,000</td>
</tr>
<tr>
<td>Donations – The Jewish Community Foundation of Montreal</td>
<td>25,000</td>
<td>-</td>
<td>-</td>
<td>25,000</td>
<td>-</td>
</tr>
<tr>
<td>Donations – The J.W. McConnell Foundation (Note 5)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>60,000</td>
</tr>
<tr>
<td>Donations – The Red Feather Foundation</td>
<td>10,000</td>
<td>-</td>
<td>-</td>
<td>10,000</td>
<td>-</td>
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<tr>
<td>Management fees</td>
<td>74,287</td>
<td>-</td>
<td>14,680</td>
<td>88,967</td>
<td>-</td>
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<tr>
<td>Bank interest</td>
<td>2,287</td>
<td>-</td>
<td>1,405</td>
<td>3,692</td>
<td>528</td>
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<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,405</td>
<td>1,405</td>
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<tr>
<td><strong>Total</strong></td>
<td>186,574</td>
<td>516,685</td>
<td>14,680</td>
<td>717,939</td>
<td>140,248</td>
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</table>

### Expenses

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Operating Fund $</th>
<th>Endowment Fund $</th>
<th>Distribution Fund $</th>
<th>Total 2001 $</th>
<th>Total 2000 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and benefits</td>
<td>154,686</td>
<td>-</td>
<td>-</td>
<td>154,686</td>
<td>17,135</td>
</tr>
<tr>
<td>Professional fees</td>
<td>30,575</td>
<td>-</td>
<td>-</td>
<td>30,575</td>
<td>15,422</td>
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<tr>
<td>Management fees</td>
<td>26,990</td>
<td>-</td>
<td>-</td>
<td>26,990</td>
<td>-</td>
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<tr>
<td>Trustee fees</td>
<td>5,350</td>
<td>-</td>
<td>-</td>
<td>5,350</td>
<td>-</td>
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<tr>
<td>Rent</td>
<td>8,058</td>
<td>-</td>
<td>-</td>
<td>8,058</td>
<td>-</td>
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<tr>
<td>Office supplies</td>
<td>4,822</td>
<td>-</td>
<td>-</td>
<td>4,822</td>
<td>-</td>
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<tr>
<td>Stationery and printing</td>
<td>1,904</td>
<td>-</td>
<td>-</td>
<td>1,904</td>
<td>-</td>
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<tr>
<td>Travel</td>
<td>3,210</td>
<td>-</td>
<td>-</td>
<td>3,210</td>
<td>453</td>
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<tr>
<td>Meetings</td>
<td>1,162</td>
<td>-</td>
<td>-</td>
<td>1,162</td>
<td>-</td>
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<tr>
<td>Telecommunications</td>
<td>2,505</td>
<td>-</td>
<td>-</td>
<td>2,505</td>
<td>-</td>
</tr>
<tr>
<td>Advertising</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,731</td>
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<tr>
<td>Insurance</td>
<td>708</td>
<td>-</td>
<td>-</td>
<td>708</td>
<td>-</td>
</tr>
<tr>
<td>Delivery</td>
<td>351</td>
<td>-</td>
<td>-</td>
<td>351</td>
<td>-</td>
</tr>
<tr>
<td>Publications and subscriptions</td>
<td>988</td>
<td>-</td>
<td>-</td>
<td>988</td>
<td>-</td>
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<tr>
<td>Bank charges</td>
<td>557</td>
<td>-</td>
<td>-</td>
<td>557</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>92</td>
<td>-</td>
<td>-</td>
<td>92</td>
<td>188</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>241,958</td>
<td>-</td>
<td>-</td>
<td>241,958</td>
<td>37,929</td>
</tr>
</tbody>
</table>

### Excess (deficiency) of revenues over expenses

<table>
<thead>
<tr>
<th>Excess (deficiency) of revenues over expenses</th>
<th>Operating Fund $</th>
<th>Endowment Fund $</th>
<th>Distribution Fund $</th>
<th>Total 2001 $</th>
<th>Total 2000 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>(55,384)</td>
<td>516,685</td>
<td>14,680</td>
<td>475,981</td>
<td>102,319</td>
<td></td>
</tr>
<tr>
<td>Fund balances, beginning of year</td>
<td>99,004</td>
<td>3,315</td>
<td>-</td>
<td>102,319</td>
<td></td>
</tr>
<tr>
<td>Interfund transfer (Note 6)</td>
<td>-</td>
<td>6,500</td>
<td>(6,500)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Fund balances, end of year</strong></td>
<td>43,620</td>
<td>526,500</td>
<td>8,180</td>
<td>578,300</td>
<td>102,3199</td>
</tr>
<tr>
<td></td>
<td>Operating Fund</td>
<td>Endowment Fund</td>
<td>Distribution Fund</td>
<td>2001</td>
<td>Total</td>
</tr>
<tr>
<td>----------------------</td>
<td>---------------</td>
<td>---------------</td>
<td>------------------</td>
<td>------</td>
<td>-------</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>40,634</td>
<td>-</td>
<td>-</td>
<td>40,634</td>
<td>65,766</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>44,029</td>
<td>-</td>
<td>-</td>
<td>44,029</td>
<td>50,198</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>84,663</td>
<td>-</td>
<td>-</td>
<td>84,663</td>
<td>115,964</td>
</tr>
<tr>
<td><strong>Investments (Note 3)</strong></td>
<td>-</td>
<td>526,500</td>
<td>8,180</td>
<td>534,680</td>
<td>-</td>
</tr>
<tr>
<td><strong>Capital assets (Note 4)</strong></td>
<td>11,511</td>
<td>-</td>
<td>-</td>
<td>11,511</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>96,174</td>
<td>526,500</td>
<td>8,180</td>
<td>630,854</td>
<td>115,964</td>
</tr>
</tbody>
</table>

| **Liabilities**      |               |               |                  |      |       |
| **Current**          |               |               |                  |      |       |
| Accounts payable and | 27,554        | -             | -                | 27,554 | 13,645 |
| deferred liabilities |               |               |                  |      |       |
| Deferred revenue     | 25,000        | -             | -                | 25,000 | -     |
| **Total**            | 52,554        | -             | -                | 52,554 | 13,645 |

| **Fund balances**    |               |               |                  |      |       |
| Externally restricted| -             | 520,000       | 8,180            | 528,180 | 3,315 |
| Internally restricted| -             | 6,500         | -                | 6,500   | -     |
| Invested in capital assets | 11,511   | -             | -                | 11,511 | -     |
| Unrestricted         | 32,109        | -             | -                | 32,109 | 99,004 |
| **Total**            | 43,620        | 526,500       | 8,180            | 578,300 | 102,319 |
|                      | 96,174        | 526,500       | 8,180            | 630,854 | 115,964 |

Approved by the Board

[Signatures]

Financial Statements 2001
1. Description of organization
The Foundation of Greater Montreal (FGM) is a charity, incorporated on December 20, 1999 under Part II of the Canada Corporations Act, whose purpose is to collect donations, mainly through bequests or public endowment funds, to promote social services, arts and culture, education, health and the environment. The FGM can also manage funds entrusted to it for administrative purposes. It is a registered charity under the Income Tax Act.

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

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

   i) Operating Fund
      The Operating Fund reports the ordinary operating activities of the FGM and activities relating to capital assets, if any.

   ii) Endowment Fund
      The Endowment Fund reports the donations received by donors who have stipulated that the capital be kept in perpetuity. It is composed of three separate fund categories:

      • Designated funds: revenues are allocated to one or more charities selected by the donor;

      • Field-of-interest funds: revenues are used to support one or more areas selected by the donor, either social services, arts and culture, education, health or the environment;

      • Unrestricted funds: the donor does not determine the beneficiary organization of the endowment fund nor a specific area. Revenue distribution is entrusted to the FGM’s Board of Directors, based on community needs.

   Transfers from the Distribution Fund are made following a resolution adopted by the Board of Directors to adjust the Endowment Fund annually based on the annual average rate of the Consumer Price Index.
2. Accounting policies (continued)

Fund accounting (continued)

iii) Distribution Fund

The Distribution Fund is an externally restricted fund in which the FGM records donations to be distributed in accordance with the wishes of the donors and investment income from the Endowment Fund to be distributed. The annual transfer to the Endowment Fund to make the annual adjustment based on the annual average rate of the Consumer Price Index is also recorded in the Distribution Fund.

Revenue recognition

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

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

Endowment contributions are recognized as revenue in the Endowment Fund.

Investments

Investments are recorded at cost.

Capital assets

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

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

No amortization is calculated in the year a capital asset is acquired.

3. Investments

$534,196 units of the The Foundation of Greater Montreal Investment Fund (market value of $541,873) (Note 7)  

534,680
4. Capital assets

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Accumulated Amortization</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>6,975</td>
<td>-</td>
</tr>
<tr>
<td>Computer hardware</td>
<td>4,536</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>11,511</td>
<td>-</td>
</tr>
</tbody>
</table>

5. The J. W. McConnell Family Foundation

The J. W. McConnell Family Foundation has agreed to pay $120,000 to the FGM to finance its start-up. Of this amount, $60,000 was received in 2000 and the balance of $60,000 will be received in 2002.

6. Interfund transfer

The Board of Directors authorized the transfer of $6,500 from the Distribution Fund to the Endowment Fund to make the annual adjustment to this fund based on the average annual rate of the Consumer Price Index, which was 2.60% for the year ended December 31, 2001.

7. Funds under management

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

Separate financial statements are prepared for The Foundation of Greater Montreal Investment Fund, which present its investments at market value. As at December 31, 2001, the market values of the funds managed by The Foundation of Greater Montreal Investment Fund are as follows:

<table>
<thead>
<tr>
<th>Number of Units</th>
<th>Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

Funds under management for various entities

<table>
<thead>
<tr>
<th></th>
<th>Number of Units</th>
<th>Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fondation Centraide</td>
<td>15,473.515</td>
<td>15,695,870</td>
</tr>
<tr>
<td>The Red Feather Foundation</td>
<td>2,160.815</td>
<td>2,191,866</td>
</tr>
<tr>
<td>The Montreal YMCA Foundation Inc.</td>
<td>3,483.628</td>
<td>3,533,688</td>
</tr>
<tr>
<td></td>
<td>21,117.958</td>
<td>21,421,424</td>
</tr>
</tbody>
</table>

Funds under management belonging to

<table>
<thead>
<tr>
<th>Fund</th>
<th>Number of Units</th>
<th>Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Foundation of Greater Montreal</td>
<td>534.196</td>
<td>541,873</td>
</tr>
<tr>
<td></td>
<td>21,652.154</td>
<td>21,963,297</td>
</tr>
</tbody>
</table>

8. Statement of cash flows

A statement of cash flows has not been presented as it would not provide any additional meaningful information.