



Foundation of Greater Montreal

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



THERE ARE SEVERAL WAYS TO MAKE A DONATION TO THE FGM

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

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MESSAGE

FROM THE CHAIRMAN AND PRESIDENT & CEO



Pierre Brunet
Chairman



Kathleen Weil
President & CEO

Each new fiscal year of our young foundation is marked with firsts, and fiscal 2005 was no exception. This year, not only did we experience strong growth, we also reached one of our most important goals: to widen our scope of action to include every aspect of community life.

Finally, we strengthened our ties with the entire Montreal community sector, through our community presentations and our involvement in *Montreal Matters*, a CBC Radio program.

We strengthened our ties with the entire Montreal community sector

In 2005, the FGM entered the world of culture. First, we won the trust of several cultural organizations with our management of their endowments. Then we were honoured with an invitation by the Quebec government to partner with them in a new matching grant program, Placements Culture, to promote philanthropy in the arts. Endowments created under this program must be placed with a community foundation. “Placements Culture provides cultural and communications organizations with new opportunities and tools to stabilize their funding and to access new sources of revenue,” declared Quebec Minister of Culture, Line Beauchamp.

It has become clear this year that the Foundation of Greater Montreal has achieved recognition from both the community and business sectors – something that few other philanthropic organizations have done before. This is evidenced by the widespread acclaim that greeted the announcement of the FGM’s involvement in the Placements Culture program.

In addition, our assets increased by 8 million \$ in fiscal 2005, for a total of 45 million \$. This was accomplished through the creation of new funds by both individuals and organizations, the addition of new organizational managed funds and the growth of our established funds. We were also able to increase the amount of our grants to selected community projects.

The FGM owes this mark of confidence to the volunteers sitting on its committees and board who lend their skills, names and networks to the FGM in order to enhance the lives of those around them. We offer them our heartfelt thanks. We also thank our numerous partners and donors for their trust in us. Last but not least, we thank the FGM’s excellent staff.

We continued our awareness-raising efforts among legal and financial planners and advisers, and these efforts have borne fruit. Tax experts, lawyers, notaries and other professionals are discovering the FGM and the many benefits it has to offer their clients.

THE FGM

A Partner Dedicated To Culture

The FGM feels strongly that quality of life must pervade all aspects of community life. With its proven track record in collaborating with the social, community, health and educational sectors, the FGM this year began to forge close ties with the arts and culture sector. Several major Montreal cultural institutions, including the Théâtre du Nouveau Monde and the Fondation Jean-Duceppe, had already entrusted the FGM with the management of their endowment funds. A number of others have taken steps to do likewise this year thanks to two extremely promising government initiatives.



Kathleen Weil, Pierre Brunet
and Yvan Gauthier

Placements Culture

In 2005, the Quebec government created a program to stimulate private sector funding for culture. Under the Placements Culture program, the Conseil des arts et des lettres du Québec offers matching grants to organizations that collect contributions from donors and foundations in order to create endowment and reserve funds. By entrusting the fund management of Placements Culture to the FGM and other community foundations, the government is taking full advantage of our experience and knowledge in the area of philanthropy. Cultural organizations will also benefit from the trust the FGM has earned from members of the business community and philanthropists. Placements Culture will help the FGM draw the attention of donors to the needs of the entire arts community, from the large-scale theatre company to the small dance troupe.

“Placements Culture gives donors and businesses a unique opportunity to contribute to arts funding; to improve the creation, production and dissemination of Quebec’s rich and diverse culture; to better balance their charitable portfolios; and to help diversify arts funding. The regional tour of Placements Culture has shown us the interest that business people and arts organizations have for this program.”

*Yvan Gauthier, President and Director General,
Conseil des arts et des lettres du Québec*

Canadian Heritage

For its part, the federal government has strengthened the Endowment Incentives component of the Canadian Arts and Heritage Sustainability Program. Henceforth this matching grant program will be open to arts festivals, arts presenters, and national arts training institutions. Moreover, the maximum amount individual applicants may receive has increased from \$5 to \$10 million over five years. In 2005, the FGM played a leading role in this program, as cultural organizations established endowments with the FGM under the program.



Maxime Côté

NATIONAL THEATRE SCHOOL FUND

“The arts have always been philanthropy’s poor cousin. Currently, our sector receives a mere two percent of private and institutional donations, despite the huge and widely recognized role played by arts and culture in the lives of people, cities and society as a whole. I sincerely hope these new government initiatives will help make up for a chronic lack of funding of our arts organizations and allow them to play an even more important role in the future. I am convinced the Foundation of Greater Montreal will contribute to reshaping Montreal’s cultural landscape.”

Simon Brault, Director General, National Theatre School and Chair of Culture Montréal



BLUE METROPOLIS FOUNDATION FUND

“Founded in June 1997, the Blue Metropolis Foundation is a non-profit literary organization that offers numerous activities throughout the year, including an adult literacy program, educational programs for students from primary school to CEGEP, and an annual festival. The endowment-matching programs developed by the federal and provincial governments provide a unique opportunity to help us encourage donors to play an active role in giving. For us, the FGM is an excellent solution. Its experience, expertise and approach means we can continue to focus on our mission.”

Johanne Pérusse, Chairperson of the Board, Blue Metropolis Foundation



FESTIVAL DES ARTS DE SAINT-SAUVEUR FUND

“The Festival des Arts de Saint-Sauveur is dedicated to the presentation of excellence in the performing arts and the promotion of the arts in the Laurentians. Building a regional arts festival has been a year-by-year challenge. As we celebrate our tenth anniversary, our Foundation of Greater Montreal endowment fund allows us to look to the future with new confidence.”

Lou Gordon, Founding President, Festival des Arts de Saint-Sauveur



LES PETITS VIOLONS FUND

“After 41 years in existence, establishing an endowment fund had become a priority for the Board. The possibility of receiving matching grants was a key element in the success of our endowment fundraising drive. Our generous patrons in the business sector were also very pleased that the Foundation of Greater Montreal was managing our endowment.”

Marie Gagnon, Chairperson of the Board, Les Petits violons

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

COMMUNITY FUNDS/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.

Pierre Brunet Fund
Michael Novak Fund

FIELD-OF-INTEREST FUNDS

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

Joan and Alex K. Paterson Fund
Montrusco Bolton Fund
Red Feather Fund
Monique et Guy Bisailon Fund*
Morgan's Hope Memorial Fund*

DESIGNATED FUNDS

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

Anonymous*
Fondation québécoise de la thalidomide Fund*
Queen Elizabeth Hospital Foundation
Health Fund

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

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



DONOR-ADVISED FUNDS

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

- Anne-Marie et Jacques Bougie Fund*
- Fondation Lucie et André Chagnon Fund
- Gallop Family Fund
- Guy Tiphane Fund
- J.S and Associates Fund*
- Malouf Family Fund
- Margaret K. Deacon Trust Fund*
- Patrick H. Irwin Trust Fund
- Raisa et Armand Afilalo Fund*
- The December 6th Victims Foundation Against Violence Fund*
- The J.W. McConnell Family Foundation Fund

ORGANIZATIONAL ENDOWMENT FUNDS

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

- Blue Metropolis Foundation Fund*
- Bond Foundation for Animal Welfare Fund*
- Festival des Arts de Saint-Sauveur Fund*
- Fondation Centre de santé et des services sociaux Jeanne-Mance Fund
- Fondation des ingénieurs municipaux du Québec Fund*
- Kateri/Canada World Youth Fund
- National Theatre School of Canada Fund*
- Les Petits violons Fund*
- Priory School Foundation Touch Tomorrow Fund
- Refuge Juan Moreno Fund*
- Rotary Club of Montreal Fund
- St. John Ambulance Fund
- Théâtre du Nouveau Monde Fund
- West Island Palliative Care Service Fund

*new funds



NEW FUNDS

THE FGM WELCOMED MANY NEW FUNDS THIS YEAR. THEY INCLUDE:

DECEMBER 6TH VICTIMS FOUNDATION AGAINST VIOLENCE FUND

The December 6th Victims Foundation Against Violence was created in 1989 in the wake of the tragedy that occurred at the Université de Montréal's École Polytechnique. For 16 years, the Foundation has supported organizations that struggle against violence in our society, and in particular, violence against women. The Foundation joined forces with the FGM to ensure this mission continues and to preserve the fund created in remembrance of the 14 young women who died. The FGM is honoured by this mark of confidence and will do its utmost to ensure the continued growth of this fund.



FONDATION DES INGÉNIEURS MUNICIPAUX DU QUÉBEC (FIMQ) FUND

Every year, the FIMQ awards a \$5,000 study, merit or research grant to a person or organization who has contributed to advances in the area of municipal engineering. The FIMQ decided to entrust the management of its fund to the FGM because of the FGM's credibility and the trust it inspires.

BOND FOUNDATION FOR ANIMAL WELFARE FUND

Upon retiring eight years ago, Dorothy Bond decided to dedicate herself to her great passion: animal welfare. Concerned with what would happen to her work after her passing, she turned to the FGM to make sure that her mission and capital would be protected and to convince other animal lovers to contribute. "I consider myself extremely fortunate to have found the FGM," says Ms Bond.



REFUGE JUAN MORENO FUND

"The protection of the human rights of women, children and unaccompanied minors seeking asylum in Canada is the core of the mission of Refuge Juan Moreno. The Sisters of the Congregation of Notre Dame have funded the operations of the Refuge from its inception. However, times change and it has become necessary to build a foundation to assure the Refuge's continued operation over the long term."

William Curran, Chair, Board of Directors

MANAGED FUNDS

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

- Centraide Foundation Fund
- Foundation for Research into Children's Diseases Fund
- Fondation Jean Duceppe Fund
- Montreal YMCA Foundation Fund
- Priory School Foundation Fund
- Fondation de l'École nationale de cirque Fund*

START-UP FUNDS

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

- Suzanne Trépanier-Côté Memorial Fund
- Laya and Harry Feldman Fund
- Marymount Alumni Fund for Children and Youth
- Parkinson Society of Quebec Fund
- Susan and Jonathan Wener Fund

*new fund



PLANNED GIVING

DEFERRED GIFTS

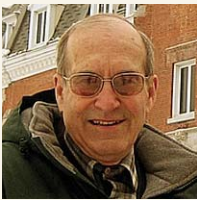
(Bequests and life insurance)

- Michel Boucher
- Douglas Fletcher Brown
- André Gélinas
- Martin Goodwin
- Guy Tiphane
- Nine Anonymous donors



Michel Boucher, a librarian at the University of Ottawa and resident of Quebec, was so impressed by the concept of the FGM that he donated a life insurance policy with a lump-sum

death benefit to the FGM, specifically to create a designated fund for UNICEF. “The plight of underprivileged children is something very close to my heart,” says Mr. Boucher. “I feel it is important to leave something of myself behind, so I decided to support this United Nations organization. My life has taken on new meaning ever since. I am grateful to the Foundation of Greater Montreal.”



Born in 1934 on a Saskatchewan farm, Douglas Fletcher Brown learned the importance of a formal education very early on. After earning a Ph.D. in genetics from the University

of Wisconsin, he eventually went on to become a professor at Bishop’s University in Lennoxville and now calls Quebec his home. “I decided to donate my insurance policy to the FGM because of the flexibility it offered me. The FGM also opened my vision to diverse possibilities for future giving and to developing my charitable fund with additional target charities,” states Mr. Brown.

André Gélinas was looking for a special way to thank two health care establishments that helped members of his family. His financial advisor suggested he use a life insurance policy to create a fund with the FGM. “I hope this gesture will encourage others to do the same,” says Mr. Gélinas.

The FGM is unique in the charitable sector. It dedicates itself to the creation and management of permanent endowment funds.

To reach out to as many potential donors as possible, the FGM has begun to contact professional advisors such as lawyers, notaries, tax experts, accountants and other professionals. Networking at an institutional level has borne fruit this year with several significant donations coming through this avenue.

THE FGM AT THE ANNUAL APFF CONVENTION

The FGM had the privilege of presenting the community foundation to members of the Association de planification fiscale et financière. The APFF brings together professionals from all areas of the economy and from a variety of disciplines that monitor changes in tax and financial planning matters. The invitation to speak at the APFF convention is a strong indication of the growing interest in this sector for planned giving.

THE FGM BEFORE THE QUÉBEC BAR

The FGM was invited by the continuing education department of the Barreau du Québec to speak to its members about planned giving. The presentation by Gaston Bouchard, head of planned giving for the FGM and himself a lawyer, was integrated into a document on personal trusts and estates (*Fiducies personnelles et successions*) published by Éditions Yvon Blais in 2005. The session organizer, M^e André Barette, attorney with Borden, Ladner, Gervais, noted that “planned giving is becoming an increasingly current topic of conversation among lawyers.”



“As advisors, our clients come first. The FGM is able to fulfill their charitable wishes in a remarkably effective way .”

Alice Léonard, financial planner

“I prefer to talk about life planning rather than financial planning. Increasingly, people are making life decisions that go far beyond the financial needs of themselves and their families, decisions based on commonly held values such as civic responsibility and sharing. My role is to advise my clients of the best way to act on these decisions. For many, especially the elderly, the FGM is a reputable organization that allows them to support the causes they hold dear, even after they are gone.”

Pierre St-Onge, financial planner

PARTNERSHIP BETWEEN BMO AND COMMUNITY FOUNDATIONS OF CANADA

In 2003, BMO Financial Group agreed to encourage its clients to take part in its Supporting Your Community program. Through this unique alliance, BMO clients may create endowment funds with their local community foundations with a minimum donation of \$10,000. In 2006, the FGM welcomed its first BMO donor.

A TALE OF TWO CITIES

One couple. One hometown: London, Ontario. One adopted city: Montreal – and a desire to support both. For years, the couple managed the numerous donation requests from both cities on their own, but the task eventually became too challenging. Their wealth advisor at BMO Harris Private Banking suggested BMO’s Supporting Your Community program and the FGM. The FGM’s national reach, through Community Foundations of Canada, makes it possible to accommodate such requests. Henceforth, the FGM will manage the couple’s charitable giving to better respond to the donation requests they receive every year.

REPORT OF INVESTMENT COMMITTEE

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

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

During fiscal 2005, the committee made adjustments to the FGM’s investment policy and appointed a new manager to maximize performance without increasing risk. The committee’s work resulted in a return on the FGM investment fund of 8.03 percent before costs, compared with 8.11 percent for 2004.

Gilles Émond Chair, Investment Committee

BUILDING AWARENESS

Work

As a partner with CBC Radio in its *Montreal Matters* program, an initiative designed to engage the public in debate about important local issues, the FGM organized a business breakfast on the topic of work.

Trends such as globalization, relocation, work specialization, and workforce mobility mean that businesses and workers in Greater Montreal will have to adapt to many changes.

The first speaker, Mario Polèse, compared labour market trends and the economic future of Montreal and Toronto. He first pointed out that Montreal's job environment is not all doom and gloom. Employment in Montreal continues to grow, though at a slower rate than in Toronto, and part-time work is expanding. The structure of Montreal's labour market is both diversified and fairly balanced. The sectors enjoying the best growth are trade, along with professional, technical and scientific services. On the other hand, job prospects for labourers and middle managers are declining. In short, while the Montreal economy is doing well, there is room for improvement.

The second panelist, Diane-Gabrielle Tremblay, talked about work life balance : the lack of time causes stress that not only affects family life but also shows up at work through absenteeism, lateness and lower productivity.



Diane-Gabrielle Tremblay, Mario Polèse, Marie-Josée Duplessis

It would be in the best interests of businesses, if only to stabilize their work forces and improve productivity, to adapt to the issues surrounding work life balance.

Marie-Josée Duplessis wrapped up the breakfast by speaking about the integration of new workers into the Montreal job market. People of immigrant origin now account for 28 percent of the Montreal population. And though immigrants often have more education than native-born Quebecers, their unemployment rate is two to three times higher. New arrivals may not fully comprehend our corporate culture, but employers are also slow to recognize skills and experience acquired abroad. A multi-faceted solution should focus on informing the public of the reasons for immigration and on ensuring that needed worker profiles better match immigrant selection criteria.

Mario Polèse,
Professor – Researcher,
Institut national de la
recherche scientifique,
Canada Research Chair in
Urban and Regional Studies

Diane-Gabrielle Tremblay,
Canada Research Chair on
the Socio-organizational
Challenges of the Knowledge
Economy; Professor,
Département économie et

gestion, Télé-Université de
l'Université du Québec à
Montréal

Marie-Josée Duplessis,
Coordinator, Integration
component, Table de
concertation des organismes
au service des personnes
réfugiées et immigrantes

THANK YOU TO EVERYONE WHO HELPED MAKE THIS EVENT A SUCCESS:

Dennis Trudeau, Montreal
journalist and former anchor
for *Canada Now*
Caisse de dépôt et placement
du Québec, event host
France St-Hilaire, Vice-
president, Research, Institute
for Research on Public Policy

FUNDS AND GRANTS

COMMUNITY GRANTS PROGRAM

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

Community Fund/ Unrestricted Funds

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

Michael Novak Fund
Pierre Brunet Fund

Field-of-interest Funds

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

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

These funds contributed to the community grants program in 2005.

Grantee	GRANT
Équiterre	\$15 000
L'Ancre des jeunes	\$15 000
Santropol Roulant	\$15 000
Les Journées de la culture	\$15 000
Vivre Saint-Michel en Santé	\$15 000



Équiterre

"Organic" daycare: a project that's growing!

Équiterre is dedicated to building a citizen's movement which promotes individual and collective choices that are ecologically and socially equitable. Its areas of action include ecological agriculture, fair trade, sustainable transportation, and energy efficiency. Launched in 2002, the *Garderie bio*, or "organic daycare" fosters organic food services for children's meals. Based on practical and direct links between early childhood centres (*Centres de la petite enfance*) and organic farm producers, the project also plays an important role in raising awareness among parents and educating children. The FGM grant helped to maintain this program, which had been threatened by a lack of funding.

FUNDS AND GRANTS



L'Ancre des jeunes

Drop-out prevention summer camp

Founded in 1991 in Verdun, L'Ancre des jeunes works to prevent children from dropping out of school and to support those who return. The FGM grant was allocated to the summer day camp for 10-to-12-year-olds. The camp prepares kids to go back to school in the fall by stimulating enthusiasm and a sense of belonging through creative workshops, recreational and educational field-trips, outdoor activities and sports. It builds on partnerships and cooperation with a number of local organizations, the school system and parents. The FGM grant will help disadvantaged children participate, and help maintain a child-counsellor ratio suitable to a personalized teaching approach.



Santropol Roulant

Intergeneration project: promoting activity among the elderly

This organization provides meal preparation and delivery for people with decreasing independence, those who suffer from malnutrition or social isolation, or those who live in poverty. Coordinated by youth, the service also includes activities to promote intergenerational solidarity, and it is this facet of their activities that Santropol Roulant will develop through this project. The organization plans to join with two community partners who share complementary objectives. Together, they will explore various means of increasing the participation of the elderly within society by fostering the creation of a wider public role for them. The FGM grant will help to carry out a study on the role of the elderly.



The Secretariat of the Journées de la culture

Intercultural Encounters

Since 1997, Journées de la culture has helped promote and democratize culture in Quebec by providing opportunities for artists and citizens to meet and exchange. The goal of *Les Journées* is to promote the arts and culture as an avenue of social integration, of community and individual growth, and of cultural inclusion. In 2005, the organization added a multicultural segment to its program aimed at introducing the public to artists from ethno-cultural and aboriginal communities through a series of encounters involving ten organizations from all over the city. The FGM helped to fund these "café-rencontres," an activity in perfect keeping with its own goals of openness and dialogue.



Vivre Saint-Michel en santé

Community and social integration

Born out of the *Villes et Villages en santé* movement, *Vivre Saint-Michel en santé* is an initiative that brings together citizens, community organizations, institutions and local business people. The goal of all these partners is to identify and promote activities that will improve the quality of life in the neighbourhood and the social and economic development of its population. The FGM agreed to contribute to the implementation of one of the identified priorities: building a network of informed and committed citizens in the neighbourhood. The network will be cultivated through ten facilitated meetings a year that will generate dialogue on topics such as children's integration in school, local resources, health, environment, safety, and social rights.

FUNDS AND GRANTS

Designated Funds

Established by donors to support specific charitable organizations in perpetuity.

Fund / Grantee	Grant
Queen Elizabeth Hospital Foundation Health Fund*	
<i>Douglas Hospital Foundation</i>	\$14 750
<i>Montreal Neurological Hospital Foundation</i>	\$22 126
<i>Royal Victoria Hospital Foundation</i>	\$22 126
<i>St. Mary's Hospital Foundation</i>	\$22 126
<i>The Montreal Children's Hospital Foundation</i>	\$22 126
<i>The Montreal General Hospital Foundation</i>	\$22 126
<i>The Montreal Chest Institute Foundation</i>	\$ 7 375
<i>The Sir Mortimer B. Davis Jewish General Hospital Foundation</i>	\$14 750

*These grants helped meet urgent needs and purchase particularly costly equipment, including physiological monitor, angiography suite, ultrasound machine, CT scanner

Donor-Advised Funds

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

Fund / Grantee	Grant
Malouf Family Fund	
<i>Alzheimer Society of Montreal Inc.</i>	\$3 000
<i>Cedars Cancer Institute (at the MUHC)</i>	\$2 000
<i>Cedars Home for Elderly People Foundation</i>	\$4 500
<i>Le Fonds de développement du Collège Jean-de-Brébeuf</i>	\$1 000
<i>Loyola High School Foundation</i>	\$2 500
<i>Refuge Juan Moreno</i>	\$1 500
<i>Selwyn House Association: The Veritas Fund</i>	\$5 000
<i>Share the Warmth Foundation</i>	\$1 000
<i>St Willibrord Parish</i>	\$ 500
<i>The Montreal Children's Hospital Foundation</i>	\$2 500
<i>The Montreal Museum of Fine Arts</i>	\$5 000
<i>The Sacred Heart School of Montreal</i>	\$ 500
<i>The Sir Mortimer B. Davis Jewish General Hospital Foundation</i>	\$2 000
<i>The Study School Foundation</i>	\$5 000
<i>The West Island Palliative Care Service</i>	\$1 000
<i>York University Foundation</i>	\$1 000
<i>Montreal Shriners Hospital</i>	\$2 000
<i>Income contributed to the Community Grants Program</i>	\$5 000

Fund / Grantee	Grant
Fondation Lucie et André Chagnon Fund <i>Income dedicated to the development of the FGM</i>	\$40 000
Gallop Family Fund <i>Income contributed to the Community Grants Program</i>	\$749
Guy Tiphane Fund <i>Income contributed to the Community Grants Program</i> (L'Ancre des jeunes, Les Journées de la culture, Vivre Saint-Michel en Santé)	\$9 904
Patrick H. Irwin Trust Fund <i>Income contributed to the Community Grants Program</i>	\$14 301
The J.W. McConnell Family Foundation Fund <i>Income dedicated to the development of the FGM</i>	\$40 000

Organizational Endowment Funds

Funds created by an organization for their own benefit.

Fund / Organization	Grant
Fondation Centre de santé et des services sociaux Jeanne-Mance Fund <i>Fondation Centre de santé et des services sociaux Jeanne-Mance</i>	\$468
Kateri/Canada World Youth Fund <i>Canada World Youth</i>	\$1 749
Priory School Foundation Touch Tomorrow Fund <i>Priory School Foundation</i>	\$909
Rotary Club of Montreal Fund <i>Rotary Club of Montreal</i>	\$2 298
St. John Ambulance Fund <i>St. John Ambulance</i>	\$376
Théâtre du Nouveau Monde Fund <i>Théâtre du Nouveau Monde</i>	\$11 175
West Island Palliative Care Service Fund <i>West Island Palliative Care Service</i>	\$376

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*Executive Committee members



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ACKNOWLEDGEMENTS

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

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

Thank you to our corporate partners.

Alcan
Alcoa
Bell Canada
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Cogeco Inc.
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SNC Lavalin

Société des alcools du Québec
Transat

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

Caisse de dépôt et placement du Québec
M^e Jules Charette, Honorary Legal Counsel,
Ogilvy Renault
Heidi Hollinger, Photographer
National Bank Financial
SITQ Real-Estate



ACKNOWLEDGEMENTS

Order of the Foundation of Greater Montreal

This Order was created to express the Foundation of Greater Montreal's tremendous gratitude to donors whose generosity has helped the FGM grow and carry out its mission. Anyone who donates \$1,000 or more to the FGM becomes a permanent member of the Order of the Foundation of Greater Montreal.

Patron

(\$1 million and more)

La Fondation Lucie et André Chagnon Fund
Peter J. Malouf
The J.W. McConnell Family Foundation

Benefactor

(\$100,000 and more)

Patrick H. Irwin Trust
Michael Novak
Richard Renaud
Guy Tiphane
Red Feather Foundation
Roasters Foundation
One anonymous donor

Leader

(\$50,000 and more)

Dorothy Bond

Builder

(\$10 000 and more)

Raisa and Armand Afilalo
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Laya and Harry Feldman
John Frost
Claire Goyer
Carmand Normand
Susan and Jonathan Wener

Legacy Society

This Order recognizes donors who, while living, arrange to make a deferred donation (bequest, life insurance policy, or other) to the FGM.

Michel Boucher
Douglas Fletcher Brown
André Gélinas
Martin Goodwin
Guy Tiphane
Nine Anonymous donors

The Foundation of Greater Montreal is a member of Community Foundations of Canada (CFC), the membership organization for Canada's community foundations. CFC has more than 153 members, which collectively hold more than \$2 billion in assets and serve 89 percent of Canada's population.

As it develops, the Foundation of Greater Montreal is benefiting from the support and experience of many other CFC member foundations, the oldest of which was founded in Winnipeg in 1921.

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

FINANCIAL STATEMENTS OF THE FOUNDATION OF GREATER MONTREAL

December 31, 2005





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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, 2005 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, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Liamson Bélair
Debatto & Touchette s.r.l.*

Chartered Accountants

February 10, 2006

THE FOUNDATION OF GREATER MONTREAL

Statement of operations and changes in fund balances
year ended December 31, 2005

	Operating Fund	Distribution Fund	Endowment Fund	2005	Total 2004
	\$	\$	\$	\$	\$
Revenues (Note 6)					
Donations	-	370,920	2,017,406	2,388,326	983,867
Sponsorships	148,000	-	-	148,000	150,000
Management fees	267,565	(57,645)	-	209,920	192,007
Investment income	-	493,924	-	493,924	346,058
Contribution from investment income	80,000	(80,000)	-	-	-
Bank interest	827	-	-	827	354
Other	-	-	-	-	1,500
	496,392	727,199	2,017,406	3,240,997	1,673,786
Expenses					
Salaries and fringe benefits	165,662	-	-	165,662	160,099
Management fees	93,417	-	-	93,417	80,801
Trustee fees	40,768	-	-	40,768	34,722
Administration fees	14,275	-	-	14,275	14,341
Fees - planned donations	75,034	-	-	75,034	75,758
Professional fees	18,245	1,800	-	20,045	18,085
Donations	-	279,873	-	279,873	301,405
Rent	24,041	-	-	24,041	23,100
Taxes and permits	2,292	-	-	2,292	2,292
Office supplies	5,796	312	-	6,108	5,813
Stationery and printing	855	-	-	855	-
Travel	3,793	-	-	3,793	3,398
Meetings	1,515	-	-	1,515	1,235
Telecommunications	2,833	-	-	2,833	4,313
Insurance	1,016	-	-	1,016	886
Life insurance premiums received in donations	-	350,608	-	350,608	-
Delivery	917	-	-	917	1,327
Publications and subscriptions	635	-	-	635	495
Bank charges	4,044	-	-	4,044	3,352
Communications	19,162	-	-	19,162	25,053
Brochures - planned donations	-	-	-	-	7,897
Dues	3,075	-	-	3,075	5,792
Conferences	887	-	-	887	2,105
Amortization	1,492	-	-	1,492	1,559
Other	94	-	-	94	602
	479,848	632,593	-	1,112,441	774,430
Net result	16,544	94,606	2,017,406	2,128,556	899,356
Fund balances, beginning of year	28,855	29,805	9,251,706	9,310,366	8,411,010
Interfund transfer (Note 7)	4,000	(4,000)	-	-	-
Fund balances, end of year	49,399	120,411	11,269,112	11,438,922	9,310,366

THE FOUNDATION OF GREATER MONTREAL

Balance sheet
as at December 31, 2005

	Operating Fund	Distribution Fund	Endowment Fund	2005	Total 2004
	\$	\$	\$	\$	\$
Assets					
Current assets					
Cash	78,584	-	35,056	113,640	54,254
Amount due from the Endowment Fund	-	79,659 *	-	-	-
Accrued interest and dividends	-	40,752	-	40,752	33,226
Accounts receivable	94,295	-	-	94,295	79,066
Prepaid expenses	300	-	-	300	-
	173,179	120,411	35,056	248,987	166,546
Investments (Note 3)	-	-	11,313,715	11,313,715	9,229,130
Capital assets (Note 4)	3,635	-	-	3,635	5,127
	176,814	120,411	11,348,771	11,566,337	9,400,803
Liabilities					
Current liabilities					
Amount due to the Distribution Fund	-	-	79,659 *	-	-
Accrued liabilities	62,415	-	-	62,415	70,437
Deferred revenues	65,000	-	-	65,000	20,000
	127,415	-	79,659	127,415	90,437
Fund balances					
Externally restricted	-	120,411	11,134,746	11,255,157	9,147,145
Internally restricted	-	-	134,366	134,366	134,366
Invested in capital assets	3,635	-	-	3,635	5,127
Unrestricted	45,764	-	-	45,764	23,728
	49,399	120,411	11,269,112	11,438,922	9,310,366
	176,814	120,411	11,348,771	11,566,337	9,400,803

* These items are not reported in the totals column on the balance sheet because they offset each other.

Approved by the Board



Pierre Brunet,
Chairman



Gilles Émond, CA
Treasurer

THE FOUNDATION OF GREATER MONTREAL

Notes to the financial statements
year ended December 31, 2005

1. Description of organization

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

2. Accounting policies

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

Fund accounting

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

i) *Operating Fund*

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

ii) *Distribution Fund*

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

iii) *Endowment Fund*

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

External restrictions

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

Internal restrictions

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

Revenue recognition

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

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

Donations received in-kind, estimated at the fair value established by an independent appraiser, are recorded in the year in which they are received.

Investment income is recognized when it is earned. It is recorded as revenue in the Distribution Fund unless the donors have specified otherwise.

Investments

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

Capital assets

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

Furniture and equipment 20% Computer hardware 30%

Deferred revenues

Deferred revenues are grants and sponsorships received for the subsequent year.

Use of estimates

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

THE FOUNDATION OF GREATER MONTREAL

Notes to the financial statements
year ended December 31, 2005

3. Investments

	2005		2004	
	Cost	Market value	Cost	Market value
	\$	\$	\$	\$
7,988.953 units of the The Foundation of Greater Montreal Investment Fund (Note 5)	7,936,834	8,661,223	5,822,239	6,273,087
Bonds, nominal value of \$1,907,000 interest varying from 5.53% to 7.50%, maturing through 2007	1,959,636	1,992,796	1,974,646	2,039,402
Preferred shares, redeemable only after the death of the last survivor of the two donors, annual dividends of 4.725%	1,000,000	1,000,000	1,000,000	1,000,000
Mortgage, bearing interest at an annual rate of 4.5%, redeemable through May 2018	295,970	295,970	310,970	310,970
Investment certificate, bearing interest at an annual rate of 5.0%, redeemable in February 2007	121,275	121,275	121,275	121,275
	11,313,715	12,071,264	9,229,130	9,744,734

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

4. Capital assets

	2005		2004	
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Furniture and equipment	6,975	4,118	2,857	3,571
Computer hardware	4,536	3,758	778	1,556
	11,511	7,876	3,635	5,127

5. The Foundation of Greater Montreal Investment Fund

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

Separate financial statements are prepared for The Foundation of Greater Montreal Investment Fund, which presents its investments, comprised mainly of bonds and stocks, at market value. As at December 31, 2005, the market values of the funds managed by The Foundation of Greater Montreal Investment Fund are as follows:

	2005		2004	
	Number of units	Market value	Number of units	Market value
		\$		\$
Funds belonging to The Foundation of Greater Montreal	7,988.953	8,661,223	6,049.690	6,273,087
Funds managed for various entities	26,078.804	28,273,336	26,399.694	27,374,555
	34,067.757	36,934,559	32,449.384	33,647,642

THE FOUNDATION OF GREATER MONTREAL

Notes to the financial statements
year ended December 31, 2005

6. Revenues

i) Donations

During the year, the Foundation of Greater Montreal received donations of \$2,388,326 (\$983,867 in 2004). Donations for 2005 include an amount of \$350,608 regarding life insurance premiums for which the Foundation of Greater Montreal is the beneficiary of the life insurance policies. Donations for 2003 included an amount of \$2,000,000 for which donors stipulated that investment income be allocated to operations for a three-year period; i.e., 2003, 2004 and 2005. A contribution from investment income in the amount of \$80,000 was recorded in the Operating Fund for this purpose (\$80,000 in 2004).

ii) Management fees

	2005	2004
	\$	\$
The Foundation of Greater Montreal Investment Fund	265,315	235,305
Other	2,250	2,250
	267,565	237,555
Less: Professional fees attributable to The Foundation of Greater Montreal	(57,645)	(45,548)
	209,920	192,007

iii) Investment income

	2005	2004
	\$	\$
Investment Fund	339,146	228,499
Bonds	87,721	56,064
Preferred shares	47,250	47,250
Mortgage	13,744	14,245
Investment certificate	6,063	-
	493,924	346,058

7. Interfund transfer

The Board of Directors of The Foundation of Greater Montreal allocated \$4,000 (\$5,000 in 2004) to the Operating Fund for current operations.

8. Financial instruments

Fair value

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

9. Statement of cash flows

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