



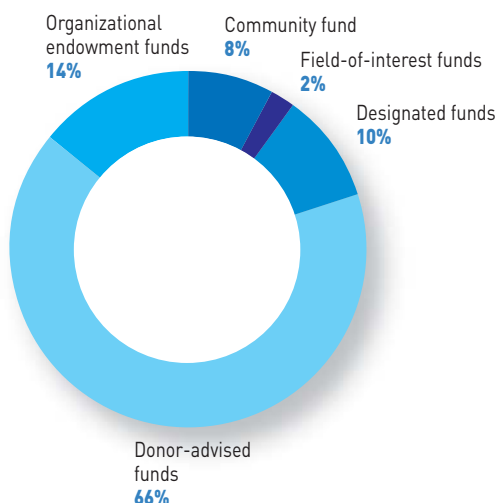
Foundation of
Greater Montreal

The Foundation of Greater Montreal (FGM) 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.

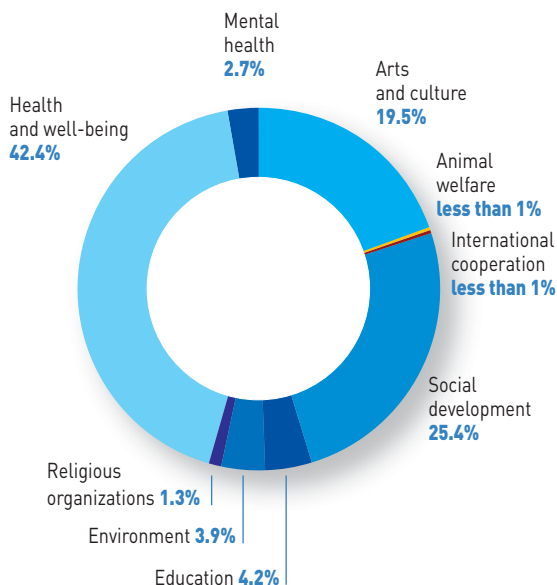
Highlights for 2007

- Endowment funds: 86
- Endowed assets: \$43.2 million
- Total assets: \$87 million
- Grants: \$3 million since 2003

Funds by type as at December 31, 2007
Total: \$43,230,153



Grants distributed in 2007
Total: \$2,016,224



The FGM is a member of Community Foundations of Canada (CFC), the membership organization for Canada's community foundations. CFC has more than 160 members, which collectively hold more than \$2.9 billion in assets and serve 89% of Canada's population.

As it develops, the FGM 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 worldwide community foundation network and has supported the development of foundations in Brazil, Mexico, central and eastern Europe, South Africa, and Australia.

For more information: Foundation of Greater Montreal

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Registered charitable organization: 88197 9124 RR 0001

MESSAGE

FROM THE CHAIR AND PRESIDENT & CEO



The year 2007 was marked by significant and exciting expansion in the Foundation's outreach.

On the donor side, this expansion was reflected in the creation of 17 new donor-advised funds, most of them over \$100,000 bringing our total accumulated assets to nearly \$87 million of which \$44 million are FGM-owned assets. Hundreds of other donors also contributed to existing funds, evidence that trust in the FGM continues to grow in the community. In addition, 17 organizations set up endowment funds at the Foundation on a permanent basis so that we may help ensure their growth and sustainability.

Our growing assets have enabled the Foundation to broaden its scope of action and to provide grants totalling over \$2 million in 2007. Through the Community Grants Program alone, we were able to support nearly 100 organizations meeting a wide range of community needs.

By expanding our grantmaking activities, we were also able to establish closer links with many charitable organizations working in various fields, including the social, cultural and environmental fields. We engaged in meaningful dialogue with key players in a variety of sectors, deepening our understanding, and that of our donors, of challenges in the community and the strategies to address them. This in turn enabled us to better target our support. In this regard, it is also important to highlight the valuable tool that is FGM's publication of Greater

Montreal's *Vital Signs*, which provides a broad perspective on all aspects of life in Montreal, guides our work and helps us play our role in the community to the fullest.

With the downturn in Canadian and world markets, we experienced a drop in asset performance in 2007. Rest assured, however, that this has in no way diminished the dedication and determination of all those who work with the Foundation as employees and volunteers. We thank them from the bottom of our hearts.

We also express our gratitude to our partners and our donors for their trust and their generosity.

Alex K. Paterson
Board Chair

Kathleen Weil
President and Chief
Executive Officer





FGM FUNDS



A wide choice of funds for maximum flexibility

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

Community Fund

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

Field-of-interest Funds

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

Designated Funds

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

Donor-Advised Funds

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

Memorial Funds

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

Managed Funds

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

NEW FUNDS

New funds established by donors

Our gift planning activities continue to bear fruit, as evidenced by the number of new donors who have expressed their trust in the Foundation. This year, 17 new donor funds were established at the FGM.

A significant number of these funds were set up further to the recommendations of financial advisors who see the Foundation as the best answer to the philanthropic and financial needs of their clients. Through a recently established partnership with BMO Nesbitt Burns, the FGM is delighted to welcome several of their clients as new donors to the FGM, to assist them in reaching their philanthropic goals.

Anna and Philip Belec Foundation Fund

Philip Belec and his business partners had an opportunity to give back and they wanted to do something that would leave a lasting imprint. They chose to contribute to the community foundations in their respective cities, one in Toronto, one in Burlington and, in Philip Belec's case, in Montreal through the Foundation of Greater Montreal. "My wife, Anna, and I share a strong belief in community support and involvement, and we want to pass those values onto our sons, Ben and PJ. The community foundation was a natural choice for us to set-up a family endowment that allows us to direct our philanthropy in an organized way and, over time, to get our two sons involved. It's something to work from and to build on!"



Corey and Betsy Copeland Family Fund

"We've been admirers of the FGM for a long time. When we had the opportunity to donate appreciated securities, it was the ideal way for us to start a fund for our ongoing giving. The foundation is a great vehicle for supporting the community."



Fondation Groupe Di Tomasso Fund

Groupe Di Tomasso, a member of BMO Nesbitt Burns, has put into practice what it recommends to its clients – namely, establishing a fund with the FGM as part of the BMO Nesbitt Burns Charitable Giving Program. Michel Di Tomasso has decided to devote the fund to supporting the homeless. He has encouraged other members of the Di Tomasso family, as well as friends and clients who share his interest, to contribute. BMO Nesbitt Burns will manage the fund's assets, while the Foundation will administer it and help the donor with grantmaking.

Harrison Family Foundation Fund

The fund established by Michael and Carol Harrison marks the beginning of a long-term commitment to the FGM and to the community – a first step that will be followed by many others. The Harrisons will continue to contribute to the fund in the years ahead to ensure it will always be able to meet the needs of their community and to support groups that propose solutions for the future. “Thanks to this fund, we truly feel we will build something which, over time, will have a genuine, concrete impact on our community.”

Michel and Josée Jacques Fund

Montrealers by birth and at heart, Michel Jacques and his wife, Josée, want to share what they have received. Having played a role in the success of large Quebec corporations, Michel Jacques now wishes to contribute to the future of his community with the same enthusiasm by responding to the long-term needs of his fellow citizens. “We believe we have been very fortunate and we want to share our good fortune with others in need. As an administrator, I naturally looked for an efficient and well-managed solution. I found it in the FGM.”



LES Foundation Fund

The FGM's first environmental fund

The LES Fondation was established by Lois Katnick in memory of her husband, Jack Miro Katnick, and their daughter, Leslie Anne. Father and daughter loved the harmony and incomparable beauty of nature, and believed our fragile planet needs to be protected. Through this fund, Mrs. Katnick wishes to pursue the same goals: “I hope this initiative and the growing importance of the environmental movement will help us find viable answers to the problems facing us today.” She encourages family and friends who are concerned with the environment to join her efforts in this fund.

Fondation familiale Marcel Naud Fund

Ayako Nishi Naud established this fund in memory of her late husband, Marcel Naud, who died 40 years ago. She encourages family members and friends to contribute to the fund and to the grantmaking process it will generate. “My hope is to bring my family together around a forward-looking philanthropic project that will perpetuate the name of my husband.” Mrs. Nishi Naud will receive advice from the FGM, which she discovered through her financial advisor at BMO Nesbitt Burns.



Tom and Olga Maxwell Fund

Olga Maxwell established this fund with significant capital gains generated by the sale of a property: "I saw this as a wonderful opportunity to set up a personal fund to support local Montreal causes I care about, while at the same time saving some personal income tax. I am excited about this commitment, which will allow me to support different charities that work with the homeless, abused women, and disadvantaged youth."

Michael and Michaeleen O'Connor Fund

A Montrealer by adoption, Michael O'Connor set up a donor-advised fund through a gift of shares: "I grew up on the West Coast in the fishing industry and learned a number of native traditions. One such tradition is the Salmon Feast, which calls for the people to gather all of the salmon heads, tails, skin and bones and return these salmon remains to the ocean. This is done out of respect for the salmon, and it is believed that, in doing so, the salmon will return each year to feed the people. By giving away a portion of my stock holdings, I am following this tradition of giving back to the community a part of what it has given me."



Dr. Marinko Biljan Memorial Fund

Commemorating an Outstanding Contribution to the Community

Marinko M. Biljan died with great dignity and courage on August 14, 2007, at the age of forty-nine of ALS (Amyotrophic Lateral Sclerosis, Lou-Gehrig's disease), an incurable degenerative and fatal illness. A proud father, a phenomenal life partner and husband — he was ambitious, persistent and passionate about everything he did.

Dr. Biljan was born in Zagreb, Croatia, where he lived until he received his medical degree in 1984. He was a board certified sub-specialist in reproductive endocrinology who was recruited from the United Kingdom in 1996 to help develop the McGill Reproductive Center in Montreal. He was a dedicated physician whose academic work included numerous clinical studies and collaborations furthering the scientific understanding of ovulation and superovulation. In 2002 he founded the Montreal Fertility Centre that launched his unique vision of exemplary standards of personalized fertility care. His professional efforts resulted in the creation and growth of many families.

Dr. Biljan's athletic interests were many and varied. His adventurous and ambitious nature sparked his involvement in triathlon training and competitions. Among other honours, he proudly placed third in his category in the world triathlon championship in Edmonton in 2001.

The Dr. Marinko Biljan Memorial Fund was created by Dr. Biljan's wife, Diane, and their six-year-old daughter, Morgan, with the support of countless friends, colleagues, patients and families both near and far. The fund aims to promote research in reproductive medicine, to help families to grow in healthy, active and spirited ways, and to support families living with ALS.

As his wife, Diane, put it, "Beneath the veil of the ALS, Marinko was a remarkably gifted individual who was very engaged in life. One could say that his passionate mission was to help create life while he was among us. His accomplishments speak for themselves, and anyone who came to know him could easily appreciate his spirited optimism, humanity, kindness, generosity and infectious smile. He was indeed a caring person and sincere advocate for women's health, and had such a profound, unique and positive impact on so many lives — patients, their families and the community at large."



Maison Monbourquette Fund and Gérard Veilleux Foundation Fund

Gérard Veilleux, president of Power Corporation Communications, has established two philanthropic funds within the FGM. The first is dedicated to Maison Monbourquette, an organization that he chairs and that provides comfort and assistance to those in mourning. By instituting this fund, he has sought to ensure the long-term stability of the support organization founded and led by his wife, Lisette Jean.

In 2007, Mr. Veilleux also created the Gérard Veilleux Foundation Fund, a donor-advised fund that will support Maison Monbourquette initially and other organizations subsequently. Mr. Veilleux hopes this gesture will inspire other community leaders to contribute to the quality of life in Montreal.



Maison Monbourquette Fund

“The loss of a loved one is something that will one day touch us all, often in a sudden and unexpected way. It is essential, during that difficult time, to be able to count on strong support, be it from a close family member or friend, from our community, or from an organization that provides such support. While some people cope well with this life challenge, others experience severe emotional distress that can be difficult to overcome. The Monbourquette Foundation works to bring existing resources together and to develop new ones to fill the void that too often confronts those who mourn.”

Jean Monbourquette, Oblate Priest, psychologist.

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.

The FGM, partnering with charitable organizations

Supporting charitable organizations is an integral part of the FGM's mission. Several new organizational endowment funds were set up this year. By entrusting their funds to the Foundation on a permanent basis, 17 charities saw in the FGM an efficient means of protecting their sustainability and addressing their need for stable, flexible funding.

Two government matching grant programs for arts and culture organizations* continue to stimulate the growth of these types of endowments, providing organizations with ongoing support for their projects and operations.

The FGM offered its own matching grant program in 2007 for organizations with an endowment fund at the community foundation. Over 20 organizations responded with enthusiasm, and benefited from this innovative initiative to help them grow their own endowment fund at the FGM.

* Placements Culture managed by the Conseil des arts et des lettres du Québec, and the Endowment Incentives component of the Canadian Arts and Heritage Sustainability Program



Fondation Toujours ensemble Fund

The will of Toujours ensemble to ensure its future led the organization's Board of Directors to entrust its endowment fund to the FGM. In the words of Carolyn Renaud, Chair of the Board, and Pierre Côté, President & CEO, "We must invest in the long term to ensure we always have the resources needed to continue our work with disadvantaged youth. The FGM's expertise and approach, as well as the economies of scale, lower administrative costs and professional portfolio management it provides, are key elements in our decision to establish the fund at the community foundation."

SPECIAL PROJECTS



Greater Montreal's Vital Signs

In the past year, the FGM published its second annual check-up on the elements that contribute to the quality of life in Greater Montreal. By focusing on the strengths and weaknesses of our city, *Vital Signs* helps guide our grantmaking decisions. Poverty and youth drop-out rates, the difficulties faced by newcomers in their efforts to integrate into the job market, and the environment are among the challenges that require innovative solutions.

Through the *Vital Signs* report, we also hope to promote debate and dialogue within the Montreal community and to better inform donors about community issues and opportunities.

This initiative now spans the entire country: in 2007, 10 other cities published similar reports, and Community Foundations of Canada launched a national edition of *Vital Signs*.

Greater Montreal's Vital Signs is available in an abridged print format; the full version can be viewed on our website at www.fgmtl.org. To obtain a copy of the national report, visit the CFC website at www.cfc-fcc.ca.

Youth and Philanthropy

In 2007, a pilot project called School Needs – carried out in partnership with CBC Montreal and two Montreal Island school boards – allowed elementary and secondary school children to explore various dimensions of philanthropy. They were encouraged to look at their surroundings from a different perspective and to identify needs in order to make better choices.

This project represents a first step towards establishing a Youth and Philanthropy program inspired by similar initiatives led by community foundations across Canada. Our goal is to foster philanthropic engagement among young people through school activities and involve students in the selection of youth-oriented grants.





SPECIAL PROJECTS

Montreal Matters

The ENVIRONMENT – Let's make it our business.

As one of CBC Montreal's partners in the *Montreal Matters* initiative, which seeks to stimulate discussion on major local issues, the Foundation sponsored a business breakfast forum with four panellists to debate environmental issues affecting Montreal.

Louis Drouin, Responsible for Health and Urban Environment at Montreal's Public Health Department (Direction de santé publique de Montréal (DSP)), set the scene. Based on recent data, Dr. Drouin drew a worrisome picture of the health consequences of inaction in the areas of housing, transportation and urban planning, which include asthma in young children and other respiratory illnesses in seniors. The DSP has adopted a proactive approach by providing advice to the island's cities and boroughs and actively promoting a mass transit plan as well as a pedestrian's bill of rights.



Solutions to environmental problems do exist, and they may even be very simple, according to Sidney Ribaux, Cofounder and General Coordinator of *Équiterre*, a non-profit organization that promotes sustainability and social justice. *Équiterre* has contributed to the development of the program *Change the World, One Step at a Time*, which aims to make it easy for one and all to change their habits and act to improve the environment. The program describes 12 small steps that could result in our no longer being one of the biggest energy consumers in the world.

Pauline d'Amboise, Secretary General of the Desjardins Group, stressed that dialogue is possible between the environmental sector and private industry. In partnership with *Équiterre*, Desjardins has adapted the principles outlined in the *Change the World, One Step at a Time* program to its own reality. This seemed a natural choice for a corporation dedicated to contributing to the economic and social well-being of the population.

Charles-Mathieu Brunelle, Executive Vice-President and Managing Director of TOHU, a center for circus arts, concluded the panel discussion by introducing a highly imaginative green building. The TOHU pavilion, which is part of the Saint-Michel Environmental Complex, contains a performance hall and other facilities. It is one of the few LEED-certified, Gold-rated green buildings in Canada.

GRANTS

Community Grants Program

This year, thanks to the creation of a large number of new funds and fund performance in 2006, the Foundation was able to distribute from the Community Grants Program nearly 100 grants totalling close to \$840,000. We were impressed with the breadth and quality of the many projects submitted to us, projects that allowed us to address a range of issues – a testimonial to the vibrancy of Montreal's charitable sector. The FGM was thus able to support all the areas that contribute to an improved quality of life for everyone and, in some instances, for the most vulnerable members of society.

The sums added to the Community Grants Program come from unrestricted and field-of-interest funds. These funds are set up by donors who entrust the Foundation with identifying priority issues and areas to ensure that their contributions are always in tune with changing needs. The creators of some donor-advised funds also choose to devote part or all of the income generated by their fund to the Community Grants Program.



Education *Focusing on motivation*

Learning is a stimulating and rewarding endeavour but, for some, the path is strewn with obstacles. The Foundation is aware of some of the most critical points in the education process and has focused part of its support on organizations that seek to prevent or reduce the incidence of dropping out, loss of interest in learning or general discouragement among young people of all ages.



For some children, learning is an insurmountable challenge that results in a series of failures. The *Centre de services préventifs à l'enfance* received our support for a program that encourages at-risk children and their parents to become more familiar with the school environment during the summer. The transition from elementary to high school is also difficult for some young people. The FGM provided a grant to the *Carrefour de lutte au décrochage scolaire* for a project to help them complete the first stage successfully and undertake the next one with confidence. *Maison Kekpart*, on the South Shore, received our support to establish a center geared towards at-risk 14- to 19-year-olds and that provides training in trades related to the performing arts. The aim is to foster a desire to learn and a sense of accomplishment through these apprenticeships.



Health

Health for all

The Foundation's activities in the health sector complement the role of the public sector. The FGM aims to promote physical and mental health among the most vulnerable. This year, the Foundation supported organizations that propose initiatives to reach groups of citizens who are often neglected or marginalized.

The *Fondation Centre de santé et de services sociaux Jeanne-Mance* has established a free dental clinic for street youth suffering from a range of dental problems. Every year, Université de Montréal dentistry students treat approximately 1,000 patients at the clinic. The FGM funded the purchase of two dental chairs so desperately needed by the clinic. *Toujours ensemble* works with disadvantaged young people to motivate them to stay in school. Thanks to the FGM, these young people will also benefit from a program involving them in physical activity and in learning about healthy lifestyles. At the other end of the age spectrum, the *N.D.G. Senior Citizens' Council* works to improve the quality of life of the elderly who often become vulnerable to depression in the face of significant changes in their lives. The FGM is funding the creation of support groups to help seniors cope with change and to fight depression.



Arts and Culture

Culture as a day-to-day activity

For the FGM culture is not a luxury. For that reason, we have focused our granting in this area on initiatives that democratize culture and bridge the gap between the public and the world of artists and performers.

Culture is also a unique educational tool that helps to stimulate the curiosity and creativity of young people, fight the temptation to drop out and integrate marginalized individuals. The *Compagnie musicale La Nef*, for example, has created *La Meunière*, a show for children that combines music, history, and theatrical performance, to help them discover New France in the 18th century. The *Théâtre Le Clou* encourages 13- to 17-year-olds to compete in writing urban stories and gives winners an opportunity to take part in a theatrical coaching seminar and to have their work published.





Environment *A call to action*

The Foundation has decided to approach this vast area by encouraging action and citizen participation. It provided support to organizations that are helping change the urban face of Montreal and its surrounding areas while reinforcing a sense of community.

The FGM provided support to *Action Communiterre*, an urban agriculture project that involves some 450 residents of the Notre-Dame-de-Grâce neighbourhood in such projects as community gardening, awareness campaigns, and intergenerational meals: the environment is without boundaries! For its part, *Équiterre* is working to expand its program *Je m'active dans mon quartier* (I take action in my neighbourhood) to a number of boroughs. The organization also seeks to increase the awareness of citizens, especially about the benefits of active modes of transportation and the role that everyone can play in improving the quality of life. Through its *Nettoyons Écolo* program, *Option consommateurs* is addressing the environmental and health impacts of household products containing chemicals, through an educational tool kit targeting 9- to 12-year-olds and their families.

Social Development *A place for everyone*

The Foundation believes that social development requires the inclusion of all citizens because no society can move forward while neglecting entire segments of the population. The FGM has chosen an approach based on action and empowerment, and supports organizations that help people find their place in society.

For over a decade, leaders from the public, private and community sector have been working together to address the social and economic challenges of one of Canada's poorest neighbourhoods, Saint-Michel. The local action committee spearheading the revitalisation, *Vivre Saint-Michel en Santé*, presented the FGM with a project to prepare young people in that neighbourhood for the job market and encourage the hiring of students. Social integration is also the goal of *Compagnie F*, which helps women become self-sufficient by offering training programs in business start-up, networking and access to funding. Here, the Foundation focused its support on a project

specifically geared towards the needs of immigrant women. *La Maison Bleue* provides assistance to vulnerable pregnant women, especially recent immigrants and refugees. Thanks to the FGM, three new helpers were hired to accompany the women throughout pregnancy and childbirth and provide valuable postpartum emotional support and guidance.

Our website www.fgmtl.org provides a brief description of all the projects supported by the Foundation this year under its Community Grants Program.

How to apply for a grant

Priorities

The FGM's mandate encompasses all fields of activity that contribute to the quality of life. In its 2007 grants program the Foundation focused on projects in the following areas:

- **Physical and mental health**
- **Education**
- **Social services**
- **Arts and culture**
- **Environmental protection and sustainable development**

Eligibility

Only non-profit organizations registered as charities with the Canada Revenue Agency are eligible to receive funding. They must be based in the Greater Montreal area and serve the populations of Montreal, Laval or Longueuil.

Process

Grants are provided for specific projects or programs and for a specific period of time. The Grants Committee, made up of community representatives and professional advisors acting on a volunteer basis, reviews the applications and make recommendations to the Board of Directors and to the donors. The Board then selects grant beneficiaries on the basis of predetermined criteria.

Community Grants Program

Grantee	Grant		
Action Centre (two separate projects)	\$15,000	Carrefour Mousseau	\$ 9,067
Action Communiterre	\$10,000	Centre d'activités récréatives et éducatives	\$10,000
AFP Québec	\$ 5,000	Metropolitan Montreal Independant	
Alzheimer Society of Montreal	\$ 5,000	Living Resource Centre	\$10,000
Association des parents et amis de la personne atteinte de maladie mentale - Rive-Sud	\$ 5,000	Centre de services préventifs à l'enfance	\$10,000
Atwater Library and Computer Centre	\$10,000	Centre des jeunes Boyce-Viau	\$ 9,633
Big Brothers Big Sisters of Greater Montreal	\$10,000	Centre for the Arts in Human Development	\$ 9,200
Blue Metropolis Foundation	\$10,000	Cercles des jeunes naturalistes	\$10,000
Camp Amy Molson	\$10,000	Compagnie F, entrepreneurship pour femmes	\$10,000
Carrefour d'entraide Lachine	\$10,000		
Carrefour jeunesse-emploi de l'Ouest-de-l'Île	\$10,000		



Community Grants Program Cont'd

Grantee	Grant		
Compagnie musicale La Nef	\$10,000	Le Phare - Enfants et familles	\$10,000
Conseil des arts de Montréal	\$10,000	Les Grands Ballets Canadiens de Montréal	\$10,000
Conseil des arts et des lettres du Québec	\$10,000	Les Idées heureuses	\$10,000
Création etc...	\$10,000	Les Impatients	\$10,000
Danse-Cité	\$10,000	Maison des jeunes du Plateau inc.	\$10,000
Dynamic Theatre Factory	\$10,000	Maison Kekpart	\$10,000
Ecomuseum of the St. Lawrence Valley Natural History Society	\$20,000	McCord Museum of Canadian History	\$10,000
Emergo Respite Services	\$10,000	Mères avec pouvoir	\$10,000
ENvironnement JEUnesse Inc.	\$10,000	Montreal Children's Library	\$ 6,100
Ensemble contemporain de Montréal	\$ 6,000	Montreal Community Loan Fund	\$10,000
Équitas	\$10,000	Montreal Hooked on School	\$10,000
Équiterre	\$10,000	Mouvement des personnes d'abord de Montréal	\$10,000
Evergreen	\$ 4,092	Musicians of the World Symphony Orchestra	\$10,000
Famijeune	\$ 9,600	N.D.G. Senior Citizens' Council	\$ 6,500
Festival du nouveau cinéma	\$10,000	Objectif Jeunesse (Vivre Saint-Michel en santé)	\$10,000
Festival TransAmériques	\$10,000	Option consommateurs	\$10,000
Fondation Centre de santé et de services sociaux Jeanne-Mance	\$20,000	Pacific Path Institute	\$10,000
Fondation du Centre jeunesse de Montréal	\$10,000	Power Camp / Filles d'action	\$10,000
Fondation du Centre Normand-Léveillé	\$ 9,600	Ressource Action-Alimentation Parc-Extension	\$10,000
Fondation du Théâtre du Rideau Vert	\$10,000	Quebec Foundation for the Blind	\$ 5,000
Fondation Le Plateau	\$10,000	Rights & Democracy	\$10,000
Friends for Mental Health	\$10,000	Santropol Roulant	\$ 9,950
Geordie Productions Inc.	\$10,000	Social Justice Committee	\$ 9,981
Giant Steps Foundation	\$10,000	Société Elizabeth Fry du Québec	\$10,000
GRIS-Montréal	\$ 8,850	Spectre de rue	\$10,000
Groupe communautaire L'itinéraire	\$10,000	Théâtre de la zone grise	\$10,000
Institute in Management and Community Development	\$ 8,000	Théâtre Le Clou	\$ 8,000
Jeunes au travail	\$10,000	The Leanor and Alvin Segal Theatre	\$10,000
Jewish Family Services	\$10,000	Toujours ensemble	\$ 6,282
L'oasis des enfants de Rosemont	\$ 5,000	Tyndale St-Georges Community Centre	\$10,000
La Maison Bleue	\$10,000	Vision Inter-Cultures	\$10,000
Le Foyer des jeunes travailleurs et travailleuses de Montréal	\$10,000	Vues d'Afrique	\$10,000
		Welcome Hall Mission	\$10,000
		West Island Community Resource Centre	\$ 9,500
		YMCA of McGill University (The Yellow Door)	\$ 9,744
		Young Musicians of the World	\$ 9,750

Designated Funds

Funds / Grantee	Grant		
Queen Elizabeth Hospital Foundation Health Fund	\$716,594	Anonymous funds	
Douglas Hospital Foundation		Dominican University College Foundation	\$ 4,840
Montreal Chest Institute Foundation		Les Œuvres des abbés Martel et Marcil	\$ 4,840
Montreal Children's Hospital Foundation		Secours Tiers-Monde Québec	\$ 4,840
Montreal General Hospital Foundation			
Montreal Neurological Hospital Foundation			
Royal Victoria Hospital Foundation			
Sir Mortimer B. Davis Jewish General Hospital Foundation			
St. Mary's Hospital Foundation			

FUNDS AND GRANTS

Donor-Advised Funds

Funds / Grantee	Grant
Anne-Marie and Jacques Bougie Fund	
Fondation médicale des Laurentides et des Pays-d'en-Haut	\$ 2,000
Montreal Museum of Fine Arts	\$ 1,000
Sainte-Justine Hospital Foundation	\$ 2,000
Income contributed to the Community Grants Program	\$ 983
Anonymous fund	
Income contributed to the Community Grants Program	\$902,584
Anonymous fund	
Greater Montreal YMCA Foundation (Covered garden)	\$ 1,255
Anonymous fund	
Montreal Heart Institute Foundation	\$ 2,079
December 6 th Victims Foundation Against Violence Fund	
Income contributed to the Community Grants Program	\$ 2,275
Fondation québécoise de la thalidomide Fund	
Thalidomide Victims Association of Canada	\$ 32,729
Gallop Family Fund	
Income contributed to the Community Grants Program	\$ 2,613
Guy Tiphane Fund	
Income contributed to the Community Grants Program	\$ 71,993
Isidore and Anna Blanchard Fund	
Auberges du cœur du Québec Foundation	\$ 827
Les Impatients	\$ 2,183
J.S. and Associates Fund	
Royal Victoria Hospital Foundation	\$ 2,084
Malouf Family Fund	
Cedars Home for Elderly People Foundation	\$ 3,000
Chez Doris	\$ 1,750
Collège Jean-de-Brébeuf	\$ 1,000
Dans la rue	\$ 2,000
Eparchy of St. Sauveur de Montréal	\$ 2,500
Fondation de Polytechnique	\$ 2,500
Gabriel Rossy Memorial Fund	\$ 1,000
Marianopolis Millenium Foundation	\$ 3,500
McCord Museum of Canadian History	\$ 1,000
McGill Centre for Studies in Aging, Alzheimer's Disease Research Unit	\$ 5,000
Montreal Children's Hospital Foundation	\$ 2,000
Montreal Museum of Fine Arts	\$ 5,000
Refuge Juan Moreno	\$ 3,000
Sacred Heart School of Montreal	\$ 250
Selwyn House Association	\$ 4,500
Sir Mortimer B. Davis Jewish General Hospital Foundation	\$ 2,000
Study School Foundation	\$ 1,000
West Island Palliative Care Residence Foundation	\$ 3,000
York University Foundation	\$ 1,000
Margaret K. Deacon Trust Fund	
Fondation de gérontologie Courville	\$ 980
Société des missionnaires d'Afrique	\$ 521
May Kersten Social Justice Fund	
Income contributed to the Community Grants Program	\$ 2,959
Monique and Guy Bisailon Fund	
Fondation Centre de santé et de services sociaux Jeanne-Mance	\$ 858
Morgan's Hope Fund	
Montreal Children's Hospital Foundation	\$ 536
Patrick H. Irwin Fund	
Income contributed to the Community Grants Program	\$ 27,566
Raisa and Armand Afilalo Fund	
Income contributed to the Community Grants Program	\$ 2,231

Organizational Endowment Funds

Organization	Grant
Blue Metropolis	\$ 3,792
Bond Foundation for Animal Welfare	\$ 4,618
Canada World Youth/Kateri Fund	\$ 8,432
Festival des arts de Saint-Sauveur	\$ 37,285
Fondation Centre de santé et des services sociaux Jeanne-Mance	\$ 11,479
Fondation des ingénieurs municipaux du Québec	\$ 11,543
La Compagnie de théâtre Il va sans dire...	\$ 2,634
Les Petits Violons	\$ 25,215
National Theatre School of Canada	\$ 19,198
Priory School Foundation	\$ 2,356
Refuge Juan Moreno	\$ 17,375
Rotary Club of Montreal	\$ 4,974
Société de musique contemporaine du Québec	\$ 1,415
Stanislas College Foundation	\$ 439
St. John Ambulance	\$ 1,525
Théâtre du Nouveau Monde	\$ 56,991
West Island Palliative Care Service	\$ 1,834



Community Funds

Junior League of Montreal Legacy Fund
Laya and Harry Feldman Fund
May Kersten Fund
Michael Novak Fund
Pierre Brunet Fund
Anonymous (1)

Field-of-interest Funds

Joan and Alex K. Paterson Fund
Monique and Guy Bisailon Fund
Montrusco Bolton Fund
Morgan's Hope Memorial Fund
Red Feather Fund
William Garnet Strong Bursary Fund*
Yvon Roy Trust Fund
Anonymous (1)

Designated Funds

Queen Elizabeth Hospital Foundation Health Fund
Anonymous (1)

Donor-Advised Funds

Alan and Joan Lindsay Fund
Anna and Philip Belec Foundation Fund*
Anne-Marie and Jacques Bougie Fund
Christopher Hartt Jones Fund*
Corey and Betsy Copeland Family Fund*
DBD Fund for Recreation and Youth
December 6th Victims Foundation Against Violence Fund
Fondation Lucie et André Chagnon Fund
Fondation québécoise de la thalidomide Fund
Gallop Family Fund
Gérard Veilleux Foundation Fund*
Groupe Di Tomasso Foundation Fund*
Guy Tiphane Fund
Harrison Family Fund*
Isidore and Anna Blanchard Fund
Jérôme Gendron Fund*

Josée and Michel Jacques Fund*
J.S. and Associates Fund
J.W. McConnell Family Foundation Fund
LES Foundation Fund*
Malouf Family Fund
Marcel Naud Family Foundation Fund*
Margaret K. Deacon Trust Fund
May Kersten Fund for Social Justice
Michael and Michaelleen O'Connor Fund*
Patrick H. Irwin Trust Fund
Raisa and Armand Afilalo Fund
Sam and Lynda Gatelaro Fund*
Samcon Fund*
Susan and Jonathan Wener Fund
Tom and Olga Maxwell Fund*
Anonymous (1)

Organizational Endowment Funds

Blue Metropolis Foundation Fund
Bond Foundation for Animal Welfare Fund
CIBL, La radio francophone de Montréal Fund*
École de cirque de Verdun Fund*
Ensemble contemporain de Montréal Fund*
Ensemble instrumental Appassionata Fund*
Espace Go Fund*
Espace Libre 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
Fondation Toujours ensemble Fund*
Foundation of Stars Fund
Kateri Fund/Canada World Youth
La Compagnie de théâtre Il va sans dire... Fund
Les Filles électriques Fund*
Les Petits Violons Fund
Maison Monbourquette Fund*
Maison nationale des Patriotes Fund*
Maison québécoise du théâtre pour l'enfance et la
 jeunesse Fund*
Musée des maîtres et artisans du Québec Fund
National Theatre School of Canada Fund
OBORO Fund*
Optica un centre au service de l'art contemporain Fund*
Orchestre métropolitain du Grand Montréal Fund*
Praxis art actuel Fund*
Priory School Foundation Touch Tomorrow Fund
Productions Traquen'art Fund*
Refuge Juan Moreno Fund

Donors may contribute any amount to an existing fund, or they may establish a new fund with a minimum donation of \$10,000. New funds are set up immediately, 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 fields of interest or organizations will receive fund income or integrate the fund into the FGM Community Fund. The FGM assumes all administrative and investment management responsibilities.

Rotary Club of Montreal Fund
Société de musique contemporaine du Québec Fund
Stanislas College Foundation Fund
St. John Ambulance Fund
Théâtre de la Ville Fund*
Théâtre du Nouveau Monde Fund
West Island Palliative Care Service Fund

Managed Funds

Agora de la danse Fund*
Atelier du conte en musique et en images Fund*
Canadian Centre for Architecture Fund
Centraide Foundation Fund
Centraide of Greater Montreal Fund
Centre des arts actuels Skol Fund*
Château Ramezay Museum Fund*
Compagnie musicale La Nef Fund*
Écomusée du fier monde Fund
Festival international de Lanaudière Fund
Fondation de la Maison Tresler Fund*
Fondation de l'Ensemble Arion Fund*
Fondation Delage Fund*
Fondation Jean Duceppe Fund
Fondation Ushket-André-Michel Fund*
Foundation of Stars Fund
Graff, centre de conception graphique Fund*
Jeunesses musicales du Canada Fund*

La Piéta avec Angèle Dubeau Fund*
L'Arsenal à musique Fund*
Le Projet Porte-parole Fund*
Maison St-Gabriel Fund*
Montreal International Musical Competition Fund*
Montreal Museum of Fine Arts Fund
Montreal YMCA Foundation Fund
Musée d'art contemporain des Laurentides Fund*
Musée des beaux-arts de Mont-Saint-Hilaire Fund*
Musée des beaux-arts de Sherbrooke Fund*
Musée des maîtres et artisans du Québec Fund*
Musée du costume et du textile du Québec Fund*
National Circus School Foundation Fund
Opéra de Montréal Fund
Orchestre symphonique de Montréal Fund*
Petit théâtre de Sherbrooke Fund*
Pointe-à-Callière Foundation (Montreal Museum of Archaeology and History) Fund*
PPS Danse Fund*
Priory School Foundation Fund
Productions Supermémé Fund*
Pro Musica Society Fund*
Sinha Danse Fund*
Société de développement culturel de Terrebonne Fund*
Stuko-Théâtre Fund*
Thomas More Institute Fund
Vaudreuil-Soulanges Regional Museum Fund*
Vie des Arts 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.

Dr. Marinko Mirko Biljan Memorial Fund*
Marymount Alumni Fund for Children and Youth
Parkinson Society Quebec Fund
Suzanne Trépanier-Côté Memorial Fund

Deferred Gifts

[Bequests and life insurance]

Lynne Paule Bisailon
Michel Boucher
Rose Mary Brinkema*
Douglas Fletcher Brown
Lise Brunet-Alziphat
André Gélinas
Martin Goodwin
Guy Tiphane
Anonymous donors (15)

* new funds

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Gervais



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Jacques Bougie
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Chagnon



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Montréal



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les abus envers les
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*Executive Committee members

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Treasurer, Centraide Foundation

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Diane Hamel

Assistant Vice-President, Tax & Estate Planning,
Manulife Financial

Marc Jolin

Lawyer

Pierre Kirouac

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Jean Lambert

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Gift Planning Officer, Planned Giving Program,
Centraide of Greater Montreal

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Jean Sasseville

Actuary, RBC DS Financial Services Inc

Diane Tsonos

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Chair, Arts Council of Montreal

Yves Sanssouci

Chair, Board of Directors, Centraide of
Greater Montreal

Manon Vennat

Manon Vennat & Associés

Luc Vinet

Chancellor, Université de Montréal



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Director, Special Initiatives
Office of University Advancement and Alumni Relations
Concordia University

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Past President, Red Feather Foundation

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Advisor, support services for community organizations,
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Director, Social Innovation Generation @ McConnell
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President and CEO, *Ex officio* member
of all Board committees

Diane Bertrand

Assistant to the President and CEO

Colin Bérubé

Director, Grants and Special Projects

Gaston E. Bouchard, LL.B.

Director, Gift Planning

Marcel Mathieu

Director, Finance

Technical support

Accounting: Centraide of Greater Montreal

ACKNOWLEDGMENTS

The Foundation of Greater Montreal 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 development.

In the past year, the FGM moved into larger and more functional offices. Several organizations provided support in this task. In particular, we wish to thank the following:

Herman Miller Solution espace de travail
Instal' Qualité
I.S.I. inc.
Lizac Rénovation inc.
P.K. Informatique

ORDER OF THE FOUNDATION OF GREATER MONTREAL

This Order was created to express the FGM'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.

Patrons (\$1 million and over)

La Fondation Lucie et
André Chagnon
Michel and Josée Jacques
Peter J. Malouf
The J.W. McConnell Family
Foundation
Anonymous donor (1)

Benefactors (\$100,000 and over)

Philip and Anna Belec
Anne-Marie and
Jacques Bougie
Douglas Fletcher Brown
Jérôme Gendron
Scott Jones
Lois Katnick
May Kersten
Olga Maxwell
Michael Novak

Michael O'Connor
Patrick H. Irwin Trust
Power Corporation of
Canada
Red Feather Foundation
Richard Renaud
Roasters Foundation
Guy Tiphane
Gérard Veilleux
Yvon Roy Trust
Anonymous donors (3)

Leaders (\$50,000 and over)

Dorothy Bond
Corey Copeland and
Betsy Martin
Michel Di Tomasso
Geoffrey Dougherty, M.D.
Michael Harrison
John and Joan Stevens
The Molson Foundation

Builders (\$10,000 and over)

Raisa and Armand Afilalo
Monique and Guy Bisaillon
Pierre Brunet
EJLB Foundation
Laya and Harry Feldman
W. John Gallop
Sam Gatelaro
Isidore and Anna
Blanchard Trust
Laurentian Bank
Margaret K. Deacon Trust
Hubert Marleau
Montrusco Bolton
Investments
Ayako Nishi-Naud
Carmand Normand
Joan and Alex K. Paterson
Sam Scalia
Gilles Tremblay
Susan and Jonathan Wener
Anonymous donors (2)

Friends (\$1,000 and over)

James Bisiker
Michel Boucher
Rose Mary Brinkema
Lise Brunet-Alziphat
Germain Carrière
Michel Clair
Marcel Côté
Joan Crossen
John Frost
André Gélinas
Claire Goyer
Joan F. Ivory
Norma Morgan
Anonymous donors (3)

Legacy Society

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

Lynne Paule Bisaillon
Michel Boucher
Rose Mary Brinkema
Douglas Fletcher Brown
Lise Brunet-Alziphat
André Gélinas

Martin Goodwin
Guy Tiphane
Anonymous donors (15)

We also express our thanks to our corporate partners:

Alcan
Caisse de dépôt et placement du Québec
Cirque du Soleil
Cogeco Inc.
Merck Frosst
Scotiabank
SNC Lavalin

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
M^e Jean Daigle, Ogilvy Renault
National Bank Financial
SITQ Real Estate

REPORT OF THE INVESTMENT COMMITTEE

The Investment Committee is appointed by the Board of Directors to oversee all aspects of investment management, ensure asset growth and generate the income the Foundation needs to pursue its mission. Its members, all volunteers, include experienced investment and finance professionals with a keen desire to contribute to the community. In summary, the Committee:

- Recommends the investment policy to the Board and updates it as required;
- Recommends the appointment of investment managers and a custodian;
- Allocates funds among investment managers; and
- Reviews the performance of each manager and of the Investment Fund, and reports to the Board on a quarterly basis.

At the end of 2007, the assets managed by the FGM were valued at nearly \$87 million. New donations totalled \$6.6 million, while new managed funds added during the year also reached \$6.6 million.

Investment income for 2007 is a reflection of the performance of the FGM's investment portfolio for the year (-0.39% net of fees), itself a direct result of the poor performance of stock markets and a significant increase in the value of the Canadian dollar. For the three previous years, the FGM's net rates of return were 7.36% for 2004; 7.28% for 2005; and 11.08% for 2006. The average rate of return of 6.25% over the last four years is 4.12% above the consumer price index.

We believe that our investment strategy will enable us to overcome this period of instability. Thanks to the diversity of our investments, we are able to reduce the risks associated with any specific sector or region.

Gilles Émond, Chair, Investment Committee

FINANCIAL STATEMENTS

OF THE **FOUNDATION** OF GREATER MONTREAL

December 31, 2007

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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, 2007 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, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by under Part II of the *Canada Corporations Act*, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Sanson Bilson / Deloitte & Touche p.e.m.c. r.l.

Chartered Accountants
April 2, 2008

THE FOUNDATION OF GREATER MONTREAL

Statement of operations and changes in fund balances

year ended December 31, 2007

	Operating Fund	Distribution Fund	Endowment Fund	Total	
				2007	2006
	\$	\$	\$	\$	\$
Revenue (Note 6)					
Donations	-	171,946	6,590,737	6,762,683	25,725,719
Sponsorships	58,000	-	-	58,000	83,000
Realized investment income	162,835	3,245,688	-	3,408,523	874,921
Change in unrealized appreciation of investments	(167,490)	(3,185,457)	-	(3,352,947)	1,632,601
Management fees	396,258	(197,198)	-	199,060	215,024
Administration fees	230,589	(131,497)	-	99,092	35,422
Special projects - grants	2,300	50,000	-	52,300	115,000
Bank interest	7,141	-	-	7,141	5,026
Other	1,728	-	-	1,728	-
	691,361	(46,518)	6,590,737	7,325,580	28,686,713
Expenses					
Donations	-	2,016,224	-	2,016,224	333,808
Salaries and fringe benefits	213,588	34,340	-	247,928	165,641
Management fees	235,411	-	-	235,411	131,877
Trustee fees	43,539	-	-	43,539	44,338
Administration fees	30,789	-	-	30,789	17,195
Fees - planned donations	87,589	-	-	87,589	78,448
Fees - environmental project	-	-	-	-	14,892
Fees - Vital Signs project	-	57,883	-	57,883	104,621
Fees - Poverty project	1,261	-	-	1,261	-
Fees - other	38,066	-	-	38,066	29,261
Rent	32,273	-	-	32,273	24,159
Taxes and permits	1,237	-	-	1,237	2,307
Office supplies	5,899	-	-	5,899	7,684
Repairs and maintenance	11,036	-	-	11,036	-
Stationery and printing	11,907	-	-	11,907	1,497
Travel	8,504	-	-	8,504	6,228
Meetings	2,476	-	-	2,476	1,043
Telecommunications	6,071	-	-	6,071	3,374
Insurance	6,405	-	-	6,405	6,405
Life insurance premiums received in donations	-	54,349	-	54,349	115,969
Stamps and delivery	5,255	-	-	5,255	1,385
Publications and subscriptions	638	-	-	638	549
Bank charges	3,134	-	-	3,134	3,302
Communications	30,529	-	-	30,529	24,999
Dues	7,660	-	-	7,660	2,874
Conferences	2,016	-	-	2,016	3,487
Amortization	7,848	-	-	7,848	1,350
Other	2,531	-	-	2,531	614
	795,662	2,162,796	-	2,958,458	1,127,307
Net result	(104,301)	(2,209,314)	6,590,737	4,277,122	27,559,406
Fund balances at beginning	178,470	2,435,462	37,141,945	39,755,877	12,196,471
Fund balances at end	74,169	226,148	43,732,682	44,032,999	39,755,877

THE FOUNDATION OF GREATER MONTREAL

Balance sheet

as at December 31, 2007

	Operating Fund	Distribution Fund	Endowment Fund	Total	
				2007	2006
	\$	\$	\$	\$	\$
Assets					
Current assets					
Cash	305,404	-	-	305,404	81,773
Amounts due from the Operating Fund	-	169,957*	131,144*	-	-
Accrued interest and dividends	-	14,029	-	14,029	19,339
Accounts receivable	118,229	49,750	371,385	539,364	83,866
Prepaid expenses	4,981	-	-	4,981	-
	428,614	233,736	502,529	863,778	184,978
Investments (Note 3)	-	-	42,230,153	42,230,153	39,745,255
Capital assets (Note 4)	40,447	-	-	40,447	2,285
	469,061	233,736	43,732,682	44,134,378	39,932,518
Liabilities					
Current liabilities					
Amounts due by the Operating Fund	301,101*	-	-	-	-
Accounts payable and accrued liabilities	78,091	7,588	-	85,679	126,641
Deferred revenue	15,700	-	-	15,700	50,000
	394,892	7,588	-	101,379	176,641
Fund balances					
Externally restricted	-	226,148	43,315,233	43,541,381	39,159,958
Internally restricted	-	-	417,449	417,449	417,449
Invested in capital assets	40,447	-	-	40,447	2,285
Unrestricted	33,722	-	-	33,722	176,185
	74,169	226,148	43,732,682	44,032,999	39,755,877
	469,061	233,736	43,732,682	44,134,378	39,932,518

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

Approved by the Board



Alex K. Paterson, O.C., O.Q., Q.C.
Chairman



Gilles Émond, CA
Treasurer

Notes to the financial statements

year ended December 31, 2007

1. Description of organization

The Foundation of Greater Montreal ("FGM") is a charitable organization, incorporated on December 20, 1999 under Part II of the *Canada Corporations Act*, where the purpose is to collect donations, mainly through bequests or endowment funds, and to promote social services, arts and culture, education, health and the environment. 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 FGM and activities relating to capital assets.

ii) Distribution Fund

The Distribution Fund is an externally restricted fund in which 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.

Externally restricted

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

Internally restricted

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 they are 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.

Notes to the financial statements

year ended December 31, 2007

2. Accounting policies (continued)

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

Capital assets

Capital assets are accounted for at cost. Amortization is calculated according to the following methods and annual rates:

Furniture and equipment	diminishing	20%
Computer hardware	diminishing	30%
Leasehold improvements	straight-line	3 years

Deferred revenue

Deferred revenue is comprised of grants and sponsorships received for the subsequent year.

Financial instruments

Financial instruments are initially stated at their fair value. Subsequent annual re-evaluation considers the following items:

Investments and accrued interest and dividends

Investments, including accrued interest and dividends, are classified as assets held for trading. They are, therefore, valued at their fair value; the fair value being based on the most recent market prices, normally the most recent bid price.

The transactions related to the investments are recorded at the transaction date.

Accounts receivable and accounts payable and accrued liabilities

Accounts receivable, classified as loans and receivables, and accounts payable and accrued liabilities, classified as other liabilities, are valued at amortized cost.

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.

Future accounting changes

Financial instruments

In December 2006, the Canadian Institute of Chartered Accountants ("CICA") issued Section 3862, *Financial Instruments - Disclosures*; and Section 3863, *Financial Instruments - Presentation*. Both Sections will be applicable to financial statements relating to fiscal years beginning on or after October 1, 2007. Accordingly, FGM will adopt the new standards for its fiscal year beginning January 1, 2008. Section 3862 on financial instruments disclosures requires the disclosure of information about: a) the significance of financial instruments for the entity's financial position and performance and b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and how the entity manages those risks. Section 3863 on the presentation of financial instruments is unchanged from the presentation requirements included in Section 3861.

FGM is currently evaluating the impact of the adoption of these new Sections on its financial statements.

THE FOUNDATION OF GREATER MONTREAL

Notes to the financial statements

year ended December 31, 2007

3. Investments

	Fair value	
	2007	2006
	\$	\$
38,301.052 units of the The Foundation of Greater Montreal Investment Fund (Note 5)	41,432,661	38,320,052
Preferred Shares, redeemable after the death of the last survivor of the two donors, dividend of 4.725%	1,000,000	1,000,000
Balanced mutual fund and shares of public companies	521,411	27,847
Mortgage loan, bearing interest at 4.5%, maturing through 2018	276,081	276,081
Investment certificate matured	-	121,275
	43,230,153	39,745,255

4. Capital assets

	2007		2006	
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Furniture and equipment	14,854	5,824	9,030	2,285
Computer hardware	17,648	8,809	8,839	-
Leasehold improvements	25,018	2,440	22,578	-
	57,520	17,073	40,447	2,285

5. The Foundation of Greater Montreal Investment Fund

In addition to managing its own funds, 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, stocks and units of shares of investment funds, at market value. As at December 31, 2007, the market value of the funds managed by The Foundation of Greater Montreal Investment Fund and the number of units held are as follows:

	2007		2006	
	Number of units	Fair value	Number of units	Fair value
		\$		\$
Funds belonging to The Foundation of Greater Montreal	38,301.052	41,432,661	32,782.190	38,320,052
Funds managed for various entities	39,860.322	43,119,417	31,616.921	36,957,936
	78,161.374	84,552,078	64,399.111	75,277,988

THE FOUNDATION OF GREATER MONTREAL

Notes to the financial statements

year ended December 31, 2007

6. Revenue

i) Donations

During the year, FGM received donations of \$6,762,683 (\$25,725,719 in 2006). Donations for 2007 include an amount of \$54,349 regarding life insurance premiums paid for which FGM is the beneficiary of the proceeds.

ii) Realized investment income

	<u>2007</u>	<u>2006</u>
	\$	\$
Units of the Foundation of Greater Montreal Investment Fund	3,344,323	737,198
Preferred shares	47,250	47,250
Mortgage loan	12,424	13,000
Balanced mutual fund and shares of public companies	4,526	916
Other	-	76,557
	<u>3,408,523</u>	<u>874,921</u>

iii) Management fees

	<u>2007</u>	<u>2006</u>
	\$	\$
The Foundation of Greater Montreal Investment Fund	396,258	313,497
Less: Professional fees attributable to The Foundation of Greater Montreal	(197,198)	(98,473)
	<u>199,060</u>	<u>215,024</u>

iv) Administration fees

	<u>2007</u>	<u>2006</u>
	\$	\$
The Foundation of Greater Montreal Investment Fund Unitholders	230,589	74,984
Less: Professional fees attributable to The Foundation of Greater Montreal	(131,497)	(39,562)
	<u>99,092</u>	<u>35,422</u>

7. Financial instruments

Fair value

The fair values of cash, accounts receivable and accounts payable and accrued liabilities correspond to their carrying amounts due to their short-term maturities.

Interest rate risk

A portion of the investments of the Foundation of Greater Montreal Investment Fund, in which FGM holds units, is invested in bonds and debentures. Consequently, a change in market interest rate will have an impact on the fair value of the units held by FGM.

Foreign currency risk

A portion of the investments of the Foundation of Greater Montreal Investment Fund, in which FGM holds units, comprises shares and interests in equity funds invested in foreign countries. The units held by FGM are consequently exposed to changes in foreign currencies. The same applies to the earned income associated with these units.

8. Statement of cash flows

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