

SHARING OUR STORIES: DOING THE RIGHT THING TOGETHER



Annual Report
2018 - 2019



Canadian
Race Relations
Foundation

Fondation
canadienne des
relations raciales

MESSAGE FROM THE CHAIRPERSON	4
MESSAGE FROM THE EXECUTIVE DIRECTOR	5
ABOUT THE CANADIAN RACE RELATIONS FOUNDATION	6
CONTEXT	6
HISTORY AND LEGISLATION	6
STATUS OF THE CANADIAN RACE RELATIONS FOUNDATION	8
MANDATE AND OBJECTIVES	9
GOVERNANCE	9
BOARD OF DIRECTORS	10
BOARD COMMITTEES	12
THE CRRF TEAM	14
STRATEGIC DIRECTION	15
STRATEGIC OUTCOMES AND PROGRAMS	15
KEY STRATEGIC PRIORITIES	15
CANADA BEYOND 150: A PROMISE TO OUR CHILDREN	16
STRATEGIC IMPACT	18
STRATEGIC PRIORITY 1:	18
IDENTIFYING KEY QUESTIONS OF RACISM AND RACIAL DISCRIMINATION	
STRATEGIC PRIORITY 2:	21
BEING THE LEADING NATIONAL COMPREHENSIVE RESOURCE ON RACISM, RACE RELATIONS, BEST PRACTICES AND RECOMMENDED SOLUTIONS	
STRATEGIC PRIORITY 3:	27
ENGAGING CANADIAN YOUTH AND OTHER GROUPS IN ADDRESSING RACISM AND RACE RELATIONS	
STRATEGIC PRIORITY 4:	35
DEVELOP, PROMOTE AND DISTRIBUTE EDUCATIONAL MATERIALS	
FINANCIAL MANAGEMENT DISCUSSION AND ANALYSIS 2018/2019	38
AUDITOR'S REPORT	47
FINANCIAL STATEMENT OF THE CRRF FOR THE YEAR ENDED MARCH 31-2019	50
STATEMENT OF FINANCIAL POSITION	52
STATEMENT OF OPERATIONS	53
STATEMENT OF REMEASUREMENT GAINS AND LOSSES	54
STATEMENT OF CHANGES IN NET ASSETS	55
STATEMENT OF CASH FLOWS	56
NOTES TO FINANCIAL STATEMENTS	57



MESSAGE FROM THE CHAIRPERSON

TERESA WOO-PAW

It is with great pleasure – and no small amount of humility – that I assume the role of Chairperson of the Board of the Canadian Race Relations Foundation. My predecessor, Albert Lo, served the CRRF for 11 years (2007-2018), and together with the previous Chairpersons, created a legacy of success that I am privileged to continue. As we go forward, I thank him for his leadership and for the wisdom he has shared with Board members and our staff. I also want to thank Ashraf Ghanem and Rubin Friedman whose terms ended this year, and welcome our new Board members, Moses Gashirabake and Chiamaka Obiageli Mogo. The diversity of our Board is one of the CRRF's greatest strengths, and I thank all the Board members for their contributions to the Foundation.

I would also like to thank our Executive Director and staff for organizing Board orientation sessions for new Board members and I, and for the many activities and programs carried out in an effective manner for our stakeholders and the public throughout the year.

Finally, I would be remiss if I did not thank the many partners with whom the CRRF works. These are organizations, community groups and individuals who have shared their expertise, lived experiences, their research results and their commitment to a better Canada. While there are too many of you to be named here, you have all contributed to our success. The words attributed to Helen Keller reflect this symbiosis: "Alone we can do so little; together we can do so much."

I look forward to continuing the important work of the Foundation in order to maintain and strengthen the relationships between communities, the value of mutual respect and the celebration of diversity - all of which uphold our vision of an inclusive Canada that can be free from racism and discrimination.



A handwritten signature in black ink, appearing to read 'Teresa Woo-Paw'.

Teresa Woo-Paw
Chairperson

MESSAGE FROM THE EXECUTIVE DIRECTOR

LILIAN MA

Looking at the events of the last year, it is easy to be discouraged by the issues that we face as Canadians. Reported increases of hate crimes against vulnerable communities and the rise of extremist voices can challenge our confidence in our collective ability to reach a fully inclusive Canada. It is for this reason that I am proud to share our Annual Report which summarizes the programs, partnerships, and sponsorships which have been built upon the desire of Canadians to engage in dialogue and learn about – and from – each other. Let me share just a few:

- In September, the CRRF held its biennial Awards of Excellence Gala in Winnipeg and proudly presented 7 Awards of Excellence, 3 Honorable Mentions and 14 local Community Champion Special Awards. These awards celebrate public and private organizations whose efforts represent best practices in building an understanding of Canadian values that are reflective of Canadian diversity and respectful race relations.
- The CRRF partnered with the Centre for Immigrant and Community Services (CICS) in Toronto to commemorate the 70th anniversary of the UN Universal Declaration of Human Rights at an event on December 10th, where we examined historic human rights victories and engaged in dialogue on current challenges.
- Our journal, *Directions*, will now be published regularly online to make it more accessible to both readers and contributors. *Directions* will feature a mix of peer-reviewed and essay submissions as well as externally published content to provide access to new and important research for all.

We look forward to continuing the important work of the Canadian Race Relations Foundation and would like to thank you for your continued support.



A handwritten signature in black ink, appearing to read 'L. Ma'.

Lilian Ma
Executive Director

ABOUT THE CANADIAN RACE RELATIONS FOUNDATION

Context

History and Legislation

In 1988, the Canadian Government reached an agreement with the National Association of Japanese Canadians (NAJC), acting on behalf of Japanese Canadian families who were interned and otherwise stripped of their human and civil rights during and after the Second World War. Known as the Japanese Canadian Redress Agreement, the Government apologized on behalf of Canadians for those actions and provided compensation to the Japanese Canadian families who were wronged.

The NAJC also negotiated \$21,000 for each individual Japanese Canadian who had been either expelled from the British Columbia coast in 1942 or was alive in Canada before 1 April 1949 and remained alive at the time of the signing of the agreement, a contribution of \$12 million to help Japanese Canadian rebuild the infrastructure of destroyed communities, and a \$24 million endowment fund to establish what is now known as the CRRF.

The *Canadian Race Relations Foundation Act*, Bill C-63, was passed in 1991 and proclaimed in 1996. The CRRF opened its doors in November 1997. As a Crown corporation, it reports to Parliament through the Minister designated for the purposes of the *Canadian Multiculturalism Act* and operates at arm's length from the Government of Canada.

The CRRF has achieved much since it opened its doors, and the CRRF's history reflects the professionalism, resiliency and reach of the CRRF and the significance of its mission to people across Canada. The CRRF is committed to building a future that treats all Canadians fairly. The promotion of human rights, harmonious race relations and social cohesion are established as guiding principles, and the CRRF is attentive to the challenges presented by a more globalized, interconnected world.



The official signing of the Japanese Canadian Redress Agreement by Prime Minister Brian Mulroney and NAJC President Art Miki on September 22, 1988.

Status of the Canadian Race Relations Foundation

The CRRF is a Federal Crown Corporation governed by the *Canadian Race Relations Foundation Act 1991*, and is a registered charitable corporation under the *Income Tax Act*.

The CRRF's primary source of income is derived from the investment income earned from investments of the original contribution of the \$24 million Endowment Fund and other investments. It may also receive funds from, project administration, donations, government grants and contributions for specific projects, but it does not receive a regular annual appropriation.



CRRF Board Members and Art Miki, NAJC Representative

In Winnipeg – September 27, 2018

Mandate and Objectives

The mandate and objectives of the Foundation are defined under Section 4 of the *Canadian Race Relations Foundation Act*.

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

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

*Excerpts from the *Canadian Race Relations Foundation Act*, s.4

Governance

The CRRF is governed by a Board of Directors consisting of a Chairperson and up to 11 additional Directors. The goal of the CRRF is to have a Board that reflects the multicultural character, linguistic duality and regional diversity of Canadian society. An Executive Director, who serves as Chief Executive Officer and an ex-officio member of the Board, manages the daily operations of the CRRF. The Governor in Council, acting on the recommendation of the Minister for the purposes of the *Canadian Race Relations Foundation Act*, appoints all members of the Board and the Executive Director. The Board is responsible to evaluate the performance of the Chief Executive Officer on an annual basis.

The *Canadian Race Relations Foundation Act* states that the Board of Directors must meet a minimum of twice a year. Where feasible, the Board meets face to face across the country in a different province or territory, or by teleconference.

The CRRF is governed by its enabling legislation and sections 89.9 to 89.92 and sections 105 (2), 113.1, 131 to 148 and 154.01 of the *Financial Administration Act*, which relates to obligations with respect to terms and conditions of employment, accountability, financial management and audit provisions.

The CRRF is also required to comply with the *Access of Information Act*, and the *Privacy Act*, the *Official Languages Act* and regulations, and the *Canada Labour Code*, among other provisions in other statutes.

As of November 2015, the CRRF reports to Parliament through the Minister of Canadian Heritage, reflecting the importance of diversity and multiculturalism to Canada's heritage.

Board of Directors



Teresa Woo-Paw

Chairperson

(Calgary, Alberta)
Term: November 8, 2018
to November 7, 2022



Albert Lo

Chairperson

(Richmond, British Columbia)
Term: October 12, 2007
to October 11, 2018



Rajesh Uttamchandani

Vice-Chairperson

(Toronto, Ontario)
Term: June 21, 2017
to June 20, 2021



Balpreet Singh Boparai

(Toronto, Ontario)
Term: December 11, 2017
to December 10, 2020



Orlando Bowen

(Brampton, Ontario)
Term: December 15, 2017
to December 14, 2020



Alicia Damley

(Mississauga, Ontario)
Term: June 21, 2017
to June 20, 2021



Rubin Friedman

(Ottawa, Ontario)
Term: May 28, 2015 to May 27, 2018
(April 5, 2012 to April 4, 2015)



Moses Gashirabake

(Côte-Saint-Luc, Quebec)
Term: May 28, 2018
to May 27, 2021



Ashraf Ghanem

(Fredericton, New Brunswick)
Term: June 21, 2017 to June 20, 2018
(Nov 27, 2014 to Nov 26, 2016)
(Oct 4, 2012 to Oct 3, 2014)
(Sept 9, 2008 to Sept 8, 2012)
(Sept 9, 2005 to Sept 8, 2008)



Cheryl May

(Toronto, Ontario)
Term: March 26, 2018
to March 25, 2022



**Chiamaka
Obiageli Mogo**

(Vancouver, British Columbia)
Term: November 8, 2018
to November 7, 2022



Emilie Nicolas

(Montréal, Quebec)
Term: June 21, 2017
to June 20, 2020



Anne-Marie Pham

(Calgary, Alberta)
Term: December 18, 2017
to December 17, 2021



Roy Pogorzelski

(Lethbridge, Alberta)
Term: June 21, 2017
to June 20, 2021

**NAJC Representative/
Board Secretary**



Gina Valle

(Toronto, Ontario)
Term: June 21, 2017
to June 20, 2021



Lilian Ma, ex officio

(Toronto, Ontario)
Term: August 1, 2017
to July 31, 2020



Arthur K. Miki

(Winnipeg, Manitoba)

Board Committees

EXECUTIVE COMMITTEE

exercises all powers that may be lawfully delegated to the Committee and performs all duties of the Board, when the Board is not in session.

Members: Teresa Woo-Paw (Chair)§, Albert Lo (Chair)*, Rajesh Uttamchandani (Chair)**, Gina Valle, Moses Gashirabake, Balpreet Singh Boparai, Rubin Friedman#

FINANCE AND AUDIT COMMITTEE

ensures the fiscal responsibility of the CRRF, oversees its financial activities, receives investment reports, advises the Board on financial policies and reviews, amends and recommends approval of budgets.

Members: Moses Gashirabake (Chair), Rubin Friedman (Chair)#, Anne-Marie Pham (Chair)∞, Balpreet Singh Boparai, Cheryl May, Roy Pogorzelski, Teresa Woo-Paw§, Rajesh Uttamchandani**, Albert Lo*, Ashraf Ghanem***

Advisor: Alicia Damley

GOVERNANCE COMMITTEE

ensures, inter alia, appropriate corporate governance, the proper delineation of roles and responsibilities and the duties and responsibilities of Management, the Board and its Committees.

Members: Balpreet Singh Boparai (Chair), Rubin Friedman (Chair)#, Roy Pogorzelski, Emilie Nicolas, Anne-Marie Pham, Cheryl May, Teresa Woo-Paw§, Rajesh Uttamchandani**, Albert Lo*

HUMAN RESOURCES COMMITTEE

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

Members: Rajesh Uttamchandani (Chair), Orlando Bowen, Toni Silberman (external member), Anne-Marie Pham, Teresa Woo-Paw§, Albert Lo*

Advisor: Cheryl May

NOMINATIONS COMMITTEE

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

Members: Gina Valle (Chair), Emilie Nicolas, Alicia Damley, Art Miki (external member), Teresa Woo-Paw§, Rajesh Uttamchandani**, Albert Lo*

INVESTMENT COMMITTEE

keeps the Board informed of the investment performance of the endowment fund by liaising with, and submitting regular reports received from the Investment Advisor.

Members: Alicia Damley (Chair), Albert Lo (Chair)*, Moses Gashirabake, Martin Grzadka (external member), Teresa Woo-Paw§, Rajesh Uttamchandani**, Anne-Marie Pham, Rubin Friedman#

* Albert Lo served as Chair of the Executive and Investment Committees and was an ex-officio member of all committees, until his term as Board member ended on October 11, 2018.

** When Albert Lo's term as Chairperson ended on October 11, 2018, Rajesh Uttamchandani served as Chair of the Executive Committee and was an ex-officio member of all committees as Vice-Chairperson until Teresa Woo-Paw was appointed as Chairperson on November 8, 2018, and became Chair of the Executive Committee.

Rubin Friedman served on the Executive and Investment Committees, and served as Chair of the Finance & Audit and Governance Committees until his term as Board member ended on May 27, 2018.

∞ When Rubin Friedman's term as Board member ended on May 27, 2018, who served as Chair of the Finance & Audit Committee, Anne-Marie Pham served as Chair of the Finance & Audit Committee until Moses Gashirabake was appointed as Chair of the Finance & Audit Committee on September 29, 2018.

*** Ashraf Ghanem served on the Finance & Audit Committee until his term as Board member ended on June 20, 2018.

§ Teresa Woo-Paw, being the Chairperson, is an ex-officio member of all committees.

The CRRF Team

While the role of the Board of Directors is to provide strategic direction for the CRRF and effective oversight of management, a small number of staff members under the leadership of the Executive Director, are accountable for the day-to-day operations. Throughout the 2018-2019 fiscal year, the CRRF had four full-time staff, one part-time staff, and two program consultants in addition to the Executive Director, who is appointed by the Governor in Council on the recommendation of the Minister.



L to R: Top – Arsalan Tavassoli, Director, Finance and Administration; Praan Misir, Manager, Programs and Information Management. Bottom – Alisa Lu, Accounting Assistant; Lilian Ma, Executive Director; Meg Mochizuki, Executive Secretary; Zoe Fine, Research, Resources and Records Librarian (April 2018 – October 2018)



*Jefferson Sporn
Research, Resources,
and Records Librarian
(November 2018-March 2019)*



*Philippe Mongeau
Bilingual Communications
Consultant*

Strategic Direction

Vision

The Canadian Race Relations Foundation will be recognized for its role as a leading non-partisan resource and facilitator, helping to eliminate the racism and racial discrimination that will be seen as inherent contradictions to a Canada based on the mutuality of rights and responsibilities, participation, belonging and equity.

Mission

The mission of CRRF is defined in the *Canadian Race Relations Foundation Act S.C. 1991, c. 8*, as found in Section 4, Purpose of the Foundation:

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

Values

- Participation and inclusiveness, the mutuality of rights and responsibilities, and respect for the human dignity of others as principles of ethnocultural, religious and racial equity in Canada.
- The reflection of the multicultural character, linguistic duality and regional diversity of Canada in CRRF Board, partnerships and programs to serve all Canadians.
- An effective internal CRRF governance and communications infrastructure to reflect the values CRRF promotes in general.
- Respecting and ensuring the sustainability and development of the generosity of the Japanese Canadian Community in its key investment in creating the CRRF.

Strategic Outcomes and Programs

The CRRF's programs and activities were based on the Three-Year Strategic Plan (2017-2020), which set priorities for the organization. While the strategy advances the CRRF in alignment with contemporary issues of race relations, it represents a legacy of commitment to the CRRF's central purpose as set out by the *Canadian Race Relations Foundation Act 1991* and is mindful of the generosity of spirit of the NAJC, which led to the creation of the CRRF.

Key Strategic Priorities

The CRRF will...

1. Identify key questions of racism and racial discrimination.
2. Be recognized as the leading national comprehensive resource on racism, race relations, best practices and recommended solutions.
3. Engage Canadian Youth and other groups in addressing racism and race relations using a variety of means.
4. Develop and promote education on the content of the *Charter of Rights and Freedoms* and the *Canadian Multiculturalism Act*, their inherent values as a source for building a common understanding of our individual responsibilities, and as a tool for exploring the nature of rights and their limits in Canada with respect to speech, religious beliefs and discrimination.

CANADA BEYOND 150: A PROMISE TO OUR CHILDREN

Celebrating Asian Heritage with All: Our Youth, Our Tomorrow

On May 27, 2018, the CRRF put forward a Canada Beyond 150 Focus Group session - "Celebrating Asian Heritage with All: Our Youth, Our Tomorrow" in partnership with the Asian Heritage Society of Manitoba (AHS), with support from the Canadian Museum for Human Rights (CMHR), and funding from Canadian Heritage.

The event, which was held in Winnipeg, Manitoba, featured 23 focus group participants and four facilitators, all belonging to ages 18 to 35 from diverse backgrounds, including those from Indigenous, Métis, Asian, Black, and Muslim communities. Our fellow Board member, Orlando Bowen, was the keynote speaker and he shared how he gathered the strength to forgive his attackers and the importance of coming together as One Voice, One Team. CRRF NAJC Representative Art Miki, Ex-Senator Vivienne Poy and volunteers from the AHS also lent their support to the event.



*L to R: Art Miki, Ex-Senator Vivienne Poy, Lilian Ma, Orlando Bowen
At the Canadian Museum of Human Rights, Winnipeg – May 27, 2018*

The Spirit of Reconciliation

Working with partners at the Vancouver School of Theology, the CRRF is developing a faith-focused guide to reconciliation. This guide is aimed at faith leaders, and is meant to assist them with discussing topics of reconciliation with their congregations and communities. The guide is slated for publication, both print and online, in June 2019.

"I think it can be difficult because we are not committed to reconciliation. I think we forget that when we start with forgiving we should start with responsibility."

"Racism is a systemic issue. In other words, it infects the very structure of our society. We condemn awful instances of prejudice, bias or hate, but systemic racism is something different. It's less about violence or burning crosses than it is about everyday decisions made by people who may not even think of themselves as racist."

Learning About Racism

The CRRF has launched two modules for interested online learners.

- *An Introduction to Interfaith Issues in Canada*, developed by Shari Golberg, consultant, looks at issues of religion and faith in Canada, and is one module in a planned six module series.
- *Understanding how the brain develops bias*, developed by Dr. Hooley McLaughlin, consultant, looks at the neuroscientific processes by which the brain develops bias, and asks users to consider this information when they think critically about racism.

Both courses have launched online and are available to take free of charge via the CRRF's online learning platform. Other mini-modules are also being planned. The first of these, an Introduction to Hate Crimes in Canada, has already been launched.

Racism: Problems and Solutions

The first video of this video series deals with the story of Rodney Darren Small, better known as RDS. *RDS vs A Story of Race and Justice* is the story of a young man's efforts to enable positive social change, while dealing with the systemic racism faced by him and his community in Halifax, Nova Scotia. This video has been completed, and will be screened to the public in the early spring. Production on two other videos has begun, with their completion dates tentatively slated for May and June 2019.

STRATEGIC IMPACT

Strategic Priority I:

Identifying Key Questions of Racism and Racial Discrimination

- » Develop and implement a Special Council* to increase sources of strategic advice, community and expert perspectives, and to identify opportunities;
- » Build on national, regional and local contacts to seek conversations on local and national issues, using available funds and leverage with previous partners. Reports will feed into Special Council for review and identification of opportunities to better communicate about race relations and solutions: Reconciliation, Religion, Racial Bias, Exclusions, Place of minorities within minorities, etc., and
- » Undertake further research with partners on identified issues in order to clarify causes, solutions, changing environments for race relations in Canada.

* The Special Council project has been deferred until the new Board completes the strategic planning exercise in preparation for the next three-year Strategic Plan (2020 to 2023).

CRRF Roundtable: Human Rights at 70

A Roundtable to examine the progress and gaps for communities

On December 10, 2018, the CRRF hosted, with the Centre for Immigrant and Community Services (CICS), an evening in Toronto to commemorate the 70th anniversary of the UN Universal Declaration of Human Rights. The goal of our roundtable was to examine and celebrate human rights victories of the past and engage in a deep discussion about current issues relating to human rights, with a special focus on the racialized aspects of poverty, income inequality, justice, education, and intercultural understanding.

The participants concluded that mechanisms such as the Criminal Code of Canada or the Human Rights Commissions can be helpful in addressing discrimination. However, there is a serious lack of awareness and understanding of these mechanisms, and there should be heavier consequences for not following anti-discrimination laws and codes of conduct.

In order to counter discriminative behavior, the group recommended that the Declaration of Human Rights should be taught both at school starting in Grade 9 and throughout all levels of society. The group also stressed how it is essential that racialized minorities access positions of leadership such as senior management roles, executive boards in the healthcare sector, and spots in entrepreneurship incubators.

"The people who attended had so much to offer."

"The keynote speaker and the networking with other guests at our table were both worthwhile."



Keynote Speaker, Raj Dhir of the Ontario Human Rights Commission



Speaker Avvy Go of the Chinese and Southeast Asian Legal Clinic



Participants at the roundtable event



Speaker M.S. Mwarigha of WoodGreen Community Services



Participants at the roundtable event



Speaker Michael Kerr of Colour of Poverty - Colour of Change



Science of Racism

New discoveries in neuroscience show promising avenues for further research into methods for mitigating the impact of unconscious bias, and the systemic injustice that can arise if such biases are left unchecked. The CRRF feels that the introduction of scientific approaches to the study of racism will be instrumental in helping to open new exciting approaches in our collective anti-racism work.

The CRRF produced a video on the Science of Racism with the help of Silvertrust Media and finalized an educational syllabus on the same topic with the help of Dr. Hooley McLaughlin.

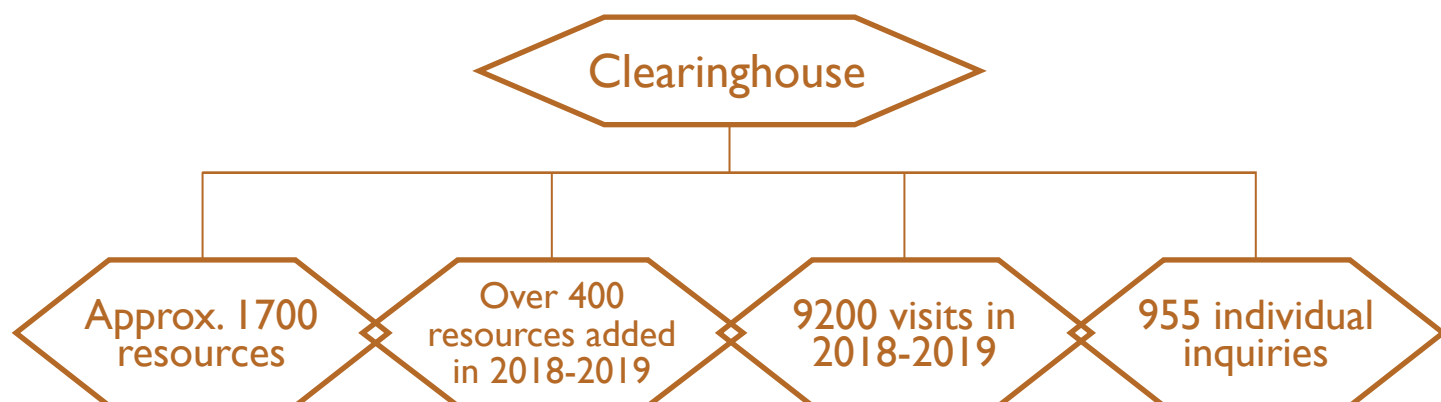
Strategic Priority 2:

Being the Leading National Comprehensive Resource on Racism, Race Relations, Best Practices and Recommended Solutions

- » Review and improve Clearinghouse categories, acquisition and selection criteria, and criteria for promotion that will communicate more effectively the nature of available resources and their possible uses.
- » Improve ease of access to and availability of information. Ensure current information on hate crime statistics and reports in cooperation with Statistics Canada and others.
- » Develop a category of resources relating to the challenges of integration affecting a wide range of communities, ensure appropriate labelling and ease of communication on the resources.
- » Ensure availability of objective studies on emerging issues in racism, integration and community relations to contribute to the national dialogue on the elimination of discrimination and the elimination of barriers to full participation.
- » Develop joint programs/initiatives with academics, researchers and universities through programs such as the Canada Lecture, webinars, live streaming of presentations or panel discussions, and their availability in digital format.
- » Ensure there is a category of personal stories in the Clearinghouse; some dealing with a personal experience of racism and how the individual found a positive way of dealing with it, and others dealing with how individuals have been affected negatively as a stimulus for further discussion.

Clearinghouse

In 2018-2019, the CRRF continued its overhaul of the Clearinghouse collection to offer the most relevant and up-to-date information to our patrons. Through its Acquisition Policy, all digital and print resources were evaluated and detailed records for the remaining collection were added. In addition, the CRRF also transitioned the Clearinghouse collection from its previous e-catalogue format to a new e-catalogue format to enable patrons to search faster and easily find specific titles and topics. The CRRF also offers research and reference services which were positively received by researchers and educators.



Publications

Directions Journal

Directions, the Canadian Race Relations Foundation's journal, provides community-based, action-oriented research, commentary, and perspectives on eliminating racism and discrimination in Canada. During the 2018-2019 fiscal year, we moved away from a traditional academic journal format to publishing an article once a month for 12 months. At the end of the 12-month cycle, a complete volume (all submissions approved in the previous year) will be made available online and in print versions. The published volume will be a mix of curated and original research with the first article published under the new format in September 2018.

The parameters for authors also changed to allow them to choose whether or not they would like to submit their article for peer review, and authors can submit work previously published as long as the author holds the copyright.

The new format allows *Directions* to be a consistent and easily accessible platform for promoting research, dialogues, and ideas on the topics of race, racism, and discrimination in Canada and encourage research and the sharing of best practices. We also believe that publishing with a greater frequency will draw more attention to the work of the CRRF.

Major contributors thus far are Dr. Barbara Perry, Dr. Carl E. James, and Order of Ontario recipient Dr. Chandrakant Shah. We have seven articles published at the end of fiscal year on March 31, 2019.

Contributors to the Journal *Directions*

The CRRF would also like to thank the dedicated individuals who submitted contributions to *Directions*.

Augie Fleras – Associate Professor of Sociology at University of Waterloo

Barbara Perry – Director of the Centre on Hate, Bias and Extremism at the University of Ontario Institute of Technology

Carl James – Jean Augustine Chair in Education, Community, and Diaspora at York University

Chandrakant Shah – Order of Ontario recipient and Professor Emeritus at the University of Toronto Dalla Lana School of Public Health

Kon K. Madut – Professor of Sociological and Anthropological Studies at the University of Ottawa

Maria José Yax-Fraser - Chair of the Immigrant Migrant Women's Association of Halifax and PhD candidate in Social Anthropology at York University

David MacDonald & Jacqueline Gillis – David MacDonald: professor of political science and research leadership Chair at the University of Guelph; Jacqueline Gillis: PhD candidate at the University of Guelph.

Capturing the Pulse of the Nation

The Canadian Race Relations Foundation and the Association for Canadian Studies have generated several reports that aim at “Capturing the Pulse of the Nation” on issues of racism and discrimination. This year’s analysis focuses on perceptions of immigrants and selected communities, attachment to selected markers of identity, issues around diversity, racism and hate speech. A particular focus of this year’s report is on the factors that underlie negative sentiment towards immigrants and concerns over the numbers of immigrants and religious minorities. The results were released on March 20, 2019, to mark the International Day for the Elimination of Racial Discrimination, and were also shared during presentations by the CRRF Executive Director at the March 2019 Metropolis conference in Halifax.

Race Relations Index Program

The objective of this new research initiative is to develop and implement benchmark indicators of race relations in Canada in order to provide a basis for monitoring progress on race relations over time. We received positive feedback and are proceeding with this multiyear project. A preliminary survey has already been produced by the end of the fiscal year.

The Canada Lecture

The CRRF’s Canada Lecture invites accomplished Canadians to raise awareness and understanding of critical issues related to racism, racial discrimination, and creating social harmony in our society. The CRRF’s 2019 Canada Lecture took place on March 21, 2019 in Halifax at the Canadian Immigration Museum at Pier 21. The event was held as part of the 21st Metropolis Canada Conference and featured the inspiring entrepreneur and peacekeeping advocate, Tareq Hadhad, founder of Peace by Chocolate. Tareq is a Syrian refugee who settled in December 2015 in Antigonish, Nova Scotia. His story resonated with the audience of 250 attendees who engaged in a very interactive dialogue.

Webinars

The CRRF's hosted 7 webinars which supported 201 participants learning about current topics. Our webinar on Radicalization and Homegrown Terrorism revealed that Canadians believe radicalized individuals are living in their communities. We invite you to watch the results of the Angus Reid survey on our website.

1. A Collective Impact – March 28, 2019 - Sunil Gurmukh, Ontario Human Rights Commission
2. Our Daughters and our Mothers: The Tragedy of the Missing and Murdered Indigenous Women and Girls – December 5, 2018 - Hilda Anderson-Pyrz, Manitoba Keewatinowi Okimakanak Inc. & Sandra DeLaronde, Co-Chair of the Missing and Murdered Indigenous Women and Girls Coalition of Manitoba
3. 30 Years After the Promulgation of the *Employment Equity Act* – October 4, 2018 - Laetitia Martin, Centre for Ethnocultural, Language and Immigration Statistics at Statistics Canada
4. Radicalization and Homegrown Terrorism: Four-in-ten say radicalized individuals live in their communities – July 13, 2018 - Ian Holliday, Angus Reid Institute
5. How Inclusive are Canadians @ 150+ – July 12, 2018 – Keith Neuman, Environics Institute
6. Reconciliation: Beyond Canada 150 – June 21, 2018 – Maurice Switzer, Ontario Human Rights Commission
7. *La diversité urbaine: défis et pistes de solutions au Québec* – November 8, 2018 - Samira Laouni, *Communication pour l'ouverture et le rapprochement interculturel*

Community Partnerships

The CRRF participated in 168 events, conferences and meetings to remain present in conversations related to racism and discrimination in Canada. Regardless of the venue, the purpose of the CRRF's participation was to share our expertise, to explore opportunities for partnership and collaboration, to disseminate our resources, and to demonstrate, through our presence, our support of and willingness to learn about the topics raised by the host organization/community.

Ontario Ministry of the Attorney General

The CRRF participated in a group workshop of the Ministry of the Attorney General's Race-and Identity-Based Data Collection Advisory Table.

Canadian Institute's Conference

Lilian Ma, Executive Director, CRRF was a speaker at the Canadian Institute's 14th National Crown Corporate Governance Conference held from January 29-30, 2019 in Ottawa where she discussed diversity in the workplace, specifically, "Onboarding a Board Rich in Diversity Inclusive of Race, Gender, Age, and Disability."

City Resiliency and Race Relations Matrices

The CRRF attended the Toronto Interfaith Council at their meeting where the keynote speech was on the topic of resiliency of cities. Potential collaboration on the creation of matrices with WCDD (World Council on City Data) was discussed and further meetings with their principals were pursued.

CRRF at the Action Committee on Access to Justice

The CRRF attended their Annual Summit entitled "Aligning for Meaningful Progress" on Access to Justice in Civil and Family Matters in Ottawa on April 17-19, 2018. At the Summit, our Executive Director raised the importance of ensuring equity for racialized communities and access to justice in the civil and family courts and reported on the CCAT (Canadian Council of Administrative Tribunals) survey results. The CCAT is a national non-profit organization, which conducted research on self-represented litigants, many of whom are from racialized communities. She demonstrated how this work helped raise awareness of the CRRF's mission and important work among the participants who were comprised of chief justices, justice officials, and Justice Department representatives.

Asian Heritage Foundation Event

The CRRF joined over 300 community members and representatives of the social service sector on May 4, 2018. Our Board Member, Anne-Marie Pham spoke at the event and inspired discussions, which participants described as great educational opportunities to learn about organizations and professionals who work to implement diversity and systemic approaches into their institutions. These include various sectors, such as higher education, government, companies, and non-profits to develop, implement, and assess best practices that aim to embed and infuse equity, diversity, multiculturalism, and inclusion into the fabric and culture of both the workplace and society. The event was a resounding success with active participation of the attendees in conversations at their tables and networking with others present, as well as engagement on social media. The Asian Heritage Foundation will continue to capture these dialogues through engagement in 2018.



L-R: Honourable Senator Yuen Pau Woo, Independent Senators Group; Elizabeth Aspinall, Law Society of Alberta; George Chahal, Ward 5 Councillor, City of Calgary; Teresa Woo-Paw, Current Chairperson of the CRRF; Anne-Marie Pham, CRRF Board Member; Emiko Muraki, Calgary Arts Development Authority

At the Asian Heritage Month Celebration, Calgary – May 4, 2018

STRATEGIC PRIORITY 3:

Engaging Canadian Youth and Other Groups in Addressing Racism and Race Relations

- » Continue to use Award of Excellence process to encourage those working to promote more positive race relations, to assist in learning and promoting successes and gathering resources to make them available to others.
- » Foster the development of a network of young people (Youth Ambassadors) to establish a durable national structure through which young people will be able to develop their own materials and initiatives and share them with each other.
- » Develop programming in the areas of arts, culture, sports and media to broaden the reach and impact of the Foundation.
- » Develop videos with story arcs through competitions. Build partnerships with media companies, identify plays, musical performances in order to produce events or digital records of them to attract various audiences to consider and deal with the issues of race relations and discrimination in Canada.
- » Work with Patrons, members of the Special Council and other partners to identify opportunities for funding to carry out all proposed strategic initiatives.



Attendees at the Awards of Excellence Gala Dinner

Awards of Excellence

10th biennial Awards of Excellence Gala Dinner

The Canadian Race Relations Foundation celebrated its 10th biennial Awards of Excellence Gala Dinner at the Delta Marriott Hotel in Winnipeg, Manitoba. The event marked the end of the 2018 Best Practices program, which highlights the different programs, strategies, or initiatives developed to combat racism and promote positive race relations across Canada's multicultural communities.

This year, the CRRF presented Awards of Excellence to seven (7) organizations in six (6) categories:

- "Save the Evidence" from the Woodland Cultural Centre (Indigenous category);
- "Landscapes of Injustice" from the University of Victoria (Education category);
- "The Manitoba Government Diversity and Inclusion Strategy" by the Government of Manitoba's Diversity and Inclusion Unit (Government/Public category - tie);
- The "Employment Equity and Diversity Committee" from the Correctional Service of Canada (Government/Public category - tie);
- "Anti-Racist Organizational Change (AROC)" by the CommunityWise Resource Centre (Community category);
- "Casting for Diversity" by Sinking Ship Entertainment (Media category);
- and the "STEMpowerment Internships and Mentorships Program" from STEM Fellowship (Youth category).

The CRRF also presented Honourable Mentions to:

- "The Moccasin Project" from Akinomaagaye Gaamik (Indigenous category);
- "Creative Cells in Community Theatre" by the Conseil provincial des sociétés culturelles (CPSC) (Community category);
- "Cross-Cultural Pairings to Combat Racism and Promote Social Harmony" by *l'Université du Québec à Montréal* (Education category).



Award of Excellence to Save the Evidence



Landscapes of Injustice



Casting for Diversity



*Correctional Service
of Canada*



Government of Manitoba



STEM Fellowship



*Anti-Racist
Organizational Change*



Honourable Mention presented to "Cellule créative en théâtre communautaire" (on left) and Les jumelages interculturels pour réduire le racisme et pour valoriser le vivre-ensemble" (on right)

Community Champion Special Awards

In addition, the CRRF celebrated achievement in the struggle against racism in Winnipeg and the province of Manitoba by presenting fourteen (14) Community Champion Special Awards.



David Matas



David G. Newman



Diane Dwarka



Dr. Tina Mai Chen



Jim Bear



Jeffrey J. Lieberman



Hon. Rey D. Pagtakhan



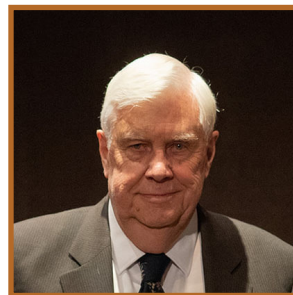
Lisa Meeches



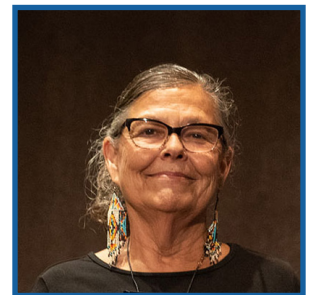
Moses (Moe) Levy



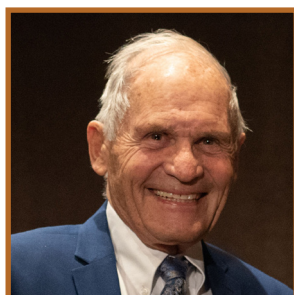
Sandy G. Shindleman



Thomas Ralston Denton



Leslie Spillett



Willard Thiessen



Larry & Tova Vickar



L-R: Hosts of the Event, Roy Pogorzelski & Anne-Marie Pham, CRRF Board Members; Canadian Inuk Singer and Songwriter Kelly Fraser; Keynote Speaker, Dr. Niigaan Sinclair, Professor in Native Studies at the University of Manitoba; Buffy Handel, President, Aboriginal School of Dance; The Honourable Cathy Cox, Minister of Culture and Sport for Manitoba; A Performance by the Japanese Drumming Group, Hinode Taiko

Best Practices Reader

Best Practices is part of an exciting educational program sponsored by the CRRF to gather, document, and celebrate innovative approaches to promoting harmonious race relations. By Best Practice, the CRRF means a program, strategy or initiative.

Each Best Practice is then submitted for our Awards of Excellence event, which pays tribute to public, private and voluntary organizations whose efforts represent innovative approaches to promoting harmonious race relations. The Awards event, and the positive attention leading up to it, put positive race relations in the spotlight by featuring the best practices of forward-thinking and innovative companies, organizations and groups.

National Youth Network

The National Youth Network are workshops aimed at empowering high school youth to tackle issues of racism and discrimination in their local communities. Workshops were delivered in the Hamilton, Greater Toronto, and Moncton regions, thanks to our partners Chris D'Souza, Motivational Speaker and Human Rights Strategist, the Centre for Immigrant and Community Services, and the Harmony Movement.

In total, over 570 students participated in training sessions related to fighting racism in their local communities. These students left with a deeper understanding of how racism and stereotypes manifest, as well as the steps they can take to fight racism in their own local communities. Student comments include:

"This program was awesome, very educational. This is information I will use every day. Nothing needs to change. I am very appreciative for this conference."

*Over **90%** of the workshop participants in Toronto reported that their knowledge about antiracism and inclusion was increased.*

Ursula Franklin Academy African Heritage Assembly

Our Executive Director spoke at the Ursula Franklin Academy, a high school in Toronto, during their African Heritage assembly on February 22, 2019. Approximately 25 students and teachers attended the workshop organized by the African Heritage committee for Black History Month. She presented the talk on "What is racism and why does it exist?" After the event, many teachers and students stayed behind and chatted with the Executive Director about the work of the CRRF. She also distributed samples of "Doing the Right Thing" student's and teacher's guides which their anti-oppression committee plans on putting to good use at their school.

Intercultural Dialogue for Youth

The CRRF sponsored the Intercultural Dialogue Institute GTA's 2019 Creative Minds Youth Contest. Our fellow Board member, Orlando Bowen spoke at the youth gala on March 26, 2019 in Aurora, Ontario. The theme of this year's Creative Minds Youth Contest is "Challenging Stereotypes: Embracing Uniqueness in Today's World." The contest is open to high school students from school boards across the GTA and conducted in three categories: art, essay and short video.

Participation in the Canadian Heritage Anti-Racism Consultation

The forum focused on identifying the barriers people from racial communities face in Canada and invited participants to make recommendations on a new national anti-racism strategy based on their experiences and perspectives. To achieve this goal, the forum focused on three themes – employment and income supports, social participation and justice.

Two CRRF Youth Ambassadors, Ruby Thelo and Akanksha Takur, participated in an anti-racism consultation with the Minister of Canadian Heritage and Multiculturalism in Ottawa on December 6, 2018.

Anne-Marie Pham, CRRF Board member, attended a Ministerial Forum on Anti-Racism, hosted by the Minister of Canadian Heritage on November 14, 2018 in Calgary.

CRRF Board member, Emilie Nicolas, attended a forum in Montreal on October 25, 2018.

Our Executive Director, Lilian Ma, attended a Ministerial Forum on Anti-Racism on January 23, 2019 in Hamilton.

30 Years of Progress: Multiculturalism Day Celebration

On June 27, 2018, the CRRF held the event “30 Years of Progress: A Multiculturalism Day Celebration” at the Ontario Bar Association. This event, scheduled to coincide with Multiculturalism Day, was held to recognize and celebrate the upcoming 30-year-anniversaries of the *Canadian Multiculturalism Act* and the signing of the Japanese Canadian Redress Agreement. Sponsors and partners for the event included the Ontario Bar Association, the National Association of Japanese Canadians, and Jam3 Media Productions. Speakers included the Honourable Justice Maryka Omatsu, renowned author Joy Kogawa, and Indigenous Elder Cat Criger.

UN International Day for the Elimination of Racial Discrimination

On March 21, 2019, Gina Valle, CRRF Board member, attended the UN International Day for the Elimination of Racial Discrimination at Kitchener City Hall, which was organized by Cross Cultures Magazine. The focus of the day was to bring people of all faiths, races and ethnocultural groups residing in the Waterloo region to share their experiences and acknowledge the importance of such a day.



University of Toronto Aboriginal Elder-in-Residence Cat Criger



L-R: Poet and Author Joy Kogawa, Jason Legge, Jam3 ; Lilian Ma, CRRF Executive Director; Dirk Van Ginkel, Jam3; Justice Maryka Omatsu; Indigenous Elder Cat Criger



Seema Jethalal, Regional Director General, Ontario Region, Canadian Heritage

Strategic Priority 4:

Develop, Promote and Distribute Educational Materials

- » Produce teacher and student guides for material already developed and distribute through school networks in different regions of the country.
- » Develop French equivalents for materials and specifically for use in Quebec, in partnerships with Quebec francophone groups.
- » Explore partnerships with initiatives like that in Saskatchewan for teaching the need to deal with all forms of racism and discrimination in Canada in the context of Charter values and rights, and civic responsibility.
- » Examine the feasibility of using these materials to further adapt them to regional and provincial contexts as well as to address different segments of the population, e.g. students at different levels, law enforcement, business, immigrants, governments, etc.

The CRRF Book Club for Teachers

The Book Club is for teachers of all grades and levels, from primary to secondary school. The Book Club will meet 3 – 4 times per year with each session limited to 15 participants. Each session will focus on a topic of interest. Takeaways for participants include an introduction to numerous books on topics of current interest, and range from picture books to young adult literature that can be used in the classroom with their own students. This is also an opportunity to connect with other like-minded educators.

An inaugural session was held in January 2019 with the book *To Kill A Mockingbird* to educate participants about our "3Cs" – Curriculum, Contextualization and Communication. We noted that we can never fully eliminate controversy, but we can deal with it constructively using our 3Cs, should a situation arise.

Sponsorships

The CRRF sponsored DiversityVotes.ca to support the full development and administration of the website, the ongoing collection, translation and analysis of ethnic media election coverage along with communications to interested organizations and individuals. The project aims to match riding-specific demographic, economic, social and political data with ethnic media election and related coverage in an integrated and easy-to-use website.

The CRRF provided a volunteer appreciation fund for the Canadian Ski Instructors' Alliance (CSIA)'s Safety Video translation project. In order to help new immigrants learn how to ski safely, this pilot project is to create a free safety video in the Chinese language for the ski resorts where many clients are predominantly new immigrants. Volunteers would translate English script to Chinese, and the CSIA will dub the existing ski safety video in Chinese. If successful, the project could be expanded to other groups/languages.

The CRRF supported Congregation Darchei Noam's participation in World Interfaith Harmony Week on February 7, 2018. The Congregation partnered with the Intercultural Dialogue Institute and Revivaltime Tabernacle Worldwide Ministries to present a program titled, "Finding Light in Times of Darkness: Judaism, Christianity, and Islam in Word and Song."

The CRRF sponsored the participation of Jack Jedwab, from the Association for Canadian Studies, in the Vivre Ensemble Conference held in Gatineau on April 18-19, 2018, in order to run a final national survey with questions on intercultural relations and perceptions around racism.

The CRRF was a bronze sponsor of the 2018 Transformation Awards Gala event on June 15, 2018 in Toronto, ON. This sponsorship included a table of 10 at the event, and scientists and professors who participated in the "Science of Racism" documentary attended as CRRF guests. Clips of the documentary "Science of Racism" were shown at the event, as well as the public service announcement, "Commemorating March 21st, International Day for the Elimination of Racial Discrimination." Approximately 300 people viewed both CRRF productions.

The CRRF was an Emerald Sponsor for the Administration for Justice's (CIAJ) 2018 Annual Conference: "Justice and Mental Health" in Ottawa on October 17, 2018. There was a panel on diversity and multicultural aspects of mental health – "Cultural Diversity: Bias in Forensic Risk Assessment."

The CRRF sponsored BC Cultural Diversity Association (BCCDA)'s event to celebrate National Senior Day. The event, held in Burnaby, BC on October 28, 2018, was to honour and present awards to seniors from diverse communities for their significant contributions to the general society. This was a result of the CRRF roundtable held on Dec. 10, 2017 in Vancouver, which urged communities to come together and dialogue about commonalities found within ethnocultural communities.

The eQuality Project | University of Ottawa: The CRRF has been a partner of this project for the last three years. The most recent work is a study on the Internet experience of youth. The CRRF is committed to helping the eQuality Project's focus groups with racialized young people.

The CRRF sponsored the Intercultural Dialogue Institute GTA's 2019 Creative Minds Youth Contest. Our fellow Board member, Orlando Bowen spoke at the youth gala on March 26, 2019 in Aurora.

Partners

The CRRF would like to thank its partners for supporting CRRF's events and programs.

- Angus Reid Institute
- Asian Heritage Society of Manitoba
- Asper Foundation
- Canadian Heritage
- Canadian Museum for Human Rights (CMHR)
- Centre for Ethnocultural, Language and Immigration Statistics at Statistics Canada
- Centre for Immigrant and Community Services (CICS)
- Chinese and Southeast Asian Legal Clinic
- Colour of Poverty – Colour of Change
- Crabapple Media
- Environics Institute
- Federation of Asian Canadian Lawyers (FACL)
- Harmony Movement
- Institute for Social Research, York University
- Jam3
- Japanese Cultural Association of Manitoba
- National Association of Japanese Canadians (NAJC)
- Ontario Bar Association
- Ontario Human Rights Commission (OHRC)
- Pace Consulting Benefits and Pensions Ltd.
- RBC Wealth Management
- Statistics Canada (The CRRF webinar on Oct 4, 2018 was presented by an analyst at the Centre for Ethnocultural, Language and Immigration Statistics at Statistics Canada)
- Transformation Institute for Leadership and Innovation
- WoodGreen Community Services

Financial Management Discussion and Analysis 2018-19

Statement of Financial Position Discussion

	2019 March 31	2018 March 31	Changes	
	\$	\$	\$	%
Assets				
Cash	63,169	227,644	(164,475)	(72)
Investments and Endowment Fund assets	29,937,927	29,248,935	688,992	2
Prepaid expenses, receivables	458,608	132,000	326,608	247
Capital assets	11,328	11,112	216	2
Total Assets	30,471,032	29,619,691	851,341	3
Liabilities and Net Assets				
Accounts payable and accrued liabilities	362,946	121,534	241,412	199
Accrued salaries	31,352	10,239	21,113	206
Deferred contributions and deferred revenues	-	31,975	(31,975)	(100)
Obligation under capital lease	2,549	3,751	(1,202)	(32)
Net assets	30,074,185	29,452,192	621,993	2
Total Liabilities and Net Assets	30,471,032	29,619,691	851,341	3

Assets

Cash is composed of \$72,047 cash balance in the bank account, \$300 of petty cash, and overdraft of \$9,178 in the investment cash account held by the Foundation's investment manager.

Statement of Financial Position Discussion (continued)

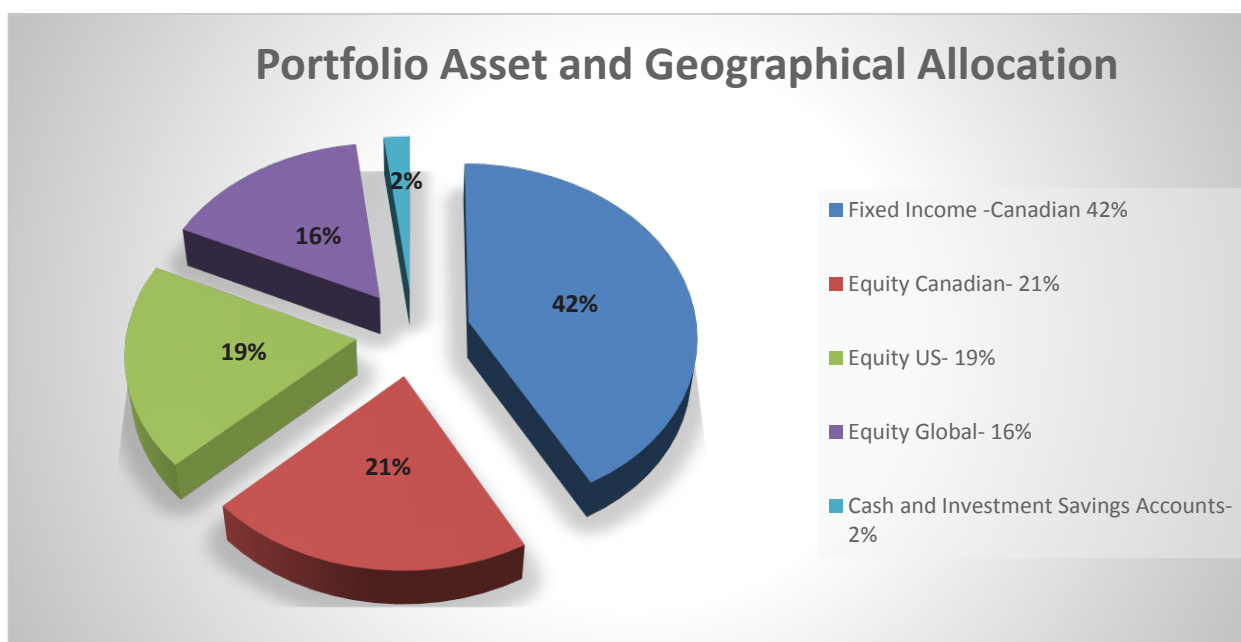
Investments and Endowment Fund assets have increased by 2% or \$688,992 (2018 – 1% decrease or \$227,491) compared to the investment value at March 31, 2018. The increase in portfolio investment returns was primarily attributable to the performance of Canadian equities, Canadian bonds and global real estate. The performance of the benchmarks increased as follows for 2018-2019 compared to 2017-2018:

- Canadian equities (S&P/TSX Composite TR Index) increased from 1.71% for 2017-2018 to 8.11% for 2018-2019.
- Canadian bonds (FTSE TMX Universe Bond Index) increased from 1.36% for 2017-2018 to 5.25% for 2018-2019.
- Global real estate (FTSE NAREIT Index) increased from –8.11% for 2017-2018 to 14.30% for 2018-2019.

The Portfolio allocation as at March 31, 2019, is as follows:

Investment and Endowment Fund assets *	Canada		USA (Denominated in CND\$)		Global (Denominated in CND\$)		Total	
	Amount \$	%	Amount \$	%	Amount \$	%	Amount \$	%
Equity Securities	6,227,669	21%	5,644,797	19%	4,921,451	16%	16,793,917	56%
Fixed Income	12,478,777	42%	-	-	-	-	12,478,777	42%
Cash and Investment Savings Accounts	665,233	2%	-	-	-	-	665,233	2%
Total	19,371,679	65%	5,644,797	19%	4,921,451	16%	29,937,927	100%

* Market Value



Statement of Financial Position Discussion (continued)

For the year ended March 31, 2019, the combined portfolio returned 5.04% or \$1,505,776 (2018 – 1.23% or \$368,460) after all fees and taxes. The increase of \$1,137,316 is mainly as the result of an increase in remeasurement (unrealized) gains of \$3,857,498 that was offset by a decrease in realized gains on sale of investments and Endowment Fund assets of \$2,753,016.

The return rate excluding the remeasurement (unrealized) gains is 1.84% or \$550,507 (2018 – 10.91% or \$3,270,687) which represents a decrease of \$2,720,180 compared to 2017-18. This decrease is mainly due to a decrease in realized gains of \$2,753,016 that was offset by an increase in investment income earned of \$32,835.

Prepaid expenses, receivables are mainly prepaid expenses, receivables from Foundation's investment managers for pending trades, trade accounts receivable, and refunds of federal government's Goods and Services Tax (GST) and Ontario Government's Harmonized Sales Tax (HST). The 2018-19 prepaid expenses and receivables increased by \$326,608 compared to 2017-18. This is mainly due to an increase of \$331,573 in accounts receivable from pending trades, an increase in the GST and HST refund receivable accounts of \$8,779 that were offset by a decrease in prepaid expenses of \$7,688.

The **Capital assets** are the net book value of office furniture and equipment, computer hardware and software, and leasehold improvements. The net increase of \$216 in 2018-19 is for addition to the office furniture of \$1,949 and computer equipment of \$3,580 reduced by the annual amortization of all assets of \$5,313.

Liabilities

Accounts payable and accrued liabilities represent amounts payable to the Foundation's investment managers for pending trades, suppliers, and year-end expense accruals. There was an increase in accounts payable and accrued liabilities of \$241,412 at March 31, 2019. This increase is mainly due to an increase of \$238,633 in accounts payable to pending trades and an increase of \$3,201 to vendors.

Accrued salaries are salaries and vacation pay accruals. It is made up of accruals in current liabilities of \$31,352 (2018 - \$10,239). There was an increase of \$21,113 in accrued salaries in 2018-19 compared to 2017-18 mainly due to an increase in accrued salaries and benefits.

There is no **Deferred contributions and deferred revenues** at March 31, 2019. The March 31, 2018 contributions of \$31,975 was from the Department of Canadian Heritage for the "Canada Beyond 150: A Promise to Our Children" project.

Obligation under capital lease is the balance of capital repayment owed for leased office equipment of \$2,549. This is for the printer/copier lease which started in April 2016 and will fully be paid out in 2020-21.

Net Assets increased by 2% or \$621,993 in 2018-19 (2018 – 1% decrease or \$317,110) due to a decrease in excess of revenues over expenses of \$2,918,395 (2018 - \$534,692) and a decrease in remeasurement (unrealized) losses of \$3,857,498 (2018 - \$1,488,158 increase in losses) for the year.

Statement of Operations Discussion

	2019 March 31	2018 March 31	Changes	
	\$	\$	\$	%
Revenues				
Funded projects	131,975	82,025	49,950	61
Sponsorships, donations and contributions, honoraria and fundraising gala	30,294	59,494	(29,200)	(49)
Publications, in-kind and miscellaneous revenues	20,015	2,865	17,150	599
Total Revenues	182,284	144,384	37,900	26
Net investment income				
Investment income earned	710,118	676,021	34,097	5
Changes in fair value-realized	(159,611)	2,594,666	(2,754,277)	(106)
Net investment income	550,507	3,270,687	(2,720,180)	(83)

This year **Funded projects** revenue of 131,975 (2018 - \$68,025) is from the “Canada Beyond 150: A Promise to Our Children” project, funded by the Department of Canadian Heritage, an initiative that started in July 2017 and will run to March 31, 2020. The 2017-18 revenue includes \$14,000 from training workshops funded by the Halton District School Board.

Revenues from **Sponsorships, donations and contributions, honoraria and fundraising gala** relate to honoraria received from public speaking engagements, donations, revenues from sponsorships and fundraising gala and conferences registration fees. This year revenues is mainly from registration fees of the Award of Excellence symposium of \$21,600, held in September 2018 in Winnipeg, and from donations of \$8,194 (2018- \$59,494).

Publications, in-kind and miscellaneous revenues are sale proceeds generated from the Foundation’s publications, in-kind, and other revenues. This year’s revenues include in-kind contributions totaling \$20,000 (2018 - \$2,840).

Net investment income earned: The Foundation’s primary source of income is derived from the investment income earned on investments of the original contribution of \$24 million Endowment Fund and other investments. The investment income earned includes cash and non-cash interest, dividends, and income distributions, after portfolio management fees. Investment income earned for 2018-19 is \$710,118 (2018 - \$676,021), an increase of \$34,097 compared to 2017-18.

Changes in fair value-realized of investments and Endowment Fund assets decreased by \$2,754,277 (2018 - \$366,077) mainly due to a decrease in realized gains on sale of investments of \$2,753,016 (2018 - \$1,141,076 increase). No impairment loss was recognized in this year (2018 - nil).

Statement of Operations Discussion (continued)

Unrealized gains and losses on investments measured at fair value are recognized in the Statement of Remeasurement Gains and Losses. The remeasurement gains in 2018-19 were at \$955,270 (2018 – \$2,902,228 losses), a decrease of \$3,857,498 in losses, mainly due to the increase in fair market value of the portfolio.

Expenses	MARCH 31 2019			MARCH 31 2018			Changes	
	CRRF	Funded Project	Total	CRRF	Funded Project	Total	\$	%
	\$	\$	\$	\$	\$	\$	\$	%
Salaries and benefits	404,156	32,638	436,794	348,365	17,296	365,661	71,133	19
Professional fees	87,188	32,703	119,891	50,139	29,643	79,782	40,109	50
Board of Directors honoraria and travel	93,438	-	93,438	103,360	-	103,360	(9,922)	(10)
Public education and training	49,958	36,152	86,110	30,079	21,516	51,595	34,515	67
Rent	83,906	-	83,906	73,928	-	73,928	9,978	13
Conferences, symposia and consultations	71,619	6,172	77,791	66,269	2,504	68,773	9,018	13
Award of Excellence symposium and fundraising gala	73,741	-	73,741	-	-	-	73,741	100
Communication	25,696	9,804	35,500	27,615	234	27,849	7,651	27
Office and general	17,318	14,506	31,824	18,751	10,832	29,583	2,241	8
Other expenses	14,783	-	14,783	17,781	-	17,781	(2,998)	(17)
Staff recruitment and development	12,290	-	12,290	11,641	-	11,641	649	6
Total Expenses	934,093	131,975	1,066,068	747,928	82,025	829,953	236,115	28

The Foundation's total expenses were \$1,066,068 for the 2018-19 year (2018 - \$829,953) with the three main uses of funds being Salaries and benefits, Professional fees, and Board of Directors honoraria and travel expenses totaling \$436,794, \$119,891 and \$93,438 respectively.

There was an increase of \$71,133 in **Salaries and benefits** expenses compared to 2017-18, mainly to due to hiring a new full-time position, full 12-month payment of the Executive Director salary, and accrued pay increases for the current and former Executive Director. In 2018-19, salaries and benefits expenses of \$303,117 were allocated to the Program expenses (2018 - \$261,274), \$101,039 to the Administration expenses (2018 - \$87,091), and \$32,638 to the Funded projects (2018 - \$17,296).

Statement of Operations Discussion (continued)

Professional fees are for legal, accounting, consulting and corporate services fees. There was an increase of \$40,109 in professional fees expenses compared to 2017-18, mainly due to an increase of \$11,059 in internal audit fee and an increase of \$27,163 in consulting and corporate services fees. There was no legal fee in 2018-19 (2018- nil). This year expenses include \$15,000 in-kind contribution from the Foundation's partners.

Board of Directors honoraria and travel expenses decreased by \$9,922 compared to 2017-18. The 2018-19 expenses included two (2018 - one) in-person meeting of the Board of Directors in April and September 2018. In this year there were two orientation meetings for the new board appointees. The value of in-kind contributions from board members has not been included in the expenses. The 2018 expenses include travel expenses and honoraria of former Chairperson attending interviews of candidates for the position of CRRF Executive Director in Ottawa.

Rent expenses for the office space increased by \$9,978, mainly due to lease improvement contribution and rent Inducement provided by the property owner in the prior year and up to February 2018.

There was an increase of \$9,018 in **Conferences, symposia and consultations** expenses compared to 2017-18, mainly due to the expenses of the "Canada Beyond 150: A Promise to Our Children" project.

The Conference and Award of Excellence symposium is an event held every two years. The 2018-19 expenses were for travel, meals and hotel accommodations, subsidies for winners, venues rental, printed materials, audio expenses for the 2018 Award of Excellence event held in Winnipeg. There was no conference with this year Award event.

Public education and training are the expenses for webinars, Directions, community support, Clearinghouse, resource library, public service announcement, publicity and program-related translation. There was an increase of \$34,515 in Public education and training expenses compared to 2017-18, mainly due to the expenses of the "Canada Beyond 150: A Promise to Our Children" project. This year expenses include \$5,000 in-kind contribution from the Foundation's partners.

Communications are public and media relations expenses. There was an increase of \$7,651 in Communications expenses compared to 2017-18, mainly due to the expenses of the "Canada Beyond 150: A Promise to Our Children" project.

Office and general expenses increased by \$2,241 compared to 2017-18.

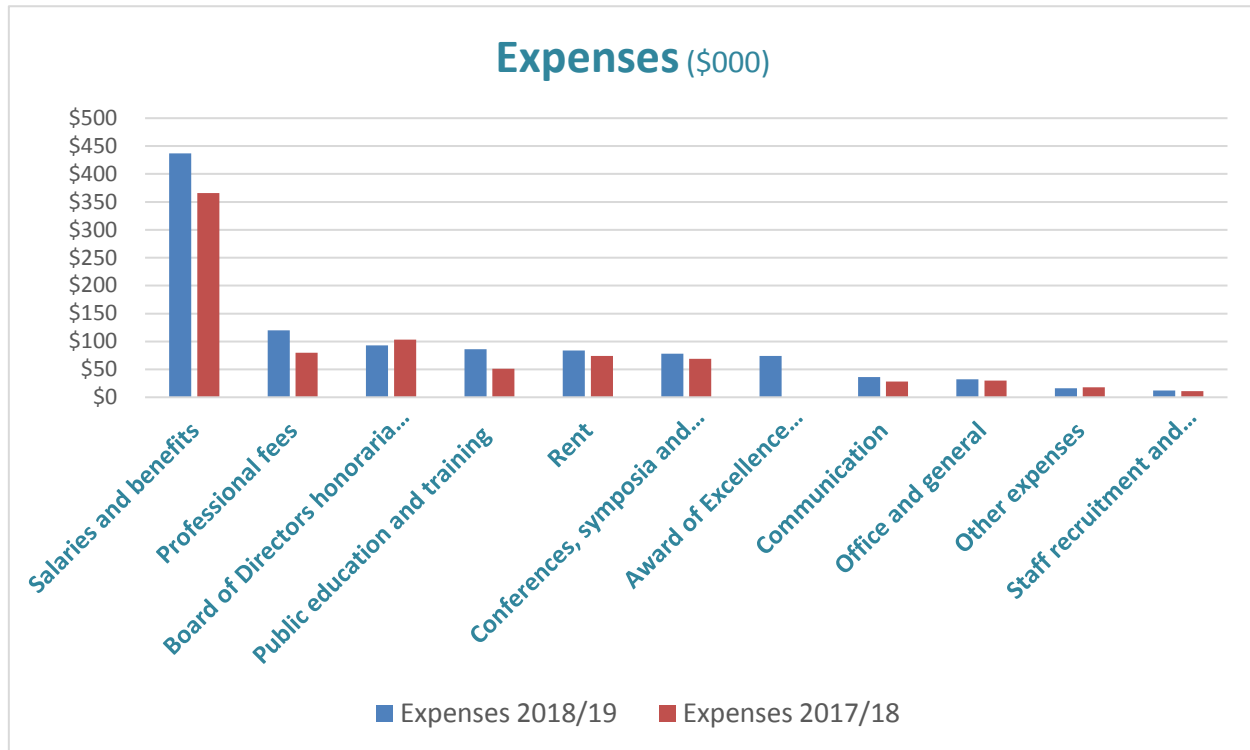
Other expenses includes Information systems and development of \$9,095, Amortization of \$5,313, and Interest expenses of \$375 in 2018-19.

Staff recruitment and development. This year expenses include \$9,927 (2018 - \$10,630) payment to Government of Canada - Privy Council Office for Governor in Council selection process expenses of the new board appointees.

Funded projects expenses of \$131,975 (2018 - \$68,025) is for the "Canada Beyond 150: A Promise to Our Children" project. There was an increase of \$49,950 in Funded projects

Statement of Operations Discussion (continued)

expenses compared to 2017-18, mainly due to extra funding received from the Department of Canadian Heritage for the “Canada Beyond 150: A Promise to Our Children” project in this year.



Outlook for the Future

Fiscal Year 2019-2020

During the fiscal year 2019-20, the Canadian Race Relations Foundation will continue to fund its core programs and operations through the investment income from its original Endowment Fund. As well, following on the successful implementation and completion of the Foundation's two previous multi-year grants, the Foundation will execute the third and final year of the 3-year “Canada Beyond 150: A Promise to Our Children” project funded by the Department of Canadian Heritage designed to bring together Canadians from all backgrounds to engage in discussions about the elimination of racism and discrimination, with a special focus on young people, as well as using technological tools and innovation to build national networks promoting intercultural understanding. The Foundation will continue to focus on building bridges to promote in-depth cross-country conversations while broadening the reach and depth of its programs as a national voice to strengthen harmonious race relations. The Foundation's program activities conform to its unique brand as a leading facilitator and resource for the advancement of positive race relations. It is not the Foundation's role to be a strong advocate. Neither is not equipped to function as such.

Outlook for the Future (continued)

A major new initiative this year is the Science of Racism project, which aims to develop a public exhibition related to the science behind racial bias. In addition, the fiscal year will see a focus on building a robust system of online resources to further the Foundation's mission and vision, including its Clearinghouse. The Foundation is also committing to new research and survey ventures with its collaborating research partners.

The Foundation has an approved operating revenues budget of \$860,000 and an expenditures budget of \$1,187,000 for 2019-2020. The approved budgets were set with an understanding of the fiscal limitations faced by the Foundation in today's economic climate. The approved budgets for the year are closely monitored by senior management, the Finance and Audit Committee, and the Board of Directors. Budget variance reports are reviewed and monitored on a regular basis. Where necessary, adjustments are made in consultation with the Finance and Audit Committee, subject to the approval of the Executive Committee of the Board of Directors. All expenditures are governed by the approved budget and Board resolutions, as well as any applicable guidelines and policies of the Government. To further strengthen oversight, management will be required to obtain prior approval of the Executive Committee of the Board of Directors for any line-item expenditures that will exceed its Board approved budgeted amount by more than 10%. Quarterly financial statements and related notes are also prepared in accordance with the Treasury Board standards and are posted on the Foundation's website.

The Foundation's programs and activities are designed in accordance with the Foundation's Strategic Plan, which continues the forward momentum of the Foundation, building on the successes of the past, and challenging the Foundation to move forward with technological and programmatic advances. While the Strategic Plan advances the Foundation in alignment with contemporary issues of race relations, it represents a commitment to the legacy of generosity of spirit exhibited by the National Association of Japanese Canadians in signing the Japanese Canadian Redress Agreement and advocating on behalf of the creation of the Canadian Race Relations Foundation. Its central purpose is set out in the *Canadian Race Relations Foundation Act*, which was passed in 1990.

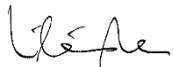
In this fiscal year, the Foundation is embarking on a three-year strategic planning process with its Board of Directors. The Board has hired a consulting firm to facilitate the strategic planning process. The focus is on understanding what people across Canada believe the role of the Foundation should be in the future, what directions a national organization focused on race relations and eliminating racism must consider, and to help us identify priorities for the next 3 (2020 to 2023) years, within the legislative mandate given to the Foundation.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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



Lilian Ma
Executive Director

July 8, 2019



Arsalan Tavassoli MA, CPA, CGA
Finance and Administration Director

July 8, 2019



Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

INDEPENDENT AUDITOR'S REPORT

To the Minister of Canadian Heritage

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Canadian Race Relations Foundation (the Foundation), which comprise the statement of financial position as at 31 March 2019, and the statement of operations, statement of remeasurement gains and losses, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at 31 March 2019, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's

report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Compliance with Specified Authorities

Opinion

In conjunction with the audit of the financial statements, we have audited transactions of the Canadian Race Relations Foundation coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are applicable provisions of Part X of the *Financial Administration Act* and regulations, the *Canadian Race Relations Foundation Act*, and the articles and by-laws of the Canadian Race Relations Foundation.

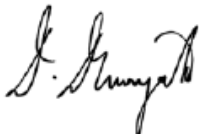
In our opinion, the transactions of the Canadian Race Relations Foundation that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Financial Administration Act*, we report that, in our opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.

Responsibilities of Management for Compliance with Specified Authorities

Management is responsible for the Canadian Race Relations Foundation's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the Canadian Race Relations Foundation to comply with the specified authorities.

Auditor's Responsibilities for the Audit of Compliance with Specified Authorities

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.



Dusan Duvnjak, CPA, CMA
Principal
for the Interim Auditor General of Canada

Ottawa, Canada
8 July 2019

**Financial Statements of
Canadian Race Relations Foundation
For the year ended March 31, 2019**

Financial Statements of
CANADIAN RACE RELATIONS FOUNDATION

For the year ended March 31, 2019

Table of Contents

Statement of Financial Position	52
Statement of Operations	53
Statement of Remeasurement Gains and Losses	54
Statement of Changes in Net Assets	55
Statement of Cash Flows	56
Notes to Financial Statements	57

CANADIAN RACE RELATIONS FOUNDATION
Statement of Financial Position
As at March 31, 2019

	2019	2018
	\$	\$
Assets		
Current assets		
Cash (note 3)	63,169	227,644
Prepaid expenses	25,445	33,133
Receivables (note 6)	433,163	98,867
Investments (note 4)	195,810	216,065
	<u>717,587</u>	<u>575,709</u>
Endowment Fund assets (note 5)	24,491,869	23,266,746
Investments (note 4)	5,250,248	5,766,124
Capital assets (note 8)	11,328	11,112
	<u>30,471,032</u>	<u>29,619,691</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	362,946	121,534
Accrued salaries (note 6)	31,352	10,239
Deferred contributions and deferred revenues (note 10)	-	31,975
	<u>394,298</u>	<u>163,748</u>
Obligation under capital lease (note 9)	2,549	3,751
	<u>396,847</u>	<u>167,499</u>
Net assets		
Unrestricted	6,366,383	6,701,078
Invested in capital assets (note 13)	8,779	7,361
Accumulated remeasurement gains (losses)	(300,977)	(1,256,247)
Restricted for endowment purposes (note 5)	24,000,000	24,000,000
	<u>30,074,185</u>	<u>29,452,192</u>
	<u>30,471,032</u>	<u>29,619,691</u>

Contractual rights and obligations (note 11)
The accompanying notes are an integral part of the financial statements.



Teresa Woo-Paw
Chairperson of the Board of Directors



Moses Gashirabake
Chair of the Finance and Audit
Committee

CANADIAN RACE RELATIONS FOUNDATION
Statement of Operations
For the year ended March 31, 2019

	2019	2018
Revenues	\$	\$
Funded projects	131,975	82,025
Sponsorships, donations and contributions, honoraria and fundraising gala	30,294	59,494
Publications, in-kind and miscellaneous revenues	20,015	2,865
	<u>182,284</u>	<u>144,384</u>
Expenses (note 16)		
Programs expenses	378,213	331,419
Administration expenses	135,545	118,489
Funded projects	131,975	82,025
Operating expenses	109,819	83,661
Board of Directors meetings	93,438	103,360
Award of Excellence symposium and fundraising gala	73,741	-
Conferences, symposia and consultations	71,619	66,269
Public education and training	49,958	30,079
Staff recruitment and development	12,290	11,641
Information systems and development	9,095	2,806
Finance cost	375	204
	<u>1,066,068</u>	<u>829,953</u>
Deficiency of revenues over expenses before net investment income	<u>(883,784)</u>	<u>(685,569)</u>
Net investment income (note 12)	550,507	3,270,687
Excess (deficiency) of revenues over expenses	<u>(333,277)</u>	<u>2,585,118</u>

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

CANADIAN RACE RELATIONS FOUNDATION
Statement of Remeasurement Gains and Losses
For the year ended March 31, 2019

	2019	2018
	\$	\$
Accumulated remeasurement gains (losses), beginning of year	(1,256,247)	1,645,981
Unrealized gains (losses) attributable to:		
Portfolio investments and Endowment Fund assets in equity instruments quoted in an active market	530,361	(1,874)
Financial instruments designated to the fair value category	265,298	(306,949)
Amounts reclassified to the Statement of Operations:		
Portfolio investments and Endowment Fund assets in equity instruments quoted in an active market	39,284	(2,640,338)
Financial instruments designated to the fair value category	120,327	46,933
Net remeasurement gains (losses) for the year	955,270	(2,902,228)
Accumulated remeasurement losses, end of year	(300,977)	(1,256,247)

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

CANADIAN RACE RELATIONS FOUNDATION
Statement of Changes in Net Assets
For the year ended March 31, 2019

2019	Unrestricted	Invested in capital assets	Accumulated remeasurement losses	Endowment	2019
	\$	\$	\$	\$	\$
Net assets, beginning of year	6,701,078	7,361	(1,256,247)	24,000,000	29,452,192
Deficiency of revenues over expenses	(333,277)	-	-	-	(333,277)
Remeasurement gains	-	-	955,270	-	955,270
Net change in investment in capital assets (note 13)	(1,418)	1,418	-	-	-
Net assets, end of year	6,366,383	8,779	(300,977)	24,000,000	30,074,185

2018	Unrestricted	Invested in capital assets	Accumulated remeasurement losses	Endowment	2018
	\$	\$	\$	\$	\$
Net assets, beginning of year	4,102,344	20,977	1,645,981	24,000,000	29,769,302
Excess of revenues over expenses	2,585,118	-	-	-	2,585,118
Remeasurement losses	-	-	(2,902,228)	-	(2,902,228)
Net change in investment in capital assets (note 13)	13,616	(13,616)	-	-	-
Net assets, end of year	6,701,078	7,361	(1,256,247)	24,000,000	29,452,192

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

CANADIAN RACE RELATIONS FOUNDATION
Statement of Cash Flows
For the year ended March 31, 2019

	2019	2018
	\$	\$
Operating activities:		
Excess (deficiency) of revenues over expenses	(333,277)	2,585,118
Items not affecting cash:		
Amortization	5,313	14,771
Non cash interest and dividends incomes	(33,788)	(30,514)
Realized (gains) losses related to financial instruments in investments and in Endowment Fund assets (note 12)	159,611	(2,594,666)
	<u>(202,141)</u>	<u>(25,291)</u>
Changes in non-cash operating assets and liabilities:		
Decrease (increase) in prepaid expenses	7,688	(5,622)
Decrease (increase) in receivables	(2,723)	287,681
(Decrease) increase in accounts payable and accrued liabilities, accrued salaries	23,892	(55,217)
(Decrease) increase in deferred contributions and deferred revenues	(31,975)	23,775
Net cash provided by (used in) operating activities	<u>(205,259)</u>	<u>225,326</u>
Capital activities:		
Addition to capital assets	(5,529)	-
Net cash used in capital activities	<u>(5,529)</u>	<u>-</u>
Investing activities:		
Proceeds from sale of Endowment Fund assets	6,080,935	15,989,755
Purchase of Endowment Fund assets	(6,618,385)	(16,535,324)
Proceeds from sale of investments	2,012,059	4,129,011
Purchase of investments	(1,427,094)	(3,658,408)
Net cash provided by (used in) investing activities	<u>47,515</u>	<u>(74,966)</u>
Financing activities:		
Repayment of capital lease obligations	(1,202)	(1,155)
Net cash used in financing activities	<u>(1,202)</u>	<u>(1,155)</u>
Increase (decrease) in cash	<u>(164,475)</u>	<u>149,205</u>
Cash, beginning of year	227,644	78,439
Cash, end of year	63,169	227,644

Note 1: \$343,311 interest received is included in the net cash flow from operating activities (2018 - \$353,122).
The accompanying notes are an integral part of the financial statements.

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

1. Description of organization:

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

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

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

2. Significant accounting policies:

(a) Basis of presentation:

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

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

(b) Revenue recognition:

(i) Donations and contributions:

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

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

Donations and contributions externally restricted for specific purposes are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations in the period in which the related expenditures are recognized.

Endowment is a restricted contribution subject to externally imposed stipulations specifying that the resources contributed are to be maintained permanently as specified. Endowment contributions are recognized as direct increases in net assets in the period in which they are received consistent with the deferral method of accounting for contributions.

(ii) Net investment income:

Investment transactions are accounted for on a trade-date basis. Trade-date accounting refers to the recognition of an asset to be received and the liability to pay for it on the trade

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements

Year ended March 31, 2019

2. Significant accounting policies (continued):

(ii) Net investment income (continued):

date; and the derecognition of an asset that is sold, recognition of any gain or loss on disposal, and the recognition of a receivable from the buyer for payment on the trade date.

Investment income includes interest from cash, interest from fixed income investments and Endowment Fund assets, dividends and realized gains and losses on sale of investments and Endowment Fund assets classified in the fair value category.

Unrealized changes in the fair value of investments and Endowment Fund assets classified in the fair value category are recognized by the Foundation in the Statement of Remeasurement Gains and Losses.

Losses for impairment, as defined in the Note 2(d), are recorded in the Statement of Operations through net investment income.

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

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

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

(iii) Sponsorships:

Unrestricted sponsorships are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted sponsorships are deferred and recognized as revenue in the year in which the related obligations are fulfilled.

(iv) Donations in kind:

Donated materials and services are recognized in these financial statements when a fair value can be reasonably estimated and when the donated materials and services are used in the normal course of the Foundation's operations and would otherwise have been purchased. Revenues and offsetting expenses from goods and services received in-kind are recorded at fair market value upon receipt. They are recognized under Publications, in-kind and miscellaneous revenues in the Statement of Operations.

(v) Volunteer services:

The Foundation records the fair value of revenue and offsetting expenses of volunteer services in its financial statements if the fair value of volunteer services can be reasonably estimated and services are used in the normal course of the Foundation's operations and

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

2. Significant accounting policies (continued):

(v) Volunteer services (continued):

would otherwise have been purchased. If the fair value cannot be estimated, a footnote disclosure is provided in the notes to financial statements.

(vi) Other revenues:

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

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

Cash is recorded by the Foundation at cost. Cash excludes restricted cash as it is included in the Endowment Fund assets because it cannot be spent. Receivables, accounts payable and accrued liabilities are measured at amortized cost.

Any gains, losses or interest expenses related to accounts payable and accrued liabilities are recorded in the Statement of Operations depending on the nature of the financial liability that gave rise to the gain, loss or expense.

The Foundation establishes an allowance for doubtful accounts that reflects the estimated impairment of accounts receivable. No allowance was recorded at March 31, 2019 (2018– nil).

(d) Financial assets and financial liabilities

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

Investments and Endowment Fund assets consist of fixed income investments and equities. Endowment Fund assets also include restricted cash. All investments and Endowment Fund assets have been classified in the fair value category and are recorded at fair value as active management of the investment portfolio including capitalizing on short-term pricing opportunities is integral to generating funding for the Foundation. Gains and losses on investments and Endowment Fund assets are recognized in the Statement of Operations when the financial asset is derecognized due to disposal or impairment.

The Foundation assesses at each date of the financial statements whether there is objective evidence that financial instruments in investments and in Endowment Fund assets are impaired.

Investments and Endowment Fund assets are considered to be impaired when a decline in fair value is judged to be other than temporary. The Foundation employs a systematic methodology that considers available evidence in evaluating potential impairment of investments and Endowment Fund assets, including market declines subsequent to the period-end; when cost of

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

2. Significant accounting policies (continued):

(d) Financial assets and financial liabilities (continued)

an investment exceeds its fair value by 50%; evaluation of general market conditions; duration and extent to which the fair value is less than cost over a period of three or four years; severe losses by the investee in the current year or current and prior years; continued losses by the investee for a period of years; liquidity or going concern problems of the investee; and intent and ability to hold the investment by the Foundation.

Once a decline in fair value is determined to be other than temporary, the cumulative unrealized loss previously recorded in the Statement of Remeasurement Gains and Losses is reclassified from the Statement of Remeasurement Gains and Losses and recognized as an impairment loss in the Statement of Operations through the net investment income.

Further declines in the fair value of impaired financial instruments in investments and in Endowment Fund assets are recognized in the Statement of Operations, while subsequent increases in fair value are recorded in the Statement of Remeasurement Gains and Losses.

Portfolio of investments and Endowment Fund assets are reported at fair value. Unrealized changes in the fair value of portfolio investments and Endowment Fund assets are recognized in the Statement of Remeasurement Gains and Losses. Once realized, the cumulative gains or losses previously recognized in the Statement of Remeasurement Gains and Losses are recorded in net investment income. Purchases and dispositions of portfolio investments and Endowment Fund assets are recorded on the trade date. Investment management fees are expensed as they are incurred.

(e) Determination of fair values:

The fair value of the Foundation's assets and liabilities accounted for are based on market measurement on March 31. Fair values of investments and Endowment Fund assets are determined by reference to published price of the most recent transaction in an active market at year end representing the full price for fixed income investments and the closing price for equities. Inputs to the valuation methodology for determination of fair values of investments and Endowment Fund assets which are classified at Level 2 include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. The prices are determined based on the market activity.

(f) Capital assets:

Capital assets are measured at amortized cost. Assets under capital lease are initially recorded at the present value of the minimum lease payments and are amortized over the term of the lease.

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

2. Significant accounting policies (continued):

(f) Capital assets (continued):

Except for the assets under capital lease and leasehold improvements, amortization is provided for over the estimated useful lives of the assets on a straight-line basis as follows:

Assets	Estimated Useful Lives
Office furniture and equipment	5 years
Office equipment under capital lease	Over the term of the lease
Computer hardware	3 years
Computer software	3 years
Leasehold improvements	Over the term of the lease

(g) **Artworks:**

The Foundation's Artworks acquired through purchase are paintings and sculptures and are not for sale. The value of Artworks has been excluded from the Statement of Financial Position as they do not meet the definition of an asset per Canadian public sector accounting standards. Purchases of Artwork items are recorded in the year in which the items were acquired as an expense through the Statement of Operations.

(h) **Foreign currency translation:**

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

(i) **Employees future benefits:**

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

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

2. Significant accounting policies (continued):

(i) Employees future benefits (continued):

The Foundation, in accordance with its human resources policy, provides Registered Retirement Savings Plans equal to 4% of annual earnings to its permanent employees.

There is no obligation for employees to make contributions. In 2019, the Foundation's contributions were \$7,834 (2018 - \$7,624). These contributions represent the total obligation of the Foundation and are recognized in the Statement of Operations.

(j) Measurement uncertainty:

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

(k) Contingent liabilities:

In the normal course of its operations, the Foundation may become involved in various claims or legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, a liability will be accrued and an expense recorded in the Foundation's financial statements. No amount has been included in the Statement of Financial Position for contingent liabilities. At March 31, 2019, there are no outstanding claims (2018 – nil).

(l) Functional allocation of expenses:

The Foundation's operations are performed by functional areas that provide integrated services to its various programs. Expenses are reported by function or major program and in total on the accompanying Statement of Operations and are disclosed by the detail of expenses by object and in total in the schedule in note 16 to financial statements. This schedule outlines the major types of expenses incurred.

Expenses are initially allocated to Funded project according to the funding agreements. The remaining expenses are allocated to other functions according to rates based on the Foundation's activities and programs. The rates adopted for the allocation of expenses among functions, the nature of the expenses being allocated and the basis on which such allocation have been made are as follows:

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

2. Significant accounting policies (continued):

(I) Functional allocation of expenses (continued):

2019	Allocation			
Expenses (objects)	Amount (\$)	Rate (%)	Expenses (function)	Amount (\$)
Salaries and benefits	436,794	75%	Programs expenses	303,117
			Administration expenses	101,039
			Funded projects	32,638
Professional fees	119,891	100%	Operating expenses	87,188
			Funded projects	32,703
Board of Directors honoraria and travel	93,438	100%	Board of Directors meetings	93,438
Public education and training	86,110	100%	Public education and training	49,958
			Funded projects	36,152
Rent	83,906	65%	Programs expenses	54,539
			Administration expenses	29,367
Conferences, symposia and consultations	77,791	100%	Conferences, symposia and consultations	71,619
			Funded projects	6,172
Award of Excellence symposium and fundraising gala	73,741	100%	Award of Excellence symposium and fundraising gala	73,741
Communication	35,500	80%	Programs expenses	20,557
			Administration expenses	5,139
			Funded projects	9,804
Office and general	31,824	100%	Operating expenses	17,318
			Funded projects	14,506
Staff recruitment and development	12,290	100%	Staff recruitment and development	12,290
Information systems and development	9,095	100%	Information systems and development	9,095
Amortization	5,313	100%	Operating expenses	5,313
Interest expenses	375	100%	Finance cost	375
	\$1,066,068			\$1,066,068

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

2. Significant accounting policies (continued):

(l) Functional allocation of expenses (continued):

2018		Allocation			
Expenses (objects)	Amount (\$)	Rate (%)	Expenses (function)	Amount (\$)	
Salaries and benefits	365,661	75%	Programs expenses	261,274	
			Administration expenses	87,091	
			Funded projects	17,296	
Board of Directors honoraria and travel	103,360	100%	Board of Directors meetings	103,360	
Professional fees	79,782	100%	Operating expenses	50,139	
			Funded projects	29,643	
Rent	73,928	65%	Programs expenses	48,053	
			Administration expenses	25,875	
Conferences, symposia and consultations	68,773	100%	Conferences, symposia and consultations	66,269	
			Funded projects	2,504	
Public education and training	51,595	100%	Public education and training	30,079	
			Funded projects	21,516	
Office and general	29,583	100%	Operating expenses	18,751	
			Funded projects	10,832	
Communication	27,849	80%	Programs expenses	22,092	
			Administration expenses	5,523	
			Funded projects	234	
Amortization	14,771	100%	Operating expenses	14,771	
Staff recruitment and development	11,641	100%	Staff recruitment and development	11,641	
Information systems and development	2,806	100%	Information systems and development	2,806	
Interest expenses	204	100%	Finance cost	204	
	\$829,953			\$829,953	

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

2. Significant accounting policies (continued):

(m) Related Party Transactions:

Inter-entity transactions

Inter-entity transactions are transactions between commonly controlled entities. Inter-entity transactions, other than restructuring transactions, are recorded on a gross basis and are measured at the carrying amount, except for the following:

i) Inter-entity transactions are measured at the exchange amount when undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length, or where cost provided are recovered.

ii) Goods or services received without charge between commonly controlled entities when used in the normal course of the Foundation's operations and would otherwise have been purchased, are recorded as revenues and expenses at estimated fair value.

Other related party transactions

Related party transactions, other than inter-entity transactions, are recorded at the exchange amount.

3. Cash:

Cash includes \$72,347 in the bank account and overdraft of \$9,178 (2018 – \$227,644 cash balance) in the unrestricted investment cash accounts at March 31, 2019.

4. Investments:

March 31, 2019	Current Amount	Non Current Amount	Total Investment
	\$	\$	\$
Investment Savings Account	78,525	-	78,525
Fixed income investments – Canadian	117,285	2,467,827	2,585,112
Equity securities- Canadian	-	1,039,526	1,039,526
Equity securities- Foreign	-	1,742,895	1,742,895
	195,810	5,250,248	5,446,058

The carrying amount of the Investments has no impairment investments in this year (2018 – nil).

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

4. Investments (continued):

March 31, 2018	Current Amount	Non Current Amount	Total Investment
	\$	\$	\$
Investment Savings Account	86,705	-	86,705
Fixed income investments – Canadian	129,360	2,743,557	2,872,917
Equity securities- Canadian	-	1,097,514	1,097,514
Equity securities- Foreign	-	1,925,053	1,925,053
	216,065	5,766,124	5,982,189

Canadian fixed income investments and Endowment Fund assets have effective interest rates (yields to maturity) ranging from 1.21% to 5.94% (2018 – 1.49% to 3.26%), with maturity dates ranging from September 8, 2019 to June 2, 2041 (2018 – September 5, 2018 to June 2, 2041).

5. Endowment Fund:

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

The *Canadian Race Relations Foundation Act* stipulates that this Endowment Fund is to be used only for investment and is not available to fund the Foundation's activities. Investment income earned and capital gains realized from the Endowment Fund are available to fund the Foundation's activities.

The Endowment Fund is composed of the following assets at March 31, 2019:

March 31, 2019	Current Amount	Non Current Amount	Total Investment
	\$	\$	\$
Cash	284,748	-	284,748
Investment Savings Account	301,960	-	301,960
Fixed income investments – Canadian	420,022	9,473,643	9,893,665
Equity securities- Canadian	-	5,188,143	5,188,143
Equity securities- Foreign	-	8,823,353	8,823,353
	1,006,730	23,485,139	24,491,869

The carrying amount of the Endowment Fund assets has no impairment investments in this year (2018 – nil).

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements

Year ended March 31, 2019

5. Endowment Fund (continued):

March 31, 2018	Current Amount	Non Current Amount	Total Investment
	\$	\$	\$
Cash	458,772	-	458,772
Fixed income investments – Canadian	449,248	9,545,235	9,994,483
Equity securities- Canadian	-	4,724,409	4,724,409
Equity securities- Foreign	-	8,089,082	8,089,082
	908,020	22,358,726	23,266,746

6. Financial risk management:

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

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

There has been no change to the level of risk compared to the prior year and no changes in the risk management practices used to manage risks.

(a) Asset Mix:

As of March 31, 2019, the Foundation's investment asset mix was as follows:

Asset Mix	IPS Target	Range Permitted
0.00% in Cash (2018 – 3.66%)	0%	0% - 5%
47.47% in Fixed Income (2018 – 46.27%)	80%	40%-80%
20.53% in Canadian Equities (2018 – 19.07%)	10%	10%-30%
32.00% in Global Equities (2018 – 31.00%)	10%	10%-40%

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

6. Financial risk management (continued):

(a) Asset Mix (continued):

As of March 31, 2019, the Foundation's Endowment Fund asset mix was as follows:

Asset Mix	IPS Target	Range Permitted
1.16% in Cash (2018 – 1.97%)	1%	0%- 5%
40.40% in Fixed Income (2018 – 42.96%)	45%	40%-60%
22.41% in Canadian Equities (2018 – 20.31%)	25%	10%-30%
31.66% in Global Equities (2018 – 30.41%)	25%	20%-40%
4.37% in Real Estate (2018 –4.35%)	4%	4% - 5%

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

(b) Credit risk:

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

(i) Fixed income securities:

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

As at March 31, 2019, the Foundation invested in fixed income securities with the following credit ratings:

Debt instrument by credit rating	2019	2018
	Percentage of Value	
AAA (+ R1 rated short-term)	22.85%	23.80%
AA	17.63%	25.55%
A	52.60%	44.55%
BB	1.21%	-
BBB	5.71%	6.10%

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

6. Financial risk management (continued):

(b) Credit risk (continued):

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

(ii) Accounts receivable:

The Foundation's exposure to credit risk associated with accounts receivable is assessed as being low mainly due to the type of the Foundation's debtors which are mainly from Government of Canada and amounts receivable from pending trades. As at March 31, 2019 accounts receivable comprise of balances of \$431,663 (2018 - \$98,287) less than 3 months, \$1,500 (2018 - \$580) between 3 to 12 months and nil (2018 -nil) greater than one year.

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

	2019	2018
	\$	\$
Government of Canada	31,749	22,970
Amounts receivable from pending trades	363,982	32,409
Dividends, interest and income distribution	29,827	34,870
Other organizations	7,605	8,618
	433,163	98,867

(c) Interest rate risk:

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

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

6. Financial risk management (continued):

(c) Interest rate risk (continued)

The Foundation's fixed income securities fair value in Investments and Endowment Fund assets as at March 31, 2019 comprise:

	2019	2018
	\$	\$
Fixed income securities– Canadian	12,478,777	12,867,400
	12,478,777	12,867,400

As at March 31, 2019 the Foundation's exposure to debt instruments by maturity and the impact on the Statement of Remeasurement Gains and Losses had the yield curve shifted in parallel by 25 basis points with all other variables held constant ("sensitivity analysis"), is as follows:

Fixed income securities fair value by maturity date:

	2019	2018
	\$	\$
Less than 1 year	537,307	578,608
1-3 years	3,287,843	2,912,749
3-5 years	1,900,179	3,765,955
Greater than 5 years	6,753,448	5,610,088
	12,478,777	12,867,400
<u>Sensitivity</u>	1.48 %	1.42%
	\$ 185,177	\$ 182,717

The Foundation's overall portfolio duration is 5.9 years (2018 – 5.66 years). If the yield curve experiences a parallel shift upward or downward of 25 basis points, the value of the Foundation's fixed income allocation would increase or decrease by approximately 1.48 % or \$185,177 (2018 - 1.42% or \$182,717). In practice, actual trading results may differ from the above sensitivity analysis and the difference could be material.

(d) Currency risk:

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

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

6. Financial risk management (continued):

(d) Currency risk (continued):

The Foundation was not exposed to any significant currency risk during the year as 99.9% of investments and Endowment Fund assets held by the Foundation were in Canadian dollars.

Approximately 0.13% of the Foundation's Endowment Fund was subject to direct currency risk during the year. The remaining assets in the Endowment Fund were held directly in Canadian dollars, and underlying foreign holdings were hedged back to Canadian dollars.

Approximately 0.11% of the Foundation's investment account was subject to direct currency risk during the year. The remaining assets in the unrestricted investment account were held directly in Canadian dollars, and underlying foreign holdings were hedged back to Canadian dollars.

(e) Other price risk:

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

The portfolio's actual return is compared to the benchmark return as a measure of relative performance. The benchmark return is based on the index returns for each asset class and the long-term target allocation of each asset class in the portfolio. The portfolio's long-term target asset allocation is specified in the Foundation's Investment Policy Statement. The Portfolio's investment performance will be measured against the performance of a 'benchmark' index calculated using appropriate market indices combined in the same proportion as the Portfolio's benchmark asset mix. The revised Investment Policy Statement which was approved by the Board of Directors in October 29, 2016 and had two more revisions in July 19, 2017 and October 13, 2017 was in force during the current fiscal year. As a result, the Foundation's long-term target asset allocation and individual asset class indices in effect as at March 31, 2019 is as follows:

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements

Year ended March 31, 2019

6. Financial risk management (continued):

(e) Other price risk (continued):

Proportion & Asset Class	Benchmark Index
1% Canadian Cash	DEX 91-day T-Bill Index
45% Canadian Fixed Income Instruments	FTSE TMX Universe Bond Index
22% Canadian equities	S&P / TSX Composite Index
28% Global equities	MSCI World Index TR (CAD)
4 % Real Estate	MSCI World Real Estate Index (CAD)

The historical correlation between the Foundation's investment returns and the combined benchmark returns for the fiscal year is 0.95% (2018 – 1.023%). The cumulative impact on the Statement of Remeasurement Gains and Losses and net investment income of the Foundation due to a 1 percent change in the benchmark, using historical correlation for the fiscal year ended March 31, 2019 between the Foundation's return as compared to the return of the combined benchmarks, with all other variables held constant, as at March 31, 2019 is estimated to be approximately 0.95% or \$285,289 (2018 – 1.023% or \$302,076). The historical correlation may not be representative of the future correlation, and accordingly the cumulative impact on the Statement of Remeasurement Gains and Losses and net investment income could be materially different.

(f) Liquidity risk:

Liquidity risk is defined as the risk that the Foundation may not be able to settle or meet its obligations on time or at a reasonable price. The Foundation is exposed to liquidity risk as the Foundation mainly uses the investment income earned on investments and Endowment Fund assets to settle its obligations and such investment income fluctuates with the market conditions relating to the Foundation investment portfolio. The Foundation manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities. The Foundation manages its investments and Endowment Fund assets by maintaining a line of credit of \$100,000 and capital management that allows the Foundation to have sufficient liquidity to settle its obligations when they become due.

At March 31, 2019 the Foundation has a total cash balance of \$63,169 (2018 - \$227,644), which is lower than the total liabilities recorded at March 31, 2019 of \$396,847 (2018 - \$167,499).

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements

Year ended March 31, 2019

6. Financial risk management (continued):

(f) Liquidity risk (continued):

However, total liabilities include amounts payable to pending trades that will be covered by amounts disclosed under investments and Endowment Fund assets.

As at March 31, 2019, the Foundation's liabilities have contractual maturities as follows:

Accounts payable and accrued liabilities	Less than 3 months \$	3 to 12 months \$	Over 1 year \$	Total \$
Amounts payable to pending trades	271,723	-	-	271,723
Other accounts payable and accrued liabilities	62,489	26,033	2,701	91,223
Accrued salaries	31,352	-	-	31,352
Total	365,564	26,033	2,701	394,298

As at March 31, 2018, the Foundation's liabilities have contractual maturities as follows:

Accounts payable and accrued liabilities	Less than 3 months \$	3 to 12 months \$	Over 1 year \$	Total \$
Amounts payable to pending trades	33,090	-	-	33,090
Other accounts payable and accrued liabilities	79,403	7,272	1,769	88,444
Accrued salaries	10,239	-	-	10,239
Total	122,732	7,272	1,769	131,773

7. Financial assets and financial liabilities – disclosure:

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

- Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 Inputs that are based on quoted prices for similar assets or liabilities and inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

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

Level 3 Fair value determination requiring significant management judgment or estimation and at least one significant model assumption or input that is unobservable.

Financial assets at fair value for investments and Endowment Fund assets as at March 31, 2019:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Cash	284,748	-	-	284,748
Investment Saving Account	380,485	-	-	380,485
Fixed income securities	-	12,478,777	-	12,478,777
Equity securities	16,793,917	-	-	16,793,917
Total investments and Endowment Fund assets	17,459,150	12,478,777	-	29,937,927

Financial assets at fair value for investments and Endowment Fund assets as at March 31, 2018:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Cash	458,772	-	-	458,772
Investment Saving Account	86,705	-	-	86,705
Fixed income securities	-	12,867,400	-	12,867,400
Equity securities	15,836,058	-	-	15,836,058
Total investments and Endowment Fund assets	16,381,535	12,867,400	-	29,248,935

The fair values of the fixed income investments and Endowment Fund assets are not quoted in an active market, but rather are determined from quoted prices from a decentralized, over the counter market, which is considered in Level 2 in the fair value hierarchy.

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

8. Capital assets:

Capital assets at net book value as at March 31, 2019:

	Cost	Accumulated amortization	2019 Net book value
	\$	\$	\$
Office furniture and equipment	121,230	115,129	6,101
Computer hardware	39,551	36,755	2,796
Equipment under capital lease	6,076	3,645	2,431
	166,857	155,529	11,328

Amortization of capital assets expense is \$5,313 (2018 - \$14,771).

In this year, the carrying value of Leasehold improvements was reviewed and cost of \$42,988 was written-off against the accumulated amortizations.

Capital assets at net book value as at March 31, 2018:

	Cost	Accumulated amortization	2018 Net book value
	\$	\$	\$
Office furniture and equipment	119,281	112,840	6,441
Leasehold improvements	42,988	42,988	-
Computer hardware	35,971	34,946	1,025
Equipment under capital lease	6,076	2,430	3,646
	204,316	193,204	11,112

9. Obligation under capital lease:

The Foundation signed an agreement to rent office equipment under capital lease in January 2016 with effective lease date of April 1, 2016. The obligation under capital lease, repayable in blended quarterly installments of \$333, including principal and interest at 3.95% with maturing date of March 31, 2021, is secured by related equipment.

	2019	2018
	\$	\$
Obligation under capital lease	2,549	3,751

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements

Year ended March 31, 2019

9. Obligation under capital lease (continued):

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

	2019	2018
	\$	\$
2019	-	1,332
2020	1,332	1,332
2021	1,332	1,332
	2,664	3,996
Less amount representing interest	(115)	(245)
Total obligation under capital lease	2,549	3,751

10. Deferred contributions and deferred revenues:

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

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

Deferred contributions and deferred revenues recorded by the Foundation at March 31, 2019 are as follows:

	2019	2018
	\$	\$
Deferred contributions from non-government sources	-	-
Deferred contributions from government sources	-	31,975
Balance, end of year	-	31,975

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

10. Deferred contributions and deferred revenues (continued):

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

	2019	2018
	\$	\$
Balance, beginning of year	31,975	8,200
Add: restricted contributions received from government sources	100,000	100,000
Add: restricted contributions received from non-government sources	-	-
Less: amounts recognized as revenue	(131,975)	(76,225)
Balance, end of year	-	31,975

11. Contractual rights and obligations:

The Foundation has entered into a revenue and a payment contract. The revenue contract is with the Department of Canadian Heritage for an amount of \$150,000 over the next fiscal year for the project "Canada beyond 150: A promise to our Children" an initiative that will run from July 2018 to March 2020. The payment contract pertains to a lease agreement for office premises and extends to March 31, 2023. As at March 31, 2019, future minimum contractual receipts total \$150,000 (2018 – \$250,000) and future minimum contractual payments total \$374,610 (2018 - \$474,467).

	<u>Contractual rights</u>	<u>Contractual obligations</u>
	\$	\$
2019-20	150,000	95,645
2020-21	-	95,645
2021-22	-	95,645
2022-23	-	87,675
	150,000	374,610

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

12. Net investment income:

Net investment income from Endowment Fund assets	2019	2018
	\$	\$
Realized gains (losses) on sale of Endowment Fund assets	(197,904)	2,088,918
Interest from cash and fixed income investments, dividends from Endowment Fund assets	715,956	738,110
Less: transaction costs and investment counsel fees	(141,150)	(154,795)
	376,902	2,672,233
Net investment income from investments		
Realized gains on sale of investments	38,293	505,748
Interest from cash and fixed income investments, dividends	170,943	116,219
Less: transaction costs and investment counsel fees	(35,631)	(23,513)
	173,605	598,454
Net investment income	550,507	3,270,687

During the year remeasurement gains of \$844,605 (2018 - \$2,845,007 losses) were recognized in the Statement of Remeasurement Gains and Losses related to the Endowment Fund assets.

During the year non cash Interest and dividends of \$27,708 (2018 - \$24,974) were included to the income from Endowment Fund assets and \$6,372 (2018 - \$4,269) were included to the income from investments.

13. Investment in capital assets:

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

	2019	2018
	\$	\$
Capital assets	11,328	11,112
Less: obligation under capital lease	(2,549)	(3,751)
	8,779	7,361

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements
Year ended March 31, 2019

13. Investment in capital assets (continued):

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

	2019	2018
	\$	\$
Capital asset additions	5,529	-
Less: Capital asset leased	-	-
Capital assets purchased with Foundation funds	5,529	-
Amortization of capital assets	(5,313)	(14,771)
Repayment of capital lease obligation	1,202	1,155
Net change in investment in capital assets	1,418	(13,616)

14. Related party transactions:

The Foundation is related in terms of common ownership to all Government of Canada departments, agencies and Crown corporations. Related party also includes key management personnel having authority and responsibility for planning, directing and controlling the activities of the Foundation. This includes the Executive Director, all members of the Board of Directors and immediate family members thereof. The Foundation enters into transactions with these entities and in the normal course of business. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to be paid by the related parties.

During the year, the Foundation recorded revenue of \$131,975 with "Canada beyond 150: A promise to our Children" project, funded by the Department of Canadian Heritage (2018- \$68,025). As at March 31, 2019, there is no deferred contribution for this project (2018 - \$31,975). In addition, the Foundation has \$150,000 contractual rights for the same project as at March 31, 2019 (2018 - \$250,000) as disclosed in note 11, contractual rights and obligations.

During the year, the Foundation incurred expenses totaling \$259,831 (2018 - \$227,752) with respect to salaries and benefits, honorarium and travel of members of the Board of Directors, and the Executive Directors.

During the year, the Foundation incurred expenses totaling \$9,927 (2018 - \$10,630) with respect to Government of Canada - Privy Council Office for Governor in Council selection process expenses of the new board appointees.

At March 31, 2019, the Foundation had accounts receivable of \$31,749 (2018 - \$22,970) from Canada Revenue Agency for recoverable sales taxes.

THE CANADIAN RACE RELATIONS FOUNDATION

Notes to Financial Statements

Year ended March 31, 2019

15. Donations in-kind:

During this fiscal year, the fair value of donated services and materials included as revenue “in-kind” in the financial statements was \$20,000 (2018 - \$2,840). Out of this amount, the corresponding cost classification was Professional fees of \$15,000 and Public education and training of \$5,000. The Foundation has not received any pledges or bequest in this year (2018 – nil). The donations in-kind are included in the publications, in-kind and miscellaneous revenues in the Statement of Operations.

16. Schedule of Expenses by Object:

Expenses	March 31, 2019	March 31, 2018
	\$	\$
Salaries and benefits	436,794	365,661
Professional fees	119,891	79,782
Board of Directors honoraria and travel	93,438	103,360
Public education and training	86,110	51,595
Rent	83,906	73,928
Conferences, symposia and consultations	77,791	68,773
Award of Excellence symposium and fundraising gala	73,741	-
Communication	35,500	27,849
Office and general	31,824	29,583
Staff recruitment and development	12,290	11,641
Information systems and development	9,095	2,806
Amortization	5,313	14,771
Interest expenses	375	204
	1,066,068	829,953

17. Comparative figures

Certain comparative figures in the Statement of Operations, note 2(l) - Functional Allocation of Expenses, and note 16- Schedule of Expenses by Object have been reclassified to conform to the presentation adopted in 2018-2019. These changes have no impact on the Foundation's excess (deficiency) of revenues over expenses.