



IVEY FOUNDATION

ANNUAL REPORT

2014

IVEY FOUNDATION

The Ivey Foundation is a private charitable foundation located in Toronto, Canada. It was incorporated as The Richard Ivey Foundation on 31 December 1947 by the late Richard G. Ivey, Q.C.,LL.D., and his son Richard M. Ivey, C.C.,Q.C.,LL.D. The mission of the Foundation is to improve the well-being of Canadians by focusing its resources on selected issues of significance. With a long history of supporting excellence and valuing transparency and accountability, the Foundation also embraces change as a necessary part of its evolution.

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TORONTO ONTARIO CANADA 2015

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IN 2014 THE FOUNDATION APPROVED a mission, goal and objectives for the new Economy and Environment Program. We made grants to eight organizations in the Program totalling approximately \$1.2 million. Our largest grant was to Canada's Ecofiscal Commission (a \$450,000 contribution, adding to a \$225,000 grant in 2013). The Ecofiscal Commission achieved substantive profile in Canada with its November 2014 launch, garnering widespread media attention across the country and across the political spectrum. The Ecofiscal Commission is an excellent representation of the Foundation's approach to addressing the intersection of economy and environment.

As this Program is still in the development phase, many of our grants are designed to generate new thinking and new information, to stimulate debate, and to provide opportunities for convening the Canadian public, businesses, decision-makers, and charities.

The Foundation has chosen the following mission, goal and program objectives upon which to focus its resources:

MISSION

To help create a shared vision for Canada's future — one that integrates economy and environment, achieves resource efficiency, and fosters innovation and investment for a smarter, sustainable economy.

GOAL

To support a better understanding of the systemic changes needed to maintain Canada's natural capital while enhancing the prosperity of all Canadians.

PROGRAM OBJECTIVES

- 1 To build new collaborations and institutions to communicate and champion the benefits of a sustainable economy.
- 2 To better understand the public and private sector actions needed to position Canada as an innovative and competitive sustainable economy.
- 3 To research and develop options for practical policies that will achieve beneficial economic and environmental outcomes by integrating pricing, investment, and market mechanisms.

- 4 To identify and adopt new tools to measure and account for progress towards sustainability.

The Ivey Foundation recognizes that to achieve the four objectives described above we need to better understand how to communicate with and engage Canadians in a way that is positive, meaningful, and relevant to our future aspirations for economic and environmental progress. The Ivey Foundation will therefore support research and collaboration that fosters wide public and business engagement around what a sustainable economy might look like, turning the “why” of a transition into a well-accepted “how” of transition.

The Ivey Foundation is seeking opportunities to work with effective Canadian organizations interested in these ideas and willing to work collaboratively on pragmatic solutions.

GRANTS

ECONOMY & ENVIRONMENT

Measuring Wealth in a Resource Economy

International Institute for Sustainable Development, Winnipeg, \$150,000
(over two years)

Researching and developing a methodology and report that measures the natural wealth of Canada, and includes a measurement and monitoring system to report on the adoption of “green” economy policies.

Towards a Cleaner, Healthier Canada

International Institute for Sustainable Development, Winnipeg, \$150,000
(over two years)

Developing the methodology and a preliminary estimate of the cost of pollution to the Canadian economy to advance the discussion of pollution pricing in Canada.

Canada’s Ecofiscal Commission

McGill University, Montreal, \$450,000 (over two years)

Establishing a new national collaboration of leading Canadian economists researching economic issues and policy options for environmental fiscal reform in Canada.

“Future Fit” Business Benchmark

Natural Step Canada, Ottawa, \$50,000

Developing a scientifically-based benchmark for the environmental and social performance of businesses.

Natural Capital Lab

Natural Step Canada, Ottawa, \$50,000

Identifying the interest and available resources for undertaking a collaborative process to better understand how to incorporate natural capital into economic decision-making frameworks.

Economic Literacy Program

Sustainability Network, Toronto, \$100,000 (over two years)

Increasing economic and business literacy within non-governmental organizations.

Amplifying Canadian Clean Energy Success Stories

Tides Canada Initiatives (Clean Energy Canada), Vancouver, \$50,000

Developing case studies to highlight concrete examples of successful provincial policies that address the relationship between economic development and environmental performance.

Strengthening the Business Case for Greening Canada's Economy

University of Ottawa, Sustainable Prosperity, Ottawa, \$150,000

Researching the opportunities and challenges facing Canada's business sectors in adopting practices that optimize economic and environmental returns.

Identifying Ontario's Green Growth Potential

University of Toronto, Mowat Centre, Toronto, \$20,000

Researching sustainable growth opportunities in Ontario and convening a group of business and non-profit leaders.

Ecological Macroeconomic Modeling

York University, Toronto, \$28,788

Furthering the understanding of how environmental considerations and natural capital can be incorporated into economic frameworks.

CONSERVING CANADA'S FORESTS

Canadian Boreal Forest Agreement Implementation

Canadian Parks and Wilderness Society, Ottawa, \$200,000

Canadian Parks and Wilderness Society (Canadian Boreal Forest Agreement Secretariat), Ottawa, \$250,000

Canadian Parks and Wilderness Society (ForestEthics), Ottawa, \$100,000

STRATEGIC OPPORTUNITIES

Sustainability Week

Canadian Business for Social Responsibility, Toronto, \$10,000

Sustaining Membership

Canadian Environmental Grantmakers' Network, Toronto, \$15,000

Beyond Green

Earth Day Canada, Toronto, \$15,000

Tax Shifting Research and Education

Ecology Action Centre, Halifax, \$10,000

Environmental Priorities 2014

Environmental Defence Canada, Toronto, \$15,000

Defining Ecosystem-Based Management: Canadian Boreal Forest Agreement

Environmental Defence Canada, Toronto, \$25,000

Charities and Political Activities: Information for Charitable Directors

Imagine Canada, Toronto, \$10,000

Scoping for Cost of Pollution and Inclusive Wealth Reports

International Institute for Sustainable Development, Winnipeg, \$15,000

Time in Business Systems

Ivey Business School, London, \$15,000

Case Study of Ontario's Coal Phase Out

Ontario Clean Air Alliance Research, Toronto, \$10,000

Membership

Philanthropic Foundations Canada, Montreal, \$10,893

Non-Governmental Organization Economic Literacy Training

Sustainability Network, Toronto, \$10,000

Evidence for Democracy

Tides Canada, Vancouver, \$10,000

Solution Communications

Tides Canada Initiatives (Clean Energy Canada), Vancouver, \$16,700

Canadian Boreal Forest Agreement: Northeastern Ontario

Wildlands League, Toronto, \$7,500

DIRECTOR-INITIATED

Biodiversity Garden

Royal Ontario Museum, Toronto, \$250,000 (over two years)

PAYMENTS ON PREVIOUS GRANT COMMITMENTS

DIRECTOR-INITIATED

Research Support

Canadian Institute for Advanced Research, Toronto, \$100,000 (of \$300,000)

Banking on Cod: Financing Sustainable Fisheries

WWF Canada, Toronto, \$100,000 (of \$250,000)

SUMMARY OF GRANTS 1948-2014

	Environment & Conservation	General/Director- Initiated	Total Grants Approved	Program Expenses	Grants & Program Expenses Paid
1948-2011	\$ 26,045,911	\$ 49,112,213	\$ 75,158,124	\$ 1,551,546	\$ 76,119,670
2012	\$ 1,484,000	\$ 65,000	\$ 1,549,000	\$ 634,577	\$ 2,623,577
2013	\$ 1,434,000	\$ 550,000	\$ 1,984,000	\$ 659,554	\$ 2,283,554
2014	\$ 1,943,881	\$ 250,000	\$ 2,193,881	\$ 653,941	\$ 2,532,822
	\$ 30,907,792	\$ 49,977,213	\$ 80,885,005	\$ 3,499,618	\$ 83,559,623

AUDITOR'S REPORT

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Members,
Ivey Foundation

The accompanying summary financial statements, which comprise the summary statement of financial position as at December 31, 2014, and the summary statement of operations and net assets for the year then ended, are derived from the audited financial statements of Ivey Foundation for the year ended December 31, 2014. We expressed an unmodified audit opinion on those financial statements in our report dated May 25, 2015. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Ivey Foundation.

MANAGEMENT'S RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS Management is responsible for the preparation of a summary of the audited financial statements in accordance with Canadian accounting standards for not-for-profit organizations.

AUDITOR'S RESPONSIBILITY Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

OPINION In our opinion, the summary financial statements derived from the audited financial statements of Ivey Foundation for the year ended December 31, 2014 are a fair summary of those financial statements, in accordance with Canadian accounting standards for not-for-profit organizations.

Cowperthwaite Mehta

Chartered Accountants
Licensed Public Accountants
May 25, 2015
Toronto, Ontario

IVEY FOUNDATION
SUMMARIZED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER

	2014	2013
ASSETS		
Cash and cash equivalents	\$ 4,434,089	\$ 3,608,682
Accrued interest and amounts receivable	397,262	328,333
Marketable securities	74,844,480	70,161,672
Other investments and sundry assets	9,281,345	9,187,374
	<u>88,957,176</u>	<u>83,286,061</u>
LIABILITIES		
Accounts payable and accrued liabilities	119,869	380,315
Unpaid grants	825,000	510,000
	<u>944,869</u>	<u>890,315</u>
NET ASSETS		
Restricted	3,481,534	3,202,847
Unrestricted	84,530,773	79,192,899
	<u>88,012,307</u>	<u>82,395,746</u>
	<u>88,957,176</u>	<u>83,286,061</u>

SUMMARIZED STATEMENT OF OPERATIONS
FOR THE YEARS ENDED 31 DECEMBER

	2014	2013
REVENUE		
Investment income	\$ 2,417,803	\$ 2,849,929
Realized gain on sale of investments	4,784,610	2,716,658
Change in market value of investments	1,854,226	8,034,560
Total revenue	<u>9,056,639</u>	<u>13,601,147</u>
EXPENDITURES		
MANAGEMENT & ADMINISTRATION		
Investment management, custodian and audit fees	584,352	751,828
Other	227,638	284,095
Total management and administration	<u>811,990</u>	<u>1,035,923</u>
NET REVENUE BEFORE GRANTS	<u>8,244,649</u>	<u>12,565,224</u>
GRANTS & PROGRAM EXPENSES		
Economy and Environment	1,198,788	368,000
Conserving Canada's Forests	550,000	826,000
Strategic Opportunities	195,093	240,000
Director-Initiated	250,000	550,000
Program expenses	653,941	659,554
Total grants and program expenses	<u>2,847,822</u>	<u>2,643,554</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>5,396,827</u>	<u>9,921,670</u>

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