

Stewarding and Supporting a Better World with Better Charities

2016 Stakeholder Report

*The Qube Charitable Foundation is a registered public foundation based in Western Canada.
Established in 2015 the Qube Charitable Foundation looks to make philanthropy simple,
effective and impactful.*



THE QUBE CHARITABLE FOUNDATION

FOUNDATION INFORMATION

Trustees

Ian Quigley	Chair and Founding Trustee
Peter Chapman	Trustee
John Parkins	Trustee
Tim Edlund	Trustee

Trust Management Qube Investment Management Inc.

Principal Address #300, 9414 91 Street, Edmonton, AB T6C 3P4

Contact Mark Ringrose - (780)463-2688 x 103

Website www.qubefoundation.ca

Fiscal Year End December 31

We focus on ensuring that the charities we support have developed and deployed efficient solutions to identified societal problems. We are looking to not just be a source of funds, but also a partner towards real social change.

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Dear friends,

In 2016, the Qube Charitable Foundation witnessed many positive developments and started on a new path for growth. Looking forward, we are optimistic about the expansion of our philanthropic objectives in the coming year.

At our last meeting, we resolved to prioritize the following: to establish our current framework of governance; to articulate a clear statement of purpose for the foundation; and to outline the operational processes of the foundation.

Each was necessary in order to support the foundation's conversion from Private to Public status. Of course, this undertaking was successful; ensuring the sustainability of the foundation as we find it now, and as it continues to grow.

At the next meeting of trustees, we hope to obtain approval to move forward on a number of proposed initiatives. These include a revamp of the current website (to incorporate video testimonials, foundation specific white papers and login portals for each donor advised fund), as well as a new marketing approach for the foundation (to include a re-branding event in fall 2017 targeted towards charitable organizations, accounting firms and potential donors). Furthermore, we would like to discuss points related to 'deed of gift' documents and the continuing administration of the foundation as it relates to compliance processes. We look forward to your input on these matters and welcome any additional proposals that you might have.

Very gratefully yours,

Ian Quigley

Chair of Trustees

OUR PHILOSOPHY: HIGH IMPACT PHILANTHROPY

We commit to differentiating ourselves from the rest of the Canadian philanthropic landscape by emphasizing three unique qualities:

Simplicity: The establishment of a donor advised fund should not be difficult. With all regulatory and administrative processes completed by QIM, we will coordinate a seamless transition between that first moment that donors decide to create a legacy and the moment that their donations are put to work bettering the world around us.

A donor's program is all inclusive with all fees and overhead paid by the investment manager (Qube Investment Management Inc.) as per a management agreement with the trustees of the foundation. This means that 100% of client donations go towards charitable grants. (The investment management fees of trust funds are competitive and the donor can participate in the construction of the investment program at the time their fund is established).

Accountability: Grants should support well-run charities that can be expected to succeed in their mission and have a definable per-dollar impact. All too often the impact of a charitable donation is suspect, was it used to compensate unsupportable wages, or put toward fundraising that places a higher value on social status than social justice? Our research will help donors to identify charities that will have a positive impact on the cause that each individual donor is passionate about.

After helping develop a grant program with an associated Deed of Gift, the foundation then assists the client in annual management of that program. Goals and objectives can change, so must the grant program!

Wealth Planning: There are tax incentives intended for Canadians who donate money to charitable causes. We work closely with donors to ensure that these significant tax advantages are efficiently integrated with their current financial plans and longer term legacy planning.



In 2016, the Qube Charitable Foundation made the transition from private to public foundation. Our election to do so was motivated by an ambition to offer our knowledge and expertise to those looking to create their own philanthropic legacy. We are now able to support Donor Advised Funds under the guidance and expertise of our trustees; a development that presents an exciting growth opportunity for high impact philanthropy.

2016 also saw the addition of a new Donor Advised Fund: The Wendy Cassady Memorial Fund, based on the extraordinary wishes of Wendy Cassady. She has committed, in part, to granting approximately \$75,000 per year, over a period of 20 years, to the Chester Ronning Centre of Interfaith Studies at the University of Alberta Augustana Campus; the biggest commitment of its kind that the Centre has ever received. Wendy's fund also has annual objectives of social justice, children's literacy and promotion of the arts.

With the recent addition of three new trustees to the foundation, we have broadened the level of expertise and experience available to our donors. Our new trustees are Peter Chapman, John Parkins and Tim Edlund.

Tim Edlund is the founder and CEO of Softworks Group Inc., an Edmonton based software firm that develops custom applications for healthcare providers and self-regulated professions.

Peter Chapman is the Executive Director of the Shareholder Association for Research and Education (SHARE). Peter has more than 25 years of experience working in the field of responsible investment, including corporate engagement, education and public policy.

Dr. John Parkins is a professor of Environmental Sociology at the University of Alberta. His professional areas of interest include: the social context of resource development, environmental politics, and the sociology of food and agriculture.



Moving forward we hope to increase the scale of our operations by offering our services to new philanthropic endowments and increasing our granting activities. We anticipate that the success of this objective will principally stem from targeted marketing initiatives planned for the coming year; increasing awareness of the foundation and the services it can provide to donors.

Operationally, we will continue to focus on process efficiencies, to include improved procedures relating to the receipt of donations, grant-making, the financial review of charitable organizations and stakeholder communications. Through the streamlining of procedures and operations, our objective is to position the foundation to more competitively vie for philanthropic endowments with larger bank-owned foundations.

DONATIONS AND GRANTING ACTIVITIES 2016

Donations

Since its establishment in 2015, the Qube Charitable Foundation has received more than \$1 million in donations from various sources. In 2017 that number is expected to rise to over \$1.5 million.

Granting Activities

The Wendy Cassady Memorial Fund and the Quigley Family Fund have together granted more than \$147,750 to various charitable organizations during the past two years.

COMMUNITIES WE HAVE SUPPORTED

The Qube Charitable Foundation currently provides grants to charitable organizations representing many varied causes; all of which can typically be grouped into the following four categories:

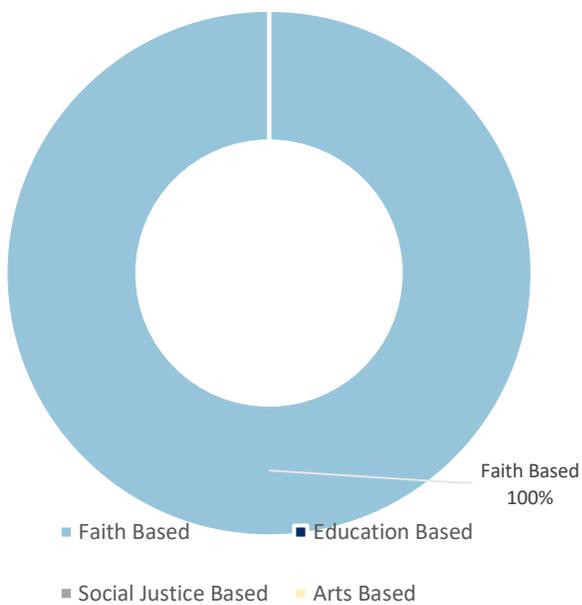
Faith Based: Beneficiaries are focused on spirituality and supporting religious principles that promote a more peaceful and supportive society.

Education Based: Beneficiaries support individual growth and the pursuit of higher education through their granting activities in this area.

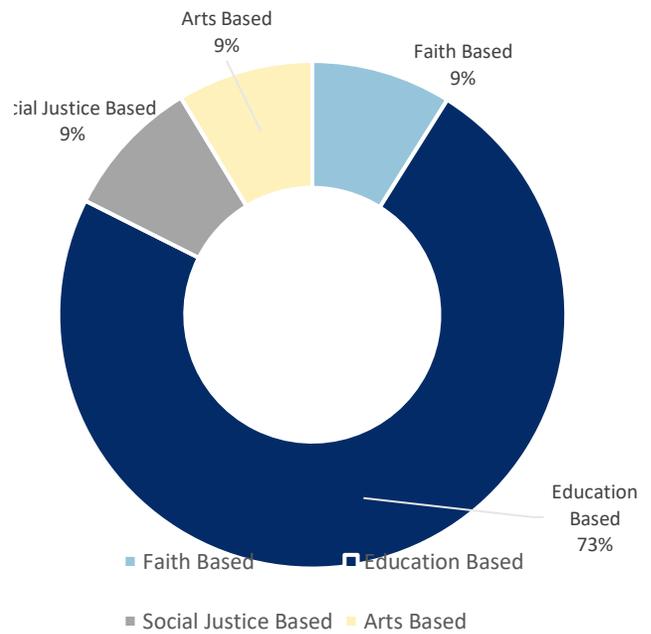
Social Justice Based: Beneficiaries support causes that aim to better society for everyone, including high-risk populations.

Arts Based: Beneficiaries support artistic pursuits in the areas of Music, Fine Arts and Literature.

2016



Year to Date



FINANCIAL REVIEW

For the year ended December 31, the foundation received donations and grants totalling \$768,828. In 2016, The Foundation donated \$45,000 and incurred \$18,818 in expenses related to marketing and administration.

In 2016 foundation assets were invested under the management of Qube Investment Management in November. 2016 investment returns for this 2- months period were approximately 0.5%.

The Fair Market Value of the composite foundation as at December 31, 2016 was \$732,102.60.

As at June 30, 2017 the foundation's rate of return YTD has been 8.5%.

The following is the consolidated financial statements for 2016 as provided to the CRA for the year 2016 information return. Please note that these financial statements have not been audited.



Statement of Financial Position

As at December 31, 2016

			2016	2015
Assets				
	Quigley Family Fund		\$81,679	\$28,000
		NBCN	\$35,000	
		RBC	\$46,679	
	Wendy Cassidy Fund		\$692,191	-
		NBCN	\$692,191	
			<hr/> \$773,870	<hr/> \$28,000
Liabilities				
	Payables and Accruals		<hr/> \$40,000	-
			<hr/> \$40,000	
Net Assets				
	Unappropriated		<hr/> <hr/> \$733,870	<hr/> <hr/> \$28,000

Statements of Operations and Changes in Net Assets

As at December 31, 2016

	2016	2015
Revenues		
Donations - Quigley Family Fund	\$62,000	\$65,000
Donations - Wendy Cassady Fund	692,199	-
Donations - Other Registered Charities	4,050	
Government of Canada Grant	8,059	
Government of Alberta Grant	2,520	
Gain (loss) on Sale of Investments	621	
Dividend Income	1,491	
Interest Income	(1,257)	-
Fed Payment	5	-
	<hr/>	<hr/>
	\$769,688	\$65,000
Expenses		
Administration Expenses	\$51	0
Donations to Qualified Donees - QFF	45,000	37,000
Donations to Qualified Donees - WCF	-	-
Film Project	18,696	
Banking Fees	71	
	<hr/>	<hr/>
	\$63,818	37,000
	<hr/>	<hr/>
Excess (deficiency) of Revenues over Expenditures	\$705,870	\$28,000
	<hr/>	<hr/>
Surplus, Beginning of Period	\$28,000	\$-
Excess of Revenues over Expenditures	705,870	28,000
	<hr/>	<hr/>
Surplus, End of Period	\$733,870	\$28,000
