



ANNUAL REPORT 2007

Imagine  Canada

LOOKING **INTO** AND **OUT FOR**
CANADA'S CHARITIES AND NONPROFITS



MISSION VISION VALUES

Advancing knowledge and relationships to foster effective and sustainable charitable and nonprofit organizations.

We believe in a Canada where strong and vital charitable and nonprofit organizations, the private sector and governments each contribute to social progress and vibrant communities.

We are **ethical**.
We are **accountable**.
We are **inclusive**.
We are **collaborative**.

IMAGINE CANADA is a national charity that looks into and out for Canada's charitable and nonprofit sector. Our research and public policy facilitate increased philanthropy and public engagement; our tools and resources strengthen the sector. Together, they contribute to social progress and vibrant communities.

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From the Chair and the President & CEO

By any account 2007 was a very challenging year at Imagine Canada.

Like other sector colleagues we were impacted heavily by the cancellation of the federal government's Canada Volunteerism Initiative. With this reduction in our funding base, major organizational restructuring was required. The financial blow was such that we were unable to find adequate sources of revenue quickly enough, leaving us to draw down from our financial reserves and, as a result, close the year with a significant operating deficit.

While it was difficult as we restructured and watched some of our colleagues leave Imagine Canada, we are aware of the opportunity for renewal that this presents. Austrian economist Joseph Schumpeter's concept of "creative destruction" rings true for us as we move beyond what we've lost to recapture the fundamentals of our vision and modify our operating structure.

Board and staff returned to ask questions about the basics and listened to your input and feedback about who we serve and why, focusing on the relevance and utility of our work for sector organizations. With your help, we revisited our governance structure, how we define membership, our business model, and our products and services, and asked ourselves some hard questions about the way we "look into and out for Canada's charities and nonprofits." We came fully to appreciate that you value our strength as an organization through the unique ways we serve the nonprofit community and our members, and mobilize other stakeholders to understand the needs of Canada's vital civil sector.

In reviewing our activities in 2007 and hearing your feedback, we realized this year's annual report needed to focus on the impact of our work – how our knowledge resources and programs are being used and why this matters to you. Ultimately, our ability to serve and meet the needs of the sector is the true measure of our success and we trust that within these pages you will see our commitment and ability to do so.

We would like to thank all of you who provided advice, feedback and support as we faced the challenges of 2007. With your help, your organization is focused, determined and ready to move forward as we work together to strengthen Canada's nonprofit community.

Don McCreesh
Chair, Board of Directors

Georgina Steinsky-Schwartz
President and CEO

Board of Directors

The members of the Board of Directors, as of December 2007 are:

Don McCreesh, Chair

President, The Garnet Group Inc.
Oakville, Ontario

Ian Bird

Senior Leader,
Sport Matters Group
Ottawa, Ontario

Marcel Côté

Founding Partner,
SECOR Consulting Inc.
Montreal, Quebec

Edward H. (Ted) Garrard

Vice-President (External)
The University of Western Ontario
London, Ontario

Punch Jackson

Executive Director, Libraries,
Community and Voluntary Services
Alberta Municipal Affairs
and Housing
Edmonton, Alberta

Charles Kaplan

Montreal, Quebec

Ruby Lam

Community Development
Consultant, CITTA Consulting
Toronto, Ontario

Marcel Lauzière

President of the Canadian
Council on Social Development
Ottawa, Ontario

Susan Lewis

President, United Way
of Winnipeg
Winnipeg, Manitoba

Hilary Pearson

President and CEO,
Philanthropic Foundations Canada
Montreal, Quebec

Vanessa Reid

Executive Publisher,
Ascent Magazine
Montreal, Quebec

Raffath Sayeed, M.D.

Family Physician
Lloydminster, Alberta

Michael A. Weil

President and CEO, YMCA Canada
Toronto, Ontario

Faye Wightman

President and CEO,
Vancouver Foundation
Vancouver, British Columbia

Richard H. (Dick) Wilson

Calgary, Alberta

James W. (Jim) Wright

General Director, Vancouver Opera
Vancouver, British Columbia

Wenda Yenson

Dickson MacGregor Appell LLP
Toronto, Ontario

In Service to Canada's Nonprofit Community

The Sector We Serve

Canada's 161,000 charities and nonprofit organizations address a huge range of needs in the community. From providing shelter, food and healthcare to Canadians in dire life situations to protecting our wildlife, maintaining a physically active population, telling our diverse stories and preserving our cultural heritage, nonprofits lead the way in sustaining the health and vitality of life in Canada.

With more than two million workers, the sector is seven times larger than the motor vehicle manufacturing industry and over three times larger than agriculture and the accommodation and food services industries, contributing 6.9% to the GDP. Canada's is the second largest nonprofit sector in the world.

At Imagine Canada we want to ensure that these organizations have the resources and support they need to continue their work. We exist to make it easier for them to focus on their missions. Imagine Canada champions our charitable and nonprofit sector; we believe passionately that by strengthening the capacity of the sector, by encouraging a positive regulatory environment in which it can thrive, and by engaging more Canadians in supporting good causes, we can all continue to participate in a just, diverse and compassionate society.

In Service to Our Members

We aspire to serve the sector broadly through direct engagement with leading nonprofits and charities – of all sizes – from small to medium to large. You are our eyes and ears in the sector and in exchange for your support and commitment to us we deliver products and services geared to improving your ability to secure and sustain community support. We count more than 1,000 nonprofits as members and engage thousands more through our research, online library, events and workshops. We also engage Canadian businesses as members of our Caring Company program. Only through active, mutually beneficial partnerships between sector organizations, business and government can we advance on your behalf, our mission to foster effective and sustainable charitable and nonprofit organizations.

In Service to Canada's Nonprofit Community

Constituency Review

After a series of dialogues with sector leaders across the country in the summer of 2007, the question of representation came to light. Does Imagine Canada represent the nonprofit and charitable sector broadly or its members exclusively? And if the former, what gives us the legitimacy to do so? Additionally, what is our relationship with the business community? And how does membership in our Caring Company program relate or not to our nonprofit membership community?

These questions formed the basis of a Constituency Review process at Imagine Canada designed to review the organization's governance structure. At the close of 2007 we committed to engage our members and the broader sector in helping us answer these questions. Our aim was to ensure that we move forward with a clear mandate that is supported by the sector and that responds to the needs and interests of nonprofits and charities across Canada. Results from the survey and our plan going forward were released in 2008. Implementation of the recommendations will be a major focus moving forward.





LOOKING INTO CHARITIES & NONPROFITS

Looking INTO charities and nonprofits

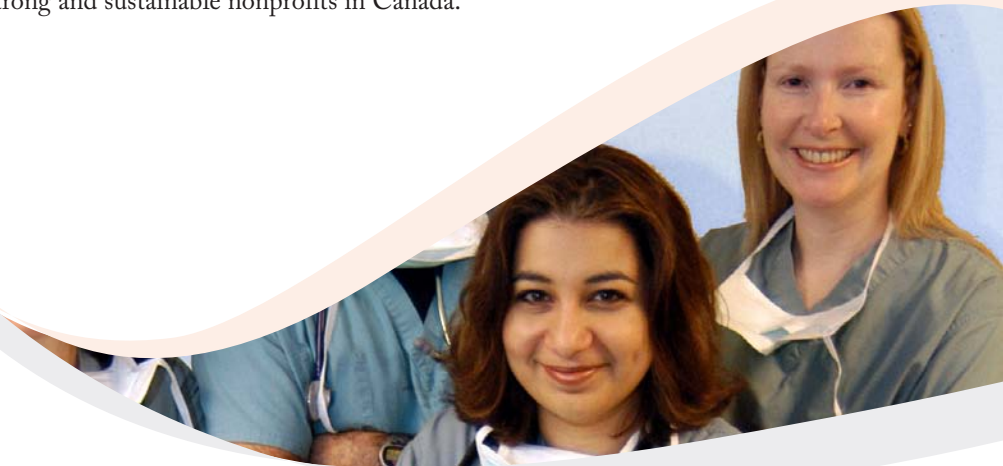
We look into the sector by generating, collecting and sharing our knowledge. Our signature research describes the sector and how Canadians engage with it. And through our online library we cull the “best-of” from across the country and around the world, resulting in more than 7,000 titles on philanthropy, fundraising, corporate citizenship and nonprofit management.

Canada’s nonprofit sector is a complex and critically important catalyst for sustaining and growing communities across the country. We recognize the need to document and profile your important work in order to engage the support of individual Canadians, business and government.

Canada’s charities and nonprofits use our signature research and collected resources to source reliable funding, recruit staff and volunteers, satisfy the increasing demands for their products and services, and much more.

According to Anil Patel, Executive Director of the Framework Foundation, Imagine’s tracking of giving, volunteering and participating provides them with insights into their target market – young people eager for meaningful volunteer experiences. Patel references three obstacles to volunteering highlighted in the *Canada Survey of Giving, Volunteering & Participating*: no time; lack of knowledge on where to turn; and concern that their time will not be used well. “When I open a presentation with these findings I get nods all around,” he says. “This tells our audience that we understand them, and then we show them how our program will directly address these concerns.” He also credits Imagine research as a visioning guide in their program and organizational development. “Without it we would be irrelevant within years; with it we have an adaptive model that understands what civic engagement means in this day and age.”

The following outlines some of the key research undertaken in 2007 by Imagine Canada and the way in which it contributes to building strong and sustainable nonprofits in Canada.



Telling Our Stories of Philanthropy

Storytelling is one of the most evocative ways to demonstrate the human impact of our sector. Sharing stories of philanthropy and their impact can inspire new acts of generosity to fuel the work of Canada's nonprofit community.

FROM THE INTRODUCTION TO PHILANTHROPIC SUCCESS STORIES IN CANADA:

There is barely a facet of Canadian society that has not been touched by philanthropy at some point and in some way. Despite the fact that Canadians collectively donate almost \$9 billion to charitable causes (Hall, Lasby, Gamulka & Tryon, 2006), very little is known about what, specifically, philanthropy has achieved in Canada. This report is a first step toward highlighting the power that philanthropy has to benefit the greater good.

This qualitative report stemmed from a literature scan along with 31 key informant interviews with philanthropy experts from across the country. What resulted is a collection of stories highlighting the impact of both small and large acts of philanthropy. It was made possible with the support of BMO Harris Private Banking who commissioned the research in order to spark the imaginations of clients to donate to good causes.

SECTOR IMPACT

Marvi Ricker,
Vice President & Managing Director of Philanthropic Services at BMO Harris Private Banking

According to Ricker, effective philanthropy does not depend on deep pockets.

“People often say to me ‘I don’t have much, so I can’t expect to do very much.’”

Not true at all, she says. “Small amounts of money used imaginatively, along with energy and effort, can really create wonderful results. It’s not a question of donating a lot of money. It’s a question of having the vision and determination to see a project through.”

The story referenced in the report of Vancouver secretary Alice Mackay reinforces this message. Mackay donated \$1,000 in 1944 to start the Vancouver Foundation, now the largest community Foundation in Canada with more than \$800 million in endowments. In 2006, the Foundation distributed \$40 million to the community.

“People are saying that this is Canada’s first golden age of philanthropy. Human beings have an enormous capacity for doing good. This report is full of ideas on how to make a difference,” Ricker says.

Learning from Our Leaders

In 2007 we launched our inaugural report on nonprofit leaders – Leadership Perspectives: Interviews with leaders of Canada’s charities and nonprofit organizations. We set out to explore the state of the sector with an eye to benchmark and track the overarching challenges, accomplishments and opportunities across the sector, as shown to us by those on the frontline of nonprofit leadership.

The most frequent theme to emerge from the study related to human capital and the search for talent. People stood out as our greatest resource but also a major challenge to recruit and retain.

“The scarcest resource in the sector is leadership not donations. Accountability and responsibilities are increasing, liability and legal issues are also on the rise and funding arrangements are complex, so the demand increases and risk increases but there is a small pool from which to draw leadership.”

Interviewee, Leadership Perspectives

FROM THE PRESS

Imagine Canada has just released a new study that highlights the challenge non-profit organizations can face in staffing. “It’s really the whole aspect of human capital,” Steinsky-Schwartz says. “That includes not only paid staff, but also volunteers and members of boards of directors.” Imagine Canada canvassed the opinions of 32 leaders across the non-profit sector, in fields like the arts, the environment and health, and found increasing concern. According to the study, the sector – comprising about 11 per cent of Canada’s workforce – faces particular difficulty in recruiting and retaining qualified, experienced staff who are motivated, skilled, and gifted with business acumen. What’s more, the leaders surveyed expect huge turnover at the top of their organizations, and are worried about the readiness of younger workers in their 20s and 30s to fill those senior roles.

January 21, 2008. Maclean’s Magazine

Another key finding was concern about government priorities and policies. Dependency on government funding and the ensuing vulnerability was highlighted, as were the limitations of public policy to respond directly to the needs of the sector.

Analyzing Business Support for the Sector

With a generous, multi-year financial commitment from EnCana Corporation we embarked on a longitudinal study to assess the level and nature of Canadian business support in our sector.

Early in the year we released the results of *phase I of our research*, the findings from a literature review and a series of roundtable consultations with community investment professionals. We learned about the motivations behind this support, how they do this work and what challenges they face. This initial look into the field provided critical intelligence to frame a larger survey of Canadian businesses which will be released in 2008.

"...our future depends on the success and the vibrancy and the health of the community as a whole, so we recognize that we need to step up and support that in a meaningful way."

"Expectations in the community are very, very high; the number of organizations available to give to those charities asking is smaller..."

Comments from roundtable participants

Sharing Our Sector's Knowledge

Imagine Canada's library is a centre for engagement where information is exchanged and seeds are planted for new and inspiring ideas. Embracing this vision, in 2007 we realized several bold developments to strengthen our work on your behalf and create an online community.

The Nonprofit Library Commons

We adopted this new name and a new environment for our library this year. In addition to making it easier to search our 7,000+ database of tools and resources, we added new interactive features inviting users to share resources and engage in an online dialogue with colleagues about issues and opportunities.

FAST FACTS

290,000
visits

1.25 million
page views

100
Promising Practices
uploaded

500
new resources added

Most frequently
requested resource:
The Canada Survey of
Giving, Volunteering
& Participating

“Through our grants we see amazing projects in the community that are transferable across sectors. The Promising Practices catalogue gives them a publicly-accessible home and promotes connections between the organizations doing the work and others who want to learn from their experiences rather than re-inventing the wheel.”

Doug Gore, Ontario Trillium Foundation

We also launched the Promising Practices Catalogue with funding from the Ontario Trillium Foundation (OTF). Here we collect and house real life examples of nonprofit work in action and encourage users to go to the source for insights and inspiration.

OTF’s investment in our library has also spawned the establishment of a community-based network of information management professionals. Through the Nonprofit Library Network we are building the capacity of local organizations to be hubs of knowledge on our sector.

SECTOR IMPACT

Cathy Taylor, Executive Director,
Volunteer Centre, Guelph/Wellington

A great exchange of knowledge and insights is how Cathy Taylor describes her involvement with the Nonprofit Library Network. With her organization’s “ears to the ground,” informing Imagine’s library staff of her community’s information needs, coupled with Imagine’s ability to scan the sector’s knowledgebase and cull the best books and resources, the partnership is a win/win.

“It’s an integration of our collective resources and expertise,” says Taylor when describing how this network of 16 local nonprofits works with Imagine Canada to improve access to knowledge tools and resources for local, often small, nonprofits.

As a Network partner, her Volunteer Centre has become a resource hub, drawing the community in and getting knowledge out to the organizations that need it most. She cites the Canadian Directory to Foundations and Corporations as “one of the most useful tools in the sector” and her Network status gives them a license to offer this online tool free of charge to small nonprofits in search of funds.





LOOKING **OUT** FOR CHARITIES & NONPROFITS

Looking OUT for charities and nonprofits

We look out for the sector by championing its important contributions. From our knowledge base we actively respond with programs and services that stimulate engagement in the sector from key stakeholder groups: government, business and individual Canadians. And we bring the sector together to share our research findings, identify issues and opportunities and encourage shared strategies and solutions.



Promoting Standards for the Sector

With the generous financial support from Edmonton-based Muttart Foundation, Coast Capital Savings from Vancouver, KPMG Foundation and John McKellar Charitable Foundation, we undertook a cross-Canada tour and consultation (Vancouver, Calgary, Edmonton, Regina, Ottawa and Toronto) to update our Ethical Code to bring it in line with current practices. An online survey extended our reach with more than 260 responses – the highest response rate we’ve received using online technology. The Code is a set of standards for fundraising and financial accountability.

We released the new Ethical Code in the fall along with a broader discussion paper on Standards. Our work in this area, led by the volunteer-based Accountability Reference Group, serves as a catalyst for a larger conversation on the role of self-regulation in our sector.

Eleven charities signed on as early adopters of the new Ethical Code. These leading organizations committed to the principles of the Code and to its compliance measures when it launches early in 2008. On board with funding to support the implementation of the new program is Great-West Life, London Life and Canada Life.

FROM THE PRESS

Each charity that signs up will be expected to clearly tell the public what programs they are running, where they are located, and how much money is spent on those good works...
...Donors will be able to complain to Imagine Canada about possible breaches of the code, and the charity in question could have its approval revoked if there is a serious problem.

October 22, 2007. The Toronto Star

SECTOR IMPACT

Scott Haldane, President & CEO,
YMCA of Greater Toronto

“Donors have a right to be assured that charities are earning their charitable status,” says Scott Haldane. The YMCA of Greater Toronto is one of the Ethical Code program’s flagship members, committing early on to the principles of the new Code. Haldane sees the Code as the ideal way to ensure accountability in the sector – as opposed to leaving it to an external regulatory body that is not as attuned to the needs and realities of the sector.

“The Code is a standard that we feel is appropriate and enforceable. It’s been set based on the realities and aspirations of the sector itself.”

Since the YMCA’s board passed a resolution to adopt the Code they’ve incorporated it into their operation as an accountability framework to re-organize their financial statements and their annual report. And the board’s commitment to it has shaped the nature of the inquiry and oversight they bring to the organization. “We see this as an external benchmark that we can measure ourselves against,” says Haldane, with the Code allowing them to monitor and assess their internal decisions and practices based on externally accepted standards.

While his organization is one of 60 members of an independent federation, Haldane understands his role as a frontrunner. “Virtually all the Ys in the country will eventually follow our lead,” he says.

Encouraging Sector Responsive Public Policy

As the sector's voice in Ottawa, we see our role as both a conduit and a facilitator bringing the sector together to present a common, unified perspective to inform policy development that meets the needs of the sector.

In this spirit, the board of directors approved our Public Policy Collaboration Framework in September. This shared strategy ensures that we pursue an agenda that is responsive to sector needs and realities. core of this framework is the creation of a publicly-disclosed national Public Policy Collaboration Network with Imagine Canada playing a facilitator role and from which a series of ad hoc Task Groups emerge.

From the Public Policy Collaboration Framework

This Framework recognizes the merits of democratic engagement by multiple networks and organizations while seeking to convene and coordinate information, views and activities to benefit the sector as a whole...

This Framework recognizes the value of transparency in terms of the positions being drafted jointly by any group of sector organizations. This Framework is also built upon a commitment that the nonprofit organizations that form this Network operate in a manner consistent with non-partisanship and transparency in dealing with government officials and Parliamentarians.

In our convener role, we brought sector leaders together both electronically through our webinar series, SectorCast, for a post-budget debrief, and face-to-face, with two public policy summits in February and June.

The monthly electronic compendium of public policy news and insights Ottawa Reports was launched in 2007, providing timely and digestible reports to a growing subscriber list of sector leaders and watchers.

HIGHLIGHTS

- Monitored and met with senior officials and members of the Blue Ribbon Panel on Grants & Contributions in order to ensure meaningful engagement with our sector in the long-range implementation plans
- Were one of 45 organizations invited to the Minister of Finance's pre-budget consultations where we presented a submission calling for the extension of capital gains exemptions on to private foundations along with new investment strategies for the sector. Result: capital gains exemption granted
- Coordinated an effort to mobilize the sector in support of maintaining the Canada Survey of Giving, Volunteering & Participating. Result: CSGVP preserved
- Granted intervener status in the Supreme Court case regarding the charitable status of sports clubs

Promoting Partnerships with Business

The Caring Company program is our bridge between nonprofits and business. By recruiting businesses as members who commit to our 1% benchmark for community investment, we aim to increase and improve the financial and volunteer supports provided to the sector.

Two key events in 2007 focused on raising the bar on corporate citizenship.

What do you Stand For?

Companies & Causes: Building Signature Programs launched our first in a new series of events for corporate community investment professionals. American cause marketing expert Carol Cone provided the keynote for 50 business representatives in attendance.

"I learned that there's lots of amazing (community) work going on across the country."
"Great ideas for cross-company involvement in branding a cause."
"Appreciated the practical, participatory nature of the event."

Testimonials from event evaluations

10th Anniversary Canadian Business & Community Partnership Awards

Hosted by Ken Whyte, Editor and Publisher of Maclean's magazine, the event recognized three outstanding business-community partnerships. Winning first place was the Child Exploitation Tracking System – a state of the art software tool that stores, analyzes and shares information between police forces. Toronto Police Service and Royal Canadian Mounted Police in partnership with Microsoft Canada were the lead partners.

FAST FACTS

112

Canadian businesses participated as Caring Company members in 2007, committing to our benchmark of 1%, 1 project; 1 page report

85%

of Companies and Causes Forum attendees felt the event met or exceeded their expectations

92%

of Forum attendees derived practical, useful information to help them do their jobs better

To view a list of our Caring Company members [CLICK HERE.](#)

FROM THE PRESS

Last year the program, which Microsoft continues to support, helped the police uncover an international child porn ring that led to 27 arrests in four countries. This week, the program won Imagine Canada's Business and Community partnership Award for its sustainable and innovative approach to philanthropy.

Maclean's February 19, 2007

Additional Winners: Between Generations: First Calgary Savings and Big Brothers and Sisters of Calgary and Area and Toronto Region Immigrant Employment Council and Manulife Financial and Maytree Foundation

SECTOR IMPACT

Richard Gotfried,
Vice President of Corporate Communications,
Trico Homes and Caring Company member

Membership in the 1% club, as Gotfried describes the Caring Company program, gives his mid-sized business the opportunity to network with other colleagues in the field, many of whom are large, multi-nationals who share his company's interest in good corporate citizenship, albeit with significantly greater resources at their disposal.

“We learn a lot from other members and at the same time it gives us an opportunity to see how well we're

doing vis-à-vis the big companies. And we're doing really well.” Gotfried references how this association has helped them see their leadership role and their mandate to encourage other businesses their size to give back because it's the right thing to do and it's good for business.

Clearly, it's the connections he makes through the Caring Program that factor highest for Gotfried. “The program's western Canadian presence is very significant for us – the continuous contact, the reminders, and having this resource in our own backyard is a very positive thing.”

Providing Direct Access to Funding

For 20 years we have been producing the Canadian Directory to Foundations and Corporations. This essential tool links nonprofits with more than \$1 billion in available funding. In keeping with our efforts to remain aligned with current user behaviours, in 2007 we moved to an entirely online format for the Directory. This shift ensures that subscribers receive the most up-to-date information possible in an affordable package.

We introduced online Directory tours in 2007 as well, drawing over 140 nonprofits the first time around, leading to a weekly tour schedule for 2008.

We also refocused our marketing efforts by targeting the library community for sales. This approach has resulted in significant new reach for this information as well as free access for local nonprofits unable to afford the cost of an in-house tool.

FAST FACTS

3,100
foundation listings

150
corporate listings

90,000
indexed grants

900
subscribers

initiated weekly online
Directory tours

To view a list of our nonprofit members,
[CLICK HERE.](#)

"In today's competitive environment, the online Directory provides fundraising information I just can't do without. That irreplaceable knowledge lets me build successful relationships with funders that I would not have been able to do otherwise."

Cindy Yacyshen, Director of Advancement, Brandon University, Manitoba

Reducing Risk for Sector Organizations

In the fall we launched the Ontario Risk Management Centre, an initiative to help charities and nonprofits become informed insurance consumers and take a practical approach to managing risk so that they can protect their people (volunteers, staff, board members, clients, participants) and fulfill their missions.

The Centre is part of the Ontario Volunteer Partnership (OVP), a five-year initiative to address risk management and insurance issues in Ontario's nonprofit sector. The OVP includes the Government of Ontario, Imagine Canada, the Insurance Bureau of Canada, the Insurance Brokers Association of Ontario, and Ryerson University's Centre for Voluntary Sector Studies.

FAST FACTS

Website up-
and-running

200
free online resources

24
workshops held in
22 committees

600
workshop participants
in the first three months

"This was a very informative workshop that has really helped me to red flag some serious risk management issues within our agency. I am looking forward to taking these issues back to our board/Executive Director to really discuss some changes."

*Risk Management
Workshop Attendee*

Bringing the Sector Together

Our SectorCast webinar series convened members nine times in 2007 on a broad range of topics – from Cause Marketing to Budget 2007: Impact on Canada’s Charities and Nonprofits. Our goal is to provide our members with vital information and meet them where they are – in their offices. We want to create a forum to share information and provide an opportunity for members to engage in a national dialogue and discussion on topics of interest. Based on the uptake of this program, we are planning to increase our frequency in 2008 to two SectorCasts per month.

In keeping with this focus on utilizing technology to increase and broaden engagement in our work, we introduced the Knowledge Exchange to our online library. In this virtual space we invite the community to connect with each other and share knowledge insights and resources.

At the same time, we recognize that nothing beats face-to-face interaction and with this in mind we held a number of

events – both small and large – from coast to coast, all designed to inform our work, share our research findings, and facilitate the building of community within the nonprofit sector and in partnership with key stakeholders in business and government.

“Your response to SectorCast underlines a huge appetite to connect – across our various disciplines and provinces. We see this as our opportunity to hear “what matters” from you and be able to facilitate a meeting of the minds in our sector – without the cost or inconvenience of travel.”

Georgina Steinsky-Schwartz,
President & CEO, Imagine Canada

FAST FACTS

We engaged
1,175
nonprofit members
in 2007

35 workshops were
held reaching
900
participants

9 SectorCasts were
held reaching
715 people

2 public policy
summits were held for
85 attendees

6 consultations
were held across
the country on the
Ethical Code reaching
110
people from
90 organizations

Forum held on Cause
Marketing for
61 nonprofits

300
people attended our
panel discussions on
The Charitable Sector
and the Media:
Accountability and
Reporting in partner-
ship with the Canadian
Journalism foundation

To view a list of our nonprofit members,
[CLICK HERE.](#)

SECTOR IMPACT

Katherine Carleton, Executive Director,
Orchestras Canada & Member of Imagine Canada

As an umbrella organization, Carleton explains that they have the ability to disseminate what they know and the responsibility to collect as much as possible. She credits Imagine Canada's high caliber research and public policy intelligence as go-to sources.

"There is no way we could be or should be replicating the breadth of this work." And at her organization they use both sources of knowledge to develop their advocacy positions as well as to inform their membership through the weekly e-newsletter she issues to more than 120 orchestras across the country.

Working in the arts she explains how they are often "pidgeon-holed," as being focused on special interests that may lack broad-based appeal. "The insights we gather

from Imagine help position our work and its impact within the broader society."

She points specifically to Imagine's efforts to research and advocate for the elimination of the capital gains tax on gifts of stock. Carleton was able to share this with her members, all of whom are fundraising to support their operations. Carleton also indicates that she really values the SectorCasts as "an opportunity to engage in a dialogue about what's important in the sector."

Orchestras Canada is undoubtedly an organization that takes full advantage of its membership. "When I have a question, I call the Ottawa office and I get an answer back." "Carry on boldly," she says.



2007 Family of Supporters

Imagine Canada gratefully acknowledges the diverse supporters who contributed to our 2007 activities. Thank you to those who helped support our collective work to 'look into and out for' Canada's charitable and nonprofit sector.

Imagine...what we can achieve together!

Public Funders

Government of Canada
Government of Ontario
Ontario Trillium Foundation
Wild Rose Foundation

Private Foundations

Edmonton Community Foundation
Imperial Oil Charitable Foundation
Suncor Energy
Charitable Foundation
Strategic Charitable
Giving Foundation
The Calgary Foundation
The John McKellar
Charitable Foundation
The Muttart Foundation
Vancouver Foundation

Corporations

Advant Imaging & Information
Management Inc.
BMO Harris Private Banking
Bell Canada
Coast Capital Savings
Credit Union
CCR Solutions
CIBC
Enbridge
EnCana Corporation

Fairmont Hotels & Resorts
First Calgary Savings
Grantstream Inc.
Great-West Life, London Life
and Canada Life
Hudson Bay Company
Investors Group
Karo Design
KPMG Foundation
Ketchum Canada Inc.
Maclean's Magazine
Manifest Communications
Microsoft Canada
TransAlta

Charities and Nonprofit

Calgary Opera
Canadian Diabetes Association
Children's Miracle Network
Girl Guides of Canada
Mount Royal College Institute
for Nonprofit Studies
Mount Sinai
Hospital Foundation
Royal BC Museum
St. Joseph's Health Centre
Foundation of Toronto
Toronto Rehab Foundation
United Way of the
Lower Mainland

University of Western Ontario
University of Windsor
Vancouver Opera
Volunteer Vancouver
YMCA Canada
YWCA Vancouver

Individuals

Dale Godsoe
Dick Wilson
Don Johnson
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Jean Crawford
Joan Blight
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Kenneth Hurdle
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Punch Jackson
Robert Zed
Ted Garrard
Wenda Yenson

Every effort has been made to list all donors accurately, but if you discover any errors or omissions, please accept our apology and call 403.645.2454

Management's Discussion of Financial Results

Imagine Canada had a challenging year in 2007 – some might say, the “perfect storm”. Revenue shortfalls due to federal funding cuts, combined with poor investment market performance on the revenue side, combined with infrastructure enhancements on the expense side, to produce a substantial shortfall of revenues over expenses.

Early in the year, Imagine lost federal funding representing approximately 28% of total funding. In response to this, the organization had set a strategic goal to diversify its funding sources, but was unable in 2007 to completely replace the lost revenue, which on an annualized basis amounted to approximately \$2 million. Neither projected fundraising nor projected investment income targets were attained. As a result, Imagine had to draw down its reserves, decreasing total reserves from \$1.1 million to \$465,000. Also during the year and as a result of the funding cuts, the organization restructured, moving to smaller premises and decreasing its staff complement.

The following discussion should be read in conjunction with the audited financial statements for the year ended December 31, 2007. Comments pertain to Imagine Canada's revenue and expenses excluding hosted entities¹; where they are included, it is explicitly stated.

SUMMARY OF RESULTS:

Operating Revenues	\$ 3,585,643
Operating Expenses	\$ 3,957,523
Operating excess (deficiency) of revenues over expenses before restructuring costs	\$ (371,880)
Restructuring costs	\$ (247,295)
Reported excess (deficiency) of revenues over expenses	\$ (619,175)

At December 31, 2007, Imagine's staff had shrunk approximately 43%, and revenues had decreased year over year from \$6.1 million to \$3.7 million (including hosted entities).

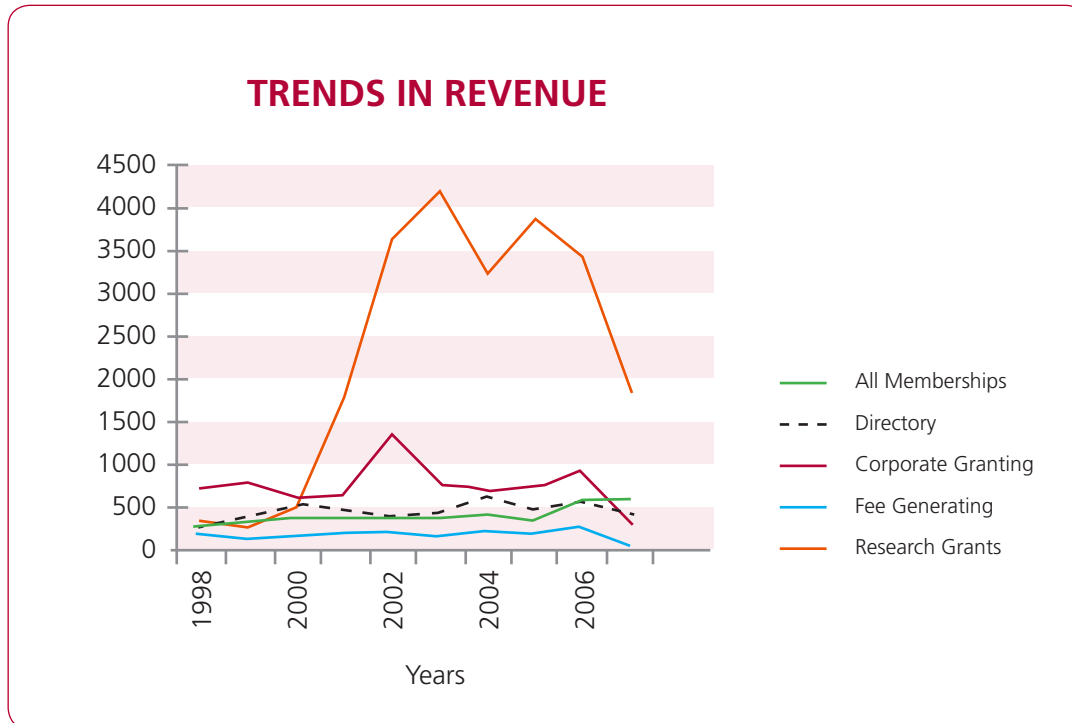
HOSTED ENTITIES:

	2007	2006
REVENUES	\$ 121,813	\$ 424,592
EXPENSES	117,826	394,316

¹ Until recently, Imagine Canada hosted (assumed the fiduciary responsibility for) two non-incorporated entities - the Voluntary Sector Forum and the National Children's Alliance. Imagine Canada ceased to host these entities during 2007. The revenues and expenses pertaining to these entities are included in Imagine Canada's statements of operations in 2007. The following table shows the amounts pertaining to these entities included in these statements.

Revenue

Current sources of funding are shown in the chart below.



As shown in the chart, the revenue decrease was due to lower levels of project grants and, secondly, corporate donations, as multi-year corporate commitments expired. The decline in operating revenues, excluding hosted entities, was 37%. Forty percent of Imagine Canada's revenues currently come from project funding, primarily from federal and provincial governments, down from 61% in 2006.

Membership revenues increased 7%, reflecting Imagine Canada's emphasis on providing value to the sector through membership benefits as a significant focus of our work. Membership revenue now represents about 17% of total revenue, with increases in numbers of both nonprofit and corporate affiliations.

Investment income declined 82% year over year, entirely due to poor market performance.

Imagine's goal is to replace these lost revenues with more stable membership revenues, product and service sales, and multi-year pledged donations. To this end, Imagine is looking outward to its members and the sector, enhancing services to provide better value for membership and the sector at large. The restructuring and stabilization of the revenue base is expected to provide Imagine Canada with greater flexibility in fulfilling its mission and vision.

Expenses

Total reported expenses, including hosted entities', decreased 35% year over year.

Excluding hosted entities, expenses decreased by 33%.

Part of the reason that expenses decreased less than revenues is that in 2007, Imagine reworked its customer management software, renovated its website architecture and reinvigorated its public web presentation, substantially expanding its web presence by launching several new websites and upgrading its web technology platform. The main website was rebranded and associated websites were given the same new brand image. This work was carried out by contracted web design and development firms, and the costs are shown as professional fees.

Operating expenses exceeded revenues by \$372,000.

Restructuring costs

In 2007 Imagine relocated its premises to a smaller office. Because of discontinuous lease commitment end dates, rent penalties were incurred and are shown in the restructuring costs. Also shown in these costs is the expense of moving.

During the year Imagine realigned its organizational structure as a consequence of its reduced funding. This realignment necessitated some staff cutbacks; the cost of these is also shown in restructuring costs.

Fundraising Revenue and Expense

Imagine Canada subscribes to the Ethical Fundraising and Accountability Code. The Code requires disclosure of the organization's fundraising revenues and expenses during its fiscal year. Fundraising revenues and expenses are included in the total revenue and expense discussions above, but are here highlighted for clarification and transparency.

Fundraising revenues totaling approximately \$950,000 were received via sponsorships, donations, and non-government project grants. Corporations provided 67% of these revenues, and foundations provided 21%. Expenses incurred to raise these revenues were approximately \$97,000, being primarily wages (87%) and travel expenses (11%). Thus the fundraising expense ratio is approximately 10%.

Balance sheet

The reduced funding and smaller organization resulting from it is also evidenced in the balance sheet, where total assets decreased by 20% year over year. Cash and investment levels show little change year over year, at \$1.9 million in both years. This is because as projects came to an end, receivables (primarily from government) were received, and Imagine did not have to decrease its investments to fund operations. Therefore Imagine's cash and investments position remains relatively healthy, despite investment market results. Accounts receivable, however, declined dramatically, decreasing 87% year over year.

The balance sheet also shows the effect of infrastructure investments made during the year, mentioned above. In its move to smaller more efficient premises, Imagine incurred leasehold improvement costs. These are being repaid over ten years, which is the life of the premises lease. Investments were also made in information technology infrastructure, as the web platform architecture was significantly upgraded. These investments Imagine Canada to make much more extensive and effective use of web technology to reach its constituents.

Net assets, or "reserves" decreased by the amount of the operating loss, or 57%, ending the year at \$0.5 million.

Auditor's Report



To the Members of
Imagine Canada (formerly the Canadian Centre for Philanthropy)

We have audited the fund balance sheet of Imagine Canada as at December 31, 2007 and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of Imagine Canada's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Imagine Canada as at December 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario
February 19, 2008

Grant Thornton LLP

Chartered Accountants
Licensed Public Accountants

Grant Thornton LLP
19th Floor, Royal Bank Plaza South Tower
200 Bay Street, Box 55 Toronto, ON M5J 2P9

T (416) 366-0100 F (416) 360-4949
www.GrantThornton.ca

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Statement of Revenue and Expenses

Imagine Canada – Year Ended December 31

Revenue	2007	2006
Project grants – research	\$ 1,432,006	\$ 2,548,069
Hosting agreements (Note 12)	121,813	424,592
Project grants – other	450,121	993,524
Corporate citizenship donations	295,421	681,357
Publications and on-line subscriptions	491,950	554,151
Membership fees	596,843	556,806
Conferences and seminars	36,308	6,500
Sponsorships	37,000	131,048
Other	157,578	67,232
Investment income	18,133	99,157
Amortization of deferred capital contributions	28,754	11,852
Donations	37,542	28,423
	<u>\$ 3,703,469</u>	<u>\$ 6,102,441</u>
Expenses		
Salaries and benefits	2,197,264	2,600,816
External researchers	209,426	1,098,462
Hosting agreements (Note 12)	117,826	394,316
Professional fees	511,223	427,682
Occupancy	365,166	394,491
Travel and meetings	210,184	391,605
Printing and promotion	158,307	719,829
Office supplies	162,262	157,196
Amortization	61,197	73,038
Other	82,494	12,021
	<u>\$ 4,075,349</u>	<u>\$ 6,269,456</u>
Deficiency of revenue over expenses before restructuring costs	<u>(371,880)</u>	<u>(167,015)</u>
Restructuring costs (Note 13)	<u>247,295</u>	<u>–</u>
Deficiency of revenue over expenses	<u>\$ (619,175)</u>	<u>\$ (167,015)</u>

Statement of Changes in Net Assets

Imagine Canada – Year Ended December 31

	Invested in Capital Assets	Endowment Fund	Internally Restricted	Unrestricted	2007 Total	2006 Total
Balance, beginning of year	\$ 34,389	\$ 528,251	\$ 628,766	\$ (107,760)	\$ 1,083,646	\$ 1,250,661
Deficiency of revenue over expenses	(36,697)	–	–	(582,478)	(619,175)	(167,015)
Transfer to unrestricted net assets (Note 11)	–	–	(628,766)	628,766	–	–
Purchase of capital assets, net of capital contributions and leasehold advance	72,246	–	–	(72,246)	–	–
Balance, end of year	\$ 69,938	\$ 528,251	\$ -	\$ (133,718)	\$ 464,471	\$ 1,083,646

Balance Sheet

Imagine Canada – Year Ended December 31

Assets	2007	2006
Current		
Cash and cash equivalents	\$ 339,548	\$ 233,608
Receivables	139,413	1,037,106
Other assets	51,171	41,238
	<u>530,132</u>	<u>1,311,952</u>
Investments	1,586,818	1,684,935
Capital assets (Note 3)	326,510	65,372
	<u>\$ 2,443,460</u>	<u>\$ 3,062,25</u>
Liabilities		
Current		
Payables and accruals	\$ 323,925	\$ 302,409
Deferred revenue (Note 4)	569,449	495,586
Deferred contributions (Note 5)	490,492	603,376
Current portion of leasehold improvement advance	23,017	–
	<u>1,406,883</u>	<u>1,401,371</u>
Deferred capital contributions (Note 6)	14,870	30,983
Deferred contribution – Estate of Margery Warren (Note 7)	338,550	546,259
Leasehold improvement advance (Note 8)	218,686	–
	<u>1,978,989</u>	<u>1,978,613</u>
Net Assets		
Invested in Capital Assets (Note 9)	69,938	34,389
Endowments (Note 10)	528,251	528,251
Internally restricted (Note 11)	–	628,766
Unrestricted	(133,718)	(107,760)
	<u>464,471</u>	<u>1,083,646</u>
	<u>\$ 2,443,460</u>	<u>\$ 3,062,259</u>

Commitments (Note 15)

On behalf of the Board: _____ Director _____ Director

Statement of Cash Flows

Imagine Canada – Year Ended December 31

Increase (decrease) in cash and cash equivalents

Operating activities	2007	2006
Deficiency of revenue over expenses	\$ (619,175)	\$ (167,015)
Depreciation		
Property and equipment	61,197	73,038
Deferred capital contributions	(27,388)	(11,852)
Adjustment from cost to fair value	-	70,558
Gain on sale of investments	-	(24,174)
	<u>(585,366)</u>	<u>(59,395)</u>
Change in non-cash operating working capital		
Receivables and accrued interest income	897,692	(276,634)
Other current assets	(9,932)	(14,806)
Payables and accruals	21,516	(46,784)
Deferred revenue	73,863	(36,847)
Deferred contributions	(112,884)	66,659
Deferred contribution – Estate of Margery Warren	<u>(207,708)</u>	<u>(53,741)</u>
	<u>77,181</u>	<u>(421,598)</u>
Financing activities		
Deferred capital contributions received	12,421	9,963
Proceeds from sales of investments	338,639	2,804,362
Purchase of investments, net of transfers and in-kind donation	(240,523)	(2,717,588)
Leasehold improvement advance	45,201	-
Repayment of leasehold improvement advance	<u>(8,167)</u>	<u>-</u>
	<u>139,404</u>	<u>96,737</u>
Investing activities		
Purchase of property and equipment	(117,447)	(14,798)
Gain on disposal of fixed assets	(1,365)	-
	(118,812)	(14,798)
Net increase (decrease) in cash and cash equivalents	105,940	(339,659)
Cash and cash equivalents, beginning of year	<u>233,608</u>	<u>573,267</u>
Cash and cash equivalents, end of year	<u>\$ 339,548</u>	<u>\$ 233,608</u>

Supplementary cash flow information

Non cash transactions:

During the year a portion of Imagine Canada's leasehold improvement advance resulted from the landlord paying for the leasehold improvements directly in the amount of \$204,669.

Notes to Financial Statements

Imagine Canada – December 31, 2007

1. Nature of operations

Imagine Canada is a national organization dedicated to advancing knowledge and relationships to foster effective and sustainable charitable and non-profit organizations. Imagine Canada was incorporated as The Canadian Centre for Philanthropy (the “Centre”) under the Canada Corporations Act on August 11, 1981. On January 11, 2005, the Centre began operating under the brand name of Imagine Canada, and its name was changed to Imagine Canada by supplementary letters patent, on September 12, 2007.

Imagine Canada is registered as a charitable organization under the Income Tax Act (Canada) (the “Act”) and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, Imagine Canada must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

As a result of changes in the public and private funding environment in 2006 and 2007, Imagine Canada has lost a significant portion of funding from external sources. Imagine Canada has incurred operating deficits in three of the past four years, resulting in a need to draw down reserves to fund ongoing operations until lost sources of funding can be replaced.

Management has put in place and is executing a plan to replace lost sources of funding with more sustainable funding sources. Imagine Canada also undertook a restructuring exercise comprised of employee terminations and a move to smaller premises (see Note 13).

2. Summary of significant accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

Revenue recognition

Imagine Canada follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the period in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Endowments consist of externally restricted contributions received where the principal is required or intended to be maintained in perpetuity. Endowment contributions are recognized as direct increases in net assets.

Notes to Financial Statements

Imagine Canada – December 31, 2007

2. Summary of significant accounting policies (continued)

Revenue recognition (continued)

Investment income including realized and unrealized gains and losses is recognized as revenue when earned.

Membership fees and on-line directory subscriptions relating to the period subsequent to year-end are recorded as deferred revenue.

Pledges are recognized as revenue when received.

Investments

Short and long term investments are stated at fair value.

Investments are deemed to be held for trading. They are held in pooled funds and not individual securities.

Investments are reported on the balance sheet at pooled fund unit market values, and are marked to market monthly.

Capital assets

Purchased capital assets are stated at acquisition cost. Amortization is provided on a straight-line basis over the estimated useful lives of the assets as follows:

- Leasehold improvements – over term of lease
- Equipment – 3 years
- Furniture and fixtures – 3 years

Deferred capital contributions

Deferred capital contributions represent the unamortized amount of donations received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of revenue and expenses at rates corresponding to the amortization rates for the related capital assets.

Contributed materials and services

Volunteers contribute an indeterminable number of hours per year. Because of the difficulty of determining the fair market value of contributed services, they are not recognized in the financial statements.

Use of estimates

In preparing these financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the dated of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

Notes to Financial Statements

Imagine Canada – December 31, 2007

3. Property and equipment 2007 2006

	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Leasehold improvements	\$ 254,895	\$ 9,140	\$ 245,755	\$ 27,242
Equipment	109,915	34,899	75,015	38,131
Furniture and fixtures	6,254	514	5,740	-
	<u>\$ 371,064</u>	<u>\$ 44,553</u>	<u>\$ 326,510</u>	<u>\$ 65,373</u>

4. Deferred revenue 2007 2006

Membership fees	\$ 331,338	\$ 277,144
On-line directory subscriptions and publications	227,926	218,147
Other	10,185	295
	<u>\$ 569,449</u>	<u>\$ 495,586</u>

5. Deferred contributions 2007 2006

Deferred contributions represent unspent externally restricted grants and donations for various purposes. The changes in the deferred contributions balance are as follows:

Balance, beginning of year	\$ 603,376	\$ 536,717
Amount received or receivable during the year	2,186,118	4,898,205
Revenue recognized during the year	<u>(2,299,002)</u>	<u>(4,831,546)</u>
	<u>\$ 490,492</u>	<u>\$ 603,376</u>

6. Deferred capital contributions 2007 2006

Balance, beginning of year	\$ 30,983	\$ 32,872
Contributions received restricted for capital purposes	12,421	9,963
Amortization	<u>(28,534)</u>	<u>(11,852)</u>
	<u>\$ 14,870</u>	<u>\$ 30,983</u>

Notes to Financial Statements

Imagine Canada – December 31, 2007

7. Deferred contribution – Estate of Margery Warren	2007	2006
Balance, beginning of year	\$ 546,259	\$ –
Contributions received restricted for the Imagine Canada John Hodgson Library	–	600,000
Revenue recognized during the year	(195,288)	(53,741)
Deferred capital contributions	(12,421)	–
	<u>\$ 338,550</u>	<u>\$546,259</u>

Deferred contribution – Estate of Margery Warren represents the unamortized amount of the donation received to be used for the benefit of the Imagine Canada John Hodgson Library. See note (10).

8. Leasehold improvement advance	2007	2006
Leasehold improvement advance	\$ 241,703	\$ –
Less current portion	(23,017)	–
	<u>\$ 218,686</u>	<u>–</u>

In March 2007 Imagine Canada entered into a lease for new premises. As an inducement to enter into the lease, the landlord agreed to fund the leasehold improvements, and Imagine Canada will repay the advance over the life of the lease.

The total amount of the leasehold improvements advance was \$249,870, at an interest rate of 8% per annum. Principal and interest payments are due monthly, with payments beginning in September 2007 and ending in August 2017. The current monthly payment is \$3,474, which includes principal and interest.

The repayment of principal is as follows:	2008	\$ 23,017
	2009	24,937
	2010	27,018
	2011	29,272
	2012	31,714
	2013 through 2017	105,745
		<u>\$ 241,703</u>

9. Invested in capital assets	2007	2006
Net assets invested in capital assets:		
Capital assets	\$ 326,510	\$65,372
Deferred capital contributions	(14,870)	(30,983)
Leasehold Improvement Advance	(241,702)	–
	<u>\$ 69,938</u>	<u>\$ 34,389</u>

Notes to Financial Statements

Imagine Canada – December 31, 2007

10. Endowments	2007	2006
Bienewski Donation	\$ 97,570	\$ 97,570
Estate of Margery Warren	430,681	430,681
	<u>\$ 528,251</u>	<u>\$ 528,251</u>

In 2005, Imagine Canada received a donation of securities with a fair value of \$1,030,681 from the Estate of Margery Warren. Pursuant to its terms, the donation is to be used for the benefit of the Imagine Canada John Hodgson Library. By the terms of the bequest, the income from the donation may be used as needed, \$600,000 of the capital is to be treated as a deferred contribution to be used as needed (Note 7) and the remaining amount is to be treated as an endowment with an indefinite life.

11. Internally restricted

The internally restricted net assets balance is comprised of reserves set aside by the Board of Directors for particular purposes:

	2007	2006
Access Bursary Fund	\$ –	\$ 157,503
Stabilization Fund	–	471,263
	<u>\$ –</u>	<u>\$ 628,766</u>

Due to the organization's need to draw down reserves, the Board of Directors has temporarily unrestricted the internally restricted funds. This decision will be reviewed in 2008 and if appropriate, a portion of the unrestricted funds will be restricted at that time.

12. Hosting agreements

In 2006 and 2007, Imagine Canada had hosting agreements with two unincorporated entities. The excess of revenue over expenses from these entities represents a contribution to services and overheads provided on their behalf.

On February 28, 2007, Imagine Canada ceased hosting the Voluntary Sector Forum ("the Forum"). The operations of the Forum as an entity were discontinued, with its work to be continued informally through its members. The Forum had excess cash when it ceased operations, and Imagine Canada was directed by the Forum members to keep this cash in a segregated account, and use it to pay expenses such as website maintenance.

On April 30, 2007, the National Children's Alliance (NCA) ceased operating as that entity; its operations are now carried on by a charitable organization, the National Alliance for Children and Youth. At April 30, 2007, the NCA was owed funds from Human Resources & Social Development Canada (HRSDC) as payment of its final expenses against its contribution agreement with HRSDC. These funds have since been received, and Imagine Canada owes the NCA or its successor the excess of these funds over NCA expenses. This excess totals \$7,845.

Notes to Financial Statements

Imagine Canada – December 31, 2007

12. Hosting agreements (continued)

The following shows revenue and expenses for these organizations:	2007	2006
Revenue		
Voluntary Sector Forum	\$ 10,735	\$ 222,551
National Children's Alliance	111,078	202,041
	<u>\$ 121,813</u>	<u>\$ 424,592</u>
Expenses		
Voluntary Sector Forum	\$8,747	\$198,776
National Children's Alliance	109,078	195,540
	<u>\$117,826</u>	<u>\$394,316</u>
Funds held in trust for NCA and the Forum	<u>\$ 13,186</u>	<u>\$ -</u>

13. Restructuring costs

In 2007, Imagine Canada undertook a restructuring exercise comprised of employee terminations and a move to smaller premises. These restructuring costs were incurred as outlined below.

Employee termination costs	\$ 117,693
Moving costs	37,195
Rent penalties	92,407
Total restructuring costs	<u>\$ 247,295</u>

14. Pledges

2007

2006

Imagine Canada has received the following pledges, which will be recorded as revenue when received.

Cash	\$ 250,200	\$ 567,200
In-kind	500,000	500,000
	<u>\$ 750,200</u>	<u>\$ 1,067,200</u>

Notes to Financial Statements

Imagine Canada – December 31, 2007

15. Lease commitments

Imagine Canada is committed under the terms of operating leases for office premises and equipment. Equipment leases expire on or before September, 2011; the Toronto premises lease expires August 31, 2017.

Due to its premises move in 2007, Imagine Canada is obligated for two sets of occupancy costs. Subsequent to year-end, an agreement was signed with the previous landlord limiting Imagine Canada's exposure to \$28,989. Imagine Canada has no further obligations in respect of the vacated premises.

Payments, inclusive of estimated operating costs and realty taxes, approximate the following:	2008	\$ 320,549
	2009	254,240
	2010	251,251
	2011	243,856
	2012	243,906
	2013 and subsequent years	<u>1,186,921</u>
		<u>\$ 2,500,723</u>

16. Financial instruments

Imagine Canada's financial instruments consist of cash and cash equivalents, receivables, investments, payables and accruals, deferred revenue, deferred contributions and deferred capital contributions. Unless otherwise noted, it is management's opinion that Imagine Canada is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

17. Future impact of recently issued standards

In 2006, the CICA issued three new accounting standards: Handbook Section 1535, "Capital Disclosures", Handbook Section 3862, "Financial Instruments – Disclosures" and Handbook Section 3863, "Financial Instruments – Presentation". These standards will be effective for the annual financial statements for the period commencing January 1, 2008.

The new standards will have no impact on Imagine Canada's financial statements beyond the additional note disclosure required.



Photos Courtesy of:

Evergreen
Boreal Habitat Conservation Initiative
Girl Guides of Canada
Xerox and Stop Community Food Centre
Canadian Women's Foundation and the Halifax Girls' Club
St. Joseph's Healthcare Foundation – Hamilton
Drive Away Hunger
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Toronto

2 Carlton Street, Suite 600
Toronto, ON M5B 1J3
Phone: 416-597-2293
Toll Free: 1-800-263-1178
Fax: 416-597-2294

Calgary

855 2nd Street S.W., Suite 1800
East Tower, Bankers Hall
Calgary, AB T2P 2S5
Phone: 403-645-3670
Fax: 403-645-4646

Ottawa

130 Albert Street, Suite 1705
Ottawa, ON K1P 5G4
Phone: 613-238-7555
Toll Free: 1-800-821-8814
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LOOKING INTO AND OUT FOR
CANADA'S CHARITIES AND NONPROFITS