



Ontario Arts Foundation Annual Report 2013-2014

BUILDING A FOUNDATION FOR THE ARTS

OAF 2013-2014 at a Glance

- 305 funds
- \$67 million in assets
- \$2.7 million in endowment income disbursed
- \$220,000 paid out in awards and scholarships
- \$845,000 in new contributions and matching grants



"The Ontario Arts Foundation is passionately committed to contributing to the success of the arts community in Ontario, by quietly building a base of long-term support to ensure its longevity."

ALAN WALKER

From the Executive Director

2013 was a very good year at the Ontario Arts Foundation. Our investments performed well, delivering one-year investment returns of 13.2%. The strong investment performance allowed us to increase the income payouts made to arts organizations which totaled \$2.7 million in 2013-2014. This performance positions the Foundation to sustain income payments during periods when security markets are volatile or weak. Our investment horizon is long term and the Board closely monitors investment performance against our investment objectives of generating stable income payouts to arts organizations while maintaining and increasing the market value.

We are honoured to be serving the arts in Ontario, and appreciate that arts organizations entrust their endowment money to our care. The endowment income generated is unrestricted and organizations can use this income at their discretion towards delivery of arts programs, external outreach/education or assist with operating costs.

Private awards and scholarships have always played a large role in the work of the Ontario Arts Foundation, and 2013 was no different. This year we saw many artists awarded for their tremendous talent and dedication to their craft. Arts patrons and donors can rest assured that the funds they have established or contributed to are actively providing artists the recognition they deserve. Our heartfelt thanks go out to the many donors who made this possible, and our congratulations to all the worthy award recipients.

On a final note, we are pleased to report that the Foundation achieved a small operating surplus for the second year in a row. We are committed to providing a service to the arts in Ontario through highly cost effective management, and at a very reasonable price.

Building a foundation for the arts requires dedication, commitment, and can't be accomplished alone. We are here to serve you, and welcome your input and contribution. Our door is always open, and we'd be pleased to work together to continue building a creative base for the arts in Ontario.

Alan Walker
Executive Director



The work of the OAF

1. To receive and manage long-term funds in support of the arts in Ontario. The Foundation holds two types of long-term funds:
 - a. *Endowment funds* where the income on permanently held and invested capital is disbursed;
and
 - b. *Restricted funds* where provisions are made for the disbursement of capital as well as income.
2. To make awards, grants or scholarships for outstanding accomplishments in the arts in Ontario or elsewhere.

The Ontario Arts Foundation was established in 1991 as a public foundation to encourage and facilitate private giving to the arts in Ontario. We are a nongovernmental foundation and a registered charity (charitable registration number: 89085 6370 RR0001). We focus on investments to support the arts in Ontario over the long term.

“The Ontario Arts Foundation brings credibility and recognition to an award. It’s wonderful that this kind of organization exists, especially in the arts where there are not a lot of resources.”

– Tom Rooney, Founder of the Gina Wilkinson Prize



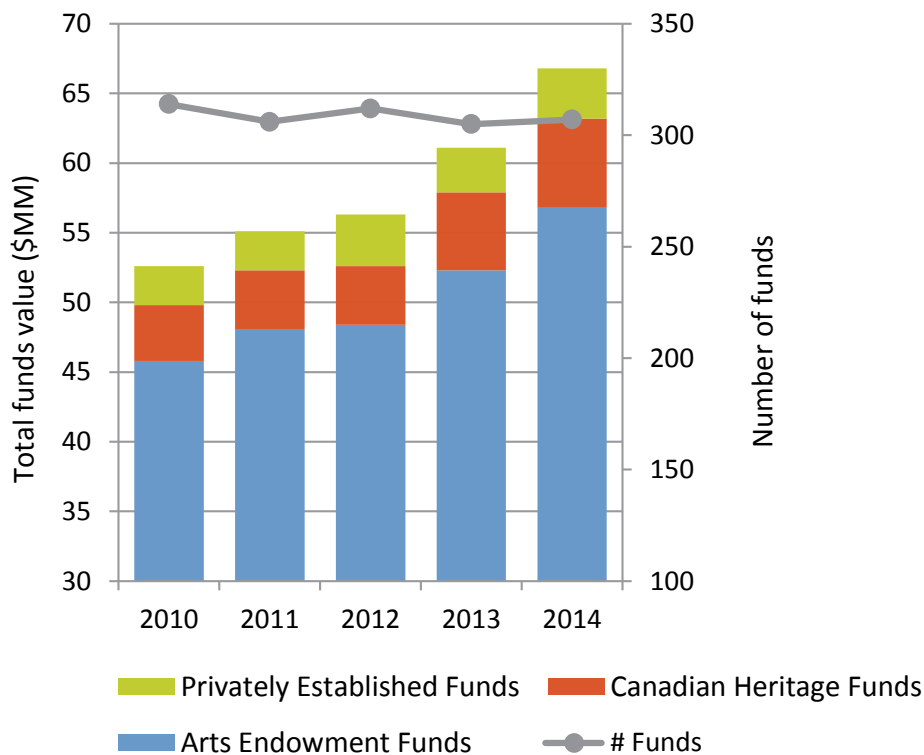
Investment results

For the fiscal year ending March 31, 2014

At the end of March 31, 2014, the market value of Foundation assets under management were **\$67 million**, up from **\$61.2 million in 2013**. The growth in assets is attributable to a combination of new contributions and government matching grants (\$845,000), as well as to strong investment returns.

We were able to distribute nearly \$3 million in awards and income, while preserving the golden goose which will continue to support Ontario arts in the future.

OAF Funds





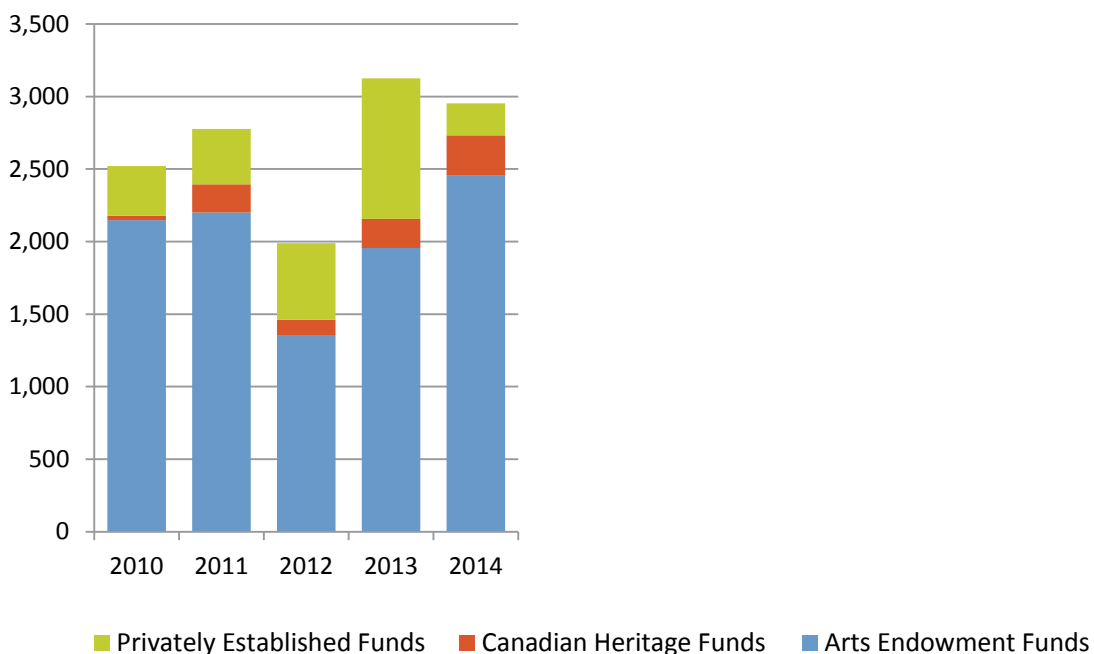
Investment strategy over the longer term

Over the years, the Foundation's investment strategy has allowed for continued growth in income paid out annually. With investment returns of 13.2% for the year ending March 31, 2014, and five-year returns of 11.7%, we are aligned with our goal of achieving long-term absolute capital appreciation while focusing on capital preservation.

Our investment strategy has three goals:

1. To achieve at least a 5% real rate of return over a five year period to cover operating costs, create a reserve for inflation, and allow for annual income payouts in a range of 3 to 5%.
2. To preserve capital
3. To maintain the purchasing power of income over the rate of inflation

Awards, Scholarships & Income Payouts

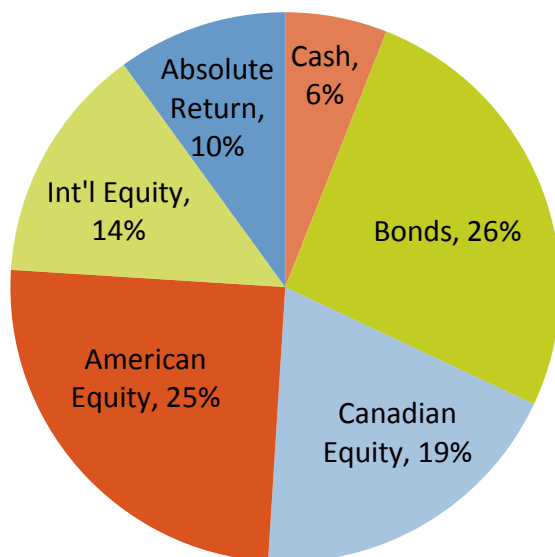




KINGSTON SYMPHONY ORCHESTRA

The Foundation invests in high quality companies with trustworthy management teams who have a long-term focus. Assets are managed by professional investment managers on a discretionary basis and are actively managed—that is, portfolio managers choose asset classes, industry sectors and individual securities—with a view to structuring a risk-managed portfolio that is expected to achieve long-term positive returns. The Foundation Board holds responsibility for setting strategy, hiring managers, and monitoring their results. The investment strategy and asset allocation (between equities and fixed income) is documented in an Investment Policy Statement, which is reviewed annually.

Asset Mix of Investment Portfolio at March 31, 2014





Endowment Funds

Arts Endowment Fund

The Ontario Arts Foundation holds over 270 endowment funds established under the Arts Endowment Fund (AEF) program, a matching program of the Government of Ontario through the Ministry of Culture.

An increasing number of arts organizations are prioritizing the growth of their endowment funds and continue to make contributions (2013 – \$277,392), helping to secure a future stable source of unrestricted revenue.

We are currently focused on advocating with the Province of Ontario to renew the Arts Endowment Fund.

- > \$141.9 million Current market value of all AEF endowments
- > \$52 million Cumulative income payments made to arts organizations (1998-2014)
- > 87% Return on the province's original \$60 million investment in matching funds
- > 1% Low operating costs charged to funds

Canadian Heritage Funds

Endowment Incentives Component of the Canada Cultural Investment Funds

Organizations are capitalizing on the multiplier effect of matching funds through the recent renewal of the Canadian Heritage, Endowment Incentives Component (2013 matching grants – \$376,200).

In February 2014, the Department of Canadian Heritage announced that beginning in 2015–2016 the Endowment Incentives Component is to become a permanent program with annual funding.

Each year, approximately \$18 million in matching grants is disbursed from the Program across Canada in support of arts organizations who wish to establish or help grow an endowment.



CHRISTINA AND LOUIS QUILICO AWARDS

Endowment Income at Work

The Toronto Fringe Festival

The Toronto Fringe produces two important festivals – the Toronto Fringe Festival in early summer and the Next Stage Theatre Festival in mid-January. The annual Fringe Festival offers 155 productions at 25 venues across the west end of Toronto, and draws 90,000 people over twelve days. The Next Stage Theatre Festival showcases the work of independent theatre artists to help them expose their work to wider audiences.

The Toronto Fringe also runs outreach activities benefitting youth, artists and the theatre community at large. Last year The Toronto Fringe was in a financial position to make a significant contribution to their endowment fund, which allowed them to participate in the matching funds program offered by Canadian Heritage. With their contribution of \$40,000 and the \$35,254 they received in matching funds, the additional \$75,254 added to their fund will significantly increase their endowment income as a source of unrestricted income.





INNER CITY ANGELS

Gina Wilkinson Prize for an Emerging Female Director

We call this “the little fund that could” – Gina Wilkinson was a talented actor/playwright and a stage director in constant demand. In memory of Gina’s great talent and in celebration of her life, the *Gina Wilkinson Prize for an Emerging Female Director* was established by her husband, actor Tom Rooney in 2012. Donations began coming in – small amounts (\$20, \$50, \$100) and the gifts continue as donors remember Gina each year. The fund has now passed \$50,000 and we were able to increase the initial award of \$1,000 to \$2,000. It is an annual award, offering financial support to the next generation of female theatre directors.



GINA WILKINSON



PAUL DEHUECK AND NORMAN WALFORD CAREER ACHIEVEMENT AWARD

The K. M. Hunter Artists Awards

The K. M. Hunter Artists Awards are funded by the K. M. Hunter Charitable Foundation and are awarded annually to emerging artists who have completed their training, begun to produce a body of work, and are starting to make a significant mark in their respective fields of dance, interdisciplinary arts, literature, music, theatre and visual arts.

Since these awards were created in 1995, 109 artists have received awards totaling over \$700,000. In 2013, six artists each received \$8,000 awards.

“The K. M. Hunter Artist Award was inspired by an award I received in my early thirties that helped me realize I should take myself seriously as an artist and continue extending and developing my craft.”

– Martin Hunter



ANDREW RUCKLIDGE, “BITUMINOUS EARTH”, 2011, OIL AND ARCHIVAL INK ON TONED GESSOED LINEN 30 X 36 INCHES

2013 RECIPIENT OF THE K.M. HUNTER ARTIST AWARDS, VISUAL ARTS



Awards from Private Funds OVER THE PAST YEAR

Fund	Recipient	Amount
Laura Ciruls Painting Fund	Melissa Doherty	\$4,500
Virginia and Myrtle Cooper Award in Costume Design	Julie Fox	\$15,000
William and Mary Corcoran Craft Awards	Emma Smith (ceramics) Simon Ford (furniture) Chris Laskey (glass) Malcolm Halley (textiles)	\$700 each
Paul deHueck and Norman Walford Career Achievement Award	Adrienne Pieczonka	\$20,000
K.M. Hunter Artists Awards	Tanya Lukin-Linklater (literature) Meagan O'Shea (dance) evalyn parry (theatre) Raven Kanataкта Polson-Lahache (music) Andrew Rucklidge (visual arts) Amanda Strong (film & video)	\$8,000 each
Hugh D. McKellar Fund	St. Michael's Choir School Lambton Country Music Festival	\$4,814 \$850
Christina and Louis Quilico Awards	Rihab Chaieb & Neil Craighead (1st prize) Claire de Sévigné (2nd prize) Ambur Braid (3rd prize)	\$4,000 each \$3,000 \$2,000
Ruth and Sylvia Schwartz Children's Book Awards	Picture Book Category A Hen for Izzy Pippik by Aubrey Davis, illustrated by Marie Lafrance Adult Middle Reader Category The Reluctant Journal of Henry K. Larsen by Susin Nielsen	\$6,000 \$6,000
Tim Sims Encouragement Fund Award for Work in the Comedic Arts	Nigel Grinstead	\$5,000
Gina Wilkinson Prize for an Emerging Female Director	Christine Brubaker	\$2,000
Wuchien Michael Than Fund	Factory Theatre Theatre Passe Muraille Young People's Theatre	\$7,500 \$7,500 \$7,500



Financial Highlights

(\$000s)	2014	2013	2012
TOTAL ASSETS	67,245	61,475	56,695
Investment returns			
One year	13.2%	11.9%	3.8%
Three years	9.7%	9.2%	11.2%
Five years	11.7%	5.5%	2.6%
Fund balances			
Arts Endowment Funds	56,873	52,832	48,443
Canadian Heritage Funds	6,469	5,610	4,261
Privately Held Funds	3,613	3,249	3,768
Operating Funds	254	209	190
Donations Received	845	1,475	1,674
Awards, Scholarships and Income Payouts	2,995	3,124	1,989
Operating expenses			
Operations and asset management)	1,110	1,070	804
As an average of total as-sets	1.6%	1.7%	1.4%



CANADIAN FILM CENTRE

THE ARTS ENRICH OUR LIVES

The arts enlighten us. They entertain us. They enrich our lives.
And many of us would like to give something in return.

For more information please contact:

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Photo Credits

COVER

HOLD UP THE SKY: A STORY INSPIRED BY AN OUTDOOR MOSAIC WATER FOUNTAIN DESIGNED BY GRADES 4 AND 5 STUDENTS FROM ROSE AVENUE PUBLIC SCHOOL, TORONTO. UNDER THE GUIDANCE OF ARTIST CARA RESNICK AND STORYTELLER MARYLYN PERINGER. AN INNER CITY ANGELS AND MARIPOSA IN THE SCHOOLS COLLABORATION SPONSORED BY MANULIFE FINANCIAL. PHOTO BY JANE HOWARD BAKER.

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NORTHERN LIGHTS FESTIVAL BORÉAL. PHOTO: ERIK LOVIN.

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BALLET JÖRGEN. SWAN LAKE. PHOTO: KEVIN VAGG.

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WESTBEN ARTS FESTIVAL THEATRE. AN EVENING CONCERT BY PIANIST PHILIP THOMSON, 2002. PHOTO: MICHEL PROULX.

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KINGSTON SYMPHONY ORCHESTRA. PHOTO: JOHN MCQUARRIE.

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DEAN BURRY, WINNER OF THE 2011 LOUIS APPLEBAUM COMPOSERS AWARD. PHOTO: COLLEEN NICHOLSON.

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MEZZO SOPRANO, RIHAB CHIAB AND ACCOMPANIST JENNA DOUGLAS. CHRISTINA AND LOUIS QUILICO AWARDS. RICHARD BRADSHAW AMPHITHEATRE, 2013. PHOTO: CHRIS HUTCHESON.
FRINGE FESTIVAL OF TORONTO. PHOTO: BRIAN BATISTA BETTENCOURT.

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INNER CITY ANGELS. HENRI MATISSE PAINT WITH EMOTIONS PROGRAM, WITH INNER CITY ANGELS ARTIST KAREN HARKINS. PHOTO: KAREN HARKINS.
GINA WILKINSON

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JOHN MCKELLAR, OAF VICE-CHAIR AND SOPRANO, ADRIANNE PIECZONKA, PAUL DEHUECK AND NORMAN WALFORD CAREER ACHIEVEMENT AWARDS. 2014. PHOTO: JOEY LOPEZ.

K.M. HUNTER ARTIST AWARD: ANDREW RUCKLIDGE, "BITUMINOUS EARTH", 2011, OIL AND ARCHIVAL INK ON TONED GESSOED LINEN 30 X 36 INCHES, 2013 RECIPIENT OF THE K.M. HUNTER ARTIST AWARDS, VISUAL ARTS

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INSTALLATION VIEW OF DAVID R. HARPER'S *ENTRE LE CHIEN ET LE LOUP*, ON VIEW AT THE KITCHENER-WATERLOO ART GALLERY MAY 10 – AUGUST 18, 2013. PHOTO: ROBERT MCNAIR

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CANADIAN CONTEMPORARY DANCE THEATRE. JULIAN NICHOLS PERFORMING IN COLIN CONNOR'S AUGUST. PHOTO BY DAVID HOU.

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CANADIAN FILM CENTRE. FILM RESIDENT IN PRODUCTION SHOOTING A CFC SHORT. PHOTO: DAVID LEE.

BACK COVER

OPEN STUDIO. AN EDUCATION CLASS. PHOTO: JONATHAN GROENEWEG.

