

Generosity

IN A NEW PARADIGM



Annual Report
2020



Thank You

Thank you for your tremendous generosity in 2020. Despite the ambiguities we all faced during this challenging year, we are encouraged by the breadth and depth of your generosity.

We express our humble gratitude to all our clients who have shared the joy and hope of generosity with a world that needs it more now than ever. We celebrate your philanthropic endeavours, as together we continue to inspire generations with the vision of a world where everyone lives generously.

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Message from the Board Chair & CEO

As we prepared our annual report last year, we felt confident by this time the COVID-19 pandemic would be behind us, and life would have returned to normal. Oh, had we but known ...

2020 was a difficult year for everyone in so many ways. Consider when you last spent time with an extended group of family or friends or were able to host people indoors. When did you last hug someone or shake a hand? Celebrations like weddings and birthdays have passed with little to no fanfare. Grandparents have not been able to hold their new grandchildren. Kids have missed out on social interaction with friends and traded playgrounds for online learning. Our most senior members of society have forfeited visitors as long-term care homes have gone into lockdown.

Unfortunately, the pandemic is not done with us yet. We see the end in sight as people roll up their sleeves for vaccinations, but we have many months of safety protocols ahead of us. We all look forward to spending time with family and friends, moving about freely, and living life without masks, but the impact and disruption of this pandemic will be felt for a long time.

The economy has suffered, businesses have closed, people have lost their jobs or experienced a significant reduction in earnings. Many of those hit the hardest can least afford it. Conversely, some people have seen an increase in their net worth with soaring stock markets and real estate appreciation. This pandemic did not impact everyone equally.

As we begin to emerge from the isolation, we cannot ignore the fact that the gap between those who have and those who have not has widened.



Shannon Peters
Board Chair



Darren Pries-Klassen
Chief Executive
Officer

There is no sugar-coating the collective impact of the last 15 months, but thankfully there have been many signs of hope too. Corporations have donated masks and other supplies to frontline workers. Neighbours banged pots and pans to celebrate and appreciate the efforts of frontline workers. Many people regularly contributed to local foodbanks or donated to charity. Canadians have always been there for each other.

“*We distributed \$36.26 million to 1,682 charities upon the recommendations of our donors, representing a 17.76% disbursement of our asset base.¹*”

The pandemic has presented some challenges for Abundance Canada as well. We have had to adapt to new routines and processes that none of us ever imagined. Technology became a critical tool for engagement, and in-person interactions with our clients and staff were halted or replaced with new virtual processes. Despite the pandemic, we have witnessed the incredible spirit of generosity and compassion from our clients and staff.

We are thankful for you, our clients, who continued to give generously and for your patience as we adjusted our services to address the challenges of the pandemic.

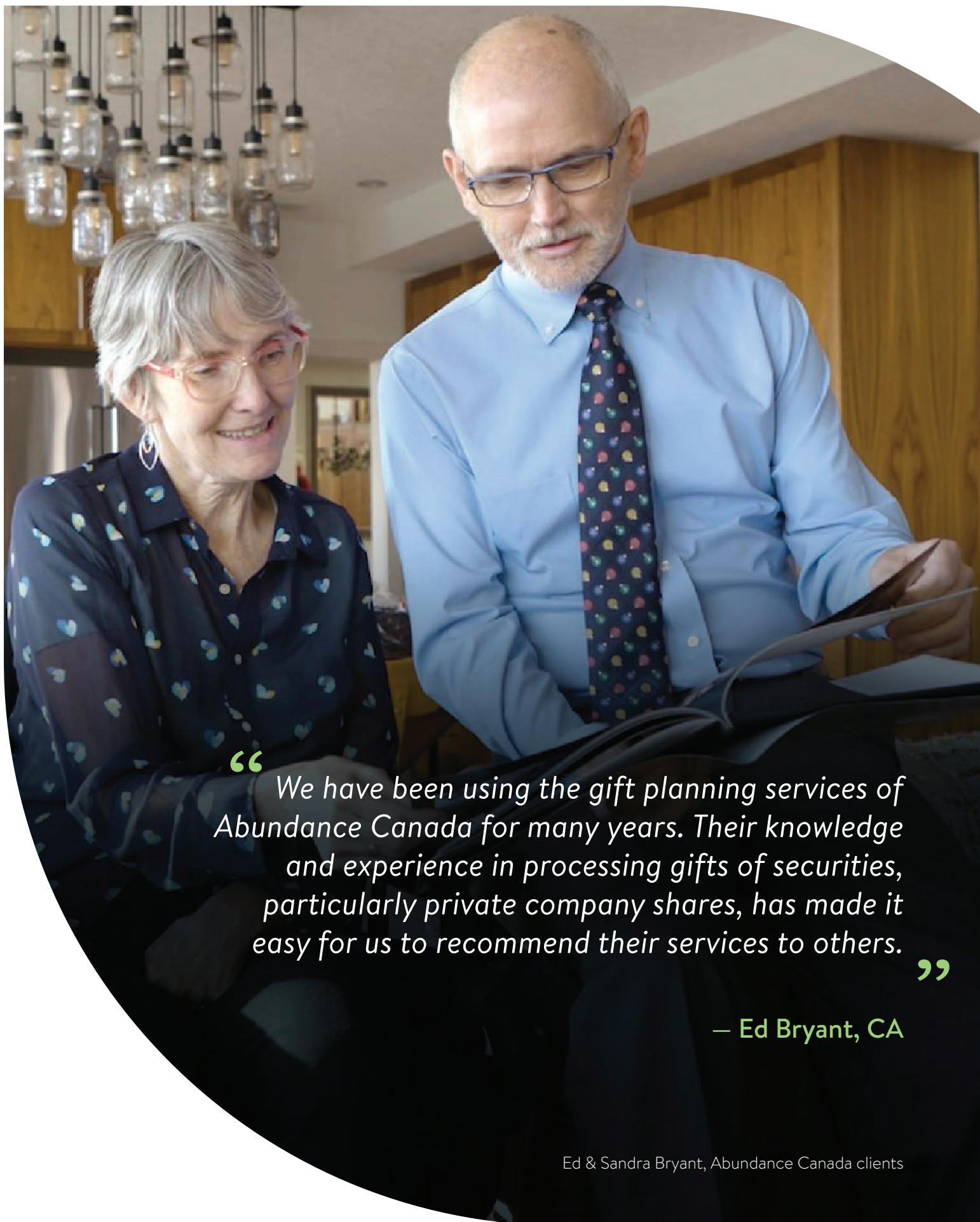
Donations to Abundance Canada in 2020 were also among the best we have ever seen. More importantly, we distributed \$36.26 million to 1,682 charities upon the recommendations of our donors, representing a 17.76% disbursement of our asset base.¹ This is the greatest amount we have ever had the privilege to disburse from personal and family gifting funds in any year in our history!

Generosity is a mindset — a mindset that leans into the potential of tomorrow while doing what is needed today to ensure that potential comes to fruition.

Writer and strategic thinker Buckminster Fuller coined the phrase, “a world that works for everyone.” At its core, generosity believes in a world that works for everyone.

It is our continued pleasure to work with people committed to creating that world.

¹ Canada Revenue Agency (CRA) disbursement quota is 3.5%.



“ We have been using the gift planning services of Abundance Canada for many years. Their knowledge and experience in processing gifts of securities, particularly private company shares, has made it easy for us to recommend their services to others. ”

— Ed Bryant, CA

Ed & Sandra Bryant, Abundance Canada clients

2020

Financial Information

As of December 31, 2020

Highlights



\$36.26 M

Distributed to
Canadian Charities
& Qualified Donees



1,682

Recipient
Canadian Charities
& Qualified Donees



\$217.26 M

Assets Managed



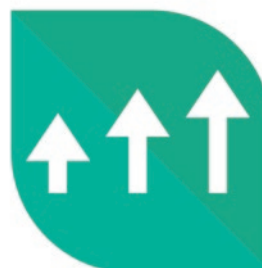
1,481

Active Clients



\$19.69 M

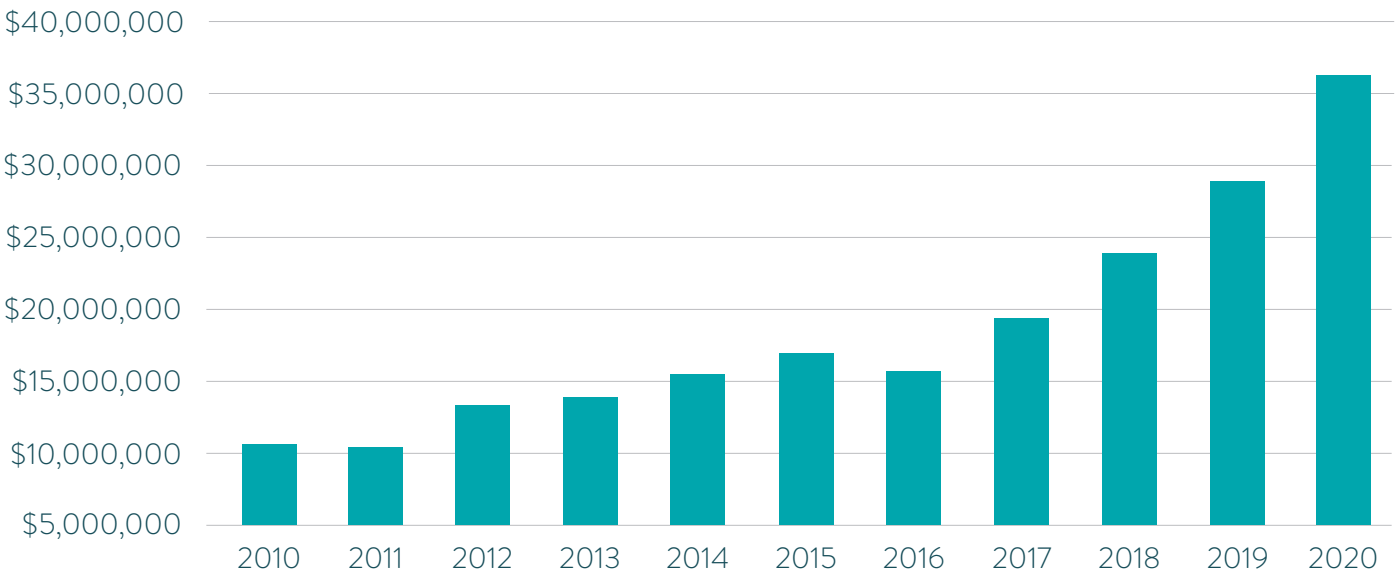
Donation of Stocks,
Bonds & Mutual Funds



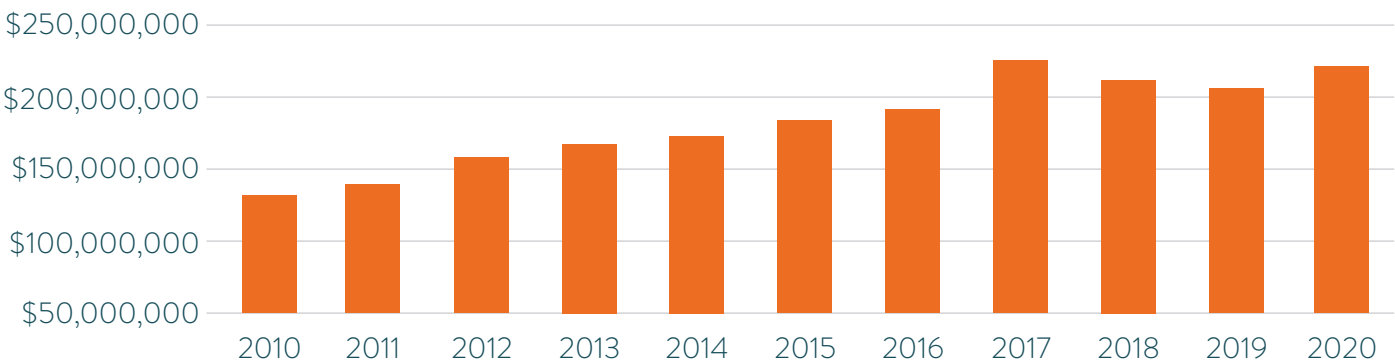
\$44.39 M

Receipted Donations

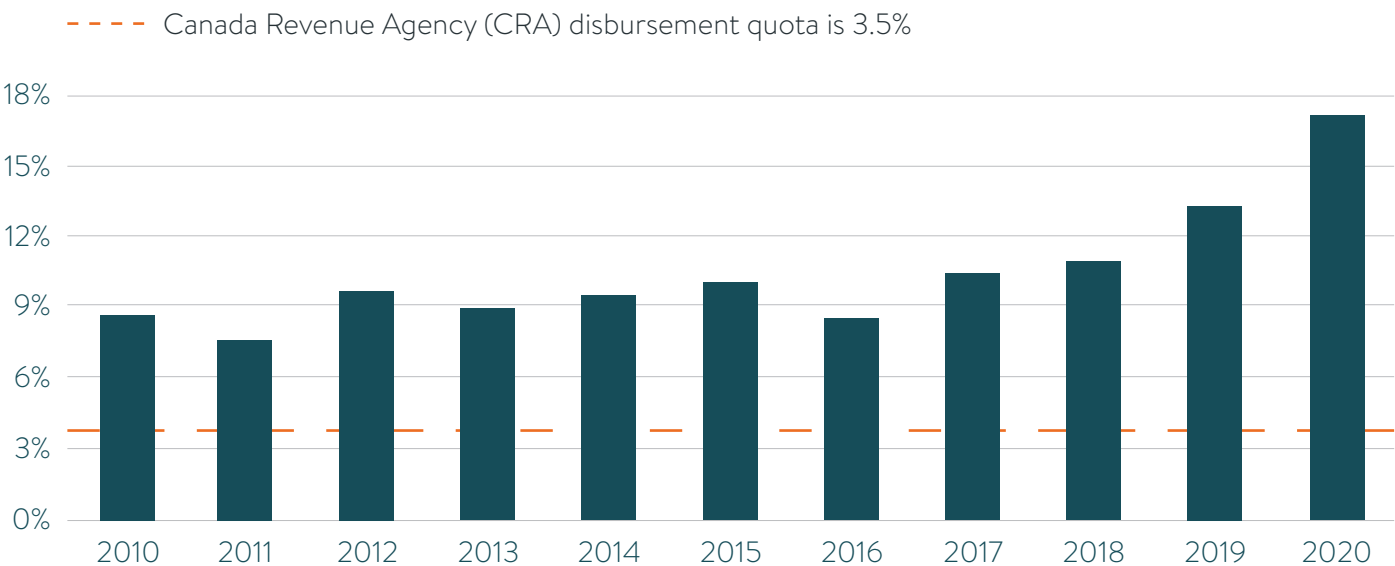
Distributions to Charity



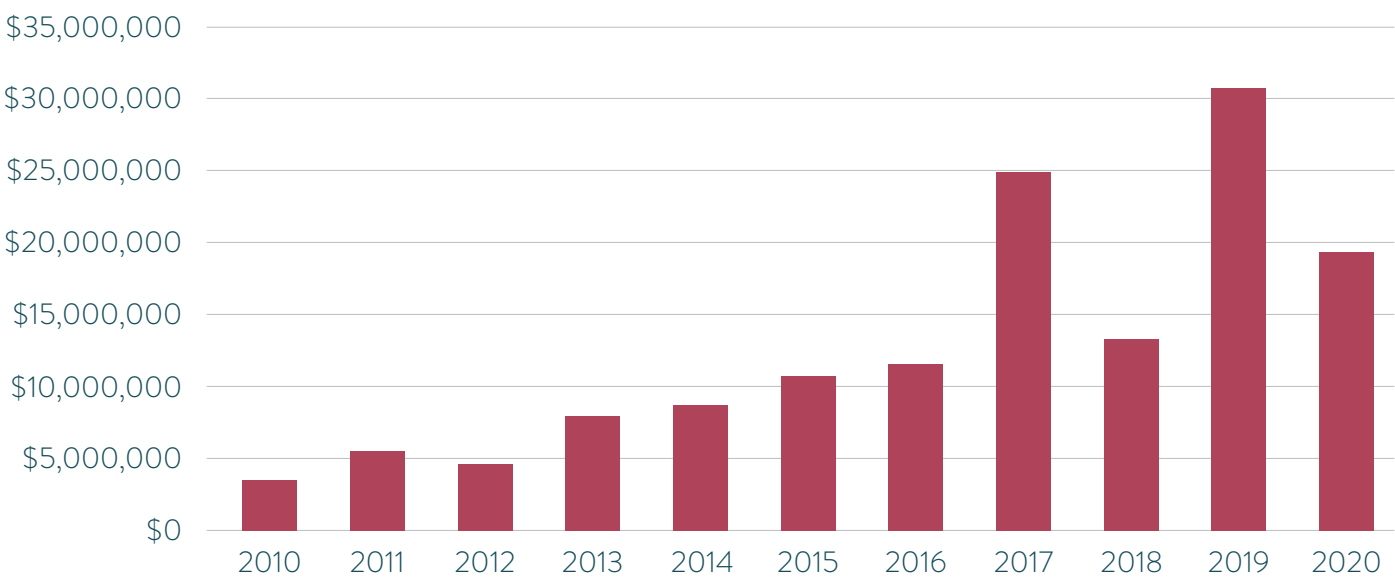
Assets Managed



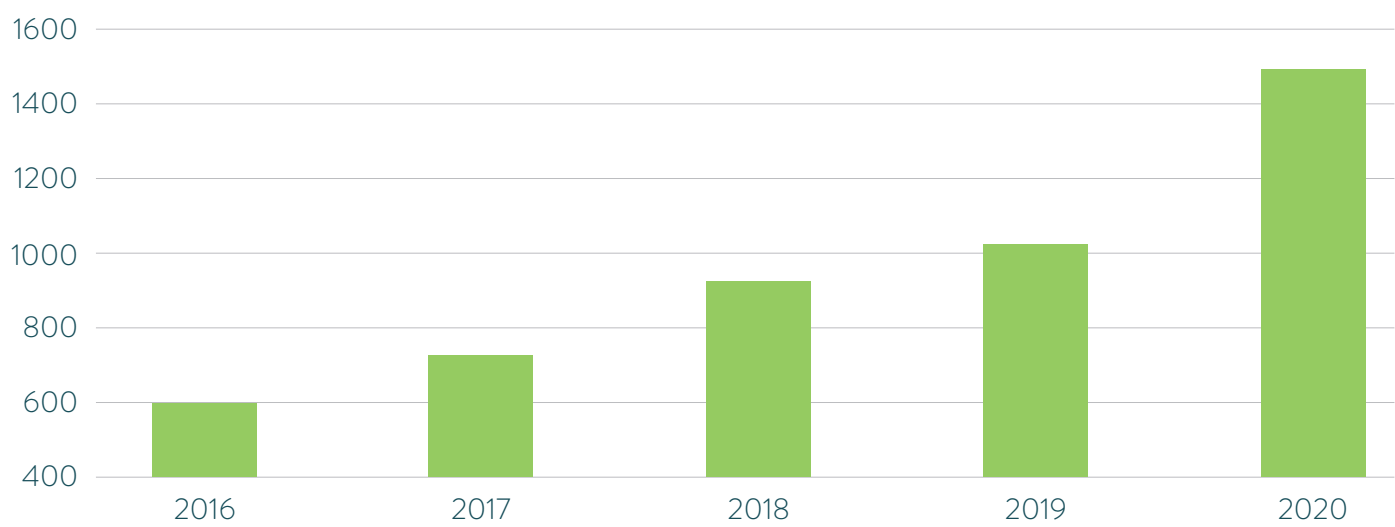
Percentage of Asset Base Distributed to Charity



Securities Donated (Stocks, Bonds & Mutual Funds)



Active Clients





People

Helping People

A quote attributed to anthropologist Margaret Mead suggests a 15,000-year-old femur with a healed fracture is the first sign of civilization because a person could only survive such an injury if someone cared for them — tended the wound, kept them safe from predators, and supplied food and water during the six weeks it would have taken to heal.

Veracity of the attribution aside, the idea that caring for one another is what makes us civilized is compelling, comforting and a conviction many of us share.

During the unprecedented challenges since March 2020, we at Abundance Canada have witnessed the increased care and generosity of many people, despite their own challenges and economic concerns. The crisis of the COVID-19 pandemic prompted an inspiring desire to help, and your generosity set a new record for charitable disbursement via Abundance Canada. In 2020, we disbursed \$36.26 million to 1,682 charities. By comparison, we disbursed just over \$28.96 million to 1,568 charities in 2019.

Abundance Canada's disbursements to charity represents 17.76% of our asset base, well above the minimum disbursement quota set by the Canada Revenue Agency of 3.5%.

The care and concern people share for one another offers great hope for the future. However, declining revenue and increased need for services predicted in the charitable sector prior to the pandemic are likely to accelerate going forward.

This article offers observations shared by Imagine Canada¹ regarding challenges the charitable sector faces.



Barbara Chambers
Director of
Communications

The Evolution of Charitable Giving Before the Pandemic

In October of 2016, Imagine Canada predicted Canada's charitable sector would accumulate a \$25 billion social deficit by 2026 due to increased demand and diminishing revenue.² (Social deficits occur when the social needs of people and communities exceed the money available to help fund those needs.)

“**More charities are reporting constrained resources than we had ever seen prior to the pandemic.**

”

According to Imagine Canada's research, *Charities, Sustainable Funding and Smart Growth*, Canada's charitable and non-profit sector grew more rapidly than the economy as a whole over the last 20 years. This growth was fuelled by increased demand caused by an aging population and the generation of income and wealth that enabled more support of the sector. However, Canada faces slower economic growth over the next 20 years or more.³

The challenges charities and non-profits continue to face as a result of the pandemic, as well as the local and global economic setbacks, could cause this social deficit to accelerate significantly.

Charitable Giving During the Pandemic

As of December 2020, Imagine Canada reported that:

- 55% of charities experienced significant revenue decline.
- 75% of charities saw donations drop.
- 50% reported declines in earned income.

“The pandemic is... dramatically affecting their ability to access financial and human resources. While there has been some improvement on the resource front since April, improvements are not broadly distributed and the situation for much of the charitable sector remains grave. More charities are reporting constrained resources than we had ever seen prior to the pandemic and a significant number are drawing on governmental programs to operate at current levels. While the current situation is an improvement from earlier in the pandemic, it is far from representing the early stages of a recovery and remains highly dependent on ongoing supports.”⁴

Canada's charities have shown remarkable adaptability. Their shift to online service delivery and fundraising will serve them well going forward. Their ability to stay operational and provide services and support during the pandemic have helped save lives, inspired generosity and the desire to serve others, and commanded respect for their tenacity and flexibility.

These same qualities will be key to meeting ongoing challenges.

The New Charitable Giving Paradigm

Imagine Canada's predictions of 2016 still hold true. Increased demand and slower economic growth will make it difficult for the charitable sector to combat poverty, care for the aged, and provide arts and culture and recreation.⁵ The gap between services required by charities and what they can deliver will continue to grow.⁶

Imagine Canada calls this an all-of-society problem because demographics and economics hinder the ability of governments and charities and non-profits to meet the social objectives of Canadians. They ask how the non-profit sector, government and the private sector — all faced with this similar problem of financial sustainability — can work to achieve the prosperous, equitable and environmentally responsible society Canadians want.⁷



At Abundance Canada, we have witnessed remarkable generosity. Clients choosing to use our services to support charities during a year of unprecedented challenge are an endless source of inspiration. Caring matters. Generosity sparks change and growth. We look forward to continuing our work with you and navigating this new terrain together.

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- 1 The work of Imagine Canada dovetails with Abundance Canada's mission in that Imagine Canada works to strengthen Canadian charities and non-profit organizations. Darren Pries-Klassen, Abundance Canada's CEO, is a member of Imagine Canada's Board of Directors.
 - 2 <https://www.imaginecanada.ca/en/360/canadas-emerging-social-deficit>, paragraph 1
 - 3 *Charities, Sustainable Funding and Smart Growth*, p. 4 paragraphs 1-3
 - 4 *Imagine Canada's Sector Monitor: Ongoing Effects of the COVID-19 Pandemic*, p. 8 par. 1
 - 5 *Charities, Sustainable Funding and Smart Growth*, p. 32, paragraph 1
 - 6 *Charities, Sustainable Funding and Smart Growth*, p. 32, paragraph 3
 - 7 *Charities, Sustainable Funding and Smart Growth*, p. 33, paragraph 2

Board of Directors



Shannon Peters
Board Chair



Abe Bergen
Vice Chair



Anita Retzlaff
Secretary



Clayton Loewen
Treasurer



Marguerite Jack
Board Member



Allan Reesor-McDowell
Board Member



Gillian Doucet Campbell
Board Member



Robert Heinrichs
Board Member



Jennifer Thompson
Board Member



Ross Weaver
Board Member

Leadership Team



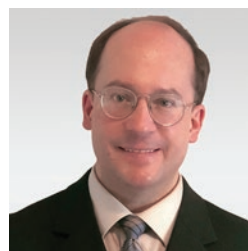
Darren Pries-Klassen
Chief Executive
Officer



Rick Braun-Janzen
Director of
Gift Planning



Barbara Chambers
Director of
Communications



Trevor Wowk
Director of
Finance



Shelly Wilcoxson
Operations
Manager

Regional Teams

Alberta



Kevin Davidson
Gift Planning
Consultant



Peter Dryden
Gift Planning
Consultant



Cathy Dyck
Administrative
Assistant



Brad Friesen
Gift Planning
Consultant



Katherine Smart
Gift Planning
Consultant



Irm Nickel
Administrative
Assistant

Manitoba & Saskatchewan



Harold Penner
Gift Planning
Consultant



Susan Yakabowich
Gift Planning
Consultant



Elisabeth Dowler
Accountant



Rebecca Braun-Huynh
Accounting
Assistant



Jill Angus
Administrative
Assistant

Ontario & Eastern Provinces



Marlow Gingerich
Gift Planning
Consultant



Sherri Grosz
Gift Planning
Consultant



David Barker
Gift Planning
Consultant



Gayle Fangrad
Executive
Assistant



Denise Mazik
Office
Administrator



Kristen Heinitz
Administrative
Assistant



Anuj Misra
Graphic Design
Communications
Specialist



Anne Beifuss
Graphic Design
Communications
Specialist
(On Maternity Leave)



Our Vision

We envision a world where everyone lives generously.

Our Mission

We work with people to create customized Generosity Plans that support charity.



Generosity changes everything

1.800.772.3257
generosity@abundance.ca
abundance.ca

Charity Registration No: 12925 3308 RR0001

