CIC

Canadian International Council
Conseil International du Canada

Annual Report 2016-2017

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President's Message

This was an exciting year of growth and renewal for the Canadian International Council. In 2016-17 the CIC launched two new research programs, unveiled a new interactive website, appointed 20 dynamic research fellows, and launched a vibrant new events program. During this turbulent time in global affairs the demand among Canadians for incisive, non-partisan analysis of key international issues and challenges has never been stronger. We have tried to meet that demand by expanding our capacity and programming and focussing our attention on the issues that matter most to Canadians.

As always, the work of the CIC rests on the solid foundation of our diverse, cross-country branch network, comprising over 1,300 members and 15 branches from coast to coast. It is this connection to grass roots communities through our branches that makes the CIC so unique in the think tank field. The CIC brings global issues to Canadians across the country, from Thunder Bay and Montreal to Saskatoon and Victoria. We are a truly national organization committed to strengthening Canada's place in the world by building better informer global citizens at home.

Regards,

Mark Sedra
President & Research Director

The CIC Branch Network

The CIC operates a network of 15 branches from coast-to -coast, comprising over 1,000 members. The branches are part of a national network of globally minded Canadians committed to promoting, improving and advancing Canada's foreign policy. CIC branches produce and host over 100 events annually, including conferences, lectures, workshops, pub-nights and dinners.

CIC Branches

Calgary Branch
Edmonton Branch
Halifax Branch
Hamilton Branch
Montreal Branch
National Capital (Ottawa)
Nipissing District Branch
Saskatoon Branch
South Saskatchewan (Regina) Branch
Thunder Bay Branch
Toronto Branch
Vancouver Branch
Victoria Branch
Winnipeg Branch

A small sampling of just some of the events held by the branch network is featured on the next page.

Selected Events from 2016-2017 Year

CIC Nipissing District: Canada, the Once and Future Peacekeeper?
CIC Calgary: Israeli Politics in the Face of Regional Insecurity
CIC Vancouver: Brexit and the European Union, Now What?
CIC Victoria: The Importance of Security and Intelligence in Canada Today CIC National Capital: China's Rising Cyber Power: Assessing the Implications CIC Victoria: Canada's Diversity in an Interconnected World: How Do We Leverage It?
CIC Saskatoon: The Brexit, the EU and Trade
CIC Nipissing District: Responsibility to Protect: Exercising Our Collective Responsibility
CIC Victoria: Canada's Relationship with China (Politics in the Pub)
CIC Montreal: Discussion on the US Presidential Election
CIC Edmonton: Following the failed coup, what now for Turkey?
CIC National Capital: Peacetech and the Syrian Conflict: What Canadians Are Doing
CIC Halifax: Clinton or Trump? The State of the U.S. Election and the Aftermath for Canada
CIC Vancouver: Reflections of a Prime Minister's Foreign Policy Advisor
CIC Winnipeg: Canada's Participation in Maritime Interdiction Operations
CIC Halifax: The Status of Syrian Nationals Living in Turkey and the EU-Turkey Migration Deal
CIC Victoria: The Prospects for New and Old Trade Agreements
CIC National Capital: The U.S. Election: The Race, the Stakes, and the Consequences
CIC Halifax: Bill Graham: Reflections on a Political Life
CIC Toronto: The G7: What does it mean for Canada?
CIC Saskatoon: Combating Human Trafficking in Vietnam
CIC Vancouver: Big Data, Intelligence and Accountability in the Digital Age: A discussion with Colin Freeze
CIC Toronto: NATO Negotiations and Diplomacy Workshop
CIC National Capital: Women, Violent Extremism and the Internet: Empowering Prevention; Dealing with Risk
CIC Victoria: Media in the Age of Terrorism and Trump
CIC Montreal: Global Strategic Security – A Conversation with Hugh Segal
CIC Toronto: Look Who's Watching – Surveillance Treachery & Trust Online
CIC Halifax: Does Gender Matter? Evaluating Canada's foreign and defence policy from a feminist perspective.
CIC National Office: Inclusive Security – What it is and Why it Matters to Canada

International Journal

Founded in 1946, International Journal (IJ) is Canada's leading academic forum for discussion of foreign policy and international affairs. Published in conjunction with the Bill Graham centre for Contemporary International History, it combines brief, policy-relevant articles with longer, peer-reviewed, scholarly assessments of interest to foreign policy makers, analysts and academics in Canada and around the world. IJ is cross-disciplinary, combining the insights of political science and history with economics and other fields to advance research and dialogue on issues of global significance.

Programming

The CIC produces rigorous and policy-relevant research on critical international issues. CIC research is independent: we owe no allegiance to any government or to any political body. The council does not take institutional positions on policy issues. We aim to foster critical thinking on global challenges from a Canadian perspective, identifying new insights, ideas and opportunities. Each of our research programs takes an interdisciplinary approach to inform and innovate Canadian foreign policy.

Supporters

Thank you to those who gave generously to the CIC in 2016-2017. Your support has gone a long way in ensuring the CIC continues to provide a national platform for engaged citizens.

$100,000 +
Power Corporation

$10,000 +
Manulife Financial
Alamos Gold Inc.
William C. Graham

$100 +
Anna Burwash
David Dyment
William Herridge
Alan Breakspear
Lawrence Herman
Wilmer Collett
Charles M. Beer
Charles Pentland
Tanyss Phillips
Jan Harvey
John R. Anderson
James Appleyard

Our People

Board of Directors

James Appleyard
William C. Graham (Chair)
Jennifer Jeffs
Keith Martin
Gerald Wright
John English
Nicholas Hirst
Jacqueline O'Neill
Nicolas M. Rouleau

Team

Brian Bow
Co-Editor, International Journal

Jennifer Chylinski
Operations Manager, CIC
Managing Editor, International Journal

Jack Cunningham
Co-Editor, International Journal

Andrew Koltun
Digital Communications Manager &
Program Officer, CIC

Mark Sedra
President & Research Director, CIC

Financial

Full financial reports are included in the appendix of this Annual Report.

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Canadian International Council
Conseil International du Canada

Financial Statements

For the Year Ended June 30, 2017

FOR DISCUSSION WITH MANAGEMENT ONLY - NOVEMBER 22, 2017
SUBJECT TO AMENDMENT

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Canadian International Council
Conseil International du Canada

We have audited the accompanying financial statements of Canadian International Council (the "Council") which comprise the statement of financial position as at June 30, 2017 and the statements of operations and change in fund balances and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian International Council as at June 30, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants
Licensed Public Accountants
DATE
Toronto, Ontario

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Canadian International Council
Conseil International du Canada
Statement of Financial Position
As at June 30, 2017

	Operating Fund	Specific Purpose Funds	Total 2017	Total 2016
Assets				
Current				
Cash	**$ 272,541**	**$ -**	**$ 272,541**	$ 331,695
Accounts receivable	**57,195**	**-**	**57,195**	19,818
HST recoverable	**7,390**	**-**	**7,390**	5,285
Deposits and prepaid expenses	**5,155**	**-**	**5,155**	7,823
	342,281	**-**	**342,281**	364,621
Capital assets (Note 3)	**8,452**	**-**	**8,452**	15,874
Interfund balances	**(20,534)**	**20,534**	**-**	-
	$ 330,199	**$ 20,534**	**$ 350,733**	$ 380,495
Liabilities				
Current				
Accounts payable and accrued liabilities	**$ 60,149**	**$ -**	**$ 60,149**	$ 52,322
Unearned revenue	**14,871**	**-**	**14,871**	15,783
	75,020	**-**	**75,020**	68,105
Fund Balances				
Unrestricted	**255,179**	**-**	**255,179**	289,856
Externally restricted (Note 4)	**-**	**20,534**	**20,534**	22,534
	255,179	**20,534**	**275,713**	312,390
	$ 330,199	**$ 20,534**	**$ 350,733**	$ 380,495

Contingent liability *(Note 6)*

Approved by the Board _____ Director _____ Director

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Canadian International Council
Conseil International du Canada
Statement of Operations and Change in Fund Balances
Year Ended June 30, 2017

	Operating Fund	Specific Purpose Funds	Total 2017	Total 2016
Revenue				
Donations	**$ 138,682**	**$ -**	**$ 138,682**	$ 123,105
Publications	**40,727**	**-**	**40,727**	42,234
Membership fees	**29,510**	**-**	**29,510**	30,005
Other	**-**	**-**	**-**	1,490
	208,919	**-**	**208,919**	196,834
Expenditures				
Programs	**34,205**	**-**	**34,205**	37,492
Publications	**19,933**	**2,000**	**21,933**	22,359
Membership	**7,994**	**-**	**7,994**	10,799
Administration (Note 5)	**174,042**	**-**	**174,042**	134,542
Amortization	**7,422**	**-**	**7,422**	8,434
	243,596	**2,000**	**245,596**	213,626
Excess of expenditures over revenue	**(34,677)**	**(2,000)**	**(36,677)**	(16,792)
Fund balance, beginning of year	**289,856**	**22,534**	**312,390**	329,182
Fund balance, end of year	**$ 255,179**	**$ 20,534**	**$ 275,713**	$ 312,390

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Canadian International Council
Conseil International du Canada
Statement of Cash Flows
Year Ended June 30, 2017

	Operating Fund	Specific Purpose Funds	Total 2017	Total 2016
Cash provided by (used in)				
Operations				
Excess of expenditures over revenue	**$ (34,677)**	**$ (2,000)**	**$ (36,677)**	$ (16,792)
Items not involving cash				
Amortization	**7,422**	**-**	**7,422**	8,434
	(27,255)	**(2,000)**	**(29,255)**	(8,358)
Net change in non-cash working capital				
Accounts receivable	**(37,377)**	**-**	**(37,377)**	(19,818)
HST recoverable	**(2,105)**	**-**	**(2,105)**	5,784
Deposits and prepaid expenses	**2,668**	**-**	**2,668**	(5,040)
Accounts payable and accrued liabilities	**7,827**	**-**	**7,827**	1
Unearned revenue	**(912)**	**-**	**(912)**	1,573
Interfund balances	**(2,000)**	**2,000**	**-**	-
Cash used in operations	**(59,154)**	**-**	**(59,154)**	(25,858)
Investing				
Purchase of capital assets	**-**	**-**	**-**	(9,064)
Net change in cash	**(59,154)**	**-**	**(59,154)**	(34,922)
Cash, beginning of year	**331,695**	**-**	**331,695**	366,617
Cash, end of year	**$ 272,541**	**$ -**	**$ 272,541**	$ 331,695

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1. THE COUNCIL

The Canadian International Council - Conseil International du Canada (the "Council") is a not-for-profit Canadian organization founded in 1928 and incorporated in 1950 under the laws of Canada as a corporation without share capital. The certificate of continuance was obtained under the Canada Not-for-profit Corporations Act on June 4, 2014. The Council's mission is the promotion of an understanding of international affairs by providing interested Canadians with a non-partisan, nationwide forum for informed discussion, analysis and debate.

The Council is a registered charity within the meaning of the Income Tax Act (Canada) and accordingly is exempt from income taxes provided certain disbursement requirements are met.

These financial statements do not include the financial activities of the Council's local branches across Canada. While the Council sets the general policies of the branches, the Council has no direct control over their day-to-day operations, including their financial activities. For this reason, the Board of Directors has agreed that it would not be either appropriate or feasible to consolidate the branches' operations in these financial statements.

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2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant for the Council.

Management's Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could differ from those estimates.

Fund Accounting

The Council follows the deferral method of accounting for contributions. The Operating Fund accounts for the Council's program delivery and administrative activities. This fund reports unrestricted income, investment income and income from restricted contributions when a specific fund does not exist.

The Specific Purpose Funds consist of the Marvin Gelber Trust Fund, which provides an annual award for the best article for International Journal by a young scholar, and the M. Cadieux Essay Prize Fund which provides an annual award for the best article on Canadian Foreign Policy to appear in that year's volume of International Journal (Note 4).

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Capital Assets

Capital assets are recorded at cost and amortized over the assets' estimated useful lives. Computer software and website development costs are amortized on a straight-line basis over a period of three years. Office equipment is amortized over a period of five years.

When capital assets no longer contribute to the Council's ability to provide services, their carrying amount is written down to their residual value.

Financial Instruments

The Council initially measures its financial assets and liabilities at fair value. The Council subsequently measures its financial assets and financial liabilities at amortized cost, except for equity investments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the excess of expenditures over revenue.

Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Transaction costs and financing fees are expensed as incurred for financial instruments measured at fair value and capitalized for financial instruments that are subsequently measured at cost or amortized cost.

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down, if any, is recognized in the excess of expenditures over revenue. Reversals of impairment are recorded to the extent that the value has increased, up to the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the excess of expenditures over revenue.

Revenue Recognition

Donations and Bequests

Donations and bequests are included in income when received or deemed receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Publications

Publications income represents royalty fees and a writers' stipend and are recognized in income as received.

Membership Fees

Membership fees are recognized in income on a straight line basis over the membership term.

Investment

Interest on guaranteed investment certificates is recognized when earned using the effective interest rate method.

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2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Contributed Materials, Services and Assets

Contributed materials, services and assets are recorded at fair value in the period received when a fair value can be reasonably estimated and when the materials and services would have been purchased if not contributed.

3. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2017	Net 2016
Office equipment and computer software	**$ 61,008**	**$ 52,556**	**$ 8,452**	$ 15,874

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4. EXTERNALLY RESTRICTED FUND BALANCES

Specific Purpose Funds

	2017	2016
Marvin Gelber Trust Fund	**$ 9,360**	$ 10,360
M. Cadieux Essay Prize Fund	**11,174**	12,174
	$ 20,534	$ 22,534

5. ADMINISTRATION EXPENSES

	2017	2016
Salaries and benefits	**$ 118,270**	$ 72,347
Rent	**5,197**	5,000
Moving costs	**-**	339
Other	**50,575**	56,856
	$ 174,042	$ 134,542

6. CONTINGENT LIABILITY

The Council is contingently liable for all or a portion of grants received for expenditures should it not use the grant funds as set out in the terms of the respective agreements. The amount of any such repayments are not currently anticipated or determinable. Repayment of a grant will be recorded if and when it becomes anticipated and determinable.

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Directors to be Re-appointed

James Appleyard: As the Founder and president of Freycinet Ventures, James takes active positions in Canadian start-up companies that are developing 'Technology for Human Progress'. Since 2013 Freycinet has invested in, and supports through mentoring and advisory roles, some fifteen entrepreneurial teams. Prior to its acquisition in 2013, James was CEO, chairman, and controlling shareholder of Artez Interactive, a leading software-as-a-service provider of fundraising solutions to not-for-profits in North America, Europe and the Pacific.

James received his B.A. from Trinity College, University of Toronto specializing in International Relations with a minor in English, graduating with Distinction.

He went on to study at the London School of Economics and Political Science, U.K., where he received his M.Sc. in International Relations and was a Fellow of Goodenough College. After the LSE, he worked for three years at the Canadian Institute of International Affairs (now Canadian International Council) where he organized CEO missions to Asia, Latin America, Africa and Europe. He completed an M.B.A. at the Rotman School of Management; James graduated Dean's Honour List and was a Junior Fellow at Massey College. Also at that time, James served as a program officer with the Maytree Foundation, an innovative funder of anti-poverty and refugee settlement initiatives.

James is active in community service. Currently he is vice-chair, and a trustee on the Board of The Gardiner Museum of Ceramic Arts, and chairs the museum's Curatorial Committee. Recently, he was appointed a trustee of UK-based The Awareness Foundation, which is active on the ground in Syria and Iraq and whose aspiration is to help create conditions that will lead to peaceful co-existence between religious communities throughout the Middle East. James was a director, and chair of the board, of the Loran Scholars Foundation where he has participated in regional and national scholar selections for more than twenty years, and served as a mentor to several Loran Scholars. James lives in Toronto with his wife and their three children.

Nicholas Hirst runs the corporate, administrative and financing functions of Original Pictures as CEO. He was an award-winning newspaper editor, is a member of the WGC and worked for the Times and Financial Times of London as a writer with a stint as Washington correspondent.

He works as a producer and executive producer for Original Pictures.

Nicolas M. Rouleau is an appellate and constitutional lawyer.

He frequently argues cases in French and English before the Supreme Court of Canada, the Court of Appeal for Ontario, and in other provinces. He also provides advice and opinions on complex or novel legal matters, counsels Pape Barristers on appeals, and reviews potential Supreme Court of Canada cases for Pro Bono Law Ontario's Supreme Court Leave to Appeal Assistance Project. He previously clerked for the Honourable Justice Marie Deschamps at the Supreme Court of Canada.

Nicolas strongly believes in public service and education, in Canada and abroad. Currently, he sits on Ontario's Provincial Advisory Committee on Francophone Affairs and on the boards of various NGOs. He lived for a few years in India and West Africa, where he worked and volunteered on issues of law, democracy, and international development; he continues to consult internationally on these issues. He has also taught courses on constitutional law, legal philosophy, and political philosophy at law schools in

Canada and India, published widely on those issues, and hosted and curated Toronto's popular interdisciplinary lecture series: The Treehouse Talks.

Nicolas holds a Master of the Science of Law (JSM) from Stanford University and an LL.B. magna cum laude from the French Common Law Program at the University of Ottawa. He has also studied at the University of Toronto, where he is currently the co-chair of the Monday Club and a mentor at Massey College. He has received numerous academic scholarships.

Director to be newly appointed

Maureen O'Neil

President, Canadian Foundation for Healthcare Improvement

Maureen O'Neil is President of the Canadian Foundation for Healthcare Improvement. Previous positions include President of the International Development Research Centre, Interim President of the International Centre for Human Rights and Democratic Development, President of the North-South Institute, and Deputy Minister of Citizenship for the Government of Ontario.
Ms. O'Neil is Chair of the Board of Trustees of the International Institute for Environment and Development, Chair of the Board of the UN Research Institute for Social Development and of the International Advisory Group, Think Tank Initiative (IDRC, Hewlett Foundation ,Gates Foundation & DFID) ,Chair of the Advisory Council on Corporate Social Responsibility of Canada's Export Development Corporation, a member of the board of e-Health Ontario, a member of the Operating Board of Directors and International Board for CIGI. She has chaired the Board of Governors of Carleton University and has also represented Canada on the UN Commission on the Status of Women and on OECD committees, and has been a member of the UN Committee for Development Planning and the Board of the UN Research Institute for Social Development. Ms O'Neil has chaired or been a member of boards or committees of several not for profit organizations
In June 2011, Ms. O'Neil was named an Officer of the Order of Canada for public service, recognizing her contributions to international development, gender equality and human rights.
Ms. O'Neil has a BA in Sociology from Carleton University and Honorary LLDs from Wilfrid Laurier University, Carleton University and the University of Ottawa.