

[Print Message](#)**Fwd: \$26 Million granted from Tides Canada Foundation to Tides Canada Initiatives Society**

From: VIVIAN KRAUSE <vivian.krause@me.com>
To: sara.jane@tidescanada.org
Cc: Ross McMillan <ross.mcmillan@tidescanada.org>
Date: March 30, 2011 11:10:55 AM

Ms. Cuff,

I have received an automated e-mail response from Mr. McMillan, indicating that he is away on vacation until April 4 and that I should contact you in his absence. In light of that, I am forwarding to you the e-mail that I sent to Mr. McMillan, earlier today.

Sincerely,
Vivian Krause

Begin forwarded message:

From: VIVIAN KRAUSE <vivian.krause@me.com>
Date: March 30, 2011 11:07:15 AM
To: Ross McMillan <ross.mcmillan@tidescanada.org>
Subject: \$26 Million granted from Tides Canada Foundation to Tides Canada Initiatives Society

Mr. McMillan,

On the basis of Canadian tax returns, I have done an analysis of the grants that Tides Canada Foundation (TCF) has made to Tides Canada Initiatives Society (TCIS). On the basis of my analysis, it appears to me that between 2002 and 2009, TCIS had total revenues of \$40,286,165. Of that, \$8,699,972 was revenue in 2007. For the years since 2002 for which I have obtained information about grants from TCF to TCIS (2002 - 2006, 2008 and 2009), the total revenues of TCIS were \$31,586,193. Of that, grants from TCF accounted for \$26,266,897, fully **83 percent** of the total revenues of TCIS over those same years.

In light of the above, I would like to ask several questions:

- Where did the \$26.2 Million come from that Tides Canada Foundation (TCF) granted to Tides Canada Initiatives Society (TCIS) during 2002 - 2006, 2008 and 2009? Was this money derived from Canadian sources? Or from American sources? Or a mix of both?
- How did TCIS spend the \$26.2 million from TCF? Did TCIS use the \$26.2 Million mostly to pay for staff and consultants?

The above questions are based on the information below. If I have presented anything here that is factually correct, or if I have missed any important points, please let me know.

As before, I can be reached at 604.618.8110. Please do not hesitate to give me a call.

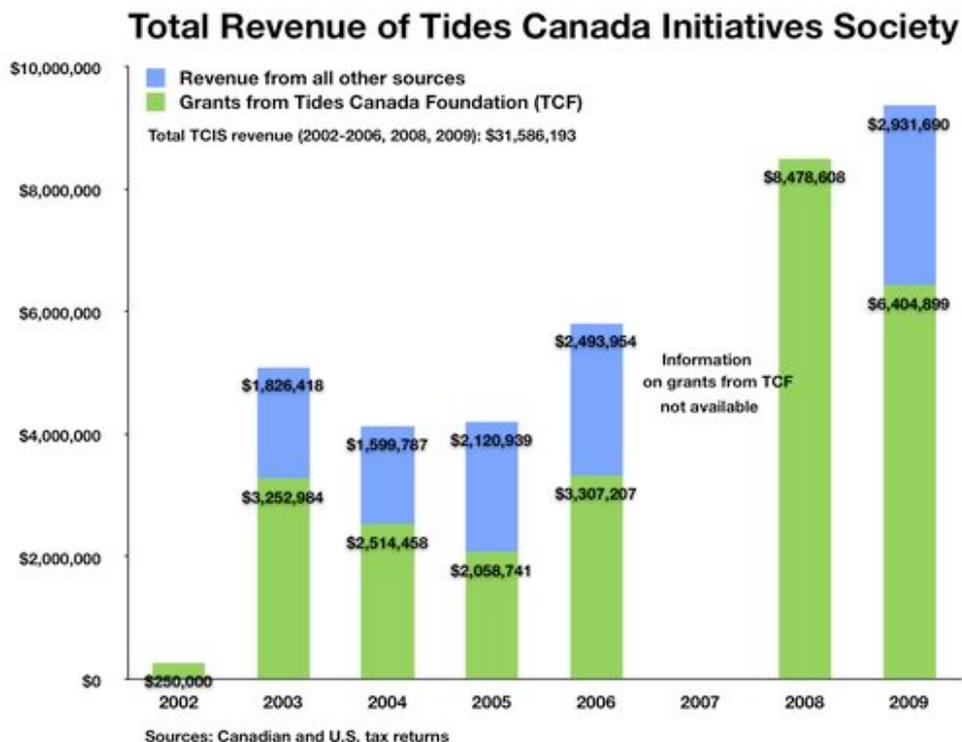
Sincerely,
Vivian Krause

Background:

Tides Canada has two active entities:

- [Tides Canada Foundation \(TCF\)](#)
- [Tides Canada Initiatives Society \(TCIS\)](#).

Both TCF and TCIS are federally registered charities and file tax returns in Canada. TCIS dates back to 1990 while TCF was goes back to 1999. TCF has equivalency status in the United States and files tax returns with the U.S. Internal Revenue Service (I.R.S.) whereas TCIS does not. Tides Canada also has a third entity called the [Tides Canada Centre Society](#) but it has never reported revenues or expenditures).

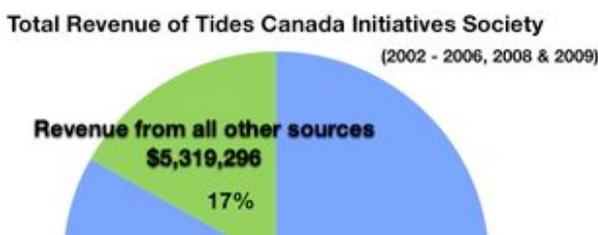


Calculations based on Canadian and U.S. tax returns indicate that since 2002, TCF granted a total of \$26.2 million to TCIS - not including any grants that may have been made in 2007. For that year, grants from TCF to TCIS are not mentioned in publicly available tax returns filed in either Canada or the U.S.

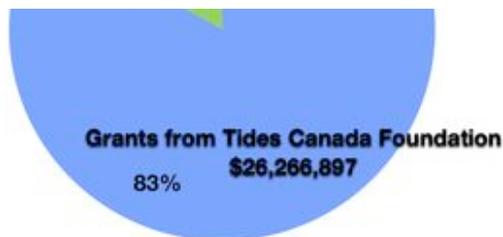
\$26.2 Million Granted from TCF to TCIS:

- [\\$250,000](#) in 2002
- [\\$3,252,984](#) in 2003
- [\\$2,515,458](#) in 2004
- [\\$2,058,741](#) in 2005
- [\\$3,307,207](#) in 2006
- [\\$8,478,608](#) in 2008
- [\\$6,404,899](#) in 2009

For the years since 2002 for which I have obtained information (2002 - 2006, 2008 and 2009), the total revenues of TCIS were \$31,586,193. Of that, grants from TCF accounted for \$26,266,897, fully **83 percent** of the total revenues of TCIS over those same years.

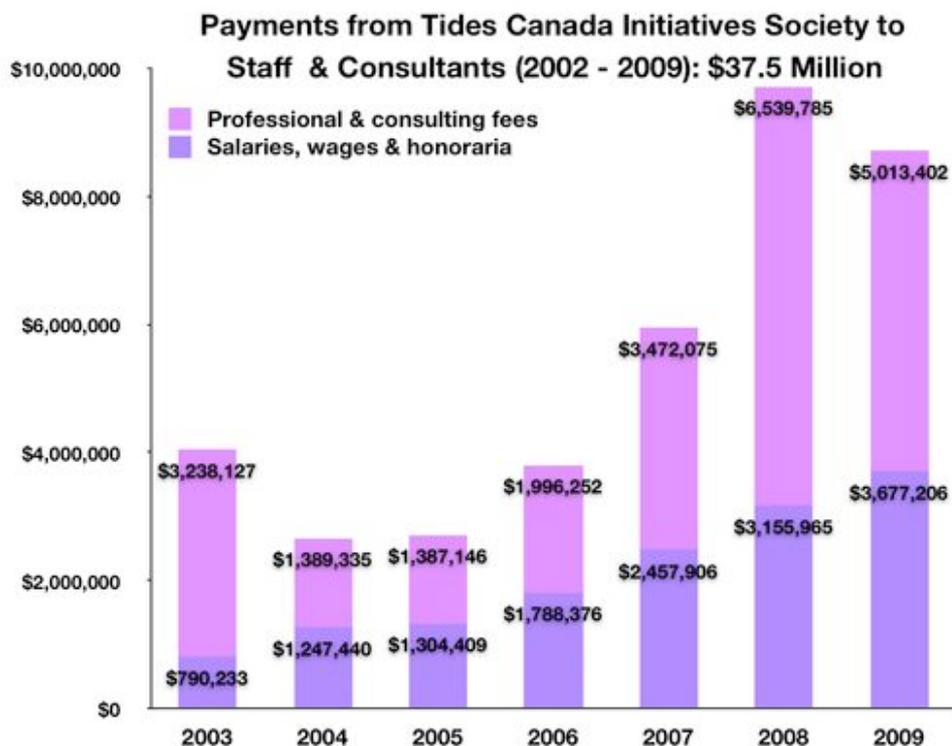


While TCF grants millions of dollars to other organizations, TCIS does not. Since 2002, the total amount granted to other organizations by TCIS was only \$116,240 (\$7,084 in 2005, \$57,734 in 2008 and \$51,422 in 2009).



Total TCIS revenue (2002-2006, 2008, 2009): \$31,586,193
Sources: Canadian and U.S. tax returns

While TCIS did not make relatively large grants to other organizations, TCIS did spent tens of millions of dollars on staff and consultants. In fact, according to Canadian tax returns, since 2003, TCIS alone spent a total of \$37.4 Million on staff and consultants. Of that, \$14.4 million was for staff and \$23 million on consultants. Annual expenditures on consultants increased from a low of \$1.4 million in 2004 to a high of \$6.5 million in 2008.



In addition to the \$37.4 Million that TCIS spent on staff and consultants, TCF also spent \$8.4 Million and the Endswell Foundation spent nearly \$5.2 Million. All combined, between 2003 and 2009, TCF, TCIS and the Endswell Foundation spent a total of \$51 Million on staff and consultants.