

# **The MasterCard Foundation**

Financial Statements

**December 31, 2012, December 31, 2011  
and January 1, 2011**

(expressed in thousands of US dollars)



May 13, 2013

## **Independent Auditor's Report**

### **To the Directors of The MasterCard Foundation**

We have audited the accompanying financial statements of The MasterCard Foundation, which comprise the statements of financial position as at December 31, 2012, December 31, 2011 and January 1, 2011 and the statements of revenue and expenditures, changes in net assets and cash flows for the years ended December 31, 2012 and December 31, 2011, and the related notes, which comprise 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 audits. We conducted our audits 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 in our audits 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 The MasterCard Foundation as at December 31, 2012, December 31, 2011 and January 1, 2011 and the results of its operations and its cash flows for the years ended December 31, 2012 and December 31, 2011 in accordance with Canadian accounting standards for not-for-profit organizations.

*PricewaterhouseCoopers LLP*

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**The MasterCard Foundation**  
 Statements of Financial Position  
 For the years ended December 31, 2012

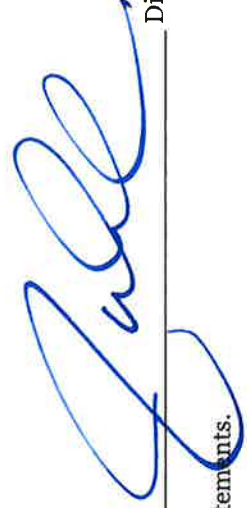
(expressed in thousands of US dollars)

	Unrestricted funds \$	Restricted funds \$	Reserve funds \$	December 31, 2012 \$	December 31, 2011 \$	January 1, 2011 \$
<b>Assets</b>						(note 2)
<b>Current assets</b>						
Cash	4,112	-	-	4,112	6,116	4,703
Portfolio investments (notes 4 and 6)	14,747	-	77,511	92,258	20,436	5,813
Interest and dividends receivable	41	-	8	49	7	1
Prepaid expenses and sundry assets	820	-	-	820	550	505
	19,720	-	77,519	97,239	27,109	11,022
<b>Investment in MasterCard Incorporated shares</b> (notes 5 and 13)	-	4,842,633	-	4,842,633	3,720,445	2,328,508
<b>Property and equipment</b> (note 7)	1,089	-	-	1,089	466	293
<b>Intangible assets</b> (note 8)	597	-	-	597	400	268
	21,406	4,842,633	77,519	4,941,558	3,748,420	2,340,091

Approved by the Board of Directors

 Ron Jones

Director



Director

The accompanying notes are an integral part of these financial statements.

**The MasterCard Foundation**  
**Statements of Financial Position...continued**  
**For the years ended December 31, 2012**

(expressed in thousands of US dollars)

	Unrestricted funds \$	Restricted funds \$	Reserve funds \$	December 31, 2012 \$	December 31, 2011 \$	January 1, 2011 \$ (note 2)
<b>Liabilities</b>						
<b>Current liabilities</b>						
Accounts payable and accrued liabilities	1,314	-	-	1,314	659	828
Leasehold restoration liability (note 9)	102	-	-	102	-	-
	1,416	-	-	1,416	659	828
<b>Net Assets</b>						
Unrestricted funds	19,990	-	-	19,990	27,316	10,755
Restricted funds	-	4,842,633	-	4,842,633	3,720,445	2,328,508
Reserve funds (note 6)	-	-	77,519	77,519	-	-
	19,990	4,842,633	77,519	4,940,142	3,747,761	2,339,263
	21,406	4,842,633	77,519	4,941,558	3,748,420	2,340,091
<b>Commitments (note 15)</b>						

The accompanying notes are an integral part of these financial statements.

**The MasterCard Foundation**  
**Statements of Revenue and Expenditures**  
**For the years ended December 31, 2012 and December 31, 2011**

(expressed in thousands of US dollars)

	Unrestricted funds \$	Restricted funds \$	Reserve funds \$	2012 \$	2011 \$ (note 2)
<b>Revenue</b>					
Appreciation (depreciation) in fair value of MasterCard Incorporated shares (note 5)	41,884	1,251,293	-	1,293,177	1,487,850
Portfolio investments	30	-	-	30	(12)
Investment income	41,914	1,251,293	-	1,293,207	1,487,838
	13,746	-	12	13,758	7,998
	55,660	1,251,293	12	1,306,965	1,495,836
<b>Expenditures</b>					
Program disbursements (note 15(b))	104,030	-	-	104,030	79,025
Program costs (note 11)	5,270	-	-	5,270	4,054
Administration costs (note 10)	5,284	-	-	5,284	4,259
	114,584	-	-	114,584	87,338
<b>Excess (deficiency) of revenue over expenditures for the year</b>	(58,924)	1,251,293	12	1,192,381	1,408,498

The accompanying notes are an integral part of these financial statements.

# The MasterCard Foundation

## Statements of Changes in Net Assets

For the years ended December 31, 2012 and December 31, 2011

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(expressed in thousands of US dollars)

	Unrestricted funds \$	Restricted funds \$	Reserve funds \$	Total \$
<b>Balance - January 1, 2011</b>	10,755	2,328,508	-	2,339,263
Excess (deficiency) of revenue over expenditures for the year	(46,464)	1,454,962	-	1,408,498
Interfund transfers	63,025	(63,025)	-	-
<b>Balance - December 31, 2011</b>	27,316	3,720,445	-	3,747,761
Excess (deficiency) of revenue over expenditures for the year	(58,924)	1,251,293	12	1,192,381
Interfund transfers	51,598	(129,105)	77,507	-
<b>Balance - December 31, 2012</b>	19,990	4,842,633	77,519	4,940,142

The accompanying notes are an integral part of these financial statements.

# The MasterCard Foundation

## Statements of Cash Flows

For the years ended December 31, 2012 and December 31, 2011

(expressed in thousands of US dollars)

	2012 \$	2011 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenditures for the year	1,192,381	1,408,498
Items not affecting cash		
Depreciation (appreciation) of the fair value of MasterCard Incorporated shares	(1,293,177)	(1,487,850)
Portfolio investments	(30)	12
Amortization of property and equipment	148	100
Amortization of intangible assets	107	13
Writeoff of property and equipment	24	-
Net change in non-cash operating items		
Dividend and interest receivable	(42)	(7)
Prepaid expenses and sundry assets	(270)	(44)
Accounts payable and accrued liabilities	655	(169)
	<u>(100,204)</u>	<u>(79,447)</u>
<b>Investing activities</b>		
Purchase of property and equipment	(693)	(273)
Purchase of intangible assets	(304)	(145)
Purchase of portfolio investments - net	(71,792)	(14,636)
Proceeds from sale of MasterCard Incorporated shares	170,989	95,914
	<u>98,200</u>	<u>80,860</u>
<b>Increase (decrease) in cash during the year</b>	(2,004)	1,413
<b>Cash - Beginning of year</b>	<u>6,116</u>	<u>4,703</u>
<b>Cash - End of year</b>	<u>4,112</u>	<u>6,116</u>
<b>Non-cash transactions</b>		
Recognition of leasehold restoration liability	102	-
Increase in property and equipment related to leasehold restoration liability	(102)	-

The accompanying notes are an integral part of these financial statements.

# The MasterCard Foundation

## Notes to Financial Statements

December 31, 2012, December 31, 2011 and January 1, 2011

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(expressed in thousands of US dollars)

### 1 Nature of organization

The MasterCard Foundation (the Foundation) was incorporated under the Canada Corporations Act by letters patent on October 28, 2005 as a corporation without share capital. The Foundation is an independent, private foundation established through a gift of MasterCard Incorporated shares (note 5) in May 2006. Through collaboration with partners, the Foundation advances microfinance and youth learning to promote financial inclusion and prosperity in developing countries.

The Foundation is registered under the Income Tax Act (Canada) (the Act) effective April 18, 2006 and, as such, is exempt from Canadian income taxes and is able to issue donation receipts for income tax purposes under registration number 817387277 RR 0001.

The Foundation has tax exempt status in the United States under Section 501(c)(4) of the Internal Revenue Code from the date of its formation in 2005.

### 2 Transition to Canadian accounting standards for not-for-profit organizations

Effective January 1, 2011, the Foundation elected to adopt Canadian accounting standards for not-for-profit organizations (Part III of The Canadian Institute of Chartered Accountants (CICA) Handbook) (ASNPO) as issued by the Canadian Accounting Standards Board. Subject to certain transition elections, the accounting policies selected under this framework have been applied consistently and retrospectively as if these policies had always been in effect. The following adjustment was made by the Foundation on transition to ASNPO:

	\$
Excess of revenue over expenditures for the year ended December 31, 2011, as previously reported	4,457
Appreciation in fair value of investments	<u>1,404,041</u>
Excess of revenue over expenditures for the year ended December 31, 2011, under ASNPO	<u>1,408,498</u>

- i) The excess of revenue over expenditures for the year ended December 31, 2011 increased by \$1,404,041 to reflect the change in fair value of investments in equity securities (the MasterCard Incorporated shares) quoted in an active market. Prior to the transition, changes in the fair value of these investments were recorded in the statement of changes in net assets.

There were no adjustments to the statements of financial position, or the statements of cash flows as a result of the transition to ASNPO.

### 3 Summary of significant accounting policies

The financial statements of the Foundation have been prepared in accordance with ASNPO with all amounts reported in US dollars, the Foundation's functional currency. The accrual basis of accounting is used for reporting all revenue and expenditures.



# The MasterCard Foundation

## Notes to Financial Statements

December 31, 2012, December 31, 2011 and January 1, 2011

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(expressed in thousands of US dollars)

### Net assets

The Foundation follows the restricted fund method of accounting for contributions. It ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided.

Restricted funds represent the investment in MasterCard Incorporated shares, which are subject to disposition restrictions as further explained in note 5.

Unrestricted funds represent funds available to the Foundation for operational and charitable disbursement purposes and the Foundation's investment in property and equipment. Previously, the Foundation had disclosed their property and equipment as a separate fund, but upon the transition to ASNPO, the Board of Directors determined it was more appropriate to include the property and equipment investments with the unrestricted assets. The comparative figures have been revised accordingly.

In the current year, the Foundation has set up a reserve fund within the restrictions of the deed of gift with MasterCard Incorporated dated May 25, 2006. The purpose of establishing such a reserve fund is to ensure that the Foundation will be able to meet the future commitments of its MasterCard Foundation Scholars Program.

The reserve fund amounts would be set up over a period of three years to fund the Foundation's annual scholarship commitments. Upon the build-up of the reserve fund for each scholarship commitment at the end of three years, payments will be made from the reserve fund. The amount in the reserve fund will be adjusted on an annual basis depending on the amount of new scholarship commitments and the status of the scholarship commitment payouts.

The Foundation transfers funds from the restricted funds to the unrestricted and reserve funds to assist with operational and charitable disbursements, additional investment in property and equipment and the funding of the reserve fund.

### Revenue recognition

Contributions are recognized as revenue in the year received or receivable, if the amounts can be reasonably estimated and collection is reasonably assured. Donations in-kind are recorded at fair value at the date of gifting.

Investment income represents interest and dividends. Interest is recognized as earned and dividends are recognized at the ex-dividend date.

Investment transactions are accounted for on a trade date basis. Changes in fair value on investment transactions are recorded in the statements of revenue and expenditures.

### Program disbursements

Disbursements to conduct program activities are recorded as expenditures when approved by the Foundation's Board of Directors and when a contract has been executed between the Foundation, qualified donees or with a

# The MasterCard Foundation

## Notes to Financial Statements

December 31, 2012, December 31, 2011 and January 1, 2011

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(expressed in thousands of US dollars)

third party. In the case of multi-year fundings to qualified donees and third parties, the initial disbursements are recorded as expenditures in the year the contract has been executed. Subsequent disbursements are recognized as expenditures based on a schedule of payments when or if specified performance criteria are met.

### **Program disbursement commitments**

Where funding has been approved by the Board of Directors and not expensed in the year, such amounts are disclosed as commitments. Commitments to program funding to qualified donees and other third parties are sometimes made in multiple disbursements.

### **Cash**

The Foundation's policy is to present bank balances under cash.

### **Property and equipment**

Property and equipment are stated at cost less accumulated amortization. Amortization of furniture and fixtures and computer and other equipment is determined using the straight-line method over the estimated useful lives of the respective assets, generally ranging from two to ten years. Amortization of leasehold improvements is determined using the straight-line method over the terms of the related lease.

### **Intangible assets**

Intangible assets are recorded at cost and consist of the non-exclusive right to use the MasterCard trademark, copyrighted materials related to MasterCard Incorporated as used by the Foundation, software and website development costs.

The trademark and copyrighted materials both have indefinite useful lives. The Foundation reviews the value of these intangible assets on an annual basis for impairment or at any other time when events or changes have occurred that would suggest an impairment of the carrying value.

Software and website development costs are amortized on a straight-line basis over two years.

### **Program costs**

Program costs are operating expenses associated with charitable giving activities.

### **Allocation of expenses**

The Foundation engages in microfinance and youth learning programs. Program costs include personnel, legal and other costs directly related to the programs. The Foundation also incurs other costs related to personnel, premises and other expenditures for the administration of the Foundation. Some of these costs are allocated to program costs, such as personnel costs, which have been allocated in proportion to time spent and effort expended on programming. The basis of allocation is applied consistently each year.

# The MasterCard Foundation

## Notes to Financial Statements

December 31, 2012, December 31, 2011 and January 1, 2011

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(expressed in thousands of US dollars)

### Investments in MasterCard Incorporated shares

Investments in MasterCard Incorporated shares are recorded at fair value. Fair value is determined based on their appraised fair value, generally their closing bid price, less an estimated discount rate to reflect the restricted nature of the shares (note 5); such discount rate is determined by an independent appraiser each year. The valuation discount rate used as at December 31, 2012 is 21.5% (2011 - 23.0%).

### Portfolio investments

Portfolio investments are recorded at fair value and comprise cash and short-term investments. Investments are made in accordance with the Foundation's investment policy.

### Foreign exchange translation

Revenue and expenditures denominated in foreign currencies are translated into US dollars at the transaction date. Assets and liabilities denominated in foreign currencies are translated at the year-end date. Foreign exchange gains and losses are included in the statements of revenue and expenditures.

### Financial instruments

The Foundation measures its financial instruments as follows:

Financial instrument	Measurement
Cash	fair value
Portfolio investments	fair value
Sundry assets	amortized cost
Investment in MasterCard Incorporated shares	fair value
Accounts payable and accrued liabilities	amortized cost
Leasehold restoration liability	amortized cost

### Use of estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Significant estimates included in these financial statements are used in determining the useful lives of property and equipment, intangible assets, accruals, the discount rate used in the valuation of the MasterCard Incorporated shares, and the allocation of expenditures. Actual results could differ from those estimates.

# The MasterCard Foundation

## Notes to Financial Statements

December 31, 2012, December 31, 2011 and January 1, 2011

(expressed in thousands of US dollars)

### 4 Portfolio investments

Portfolio investments consist of the following:

	2012		2011	
	Fair value \$	Cost \$	Fair value \$	Cost \$
Cash and short-term investments				
Restricted	77,511	77,511	-	-
Unrestricted	14,747	14,731	20,436	20,469
Total	92,258	92,242	20,436	20,469

The investments are settled in both Canadian and US dollars. The fair value of investments held in Canadian dollars at year-end is CA\$3,780 (2011 - CA\$511).

### 5 Investment in MasterCard Incorporated shares

	2012		2011	
	Fair value \$	Cost \$	Fair value \$	Cost \$
12,556,911 Class A MasterCard Incorporated shares - gifted shares (2011 - 12,959,998)	4,842,633	423,231	3,720,445	436,817

Under the deed of gift with MasterCard Incorporated, the Foundation may not dispose of these gifted shares during the no-alienation period, defined as that period from the date of the initial donation (May 31, 2006) to the fourth anniversary of that date (May 30, 2010). Subsequent to this period, limited disposition may be done to satisfy the Foundation's disbursement quota and operating expenses. This period of limited alienation is effective for 16 years and 11 months from one day after the fourth anniversary (April 30, 2027). After this limited alienation period (May 1, 2027), the Foundation may dispose of the shares at its discretion, in an orderly and structured manner so as not to unreasonably disrupt the market for MasterCard Incorporated's shares. Furthermore, the then balance of the gift on the commencement of the unlimited alienation period is required to be divided into two funds, namely, the Perpetual Endowment Fund (the capital is to be held in perpetuity; the income is to be disbursed to satisfy the charitable purpose of the gift) and the Remaining Fund (to be disbursed in its entirety within the first ten years of the unlimited alienation period), with allocation between the funds being based on the gifting agreement.

# The MasterCard Foundation

## Notes to Financial Statements

December 31, 2012, December 31, 2011 and January 1, 2011

(expressed in thousands of US dollars)

### 6 Reserve fund

Each annual scholarship commitment would be built up over a period of three years in a reserve fund. During the three years of building up the reserve fund, disbursements for scholarship commitments will be paid out of unrestricted funds. Disbursements would be made from the reserve fund starting the fourth year. The amount in the reserve fund would depend on new annual scholarship commitments and the status of the scholarship commitments payouts. As at December 31, 2012, the Foundation has set aside \$77,519 (2011 - \$nil) in the reserve fund.

Subsequent to the year-end, the Foundation has executed an agency agreement with BlackRock Inc. as the investment manager of the reserve fund.

### 7 Property and equipment

	2012		
	Cost \$	Accumulated amortization \$	Net \$
Leasehold improvements	622	1	621
Furniture and fixtures	340	104	236
Computer and other equipment	457	225	232
	1,419	330	1,089
	2011		
	Cost \$	Accumulated amortization \$	Net \$
Leasehold improvements	146	96	50
Furniture and fixtures	290	74	216
Computer and other equipment	338	138	200
	774	308	466

During the fiscal 2012 year, the Foundation wrote off \$146 in leasehold improvements and related accumulated amortization of \$122 due to the impending office expansion.

# The MasterCard Foundation

## Notes to Financial Statements

December 31, 2012, December 31, 2011 and January 1, 2011

(expressed in thousands of US dollars)

### 8 Intangible assets

	2012	2011
	\$	\$
MasterCard Incorporated trademark	179	179
Copyrighted material	89	89
Computer software, net of accumulated amortization of \$119 (2011 - \$13)	227	132
Website development costs	102	-
	<u>597</u>	<u>400</u>

### 9 Leasehold restoration liability

The Foundation is required by their lease agreement dated June 4, 2012 to restore the third floor common corridor, demolished during the current office expansion, upon lease expiry or early termination. This restoration liability is based on estimated construction costs of CA\$110, which includes inflation, discounted over the period to lease expiry on September 30, 2018 using an annual discount rate of 1.62%

### 10 Administration costs

	2012	2011
	\$	\$
Payroll and personnel related costs	1,866	1,494
Professional fees	1,497	975
Legal and audit	469	435
Office expense	644	477
Travel	340	370
Occupancy	340	241
Amortization of property and equipment	148	100
Amortization of intangible assets	107	13
Foreign exchange (gain) loss	(127)	154
	<u>5,284</u>	<u>4,259</u>

### 11 Allocation of expenses

Included in program costs are certain payroll and personnel related costs of \$1,166 (2011 - \$876), which have been allocated from administration costs.

# The MasterCard Foundation

## Notes to Financial Statements

December 31, 2012, December 31, 2011 and January 1, 2011

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(expressed in thousands of US dollars)

### 12 Related party transactions

The Foundation has a formal professional code of conduct in place for staff and the Board of Directors, governing conflict of interest and competitive purchasing practices. During the year, seven organizations (2011 - eight) affiliated with certain current members of the Board of Directors received disbursements to conduct charitable activities. All these transactions were carried out in the normal course of operations. The total program disbursements included in the accounts of the Foundation related to these organizations amount to \$3,520 (2011 - \$2,298), as follows:

	2012	2011
	\$	\$
Directors' grants (2012 - four (2011- four))	75	90
Disbursements to director affiliated organizations (2012 - four (2011 - five))	3,445	2,208
	<u>3,520</u>	<u>2,298</u>

### 13 Financial risk management

Financial risk management relates to the understanding and active management of risks associated with the operations of the Foundation and its assets. The Foundation is exposed to currency, credit, market and liquidity risks as follows:

#### Currency risk

The Foundation holds portfolio investments and cash balances denominated in currencies (principally Canadian dollars) other than its reporting currency, the US dollar. Consequently, the Foundation is exposed to the risk that the exchange rate of the US dollar relative to the Canadian dollar may change in a manner that has an adverse or beneficial effect on the reported value of the Foundation's investments.

#### Credit risk

The Foundation bears credit risk associated with its holdings of cash and short-term investments in its portfolio. To mitigate this risk, the Foundation places its cash and portfolio investments in securities of federal or provincial governments, chartered banks, major trust companies or high quality corporate bonds.

#### Market risk and liquidity risk

The Foundation's portfolio investments and investment in MasterCard Incorporated shares are subject to market risk, which includes price risk arising from market volatility and the risk of loss of capital associated with these investments.

Liquidity risk is the risk the Foundation will not be able to meet its financial obligations primarily related to program disbursements as they come due. The Foundation manages liquidity risk through regular monitoring

# The MasterCard Foundation

## Notes to Financial Statements

December 31, 2012, December 31, 2011 and January 1, 2011

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(expressed in thousands of US dollars)

of forecast and actual cash flows in conjunction with the determination of both the timing and amount of sales of the MasterCard Incorporated shares, which are subject to sale restrictions as disclosed in note 5.

### 14 Status of Foundation

The Foundation is a Canadian registered charity and is designated as a private foundation under subsection 149.1(1) of the Act. The Act requires that a private foundation expend certain amounts each year on its own charitable activities or by way of donations to other qualified donees (disbursement quota). The Foundation is subject to an averaging arrangement with respect to its disbursement quota obligations, representing the sum of its annual disbursement quotas for fiscal years 2007 through 2016 inclusive (the Ten-year Period). During 2011, the Foundation obtained another five-year extension of the averaging arrangement. With this extension, the Foundation is considered to have met its disbursement quota requirements for each of the fiscal years 2007 to 2021 provided it has expended amounts on its own charitable activities and/or has made gifts to qualified donees on a cumulative basis, which equal or exceed its disbursement quota requirements for the fifteen-year period ending December 31, 2021.

### 15 Commitments

#### a) Lease commitments

The Foundation is committed to total lease payments under operating leases for office space and equipment as follows:

	\$
2013	478
2014	477
2015	472
2016	469
2017	469
Thereafter	352
	<hr/>
	2,717
	<hr/>

#### b) Current program disbursements and commitments

During the year, the Foundation expensed \$104,030 (2011- \$79,025) relating to program disbursements to qualified donees and other third parties.

Commitments to provide program funding to qualified donees and other third parties are sometimes made in multiple disbursements; however, the Foundation only commits to and expenses one disbursement at a time for each donee or other third party, with the subsequent disbursements subject to review for compliance to specified performance criteria. If the specified performance criteria are met, and funds are available, further funding of subsequent disbursements is made.



# The MasterCard Foundation

## Notes to Financial Statements

December 31, 2012, December 31, 2011 and January 1, 2011

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(expressed in thousands of US dollars)

The total program commitments relating to future years, not yet expensed, amount to \$571,910 (2011 - \$260,978) and are scheduled to be paid as follows:

	Program commitment \$	Scholarship commitment \$	Total \$
2013	92,995	81,763	174,758
2014	68,748	22,937	91,685
2015	55,407	24,974	80,381
2016	21,888	46,102	67,990
2017	7,630	51,045	58,675
Thereafter	2,811	95,610	98,421
	<u>249,479</u>	<u>322,431</u>	<u>571,910</u>

Disbursements for the scholarship commitment will be made from the reserve fund starting in 2015. Until 2015, these disbursements will continue to be made from the unrestricted fund.

Included in these commitments is \$22,181 (2011- \$8,917) committed to organizations affiliated with members of the Board of Directors.

### 16 Subsequent event

Subsequent to the year-end, the Foundation sold 403,854 shares of MasterCard Incorporated for total proceeds of \$209,982 with an appreciation in fair value of \$54,234.