



ANNUAL REPORT 2017-2018

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Message from the Chair of the Board Ron Smith

As Chair of the Board of the Arthritis Society, I am pleased to provide this annual report detailing the organization's activities, finances and focus for the fiscal year 2017/18.

From the perspective of the Board, this past year was a time to support investments and initiatives necessary to meet the challenge of change. Transformation is an over-employed term these days, but no other characterization fairly describes the dynamic in which organizations like ours are caught up. From an aging society to huge technological change and with enormous shifts in the giving patterns of the public, all health charities are seeing their work disrupted in ways both large and small. Our obligation as a Board is to help recognize these changes and guide the response of our management team to ensure the ongoing sustainability of our work and the effective achievement of our mission. Such action is needed to maintain and increase the positive impact on the millions of Canadians affected by arthritis.

In particular, the Board felt that it was crucial to boost our ability to reach as many Canadians as possible and, by extension, to elevate understanding of the increasing impact

that arthritis in all its many forms is having and will continue to have on people's lives. Although competition for people's attention has never been greater and the means to communicate with the public has never been more crowded, the need has also never been more profound. Said simply, we cannot hope to realize our goals and mission by relying on tools and approaches that were created decades ago for the challenges of that time.

For these reasons, the Board approved management's request to draw down \$1M in reserves – a modest and carefully accounted for amount from our total funds set-aside – to finance extraordinary investments in our infrastructure and outreach. The rebranding of the organization was a needed change to boost Canadians' ability to identify – and identify with – our organization and mission.

At least as important were the investments made to rebuild and restructure our website. In today's world, it is our principle instrument to connect and communicate with the public. New features, new content and new services mean that we are now equipped with the sort of online portal necessary to enable virtually all aspects of future work. It is a pre-condition to future relevance and engagement. And it opens up new possibilities to help us manage and succeed in the midst of this transformative time.

Throughout, strict controls and accountability over these expenditures were undertaken by the Board and careful management of the organization's finances remain a defining priority. In the coming year, our leadership team will be presenting

a 5 Year Revenue Plan. It will offer a comprehensive strategy to ensure our future ability to finance critical initiatives is matched by a sophisticated approach to fundraising and expenditure control.

In the Board's view, fiscal year 2017/18 will prove to have been instrumental in guiding our organization forward and preparing the Arthritis Society for the future. This past year's foundational work will be built upon in 2018/19, thanks to the leadership and skill of our management team. Taken together, our Board believes that all of these actions will leave us in a stronger position to fulfill our mission and to thrive.

Ron Smith,
Chair of the Board,
Arthritis Society

"All health charities are seeing their work disrupted in ways both large and small."



Message from the President and CEO Janet Yale

I am pleased to submit this President and CEO's update on our activities, initiatives and results as an organization for the fiscal year 2017/18, as part of the Arthritis Society's Annual Report.

This past year has been a time of deliberate and foundational investment in the organization. Like many major health charities we face a changing landscape – one that presents new opportunities and challenges. In an era of Amazon and Uber, health charities such as ours must demonstrate an agile ability to interact and support the community who turn to us for answers. It is from us that the 6 million Canadians living with arthritis expect to find what they're looking for and when they're looking for it.

With this in mind, management sought and received permission from the board in 2017/18 to draw down \$1 million from our reserves to make essential investments in our ability to engage and support our community. These investments were focused on two areas. First, we rebuilt our website, transforming it into a truly digital portal that draws in visitors, engages them actively and provides a wide cross-section of dynamic content. Second, we refreshed and rebranded our identity with an eye to strengthening our capacity to market and communicate with vital audiences.

Taken together these initiatives represent the most ambitious evolution of our public-facing operations in more than a decade, providing us with the necessary platform tools to strengthen and grow in all of our core functions.

Alongside these efforts, the organization pursued a wide number of critical initiatives during 2017/18, including:

- ▼ Creation of a new Chief Science Officer to even more tightly align our mission strategy and research practices through evidence-based work and national consultations with key stakeholders.
- ▼ The 2017 Walk For Arthritis – our signature public engagement event, drawing in thousands of participants and held in 42 communities across the country.
- ▼ Ongoing signature regional and national initiatives to engage those living with arthritis including: the Quebec Symposium, AREP in Ontario, the BC clinical fellows rheumatology pilot project and more.
- ▼ Continued focus on expenditure management and cost controls with a particular focus on technological investments in order to streamline and modernize our service delivery and efficiency.

In addition, during this past year, efforts to advance our mission goals and boost our profile through targeted public policy advocacy have proven highly successful. The Arthritis Society has emerged as a persuasive voice in helping to shape federal policy initiatives affecting areas as diverse as Pharmacare reform and medical cannabis. This brand of leadership fortifies our standing among policymakers and opinion leaders as the largest charitable funder of arthritis research in the country – and therefore the most influential voice on related policy matters.

Financial results in 2017/18 were heavily affected by external factors, many of which impacted not only our performance but that of many major health charities. Most notably, changes in

giving policies initiated by the Pharma sector saw a notable reduction in corporate revenue which fell by \$700K. In all other areas revenue goals were achieved with the exception of an isolated drop in Planned Giving revenues. These bequests that arrive through wills and estates are obviously subject to in-year variations that are not possible to plan for or affect. As noted above, we also drew substantially on our reserves with a one-time, non-recurring investment.

Overall, we ended the year with a deficit of \$3.7M. Our reserves remain healthy with total assets equivalent to \$12.7M and reserve amounts which comfortably exceed our policy requirements. We are confident that a balanced budget will be struck in 2018/19 with early indications demonstrating strong Q1 results including Planned Giving closings. That said, the changed landscape referenced above will continue to impose new realities on both our organization and others active in our sector. Expenditure management will be vital but so too, donor need will persist and we must be inventive in our approach.

In closing, 2017/18 has been an important year from the perspective of positioning the Arthritis Society to conform to shifting realities and seizing new opportunities in new ways. Our national and regional teams have never been asked to do more – nor responded with such energy and impact. We look to the work ahead knowing that we are in stronger shape than ever before to meet new challenges and to take the organization forward.

Janet Yale
President and CEO
Arthritis Society

“This past year has been a time of deliberate and foundational investment in the organization.”



Mission Strategy



Vision: To live in a world where people are free from the devastating effects that arthritis has on lives.

Mission: To invest in cutting-edge research, proactive advocacy and innovative solutions that will deliver better health outcomes for people affected by arthritis.

Our values:

- We share a passionate commitment to our mission
- We fiercely seek the bold, the innovative and the truth
- We exemplify courageous leadership and spirited teamwork
- We bring the utmost integrity to everything we do

Our new visual identity: aimed at generating much more attention for arthritis, honours our past through a sense of movement and defines our future, conveying freedom from the disease.



What We Do

Research: Through the trust and support of our donors and sponsors, the Arthritis Society is Canada's largest charitable source of investment in cutting-edge arthritis research, funding more than \$200 million in research projects since our founding – projects that have led to breakthroughs in the diagnosis, treatment and care of people with arthritis.

The Arthritis Society's research program is grounded on our goal of finding the causes and cures of arthritis and to promote the best possible treatments and care of those with arthritis. Most importantly, transparency, fairness and accountability remain priorities in our research strategy and programs.

Advocacy: As the proud voice for people affected by arthritis in Canada, we often speak up and speak out to capture the attention of decision-makers at both the Federal and Provincial levels. Our advocacy goals are to:

- champion the needs of people with arthritis to drive positive policy changes
- increase awareness and understanding of arthritis in Canada

We pursue these goals through meetings with key federal and provincial decision-makers, presentations to Parliamentary and legislative committees, publishing policy papers and analyses on vital issues, sector consultations and coalitions, public awareness campaigns and other means.

Solutions: Arthritis is a chronic condition which means once



diagnosed, a person has many challenges and factors to consider in treating, managing and coping with the disease. The Arthritis Society has a long tradition of providing educational programs, as well as innovative solutions aimed at helping people affected by arthritis have the best possible quality of life. Drawing on the expertise of health professionals and experts in their field, our goal is to provide patient centric, evidence-based information, resources and on-line tools and education.

Be it managing the disease and its medical challenges or seeking a positive lifestyle to deal with the pain and the impact arthritis has on everyday life, our resources available on-line, by phone or in person are designed with the goal of enabling and empowering people affected by arthritis.



Vanessa Balitaan almost felt like she was caring for two infants in the summer of 2016. She had just given birth to her third child when her 18-year-old daughter Cyerra, recently graduated from high school, was diagnosed with rheumatoid arthritis (RA).

"I never expected to be carrying two of my children up and down the stairs," Vanessa shared. Cyerra was in so much pain that she could not eat. Her weight had dipped to just 80 pounds. Cyerra was supposed to start university in September, "but we decided to just take the year off and focus on walking again and getting better," said Vanessa.

The family reached out to the Arthritis Society for pain management resources and support. Through staff in the Winnipeg office, the Balitaans found an agency that would connect Cyerra with an arthritis-friendly workplace that understood her sudden flares, and her need to take frequent breaks.

What has kept Cyerra going? A quotation that she came across as her condition worsened before her diagnosis: "I'm going to limp my way to success."

"She even has it engraved on her iPod," said Vanessa. "It just makes me so proud how determined and headstrong she is to accomplish her goals and dreams."

Who We Are Here To Help Cyerra Balitaan

"I'm going to limp my way to success."



For Taylor MacDonald, a childhood arthritis diagnosis changed her life. Taylor was nine years old when she started to notice the pain of childhood arthritis, 13 when she was diagnosed, and 16 when she attended the Arthritis Society's Camp JoinTogether. It was at camp that she realized she was not alone.

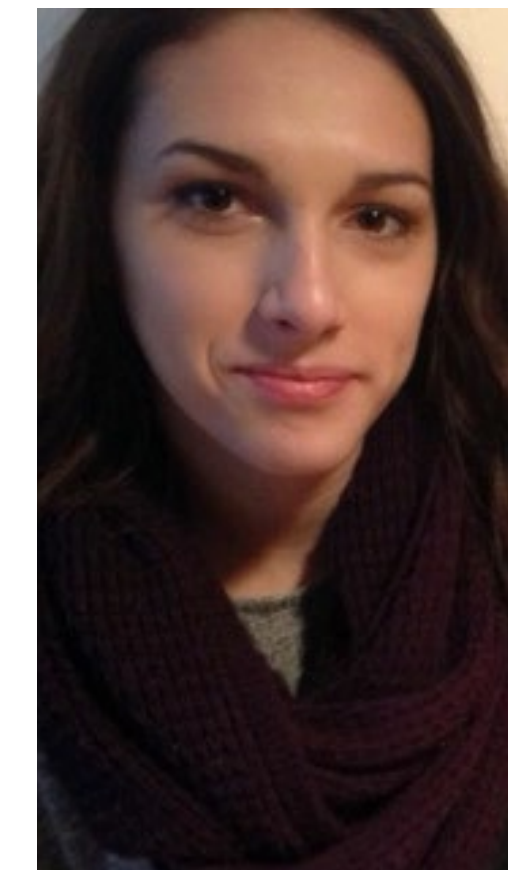
After her diagnosis, Taylor had been pulled from her sports teams, as her back was so stiff it affected her performance. She felt the pain in her hands, hips, knees, shoulders, and feet. Missing days at a time from school, Taylor struggled opening up about her disease because on the outside it did not look like anything was wrong.

"There was such a lack of understanding and empathy," Taylor describes. "You can't see arthritis, and that's the hardest thing. It took a toll on my confidence and mental health".

There was no one around Taylor, especially no one her own age, who knew what it was like to live with arthritis. No one who understood the demands of the disease, and the constant work it requires balancing activities, medications and fatigue to put your health first. Then Taylor attended Camp JoinTogether, and her view of her disease was changed.

Who We Are Here To Help Taylor MacDonald

"Arthritis Camp helped change my outlook on life."



"Camp helped me realize that arthritis didn't have to have a negative spin. Seeing and meeting other people who had gone through the same things as me, and even had it worse, was motivational. Getting to talk about arthritis and being able to relate to others is something I will always be grateful for. I'll never be able to say thank you enough to the Arthritis Society's donors."

While the pain of arthritis never really goes away, Taylor's outlook and experiences have changed what her life with arthritis looks like, thanks to the understanding, resources and support from her family, friends, and the Arthritis Society.

Through programs like Camp JoinTogether, the Arthritis Society's donors are giving Canadians like Taylor help for today, and hope for tomorrow.

The Balitaans found an agency that would connect Cyerra with an arthritis-friendly workplace that understood her sudden flares, and her need to take frequent breaks.

"I'll never be able to say thank you enough to the Arthritis Society's donors."

Pain is the number one reported symptom of arthritis. As the recent opioid crisis illustrates, however, the options for management of chronic pain are limited, and prolonged use often comes with potentially serious side effects.

Two thirds of people using medical cannabis in Canada do so to help manage symptoms of arthritis – but both patients and doctors need credible, evidence-based information to help them decide whether and how medical cannabis might have a place in treatment plans for arthritis.

That information will only come about through funding research projects like this one. With the support of The Arthritis Society and its generous donors, Dr. McDougall is carrying out the first ever study in Canada looking at cannabis use in managing pain caused by osteoarthritis.

Dr. McDougall’s research is showing that one of the non-psychoactive ingredients in cannabis (cannabidiol, or CBD) is effective at relieving pain and inflammation in mice with osteoarthritis. These findings may offer osteoarthritis patients an opportunity to better control their condition.

“Our research will offer arthritis patients in pain a new and safe way of managing their condition with minimal side effects,” says Dr. McDougall.

The Arthritis Society is leaving “no stone unturned” in its search for solutions to help people live better with arthritis today, while we work together towards a cure.

Who We Are Here To Help Dr. Jason McDougall, PhD

The first ever study in Canada to examine the use of cannabis in managing pain caused by osteoarthritis.



Juvenile idiopathic arthritis (JIA) is the most common form of arthritis affecting children. While exercise is suggested to help with symptoms related to the disease, structured exercise programs have yet to be included as part of a complete treatment plan for children living with JIA.

Thanks to the support of our generous donors, and alongside the Arthritis Health Professions Association, the Arthritis Society has made it possible for Dr. Brosseau to determine which exercise programs are best suited to helping manage the symptoms of JIA, allowing doctors, children living with the disease and their families to make informed decisions to improve health outcomes.

Called the Ottawa Panel Evidence-Based Clinical Practice Guidelines for Structured Physical Activity in the Management of Juvenile Idiopathic Arthritis, Dr. Brosseau’s study recommended Pilates, cardio-karate and aquatic exercise for children with JIA. Of these, Pilates was considered the best at reducing pain related to JIA, and was also the best at improving function and quality of life.

In support of the study, Dr. Brosseau has created educational videos in English and French to help children and their families better manage their JIA symptoms.

Research like this is helping people live better with their arthritis today – while we work together towards a cure.

Who We Are Here To Help Dr. Lucie Brosseau, PhD

Exercise guidelines will help children with arthritis stay active and mobile.



“Our research will offer arthritis patients in pain a new and safe way of managing their condition with minimal side effects”

Dr. Brosseau’s study recommended Pilates, cardio-karate and aquatic exercise for children with JIA.

Financial Information 2017 - 2018



FINANCIAL REPORT

STATEMENT OF FINANCIAL ACTIVITIES

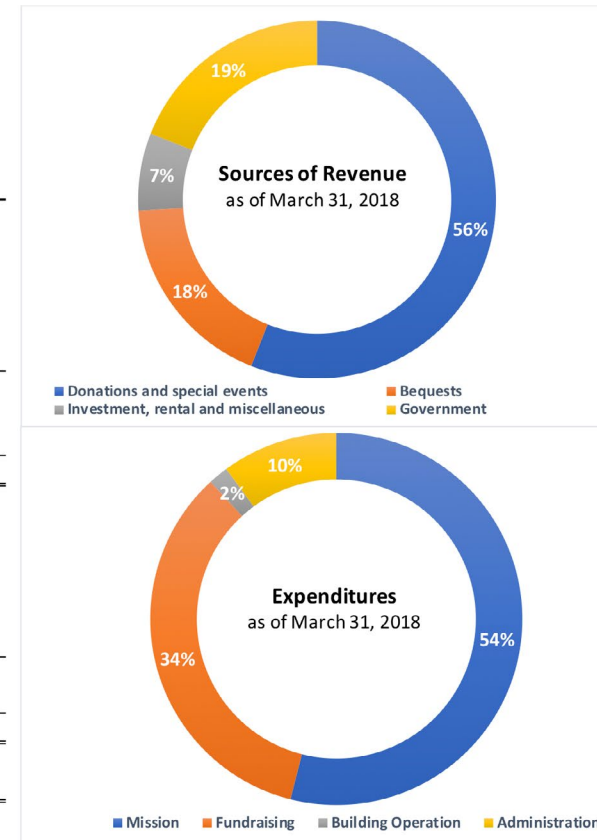
Year ended March 31, 2018, with comparative information for 2017

	2018	2017
	\$	\$
Revenue		
Support from the public:		
Campaigns	14,620,538	14,708,338
United Way	162,547	214,076
Bequests and other planned giving	4,890,891	7,436,424
	19,673,976	22,358,838
Investment, rental and miscellaneous	1,912,147	1,550,408
Support from government departments and agencies	5,131,920	5,246,075
Total revenue	26,718,043	29,155,321
Expenses		
Research	4,461,824	4,616,268
Programs and services	11,859,858	11,317,627
Building operation	522,891	536,345
Administration	3,050,267	2,899,824
	19,894,840	19,370,064
Cost of raising funds from the public	10,540,797	9,622,532
Total expenses	30,435,637	28,992,596
Excess (deficiency) of revenue over expenses	(3,717,594)	162,725

Full audited financial reports are available for review at arthritis.ca/finances.



The Arthritis Society is accredited by the Imagine Canada Standards Program, Canada's highest measure of excellence for charities and not-for-profits. For more information, visit imaginecanada.ca.



Governance

NATIONAL BOARD

Ronald Smith, Chair
 Kenneth Smith, Vice Chair
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 Cathy McIntyre
 Mary Hofstetter
 Carmelita Thompson O'Neill
 Kevork Kokmanian
 Nancy Hopkins
 Jay Cross
 Lynne McCarthy
 Bill Stewart
 Sue Furlong
 Jennifer LaPlante
 Thomas Jedrej
 Martin Daraiche
 Rosie Keough
 Jonathan Carriere
 Evelyn Sutton
 Jason McDougall

Michael Whitcombe,
 Honorary Solicitor

NATIONAL EXECUTIVE

Janet Yale President & CEO
 Sian Bevan
 Chief Science Officer
 Cheryl McClellan
 Chief Operations Officer
 Paul Haddad
 Chief Development Officer
 Jan Daly Mollenhauer
 Chief Marketing Officer

BOARD COMMITTEES

Executive

"Composed of the chairs of each board committee, we are entrusted with monitoring and guiding the performance of the Arthritis Society and the CEO. We also address urgent matters that arise between board meetings to ensure we achieve our mission."
 – Drew McArthur, Chair

Governance & Nominating

"We oversee the recruitment and succession of the national board, review recommendations for the division advisory boards across the country, and ensure that board policies are monitored and reviewed by the board as required to support effective governance."
 – Mary Hofstetter, Chair

Audit & Finance

"We fill the critical role of overseeing the financial health and sustainability of the Arthritis Society, monitor The Society's financial reporting, and remain keenly aware of managing and mitigating any risks to our financial health."
 – Duncan Mathieson, Chair

Revenue Development

"We provide strategic advice and guidance to inspire innovative revenue approaches that connect with the philanthropic nature of Canadians—so that The Society can carry out its mission."
 – Cathy McIntyre, Chair

Mission

"We oversee all investments in research, programs, services and public policy to ensure that Canadians with arthritis are receiving the best possible benefit of our donor dollars, without which, none of this would be possible."
 – Dr. Sue Furlong, Chair

Scientific Advisory Committee (SAC)

"We advise on matters pertaining to arthritis science and research, ensuring objectivity and a high standard of scientific excellence. We shape the research strategy based on the needs of people we serve and remain committed to delivering a future without arthritis."
 – Dr. Jason McDougall, Chair

Medical Advisory Committee (MAC)

"This team of clinicians in rheumatology works with SAC and helps connect the arthritis community and research investments. Representing the health-care provider voice, MAC also ensures that our education, publications, programs and services are accurate, evidence-based and relevant to Canadians with arthritis and their families."
 – Dr. Evelyn Sutton, Chair



How We Work

Our network includes a national office in Toronto, 5 divisional offices, and regional offices in major cities across Canada. In addition, we have thousands of volunteers who support the important work we do.

In 2017-2018, we were supported by over 143,000 individual and corporate donors who gave through direct donations, events, bequests and sponsorships.

THANK YOU

To our generous donors, sponsors and incredible volunteers.
You are helping to change the future for the more than 6 million people affected by arthritis.



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