

IISD Experimental Lakes Area Inc.

Financial statements

March 31, 2019



Independent auditor's report

To the Member of
IISD Experimental Lakes Area Inc.

Opinion

We have audited the financial statements of **IISD Experimental Lakes Area Inc.** ["IISD ELA Inc."], which comprise the statement of financial position as at March 31, 2019, and the statement of operations and changes in unrestricted net operating surplus (deficit), statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Winnipeg, Canada
June 17, 2019

Ernst & Young LLP

Chartered Professional Accountants



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IISD Experimental Lakes Area Inc.

Statement of financial position


As at March 31

	2019	2018
	\$	\$
Assets		
Current		
Cash	502,251	825,192
Restricted cash <i>[note 3]</i>	513,057	504,437
Current portion of grants receivable <i>[note 4]</i>	1,194,700	322,657
Accounts receivable	95,682	30,563
Prepaid expenses	44,384	67,024
Total current assets	2,350,074	1,749,873
Grants receivable <i>[note 4]</i>	260,000	230,742
Investments <i>[note 5]</i>	990,019	907,613
Capital assets, net <i>[note 6]</i>	968,640	1,096,576
Intangible assets	25,985	25,985
	4,594,718	4,010,789
Liabilities and net assets		
Current		
Accounts payable and accrued liabilities <i>[note 7]</i>	294,569	338,114
Due to International Institute for Sustainable Development <i>[note 14]</i>	22,435	60,074
Current portion of deferred contributions <i>[note 8]</i>	1,034,174	809,304
Total current liabilities	1,351,178	1,207,492
Deferred contributions <i>[note 8]</i>	584,066	393,067
Deferred capital contributions <i>[note 9]</i>	818,422	890,769
Total liabilities	2,753,666	2,491,328
Commitments <i>[note 10]</i>		
Net assets		
Net assets invested in capital assets	122,991	183,704
Sustainable Future Fund <i>[note 11]</i>	800,000	800,000
Remediation fund <i>[note 3]</i>	513,057	504,437
Unrestricted net operating surplus	405,004	31,320
Total net assets	1,841,052	1,519,461
	4,594,718	4,010,789

See accompanying notes

On behalf of the Board:


Director


Director

IISD Experimental Lakes Area Inc.

**Statement of operations and changes in
unrestricted net operating surplus (deficit)**

Year ended March 31

	2019	2018
	\$	\$
Revenue <i>[note 15]</i>		
Designated grants <i>[notes 8 and 14]</i>	3,913,578	3,475,133
Sustainable Future Fund <i>[notes 8 and 11]</i>	5,769	5,820
Donations – unrestricted	70,430	87,514
Amortization of deferred capital contributions <i>[note 9]</i>	119,706	107,375
Other <i>[note 14]</i>	463,139	319,359
Investment income <i>[note 14]</i>	13,899	12,957
	<u>4,586,521</u>	<u>4,008,158</u>
Expenses		
Field station operations	1,002,700	936,917
Field research <i>[note 14]</i>	1,685,969	1,396,977
Administration <i>[note 14]</i>	851,682	822,904
Marketing and fundraising <i>[note 14]</i>	198,884	191,333
Outreach and education <i>[note 14]</i>	338,993	276,961
Laboratory research	89,492	218,204
Offsite research and technical review <i>[note 14]</i>	97,210	25,796
	<u>4,264,930</u>	<u>3,869,092</u>
Excess of revenue over expenses for the year	321,591	139,066
Appropriation from and to unrestricted net operating surplus		
Change in net assets invested in remediation fund <i>[note 3]</i>	(8,620)	(61,787)
Change in net assets invested in capital assets <i>[note 12]</i>	60,713	(32,047)
Increase in unrestricted net operating surplus	373,684	45,232
Unrestricted net operating surplus (deficit), beginning of year	31,320	(13,912)
Unrestricted net operating surplus, end of year	405,004	31,320

See accompanying notes

IISD Experimental Lakes Area Inc.

Statement of changes in net assets

Year ended March 31

	Net assets invested in capital assets \$ <i>[note 12]</i>	Sustainable Future Fund \$ <i>[note 11]</i>	Remediation fund \$ <i>[note 3]</i>	Unrestricted net operating surplus \$	Total 2019 \$	Total 2018 \$
Balance, beginning of year	183,704	800,000	504,437	31,320	1,519,461	1,330,395
Excess (deficiency) of revenue over expenses for the year	(89,100)	80,078	—	330,613	321,591	139,066
Transfer of interest earned on investments to deferred contributions <i>[notes 8 and 11]</i>	—	(80,078)	—	80,078	—	—
Contributions received during the year	—	—	—	—	—	50,000
Transfer to remediation fund <i>[note 3]</i>	—	—	8,620	(8,620)	—	—
Investment in capital assets	28,387	—	—	(28,387)	—	—
Balance, end of year	122,991	800,000	513,057	405,004	1,841,052	1,519,461

See accompanying notes

IISD Experimental Lakes Area Inc.

Statement of cash flows

Year ended March 31

	2019	2018
	\$	\$
Operating activities		
Excess of revenue over expenses for the year	321,591	139,066
Add (deduct) items not affecting cash		
Amortization of capital assets	89,100	106,777
Amortization of capital assets funded by capital contributions	119,706	107,375
Amortization of deferred capital contributions to revenue	(119,706)	(107,375)
Gain on disposal of capital assets	(1)	(13,678)
Sustainable Future Fund	(5,769)	(5,820)
	404,921	226,345
Changes in non-cash working capital balances related to operations		
Grants receivable	(901,301)	(429,399)
Accounts receivable	(65,119)	(9,320)
Prepaid expenses	22,640	24,710
Accounts payable and accrued liabilities	(43,545)	148,265
Due to International Institute for Sustainable Development	(37,639)	(10,916)
Deferred contributions	421,638	815,712
Cash provided by (used in) operating activities	(198,405)	765,397
Investing activities		
Proceeds on sale of capital assets	1	13,678
Purchase of capital assets	(80,870)	(287,676)
Purchase of investments – net	(82,406)	(123,089)
Contributions to restricted cash	(8,620)	(61,787)
Cash used in investing activities	(171,895)	(458,874)
Financing activities		
Capital contributions received	47,359	126,749
Contributions received for the Sustainable Future Fund	—	50,000
Cash provided by financing activities	47,359	176,749
Net increase (decrease) in cash during the year	(322,941)	483,272
Cash, beginning of year	825,192	341,920
Cash, end of year	502,251	825,192

See accompanying notes

IISD Experimental Lakes Area Inc.

Notes to financial statements

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1. Incorporation, mandate and tax status

IISD Experimental Lakes Area Inc. ["IISD ELA Inc."] was incorporated on August 21, 2013 under the *Canada Not-for-profit Corporations Act* in which International Institute for Sustainable Development ["IISD"] is the sole member. The Experimental Lakes Area is a freshwater research facility in Northwestern Ontario that has operated as a government research facility over the past 50 years. IISD ELA Inc. assumed control of the management and operations of the Experimental Lakes Area on April 1, 2014. IISD ELA Inc. obtained charitable status in Canada on November 10, 2014.

2. Significant accounting policies

The financial statements have been prepared in accordance with Part III of the *CPA Canada Handbook – Accounting*, "Accounting Standards for Not-for-Profit Organizations," which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the following significant accounting policies:

Revenue recognition

IISD ELA Inc. follows the deferral method of accounting for contributions, which includes government grants.

Designated grants revenue

Designated grants must be expended in accordance with the funder's designation. Revenue for grants designated for specific current or future activities is recorded in the accounts as the related expenses are incurred.

Sustainable Future Fund revenue

Revenue for Sustainable Future Fund projects is recorded in the accounts as the related expenses are incurred as prescribed in the funding agreement.

Unrestricted donations revenue

Donations are recognized as revenue when the funds are received.

Amortization of deferred capital contributions

Capital contributions are recognized as revenue as the related amortization expenses are incurred.

Investment income

Investment income is recorded on an accrual basis. Investment income includes dividend and interest income, distributions from mutual funds, and realized and unrealized gains and losses, less transaction costs and management fees.

Other revenue

Other revenue includes in-kind contributions, cost recoveries and lab analysis and facility fees. Cost recoveries are recognized when received. In-kind contributions are recognized upon receipt of the in-kind item(s) and are measured at fair market value, and lab analysis and facility fees are recognized on an accrual basis when incurred.

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Financial instruments

IISD ELA Inc. initially measures its financial assets and financial liabilities at fair value. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost.

The financial assets subsequently measured at amortized cost include accounts receivable, grants receivable and fixed income investments. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities, deferred capital contributions and deferred contributions.

Allocation of expenses

The costs of personnel and other expenses directly related to functions are allocated to each function. General support and other costs are not allocated.

Investments

Investments include cash, equities, fixed income securities and mutual funds. Investments reported at fair value consist of equity instruments quoted in an active market, mutual funds, and fixed income securities and equity instruments not quoted in an active market that the organization designates upon purchase to be measured at fair value. Transaction costs are recognized in the statement of operations and changes in unrestricted net operating surplus (deficit) in the period during which they are incurred. Transactions are recorded on a trade date basis.

Cash and cash equivalents

Cash and cash equivalents consists of cash deposits and short-term investments with an original term to maturity less than 90 days or able to be cashed on demand. Cash and investments meeting the definition of cash and cash equivalents that are held for investing rather than liquidity purposes are classified as investments and recorded as long-term assets.

Capital assets

Capital assets are recorded at cost. Amortization, which is based on the cost less the residual value over the useful life of the asset, is computed using the straight-line method over the following terms:

Boats, motors and vehicles	3 years, no residual
Equipment	5 years, no residual
Computer systems	3 years, no residual
Office equipment	10 years, 5% residual
Buildings	20 years, no residual
Leasehold improvements	Remaining term

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Intangible assets

IISD ELA Inc. purchased the perpetual right, through a bait block purchase, to be the sole harvester of bait fish on specific lakes and streams. Intangible assets are carried at cost, less accumulated amortization and accumulated impairment losses, if any. Management has determined its intangible assets have an indefinite useful life and, accordingly, they are not amortized, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable.

Use of estimates

The preparation of financial statements in conformity with accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include the useful lives of capital assets. Actual results could differ from these estimates.

Recently issued accounting standards

Standards issued but not yet adopted

Section 4433, *Tangible Capital Assets Held by Not-for-Profit Organizations* and Section 4434, *Intangible Assets Held by not-for-Profit Organizations*

Section 4433 and Section 4434 prescribe that not-for-profit organizations follow the guidance in Accounting Standards for Private Enterprises ["ASPE"] Sections 3061, *Property, Plant and Equipment*, Section 3064, *Goodwill and Intangible Assets*, and Section 3310, *Asset Retirement Obligations*, except for not -for-profit organizations specific guidance included in Section 4433 and Section 4434 on contributed assets and write-downs of assets. Applying Section 3061 would include considering the guidance on asset componentization. Additionally, a tangible capital asset or intangible asset is written down to its fair value or replacement cost to reflect a partial impairment of the asset when conditions indicate that the asset:

- No longer contributes to a not-for-profit organizations' ability to provide goods or services; or
- The value of future economic benefits or service potential associated with the asset is less than its net carrying amount.

Section 4433 and Section 4434 provide examples of conditions that may indicate impairment and any impairment would be disclosed in accordance with the requirements in ASPE Section 3063, *Impairment of Long-lived Assets*. These standards are applied prospectively in accordance with Section 1506, *Accounting Changes*, except as permitted by the transitional provisions. Standards will be effective for fiscal years beginning on or after January 1, 2019. IISD ELA Inc. is currently evaluating the impact that this amendment will have on its financial statements.

Section 4460, Disclosure of Related Party Transactions

Section 4460 had one amendment effective for periods beginning on or after January 1, 2020 [paragraph 4460.01A] which states that a not-for-profit organization would apply Section 3856, *Financial Instruments* to the accounting for and disclosure of financial instruments in a related party transaction except as otherwise specified. IISD ELA Inc. is currently evaluating the impact that this amendment will have on its financial statements.

IISD Experimental Lakes Area Inc.

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3. Restricted cash

IISD ELA Inc. established a fund to cover the costs of the remediation of the ELA sites under certain circumstances, as outlined in the signed funding agreement with the Province of Ontario. IISD ELA Inc. is required to contribute a total amount of \$500 thousand to the fund, which was fully transferred in prior years. The funds are held in an interest-bearing account, with IISD ELA Inc. and the Government of Ontario having joint signing authority. Based on the restrictions on the use of the funds, the amounts are recorded as restricted cash as well as allocated to restricted amounts within net assets. During the year, interest of \$9 thousand [2018 – \$5 thousand] was earned on the account.

4. Grants receivable

Grants receivable consist of the following:

	2019	2018
	\$000s	\$000s
Government of Ontario	500	—
Canadian Energy Pipeline Association	355	270
Canadian Association of Petroleum Producers	260	268
Trent University	110	—
Government of Canada [Department of Fisheries and Oceans]	100	—
Northern Ontario Heritage Fund Corporation	30	—
Jacor LLC	100	—
Thomas Sill Foundation	—	15
	1,455	553
Less current portion	1,195	322
	260	231

5. Investments

Investments consist of the following:

	2019	2018
	\$000s	\$000s
Common shares, measured at fair value	466	425
Canadian and foreign fixed income, measured at amortized cost	319	286
Mutual funds, measured at fair value	205	197
	990	908

All investments are denominated in Canadian dollars and invested in accordance with IISD ELA Inc.'s investment policy.

Canadian fixed income investments consist of bonds that have a weighted average term to maturity of 10 years, 2 months and a weighted average yield to maturity of 2.40%.

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Foreign fixed income investments consist of bonds that have a weighted average term to maturity of 9 years, 7 months and a weighted average yield to maturity of 2.30%.

The common shares and mutual funds consist of a diversified portfolio of widely held publicly traded securities and units of mutual funds. The unit price of these equities will fluctuate with market conditions.

The amounts invested in mutual funds consist of domestic and global bond and equity funds.

6. Capital assets

The categories of capital assets are summarized as follows:

	2019		2018	
	Cost \$000s	Accumulated amortization \$000s	Cost \$000s	Accumulated amortization \$000s
Boats, motors and vehicles	416	358	375	293
Equipment	377	233	344	158
Computer systems	76	72	70	63
Office equipment	20	9	20	6
Leasehold improvements	138	99	138	83
Buildings	794	81	794	41
	1,821	852	1,741	644
Net book value		969		1,097

7. Government remittances payable

Accounts payable and accrued liabilities include government remittances payable of \$7 thousand [2018 – \$7 thousand].

8. Deferred contributions

Deferred contributions are amounts by which recorded funding commitments exceed the revenue recognized.

	2019 \$000s	2018 \$000s
Balance, beginning of year	1,202	393
Deferred contributions received	4,255	4,205
Transfer of interest earned from Sustainable Future Fund [note 11]	80	73
Amounts amortized to revenue	(3,919)	(3,469)
Balance, end of year	1,618	1,202

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At March 31, the deferred contributions balances are as follows:

	2019	2018
	\$000s	\$000s
RBC Foundation	496	125
Canadian Energy Pipeline Association	318	350
Canadian Association of Petroleum Producers	282	329
Sustainable Future Fund	148	73
Jacor LLC	100	—
National Sciences and Engineering Research Council of Canada	74	88
Fort Whyte Alive	71	—
Manitoba Hydro	58	151
Azrieli Foundation	50	—
Michael Paterson and Gail Asper	10	19
Tides Canada	5	22
Estate of Robert Cooke	4	13
Other Restricted Donations	2	—
Telus Foundation	—	12
Salamander Foundation	—	9
Winnipeg Foundation	—	7
Richardson Foundation	—	4
	1,618	1,202
Less current portion	1,034	809
	584	393

The deferred contributions are mainly intended to fund diluted bitumen studies, long-term monitoring and research on indicators of fish productivity, freshwater science literacy, summer students visiting and working onsite, First Nations outreach and research infrastructure.

9. Deferred capital contributions

Deferred capital contributions represent contributed assets and externally restricted contributions for the purchase or construction of capital assets. These contributions are being amortized on the same basis as the amortization of the related capital assets. The changes in the deferred capital contributions balance for the year are as follows:

	2019	2018
	\$000s	\$000s
Balance, beginning of year	891	871
Capital contributions	47	127
Amounts amortized to revenue	(120)	(107)
Balance, end of year	818	891

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At March 31, the deferred capital contributions balances are as follows:

	2019	2018
	\$000s	\$000s
Michael Paterson and Gail Asper	625	663
Richardson Foundation	88	124
Manitoba Hydro	51	52
Thomas Sill Foundation	15	30
Government of Canada [Department of Fisheries and Oceans]	15	17
Canadian Association of Petroleum Producers	14	5
Other Restricted Donations	10	—
	818	891

10. Commitments

IISD ELA Inc. is obligated to make annual rental payments for its rent portion to its parent company, IISD, over the next three years. The obligation for the next year is \$95 thousand to be renewed annually.

11. Sustainable Future Fund

The Sustainable Future Fund was created with the initial donation of capital of \$250 thousand by a private donor. This initial donation, the "Original Capital," was fully expended at March 31, 2017 as per the donation agreement. In prior years, the fund received "Additional Capital" of \$800 thousand. All Additional Capital is to be permanently retained. To the extent possible, the interest earned from the Additional Capital will be used to support two to three summer students each year, as per the agreement. During the year, the current agreement with the funder was amended to allow for the interest earned on the fund to support the ongoing efforts of the IISD-ELA Inc.'s Education and Outreach program of activities, particularly emphasizing the involvement of Canadian university student researchers.

Expenses amounting to \$6 thousand were incurred during fiscal 2019 [2018 – \$6 thousand], resulting in revenue of that amount being recorded to match the expenses incurred. The current year investment income earned on the Additional Capital of \$80 thousand was recorded in deferred contributions [2018 – \$73 thousand].

The Additional Capital has been invested in an investment portfolio subject to IISD ELA Inc.'s investment policy [note 5].

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12. Internally restricted for capital assets

Change in net assets internally restricted for capital assets relates to assets that were acquired without specific directed funding and is calculated as follows:

	2019 \$000s	2018 \$000s
Amortization of capital assets	(89)	(107)
Purchase of capital assets	28	139
	<u>(61)</u>	<u>32</u>

13. Financial instruments

The organization is exposed to various financial risks through transactions in financial instruments.

Interest rate risk

IISD ELA Inc. is exposed to fluctuations in interest rates that could affect cash flows. IISD ELA Inc. does not use derivative financial instruments to manage interest rate risk.

The organization is exposed to interest rate risk with respect to its fixed income investments as well as fixed income mutual funds that hold fixed income securities because the fair value of the investments will fluctuate due to changes in market interest rates.

Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. Credit risk related to IISD ELA Inc.'s grants receivable and accounts receivable is mitigated by the fact that the majority of the receivables are due from established entities as outlined in note 4. The carrying value reflects management's assessment of the associated maximum exposure to such credit risk.

Currency risk

Currency risk is the risk that arises from fluctuations in currency exchange rates, and the degree of volatility of these rates. Since IISD ELA Inc.'s cash inflows and outflows are mainly in Canadian dollars the exposure to currency risk is insignificant. IISD ELA Inc. does not use derivative instruments to reduce its exposure to foreign currency risk.

The organization is exposed to foreign currency risk with respect to the underlying investments of its global mutual funds or equity instruments denominated in foreign currencies because the fair value and future cash flows will fluctuate due to changes in the relative value of foreign currencies against the Canadian dollar. The Organization's foreign currency risk is mitigated by its investment portfolio which has a limited foreign component.

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Other price risk

The organization is exposed to other price risk through changes in market prices [other than changes arising from interest rate risk or currency risk] in connection with its investments in equity securities and mutual funds invested in underlying equities.

14. Related party transactions

IISD is the sole member of IISD ELA Inc. During the year, IISD ELA Inc. earned revenue from IISD of \$18 thousand [2018 – \$29 thousand] and incurred \$451 thousand in expenses under a shared services agreement with IISD [2018 – \$365 thousand], in addition to \$110 thousand of additional services provided by IISD [2018 – \$127 thousand]. At March 31, 2019, IISD ELA Inc. has an amount owing to IISD of \$22 thousand [2018 – \$60 thousand]. This amount owing to IISD represents the expenses incurred in the last month of the year due as at March 31 and accordingly the balances are non-interest bearing.

Throughout the year, IISD ELA Inc. and IISD required intercompany loans for cash flow purposes, which were fully repaid during the year. Interest charged on these loans was at prime plus 1%. Total interest expense paid to IISD for the year was \$180 [2018 – \$6 thousand] and is recorded in administration expenses.

Related party transactions are recorded at the exchange amount and are in the normal course of operations.

15. Economic dependence

IISD ELA Inc. has funding agreements with the Government of Ontario and the Government of Canada [Fisheries and Oceans] ending March 31, 2020 and March 31, 2022 for \$2.0 million and \$1 million, respectively, each year. These designated grants account for 65% of the total revenue in the current year [2018 – 77%]. In March 2019, a one-year extension of the current funding agreement with the Government of Ontario was signed providing funding for \$2 million.

16. IISD ELA Inc. Endowment Fund

In September 2018, IISD ELA Inc. entered into an agreement with The Winnipeg Foundation to establish the IISD ELA Inc. Endowment Fund. All contributions made to the endowment fund are held and invested by The Winnipeg Foundation. Contributions to the fund are made by both IISD ELA Inc. and the general public. Investment income generated from the contributed capital may be used at the discretion of the Board of Directors of IISD ELA Inc.

IISD ELA Inc. did not make any contributions to The Winnipeg Foundation, nor did it draw out investment income earned on the endowment fund during the year.

As of March 31, 2019, the fund had a market value of \$164 thousand.

17. Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation.