IISD EXPERIMENTAL LAKES AREA 2014-2015 ANNUAL REPORT



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MESSAGE FROM THE CHAIR OF THE BOARD

Area (IISD-ELA) was born.

This was the After 47 years of ground-breaking freshwater research and whole-lake experimentation, Canada's Experimental Lakes Area's programming year that IISD and legacy were transferred to one of the world's leading sustainable Experimental Lakes development think tanks, the International Institute for Sustainable Development (IISD).

IISD working with the Experimental Lakes Area is a unique and highly effective match. The innovative freshwater research happening at the facility will immediately influence the policy work happening at IISD, ensuring that the science

reaches the right people at the right time. And this is happening at a time when freshwater science has never been more critical. In 2015 we

are already bracing ourselves for the impact of climate change, under-researched chemicals and pollutants entering our water—all pressing issues that IISD-ELA's current research is tackling head-on.

As you will read in the following pages, we are already seeing how great a match IISD and the Experimental Lakes Area is proving to be, with a highly successful first research season, an exciting education and outreach agenda, and a fundraising plan put in place.

It has been a great year, and we are looking forward to many more.



MESSAGE FROM THE EXECUTIVE DIRECTOR

IISD-ELA commenced operation on April 1, 2014. following agreements between Ontario, Canada and IISD to transfer operations and partially fund the Experimental Lakes Area as a private organization. A new era then began, allowing us to marry the Experiment Lakes Area's world-class freshwater research with IISD's influential policy analysis and recommendations.

Our primary first-year objectives were to: (1) continue long-term monitoring without interruption; (2) relaunch projects initially started by the Department of Fisheries and Oceans; (3) launch a new whole-lake nanosilver project; and (4) begin a strategic planning exercise.

We are pleased to announce that all of these objectives were met.

Long-term monitoring continued without interruption, including the ongoing research into eutrophication at the iconic Lake 227, which first alerted the world to the effects of phosphorus on freshwater back in the 1960s. Unfortunately, eutrophication is still plaguing lakes around the world, and so we continue to investigate it, along with other pressing issues affecting our water, including climate change and mercury. We are also pleased to launch a new nanosilver project this year in partnership with Trent University, just as the effects of nanotechnology, found in many consumer products, are piquing public interest.

IISD-ELA cannot exist without the hard work, support and dedication of our tireless staff, and we would like to thank them unreservedly for ensuring that our first year of IISD-ELA was an In addition, IISD-ELA has begun to explore our unprecedented success. Moreover, we would like educational potential by hosting high school to express our gratitude to our many funders from and university field courses. Engagement with the private and public sectors, without whom we communities in Northwestern Ontario was a key could not keep doing what we do best: working to strategic focus, and events and outreach were held keep our water safe and clean, for our generation in Kenora, Dryden and with many First Nations. and for those to come.





The driving theme of 2014–15 was continuity. The experience from 2014 research activities—combined with education and outreach—has provided us with information and insight for strategizing the future directions of IISD-ELA. The strategic planning process began in October 2014 and is being conducted in two stages. First, big picture strategic thinking has been done using a methodology called Theory of Change. In October 2014 IISD-ELA launched a strategic planning process to examine our desired impact and develop a Theory of Change for IISD-ELA. This process is now complete, and we are working to develop an implementation plan for the next five years.

HIGHLIGHTS FROM THIS PAST YEAR AT IISD EXPERIMENTAL LAKES AREA

APRIL

IISD assumes operation of Canada's renowned Experimental Lakes Area.



MAY

The first official research season starts at IISD-ELA.



JUNE

IISD-ELA surpasses \$25,000 Indiegogo campaign goal.



JULY

IISD-ELA announces appointment of the inaugural Board of Directors.

AUGUST

The first ever IISD-ELA High School Field Experience (ELSE) starts with students from St. John's-Ravenscourt.



OCTOBER[±]

IISD-ELA and University of New Brunswick release findings of successful estrogen research study.



NOVEMBER[±]

IISD-ELA's Chief Research Scientist Michael Paterson leads a TedX Talk at University of Manitoba.



DECEMBER

IISD-ELA announces recently acquired charitable status from the Canada Revenue Agency.

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JANUARY

The first official IISD-ELA winter survey is completed.

FEBRUARY

IISD and IISD-ELA host the 2015 Water Gala in Toronto.







SEPTEMBER[±]

IISD-ELA confirms upcoming anonymous pledge of \$1,000,000 to assist with research fellowships and outreach positions.



MARCH

Both IISD and IISD-ELA move into brand new offices in the heart of Winnipeg's historical Exchange District.







IISD-ELA FACILITIES

Ice-off on May 18, 2014 marked nature's start to another field season of research at the Experimental Lakes Area and, of particular significance, the very first field season of operations for IISD Experimental Lakes Area Inc. (IISD-ELA).

Transfer of the ownership of IISD-ELA to a not-for-profit organization meant that certain operations would now require approval from the province. Water treatment and health regulations fell under the jurisdiction of the Northwestern Health Unit, and by July of 2014 our kitchen/dining facility and our water treatment plant had successfully passed inspection. By November, we were also pleased to learn that we had met our target for filing environmental compliance applications for air emissions and subsurface sewage works with the Ontario Ministry of the Environment and Climate Change.

The 2014 field season also involved ambitious facility maintenance projects and renewal initiatives. To meet an immediate need for family-style accommodations for our researchers, we started renovating two existing cabins in January 2014 and had completed the project by March 31, 2015. Moreover, a new infrastructure project was initiated to design two new accommodations to meet the growing need. We also explored moving the facility towards new renewable energy alternatives.

The total number of site usage working days for the 2014 field season (May–October) was 3.498. This was higher than anticipated and a return to levels seen previously by Fisheries and Oceans Canada. IISD-ELA personnel accounted for 42.3 per cent of site usage, and 23.2 per cent of total site usage involved the graduate research of 13 different students representing five educational institutions. Summer students represented 11 per cent of total site usage days. We also hosted 44 individual researchers representing 10 different institutions.

The operational success of IISD-ELA depends on the efforts of many people, including the expertise, professionalism and work ethic of all the IISD-ELA facility users. The cooperation and assistance of the IISD-ELA staff is essential and valued. I would like to take this opportunity to recognize their contribution in making the 2014 field season a great success.





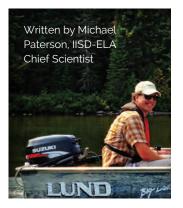
IISD-ELA RESEARCH

In 2014–15, IISD-ELA embarked on its first exciting In 2014 we began a new whole-ecosystem experiment led by a team of researchers from Trent University on the environmental effects of nanosilver. Despite increasing use of nanosilver in many consumer products, relatively little is known about its fate and toxicity in the environment. Following three years of pre-impact study, we began adding nanosilver to Lake 222 and are following changes in chemistry, aquatic biota and fish. In addition to the nanosilver team. groups from several universities and government agencies were active at the IISD-ELA facility. These researchers were studying factors affecting harmful algal bloom development, contaminants in fish and the development of new methods of monitoring fish behaviour.

season as an independently operated research facility. The transfer of the program to IISD in 2014 allowed our research to continue successfully for a 47th year. For the first year under the new operating model, we planned to assemble a team of researchers, continue the long-term monitoring program, initiate a new whole-ecosystem experiment on the effects of nanosilver and begin development of new research projects and areas. Upon completion of the transfer, a team of new staff immediately got to work. Most of these new team members had previously worked at ELA with Fisheries and Oceans Canada (DFO),

allowing for a smooth transition. In addition, several undergraduate and graduate students worked with the research group.

The first priority was to ensure the continuation of IISD-ELA's 47-year monitoring record for meteorology, hydrology, water chemistry and aquatic organisms. Data from these lakes are being used to examine the effects of climate change, factors affecting harmful algal blooms, the effects of water diversions on lakes and mercury contamination in fish.



In 2014 alone, 17 papers were published in peerreviewed journals based on research at IISD-ELA. Next year, we look forward to continuing the long-term monitoring of reference lakes and of existing projects. Following a strategic planning process, we have begun an extensive effort to develop new experiments and research projects, with an emphasis on pressing issues such as eutrophication, contaminants and climate change.

Overall, the first year of research at IISD-ELA was extremely successful, and we look forward to many new, exciting projects in the years to come. We owe a great deal of thanks to the many team members and supporters of IISD-ELA!







One of the most exciting opportunities that the birth of IISD-ELA in 2014 offered was opening the door to potential new education and public awareness programming. The 2014 field season saw us explore what we had to offer to surrounding communities through outreach, and what we could learn from them. To this end, IISD-ELA piloted a number of education and outreach-related activities during the 2014 field season.

This programming included the first ever IISD-ELA High School Field Experience (ELSE). In partnership with Saint John's-Ravenscourt in Winnipeg, five students spent two weeks living and working with IISD-ELA scientists. The students participated in research, spent three days canoeing through the region and conducted a selfguided inquiry study of their own. The experience was positive for both IISD-ELA researchers, who learned from the communication challenge of explaining their work in a comprehensible manner, and the students, who enjoyed the experience of being able to work directly with scientists.

A kid's tour for members of the Lake of the Woods Property Association was also a great success. Students spent a day at the site and had the opportunity to see fish seining and basic lake sampling, collect and identify aquatic invertebrates, and even participate in some chemistry of their own!

At the university level, a field component of Lakehead University's Fish and Wildlife Practice (Natural Resources Management 4251) was held at IISD-ELA. Students from Thunder Bay used the field station for a hands-on experience in field sampling and principles in basic ecological monitoring.

We also started an engagement process with First Nations communities in the IISD-ELA region. With support from a University of Winnipeg student, outreach and engagement with the communities nearest to IISD-ELA was initiated through meetings and presentations with community members. In 2014 an engagement was held in Kenora, as well as with the First Nations of Naotkamegwanning

IISD-ELA EDUCATION AND OUTREACH

(Whitefish Bay), Eagle Lake, Ochiichagwe'Babigo'Ining (Dalles), Obashkaandagaang (Washagamis), Asubpeeschoseewagong (Grassy Narrows) and Wauzhushk Onigum (Rat Portage). We are very pleased that this outreach has generated strong interest in IISD-ELA as well as potential future partnerships for research and education. Additionally, we have been working directly with the Grand Council of Treaty 3 on possible research collaboration, and on two occasions IISD-ELA personnel have attended and presented at Grand Council of Treaty 3 Anishinaabe Nation Chiefs' Assemblies.

As we move into our second year as IISD-ELA, we are already excitedly building on the strong foundation we built this past year. We are looking forward to engaging with and learning from the surrounding communities, who have so generously supported us from the beginning, recognizing the importance of this unique freshwater research facility.



IISD-ELA BY THE NUMBERS 2014 | 2015

1968 First year of operation at the Experimental Lakes Area

2227 The number of the lake used in the groundbreaking experiment that initially proved that phosphorus was the main cause of algal blooms, leading countries globally to take steps to reduce the

amount of phosphorus

entering waterways



Individuals from around the world who donated to our highly popular Indiegogo campaign in May 2014





Person days of IISD-ELA site usage during the May-October 2014 research season





Number of followers of the @IISD_ELA Twitter handle in the past year

184



Individuals who visited or worked at IISD-ELA in the past year



Number of successful seasons completed since IISD took over operation of the facility



IISD-ELA TEAM



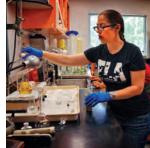
























IISD-ELA 2014-2015 Board of Directors

Scott Vaughan James Bruce Stephanie Cairns Glenn Crook Phil Fontaine Sheila Fraser Matthew McCandless

IISD-ELA 2014-2015 Staff

Ken Beaty Graham Blakelock Meghan Borland Sandra Chalanchuk Andrew Chapelsky Colin Charles Gerald Fitzgerald Soleil Grise Lauren Hayhurst Scott Higgins Sonya Higgins Lee Hrenchuk Donna Laroque Mark Lyng Matt McCandless Roger Mollot John Neall Michael Paterson Stephen Paterson Brandon Penfold Michael D. Rennie Chandra Rodgers Mark Unger

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INDEPENDENT AUDITORS' REPORT

To the Members of IISD Experimental Lakes Area Inc.

We have audited the accompanying financial statements of the IISD Experimental Lakes Area Inc., which comprise the statement of financial position as at March 31, 2015 and the statements of operations and changes in unrestricted net operating assets, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory for the purpose of expressing an opinion on the 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 **OPINION** fraud or error.

AUDITORS' 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 auditors' 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 auditors consider 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 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.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the IISD Experimental Lakes Area Inc. as at March 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with accounting standards for not-for-profit organizations.

Ernst & young LAP

Chartered Accountants

Winnipeg, Canada June 23, 2015

STATEMENT OF FINANCIAL POSITION

As at March 31

ASSETS

Current Operating account Remediation account Total cash Grants receivable Accounts receivable Prepaid expenses Total current assets Capital assets

LIABILITIES AND NET ASSETS

Current Accounts payable and accrued liabilities Due to IISD Deferred revenue Deferred contribution in-kind Total current liabilities Commitments

Net assets

Net assets invested in capital assets IISD ELA Sustainable Future Fund Unrestricted net operating deficit Total net assets

2015 \$
117,613
188,177
305,790
261,000
41,608
157,372
765,770
332,368
1,098,138
203,460
271,416
87,861
202,563
765,300
129,805
250,641
(47,608)
332,838
1,098,138

2015

STATEMENT OF OPERATIONS AND CHANGES IN UNRESTRICTED NET OPERATING ASSETS

Year ended March 31

REVENUE	2015 \$
Designated grants	2,250,000
Interest	2,095
Other revenue	148,192
	2,400,287
EXPENSES	
Administration	1,184,347
Field station operations	541,841
Field research	396,384
Laboratory research	146,553
Marketing and fundraising	48,965
	2,318,090
Excess of expenses over revenue	82,197
Appropriation from unrestricted net operating assets	
Net assets invested in capital assets	(129,805)
Decrease in unrestricted net operating assets Unrestricted net operating assets, beginning of year	(47,608)
Unrestricted net operating deficit end of year	(47,608)
on estileted het operating denet end of year	(47,000)

THANK YOU FROM IISD-ELA

IISD Experimental Lakes Area is extremely thankful for all the support we have received in our first year of operation.

Sincere thanks to our funders:

Government of Ontario Government of Manitoba Gail Asper and Michael Paterson Tides Canada

*Additional thanks go to: James Angle David and Ruth Asper Margaret E. Atwood John Bailey Paul Blanchfield ELA Support Group-Kenora Sheila Fraser Daniel Gagnier Gail Asper Family Foundation Donations in honour of Amy Gilbert Government of Canada Lake of the Woods Property Owners Association Lake Weslemkoon Conservation Association Lake Winnipeg Foundation David W. Mayhood

Frances McCoubrey Terence M. McNabb Thomas Sill Foundation **RBC** Foundation Robert Page Rod Paterson in honour of Anne Paterson Joan Richardson Kim Sanderson Walter & Duncan Gordon Foundation The Winnipeg Foundation

All who generously donated to IISD-ELA via CanadaHelps.org

All who generously donated to our Indiegogo crowdfunding campaign

Special thank you goes to Lauren Hayhurst whose wonderful photos have greatly assisted us in communicating the IISD-ELA message this year.

> This list includes, but is not limited to, all individuals and groups that have donated over \$500 CAD to IISD-ELA this year



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