Pembina Institute
Annual Financial Report 2012
Energy and environmental issues continue to remain top of mind for many Canadians. As a think tank, we value the wide range of perspectives on energy development, and we see debate and disagreement as both constructive and essential to fostering a robust public conversation about Canada’s energy future.

Public demand for balanced and credible research and analysis to inform that conversation has never been higher.

Whether we are injecting reasoned analysis into energy and environmental debates, convening key decision makers to chart a path toward responsible fossil fuel development, or helping a municipality reduce its greenhouse gas emissions, the Pembina Institute is having a positive impact. We do all of this work in a manner that is rational, respectful and constructive.

We are deeply grateful to the visionary philanthropists, innovative partners, charitable foundations and clients who joined with us in 2012 to lead Canada’s transition to a clean energy future. We rely heavily on this support to meet the increasing demand for our work.

If you have not already done so, please visit www.pembina.org/subscription and subscribe to the alerts and updates produced by our Pembina experts. This is the best way for us to stay accountable to you on our activities and successes.

The attached report contains our audited financial statements and our 2012 list of supporters, partners and clients.

Should you have any questions about the contents of this report, please contact Ibrahim Inayatali, director of strategic partnerships, at ibrahimi@pembina.org or 403-269-3344.

The mission of the Pembina Institute is to advance clean energy solutions through innovative research, education, consulting and advocacy.
Our Supporters

The Pembina Institute is extremely grateful to these supporters for helping to advance its mission in 2012.

$200,000+
Oak Foundation
Anonymous (1)

$100,000-$199,999
Suncor Energy Inc.

$50,000-$99,999
Environmental Defence
McCall MacBain Foundation
Scotiabank

$20,000-$49,999
Alberta Real Estate Foundation
EnCana Corporation
Imperial Oil
Mountain Equipment Co-op
Real Estate Foundation of British Columbia
Statoil
TD Bank Financial Group
University Of Victoria
Anonymous (2)

$10,000-$19,999
Climate Action Network Canada
Jackson Power and Electric
University of Alberta

$5,000-$9,999
Alberta Culture and Community Spirit
BluEarth Renewables Inc.
Fraser Basin Council
Government of Alberta
Shell Canada Energy

$1,000-$4,999
Rundle Projects
Tracy and Maria Raynolds
David and Olga Rigby
Brian Sawatzky
Dr. Robert Swallow
The University Of British Columbia Advancement Services
Anonymous (1)

$500-$999
Aurum Lodge
Cameron Baughen
Wade Currie
Carber Goodlet
Joel Krupa and Sali El-Sadig
Ken Lertzman
Robert Malcolmson
Chris McDermott
Ben Milne
Douglas Stewart
Anonymous (1)

Consulting Clients

The following are just a few of the clients that we worked with on a fee-for-service basis in 2012:

Alberta Innovates
Cenovus Energy
City of Dawson Creek
City of Campbell River
City of Fort St John
Climate Change and Emissions Management Corporation
DNI Metals Inc.
Environment Canada
Government of Alberta
Manitoba Hydro
Mountain Equipment Co-op
OXFORD Properties
RBC
Shell Canada
Statoil
Sahtu Renewable Resources Board
TD Bank Group
Town of Faro (Yukon)

$100-$499
Bernard Amell
Ian Anderson
Mrs. Shirley A. Anderson
Elizabeth Asselstine
Adam Auer
Marie Auger-Methe
Ellen Bailey
David Baumann
Mrs. Deborah Beatty
Edward Beggs
Michael Wolfson and Eleanor Bennett
Henry and Elizabeth Benson
Heather Bessey
Gary Blokhuis
Marsha Bousquet
Mrs. Helen Brink
Marnie Bruce
Mr. Orval K. Chapman
Douglas Meggison and Marie Chidley
Jeff Corbett
Sheila Coutts
Bruce Dalton
Richard and Alice Daniel
Laurence Davidson
Howard Delong
Vincent di Norcia
Dorothy Dickson
Terence Dodge
Michael Drainie
Timothy and Patricia Dutcher Walls
Phil Elder
Gilles and Vicki Fecteau
Douglas Fish
Stuart Fix
Joel Hagen and Nadine Fletcher
Jordan Grant and Meg Floyd
Dr. Art Fredeen
Jean Fulton
Peter Miller and Carolyn Garlich
Catherine Garvey
John S. Gaul
David Gehl
Allison Gentry
Robert Gibbs

John A. Gingrich
Isidor Gliener
Christopher Gosselin
Elizabeth J. Graham
Richard Grynoch
Richard Guttmormson
Thomas Hackney
Brendan Haley
Christopher Higgins
Jonathan Holmes
Jean Horne
Daniel Howard
Rosi and David Jory
Janice Reimer and Dr. Hubert Kammerer
Mr. Martin Katz
Jane Kearns
Jeanne M Keith-Ferris
Gordon and Marilyn Kerr
Eileen Kinley
Andrea Kortello
Donald Kvill
Dana Lepofsky
Pim Linda
Greg and Leslie Lindsay
Mr. Bill Longstaff
Allan MacKay
William and Ann Malnychuk
Bruno Massquiller
Ben McDonald
Gerald McDowell
Ed Wojcynski and Diane McGifford
Doug McKenzie
Lesley McKenzie
Catharine McNall
Shauna Megill
Mr. Jean-François Ménard
Alexandre Mercier
Laurent Mingo
Charles Neill
Duncan Noble
Ken Ogilvie
Nobuko Oikawa
Gina Patterson
Rod Perry
Ian Picketts
Franklin and Doreen Pope
David Pritchard
Martha Radice
Neil Richards
Sheldon Samborsky
Christopher Power and Joan Sametz
Gary Sarkissian
Christiaan Schrag
Cornelia Schuh
Geoffrey Singer
Cyndi Smith
Lyn Richards and Peter Smith
Susan Stratton
David Swann
Nigel Swytink-Binnema
Brenda Tempest
Tom Hegen and Suzanne Thompson
Allan L. Titus
Ms. Doris Toepp
Bruce Turton
Anne and Dale Watson
Ed Whittingham
Mrs. Mary Wilson
Robert Wolfe
Karen Wristen
Mr. Gerard and Mrs. Mary Ev Wyatt
HEC Montreal
Millwoods Bottle Depot
Anonymous (39)

Under $100

Peter Abrams
Greg and Barbara Adams
Leila and William Anderson
Samuel Avery
Ted Baldwin
Mary E. Baldwin and Hugh Casbourn
Gail Bartlett
David Baugh
Anne Becker
Jacqueline Bennett
Ron Besuijen
Peter Black
M. Jean-Francois Blouin
Sam Boskey
Doris Bradley
Dorothea and Geoffrey Broadbent
Wendy Burpee
Ann Carson
Jacques Charbin
Silvia Chiaramello and Italo Ferrarese

Paul Latour
Thomas and Patricia Lawson
Michael T. Lewis
Margrith Loretz
Dave Lovekin
Cal MacKendrick
Barbara Maheu
Mr. J. E. Mathison
Luc Matter
Audrey A. McClellan
Ann McFarlane
Pegasis McGauley
George and Janice McLean
Gordon McNulty
Greg Michalenko
Robert Miller
Peter Mix
Dr. Gerald E. Morgan
Dan A. Morrison
Harold and Charmaine Neth
Patricia and Edward Oakes
Mary O’Neill
Judy Otton and Saul Greenberg
Cameron Parkes
Mary Anne Peacock
David Petrlik
Roy and Beatrice Piepenburg
Prof. Richard Price
Nicole Pysh

Gena Rotstein
Noel Ratch
Patricia Rathmann
Francis J. Rigby
Eric and Anne Robinson
E.F. and June Roots
David and Jean Sheppard
Adeline Shoup
Patricia and E. Sieber
Donald and Margaret Smith
Dr. Donald Spady
Sylvie Spraakman
Marjorie and Brian Staples
Dr. John M. R. Stone
Katherine and Kirby Storey Smith
Allan S. Taylor
Marijke Van Wijk
Angela Walde
Lindsey Wallis
Mr. Gordon Wiegele
Gwen Williams
George A. Wood
John and Shirley Wright
Ms. Kate Zago
Dale Zinovich
Research House Inc
Sisters of Instruction of the Child Jesus

Pembina Foundation

The Pembina Foundation for Environmental Research and Education established agreements with the Pembina Institute to deliver on specific environmental research and education projects in 2012, thanks to a number of generous supporters including:

Alberta Culture and Community Spirit
Alberta Ecotrust Foundation
Neil Camarta
The Flanagan Foundation
Ivey Foundation
J.W.McConnell Family Foundation
Laura Jackson
Max Bell Foundation
North Growth Foundation
RBC Financial Group
Royal Bank of Canada
Toronto Community Foundation
Financial Data

Revenue 2012 (from the audited financial statements)

Fee for Service $2,820,870 59.9%
Revenue received under contractual agreements for completing research and advisory services.

Project Grants $1,082,590 23.0%
Revenue received from granting agencies for completing specific projects. Pembina Institute currently does not receive core funding from any granting agency.

Event Sponsorships, Event Fees and Wind Power Referrals $717,766 15.2%
Revenue and non-receipted gifts from sponsoring agencies to support the work of the Pembina Institute, participant event fees and revenues from the Pembina Institute’s Wind Power Referral program.

Rental and Interest Income $64,117 1.4%
Revenues from rental sub-lease arrangements and interest from investments.

Unrestricted Individual Donations $26,613 0.6%
Individual responses to direct mail appeal and other gifts from individuals.

Total Revenue $4,711,956 100%

Expenses 2012 (from the audited financial statements)

Program $3,467,405 75.7%
Hard costs including wages, wage costs and staff benefits for 38 FTE program staff, contractor services, travel, project materials and communications incurred to design, develop, deliver and manage our project work.

Infrastructure and Administration $900,356 19.6%
Overhead costs including staff, offices, telecommunications, staff development, accounting, IT and equipment incurred in the day-to-day operations of the organization.

Fundraising $214,379 4.7%
Fundraising costs (comprised primarily of staff, contractor fees, event expenses, travel and technology) all shown in their respective categories in the Statement of Operations.

Total Expenditures $4,582,140 100%

Total Revenue $4,711,956

Net Revenue $129,816
## Statement of Operations

**Year ending December 31, 2012**

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consulting fees</td>
<td>$2,189,151</td>
<td>$2,519,275</td>
</tr>
<tr>
<td>Grants</td>
<td>1,082,590</td>
<td>745,979</td>
</tr>
<tr>
<td>Event sponsorship</td>
<td>648,355</td>
<td>263,120</td>
</tr>
<tr>
<td>Program cost recovery under contractual agreements</td>
<td>514,774</td>
<td>712,772</td>
</tr>
<tr>
<td>Reimbursed expenses</td>
<td>81,412</td>
<td>148,714</td>
</tr>
<tr>
<td>Windpower referral and event fees</td>
<td>69,411</td>
<td>59,338</td>
</tr>
<tr>
<td>Rental</td>
<td>60,605</td>
<td>56,324</td>
</tr>
<tr>
<td>Speaking and board honoraria</td>
<td>35,533</td>
<td>57,780</td>
</tr>
<tr>
<td>Unrestricted individual donations</td>
<td>26,613</td>
<td>53,289</td>
</tr>
<tr>
<td>Interest</td>
<td>3,512</td>
<td>3,451</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$4,711,956</strong></td>
<td><strong>$4,620,042</strong></td>
</tr>
</tbody>
</table>

## Statement of Financial Position

**Year ending December 31, 2012**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$508,538</td>
<td>$238,034</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>1,070,003</td>
<td>1,176,057</td>
</tr>
<tr>
<td>Program cost recovery amounts receivable</td>
<td>151,194</td>
<td>202,416</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>49,324</td>
<td>44,706</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>$1,779,059</strong></td>
<td><strong>$1,661,213</strong></td>
</tr>
<tr>
<td>Restricted cash</td>
<td>45,115</td>
<td>78,849</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>1,525,260</td>
<td>1,541,626</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$3,349,434</strong></td>
<td><strong>$3,281,688</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and wage costs</td>
<td>$2,971,703</td>
<td>$3,136,106</td>
</tr>
<tr>
<td>Contractor services</td>
<td>708,796</td>
<td>578,721</td>
</tr>
<tr>
<td>Travel</td>
<td>270,221</td>
<td>347,121</td>
</tr>
<tr>
<td>Office rent</td>
<td>214,122</td>
<td>206,030</td>
</tr>
<tr>
<td>Computer support</td>
<td>63,239</td>
<td>23,140</td>
</tr>
<tr>
<td>Telephone and utilities</td>
<td>59,267</td>
<td>51,736</td>
</tr>
<tr>
<td>Office</td>
<td>44,036</td>
<td>34,480</td>
</tr>
<tr>
<td>Amortization</td>
<td>38,658</td>
<td>41,727</td>
</tr>
<tr>
<td>Insurance</td>
<td>27,679</td>
<td>32,416</td>
</tr>
<tr>
<td>Project materials and supplies</td>
<td>26,032</td>
<td>58,251</td>
</tr>
<tr>
<td>Interest on long-term debt</td>
<td>25,570</td>
<td>25,763</td>
</tr>
<tr>
<td>Equipment rental</td>
<td>23,871</td>
<td>22,251</td>
</tr>
<tr>
<td>Property taxes</td>
<td>22,299</td>
<td>18,189</td>
</tr>
<tr>
<td>Professional fees</td>
<td>21,209</td>
<td>14,045</td>
</tr>
<tr>
<td>Property repairs</td>
<td>15,845</td>
<td>19,586</td>
</tr>
<tr>
<td>Advertising and promotion</td>
<td>11,931</td>
<td>6,339</td>
</tr>
<tr>
<td>Bank charges</td>
<td>10,928</td>
<td>7,332</td>
</tr>
<tr>
<td>Postage and courier</td>
<td>7,590</td>
<td>7,046</td>
</tr>
<tr>
<td>Website hosting and development</td>
<td>7,404</td>
<td>7,109</td>
</tr>
<tr>
<td>Library purchases and subscriptions</td>
<td>3,712</td>
<td>4,062</td>
</tr>
<tr>
<td>Staff development</td>
<td>1,664</td>
<td>10,638</td>
</tr>
<tr>
<td>Bad debt (recovery) expense</td>
<td>(14,371)</td>
<td>14,599</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$4,561,405</strong></td>
<td><strong>$4,666,687</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$407,819</td>
<td>$348,371</td>
</tr>
<tr>
<td>Deferred salaries</td>
<td>45,115</td>
<td>78,849</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>587,381</td>
<td>603,634</td>
</tr>
<tr>
<td>Bank loans payable within one year</td>
<td>73,255</td>
<td>71,596</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>$1,113,570</strong></td>
<td><strong>$1,102,450</strong></td>
</tr>
<tr>
<td>Bank loans payable after one year</td>
<td>743,902</td>
<td>817,092</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$1,857,472</strong></td>
<td><strong>$1,919,542</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in property, plant and equipment</td>
<td>$708,103</td>
<td>$652,938</td>
</tr>
<tr>
<td>Reserve fund</td>
<td>377,000</td>
<td>377,000</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>406,859</td>
<td>332,208</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>$1,491,962</strong></td>
<td><strong>$1,362,146</strong></td>
</tr>
</tbody>
</table>

| **Excess (Deficiency) of revenue over expenses** | **$129,816** | **($51,038)** |

These statements are excerpts from the audited financial statements prepared for the organization and exclude the audit report, other pertinent statements and notes to the financial statements. Users are cautioned that these statements alone may be inappropriate for their purposes.