

Financial Statements of

EMISSIONS REDUCTION ALBERTA

(Emissions Reduction Alberta is a registered trade
name of Climate Change and Emissions Management
(CCEMC) Corporation)

Year ended May 31, 2023



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Emissions Reduction Alberta

Opinion

We have audited the financial statements of Emissions Reduction Alberta (the "Entity"), which comprise:

- the statement of financial position as at May 31, 2023
- the statement of changes in net assets for the year then ended
- the statement of operations for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at May 31, 2023, 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 auditor's report.

We are independent of the Entity 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.

Other Information

Management is responsible for the other information. Other information comprises the information, other than the financial statements and the auditors' report thereon, included in a document likely to be entitled the 2022-2023 Annual Report. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

The information, other than the financial statements and auditors' report thereon, included in a document likely to be entitled 2022-2023 Annual Report is expected to be made available to us after the date of this auditor's report.

If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. Below the signature is a long, horizontal, slightly wavy line.

Chartered Professional Accountants

Edmonton, Canada

September 25, 2023

EMISSIONS REDUCTION ALBERTA

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Statement of Financial Position

As at May 31, 2023, with comparative information for 2022

	2023	2022
Assets		
Current assets:		
Cash	\$ 360,866,670	\$ 442,309,844
Accounts receivable	45,968	36,163
Grant receivable (note 3)	121,547,541	33,425,723
Interest receivable	3,359,518	756,778
Prepaid expenses	83,358	65,239
Short-term investments (note 9)	80,000,000	70,000,000
	565,903,055	546,593,747
Non-current assets		
Property and equipment (note 4)	53,388	40,730
Grant receivable (note 3)	-	5,311,145
	53,388	5,351,875
	\$ 565,956,443	\$ 551,945,622

Liabilities

Current liabilities:

Accounts payable and accrued liabilities (notes 7 and 8)	\$ 12,595,678	\$ 6,732,941
	12,595,678	6,732,941

Net assets

General fund - unrestricted	(89,561)	-
Restricted fund (note 6)	553,450,326	545,212,681
	553,360,765	545,212,681
Commitments (note 8)		
	\$ 565,956,443	\$ 551,945,622

See accompanying notes to financial statements.

On behalf of the Board of Directors:



Director



Director

EMISSIONS REDUCTION ALBERTA

Statement of Changes in Net Assets

As at May 31, 2023, with comparative information for 2022

			2023	2022
	General Fund	Restricted Fund	Total	Total
Balance – beginning of year	\$ -	\$ 545,212,681	\$ 545,212,681	\$ 521,459,337
(Deficiency) Excess of revenue over expenses for the year	(89,561)	8,237,645	8,148,084	23,753,344
Balance – end of year	\$ (89,561)	\$ 553,450,326	\$ 553,360,765	\$ 545,212,681

See accompanying notes to financial statements.

EMISSIONS REDUCTION ALBERTA

Statement of Operations

As at May 31, 2023, with comparative information for 2022

			2023	2022
	General Fund	Restricted Fund	Total	Total
Revenue				
Grant revenue (note 3)	\$ -	\$ 82,810,673	\$ 82,810,673	\$128,486,868
Interest income	-	19,190,404	19,190,404	5,276,358
Other revenue (note 5)	-	-	-	563,019
	-	102,001,077	102,001,077	134,326,245
Project expenses (note 8)	-	84,392,184	84,392,184	100,724,231
Excess of revenue over project expenses	-	17,608,893	17,608,893	33,602,014
Operating expenses				
Program management (note 7)	-	7,753,916	7,753,916	8,365,198
Consulting contracted services	-	664,026	664,026	758,770
Corporate costs	-	794,548	794,548	568,738
Amortization	-	30,636	30,636	46,314
Conference expenses	89,561	-	89,561	-
Board remuneration and expenses (note 7)	-	128,122	128,122	109,650
Total operating expenses	89,561	9,371,248	9,460,809	9,848,670
(Deficiency) Excess of revenue over expenses for the year	\$ (89,561)	\$ 8,237,645	\$ 8,148,084	\$ 23,753,344

See accompanying notes to financial statements.

EMISSIONS REDUCTION ALBERTA

Statement of Cash Flows

As at May 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses for the year	\$ 8,148,084	\$ 23,753,344
Items not involving cash:		
Amortization of property and equipment	30,636	46,314
Loss on disposal of property and equipment	806	1,897
Amortization of deferred lease inducements	-	(18,083)
Change in non-cash operating working capital:		
Deferred revenue	-	(80,842)
Accounts receivable	(9,805)	26,571
Grant receivable	(82,810,673)	(25,736,868)
Interest receivable	(2,602,740)	(494,284)
Prepaid expenses	(18,119)	(23,751)
Accounts payable and accrued liabilities	5,862,737	4,200,049
	(71,399,074)	1,674,347
Investing activities:		
Purchases of property and equipment	(44,100)	(10,202)
Purchase of short-term investments	(80,000,000)	(70,000,000)
Sale of short-term investments	70,000,000	-
	(10,044,100)	(70,010,202)
Decrease in cash during the year	(81,443,174)	(68,335,855)
Cash, beginning of year	442,309,844	510,645,699
Cash, end of year	\$ 360,866,670	\$ 442,309,844

See accompanying notes to financial statements.

EMISSIONS REDUCTION ALBERTA

Notes to Financial Statements

Year ended May 31, 2023, with comparative information for 2022

1. Authority:

Climate Change and Emissions Management (CCEMC) Corporation ("CCEMC") is an Alberta-based, independent, not-for-profit organization incorporated under the Canada Corporations Act on February 17, 2009, and continued under the Canada Not-for-profit Corporations Act on October 14, 2016; its operations commenced on June 1, 2009. On October 21, 2016, CCEMC registered the trade name of Emissions Reduction Alberta ("ERA") and uses this as its operating name. ERA's mandate is to identify and accelerate innovative solutions that secure Alberta's success in a lower carbon economy. The Technology Innovation and Emissions Reductions Fund (formerly the Climate Change and Emissions Management Fund) (the "Fund") is established under the Emissions Management and Climate Resilience Act, SA 2003, c. E-7.8 (formerly the Climate Change and Emissions Management Act) (the "Act") by the Government of Alberta to support investment in innovation and clean technologies that will reduce Alberta's emissions of specified gases and support its ability to adapt to climate change. The Fund provides the primary source of revenue for ERA.

The Government of Alberta and ERA entered an Agreement dated and effective March 8, 2017, together with an Amending Agreement dated April 21, 2023, for the period up to and including March 31, 2025, with respect to funding under the Emissions Management and Climate Resilience Act. As a not-for-profit organization, ERA is exempt from tax in accordance with Section 149(1)(l) of the Income Tax Act (Canada).

2. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in part III of the CPA Canada Handbook. ERA's significant accounting policies are as follows:

(a) Fund accounting:

For financial reporting purposes, the accounts have been classified into the following funds:

General Fund

The General Fund includes all resources available for immediate purposes and accounts for ERA's activities other than those directly attributable to funding innovation and clean technologies and adaptation to climate change.

The General Fund includes all unrestricted monies received that are available for use at ERA's discretion. ERA will be hosting the GHGT-17 conference in October 2024. Revenue and associated expenses for this conference will be reflected in the General Fund.

Restricted Fund

The Restricted Fund includes those funds that are to be used to support investment in innovation and clean technologies and adaptation to climate change.

EMISSIONS REDUCTION ALBERTA

Notes to Financial Statements (Continued)

Year ended May 31, 2023, with comparative information for 2022

2. Significant accounting policies (continued):

(b) Revenue recognition

These financial statements have been prepared using the restricted fund method of accounting for contributions, the key elements of which are:

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue of the Restricted Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted amounts can only be used for the purposes designated by external parties.

Investment income earned on contributions subject to external restrictions is recorded as revenue of the Restricted Fund in the year it is earned.

For contracts fulfilled over a period of time, ERA recognizes revenue using the percentage of completion method. The degree of completion is determined using an input-based method. In the application of percentage of completion, total expected costs to complete are determined at contract inception and are periodically reviewed. Percentage of completion is then determined based on total costs incurred to date. Funds received prior to the delivery of a milestone will be recorded as deferred revenue until such time as the recognition criteria are met.

(c) Financial instruments

ERA currently does not hold any equity instruments that would be measured after initial recognition at fair value. Financial assets and financial liabilities are initially recognized at fair value less transaction costs when ERA becomes a party to the contractual provisions of the financial instrument and subsequently are measured at amortized cost with any changes recorded in the Statement of Operations.

(d) Cash

Cash consists of cash on deposit. Amounts held will be used to fund project funding commitments for executed agreements, approved projects and initiated funding calls as outlined in note 8 to the financial statements.

(e) Short-term investments

Short-term investments are guaranteed investment certificates ("GICs"). GICs that mature in 12 months or less are measured at cost, recorded as short-term investments and any interest is accrued as earned.

EMISSIONS REDUCTION ALBERTA

Notes to Financial Statements (Continued)

Year ended May 31, 2023, with comparative information for 2022

2. Significant accounting policies (continued):

(f) Property and equipment

Property and equipment are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis at the following annual rates:

Computer equipment and software	3 years
Furniture and fixtures	5 years
Leasehold improvements	3 years

Lease inducements are accounted for as reductions of the lease expense over the term of the lease.

(g) Project expenses and liabilities

Project expenses and the associated project liability (included in accounts payable and accrued liabilities) are recognized on receipt by ERA of a valid project progress report and associated milestone invoices. A commitment for a project expense is disclosed as such when a contribution agreement is executed.

(h) Use of estimates and judgements

The preparation of financial statements in conformity with ASNPO requires management to make judgements, 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 revenues and expenses for the periods reported. Estimates and underlying assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Changes in judgements, estimates and assumptions based on new information could result in a material change to the carrying amount of assets or liabilities and have a material impact on assets, liabilities, revenues, and expenses recognized in future periods.

3. Grant revenue:

Funds are granted from the Government of Alberta to ERA on an annual basis through a Grant Agreement. The current Grant Agreement was executed on March 8, 2017, amended on April 21, 2023, and is effective until March 31, 2025.

On September 27, 2022, ERA received a letter from Alberta's Minister of Environment and Parks confirming funding of up to \$150 million over the next three fiscal years, with \$50 million to be disbursed for the fiscal year 2022-23. These funds are to be used to execute ERA's business plan, as well as for the purposes stated in the Grant Agreement and the memorandum of understanding. On March 27, 2023, ERA received a letter confirming an additional \$25 million of funding to be used to support investments in hydrogen development and the hydrogen value chain. The \$75 million in funding was recognized in the current fiscal year as grant revenue and received on June 6, 2023. The balance is included as a grant receivable as at May 31, 2023.

EMISSIONS REDUCTION ALBERTA

Notes to Financial Statements (Continued)

Year ended May 31, 2023, with comparative information for 2022

3. Grant revenue (continued):

On January 28, 2021, ERA executed an amendment to the original Delivery Entity Agreement dated February 22, 2019, with respect to funds that are committed to ERA under the Federal Low Carbon Economy Leadership Fund ("LCELf"). Under the amended agreement, the Government of Alberta has committed up to \$99.8 million in funding to ERA to support various initiatives including Food, Farming, and Forestry Challenge, Shovel Ready Challenges, Partnership Intake Program, Energy Savings for Business (ESB), and the Industrial Efficiency Challenge previously committed to in the original Delivery Entity Agreement. Based on the approved projects under this agreement and delays experienced in project execution, ERA is currently forecasting eligible costs to be claimed under the agreement totaling \$87.6 million. In the current fiscal year, ERA has recognized \$7.8 million of LCELf grant revenue (2022 – \$64.5 million). ERA received reimbursement of \$27.3 million (2022 - \$38.75 million) related to the 2022-23 fiscal year end on June 6, 2023, which is included as a grant receivable as at May 31, 2023. In addition to the amount received on June 6, there is \$19.3 million included in the grant receivable balance related to LCELf revenue recorded in the current and prior fiscal year, to be received in fiscal year 2024. The remaining LCELf commitment up to the forecasted \$87.6 million is expected to be recognized and received in fiscal year 2024.

4. Property and equipment:

			2023	2022
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment and software	\$ 65,106	\$ (28,784)	\$ 36,322	\$ 16,098
Furniture and fixtures	64,797	(47,731)	17,066	16,893
Leasehold improvements	75,343	(75,343)	-	7,739
	\$ 205,246	\$ (151,858)	\$ 53,388	\$ 40,730

Amortization of \$30,636 (2022 - \$46,314) was recognized in the statement of operations.

5. Other revenue

	2023	2022
CRIN Revenue	\$ -	\$ 563,019
Total Other Revenue	\$ -	\$ 563,019

On February 10, 2021, ERA entered a competition coordination agreement with Clean Resource Innovation Network ("CRIN") to run an open competition for proposals. The selected projects were awarded funds directly from CRIN. The competition ended in fiscal year 2021-22 and all amounts receivable were collected in full.

EMISSIONS REDUCTION ALBERTA

Notes to Financial Statements (Continued)

Year ended May 31, 2023, with comparative information for 2022

6. Restricted Fund

The Restricted Fund consists of funds that are externally restricted by the Government of Alberta for the purpose of investing in various initiatives and projects related to reducing emissions of specified gases, supporting Alberta's ability to adapt to climate change, and other purposes included under section 10(3) of the Act. The funds are also restricted for the purpose of administering ERA, which includes fees, expenses, liabilities, and other costs.

7. Board and management remuneration

Total honoraria and expenses related to the directors of the board amounted to \$128,122 (2022 – \$109,650) in the fiscal year. Amounts paid to directors relating to reimbursements for meals, travel and accommodation was \$58,661 (2022 – \$33,217). Expense amounts increased in 2023 resulting from a return to in-person meetings. Remuneration paid to directors, or their employers includes honoraria totaling \$66,898 (2022 – \$72,857) as follows:

	2023	2022
C. Bak	\$ 10,332	\$ 6,870
V. Bellissimo	7,727	8,675
M. Blackwell (A)	-	-
C. Bryson (B)	-	8,737
K. Chisholm (A)	-	-
D. Collyer	11,405	13,590
J. Curran (C)	-	-
J. Doucet (D)	8,090	11,791
J. Dyring	5,621	4,783
S. Hastings-Simon	5,587	4,018
C. Mather	11,481	10,252
D. Moss	6,655	4,141
K. Rich (E)	-	-
	\$ 66,898	\$ 72,857

- A) Appointed May 2023
- B) Board term concluded May 2022
- C) Appointed August 2022; honorarium waived by director
- D) Board term concluded June 2023
- E) Board term concluded August 2022; honorarium waived by director

Included in accounts payable and accrued liabilities is \$5,546 (2022 – \$8,622) related to board honorarium and expenses.

Program management expenses include remuneration to companies owned by senior management who report directly to the board, totaling fees of \$333,455 (2022 – \$287,595); of this amount, \$25,417 (2022 – \$24,990) is included in accounts payable and accrued liabilities.

EMISSIONS REDUCTION ALBERTA

Notes to Financial Statements (Continued)

Year ended May 31, 2023, with comparative information for 2022

8. Commitments and guarantees:

During the year, contribution agreements for ERA funding were executed for 21 projects, 2 projects were cancelled, no projects were terminated, and 1 project was not initiated. As at May 31, 2023, ERA has 237 (2022 – 218) executed contribution agreements outstanding and has commenced or completed funding for 209 (2022 – 192) of these approved projects. Funding for 28 of the 237 executed projects has not commenced. Total committed funds for executed projects is the difference between the total funding approved for executed contribution agreements and project expenses incurred to date or contribution agreements cancelled. A summary of these amounts (excluding the ESB program) is outlined as follows:

	2023	2022
Total committed funds for executed projects – Beginning of year	\$ 374,836,902	\$ 290,552,852
Total funds for executed projects approved or adjusting during the year	55,334,336	196,250,207
Project expenses incurred during the year	(76,557,938)	(92,034,260)
Contribution agreements cancelled during the year	(22,600,000)	(19,931,897)
Total committed funds for executed projects – End of year	331,013,300	374,836,902
Total funds for projects approved but not yet executed	104,881,299	10,000,000
Total commitments	\$ 435,894,599	\$ 384,836,902

Funds allocated to the executed contribution agreements are subject to ERA's review and approval prior to disbursement to ensure full compliance with the terms of the contribution agreement. The actual financial commitment could therefore differ materially from \$331,013,300 but will not exceed that amount. Project expenses incurred during the year decreased due to the timing of milestone deliverable completion on active projects. Sufficient funds are held in cash and short-term investments as at May 31, 2023, to service these commitments, approved projects and other initiated commitments. Total project expenses noted above of \$76,557,938 (2022 - \$92,034,260) includes \$2,781,020 of accrued liabilities (2022 - \$3,007,621) and \$8,536,818 accounts payable (2022 – 2,789,325) at year-end.

There are 24 projects totaling \$104,881,299 (2022 – \$10,000,000) that have been approved for funding by ERA's board of directors but for which contribution agreements have not yet been executed as of May 31, 2023. Of this amount \$70,822,943 for a total of 16 projects relates to the Industrial Transformation call ERA launched in January 2023. Funding decisions for this call were made on June 13, 2023. The Reshaping Energy Systems call opened for applications in April 2023, the program is still undergoing the assessment process and no funding decisions have been made yet.

Subsequent to year-end, one previously executed project has been amended to reduce ERA funding by \$4,436,136. Three of the previously executed projects have been terminated and one approved project will not proceed, totaling \$21,390,000. One approved project, totaling \$7,088,856, now has an executed contribution agreement. As at September 25, 2023, ERA has 22 projects remaining, totaling \$83,109,351, which have been approved for funding by ERA's Board of Directors but for which contribution agreements have not been executed. This includes a reduction of \$13,293,092 to ERA funding for two of these projects.

EMISSIONS REDUCTION ALBERTA

Notes to Financial Statements (Continued)

Year ended May 31, 2023, with comparative information for 2022

8. Commitments and guarantees (continued):

In addition to the commitments noted above, ERA has approved incentive funding under the ESB program. This program was launched in November 2020 and due to high demand, all current available funding has been awarded. A summary of the ESB funding is outlined below:

	2023	2022
Total incentive funding pre-approved	10,100,000	460,000
Total incentive funding post-approved	4,000,000	1,900,000
Total Commitments – End of year	\$ 14,100,000	\$ 2,360,000

Subsequent to year end, an additional \$2,613,723 of project incentive funding has been approved for ESB and pre-approved projects has increased by \$14,132,569.

Total project expenses of \$84,392,184 includes \$7,834,246 (2022 - \$8,689,791) of payments related to the ESB program. This amount includes \$109,785 accounts payable (2022 – \$262,357) at year-end.

ERA indemnifies its directors against claims reasonably incurred and resulting from the performance of their services to ERA. No amounts are reflected in the financial statements related to these indemnifications.

9. Financial instruments:

ERA's financial instruments are exposed to certain financial risks, including credit risk, market risk and liquidity risk.

Credit risk

Credit risk is the risk of financial loss to ERA if a party to a financial instrument fails to meet its contractual obligations and arises from cash, short-term investments, interest receivable, accounts receivable and grants receivable. The maximum amount of credit risk exposure is limited to the carrying value of the balances disclosed in these financial statements.

Management monitors these accounts regularly and does not believe ERA is exposed to significant credit risk at the statement of financial position date as all balances are from counterparties where collectability is reasonably assured.

EMISSIONS REDUCTION ALBERTA

Notes to Financial Statements (Continued)

Year ended May 31, 2023, with comparative information for 2022

9. Financial instruments (continued):

Market risk

Market risk is the risk changes in market prices, such as interest rates, will affect ERA's interest income or the value of the financial instruments held. ERA is subject to interest rate cash flow risk arising primarily from fluctuations in interest rates applied to its cash balances, which are subject to floating interest rates. Short-term investments consisting of GICs are at guaranteed rates and are not subject to changes in market rates until they expire and ERA renews the positions. Currently ERA holds the following GIC's:

Guaranteed Investment	Maturity date	Principal	Interest rate
CIBC	June 9, 2023	\$ 20,000,000	3.75%
CIBC	August 16, 2023	20,000,000	4.40%
ATB	September 14, 2023	20,000,000	4.75%
ATB	November 29, 2023	20,000,000	5.79%
		\$ 80,000,000	

Liquidity risk

Liquidity risk is the risk ERA will not be able to meet its financial obligations as they come due. Management mitigates liquidity risk by monitoring forecasted and actual cash flows to ensure sufficient liquidity to meet its liabilities. Accounts payable and accrued liabilities are due within the current operating period.

10. Economic dependence

100% of ERA's grant revenue is received from the Government of Alberta via the executed Grant Agreement or the Delivery Entity Agreement. The loss of this funding would have a material adverse impact on ERA's future operations, project commitments and financial position.

11. Comparative information

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.