Giving citizens a voice in global affairs.
A Year of Growth

Dear members and supporters of the CIC,

In the last year, we’ve witnessed seismic shifts in the global political arena. Under the direction of Ben Rowswell, President and Research Director of the CIC, and the support of our 16 branches, we have positioned ourselves to respond to these shifts through our new Growth Strategy. Comprising of three elements: reaching as many Canadians as possible, giving them a voice in global affairs, and improving the membership experience, the implementation of our Growth Strategy has moved the CIC to new heights of engagement and reach; in the last year, our membership has increased by 16% to over 1,400 people, with our revenue increasing by 60% to $472,000.

Through a total of 239 Canada-wide events, both virtual and in-person, we’ve amassed crowds in the tens of thousands. Our plans to relaunch award-winning digital publication, Open Canada, has expanded our reach to Open Canada’s 20,000 social media followers and average 38,000 hits per month.
Even in the face of the challenges of the present COVID environment, the progress we’ve made in orienting the CIC towards its core mission of engaging Canadians in the national conversation on international issues can truthfully be attributed to the efforts of our branches to organize thought-provoking, highly engaging events and speaker panels. As part of our efforts to continue forging our presence amongst Canadian francophones, we’ve opened a new branch in Quebec City.

I’d like to thank every member of the CIC for participating in our events, engaging meaningfully with us on social media, and providing your ongoing support towards our mission. In the same vein, I’d like to thank every donor of the Canadian International Council for your ongoing contributions and your shared belief that an engaged and informed public benefits us all — especially as we navigate through a global health crisis and a rapidly shifting geopolitical landscape.

William C. Graham
Chair of the Board
The year in Canada’s international affairs began poorly and ended worse. Beset by unprecedented hostility by the rising superpower to the east, who holds two of our citizens hostage, and a superpower to the south that labelled our country a ‘threat to national security’ in a bid to win a trade war, Canadians were right to feel alone in the world.

The encouraging news is that citizens are not waiting for government to steer a new course in the troubled international waters of 2020. The CIC is giving them the platform they need to drive change.

The effort began with a major conference we hosted a week after the federal election. Joining with Global Canada, the CIC convened a day-long celebration of “Canadians Changing the World” which showcased citizens who made a difference in international affairs on the 100th anniversary of Canadian foreign policy. Inspired by the examples of Mark Carney, Louise Arbour, Grand Chief Wilton Littlechild, and others, the community of globally-minded Canadians brainstormed ways to change the world in the next 100 years.

The winning idea, which sparked imaginations well after the conference ended, was a project named Foreign Policy By Canadians, a year-long effort to insert the needs of citizens into the foreign policy debate. By the summer of 2020, the CIC and its partner organizations Global Canada and CanWaCH amassed enough enthusiasm and resources to launch.

True to the grassroots nature of the CIC, the effort began with our branches. Three months of intensive planning gave rise to an agenda of topics for a foreign policy reset. The CIC then reacquired Open Canada from CIGI, to serve as the means to bring in thousands more Canadians into the conversation. This winter, the initiative will convene a microcosm of our entire nation together to deliberate on the measures Canada must take to advance our interests in a dangerous new world.

Join us for the historic task ahead.

Ben Rowswell
President and Research Director
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The Canadian International Council (CIC) is a platform for citizens to engage in discussions on international issues. Our mission as an independent, non-partisan and charitable membership organization is to involve Canadians in defining our country’s place in the world.

What makes the CIC unique is our network of 16 branches across seven provinces. This gives us a presence in local communities that is unparalleled. As thousands of Canadians from all walks of life join in an ongoing series of events and online discussions, the result is a national conversation on Canada’s global affairs.

We engage our members and the public to join the conversation through three types of activity:

- Learning about international affairs through our research publications the International Journal and Behind the Headlines as well as our blog The Signal Board
- Attending events with other citizens interested in global affairs
- Getting involved in the effort to engage Canadians in defining our role on the world stage
From a diminishing international order due to the retreat of U.S. leadership to an increase in geopolitical rivalry, Canada’s global engagement has suffered a number of setbacks since 2017.

The coronavirus pandemic of 2020 has laid bare the failure of the international system even further. Failure to stop the spread of the virus and coordinate an effective response has revealed just how difficult any meaningful international cooperation has become, even with millions of lives and trillions of dollars to be lost.

If these setbacks have accomplished anything, it is to replace the sense of opportunity that was encapsulated in Heather Reisman’s famous phrase “the world needs more Canada” with a sense of foreboding that the world generates real risks for Canada. Our security, our prosperity and even our health are at greater risk from developments abroad than we have seen in generations.

The CIC has worked tirelessly to address current lapses in Canadian foreign policy by stimulating citizen-centered conversations on a series of themes. This report highlights three:

1. The rollback of democracy around the world
2. The urgent need to reset foreign policy
3. The changes forced by COVID
The Rollback of Democracy

According to annual reports by Freedom House, democracy has been in steady decline around the world for more than a decade. The CIC launched a coordinated series of research publications and events to engage the Canadian public in a deeper understanding of what drives this retreat and what can be done about it.

We did a deep dive on one phenomenon currently dissolving democratic practices in both new and consolidated democracies – the rise of authoritarian populism:

Events included:

- CIC Halifax: The Spectre of Populism in Europe. October 2019
- CIC Toronto: Western Populism – the Disruption, featuring Lisa Raitt, Bob Rae and three European party strategists fresh from recent electoral contests with nativist parties, November 2019

Perhaps the highest-profile recent event on this subject area is when Venezuela’s interim President Juan Guaidó visited CIC National Capital Branch (Ottawa):
Publications:

- ‘How Populism Threatens Liberal Democracy Around the World And What Canada Should Do About It’, Behind the Headlines – Michael Petrou
- ‘Populism in Canada: Observations from the 2019 Federal Election: Should We Be Worried?’, Behind the Headlines – Anders Breten and Chelsea Tao
- ‘Wrestling with the forces of aid populism in Canada and beyond’, The Signal Board – Nilima Gulrajani

This work positioned CIC to play a leading role in explaining the Chinese crackdown on human rights and democracy in Hong Kong through the Emergency Law:

- CIC National Capital (Ottawa): On-The-Ground Perspective On The Protests In Hong Kong featuring Alejandro Reyes. October 2019
- CIC Saskatoon: Dinner followed by Public Presentation: The 2019 Hong Kong Protests featuring Dr. Leila Tang. November 2019
- CIC Toronto: An improbable revolution: Hong Kong vs China featuring Ching Kwan Lee. January 2020
The Urgent Need to Reset Canada’s Foreign Policy

The second core theme of the CIC’s focus has been on the need for a shift in Canada’s foreign policy. The CIC served as the place to explore what’s lacking and generate new ideas. To a crowd in Waterloo, long-time senior diplomat and Senator Peter Boehm asked: “Is Modern Diplomacy Dead?”

The October 2019 federal election barely mentioned foreign policy, and a campaign for Canada to win a non-permanent seat on the Security Council – discussed at several CIC events – drew more public ire than support. Canada’s loss to Norway and Ireland, on June 17, 2020, seemed to many an indication that the time had come for a major rethink.

Events included:

- CIC Hamilton: Time For Citizens to Shape Canada’s Foreign Policy featuring Ben Rowswell. January 2020
- CIC National Office New Challenges to Democracy, New Responses featuring Michael Petrou and Sujit Choudhry
Publications:

- ‘Canada – from International Wannabe to Serious Citizen.’ Behind the Headlines – George Haynal
- ‘As the UN Security Council Election Nears, Canada’s Peacekeeping Efforts Continue to Stumble.’ The Signal Board – Chris R. Kilford

The CIC later devoted its major event of the year to the topic, partnering with Global Canada to host a high-profile national conference the week after the election called “Canadians Changing the World.” The outcome of this event was the inception of the initiative Foreign Policy by Canadians.
How COVID changes everything

CIC did not break its stride when COVID-19 forced the closure of our National Office mid-March 2020 and the end of in-person events. Rather, the CIC shifted successfully to virtual events, pulling in more participants than we could have ever managed in person. Amid the shutdown, it took the CIC only two weeks to shift gears, hosting over 20 virtual events over the months of April, May, and June, nearly returning the pace it had in its in-person events.

During one event with Canada’s ambassador to China, Dominic Barton, the CIC drew in more than 400 people. This was the first opportunity citizens had to ask questions directly to Barton who currently occupies Canada’s most sensitive diplomatic role.

Our virtual events gave Canadians the opportunity to explore how COVID-19 changes everything.

From Travel:
- CIC National Capital (Ottawa): Virtual Event With Bill Crosbie, former Assistant Deputy Minister for Consular Affairs, May 2020

to Development:
- CIC Halifax Branch: International Development in A Post- Pandemic World. June 2020

to Tech:
- CIC Waterloo, Propelled By The Pandemic – Explosive Digital Growth, 5G Adoption And Beyond. June 2020

and Defense:
Publications:

- ‘La pandémie de coronavirus au Sahel et ses effets secondaires sur les pays de la région.’ Behind the Headlines – Amandine Hamon
- ‘COVID-19, a major failure of intelligence, is an opportunity for Canada to promote international collaboration in Foresight and Early Warning.’ The Signal Board – Alan Breakspear
- ‘China’s diplomacy and changing the COVID-19 narrative.’ International Journal – Raj Verma, Volume 75 Number 2
Breakdown of Events by Theme:

<table>
<thead>
<tr>
<th>Themes</th>
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<tr>
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<td>6</td>
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<tr>
<td>Security &amp; Terrorism</td>
<td>5</td>
</tr>
<tr>
<td>Multilateralism</td>
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<tr>
<td>Trade</td>
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<td>Media</td>
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Breakdown of Events by Region:

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<th>Region</th>
<th>Number of events</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia (including China)</td>
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</tr>
<tr>
<td>China alone</td>
<td>5</td>
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<td>Middle East</td>
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<tr>
<td>Europe</td>
<td>6</td>
</tr>
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<td>Latin America</td>
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</tr>
<tr>
<td>USA</td>
<td>3</td>
</tr>
</tbody>
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Each time Canada has executed a major shift in strategy, it has been the product of government working with our broader society. That’s why on October 28, 2019, Global Canada and the CIC brought leading figures in Canadian society together along with grassroots representatives from every region, community, and political perspective. This was a deliberate effort to gather a community of Canadians passionate about international affairs across political, demographic, and sectoral lines and explore the basis of a new foreign policy consensus.
The energy of this gathering was electric, and powered months of collaboration and exploration in the following months on how we in civil society can provide the initial impetus for a major rethink of Canada’s global engagement.

The event kicked off with a keynote address from Mark Carney, Governor of the Bank of England. He carried the eminently Canadian capacity to identify interests that citizens around the world share and articulate them as a set of common goals.

The centrepiece was a policy competition in which prominent and rising leaders in Canada’s global affairs had the opportunity to pitch innovations would best enhance Canada’s global impact.
Innovations for Climate Leadership: Steve Cornish, CEO at the David Suzuki Foundation.

Indigenous Innovation: Sara Wolfe, Director of Indigenous Innovation Initiatives, and Jocelyn Mackie, Co-CEO at Grand Challenges Canada.

Diasporas for Development: Tina Sweeney of the CIC Toronto Branch.

Shaping a Digital Bretton Woods: Rohinton Medhora, President, Centre for International Governance Innovation (CIGI) and Taylor Owen, Beaverbrook Chair in Media, Ethics and Communications and Associate Professor, Max Bell School of Public Policy, McGill University.

Linking Profit with Purpose at Home and Abroad: the Hon. Brian Gallant, Chief Sustainability Officer, Global Canada, and former Premier of New Brunswick.

Renewing Canada’s Foreign Policy: the Hon. Perrin Beatty, President and CEO of the Canadian Chamber of Commerce, and a former foreign minister.
A panel of the country’s former foreign ministers offered participants a rare opportunity to hear personal reflections from those at the apogee of Canadian leadership during critical moments in contemporary Canada’s foreign affairs. The panel included the Rt Hon. Joe Clark, former Prime Minister and then Minister of Foreign Affairs under Brian Mulroney; the Hon. Lloyd Axworthy and the Hon. Bill Graham, Ministers of Foreign Affairs under Jean Chrétien; and the Hon. Peter McKay, Minister of Foreign Affairs, National Defence and Justice under Stephen Harper.

In her Closing Keynote Michaëlle Jean, 27th Governor General of Canada and 3rd Secretary General of the Francophonie, observed that universal values such as democracy, the rule of law, good governance, equality and diversity, provide the foundation to Canada’s engagement with the world.
In the capstone of the evening, Lisa Laflamme, Chief Anchor and Senior Editor of CTV News, interviewed Canada’s 18th Prime Minister, the Right Honourable Brian Mulroney. Quoting former U.S. President Bill Clinton, Mr. Mulroney said that “leadership is the capacity to look around the corner of history, just a little bit.” He explained that his leadership had tried to do this, and saw globalization coming in force.

Among the proposals put forward this day, the community embraced one initiative above all others – the call for citizens to drive a root-and-branch reset of Canada’s foreign policy. The outcome of this was the Foreign Policy By Canadians initiative.
For the first time in four years, all branches of the CIC gathered with the National Office and Board of Directors in Toronto harbour on October 29, 2019. The day was not without drama, as the ferry carrying most of our participants got lost in the fog for the first hour of the day!

Bringing 32 representatives of our branches together unleashed considerable energy. Once the fog had lifted from the shores of Ward’s Island, the conversations between volunteers from the Pacific to the Atlantic reminded us how truly national this organization is. The day’s deliberations produced three resolutions for our work going forward, all of which will reinforce the value the CIC offers as a national institution.

1. Branches asked that the National Office expand the National Speakers’ Program, by which high-calibre speakers travel from branch to branch. The National Office responded positively, doubling the budget and delegating much of the decision-making to the branch level.

2. Out of this retreat came a commitment to jointly manage speaker visits under the National Speakers Program by following branches in the following groups: BC branches; The Prairies; Ontario; and all points from Ottawa east.

3. Many branches embraced the innovative mentorship program that the National Capital Branch launched last year, connecting different generations of CIC members to advance international careers.
October 29th also saw the first event of the former Couchiching Institute for Public Affairs, merged with the CIC thanks to a May 2019 agreement. In a history as old as the CIC’s, Lake Couchiching served as the venue for profound explorations of the public policy challenges of the day from the tumultuous years of the Great Depression to 2016, when the last annual conference was held.

The inheritors of the Couchiching tradition sought another “civil place to disagree” and landed on the CIC, bringing with them a unique practice of citizenship by which regular Canadians of all stations and stripes can engage in spirited debate within the full glory of Canadian nature. To evoke this legacy the CIC’s first Couchiching event was also held in a lakefront cabin, albeit on the shores of Lake Ontario. The debate featured former Minister of Foreign Affairs Lloyd Axworthy and former Ambassador to Saudi Arabia Dennis Horak on whether the world does, indeed need more Canada after all. Lyse Doucet of the BBC moderated.

Lloyd Axworthy, Lyse Doucet and Dennis Horak
New Branch Opening in Quebec City

With the opening of a new Quebec City branch in the December of 2019, branch President Renald Grégoire recounts a few of CIC Quebec’s most notable events:

Our first event of 2020 was "The Statute of Westminster 1931 and the Dawn of Canadian Foreign Policy". Over 200 people attended this conference as a prelude to the Westminster Concert presented by Holy Trinity Cathedral and the Austrian Embassy in Ottawa. The Quebec Consular Corps were present as well as the Honorable Jean-Yves Duclos, Member of Parliament for Quebec and President of the Treasury Board, and the Honourable J. Michel Doyon, Lieutenant Governor of Quebec.

With the support of the CIC’s National Speaker, CIC Quebec organized its first event with Giuliano da Empoli where he discussed his new book, "Ingenieure des Chaos". During the event, Da Empoli painted a portrait of political strategists made up of spin doctors, ideologists and more often, scientists and experts in Big Data who are reinventing the rules of the political game.
Establishing the CIC’s Young Professionals Network

The CIC’s first ever Young Professionals Network (YPN) took root in October 2019 at the National Retreat in Toronto, where designates from every branch came together to discuss the development of a network for young people passionate about Canadian foreign policy. Through multiple online town halls, written feedback, and meetings with branch presidents, a vision began to take shape.

In August 2020, CIC young professional and student members across Canada voted and selected the first executive of the YPN. The CIC YPN is been designed to help members strengthen their professional networks, gain valuable insights in international relations and foreign affairs, and develop valuable leadership skills to support their personal and professional growth. This has been done principally through speaker events which connect the YPN with today’s thought leaders, a professional development series to provide career advice and industry insights, networking opportunities, and discussion forums to foster dialogue between members.

Young Professional Network Executive:

President: Kevin McLeod (Edmonton)
Vice-President: Rai Friedman (Vancouver)
Vice-President, Research and Content Development – Anna Tsurkan (Victoria)
Vice-President, Digital Media and Communications – Tannishtha Pramanick (Toronto)
Vice President, Membership – Sahar Hussain (Toronto)
Secretary and Treasurer – Erik Henningsmoen (Calgary)
Succeeding Together

Supporters of the CIC

The Canadian International Council is supported by its dues-paying members and donors who share our mission to engage citizens in shaping their country’s foreign-policy direction. In 2019/2020 we received financial contributions from the following organisations and individuals; their support is essential to run the Canadian International Council and has helped tremendously in re-focussing the CIC on its core work. We could not have done it without them.

10,000+

William C. Graham
Succeeding Together

1,000+

James Appleyard
Robert E. Publicover
The Savvas Chamberlain Family Foundation
The Laidlaw Foundation
Nicolas Rouleau
Gerald Wright

100+

Paul Lee-Chin
Daniel Sutherland
Rachel Curran
Chris Kilford
Aphrodite Salas
Lawrence Herman
Patrick Leblond

Samphe Lhalungpa
Don Macnamara
Kevin Deveaux
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Michel Beaulieu
Elizabeth B. Kingston
Margaret McCuaig
Johnston

John Butcher
Barry W. Kelsey
Doug Campbell
Alan Breakspear
Lisa Balfour Bowen
Bryan Broyles
Charles Beer
Malcolm Olafson

Up to $100

Laurie Abel
John Wright
Aubrey Morantz
William Everitt
Ronald MacIntosh
Donald Sorochan
David Stinson
Jan Drent
Herfried Wuhrer
George Jacoby

Francoise Morissette
Samuel Amoah
Diana Dewar
Francoise Morissette
David Black
Minke Meijnders
Adam Redish
Marie-France Vary
Graham Lynk
Julia Anderson

Ljupco (Lou) Naumovski
Louis Pauly
George Jacoby
Jenny Mitchell
Alfred Wirth
David Westler
Dwayne Wright
Andrea Charron
David Ratz
Shaun Bala

Diane Teeple
Christina (Tina) Sweeney
Nick Hare
Andrew Caddell
John Barton
Ana Tasic
Jean-Paul St.Rose
David Mezzabotta
Nicholas Duplessis
Nicolai Pogadl
Zeeshan Shaikh
Our work to engage Canadian citizens in the national conversation on international affairs relies deeply on a network of dedicated CIC branch executives. The CIC could not exist without the dedicated work of more than 100 CIC branch executives running our 16 branches. Countless hours have been spent preparing events, engaging members locally and virtually, and coordinating with the National Office and other branches to program the day-to-day operations of a nation-wide organisation.

Branch presidents (as of June 30, 2020):

- **Calgary**
  Veronica de la Rosa Jaimes

- **Edmonton**
  Kevin McLeod

- **Halifax**
  Valerie Bachynsky

- **Hamilton**
  Paul Lee-Chin

- **Montreal**
  Marie Lamensch

- **National Capital (Ottawa)**
  Elizabeth Kingston

- **Québec**
  Renald Grégoire

- **Saktatoon**
  Anton Canitz

- **Regina**
  Alexander Shalashniy

- **Thunder Bay**
  Michel S. Beaulieu

- **Toronto**
  Jo-Ann Davis

- **Vancouver**
  Brett Shearing

- **Victoria**
  Chris Kilford

- **Waterloo**
  Laszlo Sarkany

- **Winnipeg**
  Brad Kirbyson
The people who make the CIC

Board of Directors (as of June 30, 2020):

- Bill Graham (Chair)
- James Appleyard (Vice Chair)
- Rachel Curran
- David Dyment
- Nicholas Hirst
- Chris Kilford
- Paul Lee-Chin
- Ruth Mojeed
- Maureen O’Neil
- Nicolas Rouleau
- Aphrodite Salas
- Gerald Wright
- Savvas Chamberlain
- Marie Lamensch

National Office & National Journal

- Ben Rowswell – President & Research Director
- Daniel Lis – Programming Coordinator
- Nicolai Pogadl – Development Manager (until March 2020)
- Greg Donaghy – Co-Editor, International Journal (in memoriam)
- Brian Bow – Co-Editor, International Journal
- Elliot Gunn – Researcher & Managing Editor, International Journal
Contact

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Toronto, Ontario, M5S 1H8

Physical Address:
15 Devonshire Place, Room 210
Toronto, Ontario, M5S 1H8

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info@thecic.org

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instagram.com/cicnational

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youtube.com: Canadian International Council

LinkedIn:
linkedin.com/company/canadian-international-council

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Canada’s conversation on global affairs:

www.thecic.org/en/become-a-member
membership@thecic.org
Financial Statements of:

Canadian International Council
Conseil International du Canada

June 30, 2020

Together with Independent Auditor's Report
# CANADIAN INTERNATIONAL COUNCIL
# CONSEIL INTERNATIONAL DU CANADA

## Financial Statements
### June 30, 2020

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  - Statement of Operations 6
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of:
Canadian International Council
Counsel International Du Canada:

Qualified Opinion
We have audited the accompanying financial statements of Canadian International Council (the "Council"), which comprise the statements of financial position as at June 30, 2020 and 2019, and the statements of operations and changes in fund balances and of cash flows for the years then ended, as well as a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinion" section of our report, the accompanying financial statements presented fairly, in all material respects, the financial position of Canadian International Council as at June 30, 2020 and 2019, and the results of its operation and cash flows for the years then ended in accordance with Accounting Standards for Not-for-Profit Organizations.

Basis for Qualified Opinion
In common with many charitable organizations, Canadian International Council derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of Canadian International Council. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenditures, and cash flows from operations for the years ended June 30, 2020 and 2019, current and net assets as at June 30, 2020 and 2019.

Our opinion on the financial statements for the years ended June 30, 2020 and 2019 was qualified accordingly because of the possible effects of this limitation in scope.

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 Canadian International Council 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 qualified opinion.
Emphasis of Matter - Restated Comparative Information
We draw attention to Note 10 to the financial statements, which explains that certain comparative information presented for the year ended June 30, 2019 has been restated to record endowment funds not previously recorded. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance 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 fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 judgement 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 purposes of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 Company'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 Company to cease to continue as a going concern.

• Evaluate 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 the audit.

NVS Professional Corporation

NVS Professional Corporation
Chartered Professional Accountants
Authorized to practise public accounting by
The Chartered Professional Accountants of Ontario

Markham, Ontario
December 18, 2020
# Statement of Financial Position

For the year ended June 30, 2020

<table>
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<th>Assets</th>
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<td>$ -</td>
<td>$ 193,702</td>
<td>$ 294,649</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,354</td>
</tr>
<tr>
<td>Deposits and prepayments</td>
<td>5,405</td>
<td>-</td>
<td>5,405</td>
<td>1,888</td>
</tr>
<tr>
<td>HST recoverable</td>
<td>691</td>
<td>-</td>
<td>691</td>
<td>14,872</td>
</tr>
<tr>
<td>Interfund receivable (payable)</td>
<td>(15,534)</td>
<td>15,534</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>184,264</td>
<td>15,534</td>
<td>199,798</td>
<td>313,763</td>
</tr>
<tr>
<td>Capital assets (Note 3)</td>
<td>3,117</td>
<td>-</td>
<td>3,117</td>
<td>2,008</td>
</tr>
<tr>
<td>Investments (Note 6)</td>
<td>30,000</td>
<td>138,673</td>
<td>168,673</td>
<td>85,541</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 217,381</td>
<td>$ 154,207</td>
<td>$ 371,588</td>
<td>$ 401,312</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Operating Fund</th>
<th>Specific Purpose Funds</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities</strong></td>
<td>2020</td>
<td>2019</td>
<td>2020</td>
<td>2019</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$ 17,853</td>
<td>$ -</td>
<td>$ 17,853</td>
<td>$ 61,103</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>39,427</td>
<td>-</td>
<td>39,427</td>
<td>30,962</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>57,280</td>
<td>-</td>
<td>57,280</td>
<td>92,065</td>
</tr>
<tr>
<td>Long term debt (Note 4)</td>
<td>40,000</td>
<td>-</td>
<td>40,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>97,280</td>
<td>-</td>
<td>97,280</td>
<td>92,065</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets</th>
<th>Operating Fund</th>
<th>Specific Purpose Funds</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted fund</td>
<td>120,101</td>
<td>-</td>
<td>120,101</td>
<td>236,172</td>
</tr>
<tr>
<td>Externally restricted fund (Note 5)</td>
<td>-</td>
<td>15,534</td>
<td>15,534</td>
<td>17,534</td>
</tr>
<tr>
<td>Endowment fund (Note 6)</td>
<td>-</td>
<td>138,673</td>
<td>138,673</td>
<td>55,541</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>120,101</td>
<td>154,207</td>
<td>274,308</td>
<td>309,247</td>
</tr>
</tbody>
</table>

| **Total** | $ 217,381 | $ 154,207 | $ 371,588 | $ 401,312 |

Approved by the Board:

_______________________________ Vice-Chair

_______________________________ Treasurer
CANADIAN INTERNATIONAL COUNCIL  
COUNSEIL INTERNATIONAL DU CANADA  

Statement of Changes in Net Assets  

For the year ended June 30, 2020

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Externally Restricted Fund (Note 5)</th>
<th>Restricted for Endowment Purposes (Note 6)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balances, July 1, 2018</td>
<td>$308,071</td>
<td>$18,534</td>
<td>$56,082</td>
<td>$382,687</td>
</tr>
<tr>
<td>Deficiency of revenue over expenses</td>
<td>(74,586)</td>
<td>-</td>
<td>-</td>
<td>(74,586)</td>
</tr>
<tr>
<td>Externally restricted fund (Note 5)</td>
<td>-</td>
<td>(1,000)</td>
<td>-</td>
<td>(1,000)</td>
</tr>
<tr>
<td>Endowment fund (Note 6)</td>
<td>-</td>
<td>-</td>
<td>2,146</td>
<td>2,146</td>
</tr>
<tr>
<td>Interfund transfers</td>
<td>2,687</td>
<td>-</td>
<td>(2,687)</td>
<td>-</td>
</tr>
<tr>
<td>Balances, June 30, 2019</td>
<td>$236,172</td>
<td>$17,534</td>
<td>$55,541</td>
<td>$309,247</td>
</tr>
<tr>
<td>Balances, July 1, 2019</td>
<td>$236,172</td>
<td>$17,534</td>
<td>$55,541</td>
<td>$309,247</td>
</tr>
<tr>
<td>Deficiency of revenue over expenses</td>
<td>(118,800)</td>
<td>-</td>
<td>-</td>
<td>(118,800)</td>
</tr>
<tr>
<td>Externally restricted fund (Note 5)</td>
<td>-</td>
<td>(2,000)</td>
<td>-</td>
<td>(2,000)</td>
</tr>
<tr>
<td>Endowment fund (Note 6)</td>
<td>-</td>
<td>-</td>
<td>85,861</td>
<td>85,861</td>
</tr>
<tr>
<td>Interfund transfers</td>
<td>2,729</td>
<td>-</td>
<td>(2,729)</td>
<td>-</td>
</tr>
<tr>
<td>Balances, June 30, 2020</td>
<td>$120,101</td>
<td>$15,534</td>
<td>$138,673</td>
<td>$274,308</td>
</tr>
</tbody>
</table>
## Statement of Operations

For the year ended June 30,

<table>
<thead>
<tr>
<th></th>
<th>Operating Fund</th>
<th>Specific Purpose Fund</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programs</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 12,011</td>
</tr>
<tr>
<td>Publications</td>
<td>72,880</td>
<td>-</td>
<td>72,880</td>
<td>72,913</td>
</tr>
<tr>
<td>Memberships</td>
<td>95,573</td>
<td>-</td>
<td>95,573</td>
<td>174,366</td>
</tr>
<tr>
<td>Donations</td>
<td>265,053</td>
<td>-</td>
<td>265,053</td>
<td>35,000</td>
</tr>
<tr>
<td>Grants</td>
<td>28,802</td>
<td>-</td>
<td>28,802</td>
<td>40,386</td>
</tr>
<tr>
<td>Other</td>
<td>108,399</td>
<td>-</td>
<td>108,399</td>
<td>93,732</td>
</tr>
<tr>
<td><strong>REVENUE</strong></td>
<td>570,707</td>
<td>-</td>
<td>570,707</td>
<td>428,408</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programs</td>
<td>145,746</td>
<td>-</td>
<td>145,746</td>
<td>38,979</td>
</tr>
<tr>
<td>Branch expenses</td>
<td>99,949</td>
<td>-</td>
<td>99,949</td>
<td>186,288</td>
</tr>
<tr>
<td>Administration and office (Note 7)</td>
<td>414,735</td>
<td>-</td>
<td>414,735</td>
<td>231,111</td>
</tr>
<tr>
<td>Publications</td>
<td>27,142</td>
<td>-</td>
<td>27,142</td>
<td>43,577</td>
</tr>
<tr>
<td>Amortization</td>
<td>1,935</td>
<td>-</td>
<td>1,935</td>
<td>3,039</td>
</tr>
<tr>
<td>Total expenses</td>
<td>689,507</td>
<td>-</td>
<td>689,507</td>
<td>502,994</td>
</tr>
<tr>
<td><strong>Deficiency of revenue over expenditures</strong></td>
<td>$ (118,800)</td>
<td>-</td>
<td>$ (118,800)</td>
<td>$ (74,586)</td>
</tr>
</tbody>
</table>
CANADIAN INTERNATIONAL COUNCIL
COUNSEIL INTERNATIONAL DU CANADA

Statement of Cash Flows

For the year ended June 30,

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Operating Fund</td>
<td>Specific Purpose Funds</td>
</tr>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deficiency of revenue over expenses</td>
<td>$ (118,800)</td>
<td>$ -</td>
</tr>
<tr>
<td>Add - Items not affecting cash:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization expense</td>
<td>1,935</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>(116,865)</td>
<td>-</td>
</tr>
<tr>
<td>Changes in operating non-cash working capital:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decrease in accounts receivable</td>
<td>2,353</td>
<td>-</td>
</tr>
<tr>
<td>(Increase)/decrease in prepaid expenses</td>
<td>(3,517)</td>
<td>-</td>
</tr>
<tr>
<td>Increase in HST recoverable</td>
<td>14,182</td>
<td>-</td>
</tr>
<tr>
<td>Increase/(decrease) in accounts payable and accrued liabilities</td>
<td>(43,251)</td>
<td>-</td>
</tr>
<tr>
<td>Increase in deferred revenue</td>
<td>8,465</td>
<td>-</td>
</tr>
<tr>
<td>Increase in externally restricted funds</td>
<td>-</td>
<td>(2,000)</td>
</tr>
<tr>
<td>Endowment contributions Funds</td>
<td>2,729</td>
<td>84,000</td>
</tr>
<tr>
<td></td>
<td>(19,039)</td>
<td>82,000</td>
</tr>
<tr>
<td>Net change in non-cash working capital items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash inflow (outflow) from operating activities</td>
<td>(135,904)</td>
<td>82,000</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(3,043)</td>
<td>-</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from long term debt</td>
<td>40,000</td>
<td>-</td>
</tr>
<tr>
<td>Increase in investments</td>
<td>-</td>
<td>(84,000)</td>
</tr>
<tr>
<td>Net cashflow from financing activities</td>
<td>40,000</td>
<td>(84,000)</td>
</tr>
<tr>
<td>Net change in cash</td>
<td>(98,947)</td>
<td>(2,000)</td>
</tr>
<tr>
<td>Cash, beginning of year</td>
<td>277,115</td>
<td>17,534</td>
</tr>
<tr>
<td>Cash, end of year</td>
<td>$ 178,168</td>
<td>$ 15,534</td>
</tr>
</tbody>
</table>
1. PURPOSE OF THE COUNCIL

The Canadian International Council - Conseil International du Canada (the "Council") is a not-for-profit Canadian organization founded in 1928 and incorporated in 1950 under the laws of Canada as a corporation without share capital. The certificate of continuance was obtained under the Canadian Not-for-Profit Corporations Act on June 4, 2014. The Council's mission is the promotion of an understanding of international affairs by providing interested Canadians with a non-partisan, nationwide forum for informed discussion, analysis and debate.

The Council is a registered charity within the meaning of the Income Tax Act (Canada) and accordingly is exempt from income taxes provided certain disbursement requirements are met.

On May 15, 2019, the Council signed an agreement to merge with Couchiching Institute of Public Affairs ("CIPA"). CIPA was obligated to transfer it's assets and liabilities to CIC subsequent to the signing of the agreement. The transfer of the assets and liabilities occurred on September 25, 2019, which was comprised of the Eric Koch Trust Fund Capital in the amount of $91,215, of which $84,000 is included in the Specific Funds.

On January 30, 2020, the World Health Organization ("WHO") declared a Public Health Emergency of International Concern resulting from an outbreak of pneumonia cases from an unknown cause, which originated in Wuhan, China. Over a week later, on February 11, 2020, the WHO then announced a name for this new disease called the coronavirus ("COVID-19"). And on March 11, 2020, the WHO declared COVID-19 to be a global pandemic and a world-wide health concern to all of humanity. As a result, governing countries and their leaders around the world acted to mitigate the spread of this virus by restricting travel, testing and quarantining symptomatic individuals, enforcing social distancing, closing schools and non-essential businesses and requesting residents to stay inside their homes. These measures have had a direct impact on the global and Canadian economy.

The Canadian government acted by testing and treating symptomatic individuals, enforcing social distancing, closing schools and non-essential businesses and requesting the community stay inside their homes. Due to these measures taken, many businesses were forced to lay off staff, postpone contracts and work, request financial relief and defer payments to their financial lenders, landlords and stakeholders and to close their businesses altogether. The Federal government also responded by extending tax filing an payment deadlines and made available a wage subsidy to qualifying businesses to help provide some relief during this challenging time.

It is uncertain how long these COVID-19 conditions will last and what economic impact they will have on the organization's business, ongoing cash flows and its ability to continue as a going concern.
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting
These financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-for-Profit Organizations. Outlined below are those policies considered particularly significant for the Council.

These financial statements cover the activities of all branches of the Canadian International Council as well as the National Office. In previous years the National Office was not able to provide external auditors with sufficient information on the financial activities of the 15 branches of the organization.

Management's Estimates
The preparation of financial statements in conformity with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could differ from those estimates.

Fund Accounting
Revenues, expenses, assets and liabilities related to program delivery activities and administration are reported in the General Fund.

The Foundation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets in the year.

Unrestricted dividend and interest income from Endowment Fund investments are reported in the Endowment Fund. Gains and losses on Endowment Fund investments are reported in the Endowment Fund.

Specific purpose award funds detailed in Note 5 are reported in restricted funds. Disbursements from the award funds are reported in statement of changes in net assets.

Capital Assets
Capital assets are recorded at cost and amortized over the assets' estimated useful lives. Computer software and website development costs are amortized on a straight-line basis over a period of three years. Office equipment is amortized over a period of five years.

When capital assets no longer contribute to the Council's ability to provide services, their carrying amount is written down to their residual value.
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial Instruments
The Council initially measures its financial assets and liabilities at fair value. The Council subsequently
measures its financial assets and financial liabilities at amortized cost, except for equity investments
that are quoted in an active market, which are measured at fair value. Changes in fair value are
recognized in the excess of expenditures over revenue.

Financial assets measured at amortized cost include cash, accounts receivable, short term investment
certificate included in investments. Financial liabilities measured at amortized cost include accounts
payable and accrued liabilities.

The Council's financial assets measured at fair value include the investments held in The Winnipeg
Foundation.

Transaction costs and financing fees are expensed as incurred for financial instruments measured at fair
value and capitalized for financial instruments that are subsequently measured at cost or amortized cost.

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators
of impairment. The amount of the write-down, if any, is recognized in the excess of expenditures over
revenue. Reversals of impairment are recorded to the extent that the value has increased, up to the
amount that would have been reported at the date of the reversal had the impairment not been
recognized previously. The amount of the reversal is recognized in the excess of expenditures over
revenue.

Revenue Recognition
Donations and bequests are included in income when received or deemed receivable and the amount to
be received can be reasonably estimated and collection is reasonably assured.

Membership fees are recognized as revenue proportionately over the fiscal year to which they relate.

Publications
Publications income represents royalty fees and a writer's stipend and are recognized in income as
received.

Investment
Interest on guaranteed investment certificates is recognized when earned using the effective interest
rate method.

Contributed Materials, Services and Assets
Contributed materials, services and assets are recorded at fair value in the period received when a fair
value can be reasonably estimated and when the materials and services would have been purchased if
not contributed.
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Government Assistance
The Canadian Emergency Business Account is government assistance drawn in form of a loan that is forgiven on condition as described in Note 4. This amount is recognized as a loan and will be recognized as a grant at the time the entity becomes entitled to it.

3. CAPITAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Accumulated Amortization</th>
<th>Net</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office equipment and computer software</td>
<td>$64,958</td>
<td>$61,841</td>
<td>$3,117</td>
<td>$2,008</td>
</tr>
</tbody>
</table>

4. LONG TERM DEBT

The Company received a $40,000 loan for the Canada Emergency Business Account. The loan amount is interest-free and $10,000 is forgivable if the $30,000 amount is paid by December 31, 2022, after which the full amount is subject to a 5% annual interest rate.

5. EXTERNALLY RESTRICTED FUND BALANCES

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marvin Gelber Trust Fund</td>
<td>$8,360</td>
<td>$9,360</td>
</tr>
<tr>
<td>M. Cadieux Essay Prize Fund</td>
<td>7,174</td>
<td>8,174</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$15,534</td>
<td>$17,534</td>
</tr>
</tbody>
</table>

The Externally restricted funds consists of:

- The Marvin Gelber Trust Fund, which provides an annual award for the best article for International Journal by a young scholar. During the year, $1,000 (2019 - $Nil) was paid out from these funds.
- The M. Cadieux Essay Prize Fund which provides an annual award for the best article on Canadian Foreign Policy to appear in that year's volume of International Journal. During the year, $1,000 (2019 - $1,000) was paid out from these funds.
6. ENDOWMENT FUNDS

Eric Koch Trust Fund Capital

On September 25, 2019, the Council acquired an amount of $91,215 in Eric Koch Trust Fund Capital from Couchiching Institute on Public Affairs (CIPA), of which $7,215 was expended to cover conference speaker expenses. The $84,000 amount is invested in a Short Term Investment Certificate with a rate of return of 0.550% and matures on March 13, 2023. Eric Koch Trust which cannot be used for any other purposes except that the fund can only be expended to cover direct conference speaker expenses.

The Wilfred Queen-Hughes Memorial Fund

The Council has two endowment funds associated with their Winnipeg branch; The Wilfred Queen-Hughes Memorial Fund and the Canadian International Council - Winnipeg Branch Endowment Fund (Note 10).

<table>
<thead>
<tr>
<th></th>
<th>Wilfred Queen-Hughes Memorial Fund</th>
<th>Eric Koch Trust Fund Capital</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance, July 1, 2018</td>
<td>$56,082</td>
<td>$-</td>
<td>$56,082</td>
</tr>
<tr>
<td>Realized gains</td>
<td>948</td>
<td>-</td>
<td>948</td>
</tr>
<tr>
<td>Unrealized gains (losses)</td>
<td>(93)</td>
<td>-</td>
<td>(93)</td>
</tr>
<tr>
<td>Investment income (loss)</td>
<td>1,769</td>
<td>-</td>
<td>1,769</td>
</tr>
<tr>
<td>Disbursements to operating fund</td>
<td>(2,687)</td>
<td>-</td>
<td>(2,687)</td>
</tr>
<tr>
<td>Other</td>
<td>(478)</td>
<td>-</td>
<td>(478)</td>
</tr>
<tr>
<td>Ending balance, June 30, 2019</td>
<td>$55,541</td>
<td>$-</td>
<td>$55,541</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Wilfred Queen-Hughes Memorial Fund</th>
<th>Eric Koch Trust Fund Capital</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance, July 1, 2019</td>
<td>$55,541</td>
<td>$-</td>
<td>$55,541</td>
</tr>
<tr>
<td>Realized gains</td>
<td>746</td>
<td>-</td>
<td>746</td>
</tr>
<tr>
<td>Unrealized gains (losses)</td>
<td>(704)</td>
<td>-</td>
<td>(704)</td>
</tr>
<tr>
<td>Investment income (loss)</td>
<td>2,313</td>
<td>-</td>
<td>2,313</td>
</tr>
<tr>
<td>Disbursements to operating fund</td>
<td>(2,729)</td>
<td>-</td>
<td>(2,729)</td>
</tr>
<tr>
<td>Contributions</td>
<td></td>
<td>84,000</td>
<td>84,000</td>
</tr>
<tr>
<td>Other</td>
<td>(494)</td>
<td>-</td>
<td>(494)</td>
</tr>
<tr>
<td>Ending balance, June 30, 2020</td>
<td>$54,673</td>
<td>$84,000</td>
<td>$138,673</td>
</tr>
</tbody>
</table>
7. ADMINISTRATION EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and benefits</td>
<td>$236,715</td>
<td>$141,725</td>
</tr>
<tr>
<td>Rent</td>
<td>$5,650</td>
<td>$5,394</td>
</tr>
<tr>
<td>Other</td>
<td>$172,371</td>
<td>$83,992</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$414,736</strong></td>
<td><strong>$231,111</strong></td>
</tr>
</tbody>
</table>

8. CONTINGENT LIABILITY

The Council is contingently liable for all or a portion of grants received for expenditures should it not use the grant funds as set out in the terms of the respective agreements. The amount of any such repayments are not currently anticipated or determinable. Repayment of a grant will be recorded if and when it becomes anticipated and determinable.

The Council is contingently liable for all or a portion of grants received for expenditures should it not use the grant funds as set out in the terms of the respective agreements. The amount of any such repayments are not currently anticipated or determinable. Repayment of a grant will be recorded if and when it becomes anticipated and determinable.

9. FINANCIAL INSTRUMENTS

Interest Rate and Credit Risk

The Council is exposed to interest rate and credit risks arising from its financial instruments; the long term debt, the short term investment certificate, and the investment in The Winnipeg Foundation.

Foreign Currency Exchange Risk

The Council is not exposed to fluctuations in foreign currency exchange rates as all revenue and expenses are concentrated locally within Canada. As a result, fluctuations in the United States dollar against the Canadian dollar will not result in unanticipated fluctuations in the Council's financial results which are denominated in Canadian dollars.

Liquidity Risk

Liquidity risk refers to the risk that the entity will encounter difficulty in meeting obligations associated with financial liabilities. The Council is not expected to have any difficulty in meeting its obligations with financial liabilities.
10. **RESTATED FIGURES**

During the year it was discovered that the Winnipeg branch of the Council was the beneficiary of endowment funds that have not been recognized in the Council's financial statements. Since July 17, 1973, this fund has been managed by The Winnipeg Foundation under an investment management agreement, known as the Wilfred Queen-Hughes Memorial Fund. No amounts had been distributed from this endowment until 2016, when the cumulative eligible disbursement amount of approximately $19,500 was combined with a $15,000 grant from The Winnipeg Foundation to form a second fund known as the Canadian International Council – Winnipeg Branch Endowment Fund. While the Winnipeg branch of the Council is the beneficiary of disbursements from the Canadian International Council – Winnipeg Branch Endowment Fund, the assets and contributions of the fund are owned by The Winnipeg Foundation and as such are not recognized in the net assets of the Council, but recognized as income on the statement of Operations.

Investment income from the Wilfred Queen-Hughes Memorial Fund is recorded as income in the period for the endowment fund. On an annual basis, the endowment fund disburses a fixed percent of the fair value of their underlying assets for the benefit of the Winnipeg branch. As at June 30, 2018, the balance in the was $56,082. As a result, the opening net assets for the Council as at July 1, 2018 has increased by $56,082, with a corresponding increase in Investments for the same amount.

The operating activities for the year ended June 30, 2019 have been restated as follows to include endowment fund activities:

- **Investment income**, including realized and unrealized gains increased by $2,624 and expenses increased by $478, which has been shown in Note 6 and Statement of changes in Net Assets.
- **Disbursements from the endowment funds to the general fund of $2,687**, which were originally disclosed as income in the general fund, are now disclosed as transfers between funds in the statement of changes in net assets.
- **The net effect of these adjustments on the June 30, 2019 balance sheet was to increase net assets by $55,541 with a corresponding increase in investments for the same amount.**