



THE FOUNDATION FOR STRATEGIC  
ENVIRONMENTAL RESEARCH - **MISTRA**

# ANNUAL FINANCIAL STATEMENTS 2017

SUPPORTING RESEARCH OF STRATEGIC IMPORTANCE FOR A  
GOOD LIVING ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

**The Foundation for Strategic Environmental Research**  
**Corporate identity number 802017-9324**  
**Financial year 2017**

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## This is Mistra

The Swedish Foundation for Strategic Environmental Research – Mistra – supports research of strategic importance for a good living environment and sustainable development. It seeks to promote the development of strong research environments of the highest international class and of importance for Sweden’s future competitiveness. Opportunities to achieve industrial applications are to be pursued to the full.

- ▶ Mistra invests in interdisciplinary research of the highest quality which, with the involvement of end users, will contribute to the sustainable development of society.
- ▶ Research initiated by Mistra should, among other things, promote more efficient energy use and transport, non-toxic, resource-saving environmental life cycles, sustainable production and consumption, and wise management of land, water and the built environment.
- ▶ To ensure that the results benefit society, research – from the idea stage onwards – is developed on the basis of close collaboration between academia, the private sector, public agencies and non-governmental organisations.
- ▶ Mistra invests some SEK 200 million a year in research. It currently supports 20 major interdisciplinary research programmes and centres, most of them extending over four to eight years.
- ▶ Mistra’s capital is to be managed in a way that offers a model of how investments can promote progress towards long-term sustainability in society and the private sector.

The Board of the Foundation for Strategic Environmental Research (Mistra) hereby presents its annual financial statements for the period 1 January-31 December 2017, the twenty-fourth year of the Foundation's existence.

## Management report

FIGURES IN BRACKETS ARE FOR 2016.

### Achievement of objectives

The objectives of Mistra, as set out in Article 1 of its Statutes, are as follows:

*'The purpose of the Foundation, whose name shall be the Foundation for Strategic Environmental Research, is to fund research of strategic importance for a good living environment.'*

*'The Foundation shall promote the development of strong research environments of the highest international class with importance for Sweden's future competitiveness. The research shall be of importance for finding solutions to important environmental problems and for a sustainable development of society. Opportunities for achieving industrial applications shall be taken advantage of.'*

### Board

During the financial year, the Board of Mistra comprised the following members:

*Johan Söderström, Chair  
Kerstin Johannesson, Deputy Chair  
Klas Eklund  
Hans Folkesson  
Sara Ilstedt  
Ulf Landegren  
Anne-Marie Tillman  
Eva Samakovlis  
Kyösti Tuutti  
Margareta Törnqvist*

The Board of Mistra held four meetings during the year.

### Advancement of objectives

Mistra invests in research that has the potential to solve important environmental problems and strengthen Sweden's future competitiveness. Two to four new research programmes are usually announced each year. The goal is the same for all: they must be environmentally strategic and of the highest international scientific quality. The results are therefore intended to be of practical use. To achieve this, research

is conducted in close dialogue with stakeholders concerned from every sector of society.

Mistra's investments in research can be divided into three categories: Mistra programmes, Mistra centres and other forms of support. From its inception to year-end 2017, the Foundation awarded funding for a total of 58 (57) major research programmes and 3 (3) Mistra centres.

A Mistra programme normally runs for eight years, and the programme period is divided into two phases of four years each. During the final year of the first phase, a second phase of the programme may be applied for. The application and the results of the first phase are evaluated before the Mistra Board can reach a decision on funding for a further phase. The programmes, which are interdisciplinary, are run by a consortium, with one main applicant as the programme host. The host organisation appoints a programme board and a programme director in consultation with Mistra. Mistra follows the programmes from start to finish and supports their

**THE MISTRA BOARD** From left: Anne-Marie Tillman, Klas Eklund, Johan Söderström, Margareta Törnqvist, Eva Samakovlis, Hans Folkesson, Kyösti Tuutti, Sara Ilstedt, Kerstin Johannesson. Not pictured: Ulf Landegren.



<b>Five-year summary (SEK million)</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
New grants awarded during year	47	158	308	175	161
Total research grants paid during year	211	172	147	154	177
Assets under management (market value), 31 December	3,105	3,098	2,867	3,026	2,843
Grants awarded but not yet paid, 31 December	537	733	752	592	570
Foundation's assets, 31 December	2,624	2,405	2,344	2,513	2,288

boards, to ensure that the programme goals are achieved and the results benefit end users.

A Mistra centre is run by a centre host that, in consultation with Mistra, appoints a centre board and a centre director. Mistra funding for a centre may extend over a somewhat longer period than eight years, but is also divided into two phases, with an evaluation of phase one before funds are awarded for a second phase.

During 2017, Mistra disbursed research funding of SEK 211 (172) million to about 20 programmes and centres, and awarded funding for one new programme. Since Mistra was founded and up to the end of 2017, SEK 4,117 million has been disbursed.

In June, the new programme *Mistra Sustainable Consumption*, with the programme host KTH Royal Institute of Technology, was awarded a maximum of SEK 45 million for four years. This programme started on 1 December. In addition, the programmes *Mistra Carbon Exit* (hosted by IVL Swedish Environmental Research Institute), *Mistra Geopolitics* (hosted by Stockholm Environment Institute) and *Mistra TerraClean* (hosted by KTH Royal Institute of Technology) launched during the year, pursuant to award decisions in December 2016.

During the year, final reports on *Mistra Future Forests* were issued and

Mistra's financial commitment in the programme ended.

During the year, Mistra's Board decided to announce two new programmes: *Smart Infrastructure Maintenance* as well as *Bioeconomy and the Forest*.

Among other initiatives, the *Mistra Fellows Programme* gives one PhD student or researcher involved in an existing Mistra programme the opportunity to spend time at a foreign think tank or international organisation, primarily in Europe or North America. In 2017, two Mistra Fellows completed their stays abroad. Agreements were signed with two new researchers, who started their stays abroad at the beginning of 2018. Mistra's total funding for the programme is SEK 4 million a year, with a maximum grant of SEK 1 million payable to each Fellow.

The funding period for the *Mistra Refugee Programme* was extended until 2018. Mistra decided to contribute SEK 0.8 million to two trainee placements for refugees with an academic background but who are not yet established on the Swedish employment market. These positions are linked to Mistra's research programmes.

#### **Asset management**

Mistra's Statutes contain a number of provisions relating to the management of the Foundation's assets:

- ▶ *'The board of trustees is responsible for ensuring that the Foundation's assets are managed satisfactorily with limited risk and a good rate of return.'*
- ▶ *'The Foundation's endowment consists of the funds which have been transferred to the Foundation as of 2 December 1993 by Government decision plus whatever funds may be transferred to the Foundation thereafter as additional foundation capital.'*
- ▶ *'The activities of the Foundation may eventually entail that the Foundation's endowment is used up.'*

The Mistra Board appoints the members of a Committee for Asset Management, which is responsible for managing the Foundation's capital within the framework laid down by the Board. During the year, the Committee for Asset Management comprised the following members:

EXTERNAL MEMBERS:  
**Märtha Josefsson** (Chair)  
**John Howchin**  
**Torbjörn Hamnmark**  
**Maritha Lindberg**

REPRESENTATIVE OF THE BOARD:  
**Klas Eklund**

EXECUTIVE DIRECTOR:  
**Åke Iverfeldt**

<b>Breakdown of Mistra's overall portfolio (per cent)</b>	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
Fixed-income investments, including liquid assets	34.7	37.3
Swedish equities	10.3	10.1
Global equities	34.3	31.9
Other equities	5.3	4.4
Alternative investments	15.4	16.3
<b>TOTAL</b>	<b>100</b>	<b>100</b>

Mistra's Executive Director is a member of the Committee under the rules of procedure adopted by the Board.

Mistra's Committee for Asset Management held five meetings during the year.

At the outset in 1994, Mistra's endowment amounted to SEK 2,500 million. By year-end 2017, the market value of its assets was SEK 3,105 (3,098) million. In all, research funding of SEK 4,117 (3,906) million, including SEK 211 (172) million during 2017, has been disbursed. Uncommitted funds at the end of 2017 amounted to SEK 2,624 (2,405) million.

Mistra's portfolio is divided among 18 fund mandates, entrusted to twelve external investment managers. The Committee for Asset Management is responsible for tactical asset allocation and selection of external managers. The Committee also makes proposals, for decision by the Board, concerning the strategic allocation of assets and choice of benchmark indices. Apart from this, Mistra has no in-house asset management.

In 2017, the holdings of individual green bonds were sold and the cash was invested in a green bond fund. The asset investment policy and its limit for alternative investments were updated. Otherwise, no changes were made to mandates or managers.

The return on Mistra's capital, for the whole portfolio, was 8.5 per cent, outperforming the weighted benchmark index by 3.8 percentage points. The return on the equity portfolio was 17.0 per cent, 5.9 percentage points better than Mistra's benchmark index for shares. The fixed-income portfolio recorded a return of 0.4 per cent, 0.2 percentage points above the benchmark index. The return on total alternative investments was 4.2 per cent, also exceeding Mistra's benchmark index.

Back in 2003, work began on making Mistra's portfolio sustainable, and since 2007 Mistra's whole portfolio has been managed on the basis of sustainability criteria. Since 2008, Mistra has been a signatory to the United Nations Principles for Responsible Investment (UN PRI). Mistra's objective is to be an active asset owner and influence the industry to achieve a sustainable financial market in the long

term. We do this through dialogue with our asset managers and by contributing, in an open and transparent way, to the spread of ideas.

Mistra also invests thematically in sustainable development through funds focused on green bonds, micro-finance and clean tech.

In 2017, Mistra's process for monitoring and evaluating the portfolio was developed. The process is based partly on the evidence of outside consultants and partly on dialogues with the asset managers. Mistra's toolbox includes a number of methods and we collect knowledge from various sources. The asset managers and external consultants have different criteria for environment and sustainability, and their processes and conclusions vary. There are no rigid definitions of right or wrong, and no unequivocal answers can therefore be given. Internally, we analyse the various data we receive and seek to understand their validity based on the limitations of the selected criteria, in dialogue with our outside consultants and asset managers. The evidence provided by external consultants gives us knowledge that facilitates dialogue with our managers. The process creates good prospects for the continued development of asset management in a sustainable direction.

As in previous years, Mistra conducted an ethical and environmental review of the entire portfolio, assisted by the outside consultant ISS-Ethix. This review seeks to identify companies that do not respect international standards for environmental protection, human rights, labour law or anti-corruption measures. Companies involved in anti-personnel mines, cluster munitions and chemical, biological or nuclear weapons are also identified. Sector-based screening is carried out, with identification of companies with a 5% or higher share of turnover derived from alcohol, betting, military equipment, pornography or tobacco, or with a proportion of 50% or more derived from fossil fuels. In summary, 99.3% of the portfolio passes the ethical and environmental review according to Mistra's criteria. Two companies are questionable in terms of compliance with international standards. These account for less than 0.25 per

cent of Mistra's portfolio. Mistra has started a specific dialogue with the relevant managers concerning these two holdings.

Mistra also conducted an ESG analysis of the equity portfolio, using the external consultant Sustainalytics. ESG gives an indication of the companies' commitments in environmental management, social accountability and governance according to set criteria. In 2018, Mistra will use the information as a basis for company-specific dialogue with accountable fund managers.

Mistra engaged the analysis company Trucost to measure the portfolio's carbon footprint. This analysis includes data on the companies' direct emissions of greenhouse gases and indirect emissions from the purchase of energy, business travel and logistics. Mistra is aware that this is only a limited portion of a company's carbon footprint. The results should therefore be interpreted with caution. The carbon footprint of Mistra's equity portfolio at 30 September 2017 is 14,500 tonnes of carbon dioxide equivalents. In relation to the proportion of the companies' turnover to which Mistra's ownership share corresponds, this means a carbon intensity of 21 tonnes of carbon dioxide equivalent per SEK million of turnover. In relation to the value of the investment, it represents 10 tonnes of carbon dioxide equivalent per SEK million invested. By way of comparison, it may be mentioned that the carbon footprint of the Fourth Swedish National Pension Fund related to turnover for 2016 was 17.6 tonnes of carbon dioxide equivalents per SEK million of turnover.

In 2017, Mistra, in consultation with its asset managers, developed a questionnaire for an annual evaluation that will provide further documentation for our annual dialogue meetings.

Also in 2017, Mistra began a dialogue with its asset managers about scope for managing and monitoring its portfolio in relation to the global Sustainable Development Goals as well. An initial method will be tested in 2018, and then further developed over time and in line with similar approaches in the rest of the world.

### Key events during the financial year

Notice of termination of the Foundation's rental agreement at Gamla Brogatan 36–38 was given at the beginning of the year and the secretariat moved to new office premises at Sveavägen 25 in mid-December.

### Organisation and staff

At the end of the year, Mistra had a permanent staff of nine (eight), one (one) of whom was employed part-time.

To prepare background reports, assess proposals for research programmes, review existing programmes prior to continued funding, evaluate completed programmes with a view to learning from them, and conduct thematic reviews, Mistra engages the services of scientific experts, chiefly from outside Sweden. The Foundation also uses outside experts to assess the relevance and utility of its research programmes.

Mistra makes use of consultants and external experts in specialised

areas such as IT, law and securities administration.

### Risks and risk management

In the management of the Foundation's capital, market risks arise in the form of share price, interest rate, credit and currency risks. The Board has laid down guidelines to ensure that the level of risk is compatible with the defined investment horizon. The Committee for Asset Management regularly reviews the level of risk involved in the Foundation's investments and evaluates the framework laid down for them. The Board receives oral and written reports from the Committee at all Board meetings, and monitors risks and risk management.

Operational risks also arise in the Foundation's activities, that is, risks of losses attributable to inappropriate or failed processes, the human factor, defective systems or external events. Such risks are limited by systematic quality management.

### Taxes

The Foundation has limited liability to taxation, since its purpose is to fund research. For tax exemption to apply, current case law prescribes that at least 80 per cent of the return on the Foundation's capital, excluding realised gains and losses, must be used for the purposes of the Foundation. To qualify for limited liability to taxation under the Income Tax Act (Chapter 7, Section 3), three requirements must be met: regarding the purpose, activities and use of income. The Foundation meets all three of these requirements and is therefore not taxed on its investment income.

### Looking ahead

Mistra's intention is to disburse research funding of up to SEK 600 million over the period 2017–19. With capital of some SEK 3,200 million, it is likely that the Foundation's endowment will be exhausted in the long term.

Changes in net assets	Foundation capital	Net surplus/deficit brought forward	Surplus/deficit for the year	Total
Amount at start of year	2,500,000,000	-917,584,802	120,215,705	1,702,630,903
Corrections of previous years' errors*		47,557,284		47,557,284
Change during the year		120,215,705	-120,215,705	
New grants during the year		-46,836,184		-46,836,184
Reversals during the year		32,126,540		32,126,540
Surplus or deficit for the year			55,734,824	55,734,824
<b>Amount at year-end</b>	<b>2,500,000,000</b>	<b>-764,521,457</b>	<b>55,734,824</b>	<b>1,791,213,367</b>

\* Corrections relate to unrealised capital gains on sales of fund units during the 2015 financial year due to incorrect accounting documents.

The Foundation's surplus or deficit for the year and overall financial position are set out in the income and expenditure account, balance sheet and supplementary disclosures below.

## Income and expenditure account

<b>Foundation income</b>	<b>Note</b>	<b>2017 (SEK)</b>	<b>2016 (SEK)</b>
Dividends		7,071,367	3,000,000
Interest, securities		16,872,769	17,952,651
Interest, bank		86,641	58,466
Other income		803,268	2,229,393
<b>TOTAL INCOME</b>		<b>24,834,045</b>	<b>23,240,510</b>
<b>Foundation expenditure</b>			
Asset management costs		-11,271,835	-2,712,659
Other external costs	1	-10,758,018	-8,819,599
Staff costs	2	-13,431,286	-12,228,619
Depreciation of tangible and intangible non-current assets		-151,287	-135,616
<b>TOTAL EXPENDITURE</b>		<b>-35,612,426</b>	<b>-23,896,493</b>
<b>Surplus/deficit before financial items</b>		<b>-10,778,381</b>	<b>-655,983</b>
<b>Net income/loss from financial items</b>			
Net income/loss from securities and receivables constituting non-current assets	3	68,222,013	120,454,457
Interest expense and similar income/expenditure items		-2,614,173	-1,454
Interest income		905,365	418,685
<b>Surplus/deficit after financial items</b>		<b>55,734,824</b>	<b>120,215,705</b>
<b>Surplus/deficit for the year</b>		<b>55,734,824</b>	<b>120,215,705</b>

## Balance sheet

<b>ASSETS</b>	<b>Note</b>	<b>31 Dec 2017 (SEK)</b>	<b>31 Dec 2016 (SEK)</b>
<b>Non-current assets</b>			
<i>Intangible assets</i>			
Cost of improvements to leased property	4	-	19,644
<i>Tangible assets</i>			
Equipment	5	994,849	235,543
<i>Financial assets</i>			
Securities held as non-current assets	6	2,272,420,586	2,443,288,969
Other long-term receivables		600,000	-
<b>Total financial assets</b>		<b>2,273,020,586</b>	<b>2,395,731,685</b>
<b>Total non-current assets</b>		<b>2,274,015,435</b>	<b>2,443,544,156</b>
<b>Current assets</b>			
<i>Current receivables</i>			
Other receivables	7	50,828,331	629,643
Prepayments and accrued income		2,286,491	1,158,206
<b>Total current receivables</b>		<b>53,114,822</b>	<b>1,787,849</b>
<i>Cash at bank and in hand</i>		11,903,669	46,611,238
<b>Total current assets</b>		<b>65,018,491</b>	<b>48,399,087</b>
<b>TOTAL ASSETS</b>		<b>2,339,033,926</b>	<b>2,491,943,243</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Net assets</b>			
Foundation capital		2,500,000,000	2,500,000,000
Net surplus/deficit brought forward		-764,521,457	-870,027,518
Surplus/deficit for the year		55,734,824	120,215,705
<b>Total net assets</b>		<b>1,791,213,367</b>	<b>1,750,188,187</b>
<b>Current liabilities</b>			
Accounts payable		2,015,343	1,344,996
Other liabilities		6,372,069	6,381,004
Grants awarded but not yet paid		536,739,964	733,036,844
Accrued expenses and deferred income		2,693,183	992,211
<b>Total current liabilities</b>		<b>547,820,559</b>	<b>741,755,056</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b>2,339,033,926</b>	<b>2,491,943,243</b>

## Supplementary disclosures

### Accounting and valuation principles

The annual report has been prepared in accordance with the Swedish Annual Accounts Act and BFNAR 2012:1, the Swedish Accounting Standards Board's standard, *Annual Report and Consolidated Financial Statements (K3)*.

This is the first time the Foundation has applied BFNAR 2012:1. Previously, the Foundation applied the Accounting Standards Board's general recommendations. The switch to K3 has not affected the income statement, balance sheet or notes in addition to any increased disclosure requirements. Accordingly, there were no effects on net assets at the time of the transition.

### Valuation principles

Unless otherwise stated, assets and liabilities are valued at cost.

Accrued interest on investments is recorded as accrued income on the balance sheet.

Holdings of securities are valued at cost, and their valuation takes place

collectively. Where the fair value of securities is below cost, they are written down. In the case of interest-bearing securities, cost means accrued cost.

The value of receivables, liabilities and contingent liabilities in foreign currencies has been calculated using the closing rate of exchange for each currency.

### Depreciation principles for non-current assets

Depreciation according to plan is based on original cost and estimated useful economic life. In the event of a permanent decline in value, assets are written down. The depreciation periods applied are as follows:

Improvements to leased property	7 years
Computers	3 years
Other equipment	5 years

### Receivables

Receivables are recorded at the amount expected to be paid, based on an individual appraisal.

### Grants

Grants awarded are charged directly against unrestricted net assets (unappropriated funds). Grants are recorded as liabilities at the time they are awarded. Funding limits in ongoing calls for proposals are reported as contingent liabilities.

### Recognition of income

For purchases and sales of securities, trade date accounting is applied. Premiums and discounts on bonds in relation to their par values are accounted for according to the accruals concept over the remaining term.

Refunded asset management fees are recorded under 'Other income'.

**Note 1 Other external costs**

	2017	2016
Consultancy costs	5,805,556	5,203,359
Travel expenses and subsistence allowances	1,168,121	872,049
Membership fees/licence costs	917,970	765,604
Costs of premises	2,388,053	1,690,142
Other external costs	478,318	288,445
<b>Total other external costs</b>	<b>10,758,018</b>	<b>8,819,599</b>

**Note 2 Staff and staff costs**

<i>Average number of staff</i>	2017	2016
Female	4	3
Male	4	4
<b>Total</b>	<b>8</b>	<b>7</b>

**Staff costs**

Salaries and other emoluments, Board members and Executive Director	2,245,848	2,131,984
Salaries and other emoluments, other staff and short-term employees	6,145,926	5,554,163
Pension costs	1,906,098	1,738,677
Other social security costs	2,785,690	2,554,811
Other staff costs	347,724	248,984
<b>Total staff costs</b>	<b>13,431,286</b>	<b>12,228,619</b>

Fees paid to members of the Board, which consist of a fixed fee and a variable element payable on a per-meeting basis, totalled SEK 852,300 (SEK 777,250). The external members of Mistra's Committee for Asset Management and the Board's representative on the Committee received remuneration totalling SEK 418,725 (SEK 410,774).

During the year, remuneration to the Executive Director amounted to SEK 1,393,548 (SEK 1,354,734).

In addition, pension costs for the Executive Director came to SEK 493,521 (SEK 479,120).

The Executive Director's contract of employment may be terminated on six months' notice by either party. Following termination of his employment, the Executive Director is entitled to a further six months' salary if notice has been given by Mistra.

From these monthly payments, deductions are to be made corresponding to any monthly salary the Executive Director may receive from another employer. Mistra pays a monthly sum equivalent to 35 per cent of the Executive Director's agreed monthly salary towards his individual pension scheme.

**Note 3 Net income/loss from securities and receivables constituting non-current assets**

	2017	2016
Exchange rate differences	7,183,725	5,941,741
Realised gains/losses on assets sold	50,561,588	99,811,317
Other income	10,476,700	14,701,399
	<b>68,222,013</b>	<b>120,454,457</b>

**Note 4 Cost of improvements to leased property**

<i>Accumulated cost</i>	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
Opening cost	440,959	440,959
New construction	-440,959	-
<b>Closing accumulated cost</b>	<b>-</b>	<b>440,959</b>
<i>Accumulated depreciation</i>		
Opening depreciation	-421,315	-401,672
Depreciation for the year	-19,644	-19,643
Retirements	440,959	-
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>-421,315</b>
<b>CLOSING BOOK VALUE</b>	<b>-</b>	<b>19,644</b>

**Note 5 Equipment**

<i>Accumulated cost</i>	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
Opening cost	1,150,341	1,099,068
Acquisitions	958,967	51,273
Sales/retirements	-735,108	-
<b>Closing accumulated cost</b>	<b>1,374,200</b>	<b>1,150,341</b>
<i>Accumulated depreciation</i>		
Opening depreciation	-914,798	-798,825
Depreciation for the year	-131,643	-115,973
Sales/retirements	667,090	-
<b>Closing accumulated depreciation</b>	<b>-379,351</b>	<b>-914,798</b>
<b>CLOSING BOOK VALUE</b>	<b>994,849</b>	<b>235,543</b>

**Note 6 Securities held as non-current assets**

	Cost	Market value	Book value
Mutual fund units, Swedish	275,299,347	329,328,842	275,299,347
Mutual fund units, foreign	540,459,986	1,296,561,357	540,459,986
Bonds, Swedish	1,005,011,240	1,007,796,012	1,005,011,240
Alternative investments	451,650,013	471,090,514	451,650,013
<b>Total securities</b>	<b>2,272,420,586</b>	<b>3,104,776,726</b>	<b>2,272,420,586</b>

	31 Dec 2017	31 Dec 2016
<b>Opening cost</b>	<b>2,443,288,969</b>	<b>2,259,222,893</b>
Corrections of previous years' errors *	-	47,557,284
Investments during year	38,981,658	1,006,412,462
Sales during year	-209,850,041	-869,903,670
<b>Closing cost</b>	<b>2,272,420,586</b>	<b>2,443,288,969</b>

\*) Corrections relate to cost booked at too low a figure for replacement investment in fund units during the 2015 financial year, due to incorrect accounting documents.

**Note 7 Other receivables**

	31 Dec 2017	31 Dec 2016
Commercial papers not liquidated	49,596,375	-
Surplus funds, Skandia	1,219,176	566,160
Other receivables	12,780	63,483
<b>Total other short-term investments</b>	<b>50,828,331</b>	<b>629,643</b>

**Note 8 Assets pledged**

	31 Dec 2017	31 Dec 2016
Assets pledged	None	None

**Note 9 Contingent liabilities**

	31 Dec 2017	31 Dec 2016
Research funding opportunities announced	58,000,000	45,000,000
Agreed alternative investments for which call-offs not yet placed	85,479,016	113,509,465
<b>Total contingent liabilities</b>	<b>143,479,016</b>	<b>158,509,465</b>

STOCKHOLM, 21 MARCH 2018

*Johan Söderström*, Chair

*Klas Eklund*

*Sara Ilstedt*

*Eva Samakovlis*

*Kyösti Tuutti*

*Kerstin Johannesson*, Deputy Chair

*Hans Folkesson*

*Ulf Landegren*

*Anne-Marie Tillman*

*Margareta Törnqvist*

OUR AUDIT REPORT WAS PRESENTED ON 27 MARCH 2018

*Jens Karlsson*

Authorised Public Accountant

*Thomas Lönnström*

Authorised Public Accountant







The Foundation for Strategic Environmental Research

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