

DUDLEY & COMPANY LLP

Chartered Professional Accountants

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#100 - 2255 13th Avenue
Regina, Saskatchewan

December 10, 2020

Canadian Institute of Nuclear Physics –
Institut Canadien de Physique Nucleaire
Department of Physics, U of R
3737 Wascana Parkway
Regina, SK
S4S 0A2

Dear Garth:

Please find a copy of your financial statement for the year ended March 31, 2019 attached.

Operating Results

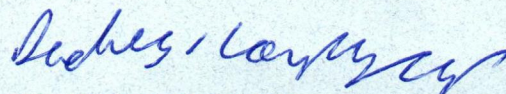
The operating results can be found on Page 3 of the financial statements and report a net loss of \$2,836 (2017 loss of \$5,280).

Independence

Our firm policy on independence require that we communicate with you regarding all relationships between the corporation and our firm that, in our professional judgement, may reasonably be thought to bear on our independence in the context of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Saskatchewan. Making adjusting journal entries to your records as required to prepare the financial statements, as well as the preparation of the financial statements, are the only relationships that in our professional judgement may be thought to bear on our independence. The adjusting journal entries were based on information provided by you or were based on independent third-party information and the entries have been approved by you. This eliminates any management decision-making involved in our services and limits any impact on our independence. Accordingly, we hereby confirm that we are independent with respect to the corporation within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Saskatchewan for the period ending December 10, 2020.

If you have any questions, please feel free to contact our office.

Yours truly,



Dudley & Company LLP
Chartered Professional Accountants

BH/cz

**CANADIAN INSTITUTE OF NUCLEAR PHYSICS
- INSTITUT CANADIEN DE PHYSIQUE NUCLEAIRE**

Financial Statements

Year Ended March 31, 2019

**CANADIAN INSTITUTE OF NUCLEAR PHYSICS - INSTITUT CANADIEN DE PHYSIQUE
NUCLEAIRE**

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Year Ended March 31, 2019**

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire

We have reviewed the accompanying financial statements of Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire (the Organization) that comprise the statement of financial position as at March 31, 2019, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO), 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire as at March 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Regina, Saskatchewan
December 7, 2020


Dudley & Company LLP
Chartered Professional Accountants

**CANADIAN INSTITUTE OF NUCLEAR PHYSICS - INSTITUT CANADIEN DE PHYSIQUE
NUCLEAIRE**

Statement of Financial Position

March 31, 2019

	2019	2018
ASSETS		
CURRENT		
Cash - unrestricted (<i>Note 2</i>)	\$ 47,572	\$ 47,109
Cash - restricted (<i>Notes 2, 3</i>)	16,784	14,333
Accounts receivable	-	2,500
Prepaid expenses	5,750	5,500
TOTAL ASSETS	\$ 70,106	\$ 69,442
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 11,000	\$ 7,500
NET ASSETS	59,106	61,942
TOTAL LIABILITIES AND NET ASSETS	\$ 70,106	\$ 69,442

ON BEHALF OF THE BOARD

Director

Director

The accompanying notes form an integral part of these financial statements

**CANADIAN INSTITUTE OF NUCLEAR PHYSICS - INSTITUT CANADIEN DE PHYSIQUE
NUCLEAIRE**

**Statement of Revenues and Expenditures
Year Ended March 31, 2019**

	2019	2018
REVENUES		
Membership fees	\$ 21,000	\$ 19,500
NSERC grants	46,000	45,000
	<u>67,000</u>	<u>64,500</u>
EXPENSES		
Conferences and workshops	6,250	11,000
Executive director	22,750	22,500
Office	537	586
Professional fees	3,500	3,500
Student scholarships	20,000	18,000
Travel and meetings	16,799	14,194
	<u>69,836</u>	<u>69,780</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (2,836)</u>	<u>\$ (5,280)</u>

The accompanying notes form an integral part of these financial statements

**CANADIAN INSTITUTE OF NUCLEAR PHYSICS - INSTITUT CANADIEN DE PHYSIQUE
NUCLEAIRE**

**Statement of Changes in Net Assets
Year Ended March 31, 2019**

	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 61,942	\$ 67,222
DEFICIENCY OF REVENUES OVER EXPENSES	<u>(2,836)</u>	<u>(5,280)</u>
NET ASSETS - END OF YEAR	<u>\$ 59,106</u>	<u>\$ 61,942</u>

The accompanying notes form an integral part of these financial statements

**CANADIAN INSTITUTE OF NUCLEAR PHYSICS - INSTITUT CANADIEN DE PHYSIQUE
NUCLEAIRE**

**Statement of Cash Flows
Year Ended March 31, 2019**

	2019	2018
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
Cash receipts from customers	\$ 69,500	\$ 63,000
Cash paid to suppliers and employees	(66,586)	(66,280)
Change in restricted cash <i>(Note 3)</i>	(2,451)	(1,313)
INCREASE (DECREASE) IN CASH FLOWS	463	(4,593)
Cash - beginning of year	47,109	51,702
CASH - END OF YEAR <i>(Note 3)</i>	\$ 47,572	\$ 47,109

The accompanying notes form an integral part of these financial statements

**CANADIAN INSTITUTE OF NUCLEAR PHYSICS - INSTITUT CANADIEN DE PHYSIQUE
NUCLEAIRE**

**Notes to Financial Statements
Year Ended March 31, 2019**

1. PURPOSE OF THE ORGANIZATION

Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire (the "organization") is a not-for-profit organization incorporated under a Letters Patent, in accordance with the Canada Corporations Act. The organization's mission is to provide a formal organization to fairly represent and effectively advocate the interests and goals of the Canadian Nuclear Physics research community to relevant agencies and parties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash includes unrestricted and restricted cash that can only be used for certain expenditures. Cash and cash equivalents are deposits in banks.

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Income taxes

The organization is a not-for-profit organization, as described in section 149 of the Income Tax Act, and therefore is not subject to either federal or provincial income taxes.

Revenue recognition

Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire 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 received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees are recorded as revenue in the year to which they pertain. Fees received in advance of the year to which they pertain are presented as deferred revenue in these financial statements and are included as revenue in the following year.

Comparative figures

Certain comparative amounts have been reclassified on the statement of cash flows to conform to the current year's presentation.

(continues)

**CANADIAN INSTITUTE OF NUCLEAR PHYSICS - INSTITUT CANADIEN DE PHYSIQUE
NUCLEAIRE**

**Notes to Financial Statements
Year Ended March 31, 2019**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Government assistance

Government grants are recognized when there is reasonable assurance that the conditions attached will be complied with and the grants will be received. Grants related to current period expenses are recorded as revenue on the statement of revenues and expenditures. Grants related to future period expenses are recorded as deferred contributions and amortized to revenue as the related expenses are incurred.

The institute receives funds from the Natural Sciences and Engineering Research Council of Canada (NSERC). These funds may only be used to cover costs directly related to promoting and performing research.

3. CASH, RESTRICTED

Funds received from the National Sciences and Engineering Research Council of Canada (NSERC) are restricted in their use. NSERC funds can only be used for costs directly related to promoting and performing research. NSERC funds cannot be used for daily operating costs. The organization appears to be in compliance of this restriction on the use of NSERC funds. Since there is not direct access to this restricted cash, it has not been included as part of the statement of cash flows and only the change in the account is used.

4. GOVERNMENT ASSISTANCE

NSERC has pledged additional funding of \$48,000 for the 2019-2020 year. These funds are subject to the availability of funds through parliamentary appropriations. Funds received from NSERC are restricted in their use as discussed in Note 3. NSERC grants received in the year are shown as deferred contributions until the period in which the related expenses are incurred at which time the grant will be recognized as revenue.

5. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, deferred revenue and deferred contributions. These financial instruments are initially measured at fair value and subsequently measured at amortized cost, evaluated for impairment at each balance sheet date with the write down recorded in net income. Impairment reversals may occur and the asset can be written up to its original cost.

Credit risk

The main risk the organization's financial instruments are exposed to is concentration of credit risk. The organization's exposure to credit risk is indicated by the value of its financial assets. The organization has significant exposure to seven individual member universities. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific customers, historical trends and other information.

(*continues*)

**CANADIAN INSTITUTE OF NUCLEAR PHYSICS - INSTITUT CANADIEN DE PHYSIQUE
NUCLEAIRE**

Notes to Financial Statements

Year Ended March 31, 2019

5. FINANCIAL INSTRUMENTS (*continued*)

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

6. SUBSEQUENT EVENTS

On March 11, 2020 the World Health Organization declared a global pandemic for the COVID-19 virus. The overall financial impact on the corporation's financial operations has not yet been determined.

CANADIAN INSTITUTE OF NUCLEAR PHYSICS - INSTITUT CANADIEN DE PHYSIQUE NUCLEAIRE

Department of Physics, U of R
3737 Wascana Parkway
Regina, SK
S4S 0A2

Confidential

Dudley & Company LLP
Suite 100
2255-13th Avenue
Regina Saskatchewan S4P 0V6

Dear Sir / Madam:

This representation letter is provided in connection with your review of the financial statements of Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire for the year ended March 31, 2019, for the purpose of expressing a conclusion that, based on your review, nothing has come to your attention that causes you to believe that the financial statements of Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire do not present fairly, in all material respects, the financial position of Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire as at March 31, 2019, and the results of its operations and its cash flows for the year ended March 31, 2019 in accordance with Canadian accounting standards for not-for-profit organizations.

Certain representations in this letter are described as being limited to matters that are material. Misstatements (including omissions) are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

In making the representations outlined below, we took the time necessary to appropriately inform ourselves on the subject matter through inquiries of organization personnel with relevant knowledge and experience, and, where appropriate, by inspecting supporting documentation.

We confirm, to the best of our knowledge and belief, the following representations made to you during your review:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the review engagement dated for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations.
- We reviewed, approved and recorded all of your proposed adjustments (except for uncorrected misstatements, which are addressed in the next bullet point) to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records.
- The effects of uncorrected misstatement are immaterial, individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements, including the reasons why they were not corrected, is attached to this representation letter.
- Management or other appropriate persons (such as those charged with governance) have accepted responsibility for the financial statements, including the related notes.

Information Provided

- We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the review; and

Information Provided (*continued*)

- Unrestricted access to persons within the organization from whom you determined it necessary to obtain evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you:
 - The identity of the organization's related parties and all the related-party relationships and transactions of which we are aware;
 - Significant facts relating to any fraud or suspected fraud known to us that may have affected the organization;
 - Known actual or possible non-compliance with laws and regulations for which the effects of non-compliance impact the financial statements of Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire;
 - All information relevant to use of the going concern assumption in the financial statements;
 - All events occurring subsequent to the date of the financial statements that may require adjustment or disclosure;
 - Material commitments, contractual obligations or contingencies that have affected or may affect the organization's financial statements, including disclosures; and
 - Material non-monetary transactions or transactions for no consideration undertaken by the organization in the financial reporting period under consideration.

Other Representations

• ***Fair values of financial instruments***

The significant assumptions used in arriving at the fair values of financial instruments, as measured and disclosed in the financial statements, are reasonable and appropriate in the circumstances.

• ***Material transactions***

There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

• ***Future plans***

We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.

• ***Related-party transactions***

All related-party transactions have been appropriately measured and disclosed in the financial statements.

• ***Estimates***

The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.

• ***Claims***

We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.

• ***Liabilities and contingencies***

All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.

• ***Ownership***

The organization has satisfactory title to all assets, and there are no liens or encumbrances on the organization's assets.

• ***Compliance***

We have disclosed to you, and the organization has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

Additional Representations

Further, we confirm, to the best of our knowledge and belief, the following representations made by us to you during your review of these financial statements:

1. We have reviewed, approved and recorded all of the following:
 - a) Adjusting journal entries you prepared or changed;
 - b) Account codes you determined or changed;
 - c) Transactions you classified; and
 - d) Accounting records you prepared or changed.
2. Where the value of any asset has been impaired, an appropriate provision has been made in the financial statements. This includes:
 - a) Appropriate provisions for idle, abandoned, destroyed or obsolete assets or where site restoration costs will be necessary; and
 - b) Impairments in the value of goodwill or intangible assets.
3. We have disclosed to you all significant customers and/or suppliers of the organization who individually represent a significant volume of transactions with our organization. We are of the opinion that the volume of transactions (e.g., sales, services, purchases, borrowing and lending) done by the organization with any one party is not of sufficient magnitude that discontinuance would have a material negative effect on the ongoing operations of the organization.
4. There were no inventories on consignment, bill-and-hold, or other arrangements, either owned by us or by our suppliers. Provision, when material, has been made (i) to reduce excess or obsolete inventories to their estimated net realizable value and (ii) for any loss to be sustained as a result of purchase commitments for inventory quantities in excess of normal requirements or at prices in excess of the prevailing market prices.
5. There are no material unrecorded assets or contingent assets (such as claims relating to patent infringements or unfulfilled contracts whose value depends on satisfying conditions regarded as uncertain), that have not been disclosed to you.
6. We have disclosed to you all significant estimates and fair value measurements. We are of the opinion that:
 - a) The measurement methods used are permitted under Canadian accounting standards for not-for-profit organizations and appropriate in the circumstances;
 - b) The underlying assumptions are reasonable and reflect management's best estimates considering existing market information;
 - c) The method of valuation has been applied consistently;
 - d) The assumptions are consistent with management's intended courses of action; and
7. We are aware of the environmental laws and regulations that have an impact on our organization and we are in compliance. There are no known environmental liabilities that have not been accrued for or disclosed in the financial statements.
8. With respect to specified corporate income, we are not aware of any related party having a financial interest in a corporation or group of corporations that is, or was, a customer of the company representing 10% or greater of the gross revenues of the company for the current fiscal year.

Acknowledged and agreed on behalf of Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire by:



December 7, 2020

Date signed