

DUDLEY & COMPANY LLP

Chartered Professional Accountants

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#100 - 2255 13th Avenue
Regina, Saskatchewan

February 18, 2021

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, 2020 attached.

Operating Results

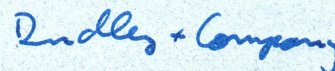
The operating results can be found on Page 3 of the financial statements and report a net loss of \$3,609 (2019 loss of \$2,836).

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 February 18, 2021.

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, 2020**

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

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Year Ended March 31, 2020**

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the financial statements of Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire (the Organization), which comprise the statement of financial position as at March 31, 2020, and the statements of revenues and expenses, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The corresponding (2019) figures on the financial statements are unaudited.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

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

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

(continues)

Independent Auditor's Report to the Members of Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization'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 Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 our audit.

Regina, Saskatchewan
January 26, 2021


Dudley & Company LLP
Chartered Professional Accountants

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

Statement of Financial Position

March 31, 2020

	2020	2019 <i>Unaudited</i>
ASSETS		
CURRENT		
Cash - unrestricted	\$ 43,203	\$ 47,572
Cash - restricted (<i>Note 3</i>)	18,919	16,784
Accounts receivable	1,500	-
Prepaid expenses	5,875	5,750
TOTAL ASSETS	\$ 69,497	\$ 70,106
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 14,000	\$ 11,000
NET ASSETS	55,497	59,106
TOTAL LIABILITIES AND NET ASSETS	\$ 69,497	\$ 70,106

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

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

**Statement of Revenues and Expenses
Year Ended March 31, 2020**

	2020	2019 <i>Unaudited</i>
REVENUES		
Membership fees	\$ 21,000	\$ 21,000
NSERC grants	48,000	46,000
	<u>69,000</u>	<u>67,000</u>
EXPENSES		
Conferences and workshops	8,747	6,250
Executive director	23,375	22,750
Office	2,790	537
Professional fees	3,000	3,500
Student scholarships	20,000	20,000
Travel and meetings	14,697	16,799
	<u>72,609</u>	<u>69,836</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (3,609)</u>	<u>\$ (2,836)</u>

See notes to financial statements

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

**Statement of Changes in Net Assets
Year Ended March 31, 2020**

	2020	2019 <i>Unaudited</i>
NET ASSETS - BEGINNING OF YEAR	\$ 59,106	\$ 61,942
DEFICIENCY OF REVENUES OVER EXPENSES	<u>(3,609)</u>	<u>(2,836)</u>
NET ASSETS - END OF YEAR	<u>\$ 55,497</u>	<u>\$ 59,106</u>

See notes to financial statements

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

**Statement of Cash Flows
Year Ended March 31, 2020**

	2020	2019 <i>Unaudited</i>
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
Cash receipts from members and grantors	\$ 67,500	\$ 69,500
Cash paid to suppliers and employees	(69,735)	(66,586)
Change in restricted cash <i>(Note 3)</i>	(2,134)	(2,451)
INCREASE (DECREASE) IN CASH FLOWS	(4,369)	463
Cash - beginning of year	47,572	47,109
CASH - END OF YEAR <i>(Note 3)</i>	\$ 43,203	\$ 47,572

See notes to financial statements

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

**Notes to Financial Statements
Year Ended March 31, 2020**

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

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

The comparative figures were subject to a review engagement and as such are unaudited.

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.

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

**Notes to Financial Statements
Year Ended March 31, 2020**

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 \$85,000 for the 2020-2021 year, \$75,000 for the 2021-2022 year, \$75,000 for the 2022-2023 year, \$75,000 for the 2023-2024 year and \$75,000 for the 2024-2025 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.

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. SIGNIFICANT EVENT

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 audit of the financial statements of Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire for the year ended March 31, 2020, for the purpose of you expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

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

We confirm that (to the best of our knowledge and belief):

1. Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated for:

- a. Preparing and fairly presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations;
- b. Providing you with:
 - i. Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as:
 - A. Accounting records, supporting data and other relevant documentation,
 - B. Minutes of meetings (such as shareholders, board of directors and audit committees) or summaries of actions taken for which minutes have not yet been prepared, and
 - C. Information on any other matters, of which we are aware, that is relevant to the preparation of the financial statements;
 - ii. Additional information that you have requested from us for the purpose of the audit; and
 - iii. Unrestricted access to persons within the entity from whom you determine it necessary to obtain audit evidence.
- c. Ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements; and
- d. Designing and implementing such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We have also communicated to you any deficiencies in the design and implementation or the maintenance of internal control over financial reporting of which management is aware.

2. Fraud and Non Compliance

We have disclosed to you:

2. Fraud and Non Compliance (continued)

- a. All of our knowledge in relation to actual, alleged or suspected fraud affecting the entity's financial statements involving:
 - i. Management;
 - ii. Employees who have significant roles in internal control; or
 - iii. Others where the fraud could have a material effect on the financial statements;
- b. All of our knowledge in relation to allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others;
- c. All known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements that should be considered when preparing the financial statements;
- d. All known, actual, or possible litigation and claims that should be considered when preparing the financial statements; and
- e. The results of our risk assessments regarding possible fraud or error in the financial statements.

3. Related Parties

We confirm that there were no related-party relationships or transactions that occurred during the period.

4. Estimates

We acknowledge our responsibility for determining the accounting estimates required for the preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Those estimates reflect our judgment based on our knowledge and experience of past and current events, and on our assumptions about conditions we expect to exist and courses of action we expect to take. We confirm that the significant assumptions and measurement methods used by us in making accounting estimates, including those measured at fair value, are reasonable.

5. Subsequent Events

All events subsequent to the date of the financial statements and for which Canadian accounting standards for not-for-profit organizations requires adjustment or disclosure have been adjusted or disclosed.

6. Commitments and Contingencies

There are no commitments, contingent liabilities/assets or guarantees (written or oral) that should be disclosed in the financial statements. This includes liabilities arising from contract terms, illegal acts or possible illegal acts, and environmental matters that would have an impact on the financial statements.

7. Adjustments

We have reviewed, approved and recorded all of your proposed adjustments 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.

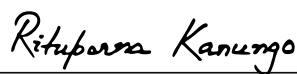
8. Misstatements

The effects of uncorrected misstatements 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 letter.

9. Accounting policies

All significant accounting policies are disclosed in the financial statements and are consistent with those used in the previous period.

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



January 26, 2021

Date signed

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

Department of Physics, U of R3737 Wascana Parkway
Regina, SK
S4S 0A2

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

Dear Sir/Madam:

I am providing this letter in connection with your audit of the financial statements of the **Canadian Institute of Nuclear Physics - Institut Canadien de Physique Nucleaire** as of March 31, 2020 and for the year then ended for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting standards for not for profit organizations.

I wish to inform you that, on today's date: JAN 26, 2021, the financial statements have been approved by the Council (motion number 1).

Further, I represent that, to the best of my knowledge and belief, any events having occurred from the fiscal year-end date until today requiring financial statement adjustment or disclosure have been adjusted or disclosed.

Yours truly,

Signed on behalf of:  Administration

 Board