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Chartered Professional Accountants

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August 1, 2023

Confidential

Client Number: 03629

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

Attention: Dr. Gwen Grinyer, President

Dear Gwen:

Please find a copy of the T2 return for the year ended March 31, 2023. A digital copy of your financial statements has also been sent to you per your request.

Current Year Results

Operating Results

The operating results can be found on Page 3 of the financial statements and reports a loss of \$13,264 (2022 - net income of \$25,549). This is due to there a being an increase in conferences/workshops, student scholarships and travel/meeting costs.

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 July 28, 2023.

* **Richard M. LeGrand**
Managing Partner, CPA, CA

* **Darren G. Schaan**
Partner, CPA, CA

* **Christopher W. Pollon**
Partner, CPA, CA

* **Grant D. Wirth**
Partner, CPA, CA

* **Colin A. Wirth**
Partner, CPA, CA

* **Brent D. McLean**
Partner, CPA, CA

* Denotes Professional Corporation

This communication is prepared solely for the information of management and is not intended for any other purpose. We accept no responsibility to a third party who uses this communication.

We trust you will implement our recommendations; however, should you require further clarification or information, please contact the undersigned.

Yours truly,

A handwritten signature in blue ink that reads "Dudley & Company LLP". The signature is written in a cursive, flowing style.

Dudley & Company LLP
Chartered Professional Accountants

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

Financial Statements

Year Ended March 31, 2023

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

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Year Ended March 31, 2023

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DUDLEY & COMPANY LLP

Chartered Professional Accountants

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, 2023, 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, 2023, 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.

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 - Institute
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
July 28, 2023



Dudley & Company LLP
Chartered Professional Accountants

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

Statement of Financial Position

March 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash - unrestricted	\$ 19,968	\$ 23,660
Cash - restricted (<i>Note 4</i>)	84,356	92,921
Prepaid expenses	8,000	7,000
	\$ 112,324	\$ 123,581
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 6,779	\$ 4,772
NET ASSETS	105,545	118,809
LIABILITIES AND NET ASSETS	\$ 112,324	\$ 123,581

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

See note to financial statements

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

**Statement of Revenues and Expenses
Year Ended March 31, 2023**

	2023	2022
REVENUES		
Membership fees	\$ 24,000	\$ 24,000
NSERC grants	75,000	75,000
	<u>99,000</u>	<u>99,000</u>
EXPENSES		
Conferences and workshops	15,700	1,000
Executive director	24,000	24,000
Office	637	649
Professional fees	3,552	3,552
Student scholarships	53,000	42,250
Travel and meetings	19,375	2,000
	<u>116,264</u>	<u>73,451</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	(17,264)	25,549
OTHER INCOME		
Expense recoveries	4,000	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (13,264)	\$ 25,549

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

Statement of Changes in Net Assets

Year Ended March 31, 2023

	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 118,809	\$ 93,260
DEFICIENCY OF REVENUES OVER EXPENSES	<u>(13,264)</u>	<u>25,549</u>
NET ASSETS - END OF YEAR	<u>\$ 105,545</u>	<u>\$ 118,809</u>

See note to financial statements

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

**Statement of Cash Flows
Year Ended March 31, 2023**

	2023	2022
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
Cash receipts from customers	\$ 103,000	\$ 99,000
Cash paid to suppliers and employees	(115,257)	(77,389)
Change in restricted cash	8,565	(24,941)
	<hr/>	<hr/>
DECREASE IN CASH FLOWS	(3,692)	(3,330)
Cash - beginning of year	23,660	26,990
	<hr/>	<hr/>
CASH - END OF YEAR	\$ 19,968	\$ 23,660
	<hr/>	<hr/>

See note to financial statements

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

**Note to Financial Statements
Year Ended March 31, 2023**

1. PURPOSE OF THE ORGANIZATION

Canadian Institute of Nuclear Physics - Institute 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 (ASNPO).

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 - Institute 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.

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 expenses. 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**

**Note to Financial Statements
Year Ended March 31, 2023**

3. GOVERNMENT ASSISTANCE

NSERC has pledged additional funding of \$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 4. 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.

4. 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.

5. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2023.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

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. COVID-19 PANDEMIC

The COVID-19 pandemic is complex and continues to evolve. It has caused material disruption to businesses and has resulted in an economic slowdown. The organization continues to assess and monitor the impact of COVID-19 on its financial condition. The magnitude and duration of COVID-19 is uncertain and, accordingly, it is difficult to reliably measure the potential future impact on the organization's financial position and operations.

**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, 2023 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: 2023-07-28, the financial statements have been approved by the Council (motion number n/a).

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: Greg Hackman Administration

Gwen Grinyer Board