



**Science | Science
Atlantic | Atlantique**

**2020 Annual Members Meeting
Friday, November 27, 2020**

Financial Package

Final Financial Statements for stub year ending August 31, 2019	1
Draft 2019-2020 Income Statement	10
Draft Balance Sheet for year ending August 31, 2020	11
2020-2021 Budget (approved)	12

Independent Practitioner's Review Engagement Report

Grant Thornton LLP

Suite 204
220 Main Street
Antigonish, NS
B2G 2C2

T +1 902 863 4587
F +1 902 863 0917
www.GrantThornton.ca

To the members of
Science Atlantic

We have reviewed the accompanying financial statements of Science Atlantic that comprise the financial position as at August 31, 2019, and the statements of operations and changes in net assets and cash flows for the period 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, 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.

Independent Auditor's Report (continued)

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 Science Atlantic as at August 31, 2019 and the results of its operations and its cash flows for the period then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

The financial statements of Science Atlantic for the year ended March 31, 2019 were not reviewed. An audit was performed on prior year figures and they have been included with these financial statements for comparative purposes only.

The logo for Grant Thornton LLP is written in a black, cursive script font.

Antigonish, Canada
May 6, 2020

Chartered Professional Accountants

Science Atlantic

Statement of Operations and Changes in Net Assets

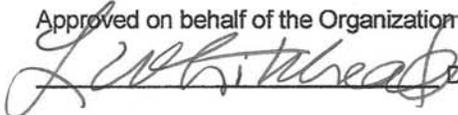
	2019	Year ended March 31, 2019 (Audited)
Five month period ended August 31		
Revenue		
AFRED program	\$ 36,308	\$ 172,588
Membership fees	60,235	134,500
Employment grants	2,303	21,303
Donations	50	9,954
Other income	-	4,327
Investment income	804	2,135
Adjustment of investments to market value	<u>1,976</u>	<u>2,022</u>
	<u>101,676</u>	<u>346,829</u>
Expenditures		
Committee programs (note 5)	-	2,628
Insurance	347	836
Office	2,576	13,027
Professional fees	33,876	70,158
Salaries and benefits	72,814	238,166
Student awards	-	4,400
Travel	<u>596</u>	<u>4,739</u>
	<u>110,209</u>	<u>333,954</u>
Excess of (expenditures over revenue) revenue over expenditures	<u>\$ (8,533)</u>	<u>\$ 12,875</u>
Net assets, beginning of period	\$ 116,777	\$ 104,302
Change in restricted fund	-	(400)
Excess of (expenditures over revenue) revenue over expenditures	<u>(8,533)</u>	<u>12,875</u>
Net assets, end of period	<u>\$ 108,244</u>	<u>116,777</u>

See accompanying notes to the financial statements.

Science Atlantic
Statement of Financial Position

	August 31, 2019	March 31, 2019 (Audited)
Assets		
Current		
Cash and cash equivalents	\$ 20,062	\$ 101,962
Receivables	95,625	51,873
Prepays	<u>487</u>	<u>959</u>
	116,174	154,794
Long term		
Investments at market value	<u>124,081</u>	<u>121,785</u>
	<u>\$ 240,255</u>	<u>\$ 276,579</u>
Liabilities		
Payables and accruals	\$ 64,493	\$ 83,236
Committee funds (note 6)	66,159	67,020
Deferred revenue	<u>1,360</u>	<u>9,546</u>
	<u>132,012</u>	<u>159,802</u>
Net assets		
Unrestricted net assets	106,804	115,338
Restricted for W. J. Blundon Lecture Fund (note 4)	<u>1,439</u>	<u>1,439</u>
	<u>108,243</u>	<u>116,777</u>
	<u>\$ 240,255</u>	<u>\$ 276,579</u>

Approved on behalf of the Organization

 Director

 Director

See accompanying notes to the financial statements.

Science Atlantic Statement of Cash Flows

Five month period ended August 31	2019	Year ended March 31, 2019 (Audited)
Increase (decrease) in cash and cash equivalents		
Operating		
Excess of revenue over expenditures for the year	\$ (8,533)	\$ 12,875
Adjustment of investments to market value	(1,976)	(2,022)
Change in non-cash operating working capital		
Receivables	(43,752)	25,892
Prepays	473	251
Payables and accruals and committee funds	(19,604)	30,619
Deferred revenue	<u>(8,186)</u>	<u>(1,618)</u>
	<u>(81,579)</u>	<u>65,997</u>
Investing		
Purchase of investments	(321)	(834)
Decrease in restricted assets	<u>-</u>	<u>(400)</u>
	<u>(321)</u>	<u>(1,234)</u>
Increase (decrease) in cash and cash equivalents	(81,900)	64,763
Cash and cash equivalents		
Beginning of year	<u>101,962</u>	<u>37,199</u>
End of year	<u>\$ 20,062</u>	<u>\$ 101,962</u>

See accompanying notes to the financial statements.

Science Atlantic

Notes to the Financial Statements

August 31, 2019

1. Nature of operations

Science Atlantic is a non-profit charitable organization composed of scientists, universities and other institutions in Atlantic Canada. The mission of Science Atlantic is to advance post-secondary science education and research in Atlantic Canada by, providing opportunities that foster and enrich students, supporting and inspiring researchers, educators, and the broader scientific community, and using their collective voice to address important regional issues.

2. Summary of significant accounting policies

Basis of presentation

Science Atlantic has prepared these financial statements in accordance with the Canadian Accounting Standards for Not-for-Profit Organizations, (ASNPO).

Cash and cash equivalents (bank indebtedness)

Cash and cash equivalents are defined as cash, balances with banks and other financial institutions, net of overdraft.

Investments

Investments are recorded at market value.

Revenue and expenditures

Major revenue and expenditure items are recorded on an accrual basis.

Certain sources of revenue including donations and other fundraising projects are recorded on a cash basis. Donated goods and services are only receipted and reported in the accounts when the fair value can be reasonably estimated and they are used in the normal course of the Organization's operations.

Financial instruments

The Organization considers any contract creating a financial asset or liability as a financial instrument, except in certain limited circumstances. The Organization accounts for cash and cash equivalents, receivables, payables and accruals, committee funds and deferred revenue as financial instruments.

A financial asset or liability is recognized when the Organization becomes party to contractual provision of the instrument.

Measurement

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Science Atlantic

Notes to the Financial Statements

August 31, 2019

2. Summary of significant accounting policies (continued)

The Organization subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value and investments in equity instruments that are not quoted in an active market, which are measured at cost less any reduction for impairment. Changes in fair value are recognized in the statement of operations.

The Organization removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously, the amounts of any write downs or reversals are recognized in net income.

Use of estimates

In preparing the Organization's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

3. Financial instruments

The Organization's policy for managing significant risk includes an infrastructure of policies, procedures and oversight designed to reduce the risks identified to an appropriate threshold. The Board of directors is provided with timely and relevant reports on the management of significant risks. Significant risks managed by the Organization include liquidity, market and credit risks.

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable.

The Organization reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due. In the opinion of management, the liquidity risk exposure to the Organization is low and is not material.

Science Atlantic

Notes to the Financial Statements

August 31, 2019

3. Financial instruments (continued)

Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk. The Organization is mainly exposed to other price risk.

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes of market prices of securities held. There is no significant change in exposure from the prior year.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risk relates to its accounts receivable. The entity provides credit in the normal course of its operations. In the opinion of the Organization the credit risk exposure is low and not material.

4. Restricted funds

The W. J. Blundon Lecture Fund was established by the Mathematics and Statistics committee to honour the late W. J. Blundon. Any revenue or direct contributions related to the fund are recognized as direct increases to the fund rather than revenue, and any award or expenses from the fund are recognized as a direct reduction of the fund rather than expenses. There was minimal activity during the current year. Awards are made from the fund at the discretion of the Mathematics and Statistics committee.

5. Committee programs

	August 31, 2019	March 31, 2019 (Audited)
Conferences	\$ -	\$ 2,000
Travel grants	-	-
Speaker tours	-	628
	<u>\$ -</u>	<u>\$ 2,628</u>

Science Atlantic

Notes to the Financial Statements

August 31, 2019

6. Committee funds

The organization provides funding to committees focused on academic areas. Each committee generates funds and incurs expenditures as part of the fulfilment of its mandate. The additional activities are not included in these financial statements. Funds held for each academic committee are as follows:

	August 31, <u>2019</u>	March 31, 2019 (Audited)
Aquaculture and Fisheries	\$ 4,324	\$ 4,324
Biology	894	894
Chemistry	13,887	14,488
AFB conference	5,820	5,820
Computer Science	5,310	5,277
Earth Science	3,958	3,958
Environment	4,509	4,509
Math and Statistics	5,095	5,460
Nutrition	2,324	2,324
Physics and Astronomy	4,084	4,084
Psychology	8,778	8,778
PayPal account	<u>7,176</u>	<u>7,104</u>
	<u>\$ 66,159</u>	<u>\$ 67,020</u>

7. Subsequent event

Subsequent to period end the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. As of the report date, many of the institutions that are members of the organization have had their operations and service delivery impacted. The exact impact of COVID-19 on the Organization is not known or measurable.

The Organization has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the period ended August 31, 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Organization for future periods.

Science Atlantic Income Statement September 1, 2019 to August 31, 2020 (draft)

REVENUE

Income

Membership Fees	144,760.00
Donations & Fundraising	1,474.00
Employment Grants	18,472.09 ¹
Award Sponsorships	600.00 ²
AFRED Income	0.00
Miscellaneous Income	755.00
Total Income	166,061.09

Investment Income

Bank Interest & Credits	910.64
Investment Income	³
Gain on Sale of Investments	³
Unrealized Gain/Loss	³
Total Investment Income	910.64

TOTAL REVENUE

166,971.73

EXPENSE

Special Projects Expense

Strategic Projects	0.00
Speaker Tours	3,298.05
Conferences	
Research Award	1,650.00
Science Communication Award	800.00
Other Awards	-250.00
Student Travel for NL Conferences	0.00
Total Special Projects Expense	5,498.05

General & Administrative Expense

Employee Salaries & Benefits	106,175.00
Casual - Contract Employees	24,504.41
Professional Development	1,071.77
Travel & Meetings (Staff)	1,438.88
Accounting, Legal, Professional Fees	21,952.16
Banking Fees	15.00
Fundraising Expense	58.62
Dues & Fees	627.27
Insurance	834.00
Courier & Postage	125.15
Phone, Fax & Photocopying	1,440.01
Website & Online Communications	1,800.03
Supplies & Stationery	476.42
Technology (equipment, software, etc.)	645.05
Accessibility (incl. translation)	0.00
Promotions & Marketing	31.78
Volunteer Recognition	170.00
Miscellaneous	92.50
Total General & Admin. Expense	161,458.05

TOTAL EXPENSE

166,956.10

NET INCOME

15.63

Notes on Income Statement

1. Student funding sources: Venture for Canada (federal), CEI (provincial co-op), SKILLS (provincial summer), Canada Summer Jobs (federal)
2. Awards sponsorship in 2019-20 is less than usual due to cancelled conferences March-June 2020
3. Calculated during financial review

Science Atlantic Balance Sheet as at August 31, 2020 (draft)

ASSET

Current Assets

Manulife Account # 1446907		78,466.99
PayPal Account		16.14
Assante Capital Mgmt Investment		124,080.71
Accounts Receivable	10,180.25	
HST Rebate	<u>1,086.17</u>	
Total Receivable		11,266.42
Prepaid Expense		486.50
Accrued Revenue		<u>11,712.48</u>
Total Current Assets		<u>226,029.24</u>
TOTAL ASSET		<u>226,029.24</u>

LIABILITY

Current Liabilities

Accounts Payable		29,241.22
Accrued Liabilities		14,062.80
Holding Acct - Aquaculture & Fisheries		2,322.79
Holding Acct - Biology		793.77
Holding Acct - AFB Conference		5,389.59
Holding Acct - Chemistry		7,000.00
Holding Acct - Computer Science		7,012.76 ¹
Holding Acct - Earth Science		8,141.52 ²
Holding Acct - Environment		4,509.16
Holding Acct - Math & Stats		7,446.53 ¹
Holding Acct - Physics & Astronomy		4,861.11
Holding Acct - Psychology		7,000.00
Holding Acct - Nutrition and Foods		4,702.98
PayPal Holding Account		2,842.14 ³
Holding Acct - Special Projects Fund		11,194.80
Deferred Revenue		1,250.00
Current Liabilities		<u>0.00</u>
Total Current Liabilities		<u>117,771.17</u>
TOTAL LIABILITY		<u>117,771.17</u>

EQUITY

Retained Earnings

Retained Earnings - Previous Year		113,849.90
Prior Year Adjust Retained Earnings		0.00
WJ Blundon Lecture Fund	1,439.34	
Comprehensive 1	<u>-7,046.80</u>	
Total Restricted Asset		-5,607.46
Current Income		<u>15.63</u>
Total Retained Earnings (Loss)		<u>108,258.07</u>
TOTAL EQUITY		<u>108,258.07</u>

TOTAL LIABILITIES AND EQUITY

226,029.24

Notes on Balance Sheet

1. \$500 committed for use in 2020/2021
2. \$1.4k committed for use in 2020/2021
3. CCUWIP



Science Atlantic | Science Atlantique

Science Atlantic Budget September 1, 2020 to August 31, 2021 Approved by Board Sept. 30, 2020

	2020-2021 Budget (approved)	2019-2020 Actuals (draft)
INCOME		
Membership Fees	151,175	144,760
Employment Grants	30,786	18,472 ¹
Donations and Fundraising	2,000	1,474
Conference Awards Sponsorship	1,750	600 ²
Holding Accounts Special Projects Fund	2,000	-
Bank Interest	500	911
Investment Income	1,000	³
Unrealized Gain/Loss on Investments	-	³
Gain/Loss on Sale of Investments	-	³
Miscellaneous Income	-	755
TOTAL INCOME	\$189,211	\$166,972

(Expenses on next page)

Notes

1. Student funding sources: Venture for Canada (federal), CEI (provincial co-op), SKILLS (provincial summer), Canada Summer Jobs (federal)
2. Awards sponsorship in 2019-20 is less than usual due to cancelled conferences March-June 2020
3. Calculated during financial review

	2020-2021 Budget (approved)	2019-2020 Actuals (draft)
EXPENSES		
General & Admin. Expense		
Employee Salaries & Benefits ⁴	141,415	130,679
Professional Development	1,000	1,072
Travel & Meetings (Staff)	2,000	1,439
Accounting, Legal, Professional Fees	17,600	21,952
Banking Fees	50	15
Fundraising Expense	200	59
Dues & Fees	500	627
Insurance	900	834
Courier & Postage	250	125
Phone, Fax & Photocopying	1,500	1,440
Website & Online Communications	5,000	1,800
Technology (equipment, software, etc.)	1,000	645
Supplies & Stationery	1,000	476
Accessibility (incl. translation)	750	-
Promotions & Marketing	1,000	32
Volunteer Recognition	1,000	170
Miscellaneous	-	93
Total General & Admin. Expense	\$175,165	\$161,458
Special Projects Expense		
Strategic Projects	4,000	-
Speaker Tours	3,400	3,298
Conferences		
Conference Awards	6,350	2,200 ⁵
Student Travel (when hosted in NL)	-	-
Total Special Projects Expense	\$13,750	\$5,498
TOTAL EXPENSES	\$188,915	\$166,956
Net Income/Loss	\$296	\$16 *

Notes

*excludes investment income

4. Increased student employment funding due to COVID-19 is supporting a number of special projects:

- Website redesign (meets new web standards including accessibility and responsive design; bias-free language)
- Equity, diversity, inclusion, and accessibility policy project
- Faculty community research and subsequent data analysis
- MOU development and strategic planning support
- Rebranding
- Increased social media presence
- Researching/implementing new conference registration software and virtual conference platforms
- Daily summary of member institutions' COVID-19 responses
- History/60th Anniversary communications plan

5. Fewer awards given due to cancellation of conferences