



Financial Statements

Science Atlantic

August 31, 2021

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# Independent Practitioner's Review Engagement Report

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To the Members of  
[Science Atlantic](#)

We have reviewed the accompanying financial statements of Science Atlantic that comprise the statement of financial position as at August 31, 2021, and the statements of operations and 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, 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 Practitioner's Review Engagement 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, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Antigonish, Canada  
November 2, 2021

*Grant Thornton LLP*

Chartered Professional Accountants

# Science Atlantic

## Statements of Operations and Changes in Net Assets

Year ended August 31	2021	2020
<b>Revenues</b>		
Membership fees	\$ 153,250	\$ 144,760
Employment Grants	78,572	18,472
Conference income	9,707	-
Miscellaneous income	4,070	1,355
Investment income	3,569	4,211
Donations	1,280	1,474
AFRED program	510	-
	<u>250,958</u>	<u>170,272</u>
<b>Expenditures</b>		
Committee programs	820	3,298
Insurance	805	834
Office	7,144	6,554
Professional fees	24,133	21,952
Student awards	5,200	2,200
Travel	174	1,439
Wages and benefits	205,930	130,679
	<u>244,206</u>	<u>166,956</u>
Excess of revenues over expenditures from operations	6,752	3,316
Other income (item)		
Adjustment of investment to market value	3,184	(539)
Excess of revenues over expenditures	<u>\$ 9,936</u>	<u>\$ 2,777</u>
<b>Net assets, beginning of year</b>		
	\$ 109,580	\$ 106,803
Excess of revenues over expenditures	<u>9,936</u>	<u>2,777</u>
Net assets, end of year	<u>\$ 119,516</u>	<u>\$ 109,580</u>

**Science Atlantic**  
**Statement of Financial Position**

August 31

2021

2020

**Assets**

Current

Cash	\$ 132,867	\$ 78,483
Accounts receivable	64,236	22,979
Prepaid expenses	446	487
	<u>197,549</u>	<u>101,949</u>

Long-term

Investments	<u>133,151</u>	<u>126,842</u>
	<u>\$ 330,700</u>	<u>\$ 228,791</u>

**Liabilities**

Current

Payables and accruals	\$ 138,413	\$ 43,305
Deferred revenue	-	1,250
Committee funds	71,332	73,217
	<u>209,745</u>	<u>117,772</u>

**Fund balances**

Restricted for W. J. Blundon

Lecture Fund (note 4)

Net assets

	1,439	1,439
	<u>119,516</u>	<u>109,580</u>
	<u>120,955</u>	<u>111,019</u>
	<u>\$ 330,700</u>	<u>\$ 228,791</u>

On behalf of the Board

X Robert de la Cruz

Member

Rick Raymond

Member

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## Science Atlantic Statement of Cash Flows

Year ended August 31

2021

2020

Increase (decrease) in cash

### Operating

Excess of revenues over expenditures	\$ 9,936	\$ 2,777
Adjustment of investments to market value	<u>(3,184)</u>	<u>539</u>
	<b>6,752</b>	3,316
Change in non-cash working capital items		
Accounts receivable	(41,257)	72,646
Prepaid expenses	41	-
Payables and accruals	95,112	(21,189)
Deferred revenue	(1,250)	(110)
Committee funds	<u>(1,885)</u>	<u>7,058</u>
	<b>57,513</b>	61,721

### Investing

Purchase of investments	<u>(3,129)</u>	<u>(3,300)</u>
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Increase in cash

**54,384**                      58,421

Cash

Beginning of year	<u>78,483</u>	<u>20,062</u>
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End of year	<u>\$ 132,867</u>	<u>\$ 78,483</u>
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# Science Atlantic

## Notes to the Financial Statements

August 31, 2021

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### 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.

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### 2. Summary of significant accounting policies

The organization applies the Canadian accounting standards for not-for-profit organizations.

#### 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

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, liability or equity instrument as a financial instrument, except in certain limited circumstances. The organization accounts for the following as financial instruments:

- cash and cash equivalents
- receivables
- payables
- committee funds
- deferred revenue

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



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# Science Atlantic

## Notes to the Financial Statements

August 31, 2021

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### 2. Summary of significant accounting policies (continued)

#### Financial instruments (continued)

##### 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.

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 the 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.

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### 3. Committee funds

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

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## Science Atlantic

### Notes to the Financial Statements

August 31, 2021

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#### 3. Committee funds (continued)

	Balance August 31, 2020	Funds received	Funds disbursed	Balance August 31, 2021
Aquaculture & Fisheries	\$ 2,323	\$ -	\$ -	\$ 2,323
Biology	794	150	(300)	644
Chemistry	7,000	8,407	(8,407)	7,000
AFB Conference	5,390	11,060	(11,210)	5,240
Computer Science	7,013	1,550	(1,500)	7,063
Earth Science	8,142	11,723	(12,864)	7,000
Environment	4,509	2,419	(2,419)	4,509
Math & Statistics	7,447	1,500	(1,947)	7,000
Physics & Astronomy	4,861	1,570	(558)	5,873
Psychology	7,000	4,422	(4,898)	6,524
Nutrition	4,703	3,075	(4,357)	3,421
PayPal Account	2,842	-	-	2,842
Special Projects Fund	<u>11,195</u>	<u>4,307</u>	<u>(3,610)</u>	<u>11,892</u>
	<u>\$ 73,219</u>	<u>\$ 50,183</u>	<u>\$ (52,070)</u>	<u>\$ 71,331</u>

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#### 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.

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#### 5. Impact of COVID-19

Since early 2020, the spread of COVID-19 has severely impacted many local economies around the globe. On March 11, 2020, the World Health Organization characterized the virus as a pandemic. In many countries, including Canada, organizations 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.

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# Science Atlantic

## Notes to the Financial Statements

August 31, 2021

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### 5. Impact of COVID-19 (continued)

Due to the pandemic, in-person conferences had to be cancelled and were held virtually along with the annual members meeting. This has required adaptations to operations, including identifying and implementing the virtual conferencing solutions, and developing the skills needed to provide support to conference organizers to utilize these solutions. Through student funding grants, Science Atlantic has been able to hire additional students to support the transition to virtual conferences.

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's future periods.

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### 6. Committee programs

	<u>2021</u>	<u>2020</u>
Speaker Tours	<u>\$ 820</u>	<u>\$ 3,298</u>

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### 7. 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.

(a) 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.

(b) Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting the obligations associated with its financial liabilities. The organization is exposed to this risk mainly in respect of its long-term debt, obligations under capital leases, contributions to the pension plan and 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.

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# Science Atlantic

## Notes to the Financial Statements

August 31, 2021

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### 7. Financial instruments (continued)

#### (c) 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 three types of risk: currency risk, interest rate risk and 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.