



Financial statements

(Unaudited)

Science Atlantic

(formerly Atlantic Provinces Council on the Sciences)

March 31, 2012

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Review engagement report

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To the members of
Science Atlantic
(formerly Atlantic Provinces Council on the Sciences)

We have reviewed the statement of financial position of Science Atlantic (formerly Atlantic Provinces Council on the Sciences) as at March 31, 2012 and the statements of revenue and expenditures and net assets, comprehensive income (loss), accumulated other comprehensive income and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Organization.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Antigonish, Canada
November 18, 2013

Chartered Accountants

Science Atlantic
(formerly Atlantic Provinces Council on the Sciences)
Statement of revenue and expenditures and net assets

(Unaudited)

Year ended March 31	2012	2011
Revenue		
Membership fees (note 5)	\$ 97,155	\$ 91,225
Atlantic NSERC reps	-	3,960
(Loss) gain on sale of investments	(1,372)	2,114
Investment income	2,738	2,124
Other income	<u>22,640</u>	<u>1,424</u>
	<u>121,161</u>	<u>100,847</u>
Expenditures		
Committee programs (note 6)	12,573	17,412
Insurance	-	733
Student awards	10,175	5,650
Office	8,093	10,392
Salaries and benefits	78,455	56,568
Strategic planning	-	5,759
Travel	<u>2,877</u>	<u>3,231</u>
	<u>112,173</u>	<u>99,745</u>
Excess of revenue over expenditures	8,988	1,102
Unrestricted net assets, beginning of year	<u>70,899</u>	<u>69,797</u>
Unrestricted net assets, end of year	<u>\$ 79,887</u>	<u>\$ 70,899</u>

Science Atlantic
(formerly Atlantic Provinces Council on the Sciences)
Statement of comprehensive income (loss)

(Unaudited)

Year ended March 31	2012	2011
Excess of revenue over expenditures	\$ 8,988	\$ 1,102
Unrealized loss on financial assets	<u>(4,970)</u>	<u>(6,130)</u>
Comprehensive income (loss)	<u>\$ 4,018</u>	<u>\$ (5,028)</u>

See accompanying notes to the financial statements.

Science Atlantic
(formerly Atlantic Provinces Council on the Sciences)
Statement of financial position

(Unaudited)

March 31 2012 2011

Assets

Current

Cash and cash equivalents	\$ 28,936	\$ 48,084
Investments	111,835	79,647
Receivables	3,820	2,806
Prepays	<u>13,547</u>	<u>909</u>
	<u>\$ 158,138</u>	<u>\$ 131,446</u>

Liabilities

Current

Payables and accruals - trade	\$ 38,436	\$ 16,315
- funds held in trust	36,531	24,518
Deferred revenue	<u>2,210</u>	<u>13,670</u>
	<u>77,177</u>	<u>54,503</u>

Net assets

Accumulated other comprehensive income	(2,077)	2,893
Unrestricted net assets	79,887	70,899
Restricted for W. J. Blundon		
Lecture Fund (note 4)	<u>3,151</u>	<u>3,151</u>
	<u>80,961</u>	<u>76,943</u>
	<u>\$ 158,138</u>	<u>\$ 131,446</u>

Science Atlantic
(formerly Atlantic Provinces Council on the Sciences)
Statement of accumulated other comprehensive income

(Unaudited)

Year ended March 31 2012 2011

Balance, beginning of year	\$ 2,893	\$ 9,023
Other comprehensive loss for the year	<u>(4,970)</u>	<u>(6,130)</u>
Balance, end of the year	<u>\$ (2,077)</u>	<u>\$ 2,893</u>

Approved on behalf of the Organization

_____ Director _____ Director

See accompanying notes to the financial statements.

Science Atlantic
(formerly Atlantic Provinces Council on the Sciences)
Statement of cash flows

(Unaudited)

Year ended March 31 2012 2011

Increase (decrease) in cash and cash equivalents

Operating

Excess of revenue over expenditures for the year	\$ 8,988	\$ 1,102
Loss on sale of investments	1,372	(2,114)
Change in non-cash operating working capital (note 6)	9,022	29,226
	19,382	28,214

Investing

Purchase of investments	(95,105)	(59,565)
Proceeds from sale of investments	56,575	57,646
	(38,530)	(1,919)

(Decrease) increase in cash and cash equivalents	(19,148)	26,295
Beginning of year	48,084	21,789
End of year	\$ 28,936	\$ 48,084

See accompanying notes to the financial statements.

Science Atlantic
(formerly Atlantic Provinces Council on the Sciences)
Notes to the financial statements

(Unaudited)
March 31, 2012

1. Nature of operations

The Science Atlantic is a non-profit organization composed of scientists, universities and other institutions in Atlantic Canada. Its goal is the advancement of science and technology through education and public awareness and the promotion of scientific literacy, education and research throughout the region. As a non-profit organization it is exempt from income tax.

During the year, the name of the organization was changed from Atlantic Provinces Council on the Sciences to Science Atlantic

2. Summary of significant accounting policies

Cash and cash equivalents

Cash and cash equivalents are defined as cash, guaranteed investments and temporary investments.

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 classifies financial assets and liabilities according to their characteristics and management's choices and intentions related thereto for the purposes of ongoing measurements. Classification choices for financial assets include a) held for trading – measured at fair value with changes in fair value recorded in net earnings; b) held to maturity – recorded at amortized cost with gains and losses recognized in net earnings in the period that the asset is no longer recognized or is impaired; c) available-for-sale – measured at fair value with changes in fair value recognized in other comprehensive income for the current period until realized through disposal or impairment; and d) loans and receivables – recorded at amortized cost with gains and losses recognized in net earnings in the period that the asset is no longer recognized or is impaired. Classification choices for financial liabilities include a) held for trading – measured at fair value with changes in fair value recorded in net earnings and b) other – measured at amortized cost with gains and losses recognized in net earnings in the period that the liability is no longer recognized. Subsequent measurement for these assets and liabilities are based on either fair value or amortized cost using the effective interest

method, depending upon their classification. Any financial asset or liability can be classified as held for trading as long as its fair value is reliably determinable.

Science Atlantic
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Notes to the financial statements
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2. Summary of significant accounting policies (cont'd)

In accordance with the standard, the Organization's financial assets and liabilities are generally classified and measured as follows:

<u>Asset/Liability</u>	<u>Classification</u>	<u>Measurement</u>
Cash and cash equivalents	Held for trading	Fair value
Investments	Available for sale	Fair value
Receivables	Loans and receivables	Amortized cost
Payables and accruals	Other liabilities	Amortized cost

The Organization adds transaction costs directly attributable to the acquisition or issue of a financial asset or financial liability, other than for those classified as held for trading, to the fair value of the financial asset or financial liability.

The fair value of a financial instrument is the estimated amount that the Organization would receive or pay to terminate the instrument agreement at the reporting date. To estimate the fair value of each type of financial instrument various market value dates and other valuation techniques were used as appropriate.

The Organization has elected to use the exemption provided by the Canadian Institute of Chartered Accountants ("CICA") permitting not-for-profit organizations not to apply the following Sections of the CICA Handbook: Section 3862 – Financial Instruments – Disclosures, and Section 3863, Financial Instruments – Presentation, which would otherwise have applied to the financial statements for the year ended March 31, 2012. The Organization applies the requirements of Section 3861 of the CICA Handbook.

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.

Science Atlantic
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Notes to the financial statements

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3. Risk management

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 Society include liquidity, market and credit risks.

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 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.

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. In the opinion of the management, the market risk exposure to the Organization is low and is not material.

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 Organization provides credit to its clients in the normal course of its operations. In the opinion of management the credit risk exposure is low and not material.

Capital management

The Organization manages its capital structure and makes adjustments to it based on funds available to the Organization. The Board of Directors does not establish quantitative returns on capital criteria for management, but rather relies on the expertise of the Organization's management to sustain future development of the Organization.

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. Awards are made from the fund at the discretion of the Mathematics and Statistics committee

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5. Membership fees	<u>2012</u>	<u>2011</u>
Acadia University	\$ 6,300	\$ 5,725
Crandall University	1,955	1,775
Cape Breton University	3,675	3,340
Dalhousie University	14,175	12,885
Grenfell College	2,065	1,875
National Research Council	2,340	2,340
NSERC	1,750	1,500
Memorial University of Newfoundland	13,830	13,830
Mount Allison University	5,430	4,935
Mount St. Vincent University	3,950	3,590
Nova Scotia Agricultural College	2,890	2,625
Saint Mary's University	6,500	5,910
St. Francis Xavier University	5,660	5,145
St. Thomas University	1,900	1,725
Universite de Moncton	6,520	6,520
University of New Brunswick	12,505	12,315
University of Prince Edward Island	<u>5,710</u>	<u>5,190</u>
	<u>\$ 97,155</u>	<u>\$ 91,225</u>

6. Committee programs	<u>2012</u>	<u>2011</u>
Aquaculture	\$ 1,500	\$ 2,000
Biology	2,000	2,000
Chemistry	587	2,146
Computer science	2,000	2,000
Earth sciences	186	1,266
Environmental studies	1,000	2,000
Mathematics and statistics	2,000	2,000
Physics and astronomy	1,300	2,000
Psychology	<u>2,000</u>	<u>2,000</u>
	<u>\$ 12,573</u>	<u>\$ 17,412</u>

7. Change in non-cash operating working capital	<u>2012</u>	<u>2011</u>
Receivables	\$ (1,014)	\$ 2,862
Prepays	(12,637)	12,682
Payables and accruals	34,133	12
Deferred revenue	<u>(11,460)</u>	<u>13,670</u>
	<u>\$ 9,022</u>	<u>\$ 29,226</u>