

**THE CANADIAN INSTITUTE FOR ADVANCED RESEARCH -
L'INSTITUT CANADIEN DE RECHERCHES AVANCÉES**

2009 Summarized Financial Statements

Auditors' Report 2009 Summarized Financial Statements

**To the Board of Directors of
The Canadian Institute for Advanced Research -
L'Institut Canadien de Recherches Avancées**

The accompanying summarized statement of financial position and summarized statements of operations, changes in net assets and cash flows are derived from the complete financial statements of The Canadian Institute for Advanced Research - L'Institut Canadien de Recherches Avancées as at June 30, 2009 and for the year then ended on which we expressed an opinion without reservation in our report dated August 20, 2009. The fair summarization of the complete financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of The Canadian Institute of Chartered Accountants, is to report on the summarized financial statements.

In our opinion, the accompanying financial statements fairly summarize, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the entity's financial position, results of operations and cash flows, reference should be made to the related complete financial statements.

PKF Hill LLP

Chartered Accountants, Licensed Public Accountants
August 20, 2009

**THE CANADIAN INSTITUTE FOR ADVANCED RESEARCH -
L'INSTITUT CANADIEN DE RECHERCHES AVANCÉES**
Summarized Statement of Financial Position
As at June 30

	2009	2008
ASSETS		
Cash and short-term deposits	\$ 4,193,948	\$ 8,507,437
Accounts receivable and prepaid expenses	1,445,668	1,341,552
	5,639,616	9,848,989
Investments, including current portion	31,695,859	31,815,188
Equipment and leasehold improvements, at net book value	277,964	275,204
Total assets	\$ 37,613,439	\$ 41,939,381
LIABILITIES AND NET ASSETS		
Accounts payable and accrued liabilities	\$ 2,913,940	\$ 2,458,209
Deferred income, including current portion	7,012,593	10,401,049
Total liabilities	9,926,533	12,859,258
Net assets		
Invested in equipment and leasehold improvements	277,964	275,204
See Far Fund		
Externally restricted for endowment	500,000	500,000
Internally restricted	20,348,700	20,324,600
Cumulative unrealized gain on available-for-sale investments	(2,332,600)	476,100
Unrestricted	8,892,842	7,504,219
Total net assets	27,686,906	29,080,123
Total liabilities and net assets	\$ 37,613,439	\$ 41,939,381

See accompanying note

**THE CANADIAN INSTITUTE FOR ADVANCED RESEARCH -
L'INSTITUT CANADIEN DE RECHERCHES AVANCÉES**

**Summarized Statement of Operations
Year ended June 30**

	2009	2008
Income		
Program contributions		
Private sector	\$ 2,609,653	\$ 2,681,623
Federal government	5,000,000	5,000,000
Provincial governments	6,700,000	11,268,750
Other contributions	22,000	320,000
Investment income	1,048,984	998,057
Total income	15,380,637	20,268,430
Expenses		
Program expenses		
Active programs, direct		
Cosmology and Gravity	1,022,065	1,039,003
Earth System Evolution	786,377	651,983
Evolutionary Biology	-	(97,665)
Experience-based Brain and Biological Development	608,970	511,634
Genetic Networks	525,110	459,246
Institutions, Organizations and Growth	847,626	714,783
Integrated Microbial Biodiversity	551,338	549,815
Nanoelectronics	1,051,893	980,529
Neural Computation and Adaptive Perception	497,445	446,725
Quantum Information Processing	732,636	682,129
Quantum Materials	1,151,781	1,039,865
Social Interactions, Identity & Well Being	684,579	504,926
Successful Societies	836,768	782,766
Junior Fellow Academy	304,525	-
	9,601,113	8,265,739
Active programs, support		
Program Development and Assessment	1,666,781	1,480,760
Program Reviews and Research Council	85,635	108,668
Knowledge Transfer	69,165	60,544
International Reach	47,709	17,542
Interdisciplinary Study	123,000	94,050
New Program Development	117,481	122,439
	2,109,771	1,884,003
Total program expenses	11,710,884	10,149,742
Advancement and communications	2,098,153	1,827,350
Governance and administration	690,365	628,048
25 th Anniversary	14,431	754,876
Other	10,194	36,116
Total expenses	14,524,027	13,396,132
Excess of income over expenses	\$ 856,610	\$ 6,872,298
Allocated to:		
Invested in equipment and leasehold improvements	\$ (115,108)	\$ (133,938)
Internally restricted for See Far Fund	24,100	5,053,100
Unrestricted	947,618	1,953,136
	\$ 856,610	\$ 6,872,298

See accompanying note

**THE CANADIAN INSTITUTE FOR ADVANCED RESEARCH -
L'INSTITUT CANADIEN DE RECHERCHES AVANCÉES**
Summarized Statement of Changes in Net Assets
Year ended June 30

	2009	2008
Balance, beginning of year	\$ 29,080,123	\$ 22,164,441
Excess of income over expenses	856,610	6,872,298
Endowment contribution	-	500,000
Unrealized gain on foreign currency	343,425	156,184
Unrealized loss on investments	(2,593,252)	(612,800)
Balance, end of year	\$ 27,686,906	\$ 29,080,123

See accompanying note

**THE CANADIAN INSTITUTE FOR ADVANCED RESEARCH -
L'INSTITUT CANADIEN DE RECHERCHES AVANCÉES**
Summarized Statement of Cash Flows
Year ended June 30

	2009	2008
Operating activities		
Excess of income over expenses	\$ 856,610	\$ 6,872,298
Amortization of equipment and leasehold improvements	115,108	133,938
Changes in non-cash working capital	(3,036,841)	495,712
Cash flows from operating activities	(2,065,123)	7,501,948
Financing activities		
Endowment contribution and cash flow from financing activities	-	500,000
Investing activities		
Investments	(2,130,498)	(2,891,144)
Investment in equipment and leasehold improvements	(117,868)	(248,063)
Cash flows from investing activities	(2,248,366)	(3,139,207)
Net change in cash during the year	(4,313,489)	4,862,741
Cash and short-term deposits, beginning of year	8,507,437	3,644,696
Cash and short-term deposits, end of year	\$ 4,193,948	\$ 8,507,437

See accompanying note

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Notes to Summarized Financial Statements

Year ended June 30, 2009

1. Nature of Operations and Basis of Financial Statements

The Canadian Institute for Advanced Research - L'Institut Canadien de Recherches Avancées (the "Institute") is incorporated under the Canada Corporations Act as a not-for-profit organization and is a registered charity under the Income Tax Act (Canada). The primary objective of the Institute is to bring leading researchers together to work on major collaborative advanced-research projects that address scientific, economic and social questions that are of importance to the future of Canada and the world. The Institute funds multi-year projects that bridge institutional, regional, cultural and national boundaries. The funding provided by the Institute contributes to research support and salaries of program members.

In common with other not-for-profit organizations, the Institute is economically dependent on the continued financial support of federal and provincial governments and the private sector to meet its ongoing commitments.