

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Financial Statements

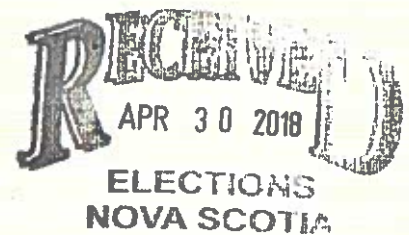
Year Ended December 31, 2017

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

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Year Ended December 31, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Members and Official Agent of The Atlantica Party Association of Nova Scotia

I have audited the accompanying financial statements of The Atlantica Party Association of Nova Scotia, which comprise the statement of financial position as at December 31, 2017 and the statements of operations, changes in net assets (deficit) and cash flow 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

In common with many political organizations, The Atlantica Party Association of Nova Scotia derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of The Atlantica Party Association of Nova Scotia. Therefore, I was not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2017 and December 31, 2016, current assets and net assets as at December 31, 2017 and December 31, 2016.

During the audit the Association disclosed two instances of possible non-compliance with the Nova Scotia Elections Act (the Elections Act). As of the date of the audit report, the Association was still in the process of ensuring the promissory note in the amount of \$8,811 follows Section 215 to 216 of the Elections Act as well ensuring transfers to and from campaigns in the amount of \$2,031 and \$2,417 respectively follow Section 213 to 214 of the Elections Act. Non-compliance with provisions of the Elections Act may result in the Chief Electoral Officer issuing a notice of non-compliance or non-compliance agreement, de-registering the Association as a Registered Party or other consequences for the Association and those charged with governance, the costs of which may need to be provided for in the financial statements. Accordingly, I was unable to obtain sufficient appropriate audit evidence to evaluate whether non-compliance that may be material to the financial statements has, or is likely to have, occurred and whether any related adjustments might be necessary.

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Independent Auditor's Report to the Members of The Atlantica Party Association of Nova Scotia (continued)

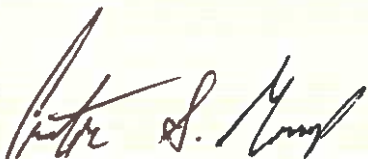
Disclaimer of Opinion

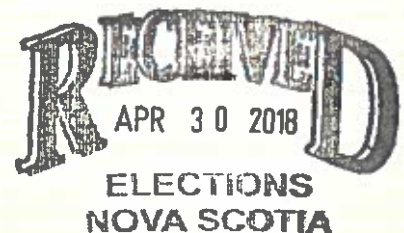
Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

Emphasis of Matter

Without modifying the disclaimer of opinion, I draw attention to Note 2 in the financial statements which indicates that The Atlantica Party Association of Nova Scotia incurred a net loss of \$3,613 during the year ended December 31, 2017 and, as of that date, the current liabilities exceeded its total assets by \$12,962. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about The Atlantica Party Association of Nova Scotia's ability to continue as a going concern.

Bedford, Nova Scotia
April 28, 2018


CHARTERED PROFESSIONAL ACCOUNTANT
Licensed Public Accountant



THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Statement of Financial Position

December 31, 2017

	2017	2016
	\$	\$
ASSETS		
CURRENT		
Cash	860	517
LIABILITIES AND NET ASSETS (DEFICIT)		
CURRENT		
Accounts payable	3,469	2,598
Due to directors (Note 4)	1,542	7,268
Promissory note (Note 5)	8,811	-
TOTAL LIABILITIES	13,822	9,866
NET ASSETS (DEFICIT)	(12,962)	(9,349)
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	860	517

APPROVED BY THE DIRECTORS

 Treasurer

 Director

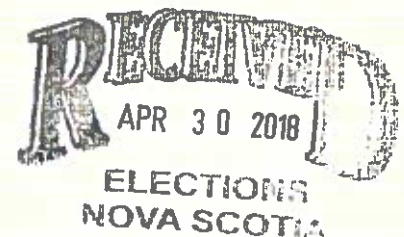
The accompanying notes form an integral part of these financial statements

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Statement of Operations

Year Ended December 31, 2017

	2017	2016
	\$	\$
REVENUES		
Donations	9,936	1,165
Membership fees	880	255
Province of Nova Scotia	2,282	-
Transfer from Campaigns	2,031	-
Other receipts	-	55
	15,129	1,475
EXPENDITURES		
Advertising and promotion	2,378	2,837
Election expenses	6,166	-
Interest and bank charges	299	65
Meals and entertainment	1,729	-
Memberships	-	149
Office	422	10
Professional fees	3,500	2,300
Rental	698	207
Travel	1,133	-
	16,325	5,568
DEFICIENCY OF REVENUES OVER EXPENDITURES BEFORE TRANSFERS TO CAMPAIGNS	(1,196)	(4,093)
TRANSFERS TO CAMPAIGNS	2,417	-
DEFICIENCY OF REVENUES OVER EXPENDITURES	(3,613)	(4,093)



The accompanying notes form an integral part of these financial statements

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Statement of Changes in Net Assets (Deficit)

Year Ended December 31, 2017

	2017	2016
	\$	\$
NET ASSETS (DEFICIT) - BEGINNING OF YEAR	(9,349)	(5,256)
DEFICIENCY OF REVENUES OVER EXPENDITURES	(3,613)	(4,093)
NET ASSETS (DEFICIT) - END OF YEAR	(12,962)	(9,349)

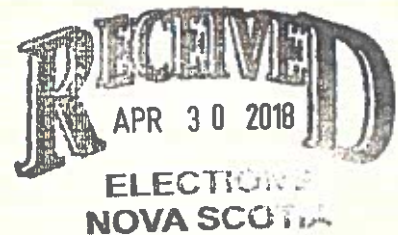
The accompanying notes form an integral part of these financial statements

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Statement of Cash Flow

Year Ended December 31, 2017

	2017	2016
	\$	\$
OPERATING ACTIVITIES		
Deficiency of revenues over expenditures	(3,613)	(4,093)
Change in non-cash working capital:		
Accounts payable	872	1,448
Cash flow used by operating activities	(2,741)	(2,645)
FINANCING ACTIVITIES		
Promissory note	8,811	-
Advances from (to) members	(5,727)	2,764
Cash flow from financing activities	3,084	2,764
INCREASE IN CASH FLOW	343	119
Cash - beginning of year	517	398
CASH - END OF YEAR	860	517
CASH CONSISTS OF:		
Cash	860	517



The accompanying notes form an integral part of these financial statements

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Notes to Financial Statements

Year Ended December 31, 2017

1. NATURE OF OPERATIONS

The Atlantica Party Association of Nova Scotia (the "Association") was incorporated on April 28, 2009 under the Societies Act of Nova Scotia. The Association was established to field candidates for election as members of the House of Assembly and secure responsible government in the Province of Nova Scotia. The Association is a not for profit organization under Section 149.1 (1) of the Income Tax Act, and as such is exempt from income tax.

2. GOING CONCERN

These financial statements have been prepared on a going-concern basis that contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Association be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Association incurred a net loss of \$3,613 during the year ended December 31, 2017 and, as of that date, the current liabilities exceeded its total assets by \$12,962.

The Association's ability to continue as a going concern is dependant upon its ability to comply with the Elections Act, maintain key personnel and attain a surplus of revenue over expenditures by generating funds from third parties sufficient to meet current and future obligations. During the audit the Association disclosed two instances of possible non-compliance with the Nova Scotia Elections Act. As per note 6, the primary source of funding is currently derived from Directors of the Association and the ability to maintain viable operations is dependent upon their continued financial support.

The Association continues to attempt to secure contributions, however, the association has not yet entered into any arrangements, and there is no assurance that it will do so or that it will be successful in raising funds. As described above, the Association's ability to continue as a going concern depends on its ability to maintain ongoing operating funds. These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate as management undertakes measures or intends to undertake measures to mitigate the effect of the conditions and events that cast doubt on the appropriateness of this assumption.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not for profit organizations (ASNFP) and include the following significant accounting policies.

Cash

Cash consist of bank balances held with financial institutions.

Revenue recognition

i. Fundraising, contributions and memberships

The Association recognizes fundraising, contributions and membership revenue in the period it was received or when collection is reasonably assured.

ii. Contributed services

The Association would not be able to carry out its activities without the services of the volunteers who donate a considerable number of hours. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

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THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Notes to Financial Statements

Year Ended December 31, 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

The Association has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value.

Cash flows

The Association prepares the statement of cash flows on a net cash basis and reports cash flows from operating and financing activities using the indirect method.

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have impact on future periods.

4. DUE TO DIRECTORS

Due to Director - Leader	-	7,268
Due to Director - Official Agent	73	-
Due to Director - President	109	-
Due to Director - Communications	470	-
Due to Director - Treasurer	579	-
Due to Director - Interim Leader	22	-
Due to Director - Secretary	71	-
Due to Director - Organizer	218	-
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	1,542	7,268

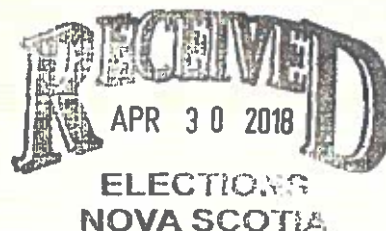
Directors have granted interest free loans with no specific terms of repayment to the Association of which \$1,542 is outstanding as at December 31, 2017. On or about the 31st day of December, 2017 a Director left the Association resulting in a Promissory Note (Note 5).

5. PROMISSORY NOTE

The Promissory Note payable in the amount of \$8,811 represents the total of unpaid reimbursable expenses submitted by a former Director and approved by the Association for the period from October 22, 2011 to December 31, 2017. As the party was registered on June 28, 2016 the amount consists of \$6,130 before the Association was registered as a Registered Party and \$2,681 subsequent to registration as a Registered Party under the Elections Act. As per the agreed terms, the Promissory Note payable by the Association is an interest free loan with no specific terms of repayment.

6. ECONOMIC DEPENDENCE

As the primary source of funding is derived from Directors of the Association the ability to maintain viable operations is dependent upon their continued financial support.



THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Notes to Financial Statements

Year Ended December 31, 2017

7. FINANCIAL INSTRUMENTS

The Association 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 Association's risk exposure and concentration as of December 31, 2017.

(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. Financial instruments that potentially subject the Association to concentrations of credit risk consist of cash. The Association deposits its cash in a reputable financial institution and therefore believes the risk of loss to be remote.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

RECORDED
APR 30 2018
ELECTIONS
NOVA SCOTIA