

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA
Financial Statements
Year Ended December 31, 2021

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA
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Year Ended December 31, 2021

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PROFESSIONAL STRENGTH
PERSONAL SERVICE
PRACTICAL SOLUTIONS

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INDEPENDENT AUDITOR'S REPORT

To the Directors of THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Qualified Opinion

We have audited the financial statements of THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA (the association), which comprise the statement of financial position as at December 31, 2021, and the statements of receipts and disbursements, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the association as at December 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many not-for-profit organizations, the association 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 association. Therefore, we were 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, 2021, current assets and net assets as at December 31, 2021. Our audit opinion on the financial statements for the year ended December 31, 2020 was modified accordingly because of the possible effects of this limitation of scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the association in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

In preparing the financial statements, management is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report to the Directors of THE ATLANTICA PARTY ASSOCIATION OF NOVA
SCOTIA (*continued*)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Halifax, Nova Scotia
May 17, 2022


Etter MacLeod & Associates Inc.


CHARTERED PROFESSIONAL ACCOUNTANTS

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA
Statement of Financial Position
December 31, 2021

	2021	2020 (Revised)
	\$	\$
ASSETS		
CURRENT		
Cash	6,121	2,922
Term deposits	514	512
Donations receivable	-	1,969
Inventory	550	551
	7,185	5,954
LIABILITIES AND NET ASSETS		
CURRENT		
Due to current & former directors	2,089	7,563
NET ASSETS	5,096	(1,609)
LIABILITIES AND NET ASSETS	7,185	5,954

ON BEHALF OF THE BOARD

 _____ Director

 _____ Director

See notes to financial statements

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA
Statement of Receipts and Disbursements
Year Ended December 31, 2021

	2021	2020 <i>(Revised)</i>
	\$	\$
RECEIPTS		
Donations	6,881	8,916
Province of Nova Scotia	2,900	2,382
Membership fees	260	35
Campaign	-	1,070
	10,041	12,403
DISBURSEMENTS		
Advertising and promotion	23	1,006
Business taxes, licenses and memberships	-	93
Interest and bank charges	305	159
Meals and entertainment	2	528
Office	794	1,505
Professional fees	2,214	1,263
Travel	-	16
	3,338	4,570
EXCESS OF RECEIPTS OVER DISBURSEMENTS FROM OPERATIONS	6,703	7,833
OTHER INCOME		
Interest income	2	12
EXCESS OF RECEIPTS OVER DISBURSEMENTS	6,705	7,845

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Statement of Changes in Net Assets

Year Ended December 31, 2021

	2021	2020
	\$	<i>(Revised)</i>
		\$
NET ASSETS - BEGINNING OF YEAR	(1,609)	(9,454)
EXCESS OF RECEIPTS OVER DISBURSEMENTS	6,705	7,845
NET ASSETS - END OF YEAR	5,096	(1,609)

See notes to financial statements

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Statement of Cash Flows

Year Ended December 31, 2021

	2021	2020
	\$	(Revised) \$
OPERATING ACTIVITIES		
Excess of receipts over disbursements	6,705	7,845
Changes in non-cash working capital:		
Accounts receivable	1,970	(1,970)
Accounts payable	-	(1,951)
	1,970	(3,921)
Cash flow from operating activities	8,675	3,924
FINANCING ACTIVITY		
Advances to directors	(5,474)	(1,292)
INCREASE IN CASH FLOW	3,201	2,632
Cash - beginning of year	3,434	802
CASH - END OF YEAR	6,635	3,434
CASH CONSISTS OF:		
Cash	6,121	2,922
Term deposits	514	512
	6,635	3,434

See notes to financial statements

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Notes to Financial Statements

Year Ended December 31, 2021

1. PURPOSE OF THE ASSOCIATION

The association operates to provide candidates for election as members of the House of Assembly and secure responsible government in 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 tax.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash includes cash and cash equivalents.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Revenue recognition

Fundraising, contributions and memberships

- the association recognizes fundraising, contributions and membership revenue in the period it was received or when collection was reasonably assured.

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

4. 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, 2021.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The association is exposed to this risk mainly in respect of the excess of liabilities over assets. The association reduces this risk by maintaining an adequate credit line to repay trade creditors and repays long term debt interest and principal as it comes due. In the opinion of management the liquidity risk exposure to the Association is low.

(continues)

THE ATLANTICA PARTY ASSOCIATION OF NOVA SCOTIA

Notes to Financial Statements

Year Ended December 31, 2021

4. FINANCIAL INSTRUMENTS (continued)

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the association manages exposure through its normal operating and financing activities. The association is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

Unless otherwise noted, it is management's opinion that the association is not exposed to significant other price risks arising from these financial instruments.

5. Due to (from) Directors

	2021	2020
	\$	\$
Due to current Directors	247	5,350
Due to Ex Director	1,839	1,838
Due to Director - Communications	-	375
	2,086	7,563

Amounts are interest free and with no specific terms of repayment.

6. RESTATEMENT OF PRIOR PERIOD EARNINGS

In the course of the audit, monies received and receipted in 2020, were not recognized as donations in the prior period. 2020 has been revised to reflect recognition of those earnings.

7. IMPLICATIONS OF CORONA VIRUS (Covid-19)

On March 11, 2020, the World Health Organization declared a world-wide corona pandemic. The resultant restrictions imposed on peoples and businesses may have far reaching effects; the outcome of which are difficult to estimate. The party management recognizes this challenge and is developing plans to mitigate the circumstances.

The organization was unable to have large gatherings during the fiscal year and feels that as restrictions continue to lift, the impacts will lessen.

8. SUBSEQUENT EVENTS

The following events occurred subsequent to the fiscal year end:

Pending issuance of tax receipts

During the 2022 year, the association noted \$3310 in donations not receipted for 2021. The effects on the organization as unknown as at the financial statement date.