

THE GREEN PARTY OF NOVA SCOTIA
Financial Statements
Year Ended December 31, 2023

THE GREEN PARTY OF NOVA SCOTIA
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Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Green Party of Nova Scotia

Qualified Opinion

We have audited the financial statements of The Green Party of Nova Scotia (the "Party"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, 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 Party as at December 31, 2023, 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 Party 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 Party. 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, 2023, current assets and net assets as at December 31, 2023. Our audit opinion on the financial statements for the year ended December 31, 2022 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 Party 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.

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 Party'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 Party or to cease operations, or has no realistic alternative but to do so.

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

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

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 Party'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 Party'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 Party 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.

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.

HBA Chartered Professional Accountants

Dartmouth, Nova Scotia
April 24, 2024

HBA Chartered Professional Accountants

THE GREEN PARTY OF NOVA SCOTIA

Statement of Operations

Year Ended December 31, 2023

	2023	%	2022	%
REVENUE				
Donations from individuals	\$ 22,550	52.32	\$ 19,546	47.64
Provincial funding	19,491	45.22	20,570	50.14
Memberships	1,060	2.46	910	2.22
	43,101	100.00	41,026	100.00
EXPENDITURES				
Salaries and wages	17,759	41.20	11,588	28.25
Advertising and promotion	12,310	28.56	4,251	10.36
Professional fees	5,725	13.28	5,750	14.02
Meetings and conventions	2,414	5.60	770	1.88
Office supplies and postage	1,153	2.68	1,399	3.41
Bank and finance charges	706	1.64	550	1.34
Website development	-	-	1,130	2.75
	40,067	92.96	25,438	62.01
EXCESS OF REVENUE OVER EXPENDITURES FROM OPERATIONS	3,034	7.04	15,588	37.99
OTHER INCOME (EXPENSES)				
Election campaign transfers (from candidates) <i>(Note 6)</i>	982	2.28	13,503	32.91
Interest income	462	1.07	-	-
Election campaign transfers (to candidates) <i>(Note 6)</i>	(1,230)	(2.85)	(13,843)	(33.74)
	214	0.50	(340)	(0.83)
EXCESS OF REVENUE OVER EXPENDITURES	\$ 3,248	7.54	\$ 15,248	37.16

See notes to the financial statements

THE GREEN PARTY OF NOVA SCOTIA

Statement of Changes in Net Assets

Year Ended December 31, 2023

	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 30,197	\$ 14,949
<u>Excess of revenue over expenditures</u>	<u>3,248</u>	<u>15,248</u>
NET ASSETS - END OF YEAR	\$ 33,445	\$ 30,197

See notes to the financial statements

THE GREEN PARTY OF NOVA SCOTIA

Statement of Financial Position

December 31, 2023

	2023	2022
ASSETS		
Cash	\$ 38,096	\$ 38,130
Accounts receivable	4,734	3,935
Prepaid expenses	1,125	-
	\$ 43,955	\$ 42,065
LIABILITIES AND NET ASSETS		
Accounts payable and accrued liabilities	\$ 5,541	\$ 7,229
Employee deductions payable	439	430
Deferred income (Note 4)	4,530	4,209
	10,510	11,868
NET ASSETS	33,445	30,197
	\$ 43,955	\$ 42,065

ON BEHALF OF THE EXECUTIVE

Director

Director

See notes to the financial statements

THE GREEN PARTY OF NOVA SCOTIA**Statement of Cash Flows****Year Ended December 31, 2023**

	2023	2022
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 3,248	\$ 15,248
Changes in non-cash working capital:		
Accounts receivable	(799)	(2,832)
Accounts payable and accrued liabilities	(1,688)	2,789
Prepaid expenses	(1,125)	-
Deferred income	321	(734)
Employee deductions payable	9	430
	(3,282)	(347)
INCREASE (DECREASE) IN CASH FLOW	(34)	14,901
Cash - beginning of year	38,130	23,229
CASH - END OF YEAR	\$ 38,096	\$ 38,130

See notes to the financial statements

THE GREEN PARTY OF NOVA SCOTIA

Notes to Financial Statements

Year Ended December 31, 2023

1. NATURE OF OPERATIONS

The Green Party of Nova Scotia was incorporated on April 1, 2006 and is a registered provincial political party in Nova Scotia.

The Party is a not-for-profit organization under the Income Tax Act, as described in Section (149)(1) and therefore is not subject to income taxes.

2. BASIS OF PRESENTATION

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The Party recognizes contributions as revenue when they are received. Revenue from fundraising or other sources is recognized when received or when receivable if collection is reasonably assured.

Donations-in-kind are recognized on a cash basis as required by the Nova Scotia Elections Act. This may result in a timing mismatch between the recognition of the donation-in-kind and the expense for the service provided. During the year, \$nil (2022 - \$nil) was received as a donation-in-kind.

The Party follows the deferral method of accounting for public funding from the province of Nova Scotia. Under the deferral method, revenue is recognized when expenses directly related to the revenue are incurred.

Accounting estimates

Accounting estimates are included in financial statements to approximate the effect of past business transactions or events, or to approximate the present status of an asset or liability. Examples include deferred revenue and accounting fee accruals. It is possible that changes in future conditions could require changes in the recognized amounts for accounting estimates. Should an adjustment become necessary, it would be reported in earnings in the period in which it became known.

Donated services

The operations of the Party are dependent on the voluntary service of many people. Since these services are not normally purchased by the Party and because of the difficulty in determining their fair value, donated services are not recognized in the financial statements.

Cash and cash equivalents

Cash includes bank balances held with financial institutions less outstanding cheques and plus deposits.

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THE GREEN PARTY OF NOVA SCOTIA

Notes to Financial Statements

Year Ended December 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

Measurement

The Party initially measures its financial assets and financial liabilities at fair value.

The Party subsequently measures its financial assets and financial liabilities at amortized cost. Amortized cost is the amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in net income. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess (deficiency) of revenue over expenditures.

4. DEFERRED INCOME

During the second half of the year, the Green Party of Nova Scotia received \$9,060 (2022 - \$8,418) in funding from Elections Nova Scotia. The portion relating to the 2024 fiscal year has been recorded as deferred income.

5. FINANCIAL INSTRUMENTS

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Party is exposed to credit risk from donors. The credit risk is mitigated due to a diverse donor base.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Party is exposed to this risk mainly in respect of its receipt of funds from its donors and accounts payable and accrued liabilities.

6. TRANSFER FROM (TO) CANDIDATES

The Green Party of Nova Scotia provided administrative services and financial support for Green Party members. Transfers from the Candidates are reimbursements for administrative support.

7. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to confirm to the current year's presentation.