

# **The National Advancement Party of Canada**

## **FINANCIAL STATEMENTS**

**AND**

## **INDEPENDENT AUDITOR'S REPORT**

**December 31, 2017**

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**INDEPENDENT AUDITOR'S REPORT**

**To:** The Chief Agent and Officers of :  
The National Advancement Party of Canada

I have audited the accompanying financial statements of The National Advancement Party of Canada which comprise the statement of financial position as at December 31, 2017, the statement of operations and changes in net assets and the statement of cash flows 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 controls as management determines is necessary to enable the preparation of financial statements that are free from material miss-statement, whether due to fraud or error.

**Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. Except as explained in the following paragraph, I conducted my audit in accordance with Canadian auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material miss-statement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material miss-statement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and evaluating the presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Basis for Qualified Opinion**

In common with many not-for-profit organizations, the Party derives revenue from contributions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, I was not able to determine whether any adjustments might be necessary to donations, excess of revenue over expenditure and cash flows for the year ended December 31, 2017

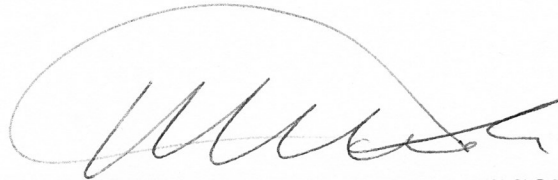
Independent Auditor's Report Continued...

**Opinion**

In my opinion, except for the possible effects of the matter referred to in the basis for qualified opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the Party as at December 31, 2017 and the results of its operations and changes in net assets and cash flows for the twelve months then ended in accordance with Canadian Accounting Standards for Not For Profit Organizations.

**Emphasis of Matter**

Effective December 31, 2017 the Party voluntarily deregistered with Elections Canada and went out of existence at that time. See Note 1.



**CHARTERED PROFESSIONAL ACCOUNTANT**

Calgary,  
July 3, 2018.

THE NATIONAL ADVANCEMENT PARTY OF CANADA

STATEMENT OF FINANCIAL POSITION

December 31, 2017

ASSETS

	<u>2017</u>	<u>2016</u>
<b>Current</b>		
Cash in bank accounts	\$ <u>86</u>	\$ <u>469</u>
Capital Asset, Note 5	<u>--</u>	<u>250</u>
	\$ <u><u>86</u></u>	\$ <u><u>719</u></u>

LIABILITIES

<b>Current</b>		
Advances from party leader, Note 3	\$ <u>5,058</u>	\$ <u>2,377</u>

NET ASSET DEFICIENCY

GENERAL FUND DEFICIT, Note 1	<u>(4,972)</u>	<u>(1,658)</u>
	\$ <u><u>86</u></u>	\$ <u><u>719</u></u>

Approved By The Board:

Stephen Garvey  
Party Leader

THE NATIONAL ADVANCEMENT PARTY OF CANADA

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSET DEFICIENCY

YEAR ENDED DECEMBER 31, 2017

(With Comparatives for the Fourteen Months Ended December 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>Revenues:</b>		
Political donations	\$ <u>1,801</u>	\$ <u>1,410</u>
<b>Expenses</b>		
Advertising - other	2,365	144
Bank charges	64	94
Office	299	312
Bookkeeping charges	160	--
Postage	365	--
Professional fees	840	806
Travel and hospitality	156	20
Miscellaneous	616	--
Website write-off	<u>250</u>	<u>--</u>
	<u>5,115</u>	<u>1,376</u>
<b>DEFICIENCY OF REVENUE OVER EXPENDITURE</b>	<b>(3,314)</b>	<b>34</b>
<b>NET ASSET DEFICIENCY, beginning of period</b>	<b><u>(1,658)</u></b>	<b><u>(1,692)</u></b>
<b>NET ASSET DEFICIENCY, end of period</b>	<b>\$ <u>(4,972)</u></b>	<b>\$ <u>(1,658)</u></b>

THE NATIONAL ADVANCEMENT PARTY OF CANADA

STATEMENT OF CASH FLOWS

FOURTEEN MONTHS ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>
<b>FUNDS PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Political Donation income	\$ 1,801	\$ 1,410
Operating expenses	(5,115)	(1,376)
Expenses not involving a cash flow - Website write-off	<u>250</u>	<u>--</u>
<b>FUNDS (USED) PROVIDED BY OPERATING ACTIVITIES</b>	<b><u>(3,064)</u></b>	<b><u>34</u></b>
 <b>FUNDS PROVIDED BY FINANCING ACTIVITIES</b>		
Advances from leader	4,801	769
Repayments of advances from leader	<u>(2,120)</u>	<u>(400)</u>
	<u>2,681</u>	<u>369</u>
 <b>(DECREASE) INCREASE IN CASH DURING YEAR</b>	<b>(383)</b>	<b>403</b>
 <b>CASH, beginning of year</b>	<u>469</u>	<u>66</u>
 <b>CASH, end of year</b>	<b>\$ <u><u>86</u></u></b>	<b>\$ <u><u>469</u></u></b>
 <b>REPRESENTED BY</b>		
Operating fund Cash	<b>\$ <u><u>86</u></u></b>	<b>\$ <u><u>469</u></u></b>

# THE NATIONAL ADVANCEMENT PARTY OF CANADA

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2017

### 1. GENERAL

The National Advancement Party (NAPC) is a Canadian political party formed in 2014 and registered as an official party with Elections Canada on August 19, 2015. On December 31, 2017 the Party voluntarily deregistered with Elections Canada and ceased to exist.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The Party followed Canadian generally accepted accounting principles for not-for-profit organizations.

#### (a) Asset Recognition

These financial statements include only those assets, liabilities, revenues and expenses relating to the operations of The National Advancement Party of Canada for the period January 1, 2017 to December 31, 2017.

#### (b) Revenue Recognition

The Party followed the deferral method of revenue recognition. Revenues were recognized as collected from donors. Revenues currently consist only of tax creditable political donations.

#### (c) Financial Instruments

The party's financial instruments consisted of cash and accounts payable. It is the Board's opinion that the Corporation was not exposed to significant interest, liquidity, market or credit risks arising from these financial instruments. The fair value of these financial instruments approximated their carrying values.

#### (d) Use of Estimates

The preparation of the financial statements of the Party are in conformity with generally accepted accounting principles that require management to make estimates and assumptions that affect the reported amounts of 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 these estimates.

#### (e) Cash

For purposes of the statement of cash flows the Party considered cash to be cash in bank accounts or on hand.

#### (f) General Fund

The general fund accounted for the Party's operating and administration activities. The Party had only a general fund.

**THE NATIONAL ADVANCEMENT PARTY OF CANADA**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2017**

**2. DONATED SERVICES**

The Board of Directors and party members provided their services to the party without compensation. The value of these donated services is not reflected in these financial statements.

**3. ECONOMIC DEPENDENCE**

The party was economically dependent upon its leader who has advanced funds to the party to enable it to continue its operations.

**4. ADVANCES FROM LEADER**

The advances from the leader of \$5,058 (\$2,377) are unsecured and no interest is charged on them. No time has been set for their repayment.