NOVA SCOTIA NEW DEMOCRATIC PARTY

Financial Statements

Year Ended December 31, 2025

Belliveau Veinotte Inc.
CHARTERED PROFESSIONAL ACCOUNTANTS
Member of The AC Group of Independent Accounting Firms

NOVA SCOTIA NEW DEMOCRATIC PARTY
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Year Ended December 31, 2025

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CHARTERED PROFESSIONAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of Nova Scotia New Democratic Party

Qualified Opinion

We have audited the financial statements of Nova Scotia New Democratic Party (the Party), which comprise the statement of financial position as at December 31, 2025, 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, 2025, 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

Basis for Qualified Opinion

In common with many non-profit organizations, the Party derives revenue from contributions and fundraising activities the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Party and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets. The predecessor auditor's opinion on the financial statements for the year ended December 31, 2024 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.

Emphasis of Matter

We draw attention to Note 11 to the financial statements, which describes that the financial statements for the year ended December 31, 2024 that were originally reported on August 26, 2025 have been amended and describes the matter that gave rise to the amendment. The original opinion is not modified in respect to this matter.

We also draw attention to Note 12 to the financial statements, which describes that the financial statements for the year ended December 31, 2025 that were originally reported on April 30, 2026 have been amended and describes the matter that gave rise to the amendment. Our original opinion is not modified in respect to this matter.

Other Matter

The financial statements for the year ended December 31, 2024 were audited by another auditor who expressed a qualified opinion on those financial statements on August 26, 2025 for the reasons described in the *Basis for Qualified Opinion* section.

(continues)

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 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.

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.

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.

Belliveau Veinotte Inc.

CHARTERED PROFESSIONAL ACCOUNTANTS

Halifax, Nova Scotia
April 30, 2026, except as to Note 12 which is
as of August 26, 2026.

AC Belliveau Veinotte Inc.
CHARTERED PROFESSIONAL ACCOUNTANTS

NOVA SCOTIA NEW DEMOCRATIC PARTY
Statement of Financial Position
December 31, 2025

	2025	2024 *Restated*
ASSETS		
Current		
Cash	**$ 187,660**	$ 29,274
Accounts receivable	**65,213**	1,236,929
HST recoverable	**101,673**	236,417
Prepaid expenses	**2,504**	96
	357,050	1,502,716
Capital assets *(Note 4)*	**1,611**	2,013
Restricted cash	**104,741**	2,117
	$ 463,402	$ 1,506,846
LIABILITIES		
Current		
Bank indebtedness	**$ -**	$ 83,992
Accounts payable and accrued liabilities *(Note 5)*	**145,213**	253,265
Deferred revenue - Unrestricted *(Note 6)*	**41,425**	45,920
Demand debt *(Note 8)*	**22,222**	1,000,000
	208,860	1,383,177
Deferred contributions - Restricted *(Note 7)*	**102,500**	-
	311,360	1,383,177
NET ASSETS		
Unrestricted	**149,801**	121,556
Restricted *(Note 9)*	**2,241**	2,113
	152,042	123,669
	$ 463,402	$ 1,506,846

LEASE COMMITMENTS *(Note 13)*

ON BEHALF OF THE BOARD

Director

Director

NOVA SCOTIA NEW DEMOCRATIC PARTY
Statement of Operations
Year Ended December 31, 2025

	2025	2024 *Restated*
REVENUE		
Contributions	**$ 445,663**	$ 839,465
Other revenue	**1,503**	31,272
Interest revenue	**1,280**	4,975
Elections Nova Scotia revenue	**169,272**	182,086
Bequests	**5,000**	-
	622,718	1,057,798
Transfers	**(104,928)**	(272,968)
	517,790	784,830
EXPENSES		
Advertising and promotion	**30,726**	45,217
Amortization	**403**	392
Bad debts	**1,725**	-
Election-related expenses	**305**	1,254,397
Interest and bank charges	**21,928**	30,178
Interest on demand debt	**32,519**	8,505
Meals and entertainment	**1,413**	-
Miscellaneous	**12,679**	78,315
Office	**100,587**	106,222
Election expense recoveries	**-**	(1,199,820)
Outreach	**57,299**	113,984
Professional fees	**30,389**	61,112
Salaries, wages and employee benefits	**182,705**	412,193
Travel	**323**	1,648
Uncollectible election riding expenses	**16,416**	219,326
	489,417	1,131,669
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	**$ 28,373**	$ (346,839)

NOVA SCOTIA NEW DEMOCRATIC PARTY
Statement of Changes in Net Assets
Year Ended December 31, 2025

	Unrestricted	Restricted	**2025**	2024 *Restated*
Net assets - beginning of year	$ 121,556	$ 2,113	**$ 123,669**	$ 470,508
Excess of revenue over expenses	23,245	5,128	**28,373**	(346,839)
Transfers	5,000	(5,000)	-	-
NET ASSETS - END OF YEAR	$ 149,801	$ 2,241	**$ 152,042**	$ 123,669

NOVA SCOTIA NEW DEMOCRATIC PARTY
Statement of Cash Flows
Year Ended December 31, 2025

	2025	2024 *Restated*
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	**$ 28,373**	$ (346,839)
Item not affecting cash:		
Amortization of capital assets	**403**	392
	28,776	(346,447)
Changes in non-cash working capital:		
Accounts receivable	**1,171,716**	(1,186,745)
Prepaid expenses	**(2,408)**	(96)
Accounts payable and accrued liabilities	**(108,053)**	158,420
HST payable	**134,744**	(87,881)
Deferred revenue - Unrestricted	**(4,495)**	1,593
Deferred contributions - Restricted	**102,500**	-
	1,294,004	(1,114,709)
Cash flow from (used by) operating activities	**1,322,780**	(1,461,156)
INVESTING ACTIVITY		
Purchase of capital assets	**-**	(892)
FINANCING ACTIVITIES		
Proceeds from demand debt financing	**-**	1,000,000
Repayment of demand debt	**(977,778)**	-
Cash flow from (used by) financing activities	**(977,778)**	1,000,000
INCREASE (DECREASE) IN CASH FLOW	**345,002**	(462,048)
Cash (deficiency) - beginning of year	**(52,601)**	409,447
CASH (DEFICIENCY) - END OF YEAR	**$ 292,401**	$ (52,601)
CASH (DEFICIENCY) CONSISTS OF:		
Unrestricted: Cash	**$ 187,660**	$ 29,274
Unrestricted: Bank indebtedness	**-**	(83,992)
Restricted: Women in Legislature	**24**	24
Restricted: Solidarity Fund	**2,093**	2,093
Restricted: Dennis Theman Fund	**102,624**	-
	$ 292,401	$ (52,601)

1. PURPOSE OF THE PARTY

Nova Scotia New Democratic Party (the "Party") is a provincial political party in Nova Scotia.The Party is a not-for-profit organization exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

2. BASIS OF PRESENTATION

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Items subject to significant management estimates include allowance for doubtful accounts and useful lives of capital assets.

Fund accounting

Nova Scotia New Democratic Party follows the restricted fund method of accounting for contributions. The restricted fund represents the following funds:

The Women in Legislature Fund is designed to provide assistance to women who aspire to achieve positions within the Nova Scotia legislature.

The Solidarity Fund is designed to assist electoral district associations (EDAs) in retiring debt incurred during the past general election.

The Dennis Theman Fund is a bequest left by a donor to the Party. The party is limited to annual draw from the fund of $5,000 a year by Elections Nova Scotia.

Revenue recognition

Nova Scotia New Democratic Party follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Public funding from the Province of Nova Scotia are recognized during the period the funds relate to.

Goods and services tax

Contributed materials and services are recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Furniture and fixtures	20%	declining balance method

(continues)

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

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Impairment of long lived assets

The Party tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

For financial assets measured at cost or amortized cost, the Party determines whether there are indications of possible impairment. Where there is an indication of impairment, and the Union determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

4. CAPITAL ASSETS

	Cost	Accumulated amortization	**2025 Net book value**	2024 Net book value
Furniture and fixtures	$ 2,846	$ 1,235	**$ 1,611**	$ 2,013

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025	2024
Accounts payable and accrued liabilities	**$ 88,562**	$ 213,597
Payable to constituents	**56,651**	39,665
	$ 145,213	$ 253,262

6. DEFERRED REVENUE - UNRESTRICTED

	2025	2024
Balance, beginning of year	$ **45,920**	$ 44,327
Add: funding received during the year	**165,568**	183,679
Less: amount recognized as income related to the year	**(170,063)**	(182,086)
Balance, end of year	$ **41,425**	$ 45,920

Elections Nova Scotia provides the Party with a subsidy semi-annually, once in April and once in October. The rate is set by the Elections Nova Scotia. A portion of the funds received from Elections Nova Scotia is deferred to align with the fiscal year.

7. DEFERRED CONTRIBUTIONS - RESTRICTED

	2025	2024
Balance, beginning of year	$ **-**	$ -
Add: Contributions received during the year	**107,500**	-
Less: amount recognized as income related to the year	**(5,000)**	-
Balance, end of year	$ **102,500**	$ -

During the year, the Party received funds under the Dennis Theman Fund, as described in Note 9. The Party may draw $5,000 per year from the fund.

8. DEMAND DEBT

	2025	2024
Bank of Montreal demand loan bearing interest at the bank's prime rate plus 1.15%. The loan had an interest only payment period of six months, at which time the principal balance was to be repaid from the campaign rebate program. After this period, the remaining balance was to be paid in equal monthly principal payments plus interest. The loan was secured by a general security agreement and a pledge of the campaign rebate funds. The loan was fully repaid in January 2026.	$ **22,222**	$ 1,000,000
	$ **22,222**	$ 1,000,000

9. DENNIS THEMAN FUND

The Party's endowment fund was established to support the programs of the Party. The endowment is comprised of a GIC of $80,000 and cash held in a trust account of $22,624. The fund is to be maintained by the Party, with the Party having the ability to draw up to $5,000 per year. The fund earned a total of $128 in interest income during the year.

10. COMPARATIVE FIGURES

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

11. PRIOR YEAR RESTATEMENT

The December 31, 2024 financial statements were restated for corrections in accounting errors relating to the calculations of the cash balances and HST rebates receivable. The 2024 financial information has been updated to correct this error, as follows:

	As previously reported	Correction of error	**Restated**
Cash	$ 16,093	$ 13,181	**$ 29,274**
Accounts receivable	1,234,740	2,189	**1,236,929**
HST recoverable	-	236,417	**236,417**
Net assets - unrestricted	305,476	165,032	**470,508**
Other revenue	32,974	(1,702)	**31,272**
Advertising and promotion	47,625	(2,408)	**45,217**
Office	111,879	(5,657)	**106,222**
Election-related expenses	1,321,204	(66,807)	**1,254,397**
Outreach	120,055	(6,071)	**113,984**
Miscellaneous	82,486	(4,171)	**78,315**
Professional fees	64,367	(3,255)	**61,112**
Travel	1,736	(88)	**1,648**

12. CURRENT YEAR RESTATEMENT

Subsequent to financial statement issuance on April 30, 2026, the were changes to the presentation which include the following:

a) Revenue and expenditures were reclassified within the statement of financial position for presentation purposes to reflect transfers to and from constituents.

b) Accounts payable and accounts receivable in the amount of $2,200 were reclassified to properly reflect the nature of the transaction.

c) Accounts payable increased by $22,007 to correct transfers to constituents. This adjustment also resulted in a decrease to unrestricted net assets in the amount of $22,007.

d) Deferred contributions increased by $102,500 and excess of revenue of expenditures decreased by $102,500 to reflect the deferred revenue related to the Dennis Theman Fund. This change also decreased restricted net assets by $102,500.

13. LEASE COMMITMENTS

The Party has a long term lease with respect to its premises. The lease contains renewal options and provides for payment of utilities, property taxes and maintenance costs. Future minimum lease payments as at December 31, 2025, are as follows:

2026	**$ 46,447**

14. CONTENT OF FINANCIAL STATEMENTS

These financial statements include only the assets, liabilities and operations of the Party and do not include the assets, liabilities of any electoral district association.

15. FINANCIAL INSTRUMENTS

The Party 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 Party's risk exposure and concentration as of December 31, 2025.

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 campaign and electoral district associations. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. Due to the nature of the revenue, credit risk is reduced to a minimum.

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 contributors and other related sources, demand debt and accounts payable.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Party is exposed to interest rate risk primarily through its floating interest rate on demand debt.