

# Eastman Financial Services

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March 23, 2022

## **Independent Auditor's Report**

### **To the Chief Agent for the Veterans Coalition Party of Canada (VCP)**

I have audited the accompanying Registered party Financial Transactions Return (the 'Return') of Canada's Veterans Coalition Party as of December 31, 2021. The financial information in the Return has been prepared by the **Chief Agent of the Veterans Coalition Party of Canada** based on the financial reporting pro432(1) of the Canada Elections Act and in the prescribed form issued by Elections Canada.

### **The Chief Agent's Responsibility for the Return**

The **Chief Agent** determines what is necessary to prepare a Return that is free from material misstatement, whether due to fraud or error. The Chief Agent is responsible for preparing the Return under the financial reporting provisions of Section 432 (1) of the Canada Elections Act and in the prescribed form issued by Elections Canada. The Chief Agent is also responsible for internal control.

### **Auditor's Responsibility**

I conducted my audit following the Canadian Generally Accepted Auditing Standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Return is free from material misstatement. My responsibility is to express an opinion on the Return based on my audit.

An audit involves performing procedures to obtain audit evidence about the returns' amounts and disclosures. The procedures selected depend on the auditor's judgement, including assessing the risks of material misstatement of the Return, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Return to design audit procedures that are appropriate in the circumstances but does not express an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the client agent and evaluating the overall presentation of the Return.

The audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Basis of Qualified Opinion**

In common with many not-for-profit organizations, the Veterans Coalition Party of Canada did not derive any income from donations and contributions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of revenue from any source was limited to the information provided by the books of the Veterans Coalition Party of Canada. I could not determine the inactive status of the Veterans Coalition Party of Canada, which is filing nil Returns as reported.

### **Qualified Opinion**

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the Return of the Veterans Coalition Party of Canada for the year ending December 31, 2021, is prepared, in all material respects, in accordance with the financial reporting provisions of Section 432(1) of the Canada Elections Act and the prescribed form issued by Elections Canada.

### **Basis of Accounting and Restriction on Use**

I draw your attention to the **Note to the Return**, which describes the basis of accounting. The Return is prepared to assist the Chief Agent of the Veterans Coalition Party of Canada to meet the requirements of the Canada Elections Act. As a result, the Return may not be suitable for another purpose. My Report is intended solely for the **Chief Agent** of the **Veterans Coalition Party of Canada** and the **Chief Electoral Officer**. This Report should not be used by parties other than the **Chief Electoral Officer** and should not be used by parties other than the **Chief Agent** and the **Chief Electoral Officer**.

### **Report on the Other Legal and Regulatory Requirements**

As required by Subsection 435 (1) of the **Canada Elections Act**, in my opinion, the Return presents the information contained in the financial records on which it is based.

A handwritten signature in blue ink that reads "Jeginder Singh". The signature is written in a cursive style with a horizontal line under the first name.

Jeginder Darshan Singh  
M. Acc., CPA

## INDEPENDENT AUDITOR'S REPORT

### To the Chief Agent and the Officers for the Veterans coalition Party of Canada

I have audited the accompanying financial statements of the **Veterans Coalition Party of Canada**. These comprise the statement of financial position as of **December 31, 2021**, the statements of operations, changes in net assets and 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 such internal control as management determines it is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

I conducted my audit in accordance with Canadian Generally Accepted Audit Standards. Those standards require that I comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement. My responsibility is to express an opinion on these Financial Statements based on my audit.

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 judgement, including assessing the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Financial Statements to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and evaluating the overall presentation of the Financial Statements.

The evidence I have obtained is enough and appropriate to provide a basis for my qualified audit opinion.

**Independent Auditor's Report to the Chief Agent & Officers of the Veterans Coalition Party of Canada (continued).**

**The basis for Qualified Opinion**

In common with many not-for-profit entities, the Veterans Coalition Party of Canada derives no 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 Organization's records. Therefore, I was not able to determine whether any adjustments might be necessary to donations, excess (deficiency) of revenue over expenses and cash flows from operations for the year ended December 31, 2021, and current assets and net assets as of January 1, 2021, and December 31, 2021.

**Qualified Opinion**

In my opinion, except for the possible effects of the matter described based on the qualified opinion paragraph, the Financial Statements present fairly, in all material respects, the financial position of the Veterans Coalition Party of Canada as of December 31, 2021, and the results of its cash flows for the year then ended following Canadian Accounting Standards for not-for-profit entities.

A handwritten signature in blue ink that reads "Teginder Singh". The signature is written in a cursive style and is underlined.

Glance Bay  
March 23, 2022

CPA

**VETERANS COALITION PARTY OF CANADA**  
*Balance Sheet as of September 30, 2021*

	2021	2020
<b>ASSETS</b>	\$	\$
<b>Current</b>		
<b>Cash &amp; Bank</b>	<b>881</b>	<b>1,820</b>
<b>Accounts Receivable</b>	-	-
<b>Prepaid expenses and deposits paid</b>	-	-
<b>Any other assets</b>	-	-
	<hr/> <b>881</b>	<hr/> <b>1,820</b>
	<hr/>	<hr/>
<b>LIABILITIES</b>		
<b>Current</b>		
<b>Accounts payable</b>	-	-
<b>Accrued liabilities</b>	-	-
<b>NET ASSETS</b>	<hr/> <b>881</b>	<hr/> <b>1,820</b>
	<hr/> <b>881</b>	<hr/> <b>1,820</b>
	<hr/>	<hr/>

**Approved and accepted on behalf of the Entity's Executive Committee:**

\_\_\_\_\_ **Chief Agent**

\_\_\_\_\_ **Leader**

**Refer to the accompanying notes to the Financial Statements**

**VETERANS COALITION PARTY OF CANADA**  
*Statement of Changes in Net Assets*  
*For the period August 15 to September 30 2021.*

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	2021	2020
	\$	\$
<b>NET ASSETS – UNRESTRICTED,</b>		
<b>Beginning of the year</b>	1,820	-
<b>Excess (Deficiency) of revenue,</b>		
<b>End of year</b>	(939)	1,820
	<hr/>	
<b>NET ASSETS – Unrestricted</b>	881	1,820
<b>At end of year</b>	<hr/>	

**VETERANS COALITION PARTY OF CANADA**  
**Statement of Operations**  
**For the period ended September 30, 2021**

	2021	2020
	\$	\$
<b>REVENUE</b>		
Political donations	-	1,412
Other income	-	-
<b>Total income</b>	<u>-</u>	<u>1,412</u>
<b>LESS EXPENSES</b>	-	Nil
<b>EXCESS/(DEFICIENCY)</b>	<u>-</u>	<u>1,412</u>

**VETERANS COALITION PARTY OF CANADA**  
**Statement of Cash Flows**  
**For the period ended September 30, 2021**

	2021	2020
\$		
\$		
<b>OPERATING ACTIVITIES</b>		
Excess/(Deficiency) Of Revenue over expenses	-	1,412
Changes in working capital	(939)	1,412
Cash flow from operating activities	-	1,412
Cash flow from Investing activities	-	408
Increase/(Decrease) in cash flow	(939)	1,820
Cash – at beginning of year	-	-
Cash – at end of year	881	1,820



VETERANS COALITION PARTY OF CANADA

Notes to the Financial Statements

The period ended on September 30, 2021.

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1 **PURPOSE OF THE PARTY**

The Veterans Coalition Party of Canada (the 'Organization) is a not-for-profit political organization. The Organization is a registered official political party under the Canada Elections Act. The Organization nominates, runs, and supports its candidates in federal elections and by-elections and is consistently active in a wide range of extra-parliamentary activities across Canada. The Organization is a not-for-profit organization under the Income Tax Act (Canada) and is exempt from income tax, provided specific requirements of the Income Tax Act are met.

2 **BASIS OF PRESENTATION**

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

3 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Cash and cash equivalents

Cash is defined as cash on hand, cash on deposit, and short-term deposits with maturity dates of less than 90 days, net of cheques issued and outstanding at the reporting date. The Veterans Coalition Party of Canada had a credit balance of \$881 as of September 30, 2021.

Use of estimates

Preparing the Financial Statements under the 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 the reported revenues and expenses. Significant items subject to such estimates and assumptions include the valuation allowances for accounts receivable. Actual results could differ from management's best estimates as additional information becomes available in the future.

Contributed services

A substantial number of volunteers contribute a significant amount of their time each year. Because of the difficulty of determining the fair value, contributed services are not recognized in the Financial Statements.

### Revenue recognition

Unrestricted donations to the Veterans Coalition Party of Canada are recognized as revenue when received or receivable; if the amount can be reasonably estimated and collection is well assured. Restricted contributions are recognized as revenue when the related expenses are incurred.

### Financial instruments policy

The Organization initially measures its financial assets and financial liabilities at fair value. The Organization subsequently estimates all its Financial Assets and Financial Liabilities at amortized cost, except for investments in actively traded marketable securities that are measured at fair value. Financial Assets measured at amortized cost include cash, accounts receivable and term deposits. Financial assets measured at fair value consist of investments. Financial liabilities measured at amortized includes account payable and accrued liabilities.

4	<b>ACCOUNTS RECEIVABLE</b>	<b>2021</b>	<b>2020</b>
		\$	\$
	Donations received	-	408

### 5 **TERM DEPOSIT**

The Veterans Coalition Party of Canada disclosed no term deposit.

### 6 **INVESTMENTS**

Investments consist of marketable securities held with a financial institution and are measured at fair value. The Veterans Coalition Party of Canada has disclosed no such assets.

### 7 **RELATED PARTY TRANSACTIONS**

No disclosure was made concerning related party transactions

### 8 **FINANCIAL INSTRUMENTS**

Suppose financial instruments are acquired in the future. In that case, the Organization will be exposed to various risks through its financial instruments. It will have to have a comprehensive risk management framework to monitor, evaluate, and manage them. The Organization disclosed no ownership of financial instruments as of **September 30, 2021**. The following analysis provides information about the Organization's risk exposure and concentration on **September 30, 2021**.

**Credit risk**

The Credit risk arises from the potential that a counterparty will fail to perform Its obligations. The Organization's cash and term deposits are exposed to credit Risk. To mitigate the risk, such investments are held with major financial Institutions with investment-grade credit ratings.

**Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting Obligations associated with financial liabilities. The Organization is exposed to this risk. Mainly in respect of its receipt of funds from its donors being sufficient to settle its accounts payable.

**Other price risks**

The Organization is exposed to other price risks on its investments because of fluctuations in market prices.