

**EQUESTRIAN NOVA SCOTIA**  
(formerly NOVA SCOTIA EQUESTRIAN FEDERATION)

**FINANCIAL STATEMENTS**

**March 31, 2023**



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## INDEPENDANT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

We have reviewed the accompanying financial statements of Equestrian Nova Scotia (formerly Nova Scotia Equestrian Federation), that comprise the statement of financial position as at March 31, 2023, and the statement of operations, statement of changes in net assets and cash flows for the year then ended, as well as a summary of significant accounting policies and other explanatory information.

### ***Management's Responsibility for 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 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.

### ***Practitioner's Responsibility***

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Nova Scotia Equestrian Federation as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

DARTMOUTH, NS

August 28, 2023



Chartered Professional Accountants

**EQUESTRIAN NOVA SCOTIA**  
(formerly NOVA SCOTIA EQUESTRIAN FEDERATION)  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents (Note 2, 7)	\$ 117,679	\$ 195,896
Accounts receivable, net	6,358	2,773
Inventory	1,765	0
Prepaid expenses	257	2,087
Short-term investments (Note 2, 9)	70,189	69,765
	196,248	270,521
<b>CAPITAL ASSETS (Note 1, 3)</b>	1,311	3,238
<b>LONG TERM INVESTMENTS (Note 2, 10)</b>	116,612	119,586
	<b>\$ 314,171</b>	<b>\$ 393,345</b>
<b><u>LIABILITIES</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 12,458	\$ 20,330
Payroll deductions payable	5,632	6,614
Deferred contributions (Note 8)	6,460	13,567
	24,550	40,511
<b><u>NET ASSETS</u></b>		
<b>NET ASSETS</b>	289,621	352,834
	<b>\$ 314,171</b>	<b>\$ 393,345</b>

**APPROVED BY:**

Director  \_\_\_\_\_

The accompanying notes form an integral part  
of these financial statements

**EQUESTRIAN NOVA SCOTIA**  
(formerly NOVA SCOTIA EQUESTRIAN FEDERATION)  
**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>CONTRIBUTIONS</b>		
Technical/Competitive Programs	\$ 81,247	\$ 72,662
Organization operations (Note 6)	307,806	313,269
Participatory Programs	36,610	13,301
Investment revenue (loss)	<u>(2,482)</u>	<u>5,232</u>
	<b><u>423,181</u></b>	<b><u>404,464</u></b>
<b>EXPENSES</b>		
Technical/Competitive Programs	89,552	73,419
Organization operations (Note 4, 6)	353,120	296,920
Participatory Programs	<u>43,722</u>	<u>43,529</u>
	<u>486,394</u>	<u>413,868</u>
<b>EXCESS OF EXPENSES OVER REVENUE</b>	<b><u>\$ (63,213)</u></b>	<b><u>\$ (9,404)</u></b>
Net assets, beginning of year	<u>352,834</u>	<u>362,238</u>
<b>NET ASSETS, END OF YEAR</b>	<b><u><u>\$ 289,621</u></u></b>	<b><u><u>\$ 352,834</u></u></b>

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**EQUESTRIAN NOVA SCOTIA**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ (63,213)	\$ (9,404)
Items not involving an outlay of cash:		
Amortization	1,927	1,753
Net changes in non cash working capital balances *	<u>(19,481)</u>	<u>17,496</u>
	<u><b>(80,767)</b></u>	<u><b>9,845</b></u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase/Redemption of investments	2,550	(5,250)
Purchase of property, plant and equipment	<u>0</u>	<u>(1,044)</u>
	<u><b>2,550</b></u>	<u><b>(6,294)</b></u>
 <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(78,217)	3,551
 <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>195,896</u>	<u>192,345</u>
 <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><b>\$ 117,679</b></u>	<u><b>\$ 195,896</b></u>
 <b>* CASH FLOWS FROM NON CASH WORKING CAPITAL BALANCES ARE COMPRISED OF THE FOLLOWING:</b>		
Accounts receivable	\$ (3,585)	\$ (847)
Prepaid expenses	1,830	(2,087)
Inventory	(1,765)	0
Accounts payable and accrued expenses	(7,872)	10,114
Payroll deductions payable	(982)	2,006
Deferred contributions	<u>(7,107)</u>	<u>8,310</u>
	<u><b>\$ (19,481)</b></u>	<u><b>\$ 17,496</b></u>

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**EQUESTRIAN NOVA SCOTIA**  
(formerly Nova Scotia Equestrian Federation)  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

**1. STATUS AND PURPOSE OF THE ORGANIZATION**

**Equestrian Nova Scotia** is a not-for-profit society incorporated under the Societies Act of the Province of Nova Scotia. The mandate is to provide governance related to Equestrian activities within Nova Scotia. The federation is exempt from income taxes. On November 23, 2022 Nova Scotia Equestrian Federation changed its name to Equestrian Nova Scotia.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of presentation**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

**Cash and cash equivalents**

Equestrian Nova Scotia's policy is to present bank balances and term deposits with a maturity period of three months or less from the date of acquisition under cash and cash equivalents.

**Use of estimates**

Management's assumptions are based on a number of factors, including historical experience, current events and actions that the organization may undertake in the future, and other assumptions that we believe are reasonable under the circumstances. Actual results could differ from those estimates under different conditions and assumptions. Estimates were used when accounting for certain items, such as the useful lives of capital assets and accrued liabilities.

**Revenue recognition**

Equestrian Nova Scotia uses 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 they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Member fees are recognized as revenue when they are received or receivable.

Investment revenue (interest) is recognized as earned.

**Investments**

Investments are recorded at market value. Investments with a maturity date of 5 years or less from the date of acquisition are considered short-term, otherwise they are considered long-term.

**EQUESTRIAN NOVA SCOTIA**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

**Capital Assets**

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write off the assets at the undernoted rates. During the year of acquisition amortization is provided at one-half the regular rate.

Computer equipment                      Straight line over 3 years

**3. CAPITAL ASSETS**

	<u>Rate</u>	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
				<b><u>2023</u></b>	<b><u>2022</u></b>
Computer equipment	straight line	\$ 5,780	\$ 4,469	\$ 1,311	\$ 3,238
		<b><u>\$ 5,780</u></b>	<b><u>\$ 4,469</u></b>	<b><u>\$ 1,311</u></b>	<b><u>\$ 3,238</u></b>

**4. RELATED PARTY TRANSACTIONS**

Sport Nova Scotia offers administrative services and office space to small sports based organizations.

	<b><u>2023</u></b>	<b><u>2022</u></b>
Administrative services and overhead	\$ 13,956	\$ 10,257
Office rent	<u>10,185</u>	<u>9,113</u>
	<b><u>\$ 24,141</u></b>	<b><u>\$ 19,370</u></b>

**5. FINANCIAL INSTRUMENTS**

Financial instruments include cash, accounts receivable, short term investments (GICs), long-term investments (Mutual Funds) and accounts payable and accruals. Unless otherwise noted, it is our opinion that the organization is not exposed significant interest or credit risks arising from financial instruments.

Equestrian Nova Scotia's long-term investments are exposed to risk caused by market and economic fluctuations.

**Credit risk**

Credit risk consists principally of cash and banks, short-term investments, and accounts receivable. Cash and short-term investments are maintained with reputable and major financial institutions. The risk of non-performance of these instruments is considered to be remote.



**EQUESTRIAN NOVA SCOTIA**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

**Interest rate risk**

Equestrian Nova Scotia is exposed to interest risk with respect to the following financial instruments:

- Cash
- Short-term investments
- Long-term investments

There are no derivative financial instruments to mitigate these risks.

**Fair value**

Cash, short-term investments, accounts receivable, long-term investments and accounts payable and accruals are financial instruments whose fair value approximates their carrying value.

**6. ORGANIZATION OPERATIONS**

	<u><b>2023</b></u>	<u><b>2022</b></u>
<b>CONTRIBUTIONS</b>		
Government assistance	\$ 57,799	\$ 62,940
Federal COVID-19 relief funding	0	34,118
Memberships	217,147	174,468
Other	32,860	41,743
	<u><b>\$ 307,806</b></u>	<u><b>\$ 313,269</b></u>
<b>EXPENSES</b>		
Salaries	\$ 199,524	\$ 153,491
Rent	10,185	9,112
Administration	122,068	123,007
Other	19,416	1,893
Competition	0	7,664
Amortization	1,927	1,753
	<u><b>\$ 353,120</b></u>	<u><b>\$ 296,920</b></u>

**EQUESTRIAN NOVA SCOTIA**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

	<u><b>2023</b></u>	<u><b>2022</b></u>
<b>7. RESTRICTED FUNDS - EQUINE MEDICATION CONTROL PROGRAM</b>		
For a time, each provincial equestrian federation collected money from its membership to administer Equestrian Canada's Equine Medication Control Program for their respective jurisdictions. The program was in place to ensure compliance with regard to the use of legal/illegal equine medications at equestrian competitions. When Equestrian Canada took back control of the program each provincial federation was given permission to use any remaining funds specifically for equine health and safety, education, resources and awareness campaigns.		
	<u><u>\$ 8,118</u></u>	<u><u>\$ 8,118</u></u>
 <b>8. DEFERRED CONTRIBUTIONS</b>	 <u><b>2023</b></u>	 <u><b>2022</b></u>
Excellence and Participation Funding	\$ 3,000	8,874
Project Funding Website	0	1,600
Ventures for Canada	0	1,338
2023 LTED Bursary for Youth Dressage	200	0
2023/2024 Coach Symposium	2,900	1,125
2023/2024 First Aid Course	360	630
	<u><u>\$ 6,460</u></u>	<u><u>\$ 13,567</u></u>
 <b>9. SHORT-TERM INVESTMENTS (at market value)</b>	 <u><b>2023</b></u>	 <u><b>2022</b></u>
TD Canada Trust - GIC (5 year @ 0.54%) Matures September 2024	\$ 10,179	\$ 10,124
TD Canada Trust - GIC (3 year @ 0.20%) Matures December 2025	20,484	20,443
TD Canada Trust - GIC (100 days @ 2.5%) Matures May 2023	13,172	12,987
TD Canada Trust - GIC (5 year @ 0.54%) Matures September 2023	26,354	26,211
	<u><u>\$ 70,189</u></u>	<u><u>\$ 69,765</u></u>
 <b>10. LONG-TERM INVESTMENTS (at market value)</b>	 <u><b>2023</b></u>	 <u><b>2022</b></u>
TD Canada Trust - Balanced Portfolio measured at market value.	<u><u>\$ 116,612</u></u>	<u><u>\$ 119,586</u></u>