

Notice to Reader

The following schedules, provided to Elections Newfoundland and Labrador by the political parties and/or candidates, are enclosed '**As Filed**' and have not yet been reviewed for accuracy or completeness. Once reviewed, any amendments will be reflected in Elections Newfoundland and Labrador's official financial report.



NEW DEMOCRATIC PARTY OF NEWFOUNDLAND AND LABRADOR
Financial Statements
Year Ended December 31, 2018

NEW DEMOCRATIC PARTY OF NEWFOUNDLAND AND LABRADOR

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Year Ended December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Members of New Democratic Party of Newfoundland and Labrador

Qualified Opinion

We have audited the financial statements of New Democratic Party of Newfoundland and Labrador (the Company), which comprise the statement of financial position as at December 31, 2018, and the statements of revenues and expenditures, 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 Company as at December 31, 2018, 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Company 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 Company. 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, 2018, current assets and net assets as at December 31, 2018. Our audit opinion on the financial statements for the year ended December 31, 2017 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 Company in accordance with the 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 those 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 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 Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

(continues)

Independent Auditor's Report to the Members of New Democratic Party of Newfoundland and Labrador
(continued)

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 Company'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 Company'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 Company 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.

Mount Pearl, NL
March 28, 2019


WINSON COOMBS
CHARTERED PROFESSIONAL ACCOUNTANTS

NEW DEMOCRATIC PARTY OF NEWFOUNDLAND AND LABRADOR**Statement of Revenues and Expenditures****Year Ended December 31, 2018**

	2018	2017
REVENUES		
Fundraising - Provincial convention	\$ 46,940	\$ -
Monthly contribution plan	42,872	42,232
Donations	10,857	5,080
Election rebates	5,455	7,724
Candidate surplus	3,926	(567)
Union deductions	1,200	974
Fundraising - Helen Fogwill Porter Fund	748	748
Nomination fee reimbursement	-	200
	111,998	56,391
EXPENSES		
Advertising and promotion	437	1,222
District association expense	447	-
Election expenses	2,428	5,837
Fundraising - Provincial convention	53,686	800
Interest and bank charges	4,950	6,317
Leader's expenses	-	5,254
Marketing, communications and printing	1,114	1,938
Meetings and workshops	-	1,205
Office and miscellaneous	676	516
Professional fees	(7,840)	20,858
Rental	4,186	4,186
Salaries and wages	(69)	13,261
Supplies	674	1,353
Telephone	1,555	3,961
	62,244	66,708
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	49,754	(10,317)
OTHER INCOME		
Interest income	32	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 49,786	\$ (10,317)

See notes to financial statements

NEW DEMOCRATIC PARTY OF NEWFOUNDLAND AND LABRADOR

Statement of Changes in Net Assets

Year Ended December 31, 2018

	2017 Balance	Excess of revenues over expenses	Withdrawals	2018 Balance
General Fund	\$ (47,151)	\$ 49,038	\$ 1,000	\$ 2,887
Restricted HFP Fund	2,809	748	(1,000)	2,557
Restricted Youth Caucus	515	-	-	515
Restricted Women's Caucus	900	-	-	900
	\$ (42,927)	\$ 49,786	\$ -	\$ 6,859

	2016 Balance	Excess of revenues over expenses	Withdrawals	2017 Balance
General Fund	\$ (37,086)	\$ (11,065)	\$ 1,000	\$ (47,151)
Restricted HFP Fund	3,061	748	(1,000)	2,809
Restricted Youth Caucus	515	-	-	515
Restricted Women's Caucus	900	-	-	900
	\$ (32,610)	\$ (10,317)	\$ -	\$ (42,927)

See notes to financial statements

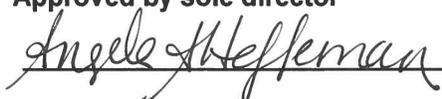
NEW DEMOCRATIC PARTY OF NEWFOUNDLAND AND LABRADOR

Statement of Financial Position

December 31, 2018

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 8,297	\$ -
Accounts receivable	9,660	12,035
Prepaid expenses	44	-
Employee deduction overpayment	-	1,029
	\$ 18,001	\$ 13,064
LIABILITIES AND NET ASSETS		
CURRENT		
Bank indebtedness (Note 3)	\$ -	\$ 16,635
Accounts payable	6,709	37,654
Due to District Associations	4,433	1,702
	11,142	55,991
NET ASSETS	6,859	(42,927)
	\$ 18,001	\$ 13,064

Approved by sole director

 Director

See notes to financial statements

NEW DEMOCRATIC PARTY OF NEWFOUNDLAND AND LABRADOR

Statement of Cash Flows

Year Ended December 31, 2018

	2018	2017
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 49,786	\$ (10,317)
Changes in non-cash working capital:		
Accounts receivable	2,375	(4,712)
Accounts payable	(30,945)	18,889
Prepaid expenses	(44)	-
Employee deduction overpayment	1,029	(1,029)
Employee deductions payable	-	(392)
	(27,585)	12,756
Cash flow from operating activities	22,201	2,439
FINANCING ACTIVITY		
Advances from related parties	2,731	120
INCREASE IN CASH FLOW	24,932	2,559
Deficiency - beginning of year	(16,635)	(19,194)
CASH (DEFICIENCY) - END OF YEAR	\$ 8,297	\$ (16,635)
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	\$ (32)	\$ -
Interest paid	\$ (4,950)	\$ (6,317)
CASH (DEFICIENCY) CONSISTS OF:		
Cash	\$ 8,297	\$ -
Bank indebtedness	-	(16,635)
	\$ 8,297	\$ (16,635)

See notes to financial statements

NEW DEMOCRATIC PARTY OF NEWFOUNDLAND AND LABRADOR

Notes to Financial Statements

Year Ended December 31, 2018

1. NATURE OF OPERATIONS

The mandate of the New Democratic Party of Newfoundland and Labrador is to promote, through political action, the economic and social planning of society in which the principle regulating production of goods and services, is the supplying of social and individual needs at the federal and provincial levels of government. The party is exempt from income taxes under Subsection 149(1)(l) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Revenue Recognition

The New Democratic Party of Newfoundland and Labrador follows the deferral method of accounting for contributions. Deferred contributions are recorded as revenue in the year in which the related expenses are incurred.

Donated goods

Donated goods are recorded at their fair market value at the time of the donation. During the year \$0 in goods were donated (2017 - \$0).

Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the party's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- the allowance for doubtful accounts;

Fund accounting

New Democratic Party of Newfoundland and Labrador follows the restricted fund method of accounting for contributions.

The General Fund accounts for the company's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Helen Fogwell Porter Fund reports only restricted resources that are managed on behalf of the women's caucus.

The Youth Caucus Fund reports only restricted resources that are managed on behalf of the youth caucus.

The Women's caucus fund reports only restricted resources that are managed on behalf of the women's caucus.

3. BANK INDEBTEDNESS

The party has a line of credit of \$20,000 from TD Bank which bears interest at prime plus 4.25% per annum and is secured by a general security agreement. The balance on this credit line as of December 31, 2018 is \$0 (2017 - \$14,702).

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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, 2018.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The party's credit risk is primarily attributable to receivables. The party believes that the credit risk with respect to receivables is not significant.

The party has determined that it is not exposed to any other risks through its operations during this fiscal year.

NEW DEMOCRATIC PARTY OF NEWFOUNDLAND AND LABRADOR

Election Expenses

(Schedule 1)

Year Ended December 31, 2018

	2018	2017
ELECTION EXPENSES		
Advertising	\$ -	\$ 1,087
Assistance	2,000	3,550
Campaign Assistance - Fogwill Porter Fund	1,000	1,000
Materials and rentals	(572)	-
Provincial By - Election	-	200
	\$ 2,428	\$ 5,837

See notes to financial statements

Name of Registered Political Party

New Democratic Party of Newfoundland and Labrador

Period Ended

December 31 2018

This financial report includes the following forms and attachments:



Audited Financial Statements for the Period	Attachment
Schedule of Loans and Other Borrowings	Form PR-2
Summary of Transfers Received and Transfers Paid Out	Form PR-3
Schedule of Transfers Received	Form PR-3 (A)
Schedule of Transfers Paid Out	Form PR-3 (B)
Receipt Reconciliation	Form PR-4
Summary of Fundraising	Form PR-5
Fundraising Activity Reports	Form PR-5 (AR)
Summary of Donations	Form PR-6
Reconciliation of Reported Contributions	Form PR-7
Schedule of Contributors	Attachment
AR listing at year end	Attachment
Reconciliation of revenue to receipts issued	Attachment

I, ANGELA HEFFERNAN, the Chief Financial Officer of the Party, declare that:

- a) I am authorized to act on behalf of the above named Party;
- b) this report and appropriate forms have been prepared in accordance with the *Elections Act*; and
- c) to the best of my knowledge, information and belief, all the information contained in this report is complete and accurate.

Signature of Chief Financial Officer

Date

Name of Registered Political Party

New Democratic Party of Newfoundland and Labrador

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Name of Lender

N/A

Address of Lender

Original Amount of Loan _____

Loan Balance At End of Period _____

Terms and Conditions of Borrowing

Name of Guarantor	Address	Amount Guaranteed	Payment By Guarantor in Year? Y / N



SUMMARY OF TRANSFERS RECEIVED AND PAID OUT

FORM
PR-3

Name of Registered Political Party

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TOTAL TRANSFERS RECEIVED (SUM OF FORMS PR-3(A))

TOTAL TRANSFERS PAID OUT (SUM OF FORMS PR-3(B))

Name of Registered Political Party

New Democratic Party of Newfoundland and Labrador

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SUMMARY OF RECEIPTS USED DURING PERIOD

Current Block of Receipts In Use As Approved by Chief Electoral Officer

to

and

Opening Receipt Number

to

Closing Receipt Number

Total Receipts Used

Void Receipts

Total Receipts Issued

SUMMARY OF VOIDED RECEIPTS

Receipt Number(s)

Comments

<input type="text" value="n/a"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

PLEASE NOTE

All three (3) copies (white, green, and pink) of cancelled or voided receipts must be returned to the Chief Electoral Office. A written explanation should be provided if receipts have been lost or destroyed.

Candidates in elections are required to return all copies of unused receipts. Political parties may hold unused receipts for issue in the next or subsequent reporting periods.

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SUMMARY OF FUNDRAISING REVENUES

Number of fundraising functions held	<input type="text" value="1"/>	
Total gross fundraising income reported on Activity Reports (sum of boxes A on all PR-5(AR) forms)	<input type="text" value="12,400.00"/>	A
Total Contributions of Goods and Services reported on Activity Reports (sum of boxes B on all PR-5(AR) forms)	<input type="text" value="-"/>	B
Total other revenue reported on Activity Reports (sum of boxes C on all PR-5(AR) forms)	<input type="text" value="34,539.81"/>	C
Total Fundraising Revenue (A + B + C)	<input type="text" value="46,939.81"/>	D

SUMMARY OF CONTRIBUTIONS AND DEEMED EXPENSES

Total Contributions from Fundraising Activities (sum of boxes L on all PR-5(AR) forms)	<input type="text" value="6,100.00"/>	E
Total Deemed Expenses on Activity Reports (sum of boxes M on all PR-5(AR) forms)	<input type="text" value="4,550.00"/>	F
Sum of Contributions and Deemed Expenses	<input type="text" value="10,650.00"/>	G

A schedule of all contributions to the Party is required as an attachment to this return. The schedule of contributions should include the name and address of the contributor, and the contribution amount with respect to contributions that either individually or in aggregate exceed \$100.

Included in this schedule should be an estimate of the value of any goods or services donated to the Party. These should be marked on the schedule as 'Goods and Services' or noted such that they can be distinguished from monetary contributions.



FUNDRAISING ACTIVITY REPORT
(Submit a separate form for each function held)

FORM
PR-5 (AR)

Name of Registered Political Party

New Democratic Party of Newfoundland and Labrador

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DESCRIPTION OF FUNDRAISING EVENT

2018 NLNDP Leadership Convention

EVENT DATE

April 6 - 8, 2018

Calculation of Event Revenues

Event Revenue From Admissions	12,400.00	A
Contributions of Good and Services	-	B
Other Event Revenue	34,539.81	C
Total Event Revenue	46,939.81	D

Description of Other Event Revenues

Advertising sales - \$1,700.00; Individual donations - \$600.00; Union donations - \$25,500.00; Nomination fees - \$4,000.00; Event sales and raffles - \$2739.81

Calculation of Contribution Portion of Admission Charge

	Charge 1	Charge 2	Charge 3	Charge 4	Charge 5
Admission Charge Per Ticket	50.00 E	100.00 E	150.00 E		
Calculated Contribution Per Ticket	- F	50.00 F	100.00 F	- F	- F
Calculated Deemed Expense Per Ticket	- G	50.00 G	50.00 G	- G	- G
Tickets Sold Per Admission Charge	35 H	60 H	31 H		
Calculated Contribution for Event	- I	3,000.00 I	3,100.00 I	- I	- I
Calculated Deemed Expense for Event	- J	3,000.00 J	1,550.00 J	- J	- J
Total Admissions Revenue (sum of Line E x Line H)					12,400.00 K
Total Contribution Portion of Event (sum of Line I)					6,100.00 L
Total Deemed Expense of Event (sum of Line J)					4,550.00 M

Contribution Portion of Fund Raising Income

If the Admission Charge (E) is \$50 or less, the Calculated Contribution (F) of the Admission Charge is nil.

If the Admission Charge (E) is between \$50.01 - \$100.00, the Calculated Contribution (F) is 1/2 of the Admission Charge, and the Calculated Deemed Expense (G) is 1/2 the Admission Charge.

If the Admission Charge (E) is greater than \$100, the Calculated Contribution (F) is the Admission Charge less \$50, and the Calculated Deemed Expense (G) is \$50.

Name of Registered Political Party

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New Democratic Party of Newfoundland and Labrador

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SUMMARY OF DONATIONS

Total Individual Donations in Excess of \$100	80,116	A
Total Individual Donations of \$100 or less	7,472	B
Total Donations before other items (line A + line B)	87,588	C
Donations of Goods and Services	-	D
Less amounts returned or payable to the contributor	-	E
Less amounts paid or payable to the Chief Electoral Officer	-	F
Total Donations (line C + line D - line E - line F)	87,588	G

A schedule of all contributions to the Party is required as an attachment to this return. The schedule of contributions should include the name and address of the contributor, and the contribution amount with respect to contributions that either individually or in aggregate exceed \$100.

Included in this schedule should be an estimate of the value of any goods or services donated to the Party. These should be marked on the schedule as 'Goods and Services' or noted such that they can be distinguished from monetary contributions.

A separate schedule is required if for any reason any contributions in the year have been returned to the contributor, or if any contributions are payable to the Chief Electoral Officer. This schedule should indicate the name, address, contribution amount, and reason that the contribution has been returned to the contributor, or is payable to the Chief Electoral Officer.

Name of Registered Political Party

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SUMMARY OF CONTRIBUTIONS FROM FUNDRAISING AND DONATIONS

Total Contributions from Fundraising Activities (box E on form PR-5)	6,100.00	A
Contributions of Goods and Services from Fundraising Activities (box B on form PR-5)	-	B
Donations before other items (box C on form PR-6)	87,588	C
Donations of Goods and Services (box D on form PR-6)	-	D
Subtotal (line A + line B + line C + line D)	93,688	E

RECONCILIATION OF REPORTED CONTRIBUTIONS

Subtotal from line E	93,688	E
Less Total Individual Donations or Contributions of \$100 or less	9,122	F
Less amounts returned or payable to the contributor	-	G
Less amounts paid or payable to the Chief Electoral Officer	-	H
Total Individual Donations or Contributions greater than \$100 (line E - line F - line G - line H)	84,566	I
Reported Total Individual Contributions greater than \$100 (refer to attached Schedule of Contributors)	84,366	J
Variance (line I - line J)	200	K

Reconciliation of variance

Two admission at \$150 were not receipted. The contribution portion of the ticket would have been \$100 each.