Association of Professional Geoscientists of Nova Scotia

Financial Statements

Draft for discussion purposes only

December 31, 2024

Association of Professional Geoscientists of Nova Scotia
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December 31, 2024

RGH
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A Member Firm of The AC Group of Independent Accounting Firms Limited

Independent Practitioner's Review Engagement Report

To the members of
Association of Professional Geoscientists of Nova Scotia

We have reviewed the accompanying financial statements of Association of Professional Geoscientists of Nova Scotia that comprise the statement of financial position as at December 31, 2024, and 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 ASNPO, 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.

Independent Practitioner's Review Engagement Report, continued

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 Association of Professional Geoscientists of Nova Scotia as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Bedford, Nova Scotia
September 19, 2025

RGH Inc.
Chartered Professional Accountants

Association of Professional Geoscientists of Nova Scotia
Statement of Financial Position
December 31
Draft for discussion purposes only

	2024	2023
ASSETS		
CURRENT		
Cash	**$ 135,800**	$ 159,879
Short term investments (note 3)	**125,419**	119,101
Accounts receivable	**5,833**	-
Prepaid expenses	**12,343**	680
Government remittances receivable	**3,433**	-
	282,828	279,660
PROPERTY, PLANT AND EQUIPMENT (note 4)	**2,112**	347
	$ 284,940	$ 280,007
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	**$ 11,571**	$ 8,791
Deferred revenue (note 5)	**57,551**	86,070
Government remittances payable	**-**	7,945
	69,122	102,806
NET ASSETS	**215,818**	177,201
	$ 284,940	$ 280,007

On behalf of the Council

________________________ Member ________________________ Member

See accompanying notes to the financial statements

Association of Professional Geoscientists of Nova Scotia
Statement of Operations
Year ended December 31
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	2024 Budget (note 6)	2024 Actual	2023 Actual
REVENUES			
Membership fees	**$ 177,040**	$ 144,797	$ 153,800
Service fees	**13,168**	7,879	22,806
Other	**7,000**	6,919	2,282
Interest	**1,000**	6,770	4,289
	198,208	166,365	183,177
EXPENDITURES			
Contracted services	**137,000**	41,848	114,372
Accounting and legal	**13,500**	41,544	9,001
Travel	**11,850**	9,740	6,228
Subscriptions, permits and licenses	**9,000**	8,782	10,846
Rent	**-**	5,873	6,600
Office	**13,000**	5,139	1,578
Interest and bank charges	**2,700**	4,282	2,738
Advertising and promotion	**6,150**	4,130	4,421
Telephone and internet	**3,000**	3,525	2,027
Insurance	**2,000**	2,612	2,583
Amortization	**-**	273	87
Bad debts	**-**	-	7,059
	198,200	127,748	167,540
EXCESS OF REVENUES OVER EXPENDITURES	**$ 8**	$ 38,617	$ 15,637

See accompanying notes to the financial statements

Association of Professional Geoscientists of Nova Scotia
Statement of Changes in Net Assets
Year ended December 31
Draft for discussion purposes only

	2024	2023
BALANCE, BEGINNING OF YEAR	**$ 177,201**	$ 161,564
Excess of revenues over expenditures	**38,617**	15,637
BALANCE, END OF YEAR	**$ 215,818**	$ 177,201

See accompanying notes to the financial statements

Association of Professional Geoscientists of Nova Scotia
Statement of Cash Flows
Year ended December 31
Draft for discussion purposes only

	2024	2023
OPERATING ACTIVITIES		
Excess of revenues over expenditures	**$ 38,617**	$ 15,637
Adjustment for		
Amortization	**273**	87
	38,890	15,724
Change in non-cash working capital items		
Accrued interest	**(6,318)**	(2,108)
Accounts receivable	**(5,833)**	52,959
Prepaid expenses	**(11,663)**	-
Accounts payable and accrued liabilities	**2,780**	996
Deferred revenue	**(28,519)**	(60,342)
Government remittances payable	**(11,378)**	(471)
	(22,041)	6,758
INVESTING ACTIVITIES		
Purchase of investments	**-**	(96,983)
Proceeds on sale of investments	**-**	40,673
Purchase of property, plant and equipment	**(2,038)**	-
	(2,038)	(56,310)
NET DECREASE IN CASH	**(24,079)**	(49,552)
CASH, BEGINNING OF YEAR	**159,879**	209,431
CASH, END OF YEAR	**$ 135,800**	$ 159,879

See accompanying notes to the financial statements

1. Nature of operations

Association of Professional Geoscientists of Nova Scotia the ("organization") is a not-for-profit organization established under the Geoscience Profession Act of Nova Scotia. The organization's principal activity is the protection of the public interest through the regulation of the geoscience practice and registration of geoscientists.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) **Cash**

Cash consists of balances with financial institutions.

(b) **Short-term investments**

Short-term investments represent guaranteed investment certificates which are valued at amortized cost, being cost plus accrued interest.

(c) **Property, plant and equipment**

Property, plant and equipment are recorded at cost. The organization provides for amortization using the declining balance method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. The annual amortization rate is as follows:

Office equipment	20%

(d) **Impairment of long-lived assets**

The organization 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 undiscounted 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 carrying value exceeds its fair value.

2. Significant accounting policies, continued

(e) Deferred revenue

Deferred revenue represents fees received in advance. Membership and admission fees for new members are recognized as revenue when the member is admitted into membership.

(f) Revenue recognition

The organization 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.

Membership and service revenue are recognized as earned, when the service has been provided and collection is reasonably assured.

(g) Contributed services

Contributions of materials and services are recognized in the financial statements at fair value at the date of contribution, but only when a fair value can be reasonably estimated and when the materials and services are used in the normal course of operations, and would otherwise have been purchased.

(h) Measurement uncertainty

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 amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

An allowance for doubtful accounts is based on management's best estimate for receivables that are not expected to be collected. The useful life of property, plant and equipment is based on managements experience. Accrued liabilities are based on management's best estimate of expenses incurred but not yet invoiced at year end.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues over expenditures in the period in which they become known.

2. Significant accounting policies, continued

(i) Financial instruments

(a) Measurement of financial instruments

(i) Initial measurement

The organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the company is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the company in the transaction.

(ii) Subsequent measurement

The organization subsequently measures all its financial assets and liabilities at cost or amortized cost.

Financial assets measured at amortized cost include cash, short term investments and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and deferred revenue.

(b) Transaction costs

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there are, and the organization 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 income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

2. Significant accounting policies, continued

(i) Financial instruments, continued

(c) Impairment

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there are, and the organization 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 income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

(j) Financial asset impairment

The organization assesses impairment of all its financial assets, except those classified as fair value through profit and loss. Management considers whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. Impairment is measured as the difference between the asset's carrying value and its fair value. Any impairment, which is not considered temporary, is included in current year earnings.

3. Short term investments

Description	Maturity	Interest	**2024**	2023
GIC	April 15, 2026	3.80%	**$ 58,923**	$ -
GIC	June 7, 2025	4.90%	**21,416**	-
GIC	Sept 1, 2025	5.25%	**20,451**	-
GIC	October 2, 2025	5.75%	**21,035**	21,035
GIC	October 15, 2024	5.50%	**-**	55,592
GIC	February 24, 2024	5.20%	**-**	20,357
GIC	February 7, 2024	0%	**-**	20,009
GIC	Accrued interest		**3,594**	2,108
			$ 125,419	$ 119,101

4. Property, plant and equipment

	Cost	Accumulated amortization	2024 Net	2023 Net
Office equipment	**$ 3,310**	**$ 1,198**	**$ 2,112**	$ 347

5. Deferred revenue

	2024	2023
Membership and service fees	**$ 57,551**	$ 86,070

During the year, the organization recognized all of the prior year deferred revenue as membership revenue and billed its membership for the upcoming year's fees.

6. Budget amounts

The 2024 budget amounts on the Statement of Operations are presented for information purposes only, have not been reviewed and not covered by the review engagement report of RGH Inc., Chartered Professional Accountants, dated September 19, 2025.

7. Commitments

The Association has entered into a premises lease which expires in July 2025 with monthly lease payments of $497. This lease was extended when it expired to July 2026 with monthly lease payments of $621.

8. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

8. Financial instruments, continued

(a) Liquidity risk

The organization does have a liquidity risk in the accounts payable and accrued liabilities of $11,571 (2023 - $8,791). Liquidity risk is the risk that the organization cannot repay its obligations when they become due to its creditors. The organization reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due. In the opinion of management the liquidity risk exposure to the organization is low and is not material.

(b) Credit risk

The organization does have credit risk in accounts receivable of $5,833 (2023 - $-). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The organization reduces its exposure to credit risk by creating an allowance for bad debts when applicable. The organization maintains strict credit policies and limits in respect to counterparties. In the opinion of management the credit risk exposure to the organization is low and is not material.

(c) 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 risk, interest rate risk and other price risk. The organization is exposed to interest rate risk.

(d) Interest rate risk

The organization is exposed to interest rate risk. Interest rate risk is the risk that the organization has interest rate exposure on its short-term investments, which are interest bearing at fixed rates. This exposure may have an effect on its earnings in future periods. Fixed rate instruments are subject to fair value risk. In the opinion of management the interest rate risk exposure to the organization is low and is not material.

(e) Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. The fair value of long-term financial liabilities approximates their carrying value based on the presumption that the organization is a going concern and thus expects to fully repay the outstanding amounts.

9. Comparative figures

Certain 2023 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2024.