

# **Atlantic Canada Airports Association**

Financial Statements  
(Unaudited)  
**December 31, 2023**

*Draft for discussion purposes only*

Draft - May 29, 2024, 1:34 PM

Member of The AC Group of Independent Accounting Firms

May 31, 2024

## **Independent Practitioners' Review Engagement Report**

### **To the Members of Atlantic Canada Airports Association**

We have reviewed the accompanying financial statements of Atlantic Canada Airports Association that comprise the statement of financial position as at December 31, 2023 and the statements of operations and 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 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.

### **Practitioners' 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 practitioners perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate 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 Atlantic Canada Airports Association as at December 31, 2023, 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.

**Chartered Professional Accountants**

# Atlantic Canada Airports Association

## Statement of Financial Position

(Unaudited)

As at December 31, 2023

	2023	2022
	\$	\$
<b>Assets</b>		
<b>Current assets</b>		
Cash	29,046	33,512
Accounts receivable (note 3) ①	142,524	81,953
HST receivable	11,164	460
Prepaid expenses (Meitwater)	6,295	8,000
	<u>189,029</u>	<u>123,925</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities ②	61,706	1,723
<b>Net Assets</b>		
<b>Unrestricted net assets</b>		
	<u>127,323</u>	<u>122,202</u>
	<u>189,029</u>	<u>123,925</u>

① World Routes - member contributions. \$51,500  
ACOA World Routes claim \$85,000

② Quarterly Dinner Group Invoice + WR expenses.

Draft - May 29, 2024, 1:34 PM

Approved by the Board

\_\_\_\_\_ Member

\_\_\_\_\_ Member

# Atlantic Canada Airports Association

## Statement of Operations and Changes in Net Assets

(Unaudited)

For the year ended December 31, 2023

	2023	2022
	\$	\$
<b>Revenue</b>		
Memberships and dues <i>no changes in 2023</i>	121,200	121,200
Member contributions to operations <i>(COVID fees)</i>	-	40,232
	<u>121,200</u>	<u>161,432</u>
<b>Expenses</b>		
Management fees <i>Dunne contract started Feb.</i>	77,490	82,538
Travel, meetings and conferences <i>(2022 was Baie Verte Harbour)</i>	24,107 ①	46,176
Research <i>Melt water</i>	5,475	5,200
Office and printing <i>- most included in mgmt contract</i>	442	3,248
Membership and fees	1,980	1,976
Website <i>updates + hosting</i>	2,150	1,405
Professional fees <i>Strategic plan \$3,500</i>	4,528	1,000
Telephone <i>part of mgmt contract</i>	-	306
Interest and bank charges <i>New accounts at RBC + wire fees</i>	773	243
	<u>116,945</u>	<u>142,092</u>
<b>Operating excess revenue</b>	<u>4,255</u>	<u>19,340</u>
<b>Other income (expenses)</b>		
Project revenue and expenses - Pay Equity (Schedule 1)	-	-
Project revenue and expenses - Altitude East (Schedule 2)	1	-
Project revenue and expenses - OAG (Schedule 3)	(28)	-
Project revenue and expenses - World Routes (Schedule 4)	2	(9,332)
Project revenue and expenses - Americas Routes (Schedule 5)	398	-
Project revenue and expenses - Europe Routes (Schedule 6)	117	-
Project revenue and expenses - Lift (Schedule 7)	376	-
	<u>866</u>	<u>(9,332)</u>
<b>Excess revenue for the year</b>	5,121	10,008
<b>Net assets - Beginning of year</b>	<u>122,202</u>	<u>112,194</u>
<b>Net assets - End of year</b>	<u>127,323</u>	<u>122,202</u>

① Annual meeting combined w/ Altitude East so cost less.

# Atlantic Canada Airports Association

## Statement of Cash Flows

(Unaudited)

For the year ended December 31, 2023

	2023	2022
	\$	\$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess revenue for the year	5,121	10,008
Net change in non-cash working capital items		
Accounts receivable	(60,571)	(59,815)
HST receivable	(10,704)	(406)
Prepaid expenses	1,705	(6,646)
Accounts payable and accrued liabilities	59,983	(4,444)
Deferred revenue	-	(32,156)
<b>Decrease in cash</b>	<b>(4,466)</b>	<b>(93,459)</b>
<b>Cash - Beginning of year</b>	<b>33,512</b>	<b>126,971</b>
<b>Cash - End of year</b>	<b>29,046</b>	<b>33,512</b>

# Atlantic Canada Airports Association

Notes to Financial Statements

(Unaudited)

December 31, 2023

---

## 1. Nature of operations

Atlantic Canada Airports Association was incorporated under the laws of the Province of Nova Scotia as a not-for-profit entity, and as such, is not taxable under the provisions of the *Income Tax Act*.

Atlantic Canada Airports Association was formed to promote the safe, efficient and sustainable operation of airports in the Atlantic Provinces

## 2. Summary of significant accounting policies

### Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

### Cash

Cash consists of balances with financial institutions.

### Revenue recognition

Atlantic Canada Airports Association follows the deferral method of accounting for revenue, whereby revenue related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred. Revenue is recognized as received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

### Contributed services

Volunteers contribute significant hours each year to assist the association in carrying out its service delivery activities. Because of the difficulty of determining their fair market value, contributed services are not recognized in the financial statements.

### Use of 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 amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Items requiring the use of significant estimates include the valuation of accounts receivable. Actual results could differ from those estimates.

# Atlantic Canada Airports Association

Notes to Financial Statements

(Unaudited)

December 31, 2023

---

## 2. Summary of significant accounting policies, continued

### Financial instruments

#### (i) Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess revenue in the period incurred.

Financial assets measured at amortized cost on a straight line basis include cash and accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities.

Financial assets measured at fair value include quoted shares.

#### (ii) Impairment

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there is an indication of impairment, 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 excess revenue. 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 the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess revenue.

## 3. Accounts receivable

	2023	2022
	\$	\$
Accounts receivable	57,462	3,233
Government funding receivable	85,062	78,720
	<u>142,524</u>	<u>81,953</u>

# Atlantic Canada Airports Association

Notes to Financial Statements

(Unaudited)

**December 31, 2023**

---

## 4. Financial risk management

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.

### (a) Liquidity risk

The organization's exposure to liquidity risk is dependent on the collection of accounts receivable and on the raising of funds to meet commitments and sustain operations. The organization controls liquidity risk by management of working capital, cash flows and availability of borrowing facilities.

Draft for discussion purposes only



**Atlantic Canada Airports Association**

Schedule of Project Revenue and Expenses - Pay Equity

(Unaudited)

**For the year ended December 31, 2023**

	2023	2022
	\$	\$
<b>Revenue</b>		
Partner contributions	38,500	-
<b>Expenses</b>		
Management fees	38,500	-
<b>Excess revenue</b>	-	-

Draft for discussion purposes only

**Atlantic Canada Airports Association**

Schedule of Project Revenue and Expenses - Altitude East

(Unaudited)

**For the year ended December 31, 2023**

	2023	2022
	\$	\$
<b>Revenue</b>		
Government contributions	120,396	-
Partner contributions	79,875	-
	<u>200,271</u>	<u>-</u>
<b>Expenses</b>		
Management fees	58,416	-
Marketing	113,807	-
Networking	17,125	-
Tradeshaw	6,462	-
Travel	4,460	-
	<u>200,270</u>	<u>-</u>
<b>Excess revenue</b>	<u>1</u>	<u>-</u>

**Atlantic Canada Airports Association**Schedule of Project Revenue and Expenses - Oag OAG  
(Unaudited)**For the year ended December 31, 2023**

	2023	2022
	\$	\$
<b>Revenue</b>		
Government contributions	41,904	-
Partner contributions	<u>16,403</u>	-
	58,307	-
<b>Expenses</b>		
Software	<u>58,335</u>	-
<b>Excess expenses</b>	<u>(28)</u>	-

Draft for discussion purposes only

**Atlantic Canada Airports Association**

Schedule of Project Revenue and Expenses - World Routes

(Unaudited)

For the year ended December 31, 2023

	2023	2022
	\$	\$
<b>Revenue</b>		
Government contributions	133,142	158,491
Partner project contributions	43,203	44,969
	<u>176,345</u>	<u>203,460</u>
<b>Expenses</b>		
Management fees	9,695	11,274
Marketing	9,980	7,182
Networking	3,346	8,906
Tradeshaw	148,574	181,434
Travel	4,748	3,996
	<u>176,343</u>	<u>212,792</u>
<b>Excess revenue (expenses)</b>	<u>2</u>	<u>(9,332)</u>

**Atlantic Canada Airports Association**

Schedule of Project Revenue and Expenses - Americas Routes

(Unaudited)

**For the year ended December 31, 2023**

	2023	2022
	\$	\$
<b>Revenue</b>		
Government contributions	41,671	-
Partner contributions	15,320	-
	<u>56,991</u>	<u>-</u>
<b>Expenses</b>		
Management fees	3,036	-
Marketing	7,329	-
Networking	6,133	-
Tradeshaw	37,605	-
Travel	2,490	-
	<u>56,593</u>	<u>-</u>
<b>Excess revenue</b>	<u>398</u>	<u>-</u>

**Atlantic Canada Airports Association**

Schedule of Project Revenue and Expenses - Europe Routes

(Unaudited)

**For the year ended December 31, 2023**

	2023	2022
	\$	\$
<b>Revenue</b>		
Government contributions	19,002	-
Partner contributions	5,990	-
	<u>24,992</u>	<u>-</u>
<b>Expenses</b>		
Management fees	1,384	-
Tradeshaw	15,990	-
Marketing	7,501	-
	<u>24,875</u>	<u>-</u>
<b>Excess revenue</b>	<u>117</u>	<u>-</u>

Draft for discussion purposes only

**Atlantic Canada Airports Association**

Schedule of Project Revenue and Expenses - Lift

(Unaudited)

**For the year ended December 31, 2023**

	2023	2022
	\$	\$
<b>Revenue</b>		
Government contributions	59,671	-
Partner contributions	23,775	-
	<u>83,446</u>	<u>-</u>
<b>Expenses</b>		
Software	83,070	-
	<u>83,070</u>	<u>-</u>
<b>Excess revenue</b>	<u>376</u>	<u>-</u>

Draft for discussion purposes only