

DRAFT FOR DISCUSSION PURPOSES ONLY

**SAIL NOVA SCOTIA ASSOCIATION**  
**Compiled Financial Information**  
**Year Ended October 31, 2025**

**SAIL NOVA SCOTIA ASSOCIATION**  
**Index to Compiled Financial Information**  
**Year Ended October 31, 2025**

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## COMPILATION ENGAGEMENT REPORT

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To the Directors of Sail Nova Scotia Association

On the basis of information provided by management, we have compiled the statement of financial position of Sail Nova Scotia Association as at October 31, 2025, the statements of operations, changes in net assets and cash flows for the year then ended, Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information, and other explanatory information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Halifax, Nova Scotia

CHARTERED PROFESSIONAL ACCOUNTANTS

**SAIL NOVA SCOTIA ASSOCIATION**

**Statement of Financial Position**

**October 31, 2025**

|                                  | Operating Fund | Capital Asset Fund | Legacy Fund | WOW Fund  | 2022 Worlds Legacy Fund | 2025       | 2024<br>(Restated - see Note 6) |
|----------------------------------|----------------|--------------------|-------------|-----------|-------------------------|------------|---------------------------------|
| <b>ASSETS</b>                    |                |                    |             |           |                         |            |                                 |
| Current                          |                |                    |             |           |                         |            |                                 |
| Cash                             | \$ 73,001      | \$ -               | \$ 2,948    | \$ 5,465  | \$ -                    | \$ 81,414  | \$ 134,031                      |
| Mutual funds (Note 4)            | 448,002        | -                  | 49,518      | 19,760    | 161,985                 | 679,265    | 373,050                         |
| Receivables                      | 55,342         | -                  | -           | -         | -                       | 55,342     | 24,148                          |
| Inventory                        | 2,074          | -                  | -           | -         | -                       | 2,074      | 714                             |
| Prepaid expenses                 | 7,279          | -                  | -           | -         | -                       | 7,279      | 8,373                           |
|                                  | 585,698        | -                  | 52,466      | 25,225    | 161,985                 | 825,374    | 540,316                         |
| Capital assets (Note 5)          | -              | 39,178             | -           | -         | -                       | 39,178     | 25,520                          |
|                                  | \$ 585,698     | \$ 39,178          | \$ 52,466   | \$ 25,225 | \$ 161,985              | \$ 864,552 | \$ 565,836                      |
| <b>LIABILITIES</b>               |                |                    |             |           |                         |            |                                 |
| Current                          |                |                    |             |           |                         |            |                                 |
| Payables and accrued liabilities | \$ 33,876      | \$ -               | \$ -        | \$ -      | \$ -                    | \$ 33,876  | \$ 14,193                       |
| HST payable                      | 37,467         | -                  | -           | -         | -                       | 37,467     | 26,761                          |
| Employee deductions payable      | 184            | -                  | -           | -         | -                       | 184        | 141                             |
| Due to Sail Canada               | 25,027         | -                  | -           | -         | -                       | 25,027     | 15,945                          |
| Deferred revenue                 | 41,262         | -                  | -           | -         | -                       | 41,262     | 45,442                          |
| Due to SailGP                    | 300,000        | -                  | -           | -         | -                       | 300,000    | -                               |
|                                  | 437,816        | -                  | -           | -         | -                       | 437,816    | 102,482                         |
| <b>NET ASSETS</b>                |                |                    |             |           |                         |            |                                 |
| Invested in capital assets       | -              | 39,178             | -           | -         | -                       | 39,178     | 25,520                          |
| Externally restricted            | -              | -                  | 52,466      | 25,225    | 161,985                 | 239,676    | 232,925                         |
| Unrestricted                     | 147,882        | -                  | -           | -         | -                       | 147,882    | 204,909                         |
|                                  | 147,882        | 39,178             | 52,466      | 25,225    | 161,985                 | 426,736    | 463,354                         |
|                                  | \$ 585,698     | \$ 39,178          | \$ 52,466   | \$ 25,225 | \$ 161,985              | \$ 864,552 | \$ 565,836                      |

**ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**SAIL NOVA SCOTIA ASSOCIATION**

**Statement of Operations**

**Year Ended October 31, 2025**

|  | Operating Fund | Capital Asset Fund | Legacy Fund | WOW Fund   | 2022 Worlds Legacy Fund | 2025        | 2024<br>(Restated - see Note 6) |
|--|----------------|--------------------|-------------|------------|-------------------------|-------------|---------------------------------|
| <b>REVENUES</b>  |                |                    |             |            |                         |             |                                 |
| Provincial government grants                             | \$ 202,057     | \$ -               | \$ -        | \$ -       | \$ -                    | \$ 202,057  | \$ 326,637                      |
| Programs   | 102,799        | -                  | -           | -          | -                       | 102,799     | 91,107                          |
| Membership dues  | 58,368         | -                  | -           | -          | -                       | 58,368      | 64,900                          |
| Fundraising  | 22,995         | -                  | -           | -          | -                       | 22,995      | 209,481                         |
| Merchandise  | 4,753          | -                  | -           | -          | -                       | 4,753       | 2,654                           |
| Club and athlete funding                                 | 5,300          | -                  | -           | -          | -                       | 5,300       | 29,637                          |
| Investment income  | 2,457          | -                  | 1,799       | 594        | 1,418                   | 6,268       | 1,241                           |
| Donations  | 1,000          | -                  | -           | -          | -                       | 1,000       | 3,025                           |
| Contribution - 2022 Worlds event                         | -              | -                  | -           | -          | -                       | -           | 150,000                         |
| Gain (loss) on sale of marketable securities             | -              | -                  | 587         | (5,018)    | 28,535                  | 24,104      | 6,101                           |
|  | 399,729        | -                  | 2,386       | (4,424)    | 29,953                  | 427,644     | 884,783                         |
| <b>EXPENDITURES</b>                                      |                |                    |             |            |                         |             |                                 |
| Amortization   | -              | 13,942             | -           | -          | -                       | 13,942      | 14,692                          |
| Bad debts  | -              | -                  | -           | -          | -                       | -           | 8,031                           |
| Bursaries  | 300            | -                  | 3,000       | -          | 18,029                  | 21,329      | 1,000                           |
| Club and athlete funding                                 | 20,372         | -                  | -           | -          | -                       | 20,372      | 34,710                          |
| Contract services  | 67,462         | -                  | -           | -          | -                       | 67,462      | 95,494                          |
| Fundraising events                                       | -              | -                  | -           | -          | -                       | -           | 137,847                         |
| Insurance  | 6,809          | -                  | -           | -          | -                       | 6,809       | 12,131                          |
| Operating  | 108,585        | -                  | 135         | -          | -                       | 108,720     | 96,217                          |
| Professional fees  | 8,416          | -                  | -           | -          | -                       | 8,416       | 10,326                          |
| Programs   | 4,178          | -                  | -           | -          | -                       | 4,178       | 3,517                           |
| Rent   | 6,320          | -                  | -           | -          | -                       | 6,320       | 30,130                          |
| Truck operating  | 838            | -                  | -           | -          | -                       | 838         | 723                             |
| Wages and benefits                                       | 205,876        | -                  | -           | -          | -                       | 205,876     | 192,815                         |
|  | 429,156        | 13,942             | 3,135       | -          | 18,029                  | 464,262     | 637,633                         |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b> | \$ (29,427)    | \$ (13,942)        | \$ (749)    | \$ (4,424) | \$ 11,924               | \$ (36,618) | \$ 247,150                      |

**SAIL NOVA SCOTIA ASSOCIATION**  
**Statement of Changes in Net Assets**  
**Year Ended October 31, 2025**

|  | Operating Fund | Capital Asset Fund | Legacy Fund | WOW Fund  | 2022 Worlds Legacy Fund | 2025 Total | 2024 Total |
|--|----------------|--------------------|-------------|-----------|-------------------------|------------|------------|
| <b>Net assets as at November 1</b>                       |                |                    |             |           |                         |            |            |
| As previously reported                                   | \$ 204,909     | \$ 25,520          | \$ 53,215   | \$ 29,649 | \$ 150,061              | \$ 463,354 | \$ 235,862 |
| Net effect of restatement ( <i>Note 6</i> )              | -              | -                  | -           | -         | -                       | -          | (19,658)   |
| As restated  | 204,909        | 25,520             | 53,215      | 29,649    | 150,061                 | 463,354    | 216,204    |
| <b>Excess (deficiency) of revenues over expenditures</b> | (29,427)       | (13,942)           | (749)       | (4,424)   | 11,924                  | (36,618)   | 247,150    |
| <b>Purchase of capital assets</b>                        | (27,600)       | 27,600             | -           | -         | -                       | -          | -          |
| <b>Net assets as at October 31</b>                       | \$ 147,882     | \$ 39,178          | \$ 52,466   | \$ 25,225 | \$ 161,985              | \$ 426,736 | \$ 463,354 |

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**SAIL NOVA SCOTIA ASSOCIATION****Statement of Cash Flows****Year Ended October 31, 2025**

|   | 2025             | 2024<br>(Restated -<br>see Note 6) |
|---|------------------|------------------------------------|
| <b>OPERATING ACTIVITIES</b>                       |                  |                                    |
| Excess (deficiency) of revenues over expenditures | \$ (36,618)      | \$ 247,150                         |
| Items not affecting cash:                         |                  |                                    |
| Amortization of capital assets                    | 13,942           | 14,692                             |
| Gain on disposal of investments                   | (24,104)         | (6,101)                            |
|   | (46,780)         | 255,741                            |
| Changes in non-cash working capital:              |                  |                                    |
| Receivables                                       | (31,194)         | 16,802                             |
| HST payable                                       | 10,706           | 17,119                             |
| Inventory   | (1,360)          | 48                                 |
| Prepaid expenses                                  | 1,094            | 5,985                              |
| Payables and accrued liabilities                  | 19,683           | 5,836                              |
| Employee deductions payable                       | 43               | (3,790)                            |
| Due to related parties                            | 9,082            | 11,010                             |
| Deferred revenue                                  | (4,180)          | (14,251)                           |
| Due to Sail GP                                    | 300,000          | -                                  |
|   | 303,874          | 38,759                             |
| Cash flow from operating activities               | 257,094          | 294,500                            |
| <b>INVESTING ACTIVITIES</b>                       |                  |                                    |
| Purchase of capital assets                        | (27,600)         | (1,071)                            |
| Proceeds on sale of investments                   | 181,476          | 28,319                             |
| Purchase of mutual funds                          | (463,587)        | (325,552)                          |
| Cash flow used by investing activities            | (309,711)        | (298,304)                          |
| <b>FINANCING ACTIVITY</b>                         |                  |                                    |
| Repayment of long term debt                       | -                | (40,000)                           |
| <b>DECREASE IN CASH FLOW</b>                      | <b>(52,617)</b>  | <b>(43,804)</b>                    |
| Cash - beginning of year                          | 134,031          | 177,835                            |
| <b>CASH - END OF YEAR</b>                         | <b>\$ 81,414</b> | <b>\$ 134,031</b>                  |
| <b>CASH CONSISTS OF:</b>                          |                  |                                    |
| Cash - Operating Fund                             | \$ 73,001        | \$ 124,117                         |
| Cash - Legacy Fund                                | 2,948            | 4,449                              |
| Cash - WOW Fund                                   | 5,465            | 5,465                              |
|   | \$ 81,414        | \$ 134,031                         |

**SAIL NOVA SCOTIA ASSOCIATION**  
**Notes to Compiled Financial Information**  
**Year Ended October 31, 2025**

1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the statement of financial position of Sail Nova Scotia Association as at October 31, 2025, the statements of operations, changes in net assets and cash flows for the year then ended is on the historical cost basis and reflects cash transactions with the addition of:

- accounts receivable
- inventory at cost
- prepaid expenses
- mutual funds recorded at cost
- capital assets amortized using the straight line method at the rates disclosed in Note 5
- accounts payable and accrued liabilities
- deferred revenue

2. PURPOSE OF THE ORGANIZATION

Sail Nova Scotia Association (the "Association") was incorporated under the Societies Act of Nova Scotia on June 23, 1976. The purpose of the organization is to encourage Nova Scotians to become more proficient in managing, handling, cruising and racing sailing or powerboats through training in safety, sailing, navigation, and seamanship. Under the Income Tax Act of Canada the Association qualifies as a not-for profit organization and is exempt from income tax.

3. FUND ACCOUNTING

The Operating Fund accounts for current operations and programs. Unrestricted contributions (donations and grants) to be used for operations are reported in this fund.

The Capital Asset Fund reports the assets, liabilities, revenues and expenses related to capital assets.

The Legacy Fund provides awards to eligible athletes. Restricted contributions for this purpose are reported in this fund.

The WOW! Women on Water Fund ("WOW Fund") provides awards to eligible female sailors and instructors. Restricted contributions for this purpose are reported in this fund.

The 2022 Worlds Legacy Fund provides support for hosting National Team training camps in identified classes in St. Margaret's Bay. Restricted contributions for this purpose are reported in this fund.

4. MUTUAL FUNDS

|                         | 2025<br>Cost      | 2025<br>Market value | 2024<br>Cost      | 2024<br>Market value |
|-------------------------|-------------------|----------------------|-------------------|----------------------|
| Legacy Fund             | \$ 49,518         | \$ 77,295            | \$ 48,766         | \$ 68,781            |
| Operating Fund          | 448,002           | 462,505              | 150,039           | 149,325              |
| WOW Fund                | 19,760            | 25,869               | 24,184            | 24,443               |
| 2022 Worlds Legacy Fund | 161,985           | 168,011              | 150,061           | 161,694              |
|                         | <b>\$ 679,265</b> | <b>\$ 733,680</b>    | <b>\$ 373,050</b> | <b>\$ 404,243</b>    |

**SAIL NOVA SCOTIA ASSOCIATION**  
**Notes to Compiled Financial Information**  
**Year Ended October 31, 2025**

5. CAPITAL ASSETS

|                              | Cost       | Accumulated<br>amortization | 2025<br>Net book<br>value | 2024<br>Net book<br>value |
|------------------------------|------------|-----------------------------|---------------------------|---------------------------|
| Equipment - 5 years          | \$ 115,253 | \$ 79,563                   | \$ 35,690                 | \$ 19,570                 |
| Computer equipment - 2 years | 2,093      | 1,825                       | 268                       | 783                       |
| Website - 5 years            | 22,272     | 19,051                      | 3,220                     | 5,168                     |
|                              | \$ 139,618 | \$ 100,439                  | \$ 39,178                 | \$ 25,521                 |

6. RESTATEMENT OF BALANCES

During the current year, management determined that the Association should have been registered with the Canada Revenue Agency (CRA) to collect HST on certain of its program and fundraising revenues as of January 1, 2022. The Association is also able to claim HST paid on its expenses. The Association will file the appropriate HST remittance reports with CRA to rectify this matter.

As a result, certain revenue and expense balances were overstated, the balances of HST recoverable were overstated, and the balances of HST payable were understated in prior years. The adjustments to these balances have been accounted for as prior period adjustments and the comparative information has been restated.

The balance of Net assets as at November 1, 2023 was decreased by \$19,658, representing the cumulative impact of net unremitted HST balances dating back to January 1, 2022

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