

Financial Statements of

KAWARTHA TURTLE TRAUMA CENTRE

December 31, 2014

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INDEPENDENT AUDITORS' REPORT

To the Members of
Kawartha Turtle Trauma Centre

Report on the Financial Statements

We have audited the accompanying financial statements of Kawartha Turtle Trauma Centre, which comprise the statement of financial position as at December 31, 2014 and the statements of revenue and expenditure and 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, Kawartha Turtle Trauma Centre derives revenues from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Centre and we were not able to determine whether any adjustments might be necessary to revenue from donations and fundraising, excess of revenue over expenditure, assets and net assets.

Opinion

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Kawartha Turtle Trauma Centre as at December 31, 2014 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.

McColl Turner LLP

Licensed Public Accountants

Peterborough, Ontario
April 3, 2015

KAWARTHA TURTLE TRAUMA CENTRE

STATEMENT OF FINANCIAL POSITION

December 31, 2014

	2014 \$	2013 \$
ASSETS		
CURRENT ASSETS		
Cash	224,744	276,284
Accounts receivable	15,656	28,809
Prepaid expenses	5,097	6,202
	245,497	311,295
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (note 4)	8,874	33,321
Deferred grant revenue (note 5)	54,617	135,722
	63,491	169,043
NET ASSETS	182,006	142,252
	245,497	311,295

See accompanying notes to the financial statements

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KAWARTHA TURTLE TRAUMA CENTRE
STATEMENT OF REVENUE AND EXPENDITURE AND NET ASSETS
Year Ended December 31, 2014

	2014 \$	2013 \$
REVENUE		
Grants (note 5)	244,935	160,455
Donations	113,635	99,733
Fundraising	23,644	14,887
Refunds and rebates	-	2,508
Investment income	1,953	1,858
	<u>384,167</u>	<u>279,441</u>
EXPENDITURE		
Turtle care	148,230	101,982
Wages and benefits	60,746	76,189
Occupancy	73,504	60,078
Telephone and utilities	23,793	17,861
Office and general	15,249	11,803
Fundraising	9,928	3,908
Professional fees	8,554	6,285
Outreach	2,808	828
Bank charges and interest	1,601	969
	<u>344,413</u>	<u>279,903</u>
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE) FOR THE YEAR	39,754	(462)
NET ASSETS - beginning of year as previously reported	152,252	142,714
RESTATEMENT (note 7)	(10,000)	-
NET ASSETS - end of year as restated	<u>182,006</u>	<u>142,252</u>

See accompanying notes to the financial statements

KAWARTHA TURTLE TRAUMA CENTRE

STATEMENT OF CASH FLOWS

Year Ended December 31, 2014

	2014 \$	2013 \$
CASH PROVIDED FROM (USED FOR)		
OPERATING ACTIVITIES		
Excess of revenue over expenditure (expenditure over revenue) for the year	39,754	(462)
Changes in non-cash working capital items:		
Accounts receivable	13,153	(18,001)
Prepaid expenses	1,105	(4,461)
Accounts payable and accrued liabilities	(24,447)	23,427
Deferred grant revenue	(81,105)	96,747
INCREASE (DECREASE) IN CASH FOR THE YEAR	(51,540)	97,250
CASH POSITION - beginning of year	276,284	179,034
CASH POSITION - end of year	224,744	276,284

KAWARTHA TURTLE TRAUMA CENTRE

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

1. NATURE OF ENTITY

Kawartha Turtle Trauma Centre (the "Centre") is a non-profit charitable organization whose mission is to provide resources and expertise for emergency and long term care of injured turtles, to promote and collaborate in turtle habitat recovery efforts across Ontario, and to provide educational resources and activities to promote turtle conservation. The organization was incorporated on March 24, 2004 under the Canada Corporations Act and articles of continuance under the Canada Not-for-Profit Corporations Act were filed on December 3, 2014.

The Centre is a charitable organization registered under the Income Tax Act (Canada) and, as such, is exempt from income taxes.

The organization's by-laws expressly prohibit the distribution of any of the earnings to, or for the personal benefit of, the members. Upon the dissolution of the organization any remaining net assets are to be distributed to charitable organizations.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of accounting*

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

(b) *Revenue recognition*

The Centre follows the deferral method of accounting for contributions.

Restricted contributions, including grants and restricted donations, are recognized as revenue in the year in which the related expenditures are made or the related expenses are incurred.

Unrestricted contributions, including fundraising and unrestricted donations, are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations of goods and services in-kind are recorded as revenue when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Centre's operations and would otherwise have been purchased. Donations in-kind included in donation revenue during the year amounted to \$3,040 (2013 - \$3,605).

(c) *Capital assets*

As the organization has revenues under \$500,000, it has elected to expense capital assets in the year of purchase. Capital expenditures for the year amounted to \$28,698 (2013 - \$16,390) and consisted of equipment.

KAWARTHA TURTLE TRAUMA CENTRE

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Use of estimates*

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingencies at the date of the financial statements and the reported amount of revenue and expenditure during the year. Actual results could differ from those estimates. The most significant estimate in these financial statements consists of deferred revenue.

3. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(a) *Measurement*

Financial assets and liabilities are originally measured at fair value and subsequently measured at amortized cost.

Transaction costs incurred on the recognition of financial assets and liabilities that are subsequently measured at fair value are recognized in income in the period incurred. Transaction costs incurred on the recognition of financial assets and liabilities that are subsequently measured at amortized cost are recognized over the life of the instrument.

The Centre's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities.

(b) *Liquidity risk*

Liquidity risk is the risk that the Centre will not be able to meet its obligations associated with financial liabilities. Cash flow from operations is sufficient for the Centre's cash requirements.

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are government remittances of \$946 (2013 - \$4,929).

KAWARTHA TURTLE TRAUMA CENTRE

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

5. DEFERRED GRANT REVENUE

Details of the Centre's grant activities are as follows:

	Balance - beginning of year \$	Received or receivable \$	Spent \$	Balance - end of year \$
Trillium Grant	20,685	14,000	(34,685)	-
TD Friends of the Environment	2,906	9,772	-	12,678
Fitzhenry Family Foundation	1,381	2,000	(3,381)	-
Gordon & Patricia Gray Foundation	10,000	10,000	(12,336)	7,664
TD Training Grant	750	-	(750)	-
Shell Fuelling Change Grant	100,000	-	(100,000)	-
Schad Foundation	-	20,000	(20,000)	-
Species at Risk	-	22,693	(22,693)	-
Canada Summer Student	-	6,124	(6,124)	-
City of Peterborough	-	600	(600)	-
Wildlife Preservation Canada	-	15,000	(15,000)	-
CST Inspired Minds Project	-	5,000	(557)	4,443
Great Lakes Community Fund	-	14,141	(7,147)	6,994
Nickle Foundation	-	10,000	-	10,000
Koval Foundation	-	20,000	(7,162)	12,838
Gosling Foundation	-	2,000	(2,000)	-
Dalgish Foundation	-	10,000	(10,000)	-
Bickle Foundation	-	2,500	(2,500)	-
TOTAL	135,722	163,830	(244,935)	54,617

6. COMMITMENTS

The Centre has entered into a long term lease agreement for the rental of its hospital facility at 1434 Chemong Road in Peterborough, Ontario. The lease term at the Centre's facility at 724 Erskine Avenue in Peterborough, Ontario ended March 2014. The remaining annual commitment under the terms of the lease is as follows:

	\$
2015	49,440
2016	49,440
2017	50,127
2018	34,333

7. RESTATEMENT

In 2013, a grant in the amount of \$10,000 was recognized as revenue when it should have been deferred since the funds had not been spent in accordance with the grant terms. As a result, 2013 deferred revenue has been increased and grants revenue and net assets have been decreased by \$10,000.