

Financial Statements of

KAWARTHA TURTLE TRAUMA CENTRE
(operating as Ontario Turtle Conservation Centre)

December 31, 2016

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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, 2016 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, 2016 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.

McCull Turner LLP

Licensed Public Accountants

Peterborough, Ontario
May 29, 2017

KAWARTHA TURTLE TRAUMA CENTRE

(operating as Ontario Turtle Conservation Centre)

STATEMENT OF FINANCIAL POSITION

December 31, 2016

	2016	2015
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash	281,428	144,868
Accounts receivable	49,257	38,149
Prepaid expenses	5,097	5,815
	<u>335,782</u>	<u>188,832</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (note 4)	36,960	31,311
Deferred grant revenue (note 5)	87,813	14,839
	<u>124,773</u>	<u>46,150</u>
NET ASSETS	<u>211,009</u>	<u>142,682</u>
	<u>335,782</u>	<u>188,832</u>

See accompanying notes to the financial statements

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KAWARTHA TURTLE TRAUMA CENTRE

(operating as Ontario Turtle Conservation Centre)

STATEMENT OF REVENUE AND EXPENDITURE AND NET ASSETS

Year Ended December 31, 2016

	2016	2015
	\$	\$
REVENUE		
Grants (note 5)	321,144	160,996
Donations	124,920	136,828
Fundraising	30,347	28,413
Investment income	1,050	1,255
Refunds and rebates	349	-
	<u>477,810</u>	<u>327,492</u>
EXPENDITURE		
Turtle care	140,921	97,736
Wages and benefits	118,761	85,869
Outreach	15,012	1,859
Fundraising	18,614	73,875
Occupancy	61,892	62,147
Telephone and utilities	29,588	24,697
Professional fees	12,667	9,753
Office and general	9,010	8,279
Bank charges and interest	3,018	2,601
	<u>409,483</u>	<u>366,816</u>
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE) FOR THE YEAR	68,327	(39,324)
NET ASSETS - beginning of year	<u>142,682</u>	<u>182,006</u>
NET ASSETS - end of year	<u>211,009</u>	<u>142,682</u>

See accompanying notes to the financial statements

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KAWARTHA TURTLE TRAUMA CENTRE

(operating as Ontario Turtle Conservation Centre)

STATEMENT OF CASH FLOWS

Year Ended December 31, 2016

	2016	2015
	\$	\$
CASH PROVIDED FROM (USED FOR)		
OPERATING ACTIVITIES		
Excess of revenue over expenditure (expenditure over revenue) for the year	68,327	(39,324)
Changes in non-cash working capital items:		
Accounts receivable	(11,108)	(22,493)
Prepaid expenses	718	(718)
Accounts payable and accrued liabilities	5,649	22,437
Deferred grant revenue	72,974	(39,778)
INCREASE (DECREASE) IN CASH FOR THE YEAR	136,560	(79,876)
CASH POSITION - beginning of year	144,868	224,744
CASH POSITION - end of year	281,428	144,868

See accompanying notes to the financial statements

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KAWARTHA TURTLE TRAUMA CENTRE

(operating as Ontario Turtle Conservation Centre)

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2016

1. NATURE OF ENTITY

Kawartha Turtle Trauma Centre (the "Centre"), operating as Ontario Turtle Conservation 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 \$3,500 (2015 - \$960).

(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 \$8,840 (2015 - \$12,563) and consisted of equipment.

KAWARTHA TURTLE TRAUMA CENTRE

(operating as Ontario Turtle Conservation Centre)

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2016

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 \$3,178 (2015 - \$970).

KAWARTHA TURTLE TRAUMA CENTRE

(operating as Ontario Turtle Conservation Centre)

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2016

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
	\$	\$	\$	\$
Canada Summer Student	-	17,538	(17,538)	-
City of Peterborough	-	1,000	(1,000)	-
ECHO Foundation	-	15,000	-	15,000
Gordon & Patricia Gray Foundation	9,735	-	(8,160)	1,575
Helen McCrea Peacock Foundation	-	4,000	-	4,000
Huron Stewardship Council	-	750	(750)	-
Kenneth M. Molson Foundation	-	2,200	-	2,200
Koval Foundation	-	100,000	(95,250)	4,750
McLean Foundation	-	50,000	(31,444)	18,556
Ministry of Natural Resources	-	50,000	(50,000)	-
Ontario Wildlife Foundation	-	10,000	(3,714)	6,286
Schad Foundation	-	50,000	(39,075)	10,925
TD Bank Group	-	15,000	(4,460)	10,540
TD Friends of the Environment	5,104	11,160	(14,231)	2,033
The Elsa Wild Animal Appeal of Canada	-	10,000	(10,000)	-
The Eric S. Margolis Family Foundation	-	20,000	(13,052)	6,948
The Gosling Foundation	-	5,000	-	5,000
The John and Pat McCutcheon Charitable Foundation	-	10,000	(10,000)	-
Wildlife Preservation Canada	-	15,000	(15,000)	-
WWF Canada Go Wild Community Grant	-	7,470	(7,470)	-
TOTAL	14,839	394,118	(321,144)	87,813

6. COMMITMENTS

The Centre has entered into a lease agreement for the rental of its hospital facility at 1434 Chemong Road in Peterborough, Ontario. The lease expires August 31, 2018 with a remaining annual commitment under the terms of the lease as follows:

	\$
2017	50,127
2018	34,333

KAWARTHA TURTLE TRAUMA CENTRE

(operating as Ontario Turtle Conservation Centre)

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2016

7. RELATED PARTY TRANSACTIONS

During the year, the Centre hired an employee who was an immediate family member of a Board member.