



Financial Statements

Kawartha Turtle Trauma Centre

(operating as Ontario Turtle Conservation Centre)

December 31, 2020

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Independent Auditor's Report

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To the Members of
Kawartha Turtle Trauma Centre
(operating as Ontario Turtle Conservation Centre)

Qualified Opinion

We have audited the financial statements of Kawartha Turtle Trauma Centre, which comprise the statement of financial position as at December 31, 2020, and the statement of changes in fund balances, statement of revenue and expenditure, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of the report, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at December 31, 2020, 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Centre derives part of its revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Centre. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, fundraising revenue, excess of revenue over expenditures, and cash flows from operations for the years ended December 31, 2020 and 2019, current assets as at December 31, 2020 and 2019, and fund balances as at January 1, 2019, December 31, 2019 and 2020. Our audit opinion on the financial statements for the year ended December 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Centre in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Centre's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Centre or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Report (continued)

Those charged with governance are responsible for overseeing the Centre's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit 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 Centre's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Centre to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Peterborough, Canada
May 5, 2021

Chartered Professional Accountants
Licensed Public Accountants

Kawartha Turtle Trauma Centre

(operating as Ontario Turtle Conservation Centre)

Statement of Financial Position

December 31	Operating Fund	Capital Campaign Fund	Total 2020	Total 2019
Assets				
Current				
Cash	\$ 219,402	\$ -	\$ 219,402	\$ 663,128
Accounts receivable	-	-	-	953
HST receivable	112,660	-	112,660	63,933
Grants receivable	198,224	14,300	212,524	169,453
Prepaid expenses	5,097	-	5,097	5,097
Short term investments (Note 4)	858,764	-	858,764	313,968
Interfund balances (Note 5)	(123,329)	123,329	-	-
	<u>1,270,818</u>	<u>137,629</u>	<u>1,408,447</u>	<u>1,216,532</u>
Long-term investments (Note 4)	-	-	-	102,704
Capital assets (Note 6)	<u>271,541</u>	<u>-</u>	<u>271,541</u>	<u>34,875</u>
	<u>271,541</u>	<u>-</u>	<u>271,541</u>	<u>137,579</u>
	<u>\$ 1,542,359</u>	<u>\$ 137,629</u>	<u>\$ 1,679,988</u>	<u>\$ 1,354,111</u>
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 7)	\$ 36,472	\$ -	\$ 36,472	\$ 24,444
Deferred grant revenue (Note 8)	<u>200,944</u>	<u>-</u>	<u>200,944</u>	<u>158,071</u>
	<u>237,416</u>	<u>-</u>	<u>237,416</u>	<u>182,515</u>
Fund balances				
Unrestricted	607,428	-	607,428	375,000
Internally restricted	425,974	137,629	563,603	625,974
Externally restricted	-	-	-	135,747
Invested in capital assets	<u>271,541</u>	<u>-</u>	<u>271,541</u>	<u>34,875</u>
	<u>1,304,943</u>	<u>137,629</u>	<u>1,442,572</u>	<u>1,171,596</u>
	<u>\$ 1,542,359</u>	<u>\$ 137,629</u>	<u>\$ 1,679,988</u>	<u>\$ 1,354,111</u>

Kawartha Turtle Trauma Centre

(operating as Ontario Turtle Conservation Centre)

Statement of Changes in Fund Balances

For the year ended December 31	Unrestricted	Internally Restricted	Invested in capital assets	Externally restricted	Total 2020	Total 2019
Balance, beginning of year	\$ 375,000	\$ 625,974	\$ 34,875	\$ 135,747	\$ 1,171,596	\$ 823,958
Excess of revenue over expenditure (expenditure over revenue) for the year	271,763	-	(20,087)	19,300	270,976	347,638
Interfund transfers for capital asset purchases	<u>(39,335)</u>	<u>(62,371)</u>	<u>256,753</u>	<u>(155,047)</u>	<u>-</u>	<u>-</u>
Balance, ending of year	<u>\$ 607,428</u>	<u>\$ 563,603</u>	<u>\$ 271,541</u>	<u>\$ -</u>	<u>\$ 1,442,572</u>	<u>\$ 1,171,596</u>

See accompanying notes to the financial statements.

Kawartha Turtle Trauma Centre

(operating as Ontario Turtle Conservation Centre)

Statement of Revenue and Expenditure

Year ended December 31	Operating Fund	Capital Campaign Fund	Total 2020	Total 2019
Revenue				
Grants (Note 8)	\$ 557,992	\$ 19,300	\$ 577,292	\$ 570,964
Donations	374,251	-	374,251	379,339
Fundraising	58,009	-	58,009	68,443
Investment income	<u>7,095</u>	<u>-</u>	<u>7,095</u>	<u>7,485</u>
	<u>997,347</u>	<u>19,300</u>	<u>1,016,647</u>	<u>1,026,231</u>
Expenditure				
Salaries and related benefits	274,341	-	274,341	263,813
Turtle care	222,506	-	222,506	204,349
Occupancy	90,377	-	90,377	72,851
Professional fees	53,417	-	53,417	37,978
Telephone and utilities	30,699	-	30,699	36,821
Office and general	28,711	-	28,711	19,382
Fundraising	19,711	-	19,711	28,008
Outreach	2,595	-	2,595	5,257
Interest and bank charges	3,227	-	3,227	2,618
Amortization	<u>20,087</u>	<u>-</u>	<u>20,087</u>	<u>7,516</u>
	<u>745,671</u>	<u>-</u>	<u>745,671</u>	<u>678,593</u>
Excess of revenue over expenditure for the year	<u>\$ 251,676</u>	<u>\$ 19,300</u>	<u>\$ 270,976</u>	<u>\$ 347,638</u>

Kawartha Turtle Trauma Centre

(operating as Ontario Turtle Conservation Centre)

Statement of Cash Flows

Year ended December 31

2020

2019

Increase (decrease) in cash

Operating

Excess of revenue over expenditure	\$ 270,976	\$ 347,638
Item not affecting cash		
Amortization	<u>20,087</u>	<u>7,516</u>
	291,063	355,154

Change in non-cash working capital items

Accounts receivable	953	838
HST receivable	(48,728)	(6,217)
Grants receivable	(43,071)	(115,719)
Accounts payable and accrued liabilities	12,028	768
Deferred grant revenue	<u>42,873</u>	<u>90,403</u>
	<u>255,118</u>	<u>325,227</u>

Investing

Purchase of capital assets	(256,753)	(15,737)
Purchase of investments	(485,000)	(11,087)
Withdrawal of investments	<u>42,909</u>	<u>-</u>
	<u>(698,844)</u>	<u>(26,824)</u>

Increase (decrease) in cash

(443,726) 298,403

Cash, beginning of year

663,128 364,725

Cash, end of year

\$ 219,402 \$ 663,128

Kawartha Turtle Trauma Centre

(operating as Ontario Turtle Conservation Centre)

Notes to the Financial Statements

Year ended December 31, 2020

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 Centre 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 Centre'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 Centre any remaining net assets are to be distributed to charitable organizations.

2. Significant accounting policies

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

Fund accounting

The Centre follows the restricted fund method of accounting:

- i) The operating fund accounts for the Centre's daily operating and administrative activities. The internally restricted portion of the operating fund reports activities of the Strategic Sustainable Fund which currently consists of funds set aside by the Board of Directors.
- ii) The capital campaign fund reports activities of the Centre for the development and construction of a new facility.

Revenue and expenditure recognition

Revenue and expenditures are recorded on the accrual basis. The Centre follows the restricted fund method for accounting for contributions.

Externally restricted contributions are recognized as revenue of the applicable fund in the year which they are received or receivable, provided ultimate collection is reasonably assured. If there is no applicable fund, contributions are recognized as revenue in the operating fund in the year in which the related expenditures are incurred.

Kawartha Turtle Trauma Centre

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Notes to the Financial Statements

Year ended December 31, 2020

2. Significant accounting policies (continued)

Revenue and expenditure recognition (continued)

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.

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 amount to \$13,215 (2019 - \$5,003).

Investment income is recognized as revenue of the operating fund in the year in which it is earned, unless a restricted contribution stipulates that any investment income earned on the contribution is to be spent on certain purposes, in which case it would be recognized in the corresponding restricted fund.

Capital assets

Purchased capital assets are stated at acquisition cost. Contributed capital assets are recorded at fair value at the date of contribution. The Centre provides for amortization on the straight-line method of 10 years for furniture and equipment, 3 years for computer equipment, and 5 years for turtle care equipment. Leasehold improvements are amortized straight-line over the term of the lease.

Capital assets are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

Use of estimates

Management reviews the carrying value of items in the financial statements at each reporting date to assess the need for revision or any possibility of impairment. Management determines estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. Estimates are reviewed periodically and adjustments are made to revenue and expenditures as appropriate in the year they become known. Items subject to significant management estimates include deferred grant revenue, grant revenue and the useful life of capital assets.

Kawartha Turtle Trauma Centre
(operating as Ontario Turtle Conservation Centre)
Notes to the Financial Statements
Year ended December 31, 2020

2. Significant accounting policies (continued)

Financial instruments

The Centre considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Centre accounts for the following as financial instruments:

- cash
- accounts receivable
- grant receivable
- investments
- accounts payable

A financial asset or liability is recognized when the Centre becomes a party to contractual provision of the instrument. The Centre initially measures its financial assets and financial liabilities at fair value, and subsequently measures all of its financial assets and liabilities at amortized cost, except for cash and investments, which are measured at fair value. The Centre removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

3. Financial instruments risks

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. Unless otherwise noted, there has been no change in risk exposure from the prior year.

(a) 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 provides a substantial portion of the Centre's cash flow requirements. Additional cash requirements are met through the use of investments.

4. Investments

Investments consist of Guaranteed Investment Certificates with annual interest rates ranging from 0.3% - 2.1% (2019 - 1.55% - 2.45%) and maturity dates ranging from January 2021 to July 2021 (2019 - March 2020 to January 2021). Short term investments consists of any investment certificates with a maturity date within the next year.

Kawartha Turtle Trauma Centre
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Notes to the Financial Statements
 Year ended December 31, 2020

5. Interfund balances

The interfund balances consist of amounts owing/owed between funds. These interfund balances are non-interest bearing with no fixed terms of repayment.

6. Capital assets

The major categories of capital asset and accumulated amortization are as follows:

	2020	2020	2019	2019
	Cost	Accumulated amortization	Cost	Accumulated amortization
Turtle care equipment	\$ 59,349	\$ 33,842	\$ 34,332	\$ 28,147
Furniture and equipment	37,308	9,100	22,989	6,085
Leasehold improvements	3,846	3,846	3,846	3,847
Computer equipment	2,402	2,402	2,402	2,402
Leasehold improvements - new facility	79,225	11,377	-	-
Leasehold improvements - new facility - construction in progress	149,978	-	11,787	-
	<u>332,108</u>	<u>60,567</u>	<u>75,356</u>	<u>40,481</u>
Net book value	<u>\$ 271,541</u>		<u>\$ 34,875</u>	

7. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities are government remittances of \$5,860 (2019 - \$3,113).

Kawartha Turtle Trauma Centre
 (operating as Ontario Turtle Conservation Centre)
Notes to the Financial Statements
 Year ended December 31, 2020

8. Deferred grant revenue and grant revenue

	Balance - beginning of year	Received or receivable	Spent or Unrestricted	Balance - end of year
Alan and Patricia Koval Foundation	\$ -	\$ 40,000	\$ (40,000)	-
Barron Cowan Foundation	-	2,000	(2,000)	-
Bass Pro Shops	-	500	(500)	-
Benefaction - Metta Foundation	-	1,000	(1,000)	-
Canada Summer Jobs	-	65,541	(65,541)	-
Catherine and Maxwell Meighen Foundation	-	10,000	(10,000)	-
Charles H. Ivey Foundation	9,039	10,000	(1,040)	17,999
Community Foundation of Greater Peterborough	1,918	-	(1,918)	-
Daglish Family Foundation	3,440	50,000	(19,830)	33,610
ECHO Foundation	10,000	10,000	(10,658)	9,342
Eco Canada Internship	-	11,250	(11,250)	-
Elsa Wild Animal Appeal of Canada	6,499	7,500	(3,178)	10,821
Eric S. Margolis Family Foundation	11,703	25,000	(36,703)	-
Ganawenim Meshkiki	-	100,000	(14,789)	85,211
Gordon and Patricia Gray Foundation	10,000	-	(10,000)	-
Helen McCrea Peacock Foundation	7,000	-	(7,000)	-
Johansen-Larsen Foundation	5,645	10,000	(12,786)	2,859
JP Bickell Foundation	-	10,000	-	10,000
KM Hunter Charitable Foundation	5,000	-	(5,000)	-
Martha Rogers	50,000	-	(50,000)	-
Michael Young Family Foundation	-	10,000	(10,000)	-
Ministry of Environment, Conservation and Parks	-	174,000	(174,000)	-
Norman And Margaret Jewison Foundation	4,498	-	(4,498)	-
Nickle Family Foundation	-	150	(150)	-
Ontario Wildlife Foundation	4,493	5,000	(4,975)	4,518
Patagonia	-	12,924	(6,340)	6,584
Quercus	-	1,000	(1,000)	-
SC Johnson	2,836	-	(2,836)	-
Schad Foundation	10,000	5,000	(15,000)	-
Takla Foundation	-	10,000	-	10,000
TD Friends of the Environment	-	10,000	-	10,000
W. Garfield Weston Foundation	16,000	-	(16,000)	-
Weston Family Foundation	-	20,000	(20,000)	-
	<u>\$ 158,071</u>	<u>\$ 600,865</u>	<u>\$ (557,992)</u>	<u>\$ 200,944</u>

Kawartha Turtle Trauma Centre
(operating as Ontario Turtle Conservation Centre)
Notes to the Financial Statements
Year ended December 31, 2020

8. Deferred grant revenue and grant revenue (continued)

Included in grant revenue of the capital campaign fund is \$19,300 (2019 - \$149,200) received for the development of a new turtle hospital and facility. This includes \$14,300 from the Ontario Trillium Foundation and \$5,000 from the Rotary Club of Barrie.

9. Commitment

The Centre has entered into a lease agreement for the rental of its hospital facility at 1434 Chemong Road in Peterborough, Ontario, ending August 2023. The Centre also entered into a lease agreement for the rental of a new property to develop for the new turtle hospital and facility, ending November 2024. The minimum annual rental payments (net of the HST rebate) over the next four years are as follows:

	\$
2021	68,600
2022	68,600
2023	49,891
2024	11,433

10. Impacts of COVID-19

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Centre has responded to the pandemic through modification of fundraising and educational programs to virtual formats as well as selling merchandise through their online store.

11. Comparative figures

Certain of the comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.
