



Financial Statements

Kawartha Turtle Trauma Centre

(operating as Ontario Turtle Conservation Centre)

December 31, 2022

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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 (the "Centre"), which comprise the statement of financial position as at December 31, 2022, 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, 2022, 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 expenditure, and cash flows from operations for the years ended December 31, 2022 and 2021, current assets as at December 31, 2022 and 2021, and fund balances as at January 1, 2021, December 31, 2022 and 2021. Our audit opinion on the financial statements for the year ended December 31, 2021 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

Independent Auditor's Report (continued)

Centre or to cease operations, or has no realistic alternative but to do so.

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 3, 2023

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 2022	Total 2021
Assets				
Current				
Cash	\$ 708,871	\$ -	\$ 708,871	\$ 560,255
HST receivable	77,273	-	77,273	23,603
Grants receivable	139,595	-	139,595	28,421
Prepaid expenses	5,097	-	5,097	5,097
Construction deposit	652,713	-	652,713	-
Investments (Note 4)	1,290,105	-	1,290,105	860,114
Interfund balances (Note 5)	(896,433)	896,433	-	-
	<u>1,977,221</u>	<u>896,433</u>	<u>2,873,654</u>	<u>1,477,490</u>
Long-term investments (Note 4)	112,159	-	112,159	21,825
Capital assets (Note 6)	427,761	-	427,761	315,222
	<u>539,920</u>	<u>-</u>	<u>539,920</u>	<u>337,047</u>
	<u>\$ 2,517,141</u>	<u>\$ 896,433</u>	<u>\$ 3,413,574</u>	<u>\$ 1,814,537</u>
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 7)	\$ 66,964	\$ -	\$ 66,964	\$ 26,799
Deferred grant revenue (Note 8)	84,186	-	84,186	71,942
Deferred revenue	569	-	569	425
	<u>151,719</u>	<u>-</u>	<u>151,719</u>	<u>99,166</u>
Fund balances				
Unrestricted	500,000	-	500,000	440,000
Internally restricted	784,948	510,140	1,295,088	922,577
Invested in capital assets	1,080,474	-	1,080,474	315,222
Externally restricted	-	386,293	386,293	37,572
	<u>2,365,422</u>	<u>896,433</u>	<u>3,261,855</u>	<u>1,715,371</u>
	<u>\$ 2,517,141</u>	<u>\$ 896,433</u>	<u>\$ 3,413,574</u>	<u>\$ 1,814,537</u>

Commitments (Note 9)

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 2022	Total 2021
Balance, beginning of year	\$ 440,000	\$ 922,577	\$ 315,222	\$ 37,572	\$ 1,715,371	\$ 1,442,572
Excess (deficiency) of revenue over expenditure	443,100	-	(44,485)	1,147,869	1,546,484	272,799
Interfund transfers for capital asset purchases and construction deposit	(10,589)	-	809,737	(799,148)	-	-
Other interfund transfers (Note 5)	<u>(372,511)</u>	<u>372,511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 500,000</u>	<u>\$ 1,295,088</u>	<u>\$ 1,080,474</u>	<u>\$ 386,293</u>	<u>\$ 3,261,855</u>	<u>\$ 1,715,371</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 2022	Total 2021
Revenue				
Donations	\$ 566,755	\$ 1,143,660	\$ 1,710,415	\$ 464,219
Grants (Note 8)	786,371	-	786,371	555,304
Fundraising, store sales and workshops	63,890	4,209	68,099	62,012
Investment income	15,776	-	15,776	243
	<u>1,432,792</u>	<u>1,147,869</u>	<u>2,580,661</u>	<u>1,081,778</u>
Expenditure				
Salaries and related benefits	511,186	-	511,186	390,019
Turtle care	208,515	-	208,515	164,153
Professional fees	92,838	-	92,838	44,168
Occupancy	59,574	-	59,574	63,989
Telephone and utilities	45,471	-	45,471	42,565
Fundraising	32,707	-	32,707	24,558
Office and general	28,519	-	28,519	37,006
Outreach	7,357	-	7,357	7,954
Interest and bank charges	3,525	-	3,525	1,412
Amortization	44,485	-	44,485	33,155
	<u>1,034,177</u>	<u>-</u>	<u>1,034,177</u>	<u>808,979</u>
Excess of revenue over expenditure	<u>\$ 398,615</u>	<u>\$ 1,147,869</u>	<u>\$ 1,546,484</u>	<u>\$ 272,799</u>

Kawartha Turtle Trauma Centre

(operating as Ontario Turtle Conservation Centre)

Statement of Cash Flows

Year ended December 31

2022

2021

Increase (decrease) in cash

Operating

Excess of revenue over expenditure	\$ 1,580,407	\$ 272,799
Items not affecting cash		
Amortization	44,485	33,155
Accrued interest on investments	(6,262)	1,930
Loss on investments	4,319	4,708
Securities donated in-kind	(251,106)	(22,933)
	<u>1,371,843</u>	<u>289,659</u>

Change in non-cash working capital items

HST receivable	(53,670)	89,057
Grants receivable	(111,174)	184,103
Construction deposit	(652,713)	-
Accounts payable and accrued liabilities	40,165	(9,673)
Deferred grant revenue	12,244	(129,002)
Deferred revenue	145	425
	<u>606,840</u>	<u>424,569</u>

Investing

Purchase of capital assets	(190,947)	(76,836)
Purchase of investments	(4,504,988)	(863,590)
Proceeds on redemption of investments	4,237,711	856,710
	<u>(458,224)</u>	<u>(83,716)</u>

Increase in cash

	148,616	340,853
Cash, beginning of year	<u>560,255</u>	<u>219,402</u>
Cash, end of year	<u>\$ 708,871</u>	<u>\$ 560,255</u>

Kawartha Turtle Trauma Centre

(operating as Ontario Turtle Conservation Centre)

Notes to the Financial Statements

Year ended December 31, 2022

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. Summary of 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 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. The Centre's investment in capital assets is also reported in the operating fund.

The capital campaign fund reports revenue and expenditure for the development and construction of a new facility.

Cash

Cash consists of balances with financial institutions.

Investments

Investments which mature within twelve months of the fiscal year end are classified as current, with the remainder classified as long term.

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 5 years for turtle care equipment, 10 years for furniture and equipment, and 3 years for computer equipment. Leasehold improvements are amortized straight-line over the term of the lease.

Kawartha Turtle Trauma Centre

(operating as Ontario Turtle Conservation Centre)

Notes to the Financial Statements

Year ended December 31, 2022

2. Summary of significant accounting policies (continued)

Capital assets (continued)

Capital assets are reviewed for impairment whenever events or changes in the circumstances indicate that the carrying value may not be recoverable. If the total of the estimated undiscounted future cash flows is less than the carrying value of the asset, an impairment loss is recognized for the excess of the carrying value over the fair value of the asset during the year the impairment occurs.

Revenue recognition

The Centre follows the restricted fund method for accounting for contributions.

Externally restricted contributions, including grants, donations and fundraising, 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.

Unrestricted contributions are recognized as revenue of the operating fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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.

Contributed goods and services

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 \$256,037 (2021 - \$24,800) which consisted of donated shares of \$251,106 (2021 - \$22,933) and various turtle care supplies of \$4,931 (2021 - \$1,867).

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 the useful life of capital assets.

Kawartha Turtle Trauma Centre

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Notes to the Financial Statements

Year ended December 31, 2022

2. Summary of 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
- grants receivable
- investments
- accounts payable

A financial asset or liability is recognized when the Centre becomes party to contractual provisions of the instrument.

The Centre initially measures its financial assets and financial liabilities at fair value. Financial assets and liabilities in related party transactions are initially measured at cost as the Centre does not have any financial assets and financial liabilities that must be measured at fair value.

Gains or losses arising on initial measurement differences are generally recognized in excess of revenue over expenditure when the transaction is in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

The Centre subsequently measures its financial assets and financial liabilities at amortized cost. Financial assets and financial liabilities recognized in related party transactions are subsequently measured at cost, less any impairment for financial assets.

The Centre removes financial liabilities, or a portion of, when the obligation is charged, cancelled or expires.

Financial assets measured at cost 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 excess of revenue over expenditure.

3. Financial instruments risks

The Centre is exposed to various risks associated with its financial instruments as described below. Unless otherwise noted, there has been no change in risk exposure from the prior year.

(a) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether the factors are specific to the instrument or all instruments traded in the market. The Centre is subject to market risk on its long-term investments (Note 4).

Kawartha Turtle Trauma Centre
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Notes to the Financial Statements
 Year ended December 31, 2022

3. Financial instruments risks (continued)

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

4. Investments

Investments include Guaranteed Investment Certificates with annual interest rates ranging from 2.25% - 4.1% (2021 - 0.25% - 0.7%) and maturity dates ranging from January 2023 to January 2024 (2021 - February 2022 to September 2022). The investments maturing in 2023 in the amount of \$1,283,144 (2021 - \$858,881) are classified as current assets as they have maturity dates within the next year and the investments maturing in 2024 in the amount of \$107,056 (2021 - \$Nil) are classified as long-term assets as they have maturity dates beyond the next year.

Investments also include Canadian equities with a market value of \$5,103 (2021 - \$21,825).

5. Interfund balances and transfers

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

During the year, the Board of Directors transferred \$372,511 from the operating fund to the internally restricted fund portion of the capital campaign fund.

6. Capital assets

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

	2022	2022	2021	2021
	Cost	Accumulated amortization	Cost	Accumulated amortization
Turtle care equipment	\$ 69,068	\$ 47,895	\$ 60,769	\$ 41,009
Furniture and equipment	37,308	16,562	37,308	12,831
Leasehold improvements - Chemong Road	3,846	3,846	3,846	3,846
Computer equipment	9,670	5,244	7,380	3,223
Leasehold improvements - Television Road	287,591	64,659	204,298	32,812
Construction in progress	158,484	-	95,342	-
	<u>565,967</u>	<u>138,206</u>	<u>408,943</u>	<u>93,721</u>
Net book value	<u>\$ 427,761</u>		<u>\$ 315,222</u>	

Kawartha Turtle Trauma Centre
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Notes to the Financial Statements
 Year ended December 31, 2022

7. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities are government remittances of \$7,409 (2021 - \$4,677).

8. Deferred grant revenue and grant revenue

	Balance - beginning of year	Received or receivable	Spent or Unrestricted	Balance - end of year
Alternatives: Ministry of Labour, Training and Skills	\$ 3,238	\$ -	\$ (3,238)	-
Canada Summer Jobs	-	72,596	(72,596)	-
Catherine and Maxwell Meighen Foundation	-	20,000	(20,000)	-
Charles H. Ivey Foundation	4,383	-	(4,383)	-
Daglish Family Foundation	13,602	-	(13,602)	-
Eco Canada Internship	-	25,000	(25,000)	-
Elsa Wild Animal Appeal of Canada	4,371	2,500	(6,871)	-
Eric Margolis Foundation	-	25,000	(12,648)	12,352
Ganawenim Meshkiki	11,348	25,000	(36,348)	-
Habitat Stewardship Program - HSP (ECCC)	-	25,000	(23,786)	1,214
Indigenous Men of Joyceville MIN	-	1,000	(1,000)	-
Invasive Species Centre	-	1,000	(1,000)	-
Jackman Foundation	-	1,000	(1,000)	-
Ministry of Environment, Conservation and Parks	-	424,000	(408,125)	15,875
Mississaugas of Scugog First Nations	-	5,000	-	5,000
Ocean Wise	-	14,589	(14,561)	28
Ontario Trillium Foundation Resilient Communities Grant	-	65,900	(47,059)	18,841
Ontario Wildlife Foundation	-	7,500	(4,291)	3,209
Parks Canada	-	20,000	(18,992)	1,008
Quercus Foundation	-	1,000	(1,000)	-
Schad Foundation	-	5,000	(5,000)	-
Sharron Hatton	-	250	(250)	-
Shelly Buttamor Charitable Foundation	-	1,500	(1,500)	-
Takla Foundation	-	10,000	(10,000)	-
TD Friends of the Environment	15,000	5,000	(19,397)	603
Victoria County Career Services	-	10,780	(10,780)	-
Weston Family Foundation	20,000	30,000	(23,944)	26,056
	<u>\$ 71,942</u>	<u>\$ 798,615</u>	<u>\$ (786,371)</u>	<u>\$ 84,186</u>

Kawartha Turtle Trauma Centre

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Notes to the Financial Statements

Year ended December 31, 2022

9. Commitments

- (a) The Centre has entered into a lease agreement for the rental of its hospital facility at 1434 Chemong Road in Peterborough, Ontario, ending August 2024. The minimum annual rental payments (net of the HST rebate) are \$57,168 in 2023 and \$39,498 in 2024.
- (b) The Centre has entered into a lease agreement at 2785 Television Road in Peterborough, Ontario ending in November 2029 at a cost of \$1 per year. A pledge of gift has been made by the landlords to transfer ownership of this property to the Centre upon the occurrence of a specified future event. The Centre records donation revenue when received, rather than when pledged.
- (c) The Centre has entered into a contract for the construction of a new facility at an amount of \$3.1 million. The outstanding commitment as at December 31, 2022 is \$2.5 million.

10. Comparative figures

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