

TALLGRASS ONTARIO
Financial Statements
Year Ended December 31, 2017
(Unaudited - See Review Engagement Report)

MPW

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

TALLGRASS ONTARIO
Index to Financial Statements
Year Ended December 31, 2017
(Unaudited - See Review Engagement Report)

	Page
REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Revenues and Expenditures	4
Statement of Cash Flow	5
Notes to Financial Statements	6 - 8

REVIEW ENGAGEMENT REPORT

To the Members of Tallgrass Ontario

We have reviewed the statement of financial position of Tallgrass Ontario as at December 31, 2017 and the statements of revenues and expenditures, changes in net assets and cash flow 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Tallgrass Ontario as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

Strathroy, Ontario
June 14, 2018

MPW
Chartered Professional Accountants LLP
Licensed Public Accountants

TALLGRASS ONTARIO
Statement of Financial Position
December 31, 2017

(Unaudited - See Review Engagement Report)

	2017	2016
ASSETS		
CURRENT		
Cash	\$ 57,975	\$ 92,825
Accounts receivable	700	-
HST recoverable	597	1,027
Prepaid expenses	314	305
	59,586	94,157
RESTRICTED CASH	6,718	6,687
	\$ 66,304	\$ 100,844
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 4,192	\$ 6,120
Deferred income <i>(Note 5)</i>	14,622	48,155
	18,814	54,275
NET ASSETS		
General fund	40,771	39,882
Restricted fund	6,719	6,687
	47,490	46,569
	\$ 66,304	\$ 100,844

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

See notes to financial statements

TALLGRASS ONTARIO
Statement of Changes in Net Assets
Year Ended December 31, 2017
(Unaudited - See Review Engagement Report)

	General Fund	Restricted Fund	2017	2016
NET ASSETS - BEGINNING OF YEAR	\$ 39,882	\$ 6,687	\$ 46,569	\$ 45,423
EXCESS OF REVENUES OVER EXPENSES	921	-	921	1,146
INTEREST ON RESTRICTED FUND	(32)	32	-	-
NET ASSETS - END OF YEAR	\$ 40,771	\$ 6,719	\$ 47,490	\$ 46,569

TALLGRASS ONTARIO
Statement of Revenues and Expenditures
Year Ended December 31, 2017
(Unaudited - See Review Engagement Report)

	2017	2016
REVENUES		
Project funding	\$ 95,061	\$ 165,691
Deferred revenue from prior year	48,155	17,118
Donations	1,552	4,722
Membership	500	600
Plant and seed sales	-	76
Less: Income deferred to subsequent years	(14,622)	(48,155)
	130,646	140,052
EXPENSES		
Board and volunteers	5,206	5,200
Consulting fees	750	5,548
Insurance	1,246	1,214
Interest and bank charges	296	376
Material, supplies and project expenses	110,869	114,032
Memberships	20	20
Office	3,896	2,115
Professional fees	3,694	5,000
Telephone	706	1,080
Travel	3,073	4,383
	129,756	138,968
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	890	1,084
OTHER INCOME	31	62
EXCESS OF REVENUES OVER EXPENSES	\$ 921	\$ 1,146

TALLGRASS ONTARIO
Statement of Cash Flow
Year Ended December 31, 2017
(Unaudited - See Review Engagement Report)

	2017	2016
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 921	\$ 1,146
Changes in non-cash working capital:		
Accounts receivable	(700)	5,000
Accounts payable and accrued liabilities	(1,928)	1,487
Deferred income	(33,533)	31,037
Prepaid expenses	(9)	(4)
HST payable	430	191
	(35,740)	37,711
Cash flow from (used by) operating activities	(34,819)	38,857
FINANCING ACTIVITIES		
Interest earned	31	62
Interest transferred to Restricted Fund	(31)	(62)
Cash flow from financing activities	-	-
INCREASE (DECREASE) IN CASH FLOW	(34,819)	38,857
Cash - beginning of year	99,512	60,655
CASH - END OF YEAR	\$ 64,693	\$ 99,512
CASH FLOW SUPPLEMENTARY INFORMATION		
Interest received	\$ (31)	\$ (62)
Interest paid	\$ 295	\$ 374
CASH CONSISTS OF:		
Cash	\$ 57,975	\$ 92,825
Restricted Cash	6,718	6,687
	\$ 64,693	\$ 99,512

TALLGRASS ONTARIO
Notes to Financial Statements
Year Ended December 31, 2017

(Unaudited - See Review Engagement Report)

1. DESCRIPTION OF BUSINESS

Tallgrass Ontario was incorporated by letters patent under the Canada Corporations Act on November 29, 2001. It is a not-for-profit organization and a registered charity under the Income Tax Act. As such, the organization is not subject to income taxes but must file an annual Registered Charity Information Return with Canada Revenue Agency. Tallgrass Ontario is a national organization operating programs aimed at educating the public about research into tallgrass and conserving, restoring and creating tallgrass communities in Ontario.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Cash and cash equivalents

Cash includes restricted and unrestricted cash on deposit with Canadian financial institutions.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not for profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Examples of significant estimates include:

- the allowance for doubtful accounts;
- the total accounts receivable and payable at year end.

Revenue recognition

Tallgrass Ontario follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

Government grants are recorded when there is a reasonable assurance that the organization had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

(continues)

TALLGRASS ONTARIO
Notes to Financial Statements
Year Ended December 31, 2017
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Fund Accounting

Tallgrass Ontario follows the restricted fund method of accounting for contributions.

The General Fund accounts for the company's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Board of Directors previously approved the creation of a Restricted Fund to be used at the Directors discretion for unanticipated expenditures. Interest earned during the year is added to the Restricted Fund.

3. FINANCIAL INSTRUMENTS

The organization's carrying value of cash and cash equivalents, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments. It is management's opinion that the organization is not exposed to significant credit, currency, interest rate, liquidity, market or other risk.

4. CONTRIBUTED SERVICES

Volunteers and landowners contribute many hours per year to assist the organization in carrying out its services. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

5. DEFERRED REVENUE

Deferred contributions represent unspent resources received in the current year that are related to the subsequent period(s). The following summarizes the deferred revenue at year end.

	2017	2016
Environment Canada HSP - Monarch Habitat Project	\$ 12,127	\$ 4,028
HSP Henslow Sparrow/Luther Marsh 2017-/18	2,495	-
Trillium - Education project	-	34,032
The W. Garfield Weston Foundation - Downsview Park Tallgrass Project	-	2,027
Environment Canada HSP - Henslow's Sparrow Project	-	1,791
MNR Species at Risk - Ojibwa Project	-	6,277
	\$ 14,622	\$ 48,155

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Notes to Financial Statements
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6. PROJECT FUNDING

	2017	2016
Ministry of Natural Resources - Species at Risk Funding	\$ 38,325	\$ 6,277
W. Garfield Weston Foundation - Downsview Park Project	23,356	58,644
Luther Marsh/Henslow Sparrow	18,900	-
Windsor Species at Risk Stewardship Fund	8,725	-
Ontario Trillium Foundation - Corridors for Pollinators	3,300	67,500
Bird's Foot Species at Risk Stewardship Fund	1,925	-
Blue Lake Species at Risk Stewardship Fund	500	-
Other funding - Downsview Park (2016)	30	19,500
Environment Canada - Habitat Stewardship Program	-	13,770
Subtotal	95,061	165,691
Deferred revenue from prior year	48,155	17,118
Less: Income deferred to subsequent years	(14,622)	(48,155)
Funds utilized in the year	\$ 128,594	\$ 134,654

7. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.