

TALLGRASS ONTARIO
Financial Statements
Year Ended December 31, 2015
(Unaudited - See Review Engagement Report)

MPW

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

TALLGRASS ONTARIO
Index to Financial Statements
Year Ended December 31, 2015
(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 Expenses	4
Statement of Cash Flow	5
Notes to Financial Statements	6 - 7



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REVIEW ENGAGEMENT REPORT

To the Members of Tallgrass Ontario

We have reviewed the statement of financial position of Tallgrass Ontario as at December 31, 2015 and the statements of revenues and expenses, changes in net assets and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the company.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Strathroy, Ontario
June 10, 2016

Chartered Professional Accountants LLP
Licensed Public Accountants

TALLGRASS ONTARIO
Statement of Financial Position
December 31, 2015
(Unaudited - See Review Engagement Report)

	2015	2014
ASSETS		
CURRENT		
Cash	\$ 54,030	\$ 38,569
Accounts receivable	5,000	5,000
HST recoverable	1,218	8,946
Prepaid expenses	301	15,751
	60,549	68,266
RESTRICTED CASH	6,625	6,568
	\$ 67,174	\$ 74,834
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 4,634	\$ 5,774
Deferred income	17,118	46,191
	21,752	51,965
NET ASSETS		
General Fund	38,797	16,301
Restricted Fund	6,625	6,568
	45,422	22,869
	\$ 67,174	\$ 74,834

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

See notes to financial statements

TALLGRASS ONTARIO
Statement of Changes in Net Assets
Year Ended December 31, 2015
(Unaudited - See Review Engagement Report)

	General Fund	Restricted Fund	2015	2014
NET ASSETS - BEGINNING OF YEAR	\$ 16,301	\$ 6,568	\$ 22,869	\$ 27,053
Excess of revenue over expenses	22,496	57	22,553	(4,184)
NET ASSETS - END OF YEAR	\$ 38,797	\$ 6,625	\$ 45,422	\$ 22,869

TALLGRASS ONTARIO
Statement of Revenues and Expenses
For the Year Ended December 31, 2015
(Unaudited - See Review Engagement Report)

	2015	2014
REVENUE		
Project funding from Environment Canada	\$ 50,000	\$ 50,000
Deferred income from prior year	46,191	109,556
Donations	2,525	1,190
Memberships	1,780	3,084
Direct mail contributions	1,417	2,102
Plant and seed sales	150	182
Less: Income deferred to subsequent year <i>(Note 5)</i>	(17,118)	(46,191)
	84,945	119,923
EXPENSES		
Consulting fees	24,330	41,012
Credit card charges	-	23
Insurance	1,203	1,194
Interest and bank charges	292	415
Meetings and conventions	-	140
Memberships	20	70
Office	1,710	1,196
Materials, supplies and project expenses	23,567	69,500
Board and volunteers	5,740	2,910
Professional fees	4,592	6,403
Telephone	978	1,154
Travel	17	304
	62,449	124,321
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS	22,496	(4,398)
OTHER INCOME		
Interest income - Restricted Fund	57	214
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 22,553	\$ (4,184)

TALLGRASS ONTARIO
Statement of Cash Flow
Year Ended December 31, 2015
(Unaudited - See Review Engagement Report)

	2015	2014
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 22,553	\$ (4,184)
Changes in non-cash working capital:		
Accounts receivable	-	11,710
Accounts payable and accrued liabilities	(1,140)	(3,881)
Deferred income	(29,073)	(63,365)
Prepaid expenses	15,450	(15,459)
HST recoverable	7,728	(10,116)
	(7,035)	(81,111)
INCREASE (DECREASE) IN CASH FLOW	15,518	(85,295)
Cash - beginning of year	45,137	130,432
CASH - END OF YEAR	\$ 60,655	\$ 45,137
CASH FLOW SUPPLEMENTARY INFORMATION		
Interest received	\$ (57)	\$ (214)
CASH CONSISTS OF:		
Cash	\$ 54,030	\$ 38,569
RESTRICTED CASH	6,625	6,568
	\$ 60,655	\$ 45,137

TALLGRASS ONTARIO
Notes to Financial Statements
Year Ended December 31, 2015
(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).

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.

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.

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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 or receivable in the current year that are related to the subsequent period(s). The following summarizes the deferred revenue at year end.

Project Funding - Environment Canada	\$	17,118	\$	46,191
Grand total	\$	17,118	\$	46,191

6. COMPARATIVE FIGURES

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