

TALLGRASS ONTARIO

Financial Statements

Year Ended December 31, 2014

(Unaudited - See Review Engagement Report)

TALLGRASS ONTARIO
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Year Ended December 31, 2014
(Unaudited - See Review Engagement Report)

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WOODS PEARSON ASSOCIATES

CHARTERED ACCOUNTANTS 

26 Front Street West
Strathroy, Ontario
N7G 1X4

REVIEW ENGAGEMENT REPORT

To the Members of Tallgrass Ontario

We have reviewed the statement of financial position of Tallgrass Ontario as at December 31, 2014 and the statements of revenues and expenditures, changes in net assets and cash flows 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
May 26, 2015

Woods Pearson & Associates
CHARTERED ACCOUNTANTS LLP
Licensed Public Accountants

TALLGRASS ONTARIO
Statement of Financial Position
December 31, 2014
(Unaudited - See Review Engagement Report)

	2014	2013
ASSETS		
CURRENT		
Cash	\$ 38,569	\$ 124,078
Accounts receivable	5,000	16,710
Harmonized sales tax recoverable	8,946	-
Prepaid expenses	15,751	292
	68,266	141,080
RESTRICTED CASH	6,568	6,354
	\$ 74,834	\$ 147,434
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 5,774	\$ 9,655
Harmonized sales tax payable	-	1,170
Deferred income <i>(Note 5)</i>	46,191	109,556
	51,965	120,381
NET ASSETS		
General fund	16,301	20,699
Restricted fund	6,568	6,354
	22,869	27,053
	\$ 74,834	\$ 147,434

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

See notes to financial statements

TALLGRASS ONTARIO
Statement of Changes in Net Assets
Year Ended December 31, 2014
(Unaudited - See Review Engagement Report)

	General Fund	Restricted Fund	2014	2013
NET ASSETS - BEGINNING OF YEAR	\$ 20,699	\$ 6,354	\$ 27,053	\$ 33,855
Deficiency of revenue over expenses	(4,398)	214	(4,184)	(6,802)
NET ASSETS - END OF YEAR	\$ 16,301	\$ 6,568	\$ 22,869	\$ 27,053

TALLGRASS ONTARIO
Statement of Revenues and Expenditures
Year Ended December 31, 2014
(Unaudited - See Review Engagement Report)

	2014	2013
REVENUE		
Deferred income from prior year <i>(Note 5)</i>	\$ 109,556	\$ 35,954
Project revenue	50,000	234,696
Memberships	3,084	1,900
Direct mail contributions	2,102	2,560
Donations	1,190	2,805
Plant and seed sales	182	470
Gifts in kind	-	70
Interest income	214	353
Less: income deferred to subsequent year <i>(Note 5)</i>	(46,191)	(109,556)
	120,137	169,252
EXPENSES		
Board and volunteers	2,910	534
Consulting fees	41,012	132,618
Credit card charges	23	388
Insurance	1,194	876
Interest and bank charges	415	416
Materials, supplies and project expenses	41,000	28,852
Meetings and conventions	140	-
Memberships	70	30
Office	1,196	1,476
Professional fees	6,403	7,188
Project grants	28,500	-
Repairs and maintenance	-	240
Telephone	1,154	2,080
Travel	304	1,356
	124,321	176,054
DEFICIENCY OF REVENUE OVER EXPENSES	\$ (4,184)	\$ (6,802)

TALLGRASS ONTARIO
Statement of Cash Flows
Year Ended December 31, 2014
(Unaudited - See Review Engagement Report)

	2014	2013
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ (4,184)	\$ (6,802)
Changes in non-cash working capital:		
Accounts receivable	11,710	(9,148)
Inventory	-	18,852
Accounts payable and accrued liabilities	(3,881)	(446)
Deferred income	(63,365)	73,602
Prepaid expenses	(15,459)	(92)
HST payable (recoverable)	(10,116)	3,006
	(81,111)	85,774
INCREASE (DECREASE) IN CASH FLOW	(85,295)	78,972
Cash - beginning of year	130,432	51,460
CASH - END OF YEAR	\$ 45,137	\$ 130,432
CASH CONSISTS OF:		
Cash	\$ 38,569	\$ 124,078
Restricted Cash	6,568	6,354
	\$ 45,137	\$ 130,432

TALLGRASS ONTARIO
Notes to Financial Statements
Year Ended December 31, 2014
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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 (GAAP).

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 or 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.

Reserve Fund

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

York Region	\$	-	\$	59,500
HSP Program		46,191		50,056
<hr/>				
Grand total	\$	46,191	\$	109,556

6. COMPARATIVE FIGURES

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