

TALLGRASS ONTARIO
Financial Statements
Year Ended December 31, 2016
(Unaudited - See Review Engagement Report)

MPW

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

TALLGRASS ONTARIO
Index to Financial Statements
Year Ended December 31, 2016
(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



CHARTERED PROFESSIONAL ACCOUNTANTS LLP

26 Front Street West
Strathroy, ON N7G 1X4
Phone: 519-245-4890
Fax: 519-245-0058
Email: strathroy@mpw.ca
www.mpw.ca

REVIEW ENGAGEMENT REPORT

To the Members of Tallgrass Ontario

We have reviewed the statement of financial position of Tallgrass Ontario as at December 31, 2016 and the statements of revenues and expenditures, 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
April 14, 2017

The logo for MPW Chartered Professional Accountants LLP, featuring the letters 'MPW' in a large, bold, serif font, with horizontal lines above and below the text.

Chartered Professional Accountants LLP
Licensed Public Accountants

TALLGRASS ONTARIO
Statement of Financial Position
December 31, 2016

(Unaudited - See Review Engagement Report)

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 92,825	\$ 54,030
Accounts receivable	-	5,000
HST recoverable	1,027	1,218
Prepaid expenses	305	301
	94,157	60,549
RESTRICTED CASH	6,687	6,625
	\$ 100,844	\$ 67,174
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 6,120	\$ 4,633
Deferred income <i>(Note 5)</i>	48,155	17,118
	54,275	21,751
NET ASSETS		
General fund	39,882	38,798
Restricted fund	6,687	6,625
	46,569	45,423
	\$ 100,844	\$ 67,174

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

See notes to financial statements

TALLGRASS ONTARIO
Statement of Changes in Net Assets
Year Ended December 31, 2016
(Unaudited - See Review Engagement Report)

	General Fund	Restricted Fund	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ 38,798	\$ 6,625	\$ 45,423	\$ 22,870
Excess of revenue over expenses	1,146	-	1,146	22,553
Interest earned on Restricted Fund	(62)	62	-	-
NET ASSETS - END OF YEAR	\$ 39,882	\$ 6,687	\$ 46,569	\$ 45,423

TALLGRASS ONTARIO
Statement of Revenues and Expenditures
Year Ended December 31, 2016
(Unaudited - See Review Engagement Report)

	2016	2015
REVENUE		
Deferred revenue from prior year	\$ 17,118	\$ 46,191
Project funding <i>(Note 6)</i>	165,691	52,525
Direct mail contributions	4,722	1,417
Memberships	600	1,780
Plant and seed sales	76	150
Less: Income deferred to subsequent years	(48,155)	(17,118)
	140,052	84,945
EXPENSES		
Consulting fees	5,548	24,330
Insurance	1,214	1,203
Interest and bank charges	376	292
Memberships	20	20
Office	2,115	1,710
Materials, supplies and project expenses	114,032	23,567
Board and volunteers	5,200	5,740
Professional fees	5,000	4,592
Telephone	1,080	978
Travel	4,383	17
	138,968	62,449
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	1,084	22,496
OTHER INCOME		
Interest income - Restricted Fund	62	57
EXCESS OF REVENUE OVER EXPENSES	\$ 1,146	\$ 22,553

TALLGRASS ONTARIO
Statement of Cash Flow
Year Ended December 31, 2016
(Unaudited - See Review Engagement Report)

	2016	2015
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 1,146	\$ 22,553
Changes in non-cash working capital:		
Accounts receivable	5,000	-
Accounts payable and accrued liabilities	1,487	(1,140)
Deferred income	31,037	(29,073)
Prepaid expenses	(4)	15,450
HST payable	191	7,728
	37,711	(7,035)
INCREASE IN CASH FLOW	38,857	15,518
Cash - beginning of year	60,655	45,137
CASH - END OF YEAR	\$ 99,512	\$ 60,655
CASH FLOW SUPPLEMENTARY INFORMATION		
Interest received	\$ (62)	\$ (57)
Bank charges paid	\$ 374	\$ 291
CASH CONSISTS OF:		
Cash	\$ 92,825	\$ 54,030
Restricted cash	6,687	6,625
	\$ 99,512	\$ 60,655

TALLGRASS ONTARIO
Notes to Financial Statements
Year Ended December 31, 2016

(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, 2016
(Unaudited - See Review Engagement Report)

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.

	2016	2015
Trillium - Education project	\$ 34,032	\$ -
MNR Species at Risk - Ojibwa Project	6,277	-
Environment Canada HSP - Monarch Habitat Project	4,028	-
The W. Garfield Weston Foundation - Downsview Park Tallgrass Project	2,027	-
Environment Canada HSP - Henslow's Sparrow Project	1,791	-
Environment Canada - HSP Program	-	17,118
	\$ 48,155	\$ 17,118

TALLGRASS ONTARIO
Notes to Financial Statements
Year Ended December 31, 2016
(Unaudited - See Review Engagement Report)

6. PROJECT FUNDING

	2016	2015
Ontario Trillium Foundation - Corridors for Pollinators	\$ 67,500	\$ -
W. Garfield Weston Foundation - Downsview Park Tallgrass Project	58,644	-
Other funding - Downsview Park (2016)	19,500	2,525
Environment Canada - Habitat Stewardship Program	13,770	50,000
Ministry of Natural Resources - Species at Risk Funding	6,277	-
	\$ 165,691	\$ 52,525

7. COMPARATIVE FIGURES

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