

Financial Statements

Ontario Land Trust Alliance Inc.

Toronto, Ontario

June 30, 2014

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Independent Auditors' Report

To the Members of Ontario Land Trust Alliance Inc.:

We have audited the accompanying financial statements of Ontario Land Trust Alliance Inc., which comprise the statement of financial position as at June 30, 2014 and the statements of accumulated surplus, operations and cash flows 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial statements 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 Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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Independent Auditors' Report - continued

Basis for Qualified Opinion

In common with many charitable organizations, the Corporation derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Corporation and we were not able to determine whether any adjustments might be necessary to donation revenue, special events revenue, surplus, current assets and net assets.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Ontario Land Trust Alliance Inc. as at June 30, 2014 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.

Toronto, Ontario
September 24, 2014



Chartered Accountants, Licensed Public Accountants

Ontario Land Trust Alliance Inc.

June 30, 2014

Statement of Financial Position	2014	2013
Current Assets		
Cash	\$ 240,419	\$ 225,739
Accounts receivable	15,629	22,322
Prepaid expenses	1,084	3,770
	<hr/>	<hr/>
	257,132	251,831
Current Liabilities		
Accounts payable and accrued liabilities	4,746	4,615
Deferred revenue, Note 3	113,237	166,754
	<hr/>	<hr/>
Total Liabilities	117,983	171,369
Net Assets		
Accumulated surplus, per statement, Note 4	139,149	80,462
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	257,132	251,831

Approved by The Board

Tanna Elliott

Director

Susan Ungurean-Cumming

Director

The notes on pages 9 through 12 form an integral part of these financial statements.

Ontario Land Trust Alliance Inc.

Year ended June 30, 2014

Statement of Accumulated Surplus	2014	2013
Balance beginning	\$ 80,462	\$ 25,681
Add		
Surplus	58,687	54,781
<i>Balance June 30</i>	139,149	80,462

Ontario Land Trust Alliance Inc.*Year ended June 30, 2014*

Statement of Operations	2014	2013
Revenues		
Government grants	\$ 322,368	\$ 240,194
Private grants	0	7,500
Memberships	42,478	39,545
Special events	2,036	2,293
Annual conference	55,125	35,939
Project fees, workshops and other revenue	31,720	30,169
Donations	12,334	71,797
Total Revenues	466,061	427,437
Expenses		
Operations, communications, member services	40,199	47,774
Education, training and capacity-building	43,783	49,750
Organization assessment program	83,730	60,770
Information and resource library	0	13,353
Annual conference	47,968	45,008
Ontario Land Trust Assistance Program	191,694	156,001
Total Expenses	407,374	372,656
Surplus	58,687	54,781

Ontario Land Trust Alliance Inc.*Year ended June 30, 2014*

Statement of Cash Flows	2014	2013
Operating Activities		
Net income	\$ 58,687	\$ 54,781
Changes in Non-Cash Working Capital		
Accounts receivable	6,693	(2,159)
Prepaid expenses	2,686	1,847
Accounts payable and accrued liabilities	131	(6,664)
Deferred revenue	(53,517)	71,887
	<u>(44,007)</u>	<u>64,911</u>
Cash Flows Provided By Operating Activities	<u>14,680</u>	<u>119,692</u>
Net increase in during the year	14,680	119,692
Cash at beginning of year	225,739	106,047
Cash at End Of Year	<u>240,419</u>	<u>225,739</u>

Notes to Financial Statements

Status and Nature of Activities

Ontario Land Trust Alliance Inc. (OLTA) has a mandate to encourage the land trust movement throughout Ontario. OLTA members protect wilderness, agricultural and other lands, water and facilities that have a natural cultural or heritage significance to communities throughout Ontario. OLTA is a province-wide network of members who adhere to the Canadian Land Trust Standards and Practices regarding the broad spectrum of land trust activities.

The Corporation is a registered charitable organization under the Income Tax Act, incorporated without share capital by letters patent under the Canada Corporations Act.

Note 1

Significant Accounting Policies

Basis of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue Recognition

The Corporation follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can reasonably be estimated and collection is reasonably assured. Contributions received in advance of a program year and unearned are recorded as deferred revenue and recognized as revenue in the period in which the related expense is incurred.

Investment income includes interest from cash. Investment income is recognized on an accrual basis.

Revenue from membership fees is recognized over the period the membership relates to.

Revenue from special events, the annual gathering, project fees, workshops and other sources are recognized when the services are provided.

Note 1 Significant Accounting Policies - continued

Financial Instruments

Measurement of Financial Instruments

The Corporation initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The Corporation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable.

Use of Estimates

The preparation of financial statements requires the management to make assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Donated Services

The Corporation benefits greatly from donated services in the form of volunteer work for various activities. The value of the donated services is not recognized in the financial information because of the difficulty of measurement.

Allocation of Expenses

Salaries, bookkeeping and other administrative costs incurred by the Corporation are allocated between the various projects as presented in Note 6. The allocation is based on budgeted time estimates, which are calculated using prior year approximations of staff time spent on various projects.

Note 2 Financial Instruments

Risk Management Policy

The Corporation is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at June 30, 2014.

Credit Risk

The Corporation is subject to concentrations of credit risk through its accounts receivable. The accounts receivable balance is made up of mostly receivables from government organizations within Canada. The maximum credit risk is equivalent to the carrying value. Management believes that the credit risk concentration with respect to its accounts receivable is low. Management assesses collectibility of its receivables on a periodic basis, and any receivables deemed uncollectible are written off.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity prices. These fluctuations may be significant. The methods and assumptions management uses when assessing market risks have not changed substantially from the prior period. It is management's opinion that the Corporation is not subject to significant interest rate risk, foreign currency risk or commodity risk.

Note 3 Deferred Revenue

Deferred revenue includes the contributions received during the year ended June 30, 2014 for which related expenses will not be incurred until the 2015 fiscal year and consist of:

Assess your organization (Trillium)	\$	63,928
Naturally Accessable		18,634
TD Land Trust Tools project		160
Membership fees		28,515
Toronto and Region Conservation		2,000
		113,237

Note 4 Accumulated Surplus

The accumulated surplus is composed of the following balances:

	2014	2013
Restricted Fund for Future Cash Flows	\$ 25,000	\$ 25,000
Unrestricted Surplus	114,149	55,462
	139,149	80,462

In a prior year the Board established a reserve called the Restricted Fund for Future Cash Flows. This fund is defined as a reserve restricted to cover only shortfalls in core operations and administration with access to reserve funds being made only by resolution of the Board of Directors.

Note 5 Operating Lease Commitments

The Corporation is committed under lease agreements until 2015 for rent. Future minimum annual payment requirements are as follows excluding applicable sales taxes:

2015	\$	10,710
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Note 6 Salaries, Bookkeeping and Other Administrative Costs

Salaries, bookkeeping and other administrative costs consist of remuneration to employees and contract labourers as well as general office expenses. The total amount of salaries, bookkeeping and other administrative costs during the year totaled \$171,775.

The expenditures have been allocated as follows:

	2014	2013
Ontario Land Trust Assistance Program	\$ 40,779	\$ 28,828
Organization assessment program	39,214	46,245
Operations, communications, member services	35,360	33,737
Education, training and capacity-building	33,116	36,748
Annual conference	23,306	23,046
Information and resource library	0	4,833
	171,775	173,437