

Financial Statements

Ontario Land Trust Alliance Inc.

Toronto, Ontario

June 30, 2018

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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, 2018 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, 2018 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 25, 2018



Chartered Professional Accountants, Licensed Public Accountants

Ontario Land Trust Alliance Inc.

June 30, 2018

Statement of Financial Position	2018	2017
Current Assets		
Cash	\$ 393,086	\$ 307,205
Accounts receivable	39,522	81,714
HST	3,501	3,383
Prepaid expenses	293	5,293
	<hr/>	<hr/>
	436,402	397,595
Current Liabilities		
Accounts payable and accrued liabilities	23,188	7,718
Deferred revenue, Note 3	137,454	146,991
	<hr/>	<hr/>
Total Liabilities	160,642	154,709
Net Assets		
Accumulated surplus, per statement, Note 4	275,760	242,886
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	436,402	397,595

Approved by The Board

Kristie Virgoe

Chair

Bill Lougheed

Treasurer

The notes on pages 9 through 11 form an integral part of these financial statements.

Ontario Land Trust Alliance Inc.

Year ended June 30, 2018

Statement of Accumulated Surplus	2018	2017
Balance beginning	\$ 242,886	\$ 201,541
Add		
Surplus	32,874	41,345
<i>Balance June 30</i>	275,760	242,886

Ontario Land Trust Alliance Inc.*Year ended June 30, 2018*

Statement of Operations	2018	2017
Revenues		
Government grants	\$ 517,837	\$ 445,525
Corporate grants	0	30,926
Private grants	0	30,000
Memberships	52,340	49,705
Special events	4,947	2,922
Annual conference	38,057	56,679
Donations	2,718	26,032
Project fees, workshops and other revenue	31,388	50,187
Total Revenues	647,287	691,976
Expenses		
Operations, communications, member services	48,698	84,650
Education, training and capacity-building	325,854	287,951
Annual conference	36,737	52,404
Ontario Land Trust Assistance Program	203,124	225,626
Total Expenses	614,413	650,631
Surplus	32,874	41,345

Ontario Land Trust Alliance Inc.

Year ended June 30, 2018

Statement of Cash Flows	2018	2017
Operating Activities		
Surplus	\$ 32,874	\$ 41,345
Changes in Non-Cash Working Capital		
Accounts receivable	42,192	21,372
HST receivable	(118)	3,254
Prepaid expenses	5,000	(5,000)
Accounts payable and accrued liabilities	15,470	(707)
Deferred revenue	(9,537)	31,936
	<u>53,007</u>	<u>50,855</u>
Net increase in cash during the year	85,881	92,200
Cash at beginning of year	307,205	215,005
<i>Cash at End of Year</i>	<u>393,086</u>	<u>307,205</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 commit to work hard toward 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 and continued under the Canada Not-for-profit Corporations Act on August 15, 2015.

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 and grants. 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.

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.

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.

Note 1 Significant Accounting Policies - continued

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. 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, 2018:

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. 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. 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.

Note 2 Financial Instruments - continued

Liquidity Risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation is exposed to this risk mainly in respect of its accounts payable. This risk is reduced because of considerable sums in their operating bank account.

Note 3 Deferred Revenue

Deferred revenue includes the contributions received during the year ended June 30, 2018 for which related expenses will not be incurred until the following fiscal year and consist of:

	2018	2017
McLean Foundation	\$ 60,000	\$ 0
Trillium Foundation	40,156	49,200
Membership fees	37,298	35,980
Environment Canada	0	39,374
Ministry of Tourism, Culture and Sport - Ontario 150	0	22,437
	137,454	146,991

Note 4 Accumulated Surplus

The accumulated surplus is composed of the following balances:

	2018	2017
Restricted Fund for Future Cash Flows	\$ 25,000	\$ 25,000
Unrestricted Surplus	250,760	217,886
	275,760	242,886

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 Governors.

Note 5 Operating Lease Commitments

The Corporation is committed under lease agreements until June 30, 2021 for rent. Future minimum annual payment requirements are as follows excluding applicable sales taxes:

2019	\$	13,090
2020		13,685
2021		14,280