FINANCIAL STATEMENT REQUIREMENTS

In accordance with our Eligibility Policy and Financial Need and Health of Applicants Policy, as a minimum, organizations must be able to demonstrate that they provide services in Ontario, and show evidence of their ability to generate additional resources from the community and other sectors.

Therefore, to consider an organization as eligible, the Ontario Trillium Foundation (OTF) requires at least one fiscal year of financial statements from the date of incorporation or charitable registration.

- All organizations, with the exception of First Nations and eligible Municipalities, must submit financial statements (revenues and expenses, balance sheet) and accompanying notes for the most recent fiscal year, which must include comparative information for the prior fiscal year.
- Financial statements for the most recent fiscal year must have been completed within six months of your organization's financial year-end.
- Audited statements are preferred for all revenue levels.
- Organizations less than two years old are required to provide Financial Statements and accompanying notes for at least one completed fiscal year from the date of incorporation or charitable registration.
- Organizations operating with less than one fiscal year (less than twelve months) of financial history reflected in their financial statements, will not be eligible to apply to OTF for funding.

What type of Financial Statements does OTF accept?

**Annual revenues $49,999 or less**

For revenues $49,999 or less, your organization is required to provide us with internally prepared financial statements for the two most recent fiscal years. See examples of internally-prepared financial statement here.

**Annual revenues between $50,000 and $249,999**

Organizations with annual revenues between $50,000 and $249,999 must submit financial statements for the most recent fiscal year, which must include comparative information for the prior fiscal year. A licensed public accountant external to your organization must provide a Review Engagement Report or a Notice to Reader on the financial statements and accompanying notes. Financial statements for the most recent completed fiscal year must have been completed within six months of your organization's financial year-end.

**Annual revenues of over $250,000**

Organizations with annual revenues of over $250,000 must submit audited financial statements for the most recent fiscal year, which must include comparative information for the prior fiscal year. A licensed public accountant external to your organization must provide an Audit Report on the financial statements and accompanying notes. Financial statements for the most recent
completed fiscal year must have been completed within six months of your organization’s financial year-end.

**Does your organization have a surplus or a deficit?**

The financial statements of all organizations will be assessed for a surplus or deficit using our Financial Position Calculator - i.e.: [Example of a deficit], [Example of a surplus]. This forms the initial basis of our assessment of your financial health and need.

**Additional documentation will be required for OTF’s review and consideration in the following cases:**

A. If your organization has access to *net assets worth more than 12 months operating expenses*, you must upload an explanation as a separate document along with your financial statements, explaining why you have a surplus.

   You must demonstrate that unrestricted net assets have been earmarked for an imminent project or purpose; or where the circumstances can otherwise demonstrate significant financial need.

   *Please upload your explanation along with your financial statements in the Organization Information section of the grant application.*

B. If your organization has an *accumulated deficit greater than 5% of annual expenses*, you must upload a plan, as a separate document along with your financial statements, explaining how you intend to reduce it.

   The plan must include details such as monetary targets to reduce the accumulated deficit and must be reasonable and achievable – and give a clear picture of your deficit situation and a strategy to eliminate the deficit. You must also demonstrate a history of strong financial management and deficit management by providing your current operating budget.

   *Please upload your plan along with your financial statements in the Organization Information section of the grant application.*