

OAK RIDGES MORAINÉ LAND TRUST

2024 FINANCIAL STATEMENTS

DRAFT

OAK RIDGES MORAINÉ LAND TRUST

**Financial Statements
December 31, 2024**

Index

Page

Independent Auditor's Report

1 - 2

Statement of Financial Position

3

Statement of Operations and Changes in Net Assets

4

Statement of Cash Flows

5

Notes to the Financial Statements

6 - 13

INDEPENDENT AUDITOR'S REPORT

To the Members of Oak Ridges Moraine Land Trust

Qualified Opinion

We have audited the financial statements of Oak Ridges Moraine Land Trust, which comprise the statement of financial position as at December 31, 2024, statement of operations and changes in net assets, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Oak Ridges Moraine Land Trust as at December 31, 2024 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.

Basis for Qualified Opinion

In common with many charitable organizations, Oak Ridges Moraine Land Trust derives revenue from donations and fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Oak Ridges Moraine Land Trust. Therefore, we were not able to determine whether any adjustments might be necessary to donation and fundraising revenue, excess of revenues over expenditures, and cash flows from operations for the year ended December 31, 2024 and 2023, current assets as at December 31, 2024 and 2023, and net assets as at January 1 and December 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended December 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

INDEPENDENT AUDITOR'S REPORT, continued

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
TBD

OAK RIDGES MORAINÉ LAND TRUST

Statement of Financial Position

December 31, 2024

	General Fund	Land Fund	Land Forever Fund	2024	2023
	\$	\$	\$	\$	\$
Assets					
Current					
Cash	295,627	-	-	295,627	210,674
General Operating Reserve Fund (Note 3)	598,516	690,195	-	1,288,711	1,374,246
Accounts receivable	111,000	-	-	111,000	-
HST rebate receivable	31,234	-	-	31,234	65,136
Prepays	5,764	-	-	5,764	17,017
Total Current	1,042,141	690,195	-	1,732,336	1,667,073
Land Forever Fund (Note 3)	-	-	302,623	302,623	284,999
Stewardship Fund (Note 3)	-	311,131	-	311,131	311,131
Federal Forever Endowment Fund (Note 3)	-	422,729	-	422,729	397,961
Capital assets (Note 4)	8,961	127,677	-	136,638	178,126
Land trust assets (Note 5)	-	42,109,583	-	42,109,583	41,171,918
Total Assets	1,051,102	43,661,315	302,623	45,015,040	44,011,208
Liabilities					
Current					
Accounts payable and accrued liabilities	20,890	-	-	20,890	85,214
Deferred contributions (Note 6)	583,868	650,000	-	1,233,868	1,202,260
Total Current	604,758	650,000	-	1,254,758	1,287,474
Deferred capital contributions (Note 7)	-	89,560	-	89,560	100,940
Total Liabilities	604,758	739,560	-	1,344,318	1,388,414
Fund Balances					
Externally restricted net assets	-	42,921,755	-	42,921,755	41,942,520
Internally restricted net assets	-	-	302,623	302,623	284,999
Unrestricted net assets	446,344	-	-	446,344	395,275
Total Fund Balances	446,344	42,921,755	302,623	43,670,722	42,622,794
Total Liabilities and Fund Balances	1,051,102	43,661,315	302,623	45,015,040	44,011,208

Approved on behalf of the Board

Director

Director

Date

OAK RIDGES MORAINES LAND TRUST

Statement of Operations and Changes in Net Assets

For the Year Ended December 31, 2024

	General Fund	Land Fund	Land Forever Fund	2024	2023
	\$	\$	\$	\$	\$
Revenues					
Donations	705,613	-	-	705,613	796,988
Government grants and subsidies	38,435	-	-	38,435	6,000
Other revenue (Note 7)	44,595	11,380	-	55,975	70,272
Total Revenues	788,643	11,380	-	800,023	873,260
Expenditures					
Stewardship and monitoring	266,213	-	-	266,213	189,157
Land securement	153,584	-	-	153,584	37,213
Fundraising	88,536	-	-	88,536	121,039
Events, outreach and education	61,061	-	-	61,061	46,246
Office and administration	200,166	-	-	200,166	147,636
Rental	3,249	-	-	3,249	3,249
Amortization	-	41,488	-	41,488	14,678
Total Expenditures	772,809	41,488	-	814,297	559,218
Operating revenues over expenditures	15,834	(30,108)	-	(14,274)	314,042
Investment gains					
Investment income	27,552	42,401	11,531	81,484	37,046
Unrealized gain on investments	14,557	22,403	6,093	43,053	48,426
	42,109	64,804	17,624	124,537	85,472
Excess of revenues over expenditures	57,943	34,696	17,624	110,263	399,514
Net assets beginning of the year	395,275	41,942,520	284,999	42,622,794	40,539,504
Contributed assets	-	937,665	-	937,665	1,683,776
Interfund transfer (Note 8)	(6,874)	6,874	-	-	-
Net assets end of the year	446,344	42,921,755	302,623	43,670,722	42,622,794

The accompanying notes are an integral part of these financial statements.

OAK RIDGES MORAINÉ LAND TRUST
Statement of Cash Flows
For the Year Ended December 31, 2024

	2024	2023
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenues over expenditures for the year	110,263	399,514
Contributed assets	937,665	1,683,776
Adjustment for non-cash item		
Unrealized gains on investments	(43,053)	(48,426)
Amortization of tangible assets	41,488	14,678
Amortization of deferred capital contributions	(11,380)	(11,380)
	1,034,983	2,038,162
Net changes in non-cash working capital items		
Accounts receivable	(111,000)	22,941
HST rebate receivable	33,902	(22,299)
Prepays	11,253	(1,125)
Accounts payable and accrued liabilities	(64,324)	61,818
Government remittance payable	-	1,635
Deferred contributions	(31,608)	158,332
	(161,777)	221,302
Cash Provided By Operating Activities	873,206	2,259,464
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of capital assets	(937,665)	(1,557,559)
Increase in fund assets	149,412	-
Purchase of investments	-	(595,375)
Cash Used In Investing Activities	(788,253)	(2,152,934)
CASH FLOWS FROM FINANCING ACTIVITIES		
Government loan payable	-	(40,000)
Cash Used In Financing Activities	-	(40,000)
Net increase in cash	84,953	66,530
Cash, beginning of year	210,674	144,144
Cash, end of year	295,627	210,674

The accompanying notes are an integral part of these financial statements.

OAK RIDGES MORAINÉ LAND TRUST

Notes to the Financial Statements

December 31, 2024

1. NATURE OF OPERATIONS

The Oak Ridges Moraine Land Trust (the "organization") is a federally incorporated not-for-profit registered charitable organization and is exempt from income tax under the Income Tax Act. The organization's activities include:

- a) The establishment, maintenance and management of a system of natural reserves on and near the Oak Ridges Moraine;
 - b) The identification, protection, conservation, maintenance and restoration of the integrity of the natural environment and heritage sites on and near the Oak Ridges Moraine, including trails and physical features of scientific, ecological, hydrological, historic, architectural, archaeological, scenic and open space interest;
 - c) The research and education about the natural environment and heritage sites on and near the Oak Ridges Moraine.
-

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

a) Fund Accounting

The accounts of the organization are maintained in accordance with the principles of fund accounting by which resources for various purposes are classified for accounting and reporting purposes into funds relating to the specific activities and operations. These funds are as follows:

- i) General Fund
Unrestricted revenues and expenditures related to the operation and administration of the organization are reported in the General Fund.
- ii) Land Fund
Externally restricted contributions related to land trust assets are reported in the Land Fund.
- iii) Land Forever Fund
The Land Forever Fund is an internally restricted fund established for the purpose of funding the estimated costs associated with the future stewardship of the land trust assets and is governed by the Investment Principles and Management Policy of the organization.

b) Capital assets

Capital assets are accounted for at cost and amortized over their estimated useful life on a straight line basis using the following durations:

Buildings	25 years
Building improvements	5 years
Office equipment	5 years

c) Land Trust Assets

Contributed land trust assets, consisting of land, easements and restrictive covenants are recorded at their fair market value at the date of contribution and are not subject to amortization. Directly purchased land trust assets include transactions costs.

OAK RIDGES MORaine LAND TRUST

Notes to the Financial Statements

December 31, 2024

2. SIGNIFIGANT ACCOUNTING POLICIES, continued

d) Impairment of long-lived assets

Capital assets subject to amortization are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

e) Contributed Services

The organization would not be able to carry out its activities without the services of the many volunteers who donate a considerable number of hours. Due to the difficulty of compiling these hours, contributed services are not recognized in the financial statements.

The organization may receive donations in kind in the form of publically traded shares. The Organization has a policy to convert these shares to cash when donated and invest the cash as part of its operating fund unless specifically restricted.

f) Revenue Recognition

The organization uses the deferral method of accounting for its revenue contributions, in which restricted contributions related to expenditures of future periods are deferred and recognized as revenue in the period in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable when the amount to be received can be reasonably estimated and its collection is reasonably assured.

Contributed land trust assets are recognized as a direct increase in the internally restricted net assets of the Land Fund.

Rental revenue and investment income are recorded on an accrual basis.

g) Deferred capital contributions

The organization received funding for the purpose of acquiring capital assets. The contributions are recognized as revenue on the same basis as those used to amortize the capital assets. The unamortized portion of the contributions is shown on the statement of financial position as deferred capital contributions.

OAK RIDGES MORAINÉ LAND TRUST

Notes to the Financial Statements

December 31, 2024

2. SIGNIFIGANT ACCOUNTING POLICIES, continued

i) Financial Instruments

Measurement of Financial Instruments:

The organization initially measures its financial assets and liabilities at fair value.

The organization 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 excess of revenues over expenditures in the period incurred.

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

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Investments included in marketable securities are all recored at fair market value.

Impairment

For financial assets measured at amortized cost, the organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in excess of revenues over expenditures. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenues over expenditures.

j) Allocation of Expenses

The organization engages in the protection, conservation and restoration of the natural environment of The Oak Ridges Moraine. The related costs include the cost of personnel. The organization allocates these salaries and employee benefits between property related and support related expenses based on an estimate of actual time spent. The basis of allocation is consistent with the prior year.

k) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the reported amounts of revenues and expenditures for the period covered. The main estimates relate to the valuation of contributed property and estimated useful life of capital assets.

OAK RIDGES MORAINÉ LAND TRUST

Notes to the Financial Statements

December 31, 2024

3. INVESTMENTS

The organization invested the General Operating Reserve Fund, Land Forever Fund and Federal Forever Endowment Fund with a Canadian chartered bank in cash and cash equivalents, high interest savings accounts, marketable securities and fixed income funds in accordance to the Organization's investment policy.

	2024		2023	
Fund balances				
Land Forever Fund	\$	302,623	\$	284,999
Stewardship Fund		311,131		311,131
Federal Forever Fund		422,729		397,961
General Operating Reserve Fund		1,288,711		1,374,246
	\$	2,325,194	\$	2,368,337

	Effective yield	2024		2023	
Cash and investments					
Cash		\$	5,753	\$	25,490
High interest savings	3.80%		517,450		722,759
Marketable securities			1,801,991		1,620,088
		\$	2,325,194	\$	2,368,337

Marketable securities include investments Canadian mutual and segregated funds held by Canadian chartered banks.

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	2024		2023	
Buildings	\$ 140,000	\$ 110,894	\$ 29,106	\$	\$ 34,706	
Building improvements	166,701	60,031	106,670		138,399	
Office equipment	12,743	11,881	862		5,021	
	\$ 319,444	\$ 182,806	\$ 136,638	\$	\$ 178,126	

OAK RIDGES MORAINÉ LAND TRUST

Notes to the Financial Statements

December 31, 2024

5. LAND TRUST ASSETS

The original recorded value of the Land Trust Assets are determined by either an independent appraisal or a "Statement of Fair Market Value" issued by Environment Canada for an ecological gift.

Location	Acres	2024	2023
Easements			
Pickering	711.40	\$ 1,676,500	\$ 1,676,500
Scugog	165.00	350,000	350,000
Whitby	95.72	287,000	287,000
Uxbridge	73.49	183,725	183,725
Scugog	152.00	360,000	360,000
Uxbridge	100.00	225,000	225,000
Goodwood	65.68	228,000	228,000
Uxbridge	48.00	140,000	140,000
Uxbridge	190.00	475,000	475,000
Kawartha Lakes	198.50	138,950	138,950
Whitchurch-Stouffville	60.00	200,000	200,000
Uxbridge	150.00	315,000	315,000
Scugog	200.00	231,000	231,000
Scugog	61.56	191,500	191,500
Uxbridge	10.03	100,000	100,000
King Township	172.40	1,800,000	1,800,000
King Township	269.40	770,000	770,000
Caledon	94.00	512,000	512,000
Adjala-Tosorontio	25.50	157,500	157,500
Uxbridge	27.50	100,000	100,000
King Township	49.89	191,250	191,250
King Township	48.98	172,500	172,500
King Township	8.99	27,000	27,000
King Township	100.20	300,000	300,000
King Township	3.97	12,000	12,000
Caledon	9.96	90,000	90,000
East Cross Forest	10.03	15,000	15,000
Hamilton Township	31.56	64,000	64,000
Adjala-Tosorontio	150.00	90,000	90,000
Nobleton	97.12	7,800,000	7,800,000
Nobleton	94.49	10,310,000	10,310,000
Caledon	49.95	300,000	300,000
Mono	98.60	110,000	110,000
Adjala - Tosorontio	23.38	80,000	80,000
Caledon	95.50	262,500	262,500
Whitchurch- Stouffville	22.62	215,000	215,000
Adjala- Tosorontio	49.69	138,750	138,750
King Township	10.13	206,000	206,000
Simcoe-Innisfree	100.12	225,000	225,000
Adjala-Tosorontio	70.50	266,600	266,600

OAK RIDGES MORAINÉ LAND TRUST

Notes to the Financial Statements

December 31, 2024

5. LAND TRUST ASSETS, continued

Location	Acres	2024	2023
Easements			
Baillieboro	100.00	173,200	173,200
Baillieboro	100.00	370,750	370,750
Uxbridge	204.00	482,500	482,500
Northumberland - Grafton	61.12	114,000	114,000
Northumberland - Grafton	94.66	203,899	203,899
	4,555.64	\$ 30,661,124	\$ 30,661,124
Restrictive covenants			
Uxbridge	5.90	\$ 53,154	\$ 53,154
Uxbridge	0.22	13,500	13,500
Uxbridge	0.30	13,500	13,500
	6.42	\$ 80,154	\$ 80,154
Land			
Uxbridge	17.00	\$ 200,000	\$ 200,000
King (StarCliff)	17.70	660,000	660,000
Aurora	39.27	3,340,000	3,340,000
Pickering	60.95	550,000	550,000
Whitchurch-Stouffville	18.93	235,000	235,000
King Township - 10% undivided interest	24.94	42,398	42,398
King Township - 10% undivided interest	38.19	87,500	87,500
Richmond Hill	11.28	634,320	634,320
Whitchurch-Stouffville	26.50	72,876	72,876
Cavan Monaghan	6.78	7,000	7,000
Durham Region	12.55	45,000	45,000
East Gwillimbury	15.11	75,000	75,000
King Township	80.21	2,205,886	2,205,886
Simcoe - Beeton	108.00	380,000	380,000
King Township	33.83	340,000	340,000
Northumberland - Port Hope	195.60	1,555,660	1,555,660
Hillcrest	98.00	937,665	-
	804.84	\$ 11,368,305	\$ 10,430,640
	5,366.90	\$ 42,109,583	\$ 41,171,918

OAK RIDGES MORAINÉ LAND TRUST

Notes to the Financial Statements

December 31, 2024

6. DEFERRED CONTRIBUTIONS

During the year, donors made contributions to the organization with restrictions on how the contributions are to be utilized. Restrictions include the following categories:

- Property specific restrictions are for stewardship related expenses specific to certain land assets or property easements;
- Expenditure specific restrictions are to cover specific costs such fund raising costs or specific salaries for individuals; and
- Event specific restrictions are to cover the costs of specified events such as restoration, renovation, etc.

As expenditures for these restricted activities are incurred during the year, deferred contributions are amortized into income limited by the amount of the contributions for each restriction.

	General Fund	Land Fund	2024 Total	2023 Total
Opening balance	\$552,260	\$650,000	\$1,202,260	\$1,063,968
Contributions received	634,174	-	634,174	160,918
Contributions recognized as revenue	(602,566)	-	(602,566)	(299,210)
Closing balance	\$583,868	\$650,000	\$1,233,868	\$1,202,260

7. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represents contributions for specific capital assets.

	2024	2023
Opening balance	\$ 100,940	\$ 112,320
Amount recognized as revenue	(11,380)	(11,380)
Closing balance	\$ 89,560	\$ 100,940

8. INTERFUND TRANSFERS

During the year, \$6,874 (2023 -\$215,186) was transferred from the general fund to the land fund. These transfers were approved by the Board of Directors during the year.

OAK RIDGES MORAINÉ LAND TRUST

Notes to the Financial Statements

December 31, 2024

9. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

a) Credit risk

Credit risk is the risk that one party to a financial transaction will cause a financial loss for the other party by failing to discharge an obligation. The organization's main credit risk relates to its accounts receivables. Cash is held by Chartered Canadian institutions. There have been no change in the risk exposure from the prior year.

b) Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect to its trade accounts payable. The organization expects to meet these obligations as they come due by generating sufficient cash flow from future donations, grants and subsidies. There have been no change in the risk exposure from the prior year.

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The organization does not have significant exposure to any of these types of risk.

(i) Price risk is the risk that the fair value of the future cash flows of the financial instrument will fluctuate because of changes in market prices (other than those arising from the interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market. The organization is exposed to other price risk through its investments in marketable securities for which the value fluctuates with the quoted market price.

(ii) The Organization is exposed to interest rate risk due to the variable rate interest on their long-term investment. This exposure may have an effect on its earnings in future periods. The Company reduces its exposure to interest rate risk by regularly monitoring published bank prime interest rates which have been relatively stable over the period presented. The Company does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management the interest rate risk exposure to the Company low and is not material.
