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BDO Canada LLP
75 West Road
Huntsville, Ontario
P1H 1T4

May 26, 2025

Muskoka Conservancy
47 Quebec Street
Bracebridge, ON
P1L 2A5

Dear Mr. Young:

Re: Muskoka Conservancy

The following items have been provided for your records:

1. 1 copy of the financial statements for the year ended December 31, 2024.
2. 1 copy of the T3010 Registered Charity Information Return.

The following items have been enclosed and require your attention:

1. A copy of year end adjusting journal entries which should be posted in your accounting system.
2. Management letter.

Other Information

We will look after filing your T3010 Registered Charity Information Return with Canada Revenue Agency, after it has been reviewed, approved and signed by you.

The enclosed return and attachments have been prepared on the basis of information provided to us.

If you have any questions concerning the above, please do not hesitate to call.

Yours truly,

A handwritten signature in black ink, appearing to read 'Nicole M. White, C.P.A.'.

Nicole M. White, C.P.A.
Partner
BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants

Muskoka Conservancy
Financial Statements
For the year ended December 31, 2024

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BDO Canada LLP
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Independent Auditor's Report

To the Board of Directors of Muskoka Conservancy

Qualified Opinion

We have audited the accompanying financial statements of Muskoka Conservancy (the Organization) which comprise the statement of financial position as at December 31, 2024, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 the Organization as at December 31, 2024, and its results of 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 not-for-profit organizations, Muskoka Conservancy derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Muskoka Conservancy. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2024 and December 31, 2023, current assets as at December 31, 2024 and December 31, 2023, and net assets as at January 1 and December 31 for both the 2024 and 2023 years. Our audit opinion on the 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 have fulfilled our other 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 audit 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.

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 auditor's 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.

BDO Canada LLP


Chartered Professional Accountants, Licensed Public Accountants
Huntsville, Ontario
May 22, 2025

Muskoka Conservancy Statement of Financial Position

December 31	2024	Restated (Note 2) 2023
Assets		
Current		
Cash	\$ 129,258	\$ 192,536
Accounts receivable	50,061	562,848
Inventory	-	8,268
Short-term investments (Note 3)	-	134,443
	<u>179,319</u>	<u>898,095</u>
Restricted cash and investments (Note 4)	849,327	752,800
Internally restricted investments	2,217,097	1,314,898
Tangible capital assets (Note 5)	-	4,411
Nature reserves (Note 6)	22,845,481	22,167,200
Conservation easements (Note 7)	9,010,094	8,788,267
	<u>\$ 35,101,318</u>	<u>\$ 33,925,671</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 179,319	\$ 72,852
Deferred contributions (Note 8)	849,327	752,800
	<u>1,028,646</u>	<u>825,652</u>
Net assets		
Invested in nature reserves and easements	31,855,576	30,955,465
Internally restricted net assets - legacy fund (Note 9)	800,000	864,313
Internally restricted net assets - stewardship (Note 10)	400,000	346,478
Internally restricted net assets - land acquisition (Note 11)	1,017,096	104,107
Unrestricted	-	829,656
	<u>34,072,672</u>	<u>33,100,019</u>
	<u>\$ 35,101,318</u>	<u>\$ 33,925,671</u>

On behalf of the Board:

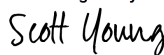
Signed by:



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Board Chair

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Executive Director

Muskoka Conservancy Statement of Changes in Net Assets

For the year ended December 31	Internally Restricted Stewardship 2024	Internally Restricted Legacy 2024	Internally Restricted Land Acquisition 2024	Unrestricted 2024	Nature Reserves and Easements 2024	Total 2024	Total 2023
Balance, beginning of year	\$ 346,478	\$ 864,313	\$ 104,107	\$ 829,656	\$ 30,955,465	\$ 33,100,019	\$ 28,421,276
Effect of restatement (Note 2)	-	-	-	-	-	-	104,107
Restated	346,478	864,313	104,107	829,656	30,955,465	33,100,019	28,525,383
Excess of revenue over expenses for the year	-	-	-	172,782	-	172,782	177,983
Contributed nature reserves	-	-	-	-	200,000	200,000	590,000
Contributed easements	-	-	-	-	205,000	205,000	2,050,000
Nature reserves and easements purchased	-	-	-	-	394,871	394,871	1,756,654
Transfers	53,522	(64,313)	912,989	(1,002,438)	100,240	-	-
Balance, end of year	\$ 400,000	\$ 800,000	\$ 1,017,096	\$ -	\$ 31,855,576	\$ 34,072,672	\$ 33,100,019

The accompanying notes are an integral part of these financial statements

Muskoka Conservancy

Statement of Operations

For the year ended December 31	2024	2023
Revenue		
Donations	\$ 129,168	\$ 192,024
Donations - in kind (Note 12)	25,524	8,100
Fundraising	69,495	75,233
Grants (Note 13)	71,829	70,700
Investment income	73,959	93,832
Gain (loss) on disposal of investments	163,558	31,908
Unrealized gain (loss) on investments	(38,633)	36,624
Memberships	35,020	40,102
Sale of products	10,065	16,300
Other	11,249	7,575
	551,234	572,398
Deferred contributions recognized (Note 8)	82,620	49,067
	633,854	621,465
Expenses		
Advertising and promotion	14,606	13,596
Amortization of tangible capital assets	4,410	1,683
Bank charges and interest	591	224
Cost of products sold	11,893	8,716
Dues, fees and licenses	4,545	3,974
Fundraising costs	30,082	37,219
Insurance	7,247	7,396
Nature reserve expenses	30,046	22,197
MLA water quality expenses	26,911	24,290
Office and general	35,774	33,375
Professional fees	67,092	59,957
Property taxes	9,096	16,384
Rent	6,236	6,221
Telephone	375	720
Travel	9,505	3,140
Wages and benefits	202,663	174,493
Payroll diversion loss	-	29,898
	461,072	443,483
Excess of revenue over expenses for the year	\$ 172,782	\$ 177,982

Muskoka Conservancy

Statement of Cash Flows

For the year ended December 31	2024	2023
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses for the year	\$ 172,782	\$ 177,982
Adjustments for		
Amortization of capital assets	4,410	1,683
Deferred restricted contributions recognized as revenue	(82,620)	(49,067)
Unrealized loss (gain) on investments	38,633	(36,624)
	<u>133,205</u>	<u>93,974</u>
Changes in non-cash working capital balances		
Short-term investments	134,443	83,248
Accounts receivable	512,788	(526,986)
Inventory	8,268	(492)
Accounts payable and accrued liabilities	106,472	25,347
	<u>895,176</u>	<u>(324,909)</u>
Investing activities		
Purchase of capital assets	-	(2,145)
Contributions received for purchase of capital assets	463,763	1,388,000
Acquisition costs of nature reserves and conservation easements	(495,109)	(1,756,654)
Increase in internally restricted investments	(902,199)	-
Stock donations received	(24,909)	(15,515)
	<u>(958,454)</u>	<u>(386,314)</u>
Decrease in cash during the year	(63,278)	(711,223)
Cash, beginning of year	192,536	903,759
Cash, end of year	\$ 129,258	\$ 192,536

Muskoka Conservancy

Notes to Financial Statements

December 31, 2024

1. Summary of Significant Accounting Policies

i) Nature and Purpose of Organization

Muskoka Conservancy ("organization") is incorporated without share capital under the laws of Canada. The organization shall be carried on without the purpose of gain for its members and any profits or accretions to the organization shall be used in promoting its objects.

The vision of the organization is to ensure Muskoka's natural spaces are protected forever and to conserve nature in Muskoka.

To achieve this mission, Muskoka Conservancy is a registered charity and a Canadian corporation that operates as a land trust. As such, the organization acquires ownership of properties and legally registered agreements with private property owners to protect land for nature conservation.

The organization is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

ii) Basis of Accounting

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

iii) Revenue Recognition

The organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recognized as direct increases in net assets.

Restricted net investment income is recognized as revenue in the year in which the related expenses are incurred. Restricted net investment income that must be added to the principal amount of resources held for endowment is recognized as a direct increase in net assets. Unrestricted net investment income is recognized as revenue when earned.

Investment income earned on externally restricted deferred contributions is recognized as revenue of the related deferred contributions. All other investment income is recognized as revenue in the statement of operations when earned.

Membership revenue is prorated on an annual basis by fiscal year for new members. Membership revenue is recognized in the relative fiscal year.

Revenues from products sold are recognized when delivered to the customers.

iv) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is generally determined on a first-in, first-out basis.

Muskoka Conservancy Notes to Financial Statements

December 31, 2024

1. Summary of Significant Accounting Policies (continued)

v) Tangible Capital Assets

Tangible capital assets are stated at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution and are amortized, unless fair value is not determinable in which case contributed tangible capital assets are recorded at nominal value at the date of contribution.

Amortization based on the estimated useful life of the asset is calculated as follows:

Computers and equipment	- 30 - 55% declining balance basis
Equipment	- 30% declining balance basis
Furniture and fixtures	- 20% declining balance basis

vi) Contributed Materials and Services

Volunteers contribute many hours per year to assist the organization in carrying out its activities. Due to the difficulty of determining their fair value, these contributed services are not recognized in the financial statements.

Contributed materials and services which are used in the normal course of the organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

vii) Financial Instruments

Financial Instruments are recorded at fair value at initial recognition.

In subsequent periods, equities traded in an active market are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist.

2. Comparative Figures

During the current year it was discovered that internally restricted net assets known as the land acquisition were presented incorrectly as deferred operating contributions. Because the amount was due to internally imposed restrictions made by the board, the correct presentation is a category of net assets. It was also discovered that unrestricted funds were presented incorrectly as endowment funds. The effect of this correction in the comparative figures was the following

Decrease in deferred contributions	104,107
Increase in internally restricted net assets - land acquisition	104,107
Decrease in endowment	5,000
Increase in unrestricted net assets	5,000

In addition, certain comparative figures have been reclassified to conform with the current year's financial statement presentation.

Muskoka Conservancy

Notes to Financial Statements

December 31, 2024

3. Short-term Investments

	2024	2024	2024	2023
	Book value	Book value	Fair Value	Fair Value
	US\$	CA\$ equivalent	CA\$	CA\$
CA\$ Cash	\$ -	\$ 1,300,411	\$ 1,300,411	\$ 29,678
CA\$ Fixed income investments	-	\$ 134,443	458,168	608,234
CA\$ Portfolio shares	-	206,067	228,970	619,057
CA\$ Foreign securities	-	9,794	10,506	8,318
CA\$ Mutual funds	-	-	-	26,685
US\$ Cash	2,578	3,709	3,709	-
US\$ Portfolio shares	93,157	134,043	132,412	157,138
US\$ Mutual funds	24,208	34,833	34,833	30,500
US\$ Other	65,811	94,696	94,024	-
	185,754	1,917,996	2,263,033	1,479,610
Less restricted portion (Note 4)	-	-	(66,979)	(30,269)
Less stewardship fund portion	-	-	(400,000)	(346,478)
Less land acquisition fund portion	-	-	(996,054)	(104,107)
Less legacy fund portion (Note 9)	-	-	(800,000)	(864,313)
	\$ 185,754	\$ 1,917,996	\$ -	\$ 134,443

Fixed income investments consist of bonds maturing 2025 - 2034, with interest ranging from 1.1% to 3.8%.

The organization is exposed to interest rate risk on its fixed and floating interest rate financial instruments. The fair value of fixed rate instruments will fluctuate as market rates change.

The organization is exposed to market risk through its long-term investments which are held in portfolio shares and mutual fund markets.

The organization is exposed to credit risk arising from cash accounts being held at one financial institution and deposits are only insured up to \$100,000.

Muskoka Conservancy

Notes to Financial Statements

December 31, 2024

4. Restricted Cash and Investments

	2024 Book value US\$	2024 Book value CA\$ equivalent	2024 Fair Value CA\$	2023 Fair Value CA\$
CA\$ Cash	\$ -	\$ 28,433	\$ 28,433	\$ 22,486
CA\$ Fixed income investments	-	444,929	446,956	285,326
CA\$ Portfolio shares	-	133,993	151,163	348,058
CA\$ Mutual funds	-	-	-	60,883
CA\$ Foreign securities	-	5,397	6,898	5,868
US\$ Cash	2,589	\$ 3,725	\$ 3,725	-
US\$ Portfolio shares	58,772	84,567	84,402	-
US\$ Other	42,400	61,009	60,771	-
Portion of short- term investments (Note 3)	66,979	66,979	66,979	30,269
Restricted cash and investments - general (Note 8)	\$ 170,740	\$ 829,032	\$ 849,327	\$ 752,890

Fixed income investments consist of bonds maturing 2024 - 2034, with interest ranging from 1.1% to 3.8%.

The organization is exposed to interest rate risk on its fixed and floating interest rate financial instruments. The fair value of fixed rate instruments will fluctuate as market rates change.

The organization is exposed to market risk through its long-term investments which are held in portfolio shares and mutual fund markets.

5. Tangible Capital Assets

	2024		2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computers and equipment	\$ -	\$ -	\$ 35,106	\$ 34,381
Equipment	-	-	13,259	11,734
Furniture and fixtures	-	-	4,439	2,278
	\$ -	\$ -	\$ 52,804	\$ 48,393
Net book value		\$ -		\$ 4,411

The organization has written-off all tangible capital assets during the year.

Muskoka Conservancy

Notes to Financial Statements

December 31, 2024

6. Nature Reserves

	2024	2023
Browning Island, Town of Bracebridge	\$ 1,219,033	\$ 1,219,033
Catherine Brook, Town of Huntsville	85,000	85,000
Campbell-Mason, Township of Muskoka Lakes	3,016,533	3,016,533
Dyer Memorial, Town of Huntsville	264,575	264,575
Eileen Gowan Island, Town of Bracebridge	254,740	254,740
Grand Family Memorial, Township of Muskoka Lakes	186,276	186,276
Bert Cross Family Nature Reserve, Town of Bracebridge	19,654	19,654
Indigo Marsh, Town of Huntsville	44,000	44,000
Island K, Seguin Township	2,025,104	2,025,104
Kahshe Sanctuary, Town of Gravenhurst	1,143	1,143
Kitty's Wish, Town of Huntsville	27,189	27,189
Loon Lake, Town of Gravenhurst	80,941	80,941
McLeans Bay, Town of Gravenhurst	188,500	188,500
Muskoka Delta, Town of Bracebridge	40,000	40,000
Musquash Road, Township of Muskoka Lakes	60,765	60,765
Nelson Head, Town of Huntsville	85,335	85,335
Pileated Ridge, Town of Huntsville	53,082	53,082
Pen Lake Farms, Township of Lake of Bays	211,303	211,303
Portage Lake, Seguin Township	17,918	17,918
Robinson Lake, Town of Huntsville	39,744	39,744
Stream to Skeleton Lake, Township of Muskoka Lakes	70,529	70,529
Upjohn, Town of Bracebridge	127,113	127,113
Aufheben, McKellar Township	172,863	172,863
South Monck Meadows, Town of Bracebridge	269,098	269,098
Bert and Millie's Marsh, Town of Huntsville	105,000	105,000
Pinelands Bay, Township of Muskoka Lakes	1,138,797	1,073,797
Muskoka Welcome, Town of Gravenhurst	45,520	45,520
Muskoka Welcome 2, Town of Gravenhurst	46,039	46,039
Silver Doe, Town of Gravenhurst	82,096	82,096
Source of Three Mile Lake Road, Town of Huntsville	146,181	146,181
Highland island, Township of Muskoka Lakes	3,526,559	3,526,559
Sage Creek, Town of Bracebridge	200,969	200,969
Highland Island part 4, Township of Muskoka Lakes	5,400,520	5,400,520
Barkway Lake, Town of Gravenhurst	458,998	458,998
Bear Cave-Koetitz, Township of Muskoka Lakes	1,078,913	1,078,913
Old Bangor, Town of Bracebridge	960	960
Bill Dickinson, Town of Gravenhurst	1,474,609	1,441,210
Homeboy Turner and Earl, Town of Huntsville and Township of Muskoka Lakes	6,236	-
Trussler, Town of Huntsville	7,253	-
Severn-Southwood, Town of Gravenhurst	289,988	-
Cassidy Lake, Township of Muskoka Lakes	72,653	-
Kee-Wellman, Township of Muskoka Lakes	203,752	-
	\$ 22,845,481	\$ 22,167,200

During the year, land was received by donation and appraised at \$200,000 (2023 - \$6,470,000).

Muskoka Conservancy

Notes to Financial Statements

December 31, 2024

7. Conservation Easements

	2024	2023
Barisic, Town of Huntsville	\$ 1,092	\$ 1,092
Braaten, Seguin Township	1,028,500	1,028,500
Campbell-Mason, Township of Muskoka Lakes	606,952	606,952
Goering, Township of Lake of Bays	250,000	250,000
Island K, Seguin Township	1	1
Longline Lake, Township of Lake of Bays	3,000	3,000
Strawberry Mountain, Township of Lake of Bays	624,182	624,182
Turner Island, Township of Muskoka Lakes	2,006,315	2,006,315
Wolf Mountain, Township of Lake of Bays - part 1	693,500	693,500
Wolf Mountain, Township of Lake of Bays - part 2	2,050,776	2,050,776
Yoho Island, Township of Muskoka Lakes	575,000	575,000
Darker, Severn Township	1	1
Upjohn, Town of Bracebridge	6,396	6,396
Lischkoff, Township of Lake of Bays	168,211	168,211
Dahwamah Island, Seguin Township	615,536	615,536
South Monck Meadows Fitzmaurice Family, Town of Bracebridge	158,805	158,805
South Monck Meadows Fitzmaurice, Town of Bracebridge	206,034	-
Wegamind Island	13,424	-
Seeley Bay	2,369	-
	\$ 9,010,094	\$ 8,788,267

During the year, easements were received by donation and appraised at \$205,000 (2023 - \$NIL).

Muskoka Conservancy Notes to Financial Statements

December 31, 2024

8. Deferred Restricted Contributions

Deferred property acquisition contributions represent externally restricted grants and donations received which have not yet been spent for the restricted purpose. The amount of revenue recognized during the year is based on expenses incurred and associated with land acquisition.

Deferred general and grant contributions represent externally restricted donations and grants received which have not yet been spent for the restricted purpose. The amount of revenue recognized during the year is based on direct and indirect expenses incurred to administer specific projects.

Deferred Dyer Memorial funds were received as part of the transfer of the lands known as the Dyer Memorial. The funds are to be used for the maintenance and benefit of the monument and memorial site designated as Part 1 on Plan 35R-22980 and are held in a separate account.

The changes in deferred restricted contributions for the year are as follows:

	Property Acquisition	Water Quality	Dyer Memorial	Total 2024	Total 2023
Balance, beginning of year	\$ -	\$ 14,033	\$ 738,767	\$ 752,800	\$ 1,200,689
Effect of restatement (Note 2)	-	-	-	-	(104,107)
Restated	-	14,033	738,767	752,800	1,096,582
Contributions received	459,871	26,342	-	486,213	1,409,332
Investment income earned	-	-	20,805	20,805	15,304
Realized gains (losses)	-	-	127,779	127,779	21,116
Unrealized gains (losses)	-	-	(60,511)	(60,511)	16,187
Unrealized foreign exchange gains (losses)	-	-	(268)	(60,511)	16,187
Contributions deferred	459,871	26,342	87,805	574,018	1,461,939
Recognized as revenue	(15,000)	(40,375)	(27,245)	(82,620)	(49,067)
Invested in nature reserves and easements	(394,871)	-	-	(394,871)	(1,756,654)
Contributions recognized	(409,871)	(40,375)	(27,245)	(477,491)	(1,805,721)
Balance, end of year	\$ 50,000	\$ -	\$ 799,327	\$ 849,327	\$ 752,800

Muskoka Conservancy Notes to Financial Statements

December 31, 2024

9. Internally Restricted Net Assets - Legacy Fund

The internally restricted net assets are comprised of funds known as the legacy fund. This fund represents internally restricted donations and related investment revenues which have not yet been spent. These funds are to be used to support the ongoing operational budget for the purpose of maintaining the organization's ability to continue as a going concern with less reliance on external funding.

10. Internally Restricted Net Assets - Stewardship

The internally restricted net assets are comprised of funds known as the stewardship funds (previously referred to as maintenance and defence). The purpose of these funds are to monitor and support stewardship activities of the nature reserves and conservation easements.

11. Internally Restricted Net Assets - Land acquisition

The internally restricted net assets are comprised of funds known as the land acquisition funds. The purpose of these funds are to purchase nature reserves and conservation easements.

12. Contributed Materials and Services

During the year Muskoka Road 38, Bala was donated to the organization (Note 6).

During the year South Monck Meadows Fitzmaurice conservation easement was donated to the organization (Note 7).

Contributed services are not recognized in the financial statements because of the difficulty in determining their fair value.

	2024	2023
Portfolio shares	\$ 24,909	\$ -
Items for auction	614	8,100
Donations - in kind	25,523	8,100
Nature reserves	200,000	590,002
Conservation easements	205,000	2,050,000
	\$ 430,523	\$ 2,648,102

Muskoka Conservancy
Notes to Financial Statements

December 31, 2024

13. Grants

Sources of grant revenue recognized as revenue in the year are as follows:

	<u>2024</u>	<u>2023</u>
Federal	\$ 4,015	\$ 4,766
Municipal	450	-
Private Foundations	<u>67,364</u>	<u>65,934</u>
	<u>\$ 71,829</u>	<u>\$ 70,700</u>

The organization received a restricted private grant of \$250,000 for the acquisition costs of a nature reserve which is included in the land purchased with restricted contributions line in the statement of changes in net assets.
