# THE RIVERWOOD CONSERVANCY

## FINANCIAL STATEMENTS

## AS AT DECEMBER 31, 2024


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GGW Glenn Graydon Wright LLP

# INDEPENDENT AUDITORS' REPORT

To the Members
The Riverwood Conservancy

*Qualified Opinion*
We have audited the Financial Statements of The Riverwood Conservancy ("the Conservancy") which comprise the Statement of Financial Position as at December 31, 2024, and the Statements of Changes in Net Assets, Operations, and Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the *Basis of Qualified Opinion* section of our report, the accompanying Financial Statements present fairly, in all material respects, the financial position of the Conservancy 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 charitable organizations, the Conservancy derived revenue from donations, events, fundraising and sponsorships, and other revenues, 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 Conservancy and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenditures, cash and cash equivalents and net assets for the years ended December 31, 2023 and December 31, 2024. Our audit opinion on the Financial Statements for the year ended December 31, 2023 was qualified 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Conservancy 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 a 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 AUDITORS' REPORT, continued

*Auditors' 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 auditors' 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 auditors' 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 auditors' 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.

Glenn Graydon Wright LLP

Chartered Professional Accountants
Licensed Public Accountants
Oakville, Ontario
March 25, 2025

# THE RIVERWOOD CONSERVANCY

**Statement of Financial Position**
**As at December 31, 2024**

| | | 2024 | 2023 |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | $ | 303,433 | 473,163 |
| Short-term investments (Note 4) | | 50,000 | 100,000 |
| Accounts receivable | | 22,772 | 11,497 |
| HST receivable | | 6,499 | 9,320 |
| Prepaid expenses | | 20,426 | 9,326 |
| | | 403,130 | 603,306 |
| **Capital assets (Note 5)** | | 13,532 | 15,588 |
| | $ | 416,662 | 618,894 |
| **Liabilities and net assets** | | | |
| **Current liabilities** | | | |
| Accounts payable and accrued liabilities | $ | 65,509 | 78,806 |
| Deferred contributions – operating (Note 6) | | 63,502 | 102,944 |
| Deferred contributions – capital (Note 7) | | 6,487 | 5,706 |
| | | 135,498 | 187,456 |
| **Net assets** | | | |
| Operating Reserve | | 274,119 | 421,556 |
| Capital Asset Reserve (Note 8) | | 7,045 | 9,882 |
| | | 281,164 | 431,438 |
| | $ | 416,662 | 618,894 |

Approved by the Board

Director

Director

# THE RIVERWOOD CONSERVANCY

**Statement of Changes in Net Assets**
**For the year ended December 31, 2024**

| | | 2024 | 2023 |
|---|---|---|---|
| **Operating Reserve** | | | |
| Balance, beginning of year | $ | 421,556 | 509,923 |
| Excess of expenditures over revenues | | (147,437) | (88,367) |
| **Balance, end of year** | $ | 274,119 | 421,556 |

| | | 2024 | 2023 |
|---|---|---|---|
| **Capital Asset Reserve** | | | |
| Balance, beginning of year | $ | 9,882 | 15,330 |
| Excess of expenditures over revenues | | (2,837) | (5,448) |
| **Balance, end of year** | $ | 7,045 | 9,882 |

# THE RIVERWOOD CONSERVANCY

**Statement of Operations**

**For the year ended December 31, 2024**

| | | Operating Reserve | Capital Asset Reserve | Total 2024 | Total 2023 |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Grants (Note 9) | $ | 696,117 | 3,697 | 699,814 | 745,209 |
| Program fees | | 189,206 | - | 189,206 | 167,179 |
| Donations | | 195,960 | - | 195,960 | 166,836 |
| Events, fundraising and sponsorships | | 96,125 | - | 96,125 | 73,723 |
| Honoraria | | 12,250 | - | 12,250 | 8,246 |
| Other revenue (Note 10) | | 23,037 | - | 23,037 | 26,577 |
| | | 1,212,695 | 3,697 | 1,216,392 | 1,187,770 |
| **Expenditures** | | | | | |
| Administration | | 116,688 | - | 116,688 | 103,023 |
| Amortization | | - | 6,534 | 6,534 | 9,454 |
| Communications and marketing | | 7,462 | - | 7,462 | 6,061 |
| Fundraising | | 41,052 | - | 41,052 | 27,881 |
| Program expenses | | 93,607 | - | 93,607 | 86,743 |
| Purchased services | | 4,054 | - | 4,054 | 24,462 |
| Salaries and wages | | 1,097,269 | - | 1,097,269 | 1,023,961 |
| | | 1,360,132 | 6,534 | 1,366,666 | 1,281,585 |
| **Excess of expenditures over revenues** | $ | (147,437) | (2,837) | (150,274) | (93,815) |

# THE RIVERWOOD CONSERVANCY

**Statement of Cash Flows**
**For the year ended December 31, 2024**

| | | 2024 | 2023 |
|---|---|---|---|
| **Cash flows from (used in) operating activities** | | | |
| Excess of expenditures over revenues | $ | (150,274) | (93,815) |
| Adjustments for | | | |
| Amortization of capital assets | | 6,534 | 9,454 |
| Amortization of deferred contributions – capital | | (3,697) | (4,006) |
| | | (147,437) | (88,367) |
| Changes in non-cash working capital | | | |
| Decrease in short-term investments | | 50,000 | - |
| (Increase) decrease in accounts receivable | | (11,275) | 8,412 |
| Decrease (increase) in HST receivable | | 2,821 | (1,989) |
| Increase in prepaid expenses | | (11,100) | (3,632) |
| (Decrease) increase in accounts payable and accrued liabilities | | (13,297) | 115 |
| Decrease in deferred contributions – operating | | (39,442) | (31,970) |
| **Cash flows used in operating activities** | | (169,730) | (117,431) |
| **Cash flows from (used in) investing activities** | | | |
| Acquisition of capital assets | | (4,478) | (1,965) |
| **Cash flows used in investing activities** | | (4,478) | (1,965) |
| **Cash flows from (used in) financing activities** | | | |
| Deferred contributions – capital | | 4,478 | 1,964 |
| **Cash flows from financing activities** | | 4,478 | 1,964 |
| **Net decrease in cash and cash equivalents during year** | | (169,730) | (117,432) |
| **Cash and cash equivalents,** beginning of year | | 473,163 | 590,595 |
| **Cash and cash equivalents,** end of year | $ | 303,433 | 473,163 |

# THE RIVERWOOD CONSERVANCY

**Notes to Financial Statements**
**As at December 31, 2024**

## 1. Purpose of the organization

The Riverwood Conservancy ("the Conservancy"), is a not-for-profit organization, incorporated under the laws of Ontario without share capital under the Corporations Act and is a registered charity under the Income Tax Act.

The Conservancy provides programs and direction for Riverwood which is a 150-acre, urban nature preserve situated on the shores of the Credit River in Mississauga, Ontario. Working together with like-minded groups and individuals, our mission is to enable people of all cultures, ages and abilities to respectfully connect with nature and learn about the importance of protecting, conserving and restoring natural spaces for the well-being of future generations, all the while experiencing the beauty of the Riverwood Gardens.

The Conservancy is a volunteer and member-based organization that operates to provide programs and services to the surrounding community through nature and environmental education, stewardship, gardening and volunteerism.

## 2. Significant accounting policies

These Financial Statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies where alternatives are available:

### a) Management estimates

The preparation of the Financial Statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions 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. By their nature, these estimates are subject to measurement uncertainty and the effect on the Financial Statements of changes in such estimates in future periods could be significant.

### b) Basis of accounting

The Conservancy follows the Deferral Method of accounting for contributions.

### c) Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, net of bank overdrafts and highly liquid temporary money market instruments.

### d) Short-term investments

Short-term investments are recorded at fair market value.

**2. Significant accounting policies**- continued

**e) Capital assets**

Capital assets are recorded at acquisition cost. Amortization is recorded in the accounts at rates intended to write off the cost of the assets over their estimated useful life. In the year of acquisition, capital assets are amortized at one-half of the normal rate. Methods and rates used are:

Computer equipment
Straight-line basis over 3 years

Other equipment
Straight-line basis over 5 years

Furniture and fixtures
Straight-line basis over 10 years

**f) Revenue recognition**

*Restricted revenues*
Restricted revenues include grants and donations received for specific purposes and projects, are recognized as revenue in the period in which the related expenditures are incurred. Grants received for capital asset expenditures are deferred and recognized as revenue over the useful life of the capital asset acquired.

*Unrestricted donations*
Unrestricted revenues include program fees, donations, events, fundraising and sponsorships, and honoraria are recognized as revenue in the period when received.

*Donations in-kind*
Donations in-kind are recognized as revenue when received at a fair market value that can be reasonably estimated. Volunteers contribute many hours each year in carrying out the Conservancy's activities. Since it is difficult to determine the fair value, services and most contributed materials are not recognized in the Financial Statements. However, during the year, the Conservancy received $31,012 (2023 - $11,521) in contributed materials for which the fair value was reasonably determined, and these donations have been recognized in the Statement of Operations.

*Investment and other revenue*
Investment income comprises $10,222 (2023 - $16,761) in interest from cash held with financial institutions. Other revenue includes interest earned on endowment funds controlled by third parties. Only endowment funds controlled by the Conservancy are included as assets in these Financial Statements. All endowment funds are currently controlled and managed by the Mississauga Foundation. Revenue is recognized when received.

## 3. Financial instruments

### a) Fair value

The Conservancy initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The entity subsequently measures all its financial assets and financial liabilities at cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value.

### b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in underlying market factors. The Conservancy is exposed to interest rate risk and credit risk.

#### i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

A portion of the Conservancy's cash and cash equivalents bear interest at variable rates. Consequently, there is a risk to cash flow exposure. However, there is no risk of fair value on this portion of the Conservancy's assets.

A portion of the Conservancy's short-term investments bear interest at fixed rates. Consequently, the cash flow risks are not significant. However, there is a risk of fair value on this portion of the Conservancy's assets.

#### ii) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation.

The Conservancy is subject to credit risk. To mitigate this, the Conservancy actively manages and monitors its receivables and obtains security where warranted. Bad debt experience has not been significant.

### c) Liquidity risk

Liquidity risk is the risk that the Conservancy cannot meet a demand for cash or fund its obligations as they come due. Unless otherwise noted, the Conservancy is not subject to significant liquidity risk. The Conservancy manages liquidity risk by:

- Maintaining access to a number of sources of funding which are sufficient to meet anticipated funding requirements.
- Investing in liquid fixed income securities and cash equivalents that, if necessary, can be sold to generate cash flow.

## 4. Short-term investments

The short-term investments consist of Guaranteed Investment Certificates that mature on February 3, 2025, with interest rates of 5.10%.

## 5. Capital assets

| | Original cost | Accumulated amortization | 2024 Net | 2023 Net |
|---|---|---|---|---|
| Computer equipment | $ 35,614 | 31,768 | 3,846 | 4,285 |
| Other equipment | 7,086 | 4,054 | 3,032 | 2,787 |
| Furniture and fixtures | 19,214 | 12,560 | 6,654 | 8,516 |
| | $ 61,914 | 48,382 | 13,532 | 15,588 |

Amortization recorded during the year amounted to $6,534 (2023 - $9,454).

During the year, capital assets were acquired for cash at an aggregate cost of $4,478 (2023 - $1,965).

## 6. Deferred contributions - operating

Deferred contributions – operating are comprised of amounts received in advance, which have been deferred to be recognized as revenue in the year in which the related expenditures are incurred. Changes during the year in the deferred contributions – operating are as follows:

| | 2024 | 2023 |
|---|---|---|
| Balance, beginning of year | $ 102,944 | 134,914 |
| Amount received in the year | 656,675 | 709,233 |
| Revenue recognized in the year | (696,117) | (741,203) |
| Balance, end of year | $ 63,502 | 102,944 |

## 7. Deferred contributions - capital

Deferred contributions – capital represent the unamortized amount of grants received for the purchase of capital assets. The amortization of deferred contributions – capital is recorded as revenue in the statement of operations. Changes during the year in the deferred contributions – capital are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Balance, beginning of year | $ | 5,706 | 7,748 |
| Revenue recognized in the year | | (3,697) | (4,006) |
| Amount received in the year | | 4,478 | 1,964 |
| Balance, end of year | $ | 6,487 | 5,706 |

The above deferred contributions – capital are comprised of the following:

| | | Original cost | Accumulated amortization | 2024 Net | 2023 Net |
|---|---|---|---|---|---|
| Computer equipment | $ | 12,622 | 9,167 | 3,455 | 2,919 |
| Other equipment | | 7,086 | 4,054 | 3,032 | 2,787 |
| | $ | 19,708 | 13,221 | 6,487 | 5,706 |

## 8. Capital Asset Reserve

The Capital Asset Reserve is for the purchase of capital assets and includes the accumulated amount purchased to date, net of grants received and accumulated amortization.

| | | 2024 | 2023 |
|---|---|---|---|
| Balance, beginning of year | $ | 9,882 | 15,330 |
| Capital additions – funded by grants | | 4,478 | 1,964 |
| Amortization | | (6,534) | (9,454) |
| Deferred contributions – capital | | (4,478) | (1,964) |
| Revenue recognized in the year | | 3,697 | 4,006 |
| Balance, end of year | $ | 7,045 | 9,882 |

# THE RIVERWOOD CONSERVANCY

**Notes to Financial Statements**
**As at December 31, 2024**

## 9. Grants

| | | 2024 | 2023 |
|---|---|---|---|
| Annie Cordeiro Family Trust | $ | 5,000 | - |
| City of Mississauga – Multi-Year Funding Agreement | | 369,859 | 369,859 |
| City of Mississauga – Culture Division | | 800 | - |
| Mississauga Foundation | | 53,155 | 45,744 |
| Gift Funds Canada – Climate Impact Fund | | - | 10,000 |
| Government of Canada – Community Service Recovery Fund | | 18,176 | 18,997 |
| Government of Canada – Canada Summer Jobs Program | | 31,274 | 19,554 |
| Government of Canada – Healthy Communities Initiative | | - | 8,554 |
| Hancock Van Alstyne Family Fund | | 3,300 | 1,530 |
| Gore Mutual Insurance Company | | 13,050 | - |
| Gordon and Patricia Gray Animal Welfare Fund | | 3,268 | - |
| Johansen-Larson Foundation | | 15,000 | - |
| Kamm Foundation | | 8,155 | - |
| KPMG LLP | | 6,000 | - |
| Ontario Trillium Foundation | | 104,834 | 210,835 |
| RBC Foundation | | 10,241 | - |
| TELUS Friendly Future Foundation | | - | 10,000 |
| TD Friends of the Environment | | 20,005 | 19,754 |
| The Frank Fowler Foundation | | 15,000 | 13,000 |
| University of Toronto Mississauga Centre for Urban Environments | | 16,000 | 12,376 |
| Waterloo Region | | - | 1,000 |
| Whole Foods Market | | 3,000 | - |
| | | 696,117 | 741,203 |
| Deferred contributions – capital recognized | | 3,697 | 4,006 |
| | $ | 699,814 | 745,209 |

## 10. Other revenue

Other revenue includes interest earned on endowment funds controlled by the Mississauga Foundation that are not reported as assets of the Conservancy. As at December 31, 2024, the endowment balance was $135,620 (2023 – $115,827).

## 11. Income tax status

The Conservancy is a registered charity and is therefore exempt from income taxes under Section 149(1)(f) of the Income Tax Act.

## 12. Operating lease commitments

a) Future minimum lease payments required under the photocopier and software operating leases that have initial terms in excess of one year are:

| | | |
|---|---|---|
| 2025 | $ | 16,938 |
| 2026 | | 7,523 |
| 2027 | | 2,599 |
| 2028 | | 433 |
| | $ | 27,493 |

b) The existing agreements between the Conservancy and the City of Mississauga for the management, operating and use of the Chappell Estate House and the MacEwan House both expired on March 31, 2013 with the option to extend this agreement for three further terms of 5 years each, to begin upon the expiration of the original term. The Conservancy exercised its option to renew both agreements for an additional term of 5 years by way of a letter to the City of Mississauga dated March 20, 2013. While the City acknowledged receipt of the March 20, 2013 letter, no formal confirmation of renewal has been received. To date, no additional letters or agreements have been signed to acknowledge a further extension. The Conservancy continues to manage, operate and use both properties under the assumption that the agreements will be renewed.

The annual fees payable to the City of Mississauga for the management and operating of the Chappell Estate House are $8,000 plus applicable taxes. The annual fees for the MacEwan House are $2 plus applicable taxes.

## 13. Comparative figures

Certain figures in the 2023 Financial Statements have been reclassified to conform with the basis of presentation used in 2024.