



Mississippi Madawaska Land Trust

Conserving Land  Protecting Nature

Annual General Meeting of Members

MVCA Building, 10970 HWY 7, Carleton Place, ON

Thursday, May 16, 2024 at 8:00 PM

Preceded by a Special Presentation at 6:45 PM *

AGENDA

- Welcome & Introductions (Stacie Lloyd)
- Land Acknowledgement (Emily Giles)
- Approval of Agenda (Steve Kotze)
- Approval of Minutes of AGM, March 23, 2023 (Steve Kotze)
- President's Report (Steve Kotze)
- Treasurer's Report (Robert Stearns)
- Appointment of Auditor and Authorization of Directors to Fix Remuneration (Robert Stearns)
- Election of Directors (Sheila Craig)
- Other Business & Announcements (Steve Kotze)
- Adjournment (Steve Kotze)

* The AGM will be preceded by a presentation at 6:45 PM, called "*Gidinawendimin – We Are All Related: Anishinaabe Perspectives on our Relationships with Earth*" by Rick Beaver – artist, ecologist, and author.



ANNUAL GENERAL MEETING OF MEMBERS

MARCH 23, 2023 at 8:00 PM

The AGM was preceded by a special presentation called “42 Years Living at cliffLAND” with Howard Clifford. Howard served as MMLT’s second President from 2010 to 2019, and since then, as a member of the Emeritus Council. During his talk, Howard reflected on how his life was blessed and changed through experiences at cliffLAND and his involvement with MMLT – the insights gained, the convictions that became unshakable, and the vision that continues to provide meaning and hope.

MINUTES

- **WELCOME & INTRODUCTIONS** (Don Johnston)
 - The meeting began at 8:00 PM with 63 members attending in person at the MMLT Offices/MVCA Boardroom located at 10970 Highway 7, Carleton Place ON; quorum attained, and full Board was present;
 - Protocols for motions/resolutions, voting and questions were explained;
 - Video of pre-AGM presentation with Howard Clifford, in celebration of MMLT’s 20th anniversary, to be posted on MMLT website;
 - Welcome to members, Board candidates, Directors and Staff.

- **LAND ACKNOWLEDGEMENT** (Rob Rainer)
 - Land acknowledgement was read, acknowledging that this meeting is being held on the traditional and unceded territory of the Algonquin nation.

- **APPROVAL OF AGENDA FOR THE 2022 AGM** (Don Johnston)
 - **Motion:** Moved by Jennifer Schnarr and seconded by Emily Giles that the agenda for the March 23, 2023 Annual General Meeting be approved as printed and circulated. **Carried**

- **APPROVAL OF MINUTES OF THE 2021 AGM OF MARCH 23, 2022** (Don Johnston)
 - **Motion:** It was moved by John Kittle and seconded by Bob Stearns that the Minutes of the March 23, 2022 Annual General Meeting be approved as printed and circulated. **Carried**

- **DIRECTORS' REPORT -YEAR 2022 IN REVIEW** (Don Johnston)
 - Overview provided of the past year at MMLT and future direction of the Board for the coming years
 - Number of members grew again in 2022.
 - Number of donations increased substantially in 2022 compared to the previous year, including business community donations through sponsorships such as “The Somewhere Inn in Calabogie” as a generous donor participating in the “1% of the Planet” program. Grants were also noted as a key revenue to expand MMLT’s reach.
 - In events news, special thanks to the organizers of the Birdhouse Auction, Glenda Jones and Barbara Carroll, and to Paul Keddy who was the special guest for the Radiothon on Lake 88 in July. The Festival of the Wild Child was another success, and the Fall Colours Walk at Blueberry Mountain, along with Tree ID and Spring Bird events. An initial ceremony to celebrate the newly acquired (in 2021) Marble Woodlands was held. MMLT was honoured by the donation of land by the Noyes-Brown family, for MMLT to protect for future generations.
 - MMLT’s Yearend appeal celebrated its newest property, Marble Woodlands, generously donated by the Noyes-Brown family.

- More than 70 MMLT members volunteered their time in 2022 for trail clearing, event assistance, property management and other roles. Special thanks to Paul Smith, Bill Howe, Chris Baburek and Bob Betcher for serving as property managers in 2022. Sherryl Smith thanked for 3 years at the helm of organizing the Festival of the Wild Child.
 - Many thanks to the current (2022) Board of 10 Directors - a key group of volunteers responsible for the direction of MMLT, performing fundraising, acquiring and managing properties and mounting events to foster an appreciation of nature. Special thanks to the officers and committee chairs - Jennifer Schnarr as chair of Fundraising, Communications, Membership and Volunteer Engagement, Bob Stearns as chair of Property Stewardship, Rob Rainer, chair of Governance and Personnel and Stephen Kotze, Treasurer.
 - Cathy Keddy was part of the Board in 2022. Sadly in October, MMLT received the awful news of Cathy's passing. She was an inspiration to her friends and colleagues on the MMLT Board and to the many members and supporters who knew and admired her.
 - Staff overview for 2022 included Carolyn Piche moving into the Executive Director role after 2 years in the position of administrator. With the help of a grant from the federal government in 2021, MMLT hired two interns for a year with Emily Moynes staying on part time to help with communications. A grant from the Ontario Trillium Foundation enabled MMLT to make the Conservation Coordinator position a full time position with Rienne Moore helping to manage the growing portfolio of properties. Vincent Janssens was in the role of part time Bookkeeper for MMLT. In August, Carolyn accepted another position outside of MMLT, but worked with MMLT at year end while the organization sought to fill the executive director position. The entire staff were thanked for their tremendous skills and knowledge, enthusiasm and commitment.
 - In May, we had to respond quickly when the Dericho hit, knocking down trees and creating safety hazards on our properties.
 - Grants and partnerships were summarized, with thanks to Sally McIntyre for MVCA's partnership in applying for federal grant funding for land acquisition.
 - Land acquisition in 2022 included continued work on conservation easement agreements in the Carp Hills.
 - Thank you to the Emeritus Council, made up of Directors who came before us. Bob Betcher and Art Goldsmith have been elected to join the Emeritus Council in 2023.
- **TREASURER'S REPORT (refer to MMLT 2022 audited yearend financial**

statement) (Stephen Kotze)

- The 2022 yearend financial summary was presented noting that the full yearend financial statement as audited by KPMG is available on the MMLT website and copies available to members attending the AGM;
- Many thanks expressed to the government granting agencies, private foundations, individual and corporate donors.
- Total property assets remain the same as 2021: \$1,891,001;
- Endowment funds lost money in 2022.
- Revenues increased marginally over 2021, an excess of revenues over expenses of 9,524 for the 2022 year
- Though MMLT is a non-profit charity, it is important to generate a small surplus each year to allow the organisation to carry out its mission;
- We were reminded that we still have a long way to go to meet our goals of \$1 million for the sustainability fund.
- MMLT continues to invest with the Ottawa Community Foundation; MMLT continues to make reasonable progress towards its goal of \$1 million in its sustainability fund – having now accumulated \$249,997 towards that goal thus far.

Motion: It was moved by Rob Rainer and seconded by Bob Stearns that the Treasurer's Report as presented and as detailed in the accompanying notes be approved.

Carried.

• **APPOINTMENT OF AUDITOR AND AUTHORIZATION OF BOARD OF DIRECTORS TO FIX REMUNERATION (Don Johnston)**

- Quotes were requested from 3 local firms for auditing services to MMLT for the year ending December 2023.
- It was noted that in practice the Board pays the amount invoiced by the auditor rather than to deliberately fix the remuneration for the auditor;

Motion: It was moved by Stephen Kotze and seconded by Rob Rainer that *KPMG LLP* be appointed as auditor of the MMLT to hold office until the next Annual General Meeting of Members at such remuneration as may be fixed by the MMLT Board of Directors.

Carried

• **ELECTION OF DIRECTORS - RESOLUTION TO APPROVE PROPOSED SLATE OF DIRECTORS (Don Johnston)**

- Three new members of MMLT were appointed and welcomed to the

Board of Directors: Stephen Blight, Britta Gerwin and Rachel Hodgson;

- It was noted that Don Johnston's term with MMLT came to an end at the AGM, in March 2023. Steve Kotze recognized the excellent contribution and accomplishments of Don Johnston as MMLT's president in 2022. He was thanked for his years of dedicated service to MMLT.

Motion: It was moved by Bob Stearns and seconded by Simon Lunn that the slate of Directors as stated on the resolution included be approved thus appointing Stephen Blight, Britta Gerwin and Rachel Hodgson as Directors of MMLT for a term of three years commencing on March 23, 2023 and ending on the date of the 2025 AGM or such later date as their respective successors are elected.

Carried

- **OTHER BUSINESS & ANNOUNCEMENTS** (Don Johnston)
 - Stacie Lloyd was welcomed as the new executive director, having started in the position in February 2023.
- **RESOLUTION TO ADJOURN THE AGM** (Don Johnston)

Motion: It was moved by Stephen Kotze that the 2022 Annual General Meeting be adjourned.

Carried

AGM ended at 8:55 PM

Financial Statements of

**MISSISSIPPI MADAWASKA
LAND TRUST**

Year ended December 31, 2023

MISSISSIPPI MADAWASKA LAND TRUST

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mississippi Madawaska Land Trust

Qualified Opinion

We have audited the financial statements of Mississippi Madawaska Land Trust (the Entity), which comprise:

- the statement of financial position as at December 31, 2023;
- the statement of operations for the year then ended;
- the statement of changes in fund balances for the year then ended;
- the statement of cash flows for the year then ended; and
- notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

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 Entity as at December 31, 2023, 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, the Entity derives revenue from fundraising events and donations, 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 the Entity.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at December 31, 2023 and December 31, 2022
- the donations and fundraising and events revenues and excess of revenue over expenses reported in the statements of operations for the years ended December 31, 2023 and December 31, 2022
- the unrestricted fund balances, at the beginning and end of the year, reported in the statements of changes in fund balances for the years ended December 31, 2023 and December 31, 2022



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- the excess of revenue over expenses reported in the statements of cash flows for the years ended December 31, 2023 and December 31, 2022.

Our opinion on the financial statements for the year ended December 31, 2022 was qualified 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 auditor’s report.

We are independent of the Entity 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 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 non-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 Entity’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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’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 the financial statements.



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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 Entity'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 Entity'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 Entity 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, slanted font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants, Licensed Public Accountants

Perth, Canada

March 15, 2023

MISSISSIPPI MADAWASKA LAND TRUST

Statement of Financial Position

December 31, 2023, with comparative information for 2022

	2023	2022
Assets		
Current assets:		
Cash	\$ 67,351	\$ 64,563
Investments (note 3)	44,722	42,781
Accounts receivable	55,200	10,325
Prepaid expenses	2,716	11,664
	<u>169,989</u>	<u>129,333</u>
Nature reserves (note 2)	2,019,500	1,149,500
Conservation easements (note 2)	741,501	741,501
	<u>\$ 2,930,990</u>	<u>\$ 2,020,334</u>

Liabilities and Fund Balances

Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 43,658	\$ 17,319
Deferred revenues (note 6)	24,664	23,159
	<u>68,322</u>	<u>40,478</u>
Fund balances:		
Unrestricted	101,667	88,855
Invested in nature reserves	2,019,500	1,149,500
Invested in conservation easements	741,501	741,501
	<u>2,862,668</u>	<u>1,979,856</u>
	<u>\$ 2,930,990</u>	<u>\$ 2,020,334</u>

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

On behalf of the Board:

_____ Director

_____ Director

MISSISSIPPI MADAWASKA LAND TRUST

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	2023 Budget (unaudited, note 4)	2023 Actual	2022 Actual
Revenue:			
Unrestricted donations (note 7)	\$ 157,000	\$ 174,924	\$ 68,366
Fundraising and events	22,000	7,351	10,255
Government grants	79,630	60,135	45,732
Other grants (note 2)	116,935	28,326	68,238
Memberships	8,000	8,380	8,020
Investment and other income	11,600	14,823	9,341
	<u>395,165</u>	<u>293,939</u>	<u>209,952</u>
Expenses:			
Advertising and promotion	7,650	5,416	4,140
Contributions to the endowment fund (note 9)	124,500	66,500	–
Dues, fees and licenses	2,000	2,499	1,046
Fundraising costs (note 7)	21,250	8,103	8,145
Insurance	3,000	2,511	2,420
Office and general	18,500	13,015	12,856
Professional fees	23,450	26,167	29,393
Program supplies	29,290	5,775	10,947
Property taxes	1,500	5,227	1,191
Salaries and benefits	149,275	140,876	126,206
Training	2,500	2,499	1,830
Travel	5,250	2,539	2,254
	<u>388,165</u>	<u>281,127</u>	<u>200,428</u>
Excess revenue over expenses	<u>\$ 7,000</u>	<u>\$ 12,812</u>	<u>\$ 9,524</u>

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

MISSISSIPPI MADAWASKA LAND TRUST

Statement of Changes in Fund Balances

Year ended December 31, 2023, with comparative information for 2022

	Unrestricted	Invested in Nature Reserves	Invested in Conservation Easements	2023 Total	2022 Total
Balance, beginning of year	\$ 88,855	\$ 1,149,500	\$ 741,501	\$ 1,979,856	\$ 1,970,332
Excess of revenue over expenses	12,812	–	–	12,812	9,524
Land donation received (note 2)	–	545,000	–	545,000	–
Land purchase (note 2)	–	325,000	–	325,000	–
Balance, end of year	\$ 101,667	\$ 2,019,500	\$ 741,501	\$ 2,862,668	\$ 1,979,856

See accompanying notes to financial statements.

MISSISSIPPI MADAWASKA LAND TRUST

Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Operating activities:		
Excess of revenue over expenses	\$ 12,812	\$ 9,524
Item not involving cash:		
Direct increase in nature reserves	870,000	—
Land donation	(545,000)	—
Change in non-cash operating working capital:		
Accounts receivable	(44,875)	24,480
Prepaid expenses	8,948	(10,992)
Accounts payable and accrued liabilities	26,339	(1,420)
Deferred revenues	1,505	(30,446)
	(8,083)	(18,378)
Net change in cash from operations	329,729	(8,854)
Capital activities:		
Purchase of land	(325,000)	—
Investing activities:		
Increase in investments	(1,941)	(450)
Increase (decrease) in cash	2,788	(9,304)
Cash, beginning of year	64,563	73,867
Cash, end of year	\$ 67,351	\$ 64,563

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

MISSISSIPPI MADAWASKA LAND TRUST

Notes to Financial Statements

Year ended December 31, 2023

The Mississippi Madawaska Land Trust (the “Land Trust”) was incorporated under the laws of Canada as a corporation without share capital under letters patent dated June 24, 2003 and is registered as a charitable organization and, accordingly, is exempt from income taxes.

The Land Trust is an organization dedicated to protecting areas of biological diversity for their intrinsic value and for the benefit of future generations. Its mission is to acquire and protect lands and habitats having unique or significant natural values.

1. Significant accounting policies:

(a) Revenue recognition:

The Land Trust follows the deferral method of accounting for contributions, which include grants and donations. Grants and donations are recorded in the accounts when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Unrestricted contributions are recognized as revenue when initially recorded in the accounts. Externally restricted contributions are deferred when initially recorded in the accounts and recognized as revenue in the year in which the related expenses are recognized. Restricted contributions for the purchase of capital assets that will not be amortized are recognized as direct increases in fund balances.

Memberships, investments and other income are recorded as revenue in the year in which they are earned.

(b) Financial instruments:

All financial instruments are initially recognized at fair value on the balance sheet. The Land Trust has classified each financial instrument into one of the following categories: held-for-trading financial assets and liabilities, loans and receivables, held-to-maturity financial assets and other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Held-for-trading financial assets and liabilities are subsequently measured at fair market value as quoted in an active market. Changes in fair values are recognized in the Statement of Operations.

Loans and receivables, held-to-maturity financial assets and other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The Land Trust classifies cash and investments as held-for-trading financial assets, accounts receivable as loans and receivables, and accounts payable and accrued liabilities as other financial liabilities.

MISSISSIPPI MADAWASKA LAND TRUST

Notes to Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(b) Financial instruments (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Land Trust determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Land Trust expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(c) Nature reserves and conservation easements:

Nature reserves and conservation easements are recorded at fair market value when title is transferred or easement donated.

(d) Donated materials and services:

Volunteers contribute many hours per year to assist the Land Trust in carrying out its service delivery activities. The financial statements do not reflect the value of these contributed services because, although clearly substantial, no reliable basis exists for determining their fair value. Contributed materials and in-kind donations received, which are used in the normal course of the operations of the Land Trust and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

(e) Use of estimates:

The preparation of the financial statements 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 revenue and expenses during the year. Actual results could differ from those estimates.

MISSISSIPPI MADAWASKA LAND TRUST

Notes to Financial Statements (continued)

Year ended December 31, 2023

2. Nature reserves and conservation easements:

Conservation lands and agreements consist of the following:

	2023	2022
Donated and purchased nature reserves	\$ 2,019,500	\$ 1,149,500
Donated conservation easements	741,501	741,501
	<u>\$ 2,761,001</u>	<u>\$ 1,891,001</u>

During the year, the Land Trust purchased land in the amount of \$325,000 (2022 – Nil). This purchase was funded through external grants, and as such, these funds have been recorded as a direct increase on the statement of changes in fund balances.

During the year, the Land Trust received a land donation with an appraised fair market value of \$545,000 (2022 – Nil). This contribution has been recorded as a direct increase on the statement of changes in fund balances.

Nature reserves and conservation easements are assets held as part of the responsibilities of the Land Trust. Conservation easements are legal agreements entered into by the Land Trust under which a landowner voluntarily restricts or limits the type and amount of development and activities that may take place on his or her land to conserve its natural features. Once registered on title, that agreement runs with the title and binds all future owners and the Land Trust and its successors.

3. Investments:

Investments are comprised of guaranteed investment certificates which yield interest between 3.65% and 4.55%, and have maturities between September 2024 and September 2027.

Income earned during the year was \$1,340 (2022 - \$450) and is included as a component of investment and other income on the statement of operations.

4. Budget:

The budgeted figures as presented for comparative purposes, are those approved by the Board of Directors and are unaudited. The budget is presented net of property acquisitions.

5. Accounts payable and accrued liabilities:

As at December 31, 2023, accounts payable and accrued liabilities included government remittances payable of \$9,416 (2022 - \$5,531).

MISSISSIPPI MADAWASKA LAND TRUST

Notes to Financial Statements (continued)

Year ended December 31, 2023

6. Deferred revenues:

Deferred revenues represent funds received for a specific purpose that have not yet been spent.

The balance is comprised of:

	2023	2022
Brodey Fund	\$ 2,833	\$ 3,603
Corporation of the County of Lanark	2,363	2,363
General donations	500	500
Memberships	3,170	4,160
Ontario Trillium Foundation	14,686	11,421
Ottawa Sustainability Fund	1,112	1,112
	<u>\$ 24,664</u>	<u>\$ 23,159</u>

7. Donations in-kind:

Included in unrestricted donation revenue and fundraising costs on the statement of operations are donations in-kind of \$5,216 (2022 - \$5,664).

8. Financial instruments:

In the normal course of operations, the Land Trust is exposed to a variety of financial risks which are actively managed by the Land Trust.

The Land Trust's exposure to and management of risk and accrued liabilities has not changed materially from December 31, 2022.

(a) Credit risk:

Credit risk arises from the possibility that the entities to which the Land Trust provides services to may experience difficulty and be unable to fulfill their obligations. The Land Trust is exposed to financial risk that arises from the credit quality of the entities to which it provides services. The Land Trust does not have a significant exposure to any individual customer or counter party. The allowance for impairment of accounts receivable as at December 31, 2023 was \$Nil (2022 - \$Nil).

(b) Liquidity risk:

Liquidity risk is the risk that the Land Trust will not be able to meet its obligations as they fall due. The Land Trust requires working capital to meet day-to-day operating activities. Management expects that the Land Trust's cash flows from operating activities will be sufficient to meet these requirements.

MISSISSIPPI MADAWASKA LAND TRUST

Notes to Financial Statements (continued)

Year ended December 31, 2023

9. Endowment fund:

The Community Foundation of Ottawa (the “Foundation”) holds and invests in five Endowment Funds providing the Land Trust with annual disbursements at the discretion of the Foundation which are outlined in each Fund Agreement on behalf of the Land Trust.

Fund Balance Activity for the year ended December 31, 2023:

2023	Carp	Acquisition Fund	Sustainability Fund	Legal Defense Fund	Brodey Fund	Total
Opening Endowment Fund Balance	\$ 64,735	\$ 10,310	\$ 249,084	\$ 14,992	\$ 14,313	\$ 353,434
Grants from Ottawa Community Foundation to Mississippi Madawaska Land Trust	–	–	(9,086)	–	–	(9,086)
Contribution to Endowment by Mississippi Madawaska Land Trust	–	–	40,000	6,500	–	46,500
Contributions to Endowment by other parties	–	–	1,045	–	–	1,045
Net investment activity	2,281	355	18,455	1,246	1,069	23,406
	\$ 67,016	\$ 10,665	\$ 299,498	\$ 22,738	\$ 15,382	\$ 415,299

Contributions to the Foundation endowment funds by the Land Trust are reflected as contributions to the endowment fund on the Statement of Operations in the year contributed.

During the year the Land Trust contributed \$66,500 (2022 - \$Nil) of which \$20,000 is an outstanding payment at year end and is not captured in the endowment balances noted above.

MISSISSIPPI MADAWASKA LAND TRUST

Notes to Financial Statements (continued)

Year ended December 31, 2023

9. Endowment fund (continued):

Fund Balance Activity for the year ended December 31, 2022:

2022	Carp	Acquisition Fund	Sustainability Fund	Legal Defense Fund	Brodey Fund	Total
Opening Endowment Fund Balance	\$ 69,733	\$ 10,761	\$ 271,454	\$ 15,896	\$ 15,254	\$ 383,098
Grants from Ottawa Community Foundation to Mississippi Madawaska Land Trust	(2,091)	–	–	–	–	(2,091)
Contribution to Endowment by Mississippi Madawaska Land Trust	–	–	–	–	–	–
Contributions to Endowment by other parties	–	–	1,420	–	–	1,420
Net investment activity	(2,907)	(451)	(23,790)	(904)	(941)	(28,993)
	\$ 64,735	\$ 10,310	\$ 249,084	\$ 14,992	\$ 14,313	\$ 353,434