

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO**

NON-CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO**

INDEX TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025

INDEX

	<u>Page</u>
Independent Auditor's Report	3-5
Non-Consolidated Statement of Financial Position	6-7
Non-Consolidated Statement of Operations and Changes in Fund Balance	8
Non-Consolidated Statement of Cash Flow	9
Notes to the Non-Consolidated Financial Statements	10-21
Schedules	
1 - Non-Consolidated Expenditures - Operating Fund	22
2 - Non-Consolidated Expenditures - Project Reserve Fund	23
3 - Non-Consolidated Operations - Loan Investment Funds	24
4 - Non-Consolidated Statement of Financial Position - Loan Investment Funds	25
5 - Non-Consolidated Cash Flow - Loan Investment Funds	26
6 - Non-Consolidated Operations - RRRF Fund	27
7 - Non-Consolidated Statement of Financial Position - RRRF Fund	28
9 - Non-Consolidated Operations - DREAI Fund	29
10 - Non-Consolidated Statement of Financial Position - DREAI Fund	30

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Community Futures Development Corporation of the North Cariboo

Opinion

We have audited the non-consolidated financial statements of Community Futures Development Corporation of the North Cariboo (the Entity), which comprise the statement of financial position as at March 31, 2025, and the statements of operations and changes in fund balances and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian Accounting Standards for Non-for-profit Organizations.

Basis for Opinion

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 Entity in accordance with the ethical requirements that are relevant to our audit of the non-consolidated 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 opinion.

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

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated 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.

Partners

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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 non-consolidated 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 non-consolidated 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 non-consolidated 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 non-consolidated 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 non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



CHARTERED PROFESSIONAL ACCOUNTANTS

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.

Beswick Hildebrandt Lund

Chartered Professional Accountants

Prince George, British Columbia

June 16, 2025

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO**

NON-CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE

For the year ended March 31, 2025

	Unrestricted Fund	Restricted Funds					2025 Total	2024 Total
	General Operating	Project Reserve	Equipment	Loan Investment Fund (Schedule 3)	RRRF Fund (Schedule 6)	DREAI Fund (Schedule 8)		
REVENUE								
PacifiCan	\$ 306,572	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 306,572	\$ 306,572
DREAI	-	-	-	-	-	8,121	8,121	693,499
Speaker series	-	1,478	-	-	-	-	1,478	17,061
Community Futures British Columbia	36,370	-	-	-	-	-	36,370	50,000
Projects and events	-	-	-	-	-	-	-	10,985
Fees for service - contracts	8,600	-	-	-	-	-	8,600	2,400
Fees for service - operations	-	-	-	-	-	-	-	358
Northern Development Initiative Trust	26,360	-	-	-	-	-	26,360	39,180
Interest income	4,521	6,423	-	38,504	6,283	-	55,731	111,837
Interest on loans	-	50,749	-	208,519	-	-	259,268	164,921
Interest on funds not disbursed	-	-	-	24,447	-	-	24,447	31,540
Loan processing and administration fees	30,614	-	-	-	12,041	-	42,655	67,762
	<u>413,037</u>	<u>58,650</u>	<u>-</u>	<u>271,470</u>	<u>18,324</u>	<u>8,121</u>	<u>769,602</u>	<u>1,496,115</u>
EXPENDITURES								
Operating Fund - Schedule 1	504,422	-	-	-	-	-	504,422	454,471
Project Reserve Fund - Schedule 2	-	153,215	-	-	-	-	153,215	65,000
Loan Investment Funds - Schedule 3	-	-	-	(103,891)	-	-	(103,891)	(20,498)
RRRF Fund - Schedule 6	-	-	-	-	422	-	422	53,562
Loss on disposal of capital assets	-	-	-	-	-	-	-	894
DREAI Fund - Schedule 8	-	-	-	-	-	13,373	13,373	1,083,314
Amortization	-	-	8,796	-	-	-	8,796	12,398
	<u>504,422</u>	<u>153,215</u>	<u>8,796</u>	<u>(103,891)</u>	<u>422</u>	<u>13,373</u>	<u>576,337</u>	<u>1,649,141</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(91,385)	(94,565)	(8,796)	375,361	17,902	(5,252)	193,265	(153,026)
FUND BALANCES AT BEGINNING OF THE YEAR	121,184	814,969	36,406	2,264,016	22,168	5,252	3,263,995	3,417,021
INTERFUND TRANSFERS								
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-
Interfund transfers	12,207	(316)	-	-	(11,891)	-	-	-
FUND BALANCES AT END OF THE YEAR	<u>\$ 42,006</u>	<u>\$ 720,088</u>	<u>\$ 27,610</u>	<u>\$ 2,639,377</u>	<u>\$ 28,179</u>	<u>\$ -</u>	<u>\$ 3,457,260</u>	<u>\$ 3,263,995</u>

See notes to the non-consolidated financial statements

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO**

NON-CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended March 31, 2025

	Unrestricted Fund		Restricted Funds				2025 Total	2024 Total
	General Operating	Project Reserve	Equipment	Loan Investment Funds (Schedule 5)	RRRF Fund	DREAI Fund		
Cash provided by (used in)								
OPERATING ACTIVITIES								
Cash received from								
PacifiCan contributions	\$ 281,024	\$ -	\$ -	\$ -	\$ -	\$ 8,121	\$ 289,145	\$ 1,025,639
Speaker series	-	1,478	-	-	-	-	1,478	17,061
Community Futures British Columbia	36,370	-	-	-	-	-	36,370	50,000
Northern Development Initiative Trust	23,040	-	-	-	-	-	23,040	39,180
Projects and events	-	-	-	-	-	5,251	5,251	10,362
Fees for service - contracts	8,600	-	-	-	11,891	-	20,491	61,789
Fees for service - operations	(15,605)	-	-	-	-	-	(15,605)	(2,338)
Interest	4,521	6,423	-	-	6,283	-	17,227	39,010
Interest on loans	-	50,749	-	175,043	-	-	225,792	197,923
Interest on funds not disbursed	-	-	-	24,447	-	-	24,447	31,540
Refinance	-	-	-	-	-	-	-	-
Loan processing fees	30,614	-	-	-	150	-	30,764	8,223
Interfund transfer	-	-	-	-	-	-	-	-
Loans repaid	-	128,126	-	891,167	98,197	-	1,117,490	2,049,641
Cash paid for								
Salaries and benefits	(318,078)	-	-	-	-	-	(318,078)	(280,101)
Materials and services	(168,462)	(77,273)	-	-	(422)	(13,373)	(259,530)	(1,413,916)
Bank charges and interest	(9,781)	(75,942)	-	(582)	-	-	(86,305)	(2,843)
Loan administration	(6,822)	-	-	-	-	-	(6,822)	(4,419)
Loans disbursed	-	(525,000)	-	(1,068,244)	-	-	(1,593,244)	(790,218)
	<u>(134,579)</u>	<u>(491,439)</u>	<u>-</u>	<u>21,831</u>	<u>116,099</u>	<u>(1)</u>	<u>(488,089)</u>	<u>1,036,533</u>
INVESTING ACTIVITIES								
Investment purchases and reinvestment	-	-	-	(175,005)	-	-	(175,005)	(41,787)
Investment sales	-	-	-	131,000	-	-	131,000	914,964
Proceeds on disposal of tangible capital assets	-	-	-	-	-	-	-	-
Purchases of equipment	-	-	-	-	-	-	-	(500)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(44,005)</u>	<u>-</u>	<u>-</u>	<u>(44,005)</u>	<u>872,677</u>
FINANCING ACTIVITIES								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Loan payment	-	-	-	(27,470)	(111,681)	-	(139,151)	(1,866,318)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(27,470)</u>	<u>(111,681)</u>	<u>-</u>	<u>(139,151)</u>	<u>(1,866,318)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	<u>(134,579)</u>	<u>(491,439)</u>	<u>-</u>	<u>(49,644)</u>	<u>4,418</u>	<u>(1)</u>	<u>(671,245)</u>	<u>42,892</u>
CASH AT BEGINNING OF THE YEAR	<u>170,909</u>	<u>595,853</u>	<u>-</u>	<u>704,720</u>	<u>38,311</u>	<u>1</u>	<u>1,509,794</u>	<u>1,466,902</u>
INTERFUND ADJUSTMENTS	<u>12,207</u>	<u>(316)</u>	<u>-</u>	<u>-</u>	<u>(11,891)</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH AT END OF THE YEAR	<u>\$ 48,537</u>	<u>\$ 104,098</u>	<u>\$ -</u>	<u>\$ 655,076</u>	<u>\$ 30,838</u>	<u>\$ -</u>	<u>\$ 838,549</u>	<u>\$ 1,509,794</u>

See notes to the non-consolidated financial statements

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF THE NORTH CARIBOO**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

1. DESCRIPTION OF THE CORPORATION

Community Futures Development Corporation of the North Cariboo (the "Corporation") was incorporated without any share capital under the Canada Corporations Act – Part II. Upon incorporation, the assets and undertakings of the North Cariboo Community Futures Association, the North Cariboo Business Development Centre Inc., and the North Cariboo Economic Development Association were transferred and assigned to the Corporation. The Corporation commenced operations on April 1, 1995.

The Corporation was formed to study and identify the North Cariboo region's labour market problems, assess the potential for change and recovery, identify the immediate and long-term employment adjustment needs of the community and based on its findings develop a strategic plan to address and overcome these problems. The Corporation is also to provide counselling, advisory services and financing in the form of loans, loan guarantees and equity investments to promote small businesses in the community. The majority of the funding for these services is provided by the Pacific Economic Development Canada (the "Minister").

2. SIGNIFICANT ACCOUNTING POLICIES

Basis for Presentation

The Corporation applies the Canadian accounting standards for not-for-profit organizations (ASNFPO).

Fund Accounting

The Corporation follows the restricted fund method of accounting for contributions.

The General Operating Fund accounts for the Corporation's internal programs, projects and administration activities. This fund reports unrestricted resources and restricted operating contributions received for the purpose of operating the organization.

The Project Reserve Fund represents only internally restricted resources that are to be used at the discretion of the Board of Directors.

The Equipment Fund reports the assets, liabilities, revenues and expenses related to the tangible capital assets of the Corporation.

The RRRF Fund reports the assets, liabilities, revenue and expenses relating to the Regional Relief and Recovery Fund providing assistance to businesses and communities that may require additional support to cope with and recover from the Pandemic. The RRRF is part of Canada's COVID-19 Economic Response Plan.

The DREAI Fund reports the assets, liabilities, revenue and expenses relating to the Disaster Recovery Economic Adjustment Initiative providing relief funding and resources to businesses in eligible regions.

All of the other funds report only the restricted contributions and interest income that is to be used by the individual fund.

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF THE NORTH CARIBOO**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES, continued

Loans are provided for financing for eligible persons starting up new businesses or in need of financing for growth or working capital for existing businesses under one of the following Loan Investment Funds:

- a) The Non-Repayable Loan Investment Fund provides loans to eligible small and medium sized businesses. This fund includes syndicated loans which consist of the Corporation's share of loans made under loan syndication agreements with other Community Futures Corporations in the Province of British Columbia.
- b) The Repayable Community Business Loan Investment Fund, (formerly the Forestry Loan Investment Fund) provides loans to eligible small and medium sized businesses in one or more of the following sectors of the economy: the forest sector, aquaculture, manufacturing, tourism and another prescribed sector of the economy that develops or uses clean and renewable energy.
- c) The Repayable WED Loan Investment Fund provides loans to eligible small and medium sized businesses.
- d) The Repayable Disabled Entrepreneur Loan Investment Fund provides loans to businesses owned and operated by disabled entrepreneurs.

The above descriptions are summaries only. More information on eligibility is available from the Corporation.

Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the General Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue in the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Operating Fund in the year received or receivable if the amount to be recorded can be reasonably estimated and collection is reasonably assured.

Interest income earned on restricted contributions is reported as income of the applicable restricted fund in the year earned. Unrestricted interest income, fees and sundry revenues are reported in the year earned.

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF THE NORTH CARIBOO**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES, continued

Cash and Cash Equivalents

Cash is comprised of cash and cash equivalents. Cash equivalents are investments in cashable terms and are valued at cost plus accrued interest. The carrying value approximates fair value as they have maturity dates within 1-3 years. Management has classified these as cash equivalents as they can be cashed at the Corporation's discretion.

Contributions Receivable

Contributions are not recorded as receivable until the related expenses have been approved by the contributor or if the contributor has contracted to contribute a fixed amount.

Tangible Capital Assets and Amortization

Tangible capital assets, if purchased, are recorded at cost, and if donated, is recorded at its estimated fair value at the time of donation. Amortization is computed on the straight-line basis at the following annual rates:

Equipment	5 years
Furniture and fixtures	10 years
Office and computer equipment	3 - 5 years
Software	4 years

Loans Receivable

Loans are carried at amortized cost which represents the unpaid principal balance plus accrued interest, less allowance for doubtful loans. Loans considered uncollectible are written off.

Allowance for Doubtful Loans

The allowance for doubtful loans is maintained at a level considered adequate to absorb anticipated credit losses. The amount provided for anticipated credit losses is determined by reference to specific impaired loans and by the judgement of management based on previous experience and current economic conditions.

Contributed Goods and Services

Volunteers contribute their time to assist the corporation in carrying out its service delivery activities. Because of the difficulty of determining their fair market value, contributed services are not recognized in the financial statements.

Presentation of Controlled Company

The Corporation is the sole shareholder of the North Cariboo Business Development Centre Inc. Consolidated financial statements have not been prepared, as financial statements for each company are prepared and presented to the Board of Directors who are the same for both companies. Consolidated financial statements would not provide any further useful information.

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF THE NORTH CARIBOO**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES, continued

Investment in the wholly owned subsidiary is recorded at cost.

Measurement of Uncertainty

The preparation of financial statements in conformity with ASNFPO requires management to make estimates and assumptions that affect the reported amounts of 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. Estimations included in the financial statements include the collectability of accounts receivable and loans receivable as well as the useful life of tangible capital assets.

Financial Instruments

Measurement of financial instruments

The Company initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions. The Company subsequently measures all its financial assets and financial liabilities at cost.

Financial assets measured at cost include cash, accounts receivable, investment in wholly owned subsidiary (North Cariboo Business Development Centre Inc.) loans receivable, long term investments and amounts due to other funds.

Financial liabilities measured at cost include accounts payable, long-term debt and amounts due to other funds.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no 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 net income.

Transaction costs

The Company recognizes its transaction costs in net income in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their origination, issuance or assumption.

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF THE NORTH CARIBOO**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

3. TANGIBLE CAPITAL ASSETS

	2025		2024	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
General				
Equipment	\$ 7,705	\$ 5,814	\$ 1,891	\$ 2,363
Furniture and fixtures	32,861	24,830	8,031	8,953
Office and computer equipment	72,144	64,226	7,918	11,158
Software	24,619	16,127	8,492	12,132
	<u>137,329</u>	<u>110,997</u>	<u>26,332</u>	<u>34,606</u>
Projects				
Office and computer equipment	5,359	4,348	1,011	1,264
Software	7,899	7,632	267	536
	<u>13,258</u>	<u>11,980</u>	<u>1,278</u>	<u>1,800</u>
	<u>\$ 150,587</u>	<u>\$ 122,977</u>	<u>\$ 27,610</u>	<u>\$ 36,406</u>

4. LOANS RECEIVABLE

	2025		2024	
	Loans Receivable	Allowance for Doubtful Loans	Net Carrying Amount	Net Carrying Amount
Project Reserve	\$ 671,505	\$ 75,943	\$ 595,562	\$ 198,421
RRRF	93,589	-	93,589	187,748
Non-Repayable	2,626,471	34,170	2,592,301	2,232,632
Repayable Community Business	223,573	143,064	80,509	114,679
Repayable WED	296,079	30,420	265,659	339,116
Repayable Disabled Entrepreneur	272,304	70,736	201,568	172,699
	<u>3,418,427</u>	<u>278,390</u>	<u>3,140,037</u>	<u>2,859,126</u>
	<u>\$ 4,183,521</u>	<u>\$ 354,333</u>	<u>\$ 3,829,188</u>	<u>\$ 3,245,295</u>

Interest on the above loans is charged at fixed rates at a minimum of 2% above the prime rate of the Royal Bank of Canada. The loans are being repaid over various lengths of time and may be paid at any time by the borrower and repayment may be demanded at any time by the Corporation.

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF THE NORTH CARIBOO**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

4. LOANS RECEIVABLE, continued

During the year, there were the following changes in the allowance for doubtful loans:

	2025				2024
	Balance Beginning	Provision	Allowance Reversals for write-offs	Total	Total
Project Reserve	\$ -	\$ 75,943	\$ -	\$ 75,943	\$ -
Non-Repayable Investment Fund Community loans	200,872	-	166,702	34,170	200,872
Repayable Community Business Fund	119,180	29,384	5,500	143,064	119,180
Repayable WED Investment Fund	33,349	-	2,929	30,420	33,349
Repayable Disabled Investment Fund	39,827	50,080	19,171	70,736	39,827
	<u>\$ 393,228</u>	<u>\$ 155,407</u>	<u>\$ 194,302</u>	<u>\$ 354,333</u>	<u>\$ 393,228</u>

5. REGIONAL RELIEF AND RECOVERY FUND

The Corporation administers loans on behalf of Community Futures Development Association of British Columbia who provides the Corporation with funding to be disbursed to eligible businesses. This has resulted in loans receivable of \$93,589 (2023 - \$187,748) and long-term debt of \$92,210 (2023 - \$203,891).

Loans Receivable

The Corporation provides loans of up to \$60,000 in value. These loans do not have payments until January 18, 2024, at which time monthly interest of 5% per annum is charged. The loans mature on December 31, 2026, at which time full repayment will be required.

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF THE NORTH CARIBOO**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

6. LONG TERM INVESTMENTS

	2025	2024
Community Futures Lending Investment Pool of BC Project Reserve	\$ 20,310	\$ 19,030
Community Futures Lending Investment Pool of BC Community Fund	493,749	526,312
Community Futures Lending Investment Pool of BC WED Fund	180,004	103,436
	\$ 694,063	\$ 648,778

7. DUE TO (FROM) FUNDS

The due from other funds were comprised of the following amounts:

	2025	2024
The following funds had amounts due from Repayable Business Community Fund:		
Repayable WED	\$ 250,000	\$ 250,000
The following funds had amounts due from the General Operating Fund:		
Project Reserve Fund	\$ -	\$ 220
	-	220
Total due to other funds	\$ 250,000	\$ 250,220

The above inter-fund advancements have no specific terms of repayment are non-interest bearing, and unsecured.

8. UNEARNED REVENUE

	2025	2024
Pacifican	\$ -	\$ 25,548
NDIT	-	3,320
Shared marketing services	-	-
	\$ -	\$ 28,868

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF THE NORTH CARIBOO**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

9. PROVINCE OF BRITISH COLUMBIA

A contribution of \$250,000 that was originally made by Forest Renewal BC. Forest Renewal BC has ceased operations; therefore, the agreement has been transferred to the Province of British Columbia (“the Province”) represented by the Minister of Community and Rural Development.

Upon termination of the agreement between the Province and the Corporation, 50% of the balance of the Repayable Forestry Investment Fund not lent out is to be repaid. If the corporation continues operations, 50% of the loan payments received after the termination date will be paid to the Province. If the Corporation discontinues operations, the Province will be given first assignment and security interest in 50% of the outstanding loans and a 50% undivided beneficial interest in all securities obtained for such loans.

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF THE NORTH CARIBOO**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

10. LONG-TERM DEBT

	2025	2024
Community Futures Development Corporation of Cariboo Chilcotin has agreed to purchase a 25% participation in an investment loan, monthly payment of \$1,172 including interest at 4.45% , maturing 2032 (1)	83,727	\$ 103,530
Community Futures Development Corporation of Stuart Nechako has agreed to purchase a 25% participation in an investment loan, monthly payment of \$1,172 including interest at 4.45%, maturing 2032 (1)	84,187	103,971
Community Futures Development Corporation of Alberni Clayoquot has agreed to purchase a 25% participation in an investment loan, monthly payment of \$1,172 including interest at 4.45%, maturing 2032 (1)	85,166	104,908
Community Futures Development Corporation of Fraser Fort George has agreed to purchase a 24.71% participation in an investment, monthly payment of \$1,463 including interest at 5.7%, maturing in 2032 (3)	96,308	106,657
Community Futures Development Corporation of Sun Country has agreed to purchase a 24.71% participation in an investment, monthly payment of \$1,463 including interest at 5.7%, maturing in 2032 (3)	96,291	106,640
Community Futures Development Corporation of Cariboo Chilcoltin has agreed to purchase a 24.71% participation in an investment, monthly payment of \$1,463 including interest at 5.7%, maturing in 2032 (3)	96,282	106,639
Community Futures Development Corporation of East Kootenay has agreed to purchase a 31.71% participation in an investment, monthly payment of \$410 including interest at 6.7%, maturing in 2042 (2)	50,141	51,668
Community Futures Development Corporation of Peace Liard has agreed to purchase a 31.71% participation in an investment, monthly payment of \$410 including interest at 6.7%, maturing in 2042 (2)	50,672	52,165
Community Futures Development Corporation of East Kootenay has agreed to purchase a 31.71% participation in an investment, monthly payment of \$697 including interest at 7.2%, maturing in 2037 (2)	67,994	71,362
Community Futures Development Corporation of Peace Liard has agreed to purchase a 31.71% participation in an investment, monthly payment of \$697 including interest at 7.2%, maturing in 2037 (2)	68,721	72,038
	779,489	879,578
Less: Current portion	79,146	72,619
	\$ 700,343	\$ 806,959

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF THE NORTH CARIBOO**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

10. LONG-TERM DEBT, continued

(1) Syndicated loans are to assist a client in purchasing land and building. Each monthly payment paid by the client will be split 25% between each Community Futures Development Corporations. Any additional payments made by the client are also split 25% each.

(2) Syndicated loans are to assist a client in purchasing equipment and property. Each monthly payment paid by the client will be split 31.71% to the syndication partners and 36.58% to Community Futures Development Corporation of the North Cariboo.

(3) Syndicated loans are to assist a client in purchasing equipment and property. Each monthly payment paid by the client will be split 24.71% to the syndication partners and 25.87% to Community Futures Development Corporation of the North Cariboo.

The scheduled principal repayments on the long-term debt for the next five years are as follows:

2026	\$	79,146
2027		83,511
2028		88,055
2029		93,058
2030		98,147

11. REPAYABLE CONTRIBUTIONS

	2025	2024
Pacific Economic Development Agency of Canada (1)		
Repayable Loan Investment Fund	\$ 600,000	\$ 600,000
Repayable Disabled Entrepreneur Loan Investment Fund	200,000	200,000
	\$ 800,000	\$ 800,000

(1) The Corporation will continue to administer the loan portfolios in the above mentioned funds until terminated by the Minister.

If the Corporation breaches any terms of the contract, both parties mutually consent to the termination of the contract or the Minister provides 30 days written notice to the Corporation, then the following will occur:

- a) The Corporation will repay immediately the lesser of the uncommitted cash balance or the amount of the contribution repayable.
- b) The Corporation will assign all of its interest in all debts to the Minister.
- c) The Corporation will liquidate all debts in a manner satisfactory to the Minister.

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF THE NORTH CARIBOO**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

12. CONTINGENCY

The Corporation, if directed by the Minister, shall repay to the Minister any overpayments or unexpended balances of the general operating contribution.

13. RELATED PARTY TRANSACTIONS

The Corporation is the sole shareholder of North Cariboo Business Development Centre Inc.

The Corporation rents its office space from North Cariboo Business Development Centre Inc. The annual rent payments consist of \$24,600 (2024 - \$24,000).

14. CONTROLLED COMPANY THAT IS NOT CONSOLIDATED

The financial summary of the wholly-owned subsidiary, North Cariboo Business Development Centre Inc., as at March 31, 2025 and for the year then ended, from unaudited financial statements is as follows:

	<u>2025</u>	<u>2024</u>
Financial position		
Total assets	<u>\$ 526,752</u>	<u>\$ 544,027</u>
Total liabilities	<u>\$ 10,576</u>	<u>\$ 10,941</u>
Net assets	<u>516,176</u>	<u>533,086</u>
	<u>\$ 526,752</u>	<u>\$ 544,027</u>
Result of operations		
Total revenue	<u>\$ 60,545</u>	<u>\$ 62,464</u>
Total expenses	<u>(79,813)</u>	<u>(66,497)</u>
Other income	<u>2,358</u>	<u>2,643</u>
Excess revenue for the year	<u>\$ (16,910)</u>	<u>\$ (1,390)</u>

15. FINANCIAL INSTRUMENT

Risks and concentrations

The corporation is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the company's risk exposure as at March 31, 2025.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation is exposed to this risk mainly in respect to its accounts

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF THE NORTH CARIBOO**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2025

15. FINANCIAL INSTRUMENT, continued

payable and loan payable. Liquidity risk is low.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The corporation is exposed to credit risk from customers. In order to reduce its credit risk, the corporation reviews a new customer credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. Management believes that these procedures mitigate the significant credit risk associated with its financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-interest instruments subject the Corporation to a fair value risk, since fair value fluctuates inversely to changes in market interest rates. Floating rate instruments subject the Corporation to related cash flow risk. Interest rate risk is moderate.

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO**

NON-CONSOLIDATED EXPENDITURES - OPERATING FUND

For the year ended March 31, 2025

	<u>2025</u>	<u>2024</u>
Operating expenses:		
Wages and benefits	\$ 316,383	\$ 276,353
Contracts	33,039	-
Rent	24,600	24,000
Technology	24,593	10,276
Professional fees	17,646	16,800
Office supplies and general	16,182	30,037
Meals, travel and meetings	14,440	3,805
Loan administration	11,148	4,419
Insurance, dues and fees	9,781	4,681
Professional development	6,822	1,708
Advertising and promotion	2,839	4,176
Bank charges and interest	2,493	2,181
Computer	-	-
Staff wellness	-	2,282
	<u>479,966</u>	<u>380,718</u>
Other expenses:		
DREAI	-	30,751
Projects and events	-	6,322
NDIT	24,456	36,680
	<u>\$ 504,422</u>	<u>\$ 454,471</u>

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO**

NON-CONSOLIDATED EXPENDITURES - PROJECT RESERVE FUND

For the year ended March 31, 2025

	<u>2025</u>	<u>2024</u>
Loan writeoffs	\$ 75,942	\$ -
RRSP	50,000	-
CED Project Funding	10,450	31,020
35th Anniversary event	7,294	-
Speaker series	7,292	33,761
Bad debt	1,500	-
Contracts	535	-
Bank charges and interest	202	219
	<u>\$ 153,215</u>	<u>\$ 65,000</u>

See notes to the non-consolidated financial statements

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO**

NON-CONSOLIDATED OPERATIONS - LOAN INVESTMENT FUNDS

For the year ended March 31, 2025

	<u>Non- Repayable</u>	<u>Repayable Community Business</u>	<u>Repayable WED</u>	<u>Repayable Disabled Entrepreneur</u>	<u>2025 Total</u>	<u>2024 Total</u>
REVENUE						
Interest on loans	\$ 142,569	\$ 12,843	\$ 28,968	\$ 24,139	\$ 208,519	\$ 150,623
Investment Income	30,536	-	7,968	\$ -	38,504	45,211
Interest on funds not disbursed	11,809	2,696	6,971	2,971	24,447	31,540
	<u>184,914</u>	<u>15,539</u>	<u>43,907</u>	<u>27,110</u>	<u>271,470</u>	<u>227,374</u>
EXPENDITURES						
Bank charges and interest	185	69	167	161	582	443
Loan administration	-	-	-	-	-	-
Provision for doubtful loans (net of recoveries)	(158,499)	23,884	(2,929)	33,071	(104,473)	(20,941)
	<u>(158,314)</u>	<u>23,953</u>	<u>(2,762)</u>	<u>33,232</u>	<u>(103,891)</u>	<u>(20,498)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	343,228	(8,414)	46,669	(6,122)	375,361	247,872
FUNDS BALANCES AT BEGINNING OF THE YEAR	2,297,904	(329,198)	244,369	50,941	2,264,016	2,016,144
INTERFUND TRANSFERS	-	-	-	-	-	-
FUND BALANCES AT END OF THE YEAR	<u>\$ 2,641,132</u>	<u>\$ (337,612)</u>	<u>\$ 291,038</u>	<u>\$ 44,819</u>	<u>\$ 2,639,377</u>	<u>\$ 2,264,016</u>

See notes to the non-consolidated financial statements

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO**

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION - LOAN INVESTMENT FUNDS

For the year ended March 31, 2025

	Non- Repayable	Repayable Community Business	Repayable WED	Repayable Disabled Entrepreneur	2025 Total	2024 Total
CURRENT ASSETS						
Cash	\$ 334,571	\$ 81,879	\$ 195,375	\$ 43,251	\$ 655,076	\$ 704,720
Accounts receivable	-	-	-	-	-	-
	334,571	81,879	195,375	43,251	655,076	704,720
LOANS RECEIVABLE (Note 4)	2,592,301	80,509	265,659	201,568	3,140,037	2,859,126
LONG TERM INVESTMENTS (Note 6)	493,749	-	180,004	-	673,753	629,748
DUE FROM OTHER FUNDS (Note 7)	-	-	250,000	-	250,000	250,000
	<u>\$ 3,420,621</u>	<u>\$ 162,388</u>	<u>\$ 891,038</u>	<u>\$ 244,819</u>	<u>\$ 4,718,866</u>	<u>\$ 4,443,594</u>
CURRENT LIABILITIES						
Province of British Columbia (Note 9)	\$ -	\$ 250,000	\$ -	\$ -	\$ 250,000	\$ 250,000
Current portion of long-term debt (Note 10)	79,146	-	-	-	79,146	72,619
	79,146	250,000	-	-	329,146	322,619
REPAYABLE CONTRIBUTIONS (Note 11)	-	-	600,000	200,000	800,000	800,000
LONG-TERM DEBT (Note 10)	700,343	-	-	-	700,343	806,959
DUE TO OTHER FUNDS (Note 7)	-	250,000	-	-	250,000	250,000
	<u>779,489</u>	<u>500,000</u>	<u>600,000</u>	<u>200,000</u>	<u>2,079,489</u>	<u>2,179,578</u>
NON-CONSOLIDATED FUND BALANCE - LOAN INVESTMENT FUNDS						
RESTRICTED FUNDS						
Loan investment fund	2,641,132	(337,612)	291,038	44,819	\$ 2,639,377	\$ 2,264,016
	<u>\$ 3,420,621</u>	<u>\$ 162,388</u>	<u>\$ 891,038</u>	<u>\$ 244,819</u>	<u>\$ 4,718,866</u>	<u>\$ 4,443,594</u>

See notes to the non-consolidated financial statements

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO**

NON-CONSOLIDATED CASH FLOW - LOAN INVESTMENT FUNDS

For the year ended March 31, 2025

	<u>Non- Repayable</u>	<u>Repayable Community Business</u>	<u>Repayable WED</u>	<u>Repayable Disabled Entrepreneur</u>	<u>2025 Total</u>	<u>2024 Total</u>
OPERATING ACTIVITIES						
Cash received from						
Interest on loans	\$ 101,411	\$ 13,207	\$ 37,773	\$ 22,652	\$ 175,043	\$ 183,625
Interest on funds not disbursed	11,809	2,696	6,971	2,971	24,447	31,540
Loans repaid	638,448	9,922	108,100	134,697	891,167	373,360
Refinance	-	-	-	-	-	-
Cash paid for						
Materials and services	-	-	-	-	-	-
Bank charges and interest	(185)	(69)	(167)	(161)	(582)	(443)
Loans disbursed	(840,543)	-	(32,551)	(195,150)	(1,068,244)	(790,218)
	<u>(89,060)</u>	<u>25,756</u>	<u>120,126</u>	<u>(34,991)</u>	<u>21,831</u>	<u>(202,136)</u>
INVESTING ACTIVITIES						
Net investments	<u>32,563</u>	<u>-</u>	<u>(76,568)</u>	<u>-</u>	<u>(44,005)</u>	<u>429,177</u>
FINANCING ACTIVITIES						
Proceeds of long-term debt	-	-	-	-	-	-
Loan Payment	(27,470)	-	-	-	(27,470)	(66,039)
	<u>(27,470)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(27,470)</u>	<u>(66,039)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(83,967)	25,756	43,558	(34,991)	(49,644)	161,002
CASH AT BEGINNING OF THE YEAR	418,538	56,123	151,817	78,242	704,720	543,718
INTERFUND ADJUSTMENTS	-	-	-	-	-	-
CASH AT END OF THE YEAR	<u>\$ 334,571</u>	<u>\$ 81,879</u>	<u>\$ 195,375</u>	<u>\$ 43,251</u>	<u>\$ 655,076</u>	<u>\$ 704,720</u>

See notes to the non-consolidated financial statements

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO
NON-CONSOLIDATED OPERATIONS - RRRF FUND
For the year ended March 31, 2025**

	RRRF Operating Fund	RRRF Loan Fund	2025 Total	2024 Total
REVENUE				
Contract income	\$ 11,891	\$ -	\$ 11,891	\$ 59,389
Loan fees	-	150	150	150
Interest income	-	6,283	6,283	17,175
	<u>11,891</u>	<u>6,433</u>	<u>18,324</u>	<u>76,714</u>
EXPENDITURES				
Business supports	-	-	-	-
Wages and benefits	-	-	-	53,557
Repairs and maintenance	-	-	-	-
Office supplies and general	-	-	-	-
Hotline	-	-	-	-
Miscellaneous	-	-	-	-
Loan forgiveness	-	407	407	-
Loan administration	-	-	-	-
Bank charges and interest	-	15	15	5
	<u>-</u>	<u>422</u>	<u>422</u>	<u>53,562</u>
EXCESS OF REVENUE OVER EXPENDITURES	11,891	6,011	17,902	23,152
FUNDS BALANCES AT BEGINNING OF THE YEAR	5,827	16,341	22,168	(984)
INTERFUND TRANSFERS	<u>(17,718)</u>	<u>5,827</u>	<u>(11,891)</u>	<u>-</u>
FUND BALANCES AT END OF THE YEAR	<u>\$ -</u>	<u>\$ 28,179</u>	<u>\$ 28,179</u>	<u>\$ 22,168</u>

See notes to the non-consolidated financial statements

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO
NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION - RRRF FUND
For the year ended March 31, 2025**

Schedule 7

ASSETS

	<u>Operating Fund</u>	<u>Loan Fund</u>	<u>2025 Total</u>	<u>2024 Total</u>
CURRENT ASSETS				
Cash	\$ -	\$ 30,838	\$ 30,838	\$ 38,311
	<u>-</u>	<u>30,838</u>	<u>30,838</u>	<u>38,311</u>
LONG TERM INVESTMENTS (Note 6)	-	-	-	-
LOANS RECEIVABLE (Note 5)	<u>-</u>	<u>93,589</u>	<u>93,589</u>	<u>187,748</u>
	<u><u>\$ -</u></u>	<u><u>\$ 124,427</u></u>	<u><u>\$ 124,427</u></u>	<u><u>\$ 226,059</u></u>

LIABILITIES AND NET ASSETS

DUE TO OTHER FUNDS (Note 7)	\$ -	\$ -	\$ -	\$ -
ACCOUNTS PAYABLE	-	4,038	4,038	-
LONG-TERM DEBT (Note 5)	<u>-</u>	<u>92,210</u>	<u>92,210</u>	<u>203,891</u>
	<u>-</u>	<u>96,248</u>	<u>96,248</u>	<u>203,891</u>
NET ASSETS	<u>-</u>	<u>28,179</u>	<u>28,179</u>	<u>22,168</u>
	<u><u>\$ -</u></u>	<u><u>\$ 124,427</u></u>	<u><u>\$ 124,427</u></u>	<u><u>\$ 226,059</u></u>

See notes to the non-consolidated financial statements

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO
NON-CONSOLIDATED OPERATIONS - DREAI FUND
For the year ended March 31, 2025**

	DREAI Administration Fund	DREAI Program Fund	2025 Total	2024 Total
REVENUE				
Contract income	\$ -	\$ 8,121	\$ 8,121	\$ 651,957
Workshops	-	-	-	785
Interest income	-	-	-	9,146
	<u>-</u>	<u>8,121</u>	<u>8,121</u>	<u>661,888</u>
EXPENDITURES				
CFDC CC Transfer	-	-	-	382,880
Project management	-	-	-	38,601
Project outreach	-	-	-	17,167
Program ambassadors	-	-	-	162,583
Program coordinators	-	-	-	68,529
Travel	-	-	-	13,803
Marketing	-	-	-	166,978
Website & Specific Computer Tech	-	-	-	25,835
Office rental	-	-	-	-
Training delivery	-	-	-	206,264
Other	-	13,373	13,373	674
	<u>-</u>	<u>13,373</u>	<u>13,373</u>	<u>1,083,314</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	(5,252)	(5,252)	(421,426)
FUNDS BALANCES AT BEGINNING OF THE YEAR	-	5,252	5,252	426,678
INTERFUND TRANSFERS				
Capital asset purchases	-	-	-	-
Interfund transfers	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF THE YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,252</u>

See notes to the non-consolidated financial statements

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF THE NORTH CARIBOO
NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION - DREAI FUND
For the year ended March 31, 2025**

Schedule 9

	ASSETS			
	Operating Fund	Program Fund	2025 Total	2024 Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
CURRENT ASSETS				
Cash	\$ -	\$ -	\$ -	\$ 1
Accounts receivable		-	-	\$ 5,251
	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,252</u>
LONG TERM INVESTMENTS (Note 6)	-	-	-	-
LOANS RECEIVABLE (Note 5)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,252</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DUE TO OTHER FUNDS (Note 7)	-	-	-	-
LONG-TERM DEBT (Note 5)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	-	-	-	-
NET ASSETS	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,252</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,252</u>

See notes to the non-consolidated financial statements