COMMUNITY FUTURES DEVELOPMENT CORPORATION OF PEACE LIARD

Financial Statements

Year Ended March 31, 2025

(See Independent Auditor's Report)

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COMMUNITY FUTURES DEVELOPMENT CORPORATION OF PEACE LIARD
Index to Financial Statements
Year Ended March 31, 2025
(See Independent Auditor's Report)

Eclipse LLP | Chartered Professional Accountants

Partners
Dale J. Rose, CPA, CA*
Alan Bone, B. Comm., CPA, CA*
Jason Grindle, B. Comm., CPA, CA*
Jaron Neufeld, B. Comm., CPA, CA*

INDEPENDENT AUDITOR'S REPORT

To the Directors of Community Futures Development Corporation of Peace Liard

Opinion

We have audited the financial statements of Community Futures Development Corporation of Peace Liard, which comprise the Statement of Financial Position as at March 31, 2025 and the statement of operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Community Futures Development Corporation of Peace Liard as at March 31, 2025 and the result of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for Not-for-Profit Organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian 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 Community Futures Development Corporation of Peace Liard 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 those 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 these 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 entity's ability to continue as a going concern, disclosing, as applicable, matters relating 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 financial reporting process.

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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. As part of an audit in accordance with Canadian auditing standards, we exercise professional judgement and maintain professional scepticism 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, further 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 statement 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.

Dawson Creek, BC
June 25, 2025

ECLIPSE LLP
Chartered Professional Accountants

COMMUNITY FUTURES DEVELOPMENT CORPORATION OF PEACE LIARD

Statement of Financial Position

Year Ended March 31, 2025

	2025			2024
	Restricted Loan Funds *(Note 12)*	**General Operating Fund**	**Total**	Total
ASSETS				
CURRENT				
Cash - externally restricted *(Note 2)*	$ 3,764,970	$ -	**$ 3,764,970**	$ 2,233,376
- unrestricted	-	377,592	**377,592**	307,850
Receivables *(Note 4)*	9,419	3,327	**12,746**	95,153
Prepaid expenses	-	360	**360**	4,670
Loan advances *(Note 5)*	2,441,923	-	**2,441,923**	4,220,394
	6,216,312	381,279	**6,597,591**	6,861,443
DUE FROM GENERAL OPERATING FUND	36,362	-	**36,362**	14,860
DUE FROM RESTRICTED LOAN FUNDS	-	1,357	**1,357**	-
TANGIBLE CAPITAL ASSETS *(Note 6)*	-	15,263	**15,263**	21,435
	$ 6,252,674	$ 397,899	**$ 6,650,573**	$ 6,897,738
LIABILITIES AND NET ASSETS				
CURRENT				
Payables *(Note 7)*	$ 1,350	$ 39,403	**$ 40,753**	$ 50,860
Deferred revenue	-	140,367	**140,367**	177,580
Lease liability due within one year *(Note 8)*	-	4,969	**4,969**	4,503
Repayable fund contributions *(Note 9)*	1,509,607	-	**1,509,607**	2,035,198
	1,510,957	184,739	**1,695,696**	2,268,141
LONG-TERM LEASE LIABILITY	-	991	**991**	6,462
DUE TO RESTRICTED LOAN FUNDS	-	36,362	**36,362**	14,860
DUE TO GENERAL OPERATING FUND	1,357	-	**1,357**	-
DUE TO RELATED PARTY	-	-	**-**	35,000
	1,512,314	222,092	**1,734,406**	2,324,463
NET ASSETS				
Investment in capital assets	-	15,263	**15,263**	21,435
Externally restricted *(Note 10)*	4,740,360	-	**4,740,360**	4,438,648
Unrestricted	-	160,544	**160,544**	113,192
	4,740,360	175,807	**4,916,167**	4,573,275
	$ 6,252,674	$ 397,899	**$ 6,650,573**	$ 6,897,738

Approved by

Lilia Hansen Director

Director

See accompanying notes to financial statements

COMMUNITY FUTURES DEVELOPMENT CORPORATION OF PEACE LIARD

Statement of Operations

Year Ended March 31, 2025

	2025			2024
	Restricted Loan Funds *(Note 13)*	**General Operating Fund**	**Total**	Total
REVENUE				
Contributions - PacifiCan	$ -	$ 330,955	**$ 330,955**	$ 330,955
Export Navigator	-	33,911	**33,911**	31,866
Fee for service	-	27,064	**27,064**	52,000
Interest - loans	368,769	-	**368,769**	430,991
- bank	118,687	9,048	**127,735**	166,805
Other	2,097	11,857	**13,954**	27,444
Projects	-	291,564	**291,564**	549,716
	489,553	704,399	**1,193,952**	1,589,777
EXPENSES				
Accounting and legal	1,617	23,604	**25,221**	25,779
Admin fees	1,396	-	**1,396**	-
Advertising and promotion	-	62,247	**62,247**	44,473
Amortization	-	8,836	**8,836**	7,384
Bad debts	15,815	548	**16,363**	10,869
Bank charges	514	4,400	**4,914**	5,074
Collection fees	1,091	-	**1,091**	1,136
Contract fees	-	140,546	**140,546**	286,996
Education	-	-	**-**	86,768
Export Navigator	-	33,823	**33,823**	30,166
Insurance	-	8,877	**8,877**	6,426
Interest and bank charges	-	1,337	**1,337**	1,274
Meetings	-	1,677	**1,677**	1,029
Office	-	9,185	**9,185**	12,045
Participation interest	67,408	-	**67,408**	81,962
Projects	-	120,714	**120,714**	171,151
Rent	-	18,017	**18,017**	23,637
Repairs and maintenance	-	12,299	**12,299**	9,866
Subscriptions and memberships	-	7,884	**7,884**	6,239
Telephone and postage	-	9,422	**9,422**	10,198
Training	-	14,340	**14,340**	17,102
Travel and conferences	-	12,306	**12,306**	13,073
Wages and benefits	-	273,157	**273,157**	285,565
	87,841	763,219	**851,060**	1,138,212
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	$ 401,712	$ (58,820)	**$ 342,892**	$ 451,565

See accompanying notes to financial statements

COMMUNITY FUTURES DEVELOPMENT CORPORATION OF PEACE LIARD

Statement of Changes in Net Assets

Year Ended March 31, 2025

	2025				2024
	Restricted Loan Funds *(Note 13)*	**General Operating Fund Unrestricted**	**Invested in Equipment**	**Total**	Total
NET ASSETS, beginning of year	$4,438,648	$ 113,192	$ 21,435	**$ 4,573,275**	$4,121,710
Excess (deficiency) of revenue over expenses	401,712	(58,820)	-	**342,892**	451,565
Amortization	-	8,836	(8,836)	-	-
Interfund transfers	(100,000)	97,336	2,664	-	-
NET ASSETS, end of year	$4,740,360	$ 160,544	$ 15,263	**$ 4,916,167**	$4,573,275

See accompanying notes to financial statements

COMMUNITY FUTURES DEVELOPMENT CORPORATION OF PEACE LIARD

Statement of Cash Flow

Year Ended March 31, 2025

	2025	Restricted Loan Funds							2024
	General Operating	General Loan	Disability Loan	Youth Loan	Community Business Loan	Investment Loan	RRRF Loan	Total	Total
OPERATING ACTIVITIES									
(Deficiency) excess of revenue over expenses	$ (58,820)	$ 231,225	$ 15,581	$ 6,883	$ 112,162	$ 14,754	$ 21,107	**$ 342,892**	$ 451,565
Non-cash items									
Amortization	8,836	-	-	-	-	-	-	**8,836**	7,384
Changes in non-cash working capital *(Note 11)*	42,251	12,426	990	223	5,616	743	-	**62,249**	(140,359)
Cash flow (used by)/from operating activities	(7,733)	243,651	16,571	7,106	117,778	15,497	21,107	**413,977**	318,590
FINANCING ACTIVITIES									
Change in due to/from	(14,854)	446	143	1,640	(3,132)	49	(19,292)	**(35,000)**	-
Loans advanced	-	(332,918)	-	(52,169)	-	-	-	**(385,087)**	(1,095,225)
Loans recovered	-	1,093,225	19,945	60,656	526,292	42,197	101,305	**1,843,620**	3,728,300
Loans repaid	-	-	-	-	-	-	(228,503)	**(228,503)**	(2,807,166)
Payment of long term debt	(5,007)	-	-	-	-	-	-	**(5,007)**	-
Proceeds of long term debt	-	-	-	-	-	-	-	-	10,965
Interfund transfers	100,000	(50,000)	-	-	(50,000)	-	-	-	-
Cash flow from/(used by) financing activities	80,139	710,753	20,088	10,127	473,160	42,246	(146,490)	**1,190,023**	(163,126)
INVESTING ACTIVITIES									
Acquisition of tangible capital assets	(2,664)	-	-	-	-	-	-	**(2,664)**	(18,967)
Cash flow used by investing activities	(2,664)	-	-	-	-	-	-	**(2,664)**	(18,967)
INCREASE (DECREASE) IN CASH	69,742	954,404	36,659	17,233	590,938	57,743	(125,383)	**1,601,336**	136,497
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	307,850	750,673	132,163	71,740	903,410	106,737	268,653	**2,541,226**	2,404,729
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 377,592	$ 1,705,077	$ 168,822	$ 88,973	$ 1,494,348	$ 164,480	$ 143,270	**$ 4,142,562**	$ 2,541,226
CASH AND CASH EQUIVALENTS CONSISTS OF:									
Unrestricted cash	$ 377,592	$ -	$ -	$ -	$ -	$ -		**$ 377,592**	$ 307,850
Externally restricted cash	-	1,705,077	168,822	88,973	1,494,348	164,480	143,270	**3,764,970**	2,233,376
	$ 377,592	$ 1,705,077	$ 168,822	$ 88,973	$ 1,494,348	$ 164,480	$ 143,270	**$ 4,142,562**	$ 2,541,226

See accompanying notes to financial statements

PURPOSE OF ORGANIZATION

The Community Futures Development Corporation of Peace Liard is a federally funded, not-for-profit organization which was established to provide loans, loan guarantees and equity investments in small businesses. The Community Futures Development Corporation of Peace Liard's mandate also provides business consulting and training for small and medium-sized enterprises. The Corporation is incorporated under the Canada Corporations Act as a Not for Profit Corporation.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for Not-for-Profit Organizations (ASNPO); accordingly these financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

Cash and cash equivalents

Cash is defined as cash on hand, cash on deposit and short term deposits with maturity dates of less than 90 days net of cheques issued and outstanding at the reporting date.

Prepaid expenses

Prepaid expenses consist of prepaid operating expenses which will be expensed in the periods expected to benefit from them.

Tangible capital assets

Tangible capital assets are stated at cost, or if donated, at estimated fair market value at the time of donation. Amortization is recorded using the straight-line basis at the following annual rates:

Computers	33%
Office equipment	20%
Website	20%
Software	20%

Expenditures for maintenance and repairs are charged to operating expenses as incurred. Significant expenditures for improvements are capitalized.

Gains or losses realized on the disposal of major tangible capital assets are reflected in the respective fund in the year of disposition.

The carrying amount of an item of tangible capital assets is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the assets carrying amount is not recoverable and exceeds its fair value.

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1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Fund accounting

Community Futures Development Corporation of Peace Liard follows fund accounting.

The General Operating Fund accounts for the corporation's program delivery and administrative activities. The fund reports unrestricted resources and restricted operating grants.

The Restricted Loan Funds report the assets, liabilities, revenues and expenses related to the activities of the respective funds as follows:

The General Loan Fund was established to provide loans, loan guarantees or equity participation to small business. The assistance must be used for the purpose of local investment in the community including development and diversification of the local economy, creating and maintaining employment, or to help entrepreneurs to create new local business.

The Western Youth Entrepreneur Investment Fund was established to help develop job opportunities by providing funding assistance, in the form of loans, loan guarantees or equity participation, to entrepreneurs in Western Canada.

The Community Business Fund may provide loans, business consulting and training to businesses in rural communities outside of the Capital Regional District and Greater Vancouver Regional District in British Columbia.

The Disabled Entrepreneur Investment Fund's purpose is to assist the disabled in overcoming barriers to self-employment and entrepreneurship. Assistance can be provided by way of loans, loan guarantees or equity participation to disabled entrepreneurs in Western Canada.

The Investment Fund assists small business through loans, loan guarantees, equity participation and other means. The purpose of the assistance is to develop and diversify the economy by assisting entrepreneurs to create new businesses or to stabilize or expand existing businesses.

The Regional Relief and Recovery Fund (RRRF) was established to provide loan supports to Canadian Small and Medium-Sized Enterprises thay may require additional support to cope with and recover from the COVID-19 pandemic.

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.

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

Interest revenues earned from the loan funds are recognized as revenue of the respective Loan Fund on an accrual basis.

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1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

Community Futures initially measures its financial assets and financial liabilities at fair value. Community Futures subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash, receivables and loan advances.

Financial liabilities measured at amortized cost include payables, deferred revenue, and repayable fund contributions.

Use of estimates

The preparation of these financial statements is in conformity with Canadian accounting standards for Not-for-Profit Organizations which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the current period. Significant estimates include those used when accounting for receivables, loans receivable, useful life of tangible capital assets, payables, and deferred revenue. All estimates are reviewed periodically and adjustments are made to the statement of operations as appropriate in the year they become known.

2. CASH - EXTERNALLY RESTRICTED

Externally restricted cash consists of funds available for loans, loan guarantees, equity investments, and business counselling and training. These funds are subject to the various restrictions mandated by their fund contributors.

3. OPERATING LINE OF CREDIT

Under the terms of Community Futures' credit agreement, the Corporation has an operating line of credit available to a maximum of $50,000, bearing interest at the bank's prime interest rate. The line of credit is secured by a general security agreement. As at year end, the Corporation has no amount outstanding under this facility (2024 - $NIL).

4. RECEIVABLES

	Restricted Loan Fund	General Operating Fund	**2025 Total**	2024 Total
Trade	$ 9,419	$ 980	**$ 10,399**	$ 83,048
Goods and services tax	-	2,347	**2,347**	12,105
	$ 9,419	$ 3,327	**$ 12,746**	$ 95,153

5. LOAN ADVANCES

Loan advances are made from the Corporation's Loan Funds in accordance with the criteria set out by the respective contributors. All loans, except the RRRF Investment Loans, are secured by a general security agreement. In addition certain loans have specific equipment, and real estate mortgages in place. Management has reviewed the loan advances on an individual basis to estimate the reserve for uncollectible loans; one hundred percent of the loans determined to be uncollectible are included in the reserve. Given that the uncollectible amounts are based on estimates it is reasonably possible that the disclosed amounts could change by a material amount in the next term.

2025

	Conditionally repayable loan investment fund						
	Investment Loan Fund	**Disability Loan Fund**	**Western Youth Entrepreneur Investment Loan Fund**	**Community Business Loan Fund**	**RRRF Investment/ Loan Fund**	**General Loan Fund**	**Total**
Loan balance	$ 69,424	$ 79,720	$ 34,198	$ 588,474	$ 155,950	$ 1,668,714	**$ 2,596,480**
Accrued interest, fees and charges	-	-	-	1,807	-	4,367	**6,174**
	69,424	79,720	34,198	590,281	155,950	1,673,081	**2,602,654**
Less: allowance	-	-	-	(23,363)	-	(137,368)	**(160,731)**
	$ 69,424	$ 79,720	$ 34,198	$ 566,918	$ 155,950	$ 1,535,713	**$ 2,441,923**

2024

	Conditionally repayable loan investment fund						
	Investment Loan Fund	Disability Loan Fund	Western Youth Entrepreneur Investment Loan Fund	Community Business Loan Fund	RRRF Investment/ Loan Fund	General Loan Fund	Total
Loan balance	$ 111,621	$ 99,665	$ 42,685	$ 1,102,174	$ 554,343	$ 2,429,020	$ 4,339,508
Accrued interest, fees and charges	743	990	223	7,423	-	19,646	29,025
	112,364	100,655	42,908	1,109,597	554,343	2,448,666	4,368,533
Less: allowance	-	-	-	(10,771)	-	(137,368)	(148,139)
	$ 112,364	$ 100,655	$ 42,908	$ 1,098,826	$ 554,343	$ 2,311,298	$ 4,220,394

a) Conditionally repayable loan investment fund:

Loans issued out of the Corporation's conditionally repayable loan investment fund consist of the following:

Investment fund loans consists of four loans ranging from $9,386 to $48,877 with terms of one to five years and interest rates varying from CIBC prime plus 5% to a fixed rate of 9%.

Disability loan fund consists of one loan with a balance of $79,719 and repayment terms of five years at an interest rate of CIBC prime plus 5%.

Youth loan investment fund consists of eight loans ranging from $973 to $8,226 with terms of three to five years and CIBC prime plus 2-5%.

b) Community business loan investment fund:

Loans issued out of the Corporation's Community business loan investment fund consists of seven loans ranging from $1,167 to $139,908 with terms of three to nineteen years and interest rates varying from CIBC prime plus 2-5% to a fixed rate of 2-7.7%.

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5. LOAN ADVANCES *(continued)*

b) Community business loan investment fund: *(continued)*

From time to time Community Futures Development Corporation of Peace Liard will enter into syndicated loans as the lead Community Futures with other Community Futures Corporations across British Columbia. Community Futures Development Corporation of Peace Liard collects loan payments on behalf of the other Community Futures and distributes payments proportionally. An individual Community Futures Corporation is only entitled for the portion of principal initially contributed to the syndicated loan plus interest. Community Futures Development Corporation of Peace Liard is not liable to the other Community Futures for the full amount of the loan unless they are found to be negligent.

	2025	2024
Community Futures Development Corporation of Peace Liard	**$ 382,758**	$ 919,772
Other Community Futures	**470,174**	897,172
Total syndicated loan	**$ 852,932**	$ 1,816,944

c) RRRF Investment / Loan Fund

Loans issued out of the Corporation's RRRF loan investment fund consist of six RRRF loans ranging from $23,992 to $23,994 plus one expansion loan ranging amounting to $11,996. After the repayment deadline to receive partial forgiveness has passed, the existing RRRF loans have been converted into 3-year installment loans maturing on December 31, 2026 with a 5% interest rate per annum starting January 19, 2024.

d) CFDC general loan investment

Loans issued out of the Corporation's general loan investment fund consist of twenty loans ranging from $1,444 to $552,444 with terms of five to twenty years and interest rates varying from 0% and CIBC prime plus 2-8% to a fixed rate of 6.7-10%.

6. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	**2025 Net book value**	2024 Net book value
Office furniture, fixtures, and equipment	$ 83,985	$ 78,664	**$ 5,321**	$ 6,442
Computers	78,033	68,091	**9,942**	14,993
Website	10,295	10,295	**-**	-
Software	8,166	8,166	**-**	-
	$ 180,479	$ 165,216	**$ 15,263**	$ 21,435

7. PAYABLES

	Restricted Loan Fund	General Operating Fund	**2025**	2024
Trade	$ 1,350	$ 31,062	**$ 32,412**	$ 36,931
Wages	-	8,341	**8,341**	9,592
Participation loans payable	-	-	-	4,337
	$ 1,350	$ 39,403	**$ 40,753**	$ 50,860

8. CAPITAL LEASE

	2025			2024
	Total	Current	Long Term	Total
Lenovo Thinksystem ST250 Server	**$ 5,960**	$ 4,969	$ 991	$ 10,965

The RCAP lease is payable in monthly instalments of $440 including interest at 9.88% per annum. The final instalment is due on April 2026 at which time Community Futures will purchase the equipment for $10 plus applicable taxes.

Principal instalments due within the next five years, assuming no change in terms or interest rates, are as follows:

2026	4,969
2027	991

9. REPAYABLE FUND CONTRIBUTIONS

The Community Futures Development Corporation of Peace Liard has entered into agreements with the Pacific Economic Development Agency and the Minister of Community and Rural Development. The repayable funding received from Pacific Economic Development Agency is reported in the Western Youth Entrepreneur Investment Fund, Disabled Entrepreneur Investment Fund and the Investment Fund. On April 1, 2005 the cash and principle loan amounts were due for repayment to the Pacific Economic Development Agency as per the contract. Pacific Economic Development Agency has extended the contract date to March 21, 2026. Repayable funding received from the Minister of Community and Rural Development is reported in the Community Business Fund. Matching funds were also transferred from the General Loan Fund as part of the agreement. No specific date is set for the termination of the agreement and subsequent repayment of contributions. However, upon mutual agreement, or ninety days written notice by either party, the Minister of Community and Rural Development agreement can be terminated and all cash and loan principle amounts will become due as per the agreement. These amounts are not interest bearing, and have not been recalled by either funder as of March 31, 2025.

10. EXTERNALLY RESTRICTED NET ASSETS

Externally restricted net assets are subject to the restrictions mandated by the respective contributors as described in Note 2 and Note 9.

COMMUNITY FUTURES DEVELOPMENT CORPORATION OF PEACE LIARD

Notes to the Financial Statements

Year Ended March 31, 2025

11. CHANGES IN NON-CASH WORKING CAPITAL

	2025							2024
	General Operating	**General Loan**	**Disability Loan**	**Youth Loan**	**Community Business Loan**	**Investment Loan**	**Total**	Total
Receivables - decrease/(increase)	$ 82,273	$ 134	$ -	$ -	$ -	$ -	**$ 82,407**	$ (27,727)
Accrued interest receivable - decrease/(increase)	-	15,279	990	223	5,616	743	**22,851**	(9,104)
Prepaids - decrease/(increase)	4,310	-	-	-	-	-	**4,310**	(38)
Payables - (decrease)	(7,119)	(2,987)	-	-	-	-	**(10,106)**	(97,974)
Deferred revenue - (decrease)	(37,213)	-	-	-	-	-	**(37,213)**	(5,516)
	$ 42,251	$ 12,426	$ 990	$ 223	$ 5,616	$ 743	**$ 62,249**	$ (140,359)

COMMUNITY FUTURES DEVELOPMENT CORPORATION OF PEACE LIARD
Notes to the Financial Statements
Year Ended March 31, 2025

12. RESTRICTED LOAN FUNDS - STATEMENT OF FINANCIAL POSITION

	2025							2024
	General Loan Fund	**Disability Loan Fund**	**Youth Loan Fund**	**Community Business Loan Fund**	**Investment Loan Fund**	**RRRF Loan Fund**	**Total**	Total
ASSETS								
Cash, externally restricted *(Note 2)*	$ 1,705,077	$ 168,822	$ 88,973	$ 1,494,348	$ 164,480	$ 143,270	**$ 3,764,970**	$ 2,233,376
Accounts receivable - other	9,419	-	-	-	-	-	**9,419**	9,553
Loan advances *(Note 5)*	1,535,713	79,720	34,198	566,918	69,424	155,950	**2,441,923**	4,220,394
Due from related fund	27,910	424	-	7,267	687	74	**36,362**	34,078
Due from related fund *(Note 9)*	661,000	-	-	-	-	-	**661,000**	661,000
	$ 3,939,119	$ 248,966	$ 123,171	$ 2,068,533	$ 234,591	$ 299,294	**$ 6,913,674**	$ 7,158,401
LIABILITIES								
Accounts payable	1,350	-	-	-	-	-	**1,350**	4,337
Due to related fund	-	-	1,357	-	-	-	**1,357**	19,218
Repayable fund contribution *(Note 9)*	-	200,000	200,000	1,361,000	200,000	209,607	**2,170,607**	2,696,198
	1,350	200,000	201,357	1,361,000	200,000	209,607	**2,173,314**	2,719,753
NET ASSETS								
Externally restricted *(Note 10)*	3,937,769	48,966	(78,186)	707,533	34,591	89,687	**4,740,360**	4,438,648
	$ 3,939,119	$ 248,966	$ 123,171	$ 2,068,533	$ 234,591	$ 299,294	**$ 6,913,674**	$ 7,158,401

13. RESTRICTED LOAN FUNDS - STATEMENT OF OPERATIONS

	2025							2024
	General Loan Fund	**Disability Loan Fund**	**Youth Loan Fund**	**Community Business Loan Fund**	**Investment Loan Fund**	**RRRF Loan Fund**	**Total**	Total
REVENUE								
Bank interest	$ 45,275	$ 6,216	$ 3,460	$ 51,352	$ 5,541	$ 6,843	**$ 118,687**	$ 152,122
Loan interest	257,875	9,365	3,453	73,402	9,213	15,461	**368,769**	430,991
Bad debts recovered	-	-	-	-	-	2,097	**2,097**	726
	303,150	15,581	6,913	124,754	14,754	24,401	**489,553**	583,839
EXPENSES								
Accounting and legal	1,617	-	-	-	-	-	**1,617**	2,013
Admin fees	1,396	-	-	-	-	-	**1,396**	-
Bad debts	-	-	-	12,592	-	3,223	**15,815**	10,869
Bank charges	413	-	30	-	-	71	**514**	167
Collection fees	1,091	-	-	-	-	-	**1,091**	1,136
Participation interest	67,408	-	-	-	-	-	**67,408**	81,962
	71,925	-	30	12,592	-	3,294	**87,841**	96,147
EXCESS OF REVENUE OVER EXPENSES	231,225	15,581	6,883	112,162	14,754	21,107	**401,712**	487,692
NET ASSETS, beginning of year	3,756,544	33,385	(85,069)	645,371	19,837	68,580	**4,438,648**	4,015,959
Interfund transfers	(50,000)	-	-	(50,000)	-	-	**(100,000)**	(65,003)
NET ASSETS, end of year	$ 3,937,769	$ 48,966	$ (78,186)	$ 707,533	$ 34,591	$ 89,687	**$ 4,740,360**	$ 4,438,648

14. ECONOMIC DEPENDENCE

The Corporation's primary source of funding is from Pacific Economic Development Canada. It is management's opinion that the loss of this funding could have an adverse effect on the Corporation's operations.

15. DISCLOSURE OF A CONTROLLED ENTITY

i) Peace Liard Ventures

Community Futures Development Corporation of Peace Liard controls Peace Liard Ventures. Peace Liard Ventures rents office space to other organizations.

Peace Liard Ventures has not been consolidated in Community Futures Development Corporation of Peace Liard's financial statements. A financial summary of Peace Liard Ventures as at March 31, 2025 and the year then ended is as follows:

	2025	2024
Financial position		
Total assets	**$ 260,622**	$ 301,889
Total liabilities	**157,941**	163,616
Total net assets	**$ 102,681**	$ 138,273
Results of operations		
Total revenue	**$ 21,987**	$ 20,456
Total expenses	**57,579**	26,785
Excess of revenue over expenses	**$ (35,592)**	$ (6,329)
Cash flows		
Operating activities	**$ (27,889)**	$ 5,815
Financing and investing activities	**30,184**	(1,469)
Increase/(decrease) in cash	**$ 2,295**	$ 4,346

The net assets and results from operations for Peace Liard Ventures are not consolidated in these financial statements. Separate financial statements for Peace Liard Ventures are available upon request.

During the year Community Futures Development Corporation of Peace Liard paid rent of $14,142 (2024 - $14,145) to Peace Liard Ventures.

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Risks and concentrations

Community Futures is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the enterprise's risk exposure at the statement of financial position date.

Liquidity risk

Liquidity risk is the risk that Community Futures will not be able to meet its obligations associated with financial liabilities. Community Futures monitors its cash flows from operations by preparing and monitoring cash flows against budget and anticipated future requirements based on their needs. The available operating line of credit provides flexibility in the short term to meet operational needs. The Society's borrowing arrangements are concentrated with the Community Futures Development Association of BC.

Credit risk

Credit risk is the possibility that other parties may default on their financial obligations. At year end the maximum exposure of Community Futures to credit risk is the carrying value of cash, accounts receivable and loans receivable. The Corporation's cash is deposited with federally regulated credit worthy financial institutions and receivables are generally due within 30 to 60 days. The Corporation actively monitors and tracks it's loans receivables as well as ensuring that sufficient collateral is used as security to ensure that the loan receivables can be extinguished in the event of a default.

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 market prices. Market risk comprises of currency risk and interest rate risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Community Futures has very limited exposures to this type of risk.

Interest rate risk

Community Futures' interest bearing assets and liabilities include cash and loans receivable.

Community Futures' cash is generally of a demand nature which minimizes the impact of fluctuations in market interest rates. These assets are held with the Toronto-Dominion Bank.

Loans receivable have a return based on a variable interest rate. As such, in the event of increased interest rates, there is a risk that borrowers could have difficulty meeting obligations.