

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

Financial Statements

Year Ended March 31, 2024

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

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Year Ended March 31, 2024**

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Community Futures Development Corporation of the Powell River Region have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Community Futures Development Corporation of the Powell River Region's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by DMD Chartered Professional Accountants, in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).



Lisa Daniels, Chair



Lori Brown, Treasurer

Powell River, British Columbia
July 28, 2024



Chartered Professional Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Community Futures Development Corporation of the Powell River Region

Report on the Financial Statements

Opinion

We have audited the financial statements of Community Futures Development Corporation of the Powell River Region (the Corporation), which comprise the statement of financial position as at March 31, 2024, and the statements of revenues and expenditures, changes in net assets and cash flow 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 the Corporation as at March 31, 2024, and the results of its operations and cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 Corporation in accordance with 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 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 ASNPO, 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

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Independent Auditor's Report to the Members of Community Futures Development Corporation of the Powell River Region *(continued)*

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 Corporation'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 Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian Accounting Standards for Not-for-profit Organizations have been applied on a basis consistent with that of the preceding year.



Powell River, British Columbia
July 28, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**
Statement of Financial Position
March 31, 2024

	2024	2023 <i>(Note 11)</i>
ASSETS		
CURRENT		
Cash <i>(Note 3)</i>	\$ 1,492,276	\$ 2,386,268
Term deposits	650,000	-
Accounts receivable	2,617	3,706
Interest receivable	48,322	40,578
Prepaid expenses	11,693	16,344
Current portion of loans receivable <i>(Note 4)</i>	788,492	876,313
	2,993,400	3,323,209
LOANS RECEIVABLE <i>(Note 4)</i>	3,871,523	4,453,910
LONG TERM INVESTMENTS	150,000	-
TANGIBLE CAPITAL ASSETS <i>(Note 5)</i>	14,681	10,559
	\$ 7,029,604	\$ 7,787,678
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 26,286	\$ 18,954
Wages payable	10,705	15,739
Government remittances payable	-	9,404
Deferred income <i>(Note 6)</i>	97,734	33,524
Current portion of obligations under capital lease <i>(Note 7)</i>	-	1,631
	134,725	79,252
LONG TERM DEBT <i>(Note 8)</i>	277,300	1,408,180
CONDITIONALLY REPAYABLE CONTRIBUTIONS <i>(Note 9)</i>	820,000	820,000
	1,232,025	2,307,432
NET ASSETS		
NET ASSETS	5,797,579	5,480,246
	\$ 7,029,604	\$ 7,787,678

CONTINGENT LIABILITIES *(Note 9)*

INTERFUND BALANCES *(Note 10)*

ON BEHALF OF THE BOARD

Lisa Daniels Director

Lori Brown Director

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

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

**Statement of Revenues and Expenditures
Year Ended March 31, 2024**

	2024	2023 <i>(Note 11)</i>
REVENUES		
Interest - loans	\$ 378,212	\$ 266,111
PacifiCan - Core operational/RRRF funding	314,896	311,233
Interest - bank	100,736	77,135
Miscellaneous program revenue	28,471	20,840
Project funds	8,720	2,593
	<u>831,035</u>	<u>677,912</u>
EXPENSES		
Advertising and promotion	7,485	7,355
Amortization of tangible capital assets	4,254	3,771
Bad debts	8,412	7,816
Business Facade Improvement project	17,304	5,187
Client workshops	4,836	-
Conferences	9,781	13,132
Directors	2,382	404
Dues and memberships	3,020	2,913
Insurance	7,315	7,214
Interest and bank charges	132	258
Interest to syndicate participants	67,578	30,258
Loan administration fees	4,612	-
Office	19,179	16,519
Professional fees	21,632	13,874
Rent and utilities	36,194	36,258
Sub-contracts	9,193	4,399
Telephone	7,509	9,275
Wages and benefits	281,923	295,985
	<u>512,741</u>	<u>454,618</u>
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	318,294	223,294
Gain (loss) on disposal of assets	(963)	-
EXCESS OF REVENUES OVER EXPENSES	\$ 317,331	\$ 223,294

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

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

**Statement of Changes in Net Assets
Year Ended March 31, 2024**

	2023 Balance	Excess (deficiency) of revenues over expenses	Transfers	2024 Balance
Administration Fund	\$ 48,486	\$ (73,419)	\$ 73,419	\$ 48,486
Investment Fund	3,008,268	219,854	(73,419)	3,154,703
Disabled Entrepreneur Investment Fund	303,101	26,174	-	329,275
Community Business Loans Fund	531,970	46,168	-	578,138
Project Funds	1,030,320	30,174	-	1,060,494
Fisheries Legacy Investment Fund	558,087	66,503	-	624,590
Regional Relief and Recovery Fund	14	1,879	-	1,893
	<u>\$ 5,480,246</u>	<u>\$ 317,333</u>	<u>\$ -</u>	<u>\$ 5,797,579</u>

	2022 Balance	Excess (deficiency) of revenues over expenses	Transfers	2023 Balance
Administration Fund	\$ 48,486	\$ (75,805)	\$ 75,805	\$ 48,486
Investment Fund	2,904,136	179,937	(75,805)	3,008,268
Disabled Entrepreneur Investment Fund	290,218	12,883	-	303,101
Community Business Loans Fund	505,532	26,438	-	531,970
Project Funds	1,002,062	28,258	-	1,030,320
Fisheries Legacy Investment Fund	506,509	51,578	-	558,087
Regional Relief Recovery Fund	9	5	-	14
	<u>\$ 5,256,952</u>	<u>\$ 223,294</u>	<u>\$ -</u>	<u>\$ 5,480,246</u>

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

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

**Statement of Cash Flow
Year Ended March 31, 2024**

	2024	2023
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 317,331	\$ 223,294
Items not affecting cash:		
Amortization of tangible capital assets	4,254	3,771
Loss on disposal of tangible capital assets	963	-
	<u>322,548</u>	<u>227,065</u>
Changes in non-cash working capital:		
Accounts receivable	1,089	(2,690)
Interest receivable	(7,744)	23,058
Prepaid expenses	4,651	5,698
Loans receivable	172,402	(1,232,121)
Accounts payable and accrued liabilities	7,332	955
Government remittances payable	(9,404)	3,060
Deferred income	64,210	(32,759)
Syndication participation interest payable	3,521	2,639
Wages payable	(5,034)	(9,127)
	<u>231,023</u>	<u>(1,241,287)</u>
Cash flow from (used by) operating activities	<u>553,571</u>	<u>(1,014,222)</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(9,339)	-
Purchase of long term Investments	(150,000)	-
Proceeds on disposal of long term investment	-	25,000
Cash flow from (used by) investing activities	<u>(159,339)</u>	<u>25,000</u>
FINANCING ACTIVITIES		
Proceeds from syndication participation payable	525,000	1,080,000
Repayment of syndication participation payable	(30,715)	(10,027)
Repayments of capital leases	(1,631)	(2,652)
Repayment of advances of Regional Relief and Recovery Fund	(1,130,880)	-
Balance	-	-
Cash flow from (used by) financing activities	<u>(638,226)</u>	<u>1,067,321</u>
INCREASE (DECREASE) IN CASH FLOW	(243,994)	78,099
Cash - beginning of year	<u>2,386,268</u>	<u>2,308,169</u>
CASH - END OF YEAR	\$ 2,142,274	\$ 2,386,268
CASH CONSISTS OF:		
Cash	\$ 1,492,276	\$ 2,386,268
Term deposits	650,000	-
	<u>\$ 2,142,276</u>	<u>\$ 2,386,268</u>

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

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

**Notes to Financial Statements
Year Ended March 31, 2024**

1. DESCRIPTION OF BUSINESS

Community Futures Development Corporation of the Powell River Region ('the Corporation') is incorporated without share capital under the Canada Corporations Act. Its purpose is to plan and initiate development of the Region through the promotion and facilitation of cooperative activities dedicated to the social, environmental and economic well-being of our citizens and communities through education and developmental opportunities. It does this by providing technical, advisory and financial assistance to entrepreneurs and business ventures within the Region; assisting with the establishment of new business and the expansion and support of existing businesses; providing financial assistance in the form of loans, loan guarantees and equity participation to individuals and small businesses to assist in the creation or maintenance of long-term employment. The Corporation is a non-profit organization as described in paragraph 149(1)(l) of the Income Tax Act. The Corporation operates with funding from the Pacific Economic Development Agency of Canada (PacifiCan) under an agreement to March 31, 2026.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Estimates such as loan impairments and allowances for doubtful accounts are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Basis of presentation

The statements have been prepared in accordance with the accounting standards for not-for-profit organizations using the deferral method of reporting restricted contributions.

Fund accounting

The Corporation reports its activities in accordance with fund accounting concepts whereby resources and activities are classified within funds associated with specified activities or objectives as described by the fund title.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost and tested for impairment at each reporting date. Transaction costs on the acquisition, sale or issue of financial instruments are expensed when incurred.

Loans receivable

Loans receivable and assets in trust are carried at the principal amount less an allowance for impairment. Interest income is recorded on an accrual basis. Once a loan is considered impaired it is written down to the estimated recoverable amount which is the highest of: the present value of expected future cash flows discounted at the current market interest rate; or the fair value of the underlying security. Bad debts are recorded in the period they are determined.

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**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

**Notes to Financial Statements
Year Ended March 31, 2024**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible capital assets

Tangible capital assets are stated at cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives at the following rates and methods:

Computer equipment	45%	declining balance method
Furniture and equipment	20%	declining balance method
Leasehold improvements	5 years	straight-line method

The Corporation regularly reviews its tangible capital assets to eliminate obsolete items. In the year of acquisition, the Corporation provides for amortization of additions at one-half the normal rate.

Revenue recognition

Government funding and most miscellaneous program revenue is recognized in the year for which the funds were approved. Bank interest is recorded in the period earned. Shared costs recovered are recognized in the same period as the related expenses. Bad debt recoveries are recorded in the period received.

Forgiveness of RRRF debt of the Corporation is recognized in conjunction with the forgiveness of RRRF loans receivable.

3. CASH

Cash consists of the following:

	<u>2024</u>	<u>2023</u>
Cash - Administration	\$ 61,770	\$ 58,434
Cash - Community Business Loans Investment Fund	249,071	408,661
Cash - Disabled Entrepreneur Investment Fund	320,635	339,455
Cash - Fisheries Legacy Investment Fund	346,993	277,940
Cash - Investment Fund	348,529	400,184
Cash - Project Funds	118,923	820,506
Cash - Regional Relief and Recovery Fund	46,355	81,087
	<u>\$ 1,492,276</u>	<u>\$ 2,386,267</u>

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

**Notes to Financial Statements
Year Ended March 31, 2024**

4. LOANS RECEIVABLE

	<u>2024</u>	<u>2023</u> <i>(Note 11)</i>
Loan funds		
Investment Fund	\$ 2,751,478	\$ 2,545,593
Regional Relief and Recovery Fund	260,000	1,361,840
Marine Transfer	681,647	680,913
Project Fund	190,917	209,461
Community Business Loans	570,997	372,175
Disabled Entrepreneur	204,976	160,241
	<hr/>	<hr/>
Subtotal	4,660,015	5,330,223
Less current portion	(788,492)	(876,313)
	<hr/>	<hr/>
	\$ 3,871,523	\$ 4,453,910

Loans receivable bear interest at rates ranging from 3.5% to 12.0%, have due dates ranging to March 13, 2030 and are secured by various forms of security ranging from promissory notes, personal guarantees and general security agreements, to land, buildings and equipment.

Loans with a principal balance of greater than \$150,000 are considered exceptional loans. Approval of such loans requires special consideration and the approval of the Board of Directors. As at March 31, 2024 the Corporation had five loans over \$150,000 each. The total balance of these loans were \$1,262,538.

Loan impairments

Loans receivable	\$ 4,729,015	\$ 5,410,023
Allowance for doubtful accounts	(69,000)	(79,800)
	<hr/>	<hr/>
	\$ 4,660,015	\$ 5,330,223

Total loans that are subject to an allowance or write down for impairment are \$ 78,097

No allowance has been recognized on the RRRF loans receivable as these loans are not due until December 31, 2026, with no repayment provision until that date.

Allowance for doubtful accounts by Fund

Investment Fund	\$ 54,000	\$ 54,000
Disabled Entrepreneur	15,000	15,000
Community Business Loans	-	10,800
	<hr/>	<hr/>
	\$ 69,000	\$ 79,800

Bad debts (Recovery)

Current year provision for credit losses	\$ (10,800)	\$ (4,200)
Write offs less recoveries	19,212	12,016
	<hr/>	<hr/>
	\$ 8,412	\$ 7,816

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

**Notes to Financial Statements
Year Ended March 31, 2024**

5. TANGIBLE CAPITAL ASSETS

	2024		2023	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Computer equipment	\$ 26,027	\$ 19,031	\$ 30,235	\$ 28,244
Furniture and fixtures	73,901	66,216	74,561	65,993
Leasehold improvements	41,822	41,822	41,822	41,822
	\$ 141,750	\$ 127,069	\$ 146,618	\$ 136,059
Net book value	\$ 14,681		\$ 10,559	

6. DEFERRED REVENUE

	Opening Balance (Note 13)	Revenue recognized in current year	Amounts received for subsequent year	Closing Balance
Community Futures Developmental Association of BC RRRF operating costs	\$ 33,524	\$ (11,098)	\$ -	\$ 22,426
PacifiCan Operational Contribution	-	-	25,308	25,308
Community Futures British Columbia	-	-	50,000	50,000
	\$ 33,524	\$ (11,098)	\$ 75,308	\$ 97,734

7. OBLIGATIONS UNDER CAPITAL LEASE

	2024	2023
Copier lease, payable \$238 monthly, including interest plus taxes, for 60 months, due October 1, 2023.	\$ -	\$ 1,631
Amounts payable within one year	-	(1,631)
	\$ -	\$ -

8. LONG TERM DEBT

	2024	2023
PacifiCan Regional Relief and Recovery Fund Loan (rounds 1,2 and 3), non-interest bearing, repayable on January 18, 2024 if an amount of this loan payable has not been issued as a loan receivable. If a loan receivable has been issued in relation to these funds then repayable in equal monthly instalments starting January 19, 2024 so that the loan is repaid by December 31, 2026. The repayable balance will be reduced by loans receivable, made with these funds, forgiven or written off in accordance with the loans receivable terms.	\$ 277,300	\$ 1,408,180

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

**Notes to Financial Statements
Year Ended March 31, 2024**

9. **CONDITIONALLY REPAYABLE CONTRIBUTIONS AND CONTINGENT LIABILITIES**

Payable to the Minister of Pacific Economic Development Agency of Canada (PacifiCan)

	2024	2023
PacifiCan Conditionally Repayable Fisheries Legacy Investment Fund	\$ 420,000	\$ 420,000
Youth Investment Fund received	200,000	200,000
PacifiCan Conditionally Repayable Investment Fund (Youth portion)	200,000	200,000
	\$ 820,000	\$ 820,000

Conditionally repayable contributions made by PacifiCan are non- interest bearing, unsecured, and repayable upon 60 days notice in the event of default, as defined in the contribution agreement.

If the original PacifiCan Conditionally Repayable Fisheries Legacy, Disabled Entrepreneur Investment (EDP) and Youth funds have not been written off, the interest and other assets credited to these investment funds will be used to repay the outstanding balances until the entire amount of the original investment funds are repaid.

When the original PacifiCan Conditionally Repayable Fisheries Legacy, EDP and Youth funds have been fully repaid, 50% of the remaining assets of the PacifiCan Conditionally Repayable Fisheries Legacy, EDP and Youth funds shall also be repaid. If the realizable assets, including earned interest, are insufficient to repay the full amount of the PacifiCan Conditionally Repayable Fisheries Legacy, EDP and Youth funds, the Corporation's requirement to repay the full amount will be terminated once the full value of the realized assets is repaid.

Payable to Community Business Loans

Upon termination of the agreement between Community Business Loans and the Corporation and receipt of written direction from Community Business Loans, the Corporation will pay to a corporation or agency approved by Community Business Loans an amount equal to 50% of the investment fund not lent out plus interest at an interest rate to be determined from the date of receipt of such written direction until the date of payment.

In addition:

- a) If the Corporation continues in operation, additional payments equal to 50% of any receipt of principal and interest payments on the loans after the date of termination of the agreement, net of all reasonable costs, up to 15% of the balance of the fund at the date of termination, will be payable to Community Business Loans.
- b) If the Corporation discontinues operations, the Corporation will provide to Community Business Loans a first assignment of and security interest in 50% of the principal and interest payments owing or that may become owing and a first assignment of and security interest in a 50% undivided beneficial interest in all security obtained for outstanding loans.

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

**Notes to Financial Statements
Year Ended March 31, 2024**

10. INTERFUND BALANCES

	2023	Transfers	2024
Due from Community Business Loans - Investment Fund	\$ 250,000	\$ -	\$ 250,000
Due to Investment Fund - Community Business Loans Fund	(250,000)	-	(250,000)
Due to Operations Fund - Investment Fund	(1,555)	(11,424)	(12,979)
Due from Investment Fund - Operations Fund	1,555	11,424	12,979
Due from Regional Relief and Recovery Fund - Operations Fund	1,214	5,651	6,865
Due to Operations Fund - Regional Relief and Recovery Fund	(1,214)	(5,651)	(6,865)
Due to Regional Relief and Recovery Fund	-	(40,000)	(40,000)
Due from Investment Fund	-	40,000	40,000
Due to Operations Fund - Admin fee	-	(200)	(200)
Due from other Funds - Operations Fund	2,440	(1,890)	550
Due to Operations Fund - Fisheries Legacy Investment Fund	(900)	900	-
Due to Operations Fund - Investment Fund	(1,540)	1,190	(350)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

11. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

12. FINANCIAL RISK

The Corporation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Corporation's risk exposure and concentration as of March 31, 2024.

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's 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. The Corporation has a significant number of customers which minimizes concentration of credit risk.

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 of its receipt of funds from its customers and other related sources, long-term debt, and wages and accounts payable.

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 three types of risk: currency rate risk, interest rate risk and other price risk. The Corporation is mainly exposed to interest rate risk.

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**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

**Notes to Financial Statements
Year Ended March 31, 2024**

12. FINANCIAL RISK *(continued)*

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Corporation manages exposure through its normal operating and financing activities. The Corporation is exposed to interest rate risk primarily through its fixed-rate loans receivable.

13. ECONOMIC DEPENDENCE

The Corporation is economically dependent upon the Pacific Economic Development Agency of Canada as the Corporation received 38% (2023 - 46%) of revenues from the Agency.

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

**Administration Fund
Year Ended March 31, 2024**

(Schedule 1)

	2024	2023
REVENUES		
PacifiCan operational funding	\$ 303,798	\$ 303,790
Administration fees	24,695	20,630
Interest - bank	2,777	2,287
	331,270	326,707
EXPENSES		
Advertising and promotion	7,483	5,948
Amortization of tangible capital assets	4,254	3,771
Client Workshops	4,836	-
Conferences	9,781	13,132
Consulting	500	-
Directors	2,382	404
Dues and memberships	3,020	2,913
Insurance	7,315	7,214
Interest and bank charges	122	258
Loss on disposal of tangible capital assets	963	-
Office	18,999	15,580
Professional fees	20,232	12,674
Rent and utilities	36,195	36,257
Telephone	6,684	8,375
Wages and benefits	281,923	295,986
	404,689	402,512
DEFICIENCY OF EXPENSES OVER REVENUES	\$ (73,419)	\$ (75,805)

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

COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION

Investment Fund
Year Ended March 31, 2024

(Schedule 2)

	2024	2023
REVENUES		
Interest - loans	\$ 265,278	\$ 177,871
Interest - bank	22,355	18,822
Miscellaneous program revenue	300	90
	<u>287,933</u>	<u>196,783</u>
EXPENSES		
Bad debts (provision adjustment)	(800)	(13,407)
Loan administration fees	1,300	-
Interest to syndicate participants	67,579	30,253
	<u>68,079</u>	<u>16,846</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 219,854</u>	<u>\$ 179,937</u>

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

COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION

Disabled Entrepreneur Investment Fund
Year Ended March 31, 2024

(Schedule 3)

	2024	2023
REVENUES		
Interest - bank	\$ 14,651	\$ 9,980
Interest - loans	11,523	13,326
	<u>26,174</u>	<u>23,306</u>
EXPENSES		
Bad debts	-	10,423
	<u>-</u>	<u>10,423</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 26,174</u>	<u>\$ 12,883</u>

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

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

Community Business Loans Investment Fund

(Schedule 4)

Year Ended March 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUES		
Interest - loans	\$ 40,140	\$ 24,882
Interest - bank	15,219	12,296
Miscellaneous program revenue	30	60
	<u>55,389</u>	<u>37,238</u>
EXPENSES		
Bad debts (recovery)	9,212	10,800
Interest and bank charges	9	-
	<u>9,221</u>	<u>10,800</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 46,168</u>	<u>\$ 26,438</u>

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

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

Project Funds

(Schedule 5)

Year Ended March 31, 2024

	2024	2023
REVENUES		
Interest - bank	\$ 31,786	\$ 24,666
Project funds	8,720	2,593
Interest - loans	6,972	7,593
	<u>47,478</u>	<u>34,852</u>
EXPENSES		
Advertising and promotion	-	1,408
Business Facade Improvement project	17,304	5,187
	<u>17,304</u>	<u>6,595</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 30,174</u>	<u>\$ 28,257</u>

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

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

**Fisheries Legacy Investment Fund
Year Ended March 31, 2024**

(Schedule 6)

	2024	2023
REVENUES		
Interest - loans	\$ 52,420	\$ 42,439
Interest - bank	13,949	9,083
Miscellaneous program revenue	3,446	60
	<u>69,815</u>	<u>51,582</u>
EXPENSES		
Administrative fee	3,312	-
Bank charges	-	5
	<u>3,312</u>	<u>5</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 66,503</u>	<u>\$ 51,577</u>

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

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE POWELL RIVER
REGION**

Regional Relief and Recovery Fund

(Schedule 7)

Year Ended March 31, 2024

	2024	2023
REVENUES		
PacifiCan - RRRF funding	\$ 11,098	\$ 7,443
Interest - loans	1,879	-
	<u>12,977</u>	<u>7,443</u>
EXPENSES		
Office	180	939
Professional fees	1,400	1,200
Sub-contracts	8,693	4,399
Telephone	825	900
	<u>11,098</u>	<u>7,438</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 1,879</u>	<u>\$ 5</u>

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