

**COMMUNITY FUTURES DEVELOPMENT  
CORPORATION OF THE DEH CHO  
Operating as  
Deh Cho Business Development Centre**

**FINANCIAL STATEMENTS**

**March 31, 2024**

**COMMUNITY FUTURES DEVELOPMENT  
CORPORATION OF THE DEH CHO**  
Operating as Deh Cho Business Development Centre  
Financial Statements  
Year ended March 31, 2024

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**INDEPENDENT AUDITOR'S REPORT**

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**FINANCIAL STATEMENTS**

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## Independent Auditor's Report

To the directors of  
**Community Futures Development Corporation of the Deh Cho**  
**Operating as Deh Cho Business Development Centre**

### *Opinion*

We have audited the accompanying financial statements of **Community Futures Development Corporation of the Deh Cho**, which comprise the statement of financial position as at March 31, 2024, statement of change in net assets, statement of revenue and expenditures, and statement of 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 **Community Futures Development Corporation of the Deh Cho** as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-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 **Community Futures Development Corporation of the Deh Cho** in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing **Community Futures Development Corporation of the Deh Cho'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 **Community Futures Development Corporation of the Deh Cho** or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing **Community Futures Development Corporation of the Deh Cho's** financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

*EPR Yellowknife Accounting Prof. Corp.*

EPR Yellowknife Accounting Professional Corporation  
September 25, 2024  
Yellowknife, NWT

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of Community Futures Development Corporation of the Deh Cho are the responsibility of management and have been approved by the Board.

The financial statements have been prepared by management in accordance with Canadian accounting standards for not for profit organizations as recommended by the board of the Canadian Institute of Chartered Professional Accountants and as such include amounts that are the best estimates and judgments of management.

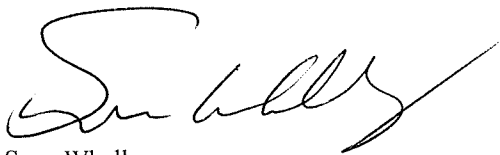
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the financial statements.

The board meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

The external auditors, EPR Yellowknife Accounting Professional Corporation., conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of Community Futures Development Corporation of the Deh Cho and meet when required.

On behalf of Community Futures Development Corporation of the Deh Cho



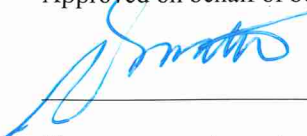
Sean Whelley  
General Manager  
Community Futures Development Corporation of the Deh Cho  
Operating as Deh Cho Business Development Centre  
September 25, 2024


**COMMUNITY FUTURES DEVELOPMENT  
CORPORATION OF THE DEH CHO**  
Operating as Deh Cho Business Development Centre  
Statement of Financial Position  
As At March 31, 2024

Statement I

	2024	2023
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 132,452	\$ 172,986
Accounts Receivable	109,569	99,361
Prepaid Expense	3,862	900
	<b>245,883</b>	<b>273,247</b>
<b>Non-Current Assets</b>		
Investment Fund Assets (Note 2b)	1,713,440	1,656,456
BDIC Loan Fund Assets (Note 2c)	271,909	284,811
NWTCFA Loan Fund Assets (Note 2d)	342,225	327,810
GNWT RRRF Fund Assets (Note 2e)	525,927	603,008
NACCA Emergency Loan Fund Assets (Note 2f)	72,366	93,325
Capital Assets (Note 8)	19,693	24,575
<b>TOTAL ASSETS</b>	<b>3,191,443</b>	<b>3,263,232</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts Payable and Accrued Liabilities	14,663	13,876
Deferred Revenue (Note 9)	5,540	28,287
	20,203	42,163
<b>Non- Current Liabilities</b>		
BDIC Loan Fund Liability	244,592	273,192
NWTCFA Loan Fund Liability	340,000	340,000
RRRF Loan Fund Liability	550,000	600,000
ELP Loan Fund Liability	40,665	87,066
	1,195,460	1,342,421
<b>EQUITY</b>		
Operating Fund Surplus	231,046	238,024
Investment in Capital Assets	19,693	24,575
Investment Fund	1,713,442	1,656,456
BDIC Loan Fund	26,846	11,619
NWTCFA Loan Fund (Deficiency)	2,271	(12,143)
RRRF Loan Fund	985	1,021
ELP Loan Fund	1,700	1,259
	<b>1,995,983</b>	<b>1,920,811</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 3,191,443</b>	<b>\$ 3,263,232</b>

Approved on behalf of board

 Director

 Director

The accompanying notes and schedules form an integral part of the financial statements.

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**COMMUNITY FUTURES DEVELOPMENT  
CORPORATION OF THE DEH CHO**  
Operating as Deh Cho Business Development Centre  
**Statement of Change in Net Assets**  
**For the Year Ended March 31, 2024**

**Statement II**

	<b>2024</b>	<b>2023</b>
<b>OPERATING FUND</b>		
Surplus, Opening	\$ 238,024	\$ 198,498
Excess (deficiency) revenues for the year	(6,978)	39,526
<b>Surplus, Closing</b>	<b>231,046</b>	<b>238,024</b>
<b>INVESTMENT IN CAPITAL ASSETS</b>		
Balance Opening	24,575	30,747
Additions to capital assets	1,117	1,407
Amortization	(5,999)	(7,579)
<b>Balance Closing</b>	<b>19,693</b>	<b>24,575</b>
<b>INVESTMENT FUND</b>		
Balance, Opening	1,656,456	1,590,735
Loan Interest Income	77,058	50,052
Administration Fees and other expenses	(72)	(657)
Loan Loss Provision	(20,000)	16,326
<b>Balance, Closing</b>	<b>1,713,442</b>	<b>1,656,456</b>
<b>BDIC LOAN FUND</b>		
Balance, Opening	11,619	6,237
Loan Interest Income	15,249	13,825
Administration Fees and other expenses	(22)	(8,443)
<b>Balance, Closing</b>	<b>26,846</b>	<b>11,619</b>
<b>NWTCFA LOAN FUND</b>		
Balance, Opening	(12,143)	(21,209)
Loan Interest Income	14,414	8,577
Administration fees and other expenses	-	(3)
Loan Loss Provision (net)	-	492
<b>Balance, Closing</b>	<b>2,271</b>	<b>(12,143)</b>
<b>RRRF LOAN FUND</b>		
Balance, Opening	1,021	1,021
Admin fee and others	(36)	-
<b>Deficiency, Closing</b>	<b>985</b>	<b>1,021</b>
<b>ELP LOAN FUND</b>		
Balance Opening	1,259	1,031
Admin fee and others	792	386
Amortization	(351)	(158)
<b>Deficiency Closing</b>	<b>\$ 1,700</b>	<b>\$ 1,259</b>

The accompanying notes and schedules form an integral part of the financial statements.

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**COMMUNITY FUTURES DEVELOPMENT  
CORPORATION OF THE DEH CHO**  
Operating as Deh Cho Business Development Centre  
Statement of Revenue and Expenditures  
For the Year Ended March 31, 2024

Statement III

	2024 Budget	2024 Actual	2023 Actual
<b>REVENUES</b>			
<b>Contributions- Industry, Tourism and Investment</b>			
Industry, Tourism and Investment			
Operating Contribution	\$ 203,630	\$ 207,000	\$ 203,630
Economic Development Officer	108,000	113,000	108,000
Transferred from prior year deferred revenue	-	-	49,411
<b>Others</b>			
Admin Fees	10,625	10,625	35,568
Interest Income	6,000	15,866	9,021
<b>Other Projects</b>			
ECE - Additional Contracts	5,000	4,875	3,875
Miscellaneous	-	34	6,029
ITI and other contributions	53,287	47,460	-
	<b>386,542</b>	<b>398,860</b>	<b>415,534</b>
<b>EXPENDITURES</b>			
Advertising	27,000	26,374	6,393
Capital Purchases - Core	2,000	1,117	1,407
Communication	9,000	7,673	7,472
Employee severance expense	14,079	12,394	9,133
Fees, Dues and Credit Checks	5,200	4,783	5,155
Insurance	3,426	3,464	4,564
Meetings and Workshops	16,000	12,344	6,275
Office	7,600	11,137	5,479
Professional Fees	19,000	14,350	11,693
Project Cost	28,287	26,141	49,411
Rent and building overhead	24,000	23,960	24,000
Board Travel	10,000	599	290
Staff Travel	7,350	2,415	987
Training-Board and Staff	3,200	604	2,886
Wages & Benefits	255,697	258,483	240,863
	<b>431,839</b>	<b>405,838</b>	<b>376,008</b>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES \$</b>	<b>(45,297)</b>	<b>\$ (6,978)</b>	<b>\$ 39,526</b>

The accompanying notes and schedules form an integral part of the financial statements

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**COMMUNITY FUTURES DEVELOPMENT  
CORPORATION OF THE DEH CHO**  
Operating as Deh Cho Business Development Centre  
Statement of Cash Flows  
For the Year Ended March 31, 2024

Statement IV

	2024	2023
<b>OPERATING FUND</b>		
<b>Operating activities</b>		
Excess revenue over expenditures	\$ (6,978)	\$ 39,526
Net Change in Working Capital Balances relating to Operations		
Account Receivables	(13,170)	90,329
Deferred Revenue	(22,747)	(174,441)
Accounts payable and accrued liabilities	787	(11,593)
Increase (Decrease) in cash & equivalents	(42,108)	(56,179)
Cash, Opening	172,986	229,165
<b>Cash, Closing</b>	<b>\$ 130,878</b>	<b>\$ 172,986</b>
<b>INVESTMENT FUND</b>		
<b>Financial activities</b>		
Interest received (net of cost)	\$ 76,985	\$ 50,052
	76,985	50,052
<b>Investing Activities</b>		
Account Receivables/Payables	-	11,043
Admin fees due to operating fund	-	-
Loan disbursement-net	3,540	(101,754)
	3,540	(90,711)
Increase in cash & equivalents	80,525	(40,659)
Cash, Opening	1,201,352	1,242,011
<b>Cash, Closing</b>	<b>\$ 1,281,877</b>	<b>\$ 1,201,352</b>
<b>BDIC INVESTMENT FUND</b>		
<b>Financial activities</b>		
Loan Contribution repayment	\$ (28,600)	\$ (31,200)
Interest received (paid)-net	15,229	3,244
	(13,371)	(27,956)
<b>Investing Activities</b>		
Other charges	469	(19)
Admin fees due to operating fund	-	-
Loan repayment (disbursement)-net	6,714	10,581
	7,183	10,562
Increase (Decrease) in cash & equivalents	(6,188)	(17,394)
Cash, Opening	106,629	124,023
<b>Cash, Closing</b>	<b>\$ 100,441</b>	<b>\$ 106,629</b>

**COMMUNITY FUTURES DEVELOPMENT  
CORPORATION OF THE DEH CHO**  
Operating as Deh Cho Business Development Centre  
Statement of Cash Flows- (Cont'd....)  
For the Year Ended March 31, 2024

**Statement IV**

	2024	2023
<b>NWTFCA INVESTMENT FUND</b>		
<b>Financial activities</b>		
Interest received (net of cost)	\$ 14,414	\$ 7,824
	14,414	7,824
<b>Investing Activities</b>		
Admin/legal fees due from/ to operating fund	-	(2,078)
Loan repayment (disbursement) (net)	-	8,044
	-	5,966
Increase (Decrease) in cash & equivalents	14,414	13,790
Cash, Opening	273,233	259,443
<b>Cash, Closing</b>	<b>\$ 287,647</b>	<b>\$ 273,233</b>
<b>RRRF INVESTMENT FUND</b>		
<b>Financial activities</b>		
Interest received (net of cost)	2,919	1,296
	2,919	1,296
<b>Investing Activities</b>		
Loan disbursement (net)	120,000	-
Increase (Decrease) in cash & equivalents	122,919	1,296
Cash, Opening	45,308	44,012
<b>Cash, Closing</b>	<b>\$ 168,227</b>	<b>\$ 45,308</b>
<b>ELP INVESTMENT FUND</b>		
<b>Financial activities</b>		
Interest received (net of cost)	441	1,296
	441	1,296
<b>Investing Activities</b>		
Return of unused loan funds (	(56,502)	(109,435)
Loan Payment ( disbursement) (net)	89,535	86,556
	33,033	(22,879)
Increase (Decrease) in cash & equivalents	33,474	(21,583)
Cash, Opening	4,893	26,476
<b>Cash, Closing</b>	<b>\$ 38,367</b>	<b>\$ 4,893</b>

**COMMUNITY FUTURES DEVELOPMENT  
CORPORATION OF THE DEH CHO**  
**Operating as Deh Cho Business Development Centre**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2024**

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**1. NATURE OF ORGANIZATION**

The Community Futures Development Corporation of the Deh Cho operating as Deh Cho Business Development Centre (the "Centre") was incorporated as a not-for-profit corporation under the Canada Corporations Act and commenced operations November 26, 1998 to carry out community development activities, establish and administer a loan fund for the purposes of providing financial services and directly related advisory services to businesses in the Dehcho Region. The Centre is registered as an extra-territorial corporation in the Northwest Territories. The Centre's loan fund capital and operating contribution is provided by the Government of the Northwest Territories. Consequently, the Board is dependent upon funding from the Department of Industry, Tourism and Investment ("ITI"). The Centre is a non-taxable organization as defined under Section 149(1) of the Income Tax Act.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The Centre has prepared its financial statements in accordance with Canadian accounting standards for not-for-profit organizations using fund accounting.

**2a) Revenue Recognition**

The Centre follows the deferral method of accounting for contributions received. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred or committed to. Unrestricted contributions are recognized as revenue when received if the amount to be received can be reasonably estimated and collection is reasonably assured. Expenditures are recognized in the year in which legal title transfers or services have been rendered, or commitments have been made to match related funding.

**2b) Investment Fund**

All payments received from the government in respect of the Investment Fund are credited to the Centre's Investment Fund. All revenues from loans and other Investment Fund activities, all revenue from ancillary investments out of the Investment Fund, and all repayments on account of principle in respect of the Investment Fund activities are credited to the Investment Fund. Funds required to be credited to the Investment Fund under the Contribution Agreement shall not be used for purposes other than Investment Fund activities without prior written approval of the Minister responsible. Any amount advanced to the Centre on account of the capital contribution that, at the end of the funding period has not been committed in respect of a loan, loan guarantee or equity investment under a legally binding contractual agreement, is deemed not to be required as a reserve for the Centre's capitalization costs and constitutes an overpayment which may be requested to be repaid to the Government. Such amounts are not accrued in the accounts until notice is given. The Investment Fund is comprised as follows:

	<b>2024</b>	<b>2023</b>
Cash	1,281,877	1,201,352
Accounts Payable	(7,998)	(7,998)
Loans Receivable (notes 2j & 5)	525,187	540,393
	1,799,066	1,733,747
Allowance for doubtful debt (notes 2j & 5)	(85,626)	(77,291)
	1,713,440	1,656,456

**COMMUNITY FUTURES DEVELOPMENT  
CORPORATION OF THE DEH CHO**  
**Operating as Deh Cho Business Development Centre**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2024**

**2c) NWT Business Development & Investment Corporation (“BDIC”) Loan Fund**

All payments received from the BDIC in respect of the BDIC Investment Fund are credited to the Centre's BDIC Investment Fund. All revenues from loans and other BDIC Investment Fund activities, all revenue from ancillary investments out of the BDIC Investment Fund, and all repayments on account of principle in respect of the BDIC Investment Fund activities are credited to the BDIC Investment Fund. Funds required to be credited to the BDIC Investment Fund under the Loan Agreement shall not be used for purposes other than BDIC Investment Fund activities without prior written approval of the BDIC. The BDIC Investment Fund is comprised as follows:

	<b>2024</b>	<b>2023</b>
Cash	100,441	106,629
Loan Receivable (note 2j & 6)	171,468	178,182
	271,909	284,811
Allowance for Doubtful Loans	-	-
	271,909	284,811

**2d) NWT Community Futures Association (“NWTFCFA”) Loan Fund**

All payments received from the NWTFCFA in respect of the NWTFCFA Investment Fund are credited to the Centre's NWTFCFA Investment Fund. All revenues from loans and other NWTFCFA Investment Fund activities, all revenue from ancillary investments out of the NWTFCFA Investment Fund, and all repayments on account of principle in respect of the NWTFCFA Investment Fund activities are credited to the NWTFCFA Investment Fund. Funds required to be credited to the NWTFCFA Investment Fund under the Loan Agreement shall not be used for purposes other than NWTFCFA Investment Fund activities without prior written approval of the NWTFCFA. The NWTFCFA Investment Fund is comprised as follows:

	<b>2024</b>	<b>2023</b>
Cash	287,645	273,231
Account Payable	2,075	2,075
Loan Receivable (note 2j & 7)	79,093	81,511
	368,813	356,817
Allowance for Doubtful Loans	(26,588)	(29,007)
	342,225	327,810

**COMMUNITY FUTURES DEVELOPMENT  
CORPORATION OF THE DEH CHO  
Operating as Deh Cho Business Development Centre  
Notes to Financial Statements  
For the Year Ended March 31, 2024**

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**2e) Regional Relief and Recovery (“RRRF”) Loan Fund**

All payments received from the GNWT in respect of the Regional Relief and Recovery Fund Investment Fund are credited to the Centre's RRRF Investment Fund. All revenues from loans and other RRRF Investment Fund activities, all revenue from ancillary investments out of the RRRF Investment Fund, and all repayments on account of principle in respect of the RRRF Investment Fund activities are credited to the RRRF Investment Fund. Funds required to be credited to the RRRF Investment Fund under the Loan Agreement shall not be used for purposes other than RRRF Investment Fund activities without prior written approval of the RRRF. Any contributed funds not used at the end of the program must be repaid to GNWT. The RRRF Investment Fund is comprised as follows:

	<b>2024</b>	<b>2023</b>
Cash	\$ 168,227	\$ 45,308
Account Payable	-	-
Loan Receivable (note 2j & 4)	357,700	557,700
	<b>525,927</b>	<b>603,008</b>
Allowance for Doubtful Loans	-	-
	<b>\$ 525,927</b>	<b>\$ 603,008</b>

**2f) Emergency Loan Program (“ELP”) Loan Fund**

All payments received from the National Aboriginal Capital Contribution Association (NACCA) in respect of the Emergency Loan Program Fund Investment Fund are credited to the Centre's ELP Investment Fund. All revenues from loans and other ELP Investment Fund activities, all revenue from ancillary investments out of the ELP Investment Fund, and all repayments on account of principle in respect of the ELP Investment Fund activities are credited to the ELP Investment Fund. Funds required to be credited to the ELP Investment Fund under the Loan Agreement shall not be used for purposes other than ELP Investment Fund activities without prior written approval of the ELP. Any contributed funds not used at the end of the program must be repaid to NACCA. The RRRF Investment Fund is comprised as follows:

	<b>2024</b>	<b>2023</b>
Cash	\$ 38,368	\$ 4,482
Account Payable	-	-
Loan Receivable (note 2j & 3)	33,998	88,843
	<b>72,366</b>	<b>93,325</b>
Allowance for Doubtful Loans	-	-
	<b>\$ 72,366</b>	<b>\$ 93,325</b>

**COMMUNITY FUTURES DEVELOPMENT  
CORPORATION OF THE DEH CHO  
Operating as Deh Cho Business Development Centre  
Notes to Financial Statements  
For the Year Ended March 31, 2024**

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**2g) Operating Fund**

Operating surpluses constitute an overpayment which will be repaid to the Government. Such amounts are not accrued in the accounts until notice is given.

**2h) Capital Fund**

Capital Assets are funded by the Operating Contribution and recorded as expenditures in the year of acquisition. To account for the existence of these assets on the Balance Sheet, the cost of capital purchases are recorded in Capital Assets at cost with an offsetting credit to Investment in Capital Assets. Amortization is calculated by the declining balance method at the rates set out in Note 7. In the year of acquisition amortization is calculated at one half of the rates set out in Note 7.

**2i) Use of Estimate**

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

**2j) Loans Receivable**

Loans receivable are stated at net realizable value. Interest income is recorded on a cash basis for all loans receivable. An Allowance for Doubtful Loans is provided for non-performing loans in the Investment Fund. Non-performing loans consist of those loans for which the collection process has been unsuccessful, or the possible outcome of the collection process is uncertain. The total amount of financial assistance that may be provided in respect of any business at any time shall not exceed \$200,000 from the general investment fund, \$100,000 from the NWTCEFA investment fund, \$200,000 from BDIC fund, \$100,000 from RRRF fund and \$60,000 from ELP fund. The minimum rate of interest charged on any loan will not be less than the prevailing rate charged by a lender, as defined in the Small Business Loans Act, for a similar loan or unless otherwise stated.

**2k) Budget**

The presented budget figures are those approved by the Board and are unaudited.

**2l) Financial Instruments**

The Centre measures its financial assets and financial liabilities at fair value. The Centre subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investment 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 cost include cash and cash equivalents, term deposits and restricted cash.

Financial liabilities that are measured at cost include accounts payable and accrued liabilities and contributions repayable.

**COMMUNITY FUTURES DEVELOPMENT  
CORPORATION OF THE DEH CHO**  
Operating as Deh Cho Business Development Centre  
Notes to Financial Statements  
For the Year Ended March 31, 2024

**3. NWT ELP LOAN PORTFOLIO CONTINUITY**

	<b>2024</b>	<b>2023</b>
<b>Loans Receivables</b>		
Opening Balance	\$ 83,843	\$ 367,477
Principle repayments	(43,179)	(87,173)
Loan written off (forgiveness)	-	(196,461)
Client loan overpayment	(6,666)	5,000
Closing Balance	\$ 33,998	\$ 83,843

**4. RRRF LOAN PORTFOLIO CONTINUITY**

	<b>2024</b>	<b>2023</b>
<b>Loan Receivables</b>		
Opening balance	\$ 557,700	\$ 557,700
Principle repayments	(150,000)	-
Loan written off (forgiveness)	(50,000)	-
Closing Balance	\$ 357,700	\$ 557,700

**5. GENERAL INVESTMENT LOAN PORTFOLIO CONTINUITY**

	<b>2024</b>	<b>2023</b>
<b>Loans Receivables</b>		
Opening Balance	\$ 540,393	\$ 454,327
Loan disbursed	78,448	225,000
Principle repayments	(81,988)	(143,679)
Loan written off	(11,666)	-
Interest adjustment	-	4,745
Closing Balance	525,187	540,393
<b>Doubtful Accounts</b>		
Opening Balance	77,291	93,617
Allowances (recoveries) (net)	20,000	(16,326)
Loan written off	(11,665)	-
Closing Balance	85,626	77,291
Net Loan Receivable	\$ 439,561	\$ 463,102

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**6. NWT BDIC LOAN PORTFOLIO CONTINUITY**

	<b>2024</b>		<b>2023</b>	
Loans Receivables				
Opening Balance	\$	178,182	\$	189,648
Loan disbursed		-		-
Principle repayments		(6,714)		(11,466)
Loan written off		-		-
Closing Balance	\$	171,468	\$	178,182

**7. NWTCFA LOAN PORTFOLIO CONTINUITY**

	<b>2024</b>		<b>2023</b>	
Loans Receivables				
Opening Balance	\$	81,511	\$	98,803
Loan disbursed		-		-
Principle repayments		-		(7,292)
Loan written off		(2,418)		(10,000)
Closing Balance		79,093		81,511
Doubtful Accounts				
Opening Balance		29,007		39,500
Allowances (recoveries) (net)		-		(493)
Loan written off		(2,419)		(10,000)
Closing Balance		26,588		29,007
Net Loan Receivable	\$	52,505	\$	52,504

**8. CAPITAL ASSETS**

					<b>2024</b>		<b>2023</b>		
	Rate		Cost	Accumulated Depreciation	Net Book Value		Net Book Value		
Furniture & Equip	20%	\$	50,853	\$	43,262	\$	7,591	\$	8,233
Computer Equipment	30%		41,051		34,245		6,806		9,723
Leasehold Improvements	20%		39,967		34,790		5,177		6,470
Library Materials	19013		19,162		19,043		119		149
		\$	151,033	\$	131,340	\$	19,693	\$	24,575



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**9. DEFERRED REVENUE**

Deferred revenue consists of payments received in advance from GNWT-Industry, Tourism and Investment for Initiative und which is intended for the upcoming fiscal year expenditures.

	<b>2024</b>	<b>2023</b>
Opening Balance	28,287	-
Plus- Amount received related to the following year	-	202,727
Less- Amount recognized as revenue in the year	(47,718)	(174,440)
	(19,431)	28,287

**10. BDIC INVESTMENT FUND LIABILITY AND EQUITY DEFICIENCY**

The Centre has entered into a Loan Agreement with NWT Business Development & Investment Corporation (“BDIC”) for a total loan amount of \$900,000, secured by a Demand Promissory Note and General Security Agreement covering all present and after acquired property, to provide capital funding to the Centre, for providing loans to businesses in the Dehcho. The loan is amortized over 20 years and the term is for 3 years interest only. At the end of the 3 years of interest only the loan will be amortized over the remaining 17 years. The interest rate is 2.95% per annum.

The Centre may request to assign uncollected Loans (from BDIC proceeds) to the BDIC from time to time. The BDIC has full discretion whether to accept such requests. If an assignment is completed the Centre ceases to have any interest in the subject Loan. If the BDIC accepts such an assignment, the BDIC shall then credit the Centre’s Loan with the amount that the principal value of the assigned loan exceeds the accumulated profits that the Centre has generated through lending out the proceeds. Should the Centre suffer losses as a result of the BDIC Investment Fund, currently the Centre would have to fund such losses out of either the regular Investment Fund or the Operating Fund, however the current Contribution Agreements with the Department of Industry, Tourism and Investment do not cover such a possibility as an eligible cost.

**11. NWT CFA INVESTMENT FUND LIABILITY AND EQUITY DEFICIENCY**

The Centre has entered into a Loan Agreement with NWT Community Futures Association (“NWT CFA”) for a total loan amount of \$340,000, secured by a Demand Promissory Note, to provide capital funding to the Centre, for providing loans to businesses in the Dehcho. The loan has no amortization term. The interest rate is 0% per annum.

Should the Centre suffer losses from NWT CFA Investment Fund, the losses will be absorbed by NWT CFA.

**12. COMMITMENTS**

The Centre has does not have any commitments as at March 31, 2024. Office lease payments are on a month to month basis since September 2020.

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NOTES TO FINANCIAL STATEMENTS  
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**13. CONTINGENT LIABILITIES**

**(a) Letter of Credit and Loan Guarantees**

There are no Loan Guarantees outstanding on behalf of clients at year end ( 2023 - NIL). There are no Irrevocable Letter of Credits outstanding at year end.

**14. FINANCIAL INSTRUMENTS**

The Centre's financial instruments consist of cash, treasury bill mutual funds, loans receivable, accounts receivable and accounts payable. The financial statements and accompanying notes contain, according to management's best efforts, the relevant information necessary for a reasonable assessment of these risks. The Centre is exposed to financial risk that arises from the credit quality of the entities to which it provides loans.

**a) Credit risk**

Credit risk arises from the possibility that the entities to which the Centre provides loans may experience financial difficulty and be unable to fulfil their obligations. A concentration of credit risk also arises as the debtors of the Centre are concentrated in the Dehcho Region, and the Centre is a lender of last resort.

**(b) Liquidity risk**

Liquidity risk arises from the potential that an entity will have difficulty in meeting its obligation associated with the financial liabilities. The Centre does have a liquidity risk in the accounts payable and accrued liabilities of \$ 14,663 (2023 - \$13,876). Liquidity risk is the risk that the Centre cannot repay its obligations when they become due to its creditors. This risk has not changed from the prior year. The Centre manages liquidity risk by continually monitoring actual and forecasted cash flows from operations to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Centre's reputation. The Centre has determined that the risk is not significant.

The fair value of these financial instruments, where determinable, approximate their carrying amounts unless otherwise noted. However, the fair value of the loan fund cannot be determined. There is no secondary market for the loan portfolio and the uncertainty and potential broad range of outcomes pertaining to future cash flow related renders the calculation of a fair value with appropriate reliability impractical. If the circumstances under which these estimates and judgments were made change there could be a significant change to the allowance for credit losses and the calculation of the fair value of the loans.

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Schedule of Project Revenue and Expenditures  
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	<b>Operations</b>	<b>EDO Project</b>	<b>ELP Admin</b>	<b>RRRF Admin</b>	<b>ITI Project</b>	<b>Total</b>
4022 Operating Funds	\$ 207,000	\$ -	\$ -	\$ -	\$ -	\$ 207,000
4028 EDO Contract	-	113,000	-	-	-	113,000
4150 NACCA Contributions	-	-	10,625	-	-	10,625
4029-1 ITI -Other Contracts and Contributions	-	-	-	-	47,460	47,460
4228 GNWT - RRRF	-	-	-	-	-	-
4244 Other Contribution	4,000	875	-	-	-	4,875
4023 Transferred from Deferred Revenue	-	-	-	-	-	-
4250 Miscellaneous	34	-	-	-	-	34
4255 Investment Interest	12,442	-	-	3,424	-	15,866
	<b>223,476</b>	<b>113,875</b>	<b>10,625</b>	<b>3,424</b>	<b>47,460</b>	<b>398,860</b>
5410 Wages & Benefits	160,836	97,647	-	-	-	258,483
5460 Other Employee Benefits	7,579	4,815	-	-	-	12,394
5605 Legal Costs - Loan Security	-	-	-	-	-	-
5610 Accounting and Legal	14,350	-	-	-	-	14,350
5615 Advertising & Promotion	1,134	-	-	-	25,240	26,374
5630 Board Travel	599	-	-	-	-	599
5635 Copier Lease & Charges	449	87	-	-	-	536
5645 Conferences	12,344	-	-	-	-	12,344
5660 Fees, Dues and Credit Checks	4,783	-	-	-	-	4,783
5670 Insurance	-	-	-	-	-	-
5675 General Liability Insurance	1,326	-	-	-	-	1,326
5677 Director's Travel Insurance	2,138	-	-	-	-	2,138
5700 Office Supplies	6,813	123	-	34	-	6,970
5710 Postage & Freight	-	-	-	-	-	-
5740 Meeting Costs	231	-	-	-	-	231
5750 Capital Assets Purchases	-	-	-	-	1,117	1,117
5760 Rent & Building Overhead	18,376	5,584	-	-	-	23,960
5780 Telephone & Internet	4,091	796	-	-	-	4,887
5782 Internet	2,388	398	-	-	-	2,786
5787 Training Board & Staff	-	604	-	-	-	604
5790 Staff Travel	2,139	276	-	-	-	2,415
5797 ITI Project Costs	-	-	-	-	26,141	26,141
5795 Miscellaneous Expenses	3,401	-	-	-	-	3,401
	<b>242,977</b>	<b>110,330</b>	<b>-</b>	<b>34</b>	<b>52,498</b>	<b>405,839</b>
<b>Excess Revenues over Expenditures</b>	<b>\$ (19,501)</b>	<b>\$ 3,545</b>	<b>\$ 10,625</b>	<b>\$ 3,390</b>	<b>\$ (5,038)</b>	<b>\$ (6,979)</b>

