

**Community Futures
Development Corporation of
Central Interior First Nations
Financial Statements
For the Year Ended March 31, 2023**

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**Community Futures
Development Corporation of
Central Interior First Nations
Financial Statements
For the year ended March 31, 2023**

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Management's Responsibility for Financial Reporting

The accompanying financial information of the Community Futures Development Corporation of Central Interior First Nations ("the Corporation") and all the information in this annual report are the responsibility of management and have been approved by the Board of Directors on behalf of the Corporation.

The financial information has been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. Financial information is not precise since it includes certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial information is presented fairly, in all material respects.

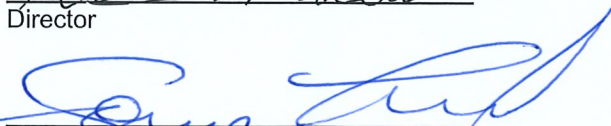
The Corporation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable, and accurate and the Corporation's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial information.

The Board of Directors reviews the Corporation's financial information and recommend their approval. The Board of Directors meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial information, and the external auditor's report. The Board of Directors takes this information into consideration when approving the financial information for issuance to the Corporation. The Board of Directors also consider the engagement of the external auditors.

The financial information has been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. BDO Canada LLP has full access to the Board of Directors and management.


Director


Director


Treasurer

Independent Auditor's Report

To the Board of Directors of Community Futures Development Corporation of Central Interior First Nations

Qualified Opinion

We have audited the financial statements of Community Futures Development Corporation of Central Interior First Nations ("the Corporation"), which comprise the statement of financial position as at March 31, 2023, the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2023, and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

As disclosed in Note 1, loans receivable and promissory notes payable are initially recorded at face value which may not be the fair value of the financial instruments at inception. This constitutes a departure from Canadian accounting standards for not-for-profit organizations. This is the result of a decision taken by management at the start of the 2018 financial year.

As disclosed in Note 7, management is unable to estimate the collectability of loans receivable as a result of economic uncertainty brought on by COVID-19.

The impact of the departure of Canadian accounting standards for not-for-profit organizations and scope limitation on estimating the impact of COVID-19 on the financial statements has not been determined. Therefore, we were not able to determine whether any adjustments might be necessary to loans receivable, promissory notes payable, and excess of revenues over expenses for the year ended March 31, 2023, and net assets as at April 1 and March 31 for the 2023 year.

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 the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Matters

We draw attention to the fact that the supplementary information included in Exhibits E to P does not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.



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 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.

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.

**Chartered Professional Accountants
Kamloops, British Columbia
April 16, 2024**

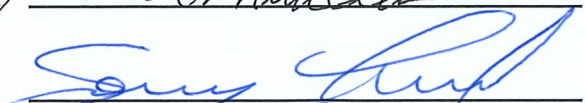
**Community Futures Development Corporation
of Central Interior First Nations
Exhibit A - Statement of Financial Position
(unaudited)**

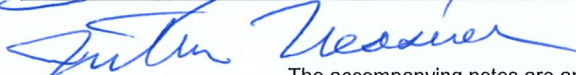
As at March 31	2023	2022
Assets		
Current		
Cash and bank	\$ 1,982,456	\$ 1,617,732
Accounts receivable	18,314	72,509
Prepaid expenses & other current assets	3,378	6,269
	2,004,148	1,696,510
Loans receivable (Note 2)	1,894,854	2,899,898
Long-term investments (Note 3)	1,000	1,000
Capital assets (Note 4)	140,637	76,506
	\$ 4,040,639	\$ 4,673,914
Liabilities and Net Assets		
Current		
Accounts payable & accruals	\$ 284,236	\$ 142,019
Deferred revenue (Note 6)	299,999	169,226
Promissory notes due on demand (Note 8)	272,500	289,734
Current debt (Note 11)	1,012,363	-
	1,869,098	600,979
Conditionally repayable contributions due on demand (Note 5)	810,000	810,000
Due to NACCA - Emergency Loan Program (Note 11)	-	1,766,623
Deferred capital contributions (Note 6)	30,720	38,400
	2,709,818	3,216,002
Net Assets		
Net assets invested in capital assets	109,917	38,104
Externally restricted net assets	650,000	650,000
Unrestricted net assets	570,904	769,808
	1,330,821	1,457,912
	\$ 4,040,639	\$ 4,673,914

Commitments (Note 9)

Approved on behalf of the Board:

 Director

 Director



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

**Community Futures Development Corporation
of Central Interior First Nations
Exhibit B - Statement of Operations
(unaudited)**

For the year ended March 31	2023	2022
Revenue		
Province of B.C.	\$ 241,077	\$ -
Emergency Loan Program	54,414	54,415
Export Navigator Program	103,096	100,000
Kweseltken Kitchen	6,730	154,905
Amortization of deferred capital contributions for Kweseltken Kitchen	7,680	-
United Way Flood Relief	1,311	-
Rural Business & Community Recovery Program	-	38,942
Western Economic Diversification	307,517	307,517
National Aboriginal Capital Corporation Association	174,109	-
Interest	122,482	138,578
Other income	68,684	329,219
	1,087,100	1,123,576
Expenditures		
Administration fees - external	2,516	1,924
Advertising and marketing	56,075	74,376
Amortization	44,009	23,856
Bad debts (recovery)	(1,943)	3,330
Benefits	43,646	43,894
Contract services	153,770	354,589
Donations	47,660	13,250
Honoraria	11,597	-
Materials and supplies	33,775	61,669
Office rental	28,962	50,468
Office supplies and sundry	24,303	16,651
Participant allowance	2,980	-
Professional fees	37,615	22,701
Repairs and maintenance	4,038	2,249
Travel	85,865	51,278
Wages	411,358	390,679
Workshops and training	227,965	51,436
	1,214,191	1,162,350
Deficiency of revenue over expenditures	\$ (127,091)	\$ (38,774)

**Community Futures Development Corporation
of Central Interior First Nations
Exhibit C - Statement of Changes in Net Assets
(unaudited)**

For the year ended March 31	Invested in capital assets	Unrestricted	Restricted	2023	2022
Balance, beginning of year	\$ 38,104	\$ 769,808	\$ 650,000	\$ 1,457,912	\$ 1,497,351
Excess of revenue over expenditures for the year	-	(127,091)	-	(127,091)	(38,774)
Add:					
Purchase of capital assets	108,142	(108,142)	-	-	-
Amortization of deferred capital contributions	7,680	(7,680)	-	-	(2,400)
Deduct:					
Amortization of capital assets	(44,009)	44,009	-	-	-
Balance, end of year	\$ 109,917	\$ 570,904	\$ 650,000	\$ 1,330,821	\$ 1,456,177

**Community Futures Development Corporation
of Central Interior First Nations
Exhibit D - Statement of Cash Flows**

For the year ended March 31	2023	2022
Operating activities		
Cash received from all sources	\$ 1,385,348	\$ 933,213
Cash paid to suppliers and employees	(2,023,075)	(1,446,049)
Interest received	122,782	138,578
Collection of operating loans receivable	1,296,782	856,297
Issuance of operating loans receivable	(291,737)	(1,444,573)
Cash flows from (used in) operating activities	490,100	(962,534)
Financing activity		
Proceeds of long term debt	272,500	-
Payments of long-term debt	(289,734)	(15,873)
Cash flows from financing activities	(17,234)	(15,873)
Investing activity		
Purchase of capital assets	(108,142)	(17,044)
Increase (decrease) in cash	364,724	(995,451)
Cash, beginning of year	1,617,732	2,613,183
Cash, end of year	\$ 1,982,456	\$ 1,617,732

Community Futures Development Corporation of Central Interior First Nations

Notes to Financial Statements

March 31, 2023

1. Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Nature of Operations

The Corporation was incorporated under the *Canada Corporations Act* on March 31, 1995 as a not-for-profit organization. The Community Futures Development Corporation of Central Interior First Nations (the "Corporation") promotes and provides community economic development support services to First Nations persons, businesses, and communities in the Thompson-Shuswap-Nicola-Fraser Canyon-Lillooet-North Okanagan area. Through the provision of advisory, co-ordination, information, financial, and program objectives, the Board will facilitate improved economic self-reliance of First Nations people in this area.

The Corporation is a registered charity for income tax purposes.

Fund Accounting

The Community Futures Development Corporation of Central Interior First Nations records accounting transactions using the restricted fund method of accounting for contributions. A fund is determined for the purposes of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The Operating Fund reports the administrative, operating, and investing activities of the Corporation.

The Invested in Capital Asset Fund reports the capital assets of the Corporation, together with their related financing.

Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the appropriate Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate Fund. Funding received under funding arrangements which relate to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the statement of financial position.

Unrestricted contributions are recognized as revenue of the appropriate Fund in the received or receivable under the terms of applicable funding agreements if the amount to be received can be reasonably estimated and collection is reasonably assured.

Administrative fees revenue on promissory notes are deferred and taken into income over the term of the loan. Interest revenue is recognized as it is earned.

**Community Futures Development Corporation
of Central Interior First Nations
Notes to Financial Statements**

March 31, 2023

1. Significant Accounting Policies (continued)

Capital Assets

Capital assets acquired are valued at cost and are recorded in the Invested in Capital Asset Fund. When a capital asset no longer has any long-term service potential to the Corporation, it is written down to its residual value, if any. The acquisition costs of capital assets and payments on capital debt, which are not funded from capital financing sources are recorded as interfund transfers from the applicable fund to the Invested in Capital Asset Fund in the year of expenditure. These expenditures are also recorded as an addition to assets of the Invested in Capital Asset Fund.

Amortization is based on the estimated useful life of the assets. Amortization is charged at the following rates and methods:

Furniture and fixtures	4 years	straight-line
Computer equipment	2 years	straight-line
Vehicles	20%	declining balance

Capital assets are written down to net realizable value at the point they no longer contribute to the Corporation's ability to provide services.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make assumption and estimates that have an effect on the reported amounts of assets and liabilities and disclosure at the date of the financial statements and the reported amounts of revenue and expenses during the period. Estimates in the financial statements include the valuation of loans receivable and amortization of capital assets. Actual results could be different from those estimates.

**Community Futures Development Corporation
of Central Interior First Nations
Notes to Financial Statements**

March 31, 2023

1. Significant Accounting Policies (continued)

Financial Instruments

Except for loans receivable and promissory notes payable, financial instruments are recorded at fair value at initial recognition. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

The Corporation's financial instruments consist of cash, temporary investments, loans receivable, long-term investments, and accounts payable. The carrying values of cash and temporary investments approximate their fair value due to the relatively short periods to maturity of these items. The carrying value of long-term investments is cost.

Loans receivable and promissory notes payable are recorded at inception at their face value rather than at fair value. Face value may not reflect fair value due to preferential terms which may not reflect market values. The carrying value of these items is amortized cost.

The Corporation is exposed to financial risk that arises from the credit quality of the entities to which it provides loans. Credit risk arises from the possibility that these entities may experience financial difficulty and be unable to fulfill their obligations. The Corporation performs ongoing credit evaluations of the entities' financial condition and maintains provisions for potential credit losses.

It is management's opinion that the corporation is not exposed to significant interest or currency risks arising from these financial instruments.

**Community Futures Development Corporation
of Central Interior First Nations
Notes to Financial Statements**

March 31, 2023

1. Significant Accounting Policies (continued)

Impairment of Long-lived Assets

In the event that facts and circumstances indicate that the Corporation's long lived assets may be impaired, a test of recoverability would be performed.

Such a test entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write down to market value or discounted cash flow value is required.

For purposes of recognition and measurement of an impairment loss, a long-lived asset is grouped with other assets and liabilities to form an asset group at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities.

**Community Futures Development Corporation
of Central Interior First Nations
Notes to Financial Statements**

March 31, 2023

2. Loans Receivable

	Loans receivable	Allowance for doubtful loans	Net 2023	Net 2022
Loans	\$ 898,552	\$ 101,292	\$ 797,260	\$ 847,123
Community Business Loans Program	311,063	40,000	271,063	314,294
Emergency Loan Program	798,531	-	798,531	1,738,481
Women's Entrepreneurship Loan Program	28,000	-	28,000	-
	\$ 2,036,146	\$ 141,292	\$ 1,894,854	\$ 2,899,898

(a) Loans receivable:

Loans receivable are advanced pursuant to agreements with the Community Futures Program of Western Economic Diversification and Community Business Loans Program. The programs are aimed to provide funding to assist Aboriginal entrepreneurs in business ventures within a defined region of the Central Interior of British Columbia. Most loans are term loans with rates between 8% to 12% compounded monthly. Any exception to this is by board resolution. The Corporation makes available an annual interest rate rebate of 25% of the total interest paid on an individual loan for borrowers who have met all of the loan terms and repayment conditions. The average annual yield on the loans was 3.01% (2022 - 8.15%). As of March 31, 2023, 22 loans (2022 - 23) are outstanding. Generally, loans are supported by charges against tangible property. The Corporation's loans have maturities ranging between one and five years.

The Community Business Loans Program is a provincial program to stimulate economic development and growth in British Columbia.

Youth loans are a Western Economic Diversification program to stimulate economic development and growth to youth sector businesses in British Columbia.

Entrepreneurs with disabilities loans are a Western Economic Diversification program to stimulate economic development and growth to businesses of entrepreneurs with disabilities in British Columbia.

The Microloans Fund was established to provide loans to graduates of the Aboriginal BEST program. Loans are limited to a maximum of \$1,500.

The Women Entrepreneurship Loan fund program provides certain funds to NACCA on the condition that NACCA provide financing to Indigenous Women Entrepreneurs through its member Aboriginal Financial Institutions.

**Community Futures Development Corporation
of Central Interior First Nations
Notes to Financial Statements**

March 31, 2023

2. Loans Receivable (continued)

(b) Emergency Loan Program

The Emergency Loan Program provided businesses with up to \$60,000 each to finance qualifying expenses during COVID. The loans were non-interest bearing with no scheduled payments until December 31, 2023. If the balance of the loan was repaid by that date, 25% of the first \$40,000 and 50% of amounts above \$40,000 and up to \$60,000 were forgiven. If the full amount of the loan payments were not made by December 31, 2023, the full outstanding balance of the loan was converted to a 5% interest bearing loan to be repaid in monthly installments over a two-year period ending December 31, 2025.

As the Corporation records financial assets at fair value at inception, the loans receivable are presented net of the forgivable portion totalling \$798,531 (2022 -\$1,738,481). These loans were financed via the conditionally payable loan from NACCA. (Note 11).

(c) Allowance for doubtful loans:

Allowance for doubtful loans is provided for on the following basis:
 Specific: Management has evaluated all loans in arrears with any risk of loss. Specific loans are written off when they are identified by management as uncollectable. Management has calculated a specific provision on loans of \$40,000 (2022 - \$44,292) for loans to be written off.

Non-specific: Management has calculated a non-specific provision on loans of \$101,292 (2022 - \$97,000) for the overall loans receivable.

3. Long-term Investments

	2023	2022
0.0062% of common shares in All Nations Trust Company	\$ 1,000	\$ 1,000

**Community Futures Development Corporation
of Central Interior First Nations
Notes to Financial Statements**

March 31, 2023

4. Capital Assets

	2023		2022	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Investing:				
Furniture and fixtures	\$ 31,925	\$ 31,925	\$ 31,925	\$ 31,925
Operating:				
Computer equipment	166,007	162,107	158,207	154,361
Furniture, fixtures and vehicles	127,778	78,223	127,017	63,756
Vehicles	146,694	59,512	47,113	37,716
	472,404	331,767	364,262	287,758
Net book value		\$ 140,637		\$ 76,504

5. Investment Contributions and Loans

	2023	2022
(a) Contributions	\$ 650,000	\$ 650,000
(b) Loans:		
Repayable loan program	200,000	200,000
Repayable youth loan program	200,000	200,000
Community Business loans program	250,000	250,000
Repayable Entrepreneurs with Disabilities loan program	160,000	160,000
	\$ 810,000	\$ 810,000

These loans are repayable over various terms under the investment agreements. In addition, \$250,000 (\$200,000 repayable loan program and \$50,000 repayable youth loan program) of the funds received from Western Economic Diversification were used as matching funds regarding the Community Business Loans program to provide a pool of \$500,000 of funds for this program.

Community Futures Development Corporation of Central Interior First Nations
Notes to Financial Statements

March 31, 2023

6. Deferred Revenue

Deferred revenue includes funding received for programs/projects that were not completed at year end, and unearned administrative fees received on promissory notes. These amounts are recorded as a liability as they are unearned at year end.

	2022	Funding Received	Revenue Recognized	2023
Unearned Administrative fees on promissory notes	\$ 18,961	\$ -	\$ (5,791)	\$ 13,170
Western Economic Diversification	25,626	307,517	(307,517)	25,626
ROF Project Agreement	51,208	15,000	-	66,208
Agri- Tourism Agreement	23,431	-	-	23,431
United Way Flood Relief funding	50,000	-	(1,311)	48,689
Indigenous Women's Entrepreneurship	-	190,339	(69,368)	120,971
Community Workforce Response Grant	-	251,360	(251,360)	-
Service Contract Export Navigator Program	-	100,000	(98,096)	1,904
	\$ 169,226	\$ 864,216	\$ (733,443)	\$ 299,999

Deferred capital contributions represent the unspent amount of grants received for the purchase of capital assets. The balance of deferred capital contributions are as follows:

	2022	Funding Received	Revenue Recognized	2023
Deferred capital contributions- Food truck	\$ 38,400	\$ -	\$ (7,680)	\$ 30,720

**Community Futures Development Corporation
of Central Interior First Nations
Notes to Financial Statements**

March 31, 2023

7. Global Pandemic

The impact of COVID-19 in Canada and on the global economy increased significantly. This has resulted in worldwide emergency measures to combat the spread of the virus. These measures have caused material disruption to businesses globally resulting in an economic slowdown. As a result, there is significant increase in credit risks of the Corporation on loans receivable from borrowers. Given the dynamic nature of COVID 19, CFDC is not able to fully estimate the effects of the COVID-19 outbreak on the collectivity of loan receivables, its results of operations, financial condition, or liquidity at this time.

8. Promissory Notes Payable

The Corporation holds promissory notes owing to the National Aboriginal Capital Corporations Association (NACCA) in the amount of \$272,500 (2022 - \$289,734). Principal balances are repaid to NACCA as the corresponding loan receivables are collected. The promissory notes are conditionally due on demand, interest free, and unsecured, but are matched against specific loans receivable of \$28,000 (2022 - \$354,294)

9. Commitments

The Corporation has entered into two operating leases for equipment rental and for office space. Minimum annual lease payments due over the next two years are approximately as follows:

2024	\$ 27,847
2025	<u>24,668</u>
	<u>\$ 52,515</u>

**Community Futures Development Corporation
of Central Interior First Nations
Notes to Financial Statements**

March 31, 2023

10. Capital Disclosures

The Corporation's objectives when managing capital are as follows:

- 1) To safeguard the Corporation's ability to carry on as a going concern so the Corporation can continue to facilitate economic self-reliance of First Nations people in the area through providing credit-worthy individuals with loans through established lending practices.
 - 2) The Board reviews active loans on a regular basis to ensure loans are collectible and no further action is required. The Board also reviews the allowance for uncollectible loans and makes revisions when necessary.
 - 3) Management maintains an investment portfolio representing cash which has not been loaned to individuals. This investment portfolio consists of low risk money market securities as the funds must remain liquid to be available for lending.
 - 4) Management ensures there is adequate available cash flow to fund ongoing operations by comparing actual results to the operating budget and monitoring funding requirements.
-

**Community Futures Development Corporation
of Central Interior First Nations
Notes to Financial Statements**

March 31, 2023

11. Due to NACCA - Emergency Loan Program

As disclosed in Note 2, the Corporation received \$3,000,000 in funding during the 2022 fiscal to provide emergency loans. To the extent that this amount has not been used to fund loans at the end of the application period, any unused funds are to be returned to NACCA. At March 31, 2023, the undistributed balance on hand was \$nil (2022 - \$nil)

As of March 31, 2023, \$3,000,000 has been used to fund emergency loans. The balance due to NACCA is non-interest bearing with no payments due until after December 31, 2023. Any loan payments received to that date will be remitted in a lump sum payment to NACCA. After that time, the remaining loan continues to be non-interest bearing and will be repayable in monthly installments over a two year period ending December 31, 2025. The balance to be repaid will be reduced to the extent that the loans receivable are forgiven (Note 2) and by any loans that are not collectible and costs associated with attempts to collect loans in arrears.

As the Corporation records financial liabilities at fair value, the balance has been recorded net of the forgivable portion of the loans receivable expected to reduce this balance owing.

	2023	2022
Current portion	\$ 1,012,363	\$ -
Long term portion	-	1,766,623
	<u>\$ 1,012,363</u>	<u>\$ 1,766,623</u>

12. Comparative Figures

Certain comparative figures presented in the financial statements have been restated to confirm with the current year's presentation.

**Community Futures Development Corporation
of Central Interior First Nations
Operating Fund
Exhibit E - Statement of Financial Position
(Unaudited)**

As at March 31	2023	2022
Assets		
Current		
Cash and bank	\$ 124,449	\$ 228,771
Accounts receivable	18,269	72,464
Prepaid expenses & other current assets	3,378	6,269
Due from Investing Fund	8,616	-
	<u>154,712</u>	<u>307,504</u>
Capital assets	<u>140,637</u>	<u>76,504</u>
	<u>\$ 295,349</u>	<u>\$ 384,008</u>
Liabilities and Net Assets		
Current		
Accounts payable & accruals	\$ 74,557	\$ 42,841
Deferred revenue	299,999	169,226
Deferred capital contributions	30,720	38,400
Due to Investment Fund	-	28,526
	<u>405,276</u>	<u>278,993</u>
Net Assets		
Net assets invested in capital assets - Exhibit G	109,917	38,104
Externally restricted net deficiency - Exhibit G	(181,449)	(2,836)
Unrestricted net assets - Exhibit G	<u>(38,395)</u>	<u>69,747</u>
	<u>(109,927)</u>	<u>105,015</u>
	<u>\$ 295,349</u>	<u>\$ 384,008</u>

**Community Futures Development Corporation
of Central Interior First Nations
Operating Fund
Exhibit F - Statement of Operations
(Unaudited)**

For the year ended March 31	2023	2022
Revenue		
Western Economic Diversification	\$ 307,517	\$ 307,517
Province of B.C.	241,077	-
Other income	62,023	324,406
Interest	5,203	-
National Aboriginal Capital Corporation Association	174,109	-
Rural Business & Community Recovery Program	-	38,942
Amortization of deferred capital contributions for Kweseltken Kitchen	7,680	-
United Way Flood Relief	1,311	-
Export Navigator Program	103,096	100,000
Kweseltken Kitchen	6,730	154,905
Emergency Loan Program	54,414	54,415
	963,160	980,185
Expenditures		
Administration fees - external	2,516	-
Administration fees - internal	-	1,924
Advertising and marketing	47,250	62,968
Amortization	44,009	23,856
Amounts transferred to other organizations	47,660	13,250
Bad debts (recovery)	(1,943)	-
Benefits	43,647	43,894
Contract services	153,362	354,589
Honoraria	11,597	-
Materials and supplies	33,775	62,771
Office rental	33,962	50,468
Office supplies and sundry	24,303	16,651
Participant allowance	2,980	-
Professional fees	37,615	22,701
Repairs & Maintenance	4,038	2,249
Travel	85,865	51,278
Wages	411,358	390,679
Workshops and training	227,965	51,436
	1,209,959	1,148,714
Deficiency of revenue over expenditures before the other items	(246,799)	(168,529)
Gain on disposal of capital assets	1,857	-
Transfer from Investment Fund	30,000	89,924
Excess (deficiency) of revenue over expenditures	(214,942)	(78,605)
Net assets (deficiency), beginning of the year	105,015	183,620
Net assets (deficiency), end of year	\$ (109,927)	\$ 105,015

Community Futures Development Corporation of Central Interior First Nations
Operating Fund
Exhibit G - Combined Schedule of Operations and Net Assets
(Unaudited)

For the year ended March 31	Net assets (deficiency) 2022	Revenue	Expenditures	Change in net assets for the year	Capital purchases	Interfund transfers	Gain on disposal of capital assets	Net assets (deficiency) 2023
H. Core Fund	\$ (103,193)	\$ 372,077	\$ 505,539	\$ (133,462)	-	\$ 53,537	\$ 1,857	\$ (181,261)
I. Employment and Training Program Fund	(1,722)	-	-	-	-	1,231	-	(491)
J. Special Projects Fund	(25,478)	-	-	-	-	-	-	(25,478)
K. Trans Mtn Pipeline Workshop	(1,314)	-	-	-	-	1,314	-	-
L, M Other Projects	236,686	591,083	704,420	(113,337)	-	(26,082)	-	97,267
Total	\$ 104,979	\$ 963,160	\$ 1,209,959	\$ (246,799)	-	\$ 30,000	\$ 1,857	\$ (109,963)

For the year ended March 31	Net assets (deficiency) 2022	Revenue	Expenditures	Change in net assets for the year	Capital purchases	Interfund transfers	Gain on disposal of capital assets	Deferred capital contributions	Net assets (deficiency) 2023
Unrestricted net assets (deficiency)	69,747	-	-	-	(108,142)	-	-	-	(38,395)
Restricted net assets (deficiency)	(2,836)	963,160	1,165,950	(202,790)	-	30,000	1,857	(7,680)	(181,449)
Invested in capital assets	38,104	-	44,009	(44,009)	108,142	-	-	7,680	109,917
Total	\$ 105,015	\$ 963,160	\$ 1,209,959	\$ (246,799)	-	\$ 30,000	\$ 1,857	\$ -	\$ (109,927)

**Community Futures Development Corporation
of Central Interior First Nations
Operating Fund
Exhibit H - Schedule of Operations and Net Deficiency
Core Fund
(Unaudited)**

For the year ended March 31	2023	2022
Revenue		
Western Economic Diversification	\$ 307,517	\$ 307,517
Other income	59,742	324,406
Gain on disposal of asset	1,857	-
Interest	4,818	-
	<u>373,934</u>	<u>631,923</u>
Expenditures		
Administration fees - external	2,516	1,924
Advertising and marketing	20,012	15,584
Amortization	44,009	23,856
Benefits	27,956	28,895
Bursaries & donations	1,410	13,250
Contract services	22,910	227,842
Materials and supplies	17,561	28,070
Office rental	27,531	25,242
Office supplies and sundry	20,109	9,116
Professional fees	37,615	22,701
Repairs & maintenance	1,412	330
Travel	22,287	20,043
Wages	247,667	226,044
Workshops and training	14,330	29,397
Honoraria	157	-
Bad debt (recovery)	(1,943)	-
	<u>505,539</u>	<u>672,294</u>
Deficiency of revenue over expenditures	(131,605)	(40,371)
Deficiency, beginning of year	(114,756)	(160,805)
Transfer from other funds:		
Transfer from other funds	53,537	89,924
Capital purchase	-	(3,504)
	<u>53,537</u>	<u>86,420</u>
Deficiency, end of year	\$ (192,824)	\$ (114,756)

**Community Futures Development Corporation
of Central Interior First Nations
Operating Fund**

**Exhibit I - Schedule of Operations and Net Assets (Deficiency)
Employment and Training Program Fund
(Unaudited)**

For the year ended March 31	Admin Assistant	ISEPTS (ASETS)	Emergency Preparedness – Agri. BC	2023	2022
Net deficiency, beginning of year	\$ (1,404)	\$ 173	\$ (491)	\$(1,722)	(1,722)
Transfers from other funds	1,404	(173)	-	1,231	-
Net deficiency, end of year	\$ -	\$ -	\$ (491)	\$(491)	(1,722)

**Community Futures Development Corporation
of Central Interior First Nations
Operating Fund
Exhibit J - Schedule of Operations and Deficiency
Special Projects Fund
(Unaudited)**

For the year ended March 31	2023	2022
Net deficiency, beginning of year	\$ (25,478)	\$ (25,478)
Net deficiency, end of year	\$ (25,478)	\$ (25,478)

**Community Futures Development Corporation
of Central Interior First Nations
Operating Fund
Exhibit K - Schedule of Operations and Net Deficiency
Trans Mtn Pipeline Workshop
(Unaudited)**

For the year ended March 31	2023	2022
Net deficiency, beginning of year	\$ (1,313)	\$ (1,313)
Transfers to other funds	1,313	-
Net deficiency, end of year	\$ -	\$ (1,313)

Community Futures Development Corporation of Central Interior First Nations
Operating Fund
Exhibit L - Schedule of Operations and Net Assets
Other Projects
(Unaudited)

For the year ended March 31	CWRG - TRAINING	IBDS - BUS.MKT.	IBDS - TRAIN	NACCA - IWE	NACCA - IBSP/ELP	CBCBSS - EXPORT NAVIGATOR	Kwse'ltkten Project	KFAM	ELDP OP FUNDING	CFBC - DREAI	2023	2022
Revenue												
NACCA	\$ -	\$ -	\$ -	\$ 174,109	\$ -	\$ -	\$ 600	\$ -	\$ 54,414	\$ -	\$ 229,123	\$ 54,415
Funding	226,077	-	-	-	-	5,000	11,530	18,280	-	-	260,887	113,805
SBBC	-	-	-	-	-	98,096	-	-	-	-	98,096	-
CFBC	-	-	-	-	-	-	385	-	-	-	385	-
	<u>226,077</u>	<u>-</u>	<u>-</u>	<u>174,109</u>	<u>-</u>	<u>103,096</u>	<u>12,515</u>	<u>18,280</u>	<u>54,414</u>	<u>-</u>	<u>588,491</u>	<u>168,220</u>
Expenditures												
Advertising and marketing	-	5,937	-	2,680	-	713	13,921	3,864	-	125	27,240	41,231
Benefits	1,508	-	-	7,385	-	206	6,193	-	-	399	15,691	-
Contract services	-	-	-	27,974	-	74,805	26,423	-	-	-	129,202	49,201
Honoraria (recovery)	9,625	-	-	1,315	-	-	1,000	(500)	-	-	11,440	-
Materials and supplies	8,487	-	-	1,416	-	102	5,569	639	-	-	16,213	36,435
Memberships & licenses	-	-	-	3,612	14	99	149	250	-	69	4,193	392
Office rental	5,050	-	-	1,381	-	-	-	-	-	-	6,431	-
Travel	-	-	-	28,065	-	26,161	8,928	340	-	32	63,526	28,704
Wages	19,383	-	-	92,653	-	-	48,291	-	-	3,365	163,692	48,045
Workshops and training	198,000	-	1,350	4,648	-	1,010	6,725	1,840	-	-	213,573	-
Repairs & maintenance	-	-	-	-	-	-	2,626	-	-	-	2,626	1,920
Participant allowance	-	-	-	2,980	-	-	-	-	-	-	2,980	-
	<u>242,053</u>	<u>5,937</u>	<u>1,350</u>	<u>174,109</u>	<u>14</u>	<u>103,096</u>	<u>119,825</u>	<u>6,433</u>	<u>-</u>	<u>3,990</u>	<u>656,807</u>	<u>205,928</u>
Surplus (deficiency) of revenue over expenditures	(15,976)	(5,937)	(1,350)	-	(14)	-	(107,310)	11,847	54,414	(3,990)	(68,316)	(37,708)
Net assets, beginning of year	-	-	1,879	-	-	111,850	(59,341)	(31,167)	254,009	-	277,230	314,938
Net assets (deficiency), end of year	<u>\$ (15,976)</u>	<u>\$ (5,937)</u>	<u>\$ 529</u>	<u>\$ -</u>	<u>\$ (14)</u>	<u>\$ 111,850</u>	<u>\$ (166,651)</u>	<u>\$ (19,320)</u>	<u>\$ 308,423</u>	<u>\$ (3,990)</u>	<u>\$ 208,914</u>	<u>\$ 277,230</u>

Community Futures Development Corporation of Central Interior First Nations
Operating Fund
Exhibit M - Schedule of Operations and Net Assets
Other Projects (continued)
(Unaudited)

For the year ended March 31	Special Projects - Donation	United Way - Capacity	United Way - Recovery Planning	Cutes - 2006-18	ETSI BC	QBB - 2022 - Unallocated	CFDC - Wildfire Outreach	CEDO-VA WD MKT(#2747)	2023	2022
Revenue										
NACCA	\$ -	\$ -	\$ -	\$ 1,311	\$ -	\$ -	\$ -	\$ -	\$ 1,311	\$ -
Funding	1,281	-	-	-	-	-	-	-	1,281	-
	<u>1,281</u>	<u>-</u>	<u>-</u>	<u>1,311</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,592</u>	<u>-</u>
Expenditures										
Contract services	-	-	1,250	-	-	-	-	-	1,250	-
Travel	-	-	-	-	52	-	-	-	52	2,531
Workshops and training	-	61	-	-	-	-	-	-	61	-
Bursaries & donations	46,250	-	-	-	-	-	-	-	46,250	-
	<u>46,250</u>	<u>61</u>	<u>1,250</u>	<u>-</u>	<u>52</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,613</u>	<u>2,531</u>
Surplus (deficiency) of revenue over expenditures	(44,969)	(61)	(1,250)	1,311	(52)	-	-	-	(45,021)	(2,531)
Net assets, beginning of year	-	-	-	50,000	(41,250)	(9,139)	(2,286)	(13,804)	(16,479)	(13,948)
Transfers from other funds	-	-	-	(51,311)	-	9,139	2,286	13,804	(26,082)	-
Net assets (deficiency), end of year	\$ (44,969)	\$ (61)	\$ (1,250)	\$ -	\$ (41,302)	\$ -	\$ -	\$ -	\$ (87,582)	\$ (16,479)

**Community Futures Development Corporation of Central
Interior First Nations
Investment Fund
Exhibit N - Statement of Financial Position
(Unaudited)**

As at March 31	General Investment Fund	Youth Investment Fund	Community Business Loans Program	Entrepreneurs with Disabilities Fund	Micro Loans	Emergency Loan Fund	Women's Entrepreneurship Loan Fund	2023	2022
Assets									
Cash and bank	\$ 709,338	\$ -	\$ 810,989	\$ -	\$ 209,668	\$ 128,011	\$ -	\$ 1,858,006	\$ 1,388,961
Accounts receivable	-	-	45	-	-	-	-	45	45
Due from (to) operating	(428,122)	89,179	201,033	99,879	29,415	-	-	(8,616)	28,527
Loans receivable	797,260	-	271,063	-	-	798,531	28,000	1,894,854	2,899,898
Long-term investments (Note 7)	1,000	-	-	-	-	-	-	1,000	1,000
Inter-departmental balances	174,440	142,453	-	119,516	-	244,868	244,500	925,777	554,056
	\$ 1,253,916	\$ 231,632	\$ 1,283,130	\$ 219,395	\$ 239,083	\$ 1,171,410	\$ 272,500	\$ 4,671,066	\$ 4,872,487
Liabilities and Net Assets									
Liabilities									
Accounts payable & accruals	\$ 209,190	\$ -	\$ -	\$ -	\$ -	\$ 1,012,363	\$ -	\$ 1,221,553	\$ 1,866,252
Investment fund contributions and loans	-	150,000	500,000	160,000	-	-	-	810,000	810,000
Inter-departmental balances	-	-	703,009	-	223,718	-	-	926,727	554,055
Promissory notes	-	-	-	-	-	-	272,500	272,500	289,734
	209,190	150,000	1,203,009	160,000	223,718	1,012,363	272,500	3,230,780	3,520,041
Net Assets									
Externally restricted net assets	650,000	-	-	-	-	-	-	650,000	650,000
Unrestricted net assets	394,726	81,632	80,121	59,395	15,365	159,047	-	790,286	702,446
	1,044,726	81,632	80,121	59,395	15,365	159,047	-	1,440,286	1,352,446
	\$ 1,253,916	\$ 231,632	\$ 1,283,130	\$ 219,395	\$ 239,083	\$ 1,171,410	\$ 272,500	\$ 4,671,066	\$ 4,872,487

**Community Futures Development Corporation of Central Interior First Nations
Investment Fund
Exhibit O - Statement of Operations
(Unaudited)**

For the year ended March 31	General Investment Fund	Youth Investment Fund	Community Business Loans Program	Entrepreneurs with Disabilities Fund	Micro Loans	Emergency Loan Fund	Women's Entrepreneurship Loan Fund	2023	2022
Revenue									
Loan interest	\$ 78,065	\$ -	\$ 36,997	\$ -	\$ -	\$ 2,217	\$ -	\$ 117,279	\$ 138,578
Miscellaneous income (recovery)	4,964	-	(84)	-	-	(76)	-	4,804	4,813
	83,029	-	36,913	-	-	2,141	-	122,083	143,391
Expenditures									
Advertising and sundry	8,684	-	45	-	-	96	-	8,825	11,408
Audit	408	-	-	-	-	-	-	408	-
Bad debt	-	-	-	-	-	-	-	-	3,330
Office rental (recovery)	(5,000)	-	-	-	-	-	-	(5,000)	-
	4,092	-	45	-	-	96	-	4,233	14,738
Excess (deficiency) of revenue over expenditures	78,937	-	36,868	-	-	2,045	-	117,850	128,653
Net assets, beginning of year	995,789	81,632	201,388	59,395	15,365	(1,123)	-	1,352,446	1,313,717
Transfer	(30,000)	-	(158,135)	-	-	158,125	-	(30,010)	(89,924)
Net assets, end of year	\$1,044,726	\$ 81,632	\$ 80,121	\$ 59,395	\$ 15,365	\$ 159,047	\$ -	\$1,440,286	\$1,352,446