

**THE CANADIAN COMMUNITY
ECONOMIC DEVELOPMENT NETWORK**

**FINANCIAL STATEMENTS
DECEMBER 31, 2025**

INDEPENDENT AUDITOR'S REPORT

To the Directors of
THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK

Opinion

We have audited the financial statements of THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK (the Organization), which comprise the statement of financial position as at December 31, 2025, and the statements of revenues and expenses, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2025, 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 the Organization 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 the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization 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.

Groupe RDL Victoriaville SENCRL¹

Victoriaville
June 4, 2026

¹ By Joseph Daneau, CPA auditor

THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK**Statement of Revenues and Expenses****For the year ended December 31****2025****2024****REVENUE**

Grants and contribution agreements :		
Government contributions	\$ 251,290	\$ 1,487,211
Community/Charitable sector	545,448	587,170
Other grants and contribution agreements	20,000	14,000
	816,738	2,088,381
Earned and unrestricted income :		
Events and training	66,047	102,509
Contracted services	570,082	771,270
Memberships	35,984	38,609
Donations and other revenues	10,607	9,625
Interest	39,898	55,877
	722,618	977,890
	1,539,356	3,066,271

EXPENSES

Direct project costs (schedule A)	834,707	1,449,060
Board, committees and members (schedule B)	1,752	1,538
Staff costs (schedule C)	991,150	1,498,963
Administration (schedule D)	104,240	179,226
Amortization of capital assets	2,010	5,858
	1,933,859	3,134,645

DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS (394,503) (68,374)**LOSS ON DISPOSAL OF CAPITAL ASSETS** - (883)**DEFICIENCY OF REVENUES OVER EXPENSES** \$ (394,503) \$ (69,257)

THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK
Changes in Net Assets
For the year ended December 31

	Endow- ment	Invested in capital assets	Restricted (note 3)	2025 Total	2024 Total
BALANCE, BEGINNING OF YEAR	97,509	2,792	1,118,972	1,219,273	1,288,530
Excess (loss) of revenues over expenses	3,256	(2,010)	(395,749)	(394,503)	(69,257)
Investment in capital assets	-	1,455	(1,455)	-	-
BALANCE, END OF YEAR	100,765	2,237	721,768	824,770	1,219,273

THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK
Statement of Financial Position
As at December 31

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash	\$ 982,999	\$ 1,019,528
Accounts receivable (note 4)	75,896	328,174
Prepaid expenses	9,763	46,470
Current portion of investments (note 5)	260,000	283,009
	1,328,658	1,677,181
CAPITAL ASSETS (note 6)	2,237	2,792
	\$ 1,330,895	\$ 1,679,973
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable (note 7)	\$ 108,973	\$ 80,324
Deferred revenue and contributions (note 8)	397,152	380,376
	506,125	460,700
NET ASSETS		
ENDOWMENT	100,765	97,509
RESTRICTED NET ASSETS	721,768	1,118,972
NETS ASSETS INVESTED IN CAPITAL ASSETS	2,237	2,792
	824,770	1,219,273
	\$ 1,330,895	\$ 1,679,973

On behalf of the Board:

Michelle Colussi, Director

, Director

THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK**Cash Flows****For the year ended December 31****2025****2024****OPERATING ACTIVITIES**

Deficiency of revenues over expenses	\$	(394,503)	\$	(69,257)
Adjustments for:				
Amortization of capital assets		2,010		5,858
Loss on disposal of immobilisations		-		883
		(392,493)		(62,516)
Net change in non-cash items related to operating activities:				
Accounts receivable		252,278		718,198
Prepaid expenses		36,707		3,566
Accounts payable		28,649		(82,539)
Deferred revenue and contributions		16,776		(541,326)
		(58,083)		35,383
INVESTING ACTIVITIES				
Investment acquisition		(260,000)		(11,959)
Collection of term deposits		283,009		272,350
Acquisition of capital assets		(1,455)		(1,704)
		21,554		258,687
INCREASE (DECREASE) IN CASH		(36,529)		294,070
CASH, BEGINNING OF YEAR		1,019,528		725,458
CASH, END OF YEAR	\$	982,999	\$	1,019,528

THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK

Notes to Financial Statements

As at December 31, 2025

1. ARTICLES OF INCORPORATION

The Organization is governed under the Canada Not-for-profit Corporations Act and is consequently exempt from income taxes. The objects of the organization are to alleviate poverty, reduce unemployment, and relieve suffering in economically challenged communities.

2. SIGNIFICANT ACCOUNTING POLICIES

The Organization applies the Canadian accounting standards for not-for-profit organizations.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the amounts recognized as revenues and expenses for the periods covered. Actual results may differ from these estimates. The main estimates relate to the provision for doubtful accounts, the impairment of financial assets and the useful lives of capital assets subject to amortization.

Revenues recognition

Contributions

The Organization uses the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net asset.

Membership, event and other revenues

The Organization recognizes its membership, event and other revenues when all significant acts have been completed and collection is reasonably assured.

Financial instruments

Initial measurement

The Organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Organization is in the capacity of management, are initially measured at cost.

Subsequent measurement

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost.

THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK

Notes to Financial Statements

As at December 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Subsequent measurement (continued)

Financial assets measured at amortized cost using the straight-line method include cash, accounts receivable and investments.

Transaction costs

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

Impairment

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there are, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

Capital Assets

Computer equipment are accounted for at cost. Amortization is calculated on their estimated useful lives using the declining balance method at the rate of 45%.

Impairment of long-lived assets

Capital assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK

Notes to Financial Statements

As at December 31, 2025

3. INTERNALLY RESTRICTED NET ASSETS

On June 4, 2026, the Board of Directors decided to allocate an amount of \$4,714 to program reserves and to use \$31,400 from operation reserve and \$370,518 from strategic initiatives reserve, thus bringing the total allocated amounts to \$721,768. In 2020, the Board of Directors adopted a new reserve policy with two specific reserves: the Contingency Reserve and the Strategic Initiatives Reserve. Those allocations help to finance programs and general activities when the financial resources of the organization are insufficient. The Organization cannot use those amounts received as allocation without the prior authorization of the Board of Directors. The amounts allocated are divided as follows:

	2025		2024
Restricted reserves			
Contingency Reserves			
Program Reserves	\$ 401,615	\$	396,901
Operation Reserves	266,400		297,800
	668,015		694,701
Strategic initiatives reserve	53,753		424,271
Total restricted reserve	721,768		1,118,972
Endowments	100,765		97,509
	\$ 822,533	\$	1,216,481

4. ACCOUNTS RECEIVABLE

	2025		2024
Receivables	\$ 47,314	\$	305,657
Interest	6,159		387
Goods and services tax	22,423		22,130
	\$ 75,896	\$	328,174

THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK

Notes to Financial Statements

As at December 31, 2025

5. INVESTMENTS

	2025	2024
Portfolio investments		
Term deposit, bearing interest at 3 %, maturing in march 2026	\$ 260,000	\$ -
Term deposit, matured during the fiscal year	-	283,009
	260,000	283,009
Current portion of investments	(260,000)	(283,009)
	\$ -	\$ -

6. CAPITAL ASSETS

	2025		2024	
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	\$ 15,164	\$ 12,927	\$ 2,237	\$ 2,792
Furniture and equipment	2,110	2,110	-	-
	\$ 17,274	\$ 15,037	\$ 2,237	\$ 2,792

7. ACCOUNTS PAYABLE

	2025	2024
Accounts payable	\$ 73,163	\$ 34,504
Wages and benefits	32,740	32,638
Accrued liabilities	3,070	13,182
	\$ 108,973	\$ 80,324

THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK

Notes to Financial Statements

As at December 31, 2025

8. DEFERRED REVENUES AND CONTRIBUTIONS

Funds received in the current fiscal year that will be recognized as revenues in a subsequent year when all significant acts will be completed or when expenses will be engaged, are as follows :

	2025	2024
Community/Charitable sector	\$ 281,723	\$ 145,584
Other restricted income	103,114	221,463
Membership	12,315	13,329
	\$ 397,152	\$ 380,376

9. FINANCIAL INSTRUMENTS

Financial risks

The significant risks arising from financial instruments to which the Organization is exposed as at December 31, 2025 are detailed below.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable. Management believes that the organization has the liquidity to meet its commitments.

Credit risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for the Organization by failing to discharge an obligation. The Organization's credit risk is mainly related to accounts receivable.

The Organization provides credit to its clients in the normal course of its operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for contingent credit losses which, once they materialize, are consistent with management's forecasts. The Organization does not normally require a guarantee.

For grants receivable, the Organization continuously evaluates amounts receivable on the basis of amounts it is virtually certain to receive based on their estimated realizable value.

THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK
Notes to Financial Statements
As at December 31, 2025

10. COMMITMENTS

The commitments of the Organization under lease agreements aggregate to \$57,622. The instalments over the next four years are the following:

2026	\$	30,287
2027	\$	15,456
2028	\$	10,177
2029	\$	1,702

THE CANADIAN COMMUNITY ECONOMIC DEVELOPMENT NETWORK**Supplementary Information****For the year ended December 31****2025****2024****SCHEDULE A - DIRECT PROJECT COSTS**

Contractors	\$	579,032	\$	1,117,977
Communications		20,246		45,733
Travel and meals		41,800		83,064
Project partner fees		1,093		-
Credit card processing fees		1,083		1,170
Materials and supplies		11,079		18,566
Knowledge products		122,364		111,164
Promotion, design and publications		17,248		33,311
Meeting, events, rooms and equipment rental		38,296		27,599
Legal and Professional fees		2,466		-
Translation		-		10,476
	\$	834,707	\$	1,449,060

SCHEDULE B - BOARD, COMMITTEES AND MEMBERS

Meeting, travel and meals	\$	1,752	\$	1,538
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SCHEDULE C - STAFF COSTS

Wages and benefits	\$	991,150	\$	1,498,963
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SCHEDULE D - ADMINISTRATION

Insurance	\$	5,586	\$	5,571
Communications		4,657		6,595
Membership dues		5,226		7,374
Employee training and meeting costs		680		23,851
Bank charges and online transaction costs		5,175		5,551
Equipment related costs		778		190
Office operations and supplies		131		9,124
Internet and online services		24,119		28,344
Rent		33,776		33,273
Promotion, events and publications		1,574		7,496
Professional services		12,427		38,488
Website		9,010		9,897
Translation		1,101		3,472
	\$	104,240	\$	179,226