




Northern Passenger Transportation Service Fund

2024/25 Annual Report



Published May 30, 2025



This report is for the 2025 fiscal year, beginning April 1, 2024, and ending March 31, 2025. All references to 2025 are for the 2025 fiscal year, unless otherwise indicated.

Overview 2024/25

The Northern Passenger Transportation Service Fund (NPTSF) was created after the Ministry of Transportation and Transit (MOTT) approached Northern Development Initiative Trust (NDIT) in March 2021 to administer a \$7.9-million fund to improve passenger transportation in Northern B.C. The fund intended to provide funding for the BC Bus North inter-community long-haul service and to support the transition of the Highway 16 Community Transportation Grant program, which subsequently became Northern Development's Northern Community Shuttle program.

Initially a three-year funding commitment, the Ministry granted an additional \$5.25 million to Northern Development in fiscal 2023 (March 2023) to extend the programs until March 31, 2027 and support the development and implementation of a common booking application for services throughout Northern B.C. In December 2024, the funding agreement was extended by 12 months, bringing the end date to March 31, 2028.

The funding commitment is the result of the Province of BC and Northern Development taking action to address the continued challenges northerners face in accessing safe, reliable, and affordable transportation options and the obstacles that exist in connecting existing services to travel further distances.

Elsewhere, the NPTSF was challenged in 2024/25 to receive monthly reporting for shuttle service operators reliably. This means that the data regarding shuttle services contained in this report is partial, as staff continue to connect and work with operators to provide the necessary reporting outlined in their funding agreements. As this was the final year of those projects, Trust staff worked to closely monitor the funds disbursed compared to the eligible spend to mitigate operators having a large amount of funding that needed to be repaid. Northern Development remained in close contact with each operator, working together as the projects came to a close.

In July 2024, Keolis North America acquired Pacific Western Transportation. Throughout 2024/25, the Trust continued to work with Pacific Western Charters (PWC), and later Keolis, to develop and advance the Connected Network common booking application. The booking system has been branded OneBus and launched in Fall 2024.



Funding Overview



\$7.9 million

Province of B.C. initial investment with Northern Development in 2021

- Approximately \$4.5 million was committed to Inter-City Passenger Transportation Services between April 1, 2022 and March 31, 2025
- Approximately \$3 million was committed to the Northern Community Shuttle Program for services to operate between April 1, 2022 and March 31, 2025



\$5.25 million

Province of B.C. second investment with Northern Development in March 2023 to extend the Inter-City Passenger Transportation Services and Northern Community Shuttle Services until March 31, 2027 and also support the development of the Connected Network (OneBus)

- \$250,000 was committed towards the Connected Network Project
- \$1.3 million was committed towards the Northern Community Shuttle Program

\$833,000 was provided through the Rural, Regional and Inter-City Contribution Agreement from the Ministry of Transportation and Transit for regional engagement, analysis and other initiatives. In December 2024, the Ministry approved unspent funds from this agreement to be transferred and used for service delivery until March 31, 2028.



Background

Federal, provincial, and municipal governments have established a variety of programs to provide interregional transportation services in the void created by Greyhound's 2018 departure from Western Canada. Private operators have also emerged to provide inter-city services on certain routes. Indigenous, municipal, and regional district governments are also supporting intra-city and limited inter-city transportation services through partnerships with BC Transit or funding of community buses. In addition to these partnerships, health authorities and some post-secondary institutions provide direct transportation options or have partnered with other entities to ensure patients and students can access safe, reliable transportation.

Before 2021, MOTT offered two programs that provided funding for transportation services. Both programs ended on March 31, 2022.

- BC Bus North, which provided inter-city/long-haul service
- Highway 16 Community Transportation Grant Program which provided funding for short-haul shuttle operators



2024/25 Highlights

36,764

passengers utilized transportation services in Northern B.C.

15,951

passengers used the BC Bus North system

20,813

passengers used the shuttle services

\$1,214,284

in fare revenue collected across the network

960,335

kilometres travelled across the network

569,973

kilometres travelled by BC Bus North

390,362

kilometres travelled by shuttles

\$2,859,641

in total operating costs for BC Bus North and shuttles (includes NDIT and partner costs)

\$133.52

average cost per passenger on BC Bus North

\$35.07

average cost per passenger on shuttle services



NPTS Lifetime Statistics

April 2021 – March 2025

45 applications received **28** projects approved

\$8,512,061
total funds approved

123,181 passengers serviced by all transit providers

- 40,958 rides provided via BC Bus North service
- 82,223 rides provided via shuttle services
- \$53.94 average cost per passenger, based on reported expenses

3,390,180 kilometres travelled across all services

- 1,936,654 kilometres travelled by BC Bus North
- 1,453,526 kilometres travelled by shuttles
- \$1.96 average cost per kilometre, based on reported expenses



Inter-City Passenger Transportation Services for Northern BC

The Inter-City Passenger Transportation Services for Northern BC (IPTS) is one of two funding streams in the NPTSF. It is designed to provide grant assistance to financially support the delivery of consistent passenger service to connect communities across Northern B.C. and offer a hub system that smaller community shuttle providers can connect to and access for long-distance travel.

On April 1, 2022, BC Bus North, operated by PWC, seamlessly continued operating with funding through IPTS. This followed a one-year contract extension established in 2021 to ensure that reliable service continued without interruption as Northern Development assumed responsibility for NPTSF from MOTT's previous transportation grant program. The 2022 funding agreement introduced a second round-trip weekly to Fort Nelson and was reoriented to ensure smooth connections to private charter operators in Dawson Creek, Valemount, and Prince George for connections to Grand Prairie, Jasper, and Kamloops, respectively.

Ridership through the IPTS grew by 10% in 2024/25, representing 1,452 riders with the majority of the increase resulting from the Prince George to Kamloops route added to the network in the 2023/2024 fiscal year. The Prince George to Fort St John route also increased by 240 riders compared to the previous year, while Prince George to Prince Rupert and Prince George to Valemount saw slight decreases from the prior year.

Increased ridership across the service continues to move the BC Bus North system towards being a sustainable solution for transportation in the north, with revenues totalling \$1,122,203 (2024 - \$977,152), an increase of 14.8% from the year prior, while keeping expenses to a respectable increase of 5.27% for a total of \$2,129,700 (2024 - \$2,022,996). Despite the revenue growth this past year, the gap between revenue and expenses remains, indicating a continued need for provincial funding while continuing to explore ways to further strengthen the sustainability of the service.



	2024/25 Ridership Total	2023/24 Ridership Total	Year-Over-Year Ridership Total	Year-Over-Year Ridership Total
Route 100 – Prince George to Prince Rupert	3,284	3,417	(133)	(3.89)%
Route 200 – Prince George to Valemount	227	236	(9)	(3.81)%
Route 300 – Prince George to Fort St. John	1,943	1,703	240	14.09%
Route 400 – Dawson Creek to Fort Nelson	* _	520	(520)	-%
Route 500 – Prince George to Kamloops	9,724	8,623	1,101	12.77%
Route 600 – Fort St. John to Fort Nelson	773	* _	773	-%
Totals	15,951	14,499	1,452	10.01%

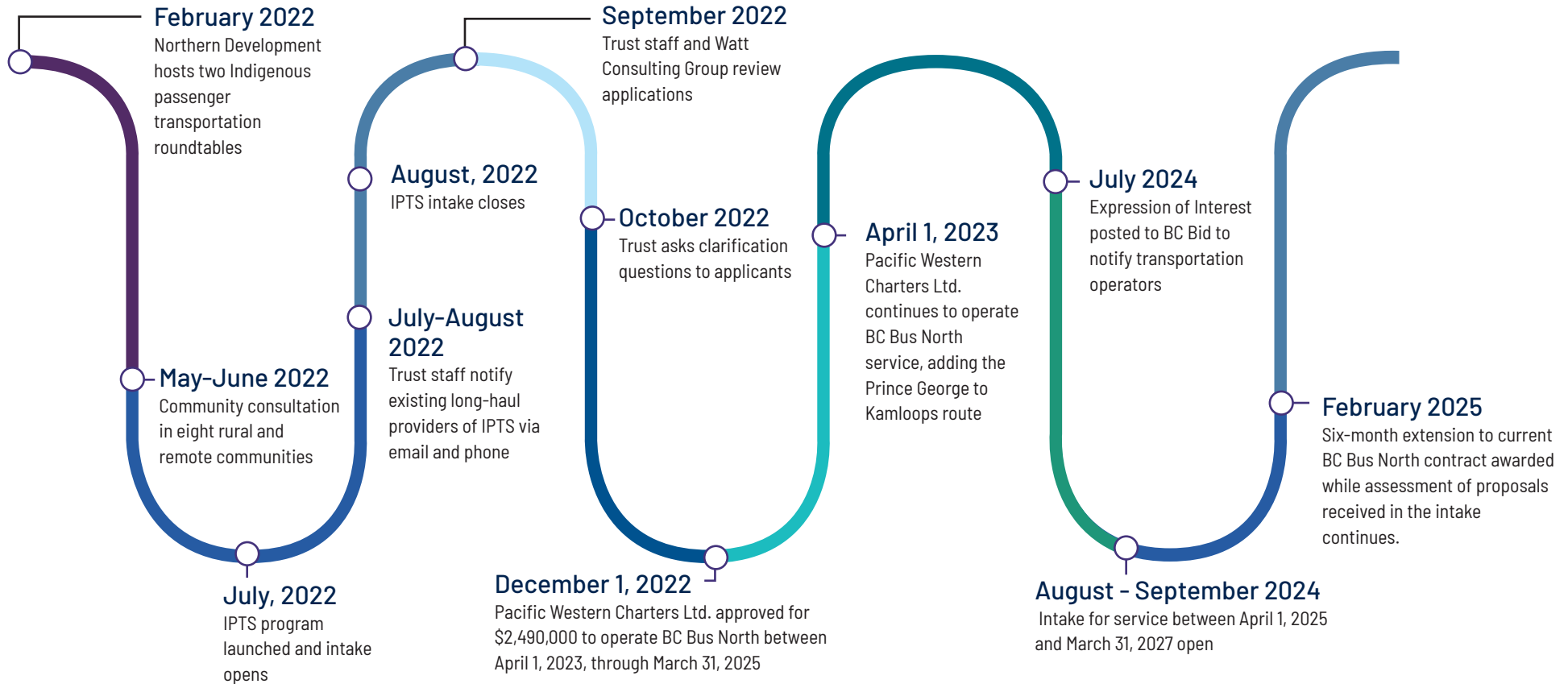
* In 2024/25 Route 400 (Dawson Creek to Fort Nelson) was replaced with Route 600 (Fort St. John to Fort Nelson). As such, ridership numbers are not available for select routes/years.

As the current agreement for BC Bus North was set to conclude on March 31, 2025, work began on the next intake of the program in the summer of 2024. In July, an Expression of Interest was posted to BC Bid to notify transportation providers of the upcoming intake. Information about the upcoming intake was also posted to Northern Development’s website and social media channels. In early August, the intake opened for

roughly six weeks before closing in September. Upon closing, Northern Development, along with Watt Consulting Group, began working with those who submitted proposals. In February, it became clear that additional time was needed to thoroughly assess and refine submitted proposals. Ultimately, the Board granted a six-month extension to the current operator, PWC, while staff continued to work with applicants.



IPTS TIMELINE



Total funds approved to date
\$4,140,000

2022/23 Funding Approved
\$1,650,000

2023/24 Funding Approved
\$1,240,000

2024/25 Funding Approved
\$1,250,000

40,958

Rides provided since 2022

1,936,654

Kilometres travelled
since 2022

\$2,568,553

Fare revenue collected
since 2022

\$3.74 Cost per kilometre
travelled in 2024/25



Northern Community Shuttle Program

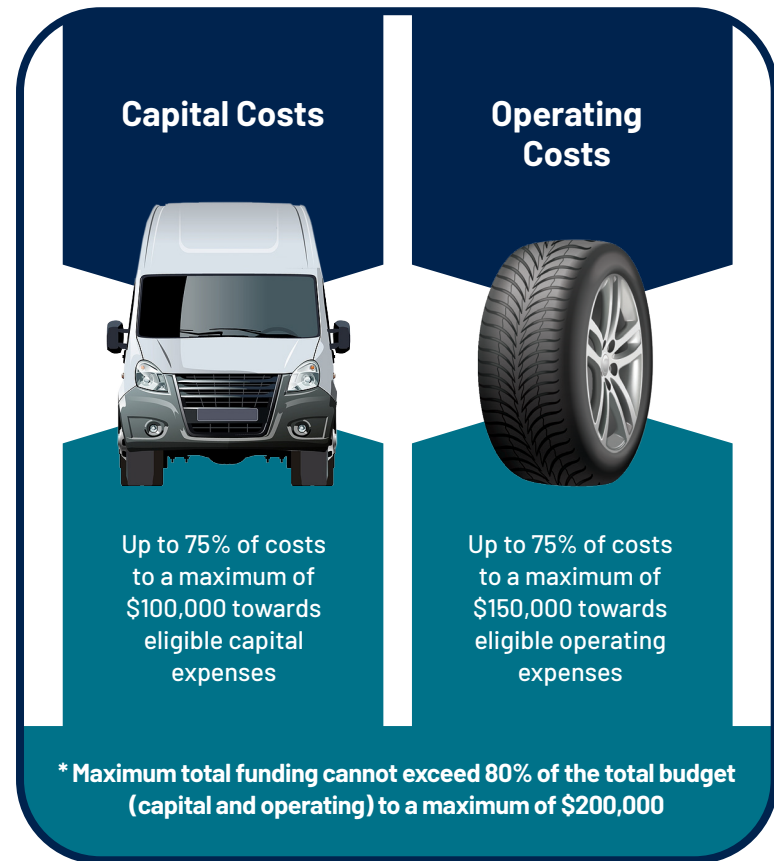
The Northern Community Shuttle (NCS) program is the successor to the Ministry of Transportation and Transit's (MOTT) Highway 16 Community Transportation Grant Program. Expanded by Northern Development to benefit all communities in its service region, NCS made \$3 million available to introduce or improve passenger transportation options on routes that are less than 300 kilometres. These shuttle services prioritize bringing passengers to or from larger centres where they can connect with BC Bus North or other long-haul transportation services such as Northern Health Connections, BC Transit's Highway 16 service or local transit services.

Beginning on April 1, 2022, organizations approved for funding through the first intake of NCS began offering passenger transportation services to their communities and surrounding areas. Through this intake of NCS, all grant recipients have three years of guaranteed funding to subsidize their services and keep them affordable for passengers. Projects approved under the first intake were completed on March 31, 2025.

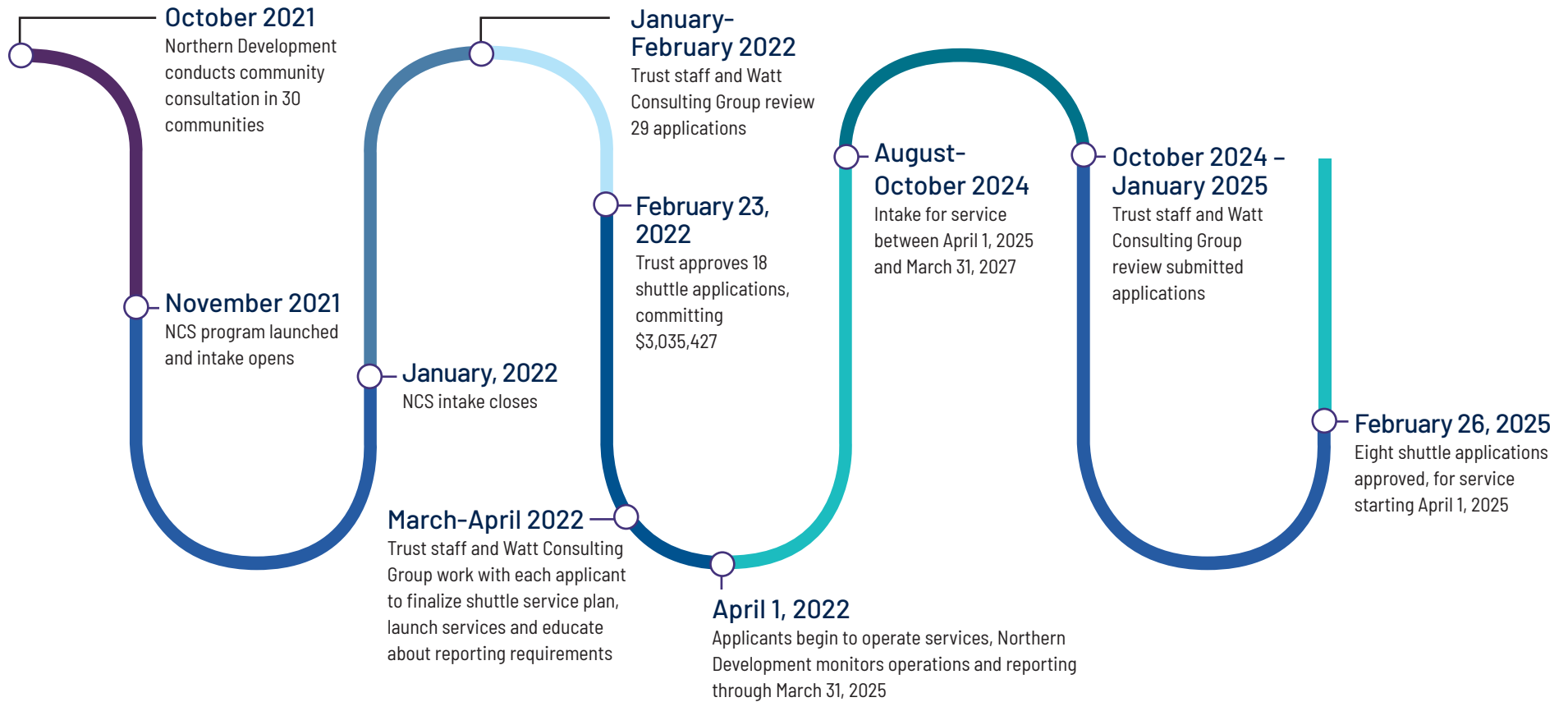
In August of 2024, a second intake of NCS opened. This round of funding encompasses service between April 1, 2025, and March 31, 2027, and saw approximately \$1 million available. Northern Development staff worked with Watt Consulting Group to review all submitted applications, and in February 2025, Northern Development's Board approved eight shuttles for the two-year period. These services began operation on April 1, 2025.

Recognizing the variety of costs that make up a transportation service, funding for both capital and operational expenses was available for both intakes of NCS.

Second Intake of NCS Funding Terms

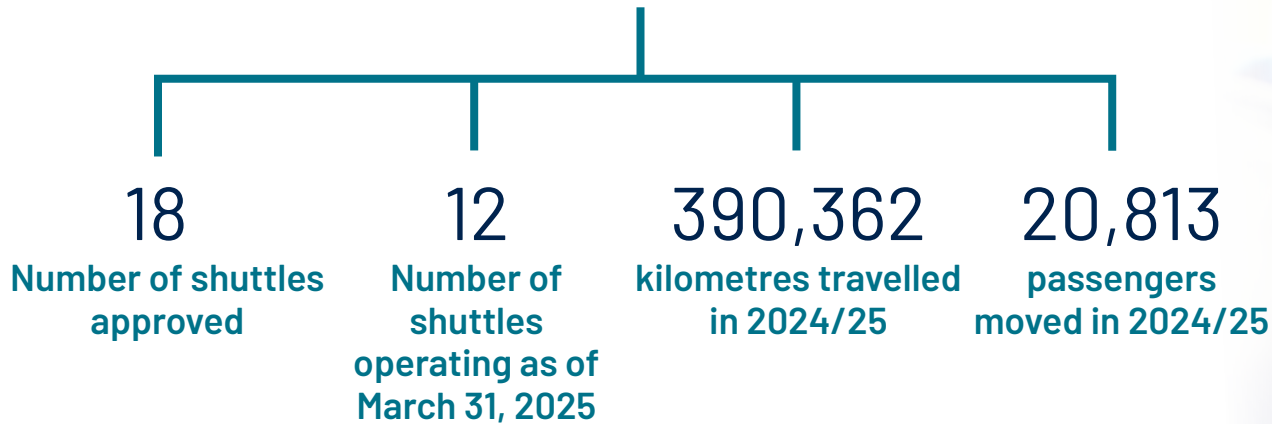


NCS Timeline



Total funds approved through first intake

\$3,049,027



\$729,941

total operating costs for all active shuttles in 2024/25

\$92,081

total fare revenue collected for all active shuttles in 2024/25

\$35.07

average cost per shuttle passenger in 2024/25

\$1.87

average cost per kilometre travelled for all shuttles in 2024/25

*As of the time of this report, Northern Development is still working closely to finalize reporting with nine active shuttle providers. Based on the outcome, these numbers may vary.



Local Retiree Spends His Downtime Connecting Locals to the Places that Matter

In memory of Mike MacDougall (1959-2024)

When Greyhound stopped services in 2018, northern British Columbians were at a loss for how they would travel to visit family, friends or get to critical appointments. This is when local community shuttles with volunteer drivers like the one offered by Autumn Services in Fraser Lake began taking off.

“I want to make sure that people get to their destination safely and get back home safely as well.” - Mike MacDougall, former volunteer driver at Autumn Services

Mike was a volunteer driver at Autumn Services for nearly six years. The retired forestry worker volunteered his time to connect community members to the places that matter across the north. When he first started, he used his own vehicle to ensure that community members could get where they needed to go safely, and he only upgraded to an Autumn Services van four years into his career. Mike put over 170,000 km on this vehicle and was proud to have done so.

Mike connected the young, old, and folks with disabilities from Fraser Lake to neighbouring communities, daily. For the most part, that meant connecting folks to and from Prince George; however, it also included other neighbouring communities. “We always stop for McDonald’s coffee—it’s the driver’s prerogative,” said Mike.



Photo credit: Mike MacDougall

Autumn Services is part of a larger initiative by Northern Development Initiative Trust (NDIT) aimed at connecting people to the places that matter—Bus the North is a campaign running across Northern BC highlighting the modes of transportation that exist across the north and connect our communities. For Mike, driving is something he loved to do, and making it a personalized experience for riders is something he was fond of; whether that meant turning down the music, or opening up the floor to singing on the bus, he did everything he could to make sure people were inspired to ride again.

“I don’t want anyone to ever say ‘I don’t want to do this again’—I want to make sure they want to do it again,” said Mike.

Mike MacDougall’s dedication went far beyond the miles he drove—he brought heart, humour, and humanity to every ride. His legacy lives on in the countless lives he touched and the community he helped keep connected, one safe journey at a time.



Approved Northern Community Shuttle Projects - Intake 1

Project #	Proponent	Committed Funds		Approved Date
7837-92	Autumn Services Society for Senior Support	Capital:	\$80,000.00	2/23/2022
		Operating:	\$60,160.00	
		Total:	\$140,160.00	
7847-92	Binche Keyoh Bu Society	Operating:	\$150,000.00	2/23/2022
7851-92	Takla Nation	Capital:	\$100,000.00	2/23/2022
		Operating:	\$100,000.00	
		Total:	\$200,000.00	
7852-92	District of Vanderhoof	Operating:	\$150,000.00	2/23/2022
7853-92	Dze L K'ant Friendship Centre Society	Operating:	\$150,000.00	2/23/2022
7854-92	Nisga'a Village of Gingolx	Capital:	\$98,707.20	2/23/2022
		Operating:	\$101,292.80	
		Total:	\$200,000.00	
7855-92	Village of Fraser Lake	Operating:	\$150,000.00	2/23/2022
7856-92	Village of Granisle	Capital:	\$54,575.00	2/23/2022
		Operating:	\$117,476.00	
		Total:	\$172,051.00	
7858-92	Gitanyow Human Services	Operating:	\$128,640.00	2/23/2022
7859-92	Kermode Friendship Society	Capital:	\$38,400.00	2/23/2022
		Operating:	\$87,936.00	
		Total:	\$126,336.00	
7860-92	Kimta Transportation Society	Capital:	\$48,990.00	2/23/2022
		Operating:	\$150,000.00	
		Total:	\$198,990.00	
7861-92	Kwadacha First Nation	Capital:	\$77,500.00	2/23/2022
		Operating:	\$105,350.00	
		Total:	\$182,850.00	
7865-92	Nawican Friendship Centre	Capital:	\$69,407.00	2/23/2022
		Operating:	\$130,593.00	
		Total:	\$200,000.00	
7866-92	Friendship House Association of Prince Rupert	Capital:	\$100,000.00	2/23/2022
		Operating:	\$100,000.00	
		Total:	\$200,000.00	
7867-92	Northern Rockies Seniors Society	Operating:	\$150,000.00	2/23/2022



7903-92	District of Stewart	Capital: Operating: Total:	\$80,000.00 \$120,000.00 \$200,000.00	2/23/2022
7912-92	Gitanmaax Band	Operating:	\$150,000.00	2/23/2022
7917-92	First Nations Health Authority	Capital: Operating: Total:	\$75,000.00 \$125,000.00 \$200,000.00	2/23/2022

Amount Approved

\$3,049,027.00

Approved Northern Community Shuttle Projects - Intake 2

Project #	Proponent	Committed Funds		Approved Date
9317-92	Autumn Services Society for Senior Support	Capital: Operating: Total:	\$69,119.00 \$118,027.00 \$187,139.00	2/26/2025
9327-92	Dze L K'ant Friendship Centre Society	Operating:	\$73,050.00	2/26/2025
9328-92	Village of Fraser Lake	Operating:	\$80,089.00	2/26/2025
9329-92	Village of Granisle	Capital: Operating: Total:	\$63,631.00 \$136,369.00 \$200,000.00	2/26/2025
9330-92	Kimta Transportation Society	Capital: Operating: Total:	\$46,831.00 \$150,000.00 \$196,831.00	2/26/2025
9331-92	Northern Rockies Seniors Society	Capital: Operating: Total:	\$38,250.00 \$150,000.00 \$188,250.00	2/26/2025
9333-92	District of Vanderhoof	Capital: Operating: Total:	\$50,000.00 \$150,000.00 \$200,000.00	2/26/2025
9334-92	Yekooche First Nation	Capital: Operating: Total:	\$47,675.00 \$150,000.00 \$197,675.00	2/26/2025

Amount Approved

\$1,323,034.00



Connected Network

In March 2023, the Province of BC committed \$250,000 to the development and implementation of Connected Network. Other funding for the \$1,030,000 project comes from Northern Development and Pacific Western Charters Ltd. (PWC).

For service providers, the Connected Network will be a crucial platform to be represented on, raising awareness about routes and schedules, resulting in increased ridership and associated revenues. Each transit operator can load their service information, schedule, and relevant booking information into the Connected Network database. This allows riders to book directly through the platform, increasing ease of transit through rural Northern B.C.

All transportation service providers who have received grant funding from Northern Development may join the Connected Network at no cost. Private charter companies will be able to join the platform for a fee.

The application and website, OneBus, launched in the fall of 2024, with additional services such as the Village of Fraser Lake and Kimta Transportation Society joining the platform. Throughout 2025, Northern Development will continue to work with PWC on events, marketing, community engagement, and onboarding more community shuttles onto the platform.



Program Governance and Structure

Northern Development received funding from the Province of B.C. to develop and launch NPTS, providing grant funding to service providers for safe, reliable, and affordable passenger transportation. The Northern Passenger Transportation Service Fund Advisory Committee was established to provide guidance for the program, help with design and eligibility requirements and make recommendations to the Trust. Northern Development's Indigenous Advisory Committee also provides feedback and recommendations on the NPTS.

Northern Development is responsible for the administrative duties associated with the Fund and provides administrative support to the advisory committee. The Trust is responsible for the design and administration of the program, including application intake management, client service, project approval decisions, contracts, and reporting. All project approvals that exceed \$100,000 in funding are ratified by the Trust's Board of Directors.

Funding recipients of both the IPTS and NCS currently provide monthly reporting to the Trust. For the next round of NCS projects, this reporting has been moved to quarterly to assist with capacity challenges often faced by smaller operators. With that information, Northern Development provides quarterly and annual reporting to the Province of B.C. that includes project status updates, program metrics, full account reconciliations, and other relevant information.



Grant Disbursements

Recipients of the first intake of Northern Community Shuttle funding receive monthly grant disbursements after providing monthly reporting. Through the NCS funding agreement, organizations can receive a maximum of \$200,000 over three years, up to a maximum of 80% of their eligible budget.

Monthly grant disbursements help maintain healthy cash flow as providers operate shuttles. Upon entering the funding agreement, Northern Development divided the total grant committed by the number of months the service will be operating with NCS support. The proponent receives the same disbursement amount monthly for the duration of their agreement. Northern Development is aware that in some months, the amount being disbursed through NCS exceeds what the service provider expended in the month.

Northern Development considered this acceptable as eligible organizations spent 2022 setting up the service and adjusting to its implications on their operations. At the end of the 2023 fiscal year, Northern Development evaluated what had been disbursed and what had been spent by each operator. Throughout 2024, the Trust kept a close eye on this and, in cases where shuttles had been provided more funding than they were entitled to, their monthly payment was either adjusted or paused.

Financial Management

The Trust operates on a January to December fiscal year. Per policy, the Trust publishes its financial statements and annual report on its website and submits them to the Province of BC by April 30 of every year.

The statements for 2024 are attached at the end of this report. Funds that have not yet been distributed are held at the Royal Bank of Canada and disbursed as completed. Finance staff at Northern Development must complete reviews to determine that the applicants have met the obligations of the project as set out in their contribution agreements.



Financial Statements of

Northern Development Initiative Trust

And Independent Auditor's Report thereon

Year ended December 31, 2024



KPMG LLP
177 Victoria Street, Suite 400
Prince George BC V2L 5R8
Canada
Telephone 250 563-7151
Fax 250 563-5693

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Northern Development Initiative Trust

Opinion

We have audited the financial statements of Northern Development Initiative Trust (the Trust), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations and fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2024 and its results of 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 auditor's report.

We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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.

Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's report thereon, included in the Schedule of Externally Restricted – Committed Funds.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the Schedule of Externally Restricted – Committed Funds as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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 Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Trust'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 the 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 Trust'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 Trust'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 Trust's 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.
- 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.

KPMG LLP

Chartered Professional Accountants

Prince George, Canada

March 3, 2025


Northern Development Initiative Trust
Statement of Financial Position

As at December 31, 2024, with comparative information for 2023

	Unrestricted and Endowment	Restricted									Total		
		Operating	Invested in Capital Assets	Cross Regional	Pine Beetle	Cariboo-Chilcotin Lillooet Regional Development	Northwest Regional Development	Northeast Regional Development	Prince George Regional Development	Other Trust Funds	Province of British Columbia	2024	2023
ASSETS													
Current Assets													
Cash	\$ 9,930,016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 830,078	\$ 271,140,880	\$ 281,900,974	\$ 295,169,855
Accounts receivable and accrued interest	33,566	-	-	-	2,500	-	-	-	-	2,729	870,457	909,252	1,462,320
Prepaid expenses	141,166	-	-	-	-	-	-	-	-	-	-	141,166	165,915
Current portion of loans receivable (Note 2)	-	-	-	-	5,737	-	-	-	-	387,463	-	393,200	1,625,692
Total Current Assets	10,104,748	-	-	-	8,237	-	-	-	387,463	832,807	272,011,337	283,344,592	298,423,782
Other Non-Current Assets													
Loans receivable (Note 2)	-	-	-	-	-	-	-	-	1,183,923	-	-	1,183,923	4,161,492
Investments (Note 3)	39,507,975	-	89,258,282	29,753,492	32,475,206	34,782,250	44,532,170	38,864,211	28,188,164	-	-	337,361,750	305,415,342
Tangible capital assets (Note 4)	-	106,002	-	-	-	-	-	-	-	-	-	106,002	122,258
TOTAL ASSETS	\$ 49,612,723	\$ 106,002	\$ 89,258,282	\$ 29,753,492	\$ 32,483,443	\$ 34,782,250	\$ 44,532,170	\$ 40,435,597	\$ 29,020,971	\$ 272,011,337	\$ 621,996,267	\$ 608,122,874	
LIABILITIES AND EQUITY													
Current Liabilities													
Accounts payable and accrued liabilities (Note 5)	173,164	-	1,193	-	-	-	-	-	-	-	52,663	227,020	308,767
Due to (from) other funds	2,724,177	-	(2,724,177)	-	-	-	-	-	-	-	-	-	-
Funds administered for others (Note 6)	-	-	-	-	-	-	-	-	28,350,100	-	-	28,350,100	26,715,985
Unearned revenue (Note 7)	4,386,041	-	-	-	-	-	-	-	-	-	-	4,386,041	5,746,834
Current portion of obligation under capital lease (Note 8)	-	6,546	-	-	-	-	-	-	-	-	-	6,546	6,388
Total Current Liabilities	7,283,382	6,546	(2,722,984)	-	-	-	-	-	28,350,100	52,663	32,969,707	32,777,974	
Other Non-current Liabilities													
Obligation under capital lease (Note 8)	-	6,708	-	-	-	-	-	-	-	-	-	6,708	13,254
TOTAL LIABILITIES	7,283,382	13,254	(2,722,984)	-	-	-	-	-	28,350,100	52,663	32,976,415	32,791,228	
Equity													
Endowment fund (Note 9)	25,000,000	-	-	-	-	-	-	-	-	-	-	25,000,000	25,000,000
Externally restricted - uncommitted	-	-	89,113,473	27,802,242	29,624,080	30,757,559	41,477,512	38,325,108	670,871	124,311,195	382,082,040	332,208,224	
Externally restricted - committed	-	-	2,867,793	1,951,250	2,859,363	4,024,691	3,054,658	2,110,489	-	147,647,479	164,515,723	208,138,431	
Invested in tangible capital assets (Note 10)	-	92,748	-	-	-	-	-	-	-	-	-	92,748	102,616
Unrestricted	17,329,341	-	-	-	-	-	-	-	-	-	-	17,329,341	9,882,375
TOTAL EQUITY	42,329,341	92,748	91,981,266	29,753,492	32,483,443	34,782,250	44,532,170	40,435,597	670,871	271,958,674	589,019,852	575,331,646	
Contingencies (Note 11)													
Commitments (Note 12)													
TOTAL LIABILITIES AND EQUITY	\$ 49,612,723	\$ 106,002	\$ 89,258,282	\$ 29,753,492	\$ 32,483,443	\$ 34,782,250	\$ 44,532,170	\$ 40,435,597	\$ 29,020,971	\$ 272,011,337	\$ 621,996,267	\$ 608,122,874	

Northern Development Initiative Trust Approval:

 Board Chair

 Vice Chair

Northern Development Initiative Trust
Statement of Operations and Fund Balances

As at December 31, 2024, with comparative information for 2023

	Unrestricted and Endowment	Restricted								Total		
	Operating	Invested in Capital Assets	Cross Regional	Pine Beetle	Cariboo-Chilcotin Lillooet Regional Development	Northwest Regional Development	Northeast Regional Development	Prince George Regional Development	Other Trust Funds	Province of British Columbia	2024	2023
REVENUE												
Investment income, net of fees (Note 3)	\$ 339,901	\$ -	\$ 764,833	\$ 255,177	\$ 277,988	\$ 300,159	\$ 382,647	\$ 331,277	\$ 5,755	\$ -	\$ 2,657,737	\$ 8,523,134
Interest income	380,732	-	239,638	-	363	-	-	-	-	13,948,519	14,569,252	14,045,888
Contributions (Note 13)	5,000,000	-	5,000,000	-	-	-	-	-	-	240,000	10,240,000	99,413,393
Net unrealized gains	3,367,272	-	7,474,724	2,634,007	2,803,064	3,043,848	3,859,932	3,347,451	53,164	-	26,583,462	21,094,113
Financial services revenue	25,000	-	-	-	-	-	-	-	-	-	25,000	15,000
Third party revenue	1,435,792	-	-	-	-	-	-	-	-	-	1,435,792	1,224,853
TOTAL REVENUE	10,548,697	-	13,479,195	2,889,184	3,081,415	3,344,007	4,242,579	3,678,728	58,919	14,188,519	55,511,243	144,316,381
EXPENSES												
ADMINISTRATION EXPENSES												
Amortization	-	55,387	-	-	-	-	-	-	-	-	55,387	57,088
General administration	198,669	-	-	-	-	-	-	-	-	-	198,669	141,165
S/C, fees, dues, licenses	8,485	-	-	-	-	-	-	-	-	4,984	13,469	10,371
Office expenses	291,801	-	-	-	-	-	-	-	-	-	291,801	267,298
Professional services	262,326	-	-	-	-	-	-	-	-	-	262,326	164,104
Rentals and maintenance	78,305	-	-	-	-	-	-	-	-	-	78,305	64,477
Office supplies	23,269	-	-	-	-	-	-	-	-	-	23,269	21,207
Salaries and benefits	1,624,083	-	-	-	-	-	-	-	-	-	1,624,083	1,575,874
TOTAL ADMINISTRATION EXPENSES	2,486,938	55,387	-	-	-	-	-	-	-	4,984	2,547,309	2,301,584
BOARD & RAC EXPENSES												
Board costs	57,939	-	-	-	-	-	-	-	-	-	57,939	42,577
RAC - Prince George	5,143	-	-	-	-	-	-	-	-	-	5,143	5,459
RAC - Northeast	6,242	-	-	-	-	-	-	-	-	-	6,242	5,797
RAC - Cariboo-Chilcotin/Lillooet	7,283	-	-	-	-	-	-	-	-	-	7,283	7,213
RAC - Northwest	9,740	-	-	-	-	-	-	-	-	-	9,740	4,933
TOTAL BOARD & RAC EXPENSES	86,347	-	-	-	-	-	-	-	-	-	86,347	65,979
TOTAL ADMINISTRATION COSTS	2,573,285	55,387	-	-	-	-	-	-	-	4,984	2,633,656	2,367,563
INCREMENTAL PROJECT EXPENSES												
Sage implementation	-	-	-	-	-	-	-	-	-	-	-	7,482
Salesforce implementation	482,927	-	-	-	-	-	-	-	-	-	482,927	60,056
TOTAL INCREMENTAL PROJECT EXPENSES	482,927	-	-	-	-	-	-	-	-	-	482,927	67,538
Grants and loans	-	-	1,847,425	1,891,478	962,844	904,309	1,225,083	1,379,024	-	30,710,537	38,920,700	30,477,289
Write down of loan receivable	-	-	-	-	-	-	-	-	-	-	-	2,269
Fair value adjustment for interest free loans receivable (Note 2)	-	-	-	-	-	-	-	(214,246)	-	-	(214,246)	(123,760)
NET GRANTS	-	-	1,847,425	1,891,478	962,844	904,309	1,225,083	1,164,778	-	30,710,537	38,706,454	30,355,798
TOTAL EXPENSES	3,056,212	55,387	1,847,425	1,891,478	962,844	904,309	1,225,083	1,164,778	-	30,715,521	41,823,037	32,790,899
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 7,492,485	\$ (55,387)	\$ 11,631,770	\$ 997,706	\$ 2,118,571	\$ 2,439,698	\$ 3,017,496	\$ 2,513,950	\$ 58,919	\$ (16,527,002)	\$ 13,688,206	\$ 111,525,482
Fund Balances, Beginning of Year	34,882,375	102,616	80,349,496	28,755,786	30,364,872	32,342,552	41,514,674	37,921,647	611,952	288,485,676	575,331,646	463,806,164
Investment in Capital Assets	(45,519)	45,519	-	-	-	-	-	-	-	-	-	-
FUND BALANCES, END OF YEAR	\$ 42,329,341	\$ 92,748	\$ 91,981,266	\$ 29,753,492	\$ 32,483,443	\$ 34,782,250	\$ 44,532,170	\$ 40,435,597	\$ 670,871	\$ 271,958,674	\$ 589,019,852	\$ 575,331,646

Northern Development Initiative Trust

Statements of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenditures	\$ 13,688,206	\$ 111,525,482
Items not involving cash:		
Amortization	55,387	57,088
Net unrealized gains	(26,583,462)	(21,094,113)
Accrued interest on loans receivable	(228,681)	(322,601)
Fair value adjustment for interest free loans receivable	(214,246)	(123,760)
Write down of loans receivable	-	2,269
	(13,282,796)	90,044,365
Changes in non-cash operating working capital:		
Accounts receivable	553,068	(145,174)
Prepaid expenses	24,749	16,235
Funds administered for others	1,634,115	1,826,725
Accounts payable and accrued liabilities	(81,747)	(13,317)
Unearned revenue	(1,360,793)	2,214,314
	(12,513,404)	93,943,148
Financing:		
Repayment of obligations under capital lease	(6,388)	(6,234)
Investing		
Investments	(5,362,946)	(1,344,385)
Repayment of loans receivable	4,652,988	2,081,204
Disposition of short-term investments	-	2,534,442
Acquisition of tangible capital assets	(39,131)	(10,756)
	(749,089)	3,260,505
Increase (decrease) in cash	(13,268,881)	97,197,419
Cash, beginning of year	295,169,855	197,972,436
Cash, end of year	\$ 281,900,974	\$ 295,169,855

See accompanying notes to financial statements.

Northern Development Initiative Trust

Notes to Financial Statements

Year ended December 31, 2024

Nature of Operations

Northern Development Initiative Trust (the "Trust"), a not-for-profit organization incorporated under the Northern Development Initiative Trust Act, operates primarily to be a catalyst for Northern B.C. and grow a strong diversified economy by stimulating sustainable economic growth through strategic and leveraged investments.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Trust's significant accounting policies are as follows:

(a) Restricted fund method of accounting:

The Trust follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the Trust's general activities.

The Restricted Funds are comprised of Invested in Capital Assets, Cross Regional Account, Pine Beetle Recovery Account, Cariboo-Chilcotin Lillooet Regional Development Account, Northwest Regional Development Account, Northeast Regional Development Account, Prince George Regional Development Account, Other Trust Funds and Province of British Columbia Account and report contributions restricted to activities outlined in their respective strategic plans. The Invested in Capital Asset fund reports the assets, liabilities, revenues and expenses related to the tangible capital assets of the Trust. The Other Trust Funds are comprised of the Prince George Agricultural Fund, Canada Winter Games Fund, Department of Indigenous Service Canada Fund, Nechako Valley Regional Cattlemen's Association Fund, British Columbia Innovation Council Fund, North Central Local Government Association Fund, BC Hydro AG Fund, and BC Hydro GO Fund and report contributions restricted to activities outlined in their respective strategic plans.

The Operating Endowment Account reports restricted resources contributed for endowment. Investment income earned on endowment resources is used for purposes prescribed in the Northern Development Initiative Trust Act (Note 9).

(b) Investments:

Investments are recorded at fair value. The difference between historical cost and fair value is recorded as an unrealized gain or loss and recorded in the excess (deficiency) of revenue over expenditures in the period in which the difference occurred. Gains and losses realized during the year are computed using the average cost method and recognized directly in the excess (deficiency) of revenue over expenditures.

(c) Tangible capital assets:

Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Assets acquired under capital lease are amortized over the estimated life of the assets or over the lease term, as appropriate. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a tangible capital asset no longer contributes to the Trust's ability to provide services, its carrying amount is written down to its residual value.

Tangible capital assets are amortized on a straight-line basis using the following annual rates:

Asset	Rate
Computer hardware	33%
Computer software	100%
Furniture and fixtures	20%
Leasehold improvements	16%
Vehicles	33%
Assets under capital lease	20%

(d) Externally restricted - uncommitted funds:

Uncommitted externally restricted funds represents funds not committed at year end to specific project proposals.

(e) Externally restricted - committed funds:

Committed externally restricted funds represent funds at year end for specific project proposals that have been approved by the Board of Directors and cash disbursement will not occur until a future date after year end once the conditions of the signed funding agreement are met.

Northern Development Initiative Trust

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policy (continued):

(e) Externally restricted - committed funds (continued):

Funds committed are recorded as a payable when the final review of the project claim is completed and approved by management.

(f) Revenue recognition:

Externally restricted contributions received for the Cross Regional Account, Pine Beetle Recovery Account, Cariboo-Chilcotin Lillooet Regional Development Account, Northwest Regional Development Account, Northeast Regional Development Account, Prince George Regional Development Account, Other Trust Funds and Province of British Columbia are recognized as revenue in the year received. All other externally restricted contributions received are recognized in the Operating Fund as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue in the Operating Fund in the year received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Unrestricted contributions with related expenses are recognized as revenue in the year in which the related expenses are incurred.

Investment income is recognized to the extent received or receivable.

(g) Grants and repayable grants:

Grants and repayable grants awarded by the Trust are recognized when the conditions of the signed funding agreement are met.

Grants are advanced to proponents from time-to-time based on the conditions of the funding agreement. Funds advanced are expensed on advancement as it is considered that project requirements will be met and the funds are unlikely to be returned.

(h) Income taxes:

No provision has been made for income taxes in these financial statements as the Trust is exempt under Paragraph 149(1)(c) of the Income Tax Act.

(i) Foreign currency translation:

Monetary assets and liabilities denominated in foreign currencies, and that have not been hedged, are translated into Canadian dollars at the rates of exchange in effect at the statement of financial position date. Other assets, liabilities and items affecting earnings are translated into Canadian dollars at rates of exchange in effect at the date of the transaction. Gains or losses arising from these foreign currency transactions are included in the determination of excess (deficiency) of revenue over expenditures.

(j) Use of estimates:

The preparation of the 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 date of the financial statements and the reported amounts of revenue and expenses during the year. An item subject to such estimates and assumptions include the carrying amount and collection of loans receivable. Actual results could differ from those estimates.

(k) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. Management has elected to carry loans receivable at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest rate method.

Northern Development Initiative Trust

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policy (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment the Trust determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Trust expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(l) Cloud computing arrangement:

The simplification approach is used to record cloud computing expenditures. In applying this approach, the expenditures in the arrangement are treated as the supply of services. Included on the Statement of Operations and Fund Balances in incremental project expenses are Salesforce implementation expenditures of \$482,927 (2023 - \$60,056) and Sage implementation expenditures of \$nil (2023 - \$7,482). Included in administrative costs are Salesforce licensing fees of \$56,326 (2023 - \$56,512) and Sage licensing fees of \$33,224 (2023 - \$27,011).

2. Loans receivable:

	2024	2023
Cross Regional Development Account - Prince George		
Repaid during the year	\$ -	\$ 3,965,902
Cariboo-Chilcotin Lillooet Regional Development		
Repayable in annual installments including interest at 3.7% due September 2025	5,737	11,268
Prince George Regional Development Account		
Repayable in annual installments over the next four years of \$452,873 in 2025, \$452,873 in 2026, \$339,362 in 2027, \$314,838 in 2028, and \$300,400 in 2029, non-interest bearing. Due July 2029	1,794,935	2,219,245
	1,800,672	6,196,415
Current portion of loans receivable	(458,610)	(1,719,666)
Current portion of fair value adjustment	65,410	93,974
	(393,200)	(1,625,692)
Fair value adjustment for interest free loans receivable	(223,549)	(409,231)
	\$ 1,183,923	\$ 4,161,492

During the year, the Trust recorded a recovery of \$214,246 (2023 - \$123,760) for the change in fair value adjustment for interest free loans receivable. This recovery was a result of fluctuations in the discount rate used to determine the adjustment.

3. Investments:

	2024	2023
Cash equivalents:		
Cash	\$ -	\$ 129,995
Mawer Canadian Money Market	-	21,549,081
	-	21,679,076
Fixed income balances:		
BCI Canadian Money Market	33,138,997	-
BCI Government Bond Fund	102,716,200	-
Mawer Canadian Bond Pooled Fund	-	98,996,419
	135,855,197	98,996,419

Northern Development Initiative Trust

Notes to Financial Statements (continued)

Year ended December 31, 2024

3. Investments (continued):

Equity balances:

BCI Indexed Canadian Equity Fund	66,930,138	-
BCI Emerging Markets Equity Fund	16,179,427	-
BCI Indexed Global Equity Fund	102,204,046	-
BCI Private Equity Backed Fund	1,021	-
Mawer Canadian Equity Pooled Fund	-	57,515,883
Mawer Global Small Cap Fund	-	21,154,732
Mawer Global Equity Series	-	106,069,232
	185,314,632	184,739,847

Credit balances:

BCI Private Debt Limited Partnership	2,000	-
BCI Corporate Bond Fund	16,189,921	-
	16,191,921	-

\$ 337,361,750 \$ 305,415,342

Investment income is presented net of management fees charged for the year ended December 31, 2024, of \$754,738 (2023 - \$765,899)

4. Tangible capital assets:

	2024		2023	
	Cost	Accumulated amortization	Net book value	Net book value
Assets under capital lease	\$ 34,947	\$ 25,629	\$ 9,318	\$ 16,309
Computer hardware	448,304	410,620	37,684	14,561
Computer software	169,234	169,234	-	-
Furniture and fixtures	177,859	172,357	5,502	10,683
Leasehold improvements	217,283	163,785	53,498	80,705
Vehicles	77,473	77,473	-	-
	\$ 1,125,100	\$ 1,019,098	\$ 106,002	\$ 122,258

5. Accounts payable and accrued liabilities:

	2024	2023
Accounts payable and accrued liabilities	\$ 156,135	\$ 262,540
Payroll and withholding taxes	70,885	46,227
	\$ 227,020	\$ 308,767

Northern Development Initiative Trust

Notes to Financial Statements (continued)

Year ended December 31, 2024

6. Funds administered for others:

These funds are controlled by other organizations and are pooled for investment purposes with the Trust's cash and investments. Accordingly, these financial statements include assets administered for other organizations with a corresponding liability comprised of the following:

	2024	2023
Opening balance	\$ 26,715,985	\$ 24,889,260
Contributions	100,000	100,000
Investment income, net of fees	2,644,862	2,814,976
Administrative fees	(75,000)	(75,000)
Grants	(973,720)	(983,456)
Bank charges	(44)	(137)
Board travel	(13,081)	(14,355)
Website consulting	(1,023)	(15,303)
Funds returned	(47,879)	-
	\$ 28,350,100	\$ 26,715,985

7. Unearned revenue:

	2024	2023
Connecting British Columbia	\$ 3,406,074	\$ 4,412,626
Northern Healthy Communities	462,660	641,682
Ministry of Transportation	458,119	579,494
Nechako Valley Rancher Cattlemen's Association	57	57
Rural Business & Community Recovery	59,131	112,975
	\$ 4,386,041	\$ 5,746,834

8. Obligation under capital lease:

	2024	2023
Wells Fargo lease with an implied interest rate of 2.45%, repayable in quarterly instalments of \$1,703. Due October 2026 and secured by equipment held by the Trust with a net book value of \$9,319.	\$ 13,254	\$ 19,642
	13,254	19,642
Repayment schedule		
2024	-	6,811
2025	6,811	6,811
2026	6,811	6,811
Total minimum lease payments	13,622	20,433
Less amount representing interest at a rate of 2.45%	(368)	(791)
Present value of capital lease payments	13,254	19,642
Less current portion	6,546	6,388
	\$ 6,708	\$ 13,254

During the year the Trust recognized \$423 (2023 - \$577) of interest on the capital lease.

Northern Development Initiative Trust

Notes to Financial Statements (continued)

Year ended December 31, 2024

9. Endowment fund:

The Endowment Fund was established to receive proceeds of \$25,000,000 from the Government of British Columbia pursuant to terms of the Northern Development Initiative Trust Act ("NDIT Act"). Interest or other income earned from the money invested may be used to cover operating expenditures incurred by the directors and officers of the Trust to perform their obligations under the NDIT Act. Income earned on the endowment is recorded fully in the Operating Fund. Included in operations is investment income of \$339,901 (2023 - \$1,007,426) and net unrealized gains of \$3,367,272 (2023 - \$2,518,619) for the year ended December 31, 2024.

10. Invested in tangible capital assets:

Invested in tangible capital assets is calculated as follows:

	2024	2023
Opening balance	\$ 102,616	\$ 142,714
Amortization	(55,387)	(57,088)
Acquisition of capital assets	39,131	10,756
Repayment of obligation under capital lease	6,388	6,234
	\$ 92,748	\$ 102,616

11. Contingencies:

The Trust has a revolving demand facility agreement with RBC with a maximum limit of \$10,000,000 by way of RBP based loans, letters of credit, and letters of guarantee. These facilities are secured by a general security agreement placing a first priority interest in present and future property of the Trust. The balance of these facilities at December 31, 2024 are \$nil (2023 - \$nil).

The Trust has provided certain partner program contracts to the Canada Revenue Agency in regards to Government Sales Tax requirements. The potential exposure is unknown at this time and the outcome of the ruling is not determinable.

12. Commitments:

The Trust leases premises under lease for \$12,419 monthly which expires May 2027. The Trust has a contract with Salesforce for \$50,319 yearly which expires September 2029. The minimum payments in the next five years are as follows:

2025	199,352
2026	199,352
2027	112,416
2028	50,319
2029	37,739
	\$ 599,178

13. Contributions:

	2024	2023
Ministry of Jobs, Economic Development and Innovation	\$ 10,000,000	\$ 1,350,000
Ministry of Municipal Affairs	240,000	-
Ministry of Citizens' Services	-	92,150,000
Ministry of Transportation and Transit	-	5,691,135
Prince George Global Logistics	-	222,258
	\$ 10,240,000	\$ 99,413,393

In 2024, the funding from the Ministry of Jobs, Economic Development and Innovation was split between the Operating and Cross Regional accounts and is for the enhancement of the existing capital base.

Northern Development Initiative Trust

Notes to Financial Statements (continued)

Year ended December 31, 2024

14. Financial risks and concentration of credit risk:

(a) Currency risk:

The Trust is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. In the normal course of business, the Trust purchases investments denominated in a foreign currency. The Trust does not currently enter into forward contracts to mitigate this risk. In order to minimize currency risk, the Trust has a policy to invest no greater than 40% (2023 - 60%) of its portfolio in global equities and no more than 10% (2023 - 0%) of its portfolio in emerging markets. As at December 31, 2024, global equities represents approximately 30% (2023 - 42%) and emerging markets represents approximately 5% (2023 - 0%) of the Trust's investment holdings.

(b) Market risk:

The Trust derives revenue from its cash equivalents, equity and fixed income investments which are subject to market fluctuations. Market risk is managed and mitigated through diversification between asset classes in which the Trust has set asset allocation guidelines in their investment policy. As at December 31, 2024, the Trust's investment holdings were aligned with their target asset allocations. Equity investments represent approximately 55% (2023 - 60%) of the holdings. It is estimated that a 10% change in returns would change the fair value of the equities portfolio by \$18,531,463 (2023 - \$18,473,985).

As at December 31, 2024, the Trust's annual return on investments was approximately a gain of 10.11% (2023 -11.45%).

(c) Credit risk:

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered, resulting in a financial loss. It arises principally from debt instruments held, including government bonds and corporate bonds. Government bonds represent approximately 30% (2023 - 0%) of the Trust's investment holdings. Credit risk is minimized by dealing with borrowers considered to be of high quality and by monitoring their credit risk. The Trust has invested in AAA bonds to mitigate this risk. Corporate bonds represent approximately 5% (2023 - 0%) of the Trust's investment holdings. The corporate bond portfolio invests in high quality AAA to BBB bonds as well as higher risk BB to B bonds. Investment diversification is used to manage this risk.

The Trust is exposed to credit risk from the possibility that borrowers may default on their obligations. Management attempts to mitigate this risk by ensuring that proper due diligence is performed before loans are extended. As of December 31, 2024, all loan recipients are in full compliance of their agreement.

(d) Liquidity risk:

Liquidity risk is the risk that the Trust will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Trust manages its liquidity risk by monitoring its operating requirements. The Trust prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposure from 2023.

(e) Interest rate risk:

The Trust's fixed income securities, credit securities, and certain loans receivable are subject to interest rate risk. Rising interest rates would impact the value of these investments and loans. The Trust is exposed to prime lending rate fluctuations on loans receivable in the amount of \$nil (2023 - \$3,965,902). As at December 31, 2024, fixed income securities represent approximately 40% (2023 - 39%) of the Trust's investment holdings and credit securities represent approximately 5% (2023 - 0%) of the Trust's investment holdings. It is estimated that 1.75% change in interest rates would change the fair value of the portfolio by \$2,660,825 (2023 - \$2,109,546). The Trust employs investment diversification to manage this risk.

15. Employee future benefits:

The Trust, and its employees, contribute to the BC Public Service Pension Plan (the "Plan"), a jointly trustee pension plan. The Board of Trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of the benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has 70,780 active members and 55,267 retired members. Active members include approximately 100 contributors from the provincial government, crown corporations, government agencies and not-for-profit organizations.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation was performed as at March 31, 2023. The valuation shows an improvement in the actuarial position for the Basic Account, from a surplus of \$2,667 million as at March 31, 2020, to a surplus of \$4,491 million as at March 31, 2023. The actuary does not attribute portions of the surplus to individual employers. Consequently, the Trust's share of this surplus cannot be determined. The main reasons for the improvement in the actuarial position are that the investment returns were higher than were assumed and actual salary increases were lower than the long-term assumption offset by an excess investment return transfer to the Inflation Adjustment Account and changes in the economic assumptions. The Trust paid \$129,008 (2023 - \$123,698) for employer contributions to the Plan during the year.

16. Comparative figures:

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year. These changes do not affect prior year surplus.

Northern Development Initiative Trust

Schedule of Externally Restricted - Committed Funds

Year ended December 31, 2024

(Unaudited)

SCHEDULE 1

Account	Total Funding Approved	Grants and loans		2024	2023
		2024 Disbursements	2023 Disbursements	Outstanding Commitments	Outstanding Commitments
Cross Regional Account	\$ 57,922,603	1,847,425	\$ 2,609,847	2,867,793	\$ 2,081,421
Pine Beetle Recovery Account	37,470,580	1,891,478	1,730,503	1,951,250	2,688,130
Cariboo-Chilcotin/Lillooet Regional Development Account	23,991,483	962,844	1,771,396	2,859,363	2,470,254
Northwest Regional Development Account	27,706,277	904,309	699,697	4,024,691	3,518,665
Northeast Regional Development Account	21,201,843	1,225,083	1,238,241	3,054,658	3,094,801
Prince George Regional Development Account	30,691,743	1,379,024	2,289,086	2,110,489	2,202,720
Other Trust Funds	30,632,727	-	-	-	-
Province of British Columbia	252,848,636	30,710,537	20,138,519	147,647,479	192,082,440
TOTAL	\$ 482,465,892	\$ 38,920,700	\$ 30,477,289	\$ 164,515,723	\$ 208,138,431



301 - 1268 Fifth Avenue, Prince George, B.C. V2L 3L2
250-561-2525 northerndevelopment.bc.ca