

NON-CONSOLIDATED FINANCIAL STATEMENTS
For
INDUS COMMUNITY SERVICES
For year ended
MARCH 31, 2025

INDEPENDENT AUDITOR'S REPORT

To the directors of

INDUS COMMUNITY SERVICES*Qualified Opinion*

We have audited the non-consolidated financial statements of Indus Community Services (the Organization), which comprise the non-consolidated statement of financial position as at March 31, 2025, and the non-consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the non-consolidated 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 non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Organization as at March 31, 2025 and the results of its operations and its non-consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2025 and 2024, current assets as at March 31, 2025 and 2024, and net assets as at April 1 and March 31 for both the 2025 and 2024 years.

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 Non-Consolidated 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 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 audit opinion.

Other Matter

The non-consolidated financial statements of the Organization for the year ended March 31, 2024 were audited by another auditor who expressed an unmodified opinion on those non-consolidated financial statements on June 6, 2024.

*Responsibilities of Management and Those Charged with Governance
for the Non-Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated 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.

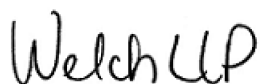
Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated 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 non-consolidated 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 non-consolidated 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 non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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
Licensed Public Accountants

Toronto, Ontario
June 12, 2025.

INDUS COMMUNITY SERVICES
NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash (note 3)	\$ 1,556,259	\$ 697,856
Accounts receivable (note 4)	682,378	1,335,180
Prepaid expenses and deposits	<u>136,601</u>	<u>98,918</u>
	2,375,238	2,131,954
DUE FROM RELATED PARTIES (note 5)	39,240	30,095
CAPITAL ASSETS (note 6)	681,672	949,168
INVESTMENTS (note 7)	<u>1,825,991</u>	<u>2,492,756</u>
	<u>\$ 4,922,141</u>	<u>\$ 5,603,973</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (note 8)	\$ 1,005,950	\$ 1,122,534
Deferred contributions (note 9)	<u>777,085</u>	<u>924,492</u>
	1,783,035	2,047,026
DEFERRED LEASE INDUCEMENT	195,009	222,539
DEFERRED CAPITAL CONTRIBUTIONS (note 10)	<u>541,062</u>	<u>785,764</u>
	<u>2,519,106</u>	<u>3,055,329</u>
NET ASSETS		
Unrestricted	934,357	1,033,740
Internally restricted - operating reserve	1,037,000	1,037,000
- other reserves (note 11)	<u>431,678</u>	<u>477,904</u>
	<u>2,403,035</u>	<u>2,548,644</u>
	<u>\$ 4,922,141</u>	<u>\$ 5,603,973</u>

Approved by the Board:

Anil Mathur
..... Director

Palash Thakur
..... Director

(See accompanying notes)

INDUS COMMUNITY SERVICES
NON-CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
Revenue		
Government of Canada		
Immigration, Refugees and Citizenship Canada	\$ 4,289,940	\$ 4,075,126
Public Health Agency of Canada	-	989,065
Women and Gender Equality Canada	-	128,176
Canada Summer Jobs	4,638	4,937
Province of Ontario		
Ministry of Health - Ontario Health - Central Region		
Program Funding	3,612,319	3,283,095
High priority communities strategy funding	584,656	840,002
Service and Housing in the Province	174,723	174,721
Ministry of Children, Community and Social Services	248,078	243,765
Ministry of Labor		
Newcomers Settlement Program	78,644	78,644
United Way Greater Toronto	409,763	435,468
Other grants	1,500,705	572,725
Client fees	418,504	359,452
Investment income	183,151	231,379
Amortization of deferred capital contributions	244,702	228,518
Other	111,240	100,120
Fundraising	50,454	30,064
Donations	24,327	13,319
	<u>11,935,844</u>	<u>11,788,576</u>
Expenses		
Personnel	8,678,397	8,285,735
Occupancy	1,555,252	1,390,057
Program	566,210	537,584
Office	410,452	409,216
Advertising and promotion	107,731	268,700
Amortization of capital assets	267,496	251,732
Professional fees	276,104	230,884
Client and staff travel	107,308	120,332
Board and staff development	66,277	75,196
	<u>12,035,227</u>	<u>11,569,436</u>
Excess (deficiency) of operating revenue over expenses	(99,383)	219,140
Expenses related to social housing program reserve	<u>(46,226)</u>	<u>-</u>
Excess (deficiency) of revenue over expenses for the year	<u>\$ (145,609)</u>	<u>\$ 219,140</u>

(See accompanying notes)

INDUS COMMUNITY SERVICES
NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2025

	Internally Restricted			<u>2025</u>	<u>2024</u>
	<u>Unrestricted</u>	<u>Operating reserves</u>	<u>Other reserve (note 11)</u>		
Net assets, beginning of year	\$ 1,033,740	\$ 1,037,000	\$ 477,904	\$ 2,548,644	\$ 2,329,504
Excess (deficiency) of revenue over expenditures	<u>(99,383)</u>	<u>-</u>	<u>(46,226)</u>	<u>(145,609)</u>	<u>219,140</u>
Net assets, end of year	<u>\$ 934,357</u>	<u>\$ 1,037,000</u>	<u>\$ 431,678</u>	<u>\$ 2,403,035</u>	<u>\$ 2,548,644</u>

(See accompanying notes)

INDUS COMMUNITY SERVICES
NON-CONSOLIDATED STATEMENT CASH FLOWS
YEAR ENDED MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
Cash flows from (used by) operating activities		
Excess of revenue over expenses (expenses over revenue)	\$ (145,609)	\$ 219,140
Items not requiring an outlay of cash:		
Amortization of capital assets	267,496	251,732
Amortization of deferred capital contributions	(244,702)	(228,518)
Unrealized (gain) loss on investments	(46,154)	(82,210)
Deferred lease inducement	<u>(27,530)</u>	<u>(27,531)</u>
	(196,499)	132,613
Changes in non-cash working capital items:		
Accounts receivable	652,802	(311,913)
Prepaid expenses and deposits	(37,683)	(2,944)
Due from related parties	(9,145)	(6,794)
Accounts payable and accrued liabilities	(116,584)	243,181
Deferred contributions	<u>(147,407)</u>	<u>565,878</u>
	<u>145,484</u>	<u>620,021</u>
Cash flows from (used by) investing activities		
Purchase of capital assets	-	(225,376)
Sale (purchase) of investments	<u>712,919</u>	<u>(100,287)</u>
	<u>712,919</u>	<u>(325,663)</u>
Cash flows from financing activities		
Deferred capital contributions received	<u>-</u>	<u>183,627</u>
Increase in cash	858,403	477,985
Cash, beginning of year	<u>697,856</u>	<u>219,871</u>
Cash, end of year	<u>\$ 1,556,259</u>	<u>\$ 697,856</u>

(See accompanying notes)

INDUS COMMUNITY SERVICES
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2025

1. NATURE OF OPERATIONS

Indus Community Services ("the Organization") was founded in 1985 by concerned members of the Indo-Canadian community to meet the settlement and social services needs of newcomers from the Indian subcontinent. With its expanded mission, it provides educational, social, settlement, health and employment related service to help new immigrants in the Peel region.

The Organization is a registered charitable organization and is exempt from income taxes.

Indus Properties & Development and Indus Community Foundation are controlled by the Organization.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These non-consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Presentation of controlled not-for-profit organizations

Indus Properties & Development and Indus Community Foundation, which are controlled by the Organization, are not consolidated in the Organization's non-consolidated financial statements.

Revenue recognition

i. Contributions

The Organization follows the deferral method of accounting for contributions, which includes donations and grants.

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.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired capital asset

ii. Client fees

Fees for services are recognized as revenue when the service is rendered.

iii. Investment income

Interest income earned on investments is recognized on an accrual basis as earned. Investment income comprises interest income, dividend income, realized gains and losses on the sale of investments and unrealized gains and losses on investments held.

iv. Bequest

The Organization may be the beneficiary under various wills and trust agreements. The total realizable amounts are not at present readily determinable. The Organization recognizes such bequests when the proceeds are received.

INDUS COMMUNITY SERVICES
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

Investment

Investments consist of investments in guaranteed investment certificates and exchange traded funds. The Organization may liquidate these investments at any time to fund special projects and operations. Investments have been presented as non-current as the Organization does not intend to liquidate.

Capital assets

The Organization records capital assets at cost. The cost of a capital asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use. When conditions indicate a capital asset no longer contributes to the Organization's ability to provide services or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount, its net carrying amount is written down to its fair value or replacement cost. As at March 31, 2025, no such impairment exists.

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

Computer equipment	5 years
Computer software	40 months
Office equipment	5 years
Program equipment	5 years
Leasehold improvements	remaining term of lease

Internally restricted net assets

i. Operating reserve

The Board of Directors has established an operating reserve to finance the Organization's expenditures in the event that cash flows became insufficient due to a reduction in funding, program contracts not being renewed or for human resource liabilities.

ii. Other reserves

The Board of Directors has established other reserves for specific strategic projects in order to further its vision to build strong and supportive communities, including IT infrastructure, leasehold improvements and special programs.

Contributed goods and services

Due to difficulty of determining their fair value, contributed materials and services are not recognized in the non-consolidated financial statements.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and cashable guaranteed investment certificates.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, the financial instruments are reported at cost or amortized cost less impairment when changes in circumstances indicate the asset could be impaired. Equity instruments that are quoted in an active market are measured at fair value. Transaction costs on the acquisition, sale or issue are charged to the financial instrument for those measured at amortized cost.

INDUS COMMUNITY SERVICES
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

Management estimates

The preparation of non-consolidated financial statements in accordance 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, disclosure of contingent assets and liabilities at the date of the non-consolidated financial statements, and the reported amounts of revenues and expenses during the current period. Significant estimates include the impairment of accounts receivable, useful lives of capital assets and settlements with grant funders.

Actual results could differ from those estimates, the impact of which would be recorded in future periods. All estimates are reviewed periodically and adjustments are made to the statement of operations in the year they become known.

3. CASH AND CASH EQUIVALENTS

Cash includes \$18,681 (2024 - \$25,454) which is restricted in use pursuant to the requirements of the Organization's lottery license.

4. ACCOUNTS RECEIVABLE

	<u>2025</u>	<u>2024</u>
Grants	\$ 405,749	\$ 1,073,441
Public service bodies' rebate	127,620	149,923
Client fees and other	53,015	61,818
Property tax rebate	<u>95,994</u>	<u>49,998</u>
	<u>\$ 682,378</u>	<u>\$ 1,335,180</u>

5. DUE FROM RELATED PARTIES

The amounts due from related parties are receivable on demand and are non-interest bearing. All related party balances and transactions are considered in the normal course of operations and have been recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	<u>2025</u>	<u>2024</u>
Indus Properties & Development	\$ 16,155	\$ 11,582
Indus Community Foundation	<u>23,085</u>	<u>18,513</u>
	<u>\$ 39,240</u>	<u>\$ 30,095</u>

INDUS COMMUNITY SERVICES
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2025

6. CAPITAL ASSETS

	<u>2025</u>		<u>2024</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Cost</u>	<u>Accumulated amortization</u>
Computer equipment	\$ 456,885	\$ (339,045)	\$ 456,885	\$ (269,386)
Computer software	53,243	(51,681)	53,243	(50,931)
Office equipment	376,153	(263,199)	376,153	(217,698)
Program equipment	149,269	(108,421)	149,269	(84,753)
Leasehold improvements	<u>901,844</u>	<u>(493,376)</u>	<u>901,844</u>	<u>(365,458)</u>
	1,937,394	\$ (1,255,722)	1,937,394	\$ (988,226)
Accumulated amortization	<u>(1,255,722)</u>		<u>(988,226)</u>	
	<u>\$ 681,672</u>		<u>\$ 949,168</u>	

7. INVESTMENTS

	<u>2025</u>	<u>2024</u>
Guaranteed investment maturing on dates between January 1, 2026 to January 16, 2026 (2024 - October 31, 2024 to January 16, 2025) earning interest rates of 3.20% to 3.41% (2024 - 4.96% to 5.76%)	\$ 1,169,759	\$ 2,073,401
Exchange traded funds	649,756	401,506
Investment savings account	-	12,424
Community Foundation Bond	<u>6,476</u>	<u>5,425</u>
	<u>\$ 1,825,991</u>	<u>\$ 2,492,756</u>
Investments, at cost	<u>\$ 1,703,477</u>	<u>\$ 2,383,631</u>

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2025</u>	<u>2024</u>
Trade accounts payable and accrued liabilities	\$ 493,140	\$ 539,292
Ministry of Health - Ontario Health - Central Region	507,383	580,595
Other funding repayable	<u>5,427</u>	<u>2,647</u>
	<u>\$ 1,005,950</u>	<u>\$ 1,122,534</u>

INDUS COMMUNITY SERVICES
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2025

9. DEFERRED CONTRIBUTIONS

Deferred contributions represent restricted funding received in the current year related to a subsequent year. Changes in deferred contributions are as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of the year	\$ 924,492	\$ 358,614
Less amounts recognized as grant revenue	(1,832,241)	(358,614)
Add: Contributions received	<u>1,684,834</u>	<u>924,492</u>
Balance, end of year	<u>\$ 777,085</u>	<u>\$ 924,492</u>

10. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. Activity in deferred capital contributions is as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 785,764	\$ 830,655
Additional contributions received	-	183,627
Less: amounts recognized as grant revenue	<u>(244,702)</u>	<u>(228,518)</u>
Balance, end of year	<u>\$ 541,062</u>	<u>\$ 785,764</u>

11. INTERNALLY RESTRICTED - OTHER RESERVES

During the year, the Board of Directors approved a transfer from the Special programs fund to unrestricted net assets to fund the expenditures related to those programs.

	<u>April 1, 2024</u>	<u>Transfer</u>	<u>March 31, 2025</u>
Special programs	\$ 259,904	\$ (46,226)	\$ 213,678
IT infrastructure	145,000	-	145,000
Leasehold improvements	<u>73,000</u>	<u>-</u>	<u>73,000</u>
Total	<u>\$ 477,904</u>	<u>\$ (46,226)</u>	<u>\$ 431,678</u>

12. ECONOMIC DEPENDENCE

The Organization received \$9,123,061 (2024 - \$9,817,531) of funding from the federal and provincial governments. This funding represents approximately 76% (2024 - 83%) of the total revenue of the Organization. The Organization's ability to provide existing services on an on-going basis is dependent on receiving the continued support of the federal and provincial governments.

INDUS COMMUNITY SERVICES
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2025

13. COMMITMENTS

a. Leases

The Organization has leased office premises in Mississauga, Brampton and Oakville, Ontario under operating leases expiring on dates ranging from July 2025 to April 30, 2032. The minimum future payments required under the leases, excluding HST, are as follows:

2026	\$1,184,690
2027	1,045,172
2028	962,682
2029	720,293
2030	736,549
Thereafter	418,593

b. Credit facilities

The Organization has a revolving operating line of credit, secured by a general security agreement. The interest rate on the line of credit is bank prime rate plus 1.26% as at March 31, 2025. The authorized limit of the line credit is \$300,000, of which \$nil was utilized at year-end.

14. CONTINGENT LIABILITIES

The Organization receives funding from the Ministry of Health ("the Ministry") through Ontario Health to assist with the expenditures of the Organization based on a pre-approved budget. The amount of funding provided to the Organization is subject to final review and approval by the Ministry.

As at the date of these non-consolidated financial statements, funding for the period April 1, 2020 to March 31, 2025 has not been subject to this review process. As at March 31, 2025, a payable of \$507,383 (2024 - \$580,595) has been recorded as due to the Ministry for this period. Any adjustments required as a result of the Ministry's review will be accounted for in the year of settlement.

The Organization provides an Annual Report to the Government of Ontario reconciling funding to expenditures. The Annual Reports are used to determine whether any amounts must be repaid to the Government of Ontario. Amounts repayable are estimated and accrued in the non-consolidated financial statements. The Government of Ontario may terminate the servicing agreement if it determines that the Organization is in breach of any of its terms and conditions and the breach is not cured within an established time period after written notice of the breach is provided. Upon termination, funding received in relation to certain capital assets may have to be repaid to the Government of Ontario if the related assets are sold.

INDUS COMMUNITY SERVICES

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2025

15. CONTROLLED CORPORATIONS

The controlled corporations are incorporated without share capital in the Province of Ontario and are exempt from income tax as non-profit corporations under paragraph 149(1)(l) of the Income Tax Act (Canada).

a. Indus Properties & Development

Indus Properties & Development (IPD) was incorporated without share capital on October 8, 2021 to promote the efficiency and effectiveness of the charitable programs of the Organization other affiliated or related charitable corporations by acquiring, receiving, holding, constructing, maintaining, selling, conveying, leasing or demising real property and facilities for this purpose.

The Organization controls IPD through the ability to appoint the majority of IPD's Board of Directors. Financial summaries of this unconsolidated entity as at March 31, 2025 and for the year then ended are as follows:

	<u>2025</u>	<u>2024</u>
	Unaudited	Unaudited
Financial position		
Total Assets	\$ -	\$ -
Total Liabilities	<u>23,085</u>	<u>18,513</u>
Total net assets (deficit)	\$ (23,085)	\$ (18,513)
Results of operations		
Total revenue	\$ -	\$ -
Professional fee expense	<u>4,572</u>	<u>3,398</u>
Deficiency of revenue over expenses for the year	\$ (4,572)	\$ (3,398)

b. Indus Community Foundation

Indus Community Foundation (ICF) was incorporated without share capital on October 8, 2021 to receive and maintain funds and to apply all or part of the principal and income there from, time to time to the Organization and other affiliated or related charitable corporations.

The Organization controls ICF through significant representation on ICF's Board of Directors, achieved via common board memberships. Financial summaries of this unconsolidated entity as at March 31, 2025 and for the year then ended are as follows:

	<u>2025</u>	<u>2024</u>
	Unaudited	Unaudited
Financial position		
Total Assets	\$ -	\$ -
Total Liabilities	<u>16,155</u>	<u>11,583</u>
Total net assets (deficit)	\$ (16,155)	\$ (11,583)
Results of operations		
Total revenue	\$ -	\$ -
Professional fee expense	<u>4,572</u>	<u>3,398</u>
Deficiency of revenue over expenses for the year	\$ (4,572)	\$ (3,398)

INDUS COMMUNITY SERVICES
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED MARCH 31, 2025

16. FINANCIAL INSTRUMENTS

The Organization is subject to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentrations.

Credit risk

The Organization provides credit to its clients in the normal course of operations. It carries out, on a continuing basis, credit checks on its clients, a review of outstanding amounts and maintains provisions for estimated uncollectible accounts.

Liquidity risk

Liquidity risk is the risk that the Organization cannot meet a demand for cash or fund its obligations as they become due. Management considers the Organization has sufficient credit facilities to ensure that funds are available to meet its current financial needs. The Organization manages its liquidity needs by forecasting its cash inflows and outflows and managing arranged bank facilities.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

i) *Currency risk*

Currency risk refers to the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates. The Organization's financial instruments are all denominated in Canadian dollars and it transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risk.

ii) *Interest rate risk*

Interest rate risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rates. The Organization's cash and cash equivalents earn interest at prevailing market rates and the interest rate exposure related to these financial instruments is negligible. The Organization is exposed to interest rate risk arising from fluctuation in interest rates on its credit facilities and investments.

iii) *Other price risk*

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of the changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market. Since the Organization does not have investments in publicly traded marketable securities, it is not exposed to other price risk.

Changes in risk

There are no significant changes in risk exposure from the previous year.

17. COMPARATIVE FIGURES

The comparative figures have been reclassified to conform to the presentation adopted in the current fiscal year.

