Canada Economic Development for Quebec Regions | Développement économique Canada pour les régions du Québec

Canada

Canada Economic Development for Quebec Regions

Standing by businesses,
Standing by regions.

FINANCIAL STATEMENTS AS OF MARCH 31, 2026

(UNAUDITED)

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Canada Economic Development for Quebec Regions

Statement of Management Responsibility Including Internal Control Over Financial Reporting

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2026, and all information contained in these statements rests with the management of Canada Economic Development for Quebec Regions (CED). These financial statements have been prepared by management using the Government of Canada's accounting policies, which are based on Canadian public sector accounting standards.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of CED's financial transactions. Financial information submitted in the preparation of the Public Accounts of Canada, and included in CED's Departmental Results Report, is consistent with these financial statements.

Management is also responsible for maintaining an effective system of internal control over financial reporting (ICFR) designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are properly authorized and recorded in accordance with the *Financial Administration Act* and other applicable legislation, regulations, authorities, and policies.

Management seeks to ensure the objectivity and integrity of data in its financial statements through careful selection, training, and development of qualified staff; through organizational arrangements that provide appropriate divisions of responsibility; through communication programs aimed at ensuring that regulations, policies, standards, and managerial authorities are understood throughout CED and through conducting an annual risk-based assessment of the effectiveness of the system of ICFR.

The system of ICFR is designed to mitigate risks to a reasonable level based on an on-going process to identify key risks, to assess effectiveness of associated key controls, and to make any necessary adjustments.

CED is subject to periodic Core Control Audits performed by the Office of the Comptroller General and uses the results of such audits to comply with the Treasury Board *Policy on Financial Management*.

The financial statements of Canada Economic Development for Quebec Regions have not been audited.

Signature numérique de Perron, Sony
Date : 2026.08.10 14:13:29 -04'00'

Sony Perron
President

Signature numérique de Garon, Caroline
Date : 2026.07.30 09:05:37 -04'00'

Caroline Garon, CPA-CAFM
Chief Financial Officer

Montréal, Canada

Date

Canada Economic Development for Quebec Regions

Statement of Financial Position *(Unaudited)*
As of March 31
(in thousands of dollars)

	2026	2025
Liabilities		
Accounts payable and accrued liabilities (note 4)	28,430	23,952
Vacation pay and compensatory leave	2,782	2,869
Employee future benefits (note 5)	849	812
Total gross liabilities	**32,061**	**27,633**
Liabilities held on behalf of Government		
Accounts payable and accrued liabilities (note 4)	(7,775)	(8,468)
Total liabilities held on behalf of Government	**(7,775)**	**(8,468)**
Total net liabilities	**24,286**	**19,165**
Financial assets		
Due from Consolidated Revenue Fund	20,296	15,401
Accounts receivable and advances (note 6)	7,398	5,893
Loans receivable (note 7)	647,500	640,692
Total gross financial assets	**675,194**	**661,986**
Financial assets held on behalf of Government		
Accounts receivable and advances (note 6)	(7,003)	(5,780)
Loans receivable (note 7)	(647,500)	(640,692)
Total financial assets held on behalf of Government	**(654,503)**	**(646,472)**
Total net financial assets	**20,691**	**15,514**
Departmental net debt	**3,595**	**3,651**
Non-financial assets		
Prepaid expenses	173	155
Tangible capital assets (note 8)	473	1,094
Total non-financial assets	**646**	**1,249**
Departmental net financial position	**(2,949)**	**(2,402)**

Contractual obligations (note 9)
Contingent liabilities and contingent assets (note 10)

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

Canada Economic Development for Quebec Regions

Statement of Financial Position *(Unaudited)*
As of March 31
(in thousands of dollars)

Signature numérique de Perron, Sony
Date : 2026.08.10 14:13:46 -04'00'

Sony Perron
President

Montréal, Canada

Date

Signature numérique de Garon, Caroline
Date : 2026.07.29 16:15:08 -04'00'

Caroline Garon, CPA-CAFM
Chief Financial Officer

Canada Economic Development for Quebec Regions

Statement of Operations and Departmental Net Financial Position *(Unaudited)*
For the Year Ended March 31
(in thousands of dollars)

	2026 Planned Results	2026 Actual	2025 Actual
Expenses			
Economic Development in Quebec	201,921	243,265	173,959
Internal Services	27,401	54,976	57,429
Expenses incurred on behalf of Government	4 962	(16,398)	(17,865)
Total expenses	**234,284**	**281,843**	**213,523**
Revenues			
Interest revenues	1,766	926	1,273
Miscellaneous revenues	12	18	8
Revenues earned on behalf of Government	(1,778)	(944)	(1,281)
Total revenues	**0**	**0**	**0**
Net cost of operations before government funding and transfers	**234,284**	**281,843**	**213,523**
Government funding and transfers			
Net cash provided by Government		269,012	252,885
Change due from Consolidated Revenue Fund		4,895	(46,582)
Services provided without charge by other government departments (note 11)		7,389	7,119
Net cost of operations after government funding and transfers		**547**	**101**
Departmental net financial position- Beginning of year		**(2,402)**	**(2,301)**
Departmental net financial position – End of year		**(2,949)**	**(2,402)**

Segmented information (note 12)

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

Canada Economic Development for Quebec Regions

Statement of Change in Departmental Net Debt *(Unaudited)*
For the Year Ended March 31
(in thousands of dollars)

	2026	2025
	Actual	Actual
Net cost of operations after government funding and transfers	**547**	**101**
Change due to tangible capital assets		
Acquisition of tangible capital assets	0	61
Amortization of tangible capital assets	(605)	(602)
Proceeds from disposal of tangible capital assets	(16)	(10)
Total change due to tangible capital assets	**(621)**	**(551)**
Change due to prepaid expenses	**18**	**(204)**
Increase (decrease) in departmental net debt	**(56)**	**(654)**
Departmental net debt – Beginning of year	**3,651**	**4,305**
Departmental net debt – End of year	**3,595**	**3,651**

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

Canada Economic Development for Quebec Regions

Statement of Cash Flows (*Unaudited*)
For the Year Ended March 31
(in thousands of dollars)

	2026	2025
Operating activities		
Net cost of operations before government funding and transfers	281,843	213,523
Non-cash items:		
Amortization of tangible capital assets	(605)	(602)
Services provided without charge by other government departments (note 11)	(7,389)	(7,119)
Variations in Statement of Financial Position:		
Increase (decrease) in accounts receivable and advances	282	(18)
Increase (decrease) in prepaid expenses	18	(204)
Decrease (increase) in accounts payable and accrued liabilities	(5,171)	46,630
Decrease (increase) in vacation pay and compensatory leave	87	558
Decrease (increase) in future employee benefits	(37)	66
Cash used in operating activities	**269,028**	**252,834**
Capital investing activities		
Acquisition of tangible capital assets	0	61
Proceeds from disposal of tangible capital assets	(16)	(10)
Cash used in capital investing activities	**(16)**	**51**
Net cash provided by Government of Canada	**269,012**	**252,885**

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

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (*Unaudited*)
For the Year Ended March 31

1. Authority and objectives

The mission of Canada Economic Development for Quebec Regions (CED) is to promote the long-term economic development of the regions of Quebec by giving special attention to those where slow economic growth is prevalent or opportunities for productive employment are inadequate. CED exercises its mandate under the provisions of the *Economic Development Agency of Canada for the Regions of Quebec Act,* which came into force on October 5, 2005. In addition, CED is committed to promoting co-operation and complementarity with Quebec and the communities in Quebec.

CED fosters business start-ups and growth. It helps them become more innovative, productive, and competitive. It supports efforts to engage the regions of Quebec and attract investments that will help boost the economic well-being of Quebec and Canada. CED contributes to the economic vitality of all of Quebec's regions by leveraging their competitive regional advantages, such as wind power and marine technologies.

To achieve this strategic outcome, CED has a core responsibility and internal services:

- **Economic Development in Quebec:** This core responsibility is designed to support Quebec economic growth, job creation and economic prosperity through inclusive clean growth. CED also help Small and Medium-sized enterprises (SMEs) growth through trade and innovation. It also contributes to build on competitive regional strengths.

- **Internal Services**: Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal Services include only those activities and resources that apply across an organization and not those provided specifically for a program.

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (*Unaudited*)
For the Year Ended March 31

2. Summary of significant accounting policies

These financial statements have been prepared using the Government's accounting policies stated below, which are based on Canadian public sector accounting standards. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian public sector accounting standards.

Significant accounting policies are as follows:

a) Parliamentary authorities
CED is financed by the Government of Canada through Parliamentary authorities. Financial reporting of authorities provided to CED do not parallel financial reporting according to generally accepted accounting principles since authorities are primarily based on cash flow requirements. Consequently, items recognized in the Statement of Operations and Departmental Net Financial Position and in the Statement of Financial Position are not necessarily the same as those provided through authorities from Parliament. Note 3 provides a reconciliation between the bases of reporting. The planned results amount in the "Expenses" and "Revenues" sections of the Statement of Operations and Departmental Net Financial Position are the amounts reported in the Future-oriented Statement of Operations included in the 2025-2026 Departmental Plan. Planned results are not presented in the "Government funding and transfers" section of the Statement of Operations and Departmental Net Financial Position and in the Statement of Change in Departmental Net Debt because these amounts were not included in the 2025-2026 Departmental Plan.

b) Net Cash Provided by Government
CED operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by CED is deposited to the CRF, and all cash disbursements made by CED are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements, including transactions between departments of the Government.

c) Amounts due from the CRF
Amounts due from the CRF are the result of timing differences at year-end between when a transaction affects authorities and when it is processed through the CRF. Amounts due from the CRF represent the net amount of cash that CED is entitled to draw from the CRF without further authorities to discharge its liabilities.

d) Revenues
Revenues are recognized in the period the event that giving rise to the revenue occurred, except for the item listed below. Loans are non-interest bearing and, due to the uncertainty as to ultimate collection, interest income is only charged on overdue amounts when received. Other revenues consist of other fees and gains on the disposal of capital and non-capital assets. Revenues that are non-respendable are not available to discharge CED's liabilities. While the President is expected to maintain accounting control, she has no authority regarding the disposition of non-respendable revenues. As a result, non-respendable revenues are considered to be earned on behalf of the Government of Canada and are therefore presented as a reduction of the entity's gross revenues.

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (Unaudited)
For the Year Ended March 31

e) Expenses

Transfer payments are recorded as an expense in the year the transfer is authorized, and all eligibility criteria have been met by the recipient. Vacation pay and compensatory leave are accrued as the benefits are earned by employees under their respective terms of employment. Services provided without charge by other government departments for accommodation, employer contributions to the health and dental insurance plans, and legal services are recorded as operating expenses at their carrying value.

f) Employee future benefits

i. Pension benefits - Eligible employees participate in the Public Service Pension Plan, a multiemployer pension plan administered by the Government. CED's contributions to the Plan are charged to expenses in the year incurred and represent CED's total obligation to the Plan. CED's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, the Plan's sponsor.

ii. Severance benefits - The accumulation of severance benefits for voluntary departures ceased for applicable employee groups. The remaining obligation for employees who did not withdraw benefits is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

g) Accounts and loans receivable

Accounts and loans receivable are initially recorded at cost. The value is not discounted since insufficient conditions of a concessionary nature are attached to them. Transfer payments that are unconditionally repayable are recognized as loans receivable. When necessary, an allowance for valuation is recorded to reduce the carrying value of accounts and loans receivable to amounts that approximate their net recoverable value.

h) Non-financial assets

The costs of acquiring land, buildings, equipment, and other capital property are capitalized as tangible capital assets and, except for land, are amortized to expense over the estimated useful lives of the assets, as described in Note 8. All tangible capital assets and leasehold improvements having an initial cost of $5,000 or more are recorded at their acquisition cost. Tangible capital assets do not include immovable assets located on reserves as defined in the *Indian Act*, works of art, museum collection and Crown land to which no acquisition cost is attributable, and intangible assets.

i) Contingent Liabilities

Contingent liabilities, including the allowance for guarantees, are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. If the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, a provision is accrued, and an expense recorded to other expenses. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

Canada Economic Development for Quebec Regions

j) Contingent assets

Contingent assets are possible assets which may become actual assets when one or more future events occur or fail to occur. If the future even is likely to occur or fail to occur, the contingent asset is disclosed in the notes to the financial statements.

k) Measurement uncertainty

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported and disclosed amounts of assets, liabilities, revenues and expenses reported in the financial statements and accompanying notes on March 31. The estimates are based on facts and circumstances, historical experience, general economic conditions and reflect the Government's best estimate of the related amount at the end of the reporting period. The most significant items where estimates are used are allowances for doubtful accounts, the liability for employee future benefits, contingent liabilities, the useful life of tangible capital assets and the estimated recoveries for contingent assets. Actual results could significantly differ from those estimated. Management’s estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

l) Related party transactions

Related party transactions, other than inter-entity transactions, are recorded at the exchange amount.

Inter-entity transactions are transactions between commonly controlled entities. Inter-entity transactions, other than restructuring transactions, are recorded on a gross basis, and are measured at the carrying amount, except for the following:

i. Services provided on a recovery basis are recognized as revenues and expenses on a gross basis and measured at the exchange amount.
ii. Certain services received on a basis without charge are recorded for departmental financial statement purposes at the carrying amount.

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (*Unaudited*)
For the Year Ended March 31

3. Parliamentary authorities

CED receives most of its funding through annual parliamentary authorities. Items recognized in the Statement of Operations and Departmental Net Financial Position and the Statement of Financial Position in one year may be funded through parliamentary authorities in prior, current, or future years. Accordingly, CED has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

a) Reconciliation of net cost of operations to current year authorities used

	2026	2025
	(in thousands of dollars)	
Net cost of operations before government funding and transfers	**281,843**	**213,523**
Adjustments for items affecting net cost of operations but not affecting authorities:		
Services provided without charge by other government departments	(7,389)	(7,119)
Amortization of tangible capital assets	(605)	(602)
Decrease (increase) in vacation pay and compensatory leave	87	558
Decrease (increase) in employee future benefits	(37)	66
Repayment of contributions and previous years' expenditures	170	204
Other	4,263	14,077
Total items affecting net cost of operations but not affecting authorities	3,511	7,184

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (*Unaudited*)
For the Year Ended March 31

Adjustments for items not affecting net cost of operations but affecting authorities:

Acquisition of tangible capital assets	0	61
Increase (decrease) in prepaid expenses	18	(203)
New loans (note 7)	141,474	117,080
Other	(117)	(15)
Total items not affecting net cost of operations but affecting authorities	141,375	116,923
Current year authorities used	**419,707**	**337,630**

b) Authorities provided and used	**2026**	**2025**
	(in thousands of dollars)	
Authorities provided:		
Vote 1 - Operating expenditures	50,214	50,334
Vote 5 - Grants and contributions	369,132	284,428
Statutory amounts	5,932	6,068
	425,278	**340,830**
Less:		
Authorities available for use in future years	(30)	0
Lapsed: Operating and Grants and contributions	(5,541)	(3,200)
Current year authorities used	**419,707**	**337,630**

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (*Unaudited*)
For the Year Ended March 31

4. Accounts payable and accrued liabilities

The following table presents details of CED's accounts payable and accrued liabilities:

	2026	2025
	(in thousands of dollars)	
Accounts payable – Other government departments and agencies	310	761
Accounts payable – External parties	3,432	6,130
Total accounts payable	3,742	6,891
Accrued liabilities	24,688	17,061
Net accounts payable and accrued liabilities	**28,430**	**23,952**
Accounts payable on behalf of Government	(7,775)	(8,468)
Net accounts payable and accrued liabilities	**20,655**	**15,484**

5. Employee future benefits

a) Pension benefits

CED's employees participate in the Public Service Pension Plan (the "Plan"), which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plan benefits and they are indexed to inflation.

Both the employees and CED contribute to the cost of the Plan. Due to the amendment of the Public Service Superannuation Act following the implementation of provisions related to Economic Action Plan 2012, employee contributors have been divided into two groups – Group 1 related to existing plan members as of December 31, 2012, and Group 2 relates to members joining the Plan as of January 1, 2013. Each group has a distinct contribution rate.

The 2025-2026 expense amounts to $3,742 thousand ($3,883 thousand in 2024-2025). For Group 1 members, the expense represents approximately 1.01 times (1.02 times in 2024-2025) the employee contributions and, for Group 2 members, approximately 1.00 times (1.00 times in 2024-2025) the employee contributions.

CED's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the Consolidated Financial Statements of the Government of Canada, as the Plan's sponsor.

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (*Unaudited*)
For the Year Ended March 31

b) Severance benefits

Severance benefits provided to CED's employees were previously based on an employee's eligibility, years of service and salary at termination of employment. However, since 2011 the accumulation of severance benefits for voluntary departures progressively ceased for substantially all employees. Employees subject to these changes were given the option to be paid the full or partial value of benefits earned to date or collect the full or remaining value of benefits upon departure from the public service. By March 31, 2026, substantially all settlements for immediate cash out were completed. Severance benefits are unfunded and, consequently, the outstanding obligation will be paid from future authorities.

The changes in the obligations during the year were as follows:

	2026	2025
	(in thousands of dollars)	
Accrued benefit obligation - Beginning of year	**812**	**878**
Expense for the year	100	3
Benefits paid during the year	(63)	(69)
Accrued benefit obligation - End of year	**849**	**812**

6. Accounts receivable and advances

The following table presents details of CED's accounts receivable and advances balances:

	2026	2025
	(in thousands of dollars)	
Receivables – Other government departments and agencies	359	83
Receivables – External parties	19,280	19,369
Employee advances	36	31
Subtotal	19,675	19,483
Allowance for doubtful accounts on receivables from external parties	(12,277)	(13,589)
Gross accounts receivable	**7,398**	**5,894**
Accounts receivable held on behalf of Government	(7,003)	(5,780)
Net accounts receivable	**395**	**114**

Canada Economic Development for Quebec Regions

The following table provides an aging analysis of accounts receivable from external parties and the associated valuation allowances used to reflect their net recoverable value.

	2026	2025
	(in thousands of dollars)	
Accounts receivable from external parties		
Not past due	312	438
Number of days pas due		
1 to 30	124	232
31 to 60	179	405
61 to 60	118	295
91 to 365	1,454	6,912
Over 365	17,093	11,087
Sub-total	19,280	19,369
Less: Valuation allowance	(12,277)	(13,589)
Total	**7,003**	**5,780**

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (*Unaudited*)
For the Year Ended March 31

Amounts collected in respect to conditionally repayable contributions totalled $3,384 thousand for the 2025-2026 fiscal year ($4,106 thousand in 2024-2025). No write-off in 2025-2026 and in 2024-2025 for accounts deemed uncollectible.

7. Loans receivable

Loans (unconditionally repayable contributions) are transfer payments made to eligible recipients to carry out a project. The contribution agreement sets out strict conditions for repayment which determine the dates and amounts of payments. In general, the repayment schedule does not exceed five years, beginning no later than 24 to 48 months after the project completion date. All loans are held on behalf of Government since the President has no authority with regard to their disposal.

The following table presents the details of CED's loans (unconditionally repayable contributions) balances:

	2026	2025
	(in thousands of dollars)	
Repayable contributions at the beginning of the year	848,512	859,531
New contributions paid	141,474	117,080
Repayments received and other credits	(132,170)	(128,099)
Subtotal: Repayable contributions at year end	857,816	848,512
Less: Allowance for uncollectibility	(210,316)	(207,820)
Total loans receivable	**647,500**	**640,692**

The amounts collected in respect to unconditionally repayable contributions totalled $132,170 thousand for the 2025-2026 fiscal year ($128,099 thousand in 2024-2025). CED wrote off a total of $12 179 thousand in the 2025-2026 fiscal year for accounts deemed uncollectible (No write-off in 2024-2025).

Canada Economic Development for Quebec Regions

The following table provides an aging analysis of loans receivable that are either past due or impaired and the associated valuation allowances used to reflect their net recoverable value:

	2026	2025
	(in thousands of dollars)	
Loans receivable		
Not past due	760,660	757,565
Number of days past due		
1 to 90	3,321	2,396
91 to 365	11,831	24,204
Over 365	82,004	64,347
Sub-total	857,816	848,512
Less : Valuation allowance	(210,316)	(207,820)
Total	**647,500**	**640,692**

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (*Unaudited*)
For the Year Ended March 31

8. Tangible capital assets

Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset as follows:

Asset class	Amortization period
Computer hardware	3 to 5 years
Computer software	3 years
Other equipment	5 years
Motor vehicles	6 years
Leasehold improvements	Over the useful life of the improvement or the lease term, whichever is shorter
Assets under construction	Once in service, in accordance with asset type

Assets under construction are recorded in the applicable capital asset class in the year they are put into service and are not amortized until they are put into service.

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (*Unaudited*)
For the Year Ended March 31
(in thousands of dollars)

	Cost					Accumulated Amortization					Net Book Value	
Capital Asset Class	**Opening Balance**	**Acquisitions**	**Adjustments**	**Disposals and Write-Offs**	**Closing Balance**	**Opening Balance**	**Amortization**	**Adjustments (1)**	**Disposals and Write-Offs**	**Closing Balance**	**2026**	**2025**
Computer hardware	1,038	0	0	0	1,038	1,038	0	0	0	1,038	0	0
Computer software	4,341	0	0	0	4,341	3,439	570	0	0	4,009	332	902
Other equipment	45	0	0	0	45	42	1	0	0	43	2	3
Motor vehicles	447	0	0	(107)	340	266	30	0	(91)	205	135	181
Leasehold improvements	204	0	0	0	204	196	4	0	0	200	4	8
Assets under construction	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	**6,075**	**0**	**0**	**(107)**	**5,968**	**4,981**	**605**	**0**	**(91)**	**5,495**	**473**	**1,094**

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (*Unaudited*)
For the Year Ended March 31

9. Contractual obligations

The nature of CED's activities result in some large multi-year contracts and obligations whereby CED will be obligated to make future payments in order to carry out its transfer payment programs or when the services/goods are received. Significant contractual obligations that can be reasonably estimated are summarized as follows:

	2027	2028	2029	2030	2031 and thereafter	Total
	(in thousands of dollars)					
Transfer payments	300,757	128,529	52,999	14,339	22,702	519,326
Operations and maintenance	2,822	250	155	150	55	3,432
Total	**303,579**	**128,779**	**53,154**	**14,489**	**22,757**	**522,758**

10. Contingent assets

Under the Quebec Economic Development Program (QEDP), conditionally repayable contributions which are outstanding in 2026 total $11,609 thousand ($12,009 thousand in 2025). Repayments are determined by a project's profitability and have a maximum repayment period of 20 years. The final payment is due no later than 2042.

The estimated recoveries for contingent assets are evaluated at $9,287 thousand ($9,607 thousand in 2025).

11. Related party transactions

CED is related as a result of common ownership to all government departments, agencies and Crown corporations. Related parties also include individuals who are members of key management personnel or close family members of those individuals, and entities controlled by, or under shared control of, a member of key management personnel or a close family member of that individual.

CED enters into transactions with these entities in the normal course of business and on normal trade terms.

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (*Unaudited*)
For the Year Ended March 31

a) Common services provided without charge by other government departments

During the year, CED received services without charge from certain common service organizations, related to accommodation, legal services and the employer's contribution to the health and dental insurance plans. These services, provided without charge, have been recorded at the carrying value in CED's Statement of Operations and Departmental Net Financial Position as follows:

	2026	2025
	(in thousands of dollars)	
Employer's contribution to the health and dental insurance plans	3,921	3,766
Accommodation	3,110	3,055
Legal services	358	298
Total	**7,389**	**7,119**

The Government has centralized some of its administrative activities for efficiency, cost-effectiveness purposes and economic delivery of programs to the public. As a result, the Government uses central agencies and common service organizations so that one department performs services for all other departments and agencies without charge. The costs of these services, such as the payroll and cheque issuance services provided by Public Services and Procurement Canada and audit services provided by the Office of the Auditor General are not included in the CED's Statement of Operations and Departmental Net Financial Position.

b) Other transactions with other government departments and agencies

	2026	2025
	(in thousands of dollars)	
Expenses	1,794	1,842

The expenses disclosed in section (b) exclude common services provided without charge, which are already disclosed in section (a).

Canada Economic Development for Quebec Regions

Notes to the Financial Statements (*Unaudited*)
For the Year Ended March 31

12. Segmented information

Presentation by segment is based on CED's core responsibility. The presentation by segment is based on the same accounting policies as described in the Summary of significant accounting policies in note 2. The following table presents the expenses incurred and revenues generated for the main core responsibilities, by major object of expense and by major type of revenue. The segment results for the period are as follows:

	Economic Development in Quebec	Internal services	2026 Total	2025 Total
	(in thousands of dollars)			
Transfer payments				
Non-repayable payments				
Non-profit organizations	149,832	0	149,832	133,573
Other levels of government	3,133	0	3,133	5,171
Industry	74,025	0	74,025	16,379
Conditional repayments				
Industry	(1,908)	0	(1,908)	1,952
Others	14,704	0	14,704	12,076
Expenses incurred on behalf of Government	(16,398)	0	(16,398)	(17,865)
Total – Transfer payments	223,388	0	223,388	151,286
Operating expenses				
Salaries and employee benefits	3,011	46,857	49,868	53,036
Professional and special services	298	1,773	2,071	2,350
Accommodation	169	3,384	3,553	3,650
Travel and communications	0	763	763	689
Purchases of equipment and furniture	0	292	292	374
Amortization of tangible capital assets	0	605	605	602
Information	0	373	373	372
Supplies and procurement	0	57	57	90
Repairs and maintenance	0	73	73	159
Other	0	800	800	915
Total – Operating expenses	3,478	54,977	58,455	62,237
Total - Expenses	**226,866**	**54,977**	**281,843**	**213,523**
Revenues				
Interest revenues	926	0	926	1,273
Miscellaneous revenues	3	15	18	8
Revenues earned on behalf of Government	(929)	(15)	(944)	(1,281)
Total – Revenues	**0**	**0**	**0**	**0**
Net cost from continuing operations	**226,866**	**54,977**	**281,843**	**213,523**