

Financial Statements of

**COMMUNITY FUTURES
CROWSNEST PASS**

And Independent Auditors' Report thereon

Year ended March 31, 2021



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Community Futures Crowsnest Pass

Opinion

We have audited the financial statements of Community Futures Crowsnest Pass (the "Entity"), which comprise:

- the statement of financial position as at March 31, 2021
- the statement of operations for the year then ended
- the statement of changes in 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 Entity as at March 31, 2021, 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity 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.



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

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' 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 auditors' 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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 represents 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

Lethbridge, Canada

July 16, 2021

COMMUNITY FUTURES CROWDSNEST PASS


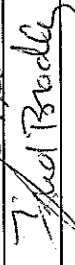
Statement of Financial Position

March 31, 2021, with comparative information for 2020

	Loan Investment Funds						2021 Total	2020 Total
	WD Operating Fund	Tourism Growth Innovation Fund	WD Non- Repayable Investment Fund	WD Conditionally Repayable Investment Fund	WD Conditionally Repayable Investment Fund	Regional Relief and Recovery Fund		
Current assets:								
Cash and short-term investments (note 2)	\$ 205,287	\$ 10,729	\$ 490,998	\$ 354,077	\$ 364,396	\$ 122,313	\$ 1,547,800	
Accounts receivable	27,108	--	--	--	45	--	27,153	
Interest receivable	--	--	33,680	--	--	--	33,680	
Prepaid expenses	943	--	--	--	--	--	943	
Other assets	--	--	--	--	--	--	--	
Current portion of loans receivable (note 3)	--	--	237,499	--	--	--	237,499	
	233,338	10,729	762,177	354,077	364,441	122,313	1,847,075	
Capital assets (note 4)	1,265	--	--	--	--	--	1,265	
Loans receivable, net of allowance for loan impairment (note 3)	--	--	2,071,414	--	--	551,000	2,622,414	
	\$ 234,603	\$ 10,729	\$ 2,833,591	\$ 354,077	\$ 364,441	\$ 673,313	\$ 4,470,754	
							\$ 3,635,751	

	Loan Investment Funds							2021 Total	2020 Total
	WD Operating Fund	Tourism Growth Innovation Fund	WD Non- Repayable Investment Fund	WD Conditionally Repayable Investment Fund	WD EDP Fund	Regional Relief and Recovery Fund			
Current liabilities:									
Accounts payable and accrued liabilities	\$ 43,257	\$ --	\$ --	\$ --	\$ --	\$ 16,313	\$ 59,570	\$ 28,992	
Unamortized deferred capital contributions	92	--	--	--	--	--	92	138	
Deferred contributions (note 11)	20,000	10,711	--	--	--	--	30,711	34,840	
Debt (note 7)	--	--	--	--	--	657,000	657,000	--	
Net assets:									
Fund balances (note 12)	171,254	18	2,833,591	354,077	364,441	--	3,723,381	3,571,781	
	\$ 234,603	\$ 10,729	\$ 2,833,591	\$ 354,077	\$ 364,441	\$ 673,313	\$ 4,470,754	\$ 3,635,751	

See accompanying notes to financial statements.

On behalf of the Board:  Director
 Director

COMMUNITY FUTURES CROWDNEST PASS

Statement of Operations

Year ended March 31, 2021, with comparative information for 2020

	Loan Investment Funds							2021 Total	2020 Total
	WD Operating Fund	Tourism Growth Innovation Fund	WD Non- Repayable Investment Fund	Conditionally Repayable Investment Fund	WD Conditionally Repayable EDP Fund	Regional Relief and Recovery Fund			
Revenue:									
Interest on loans receivable	\$ --	\$ --	\$ 101,788	\$ --	\$ --	\$ --	\$ 101,788	\$ 147,867	
Investment income	340	--	14,429	29,055	29,796	--	73,620	2,448	
Contributions (note 6)	355,550	--	--	--	--	16,313	371,863	402,254	
Recovery of bad debts	--	--	300	--	--	--	300	--	
Amortization of deferred capital contributions	46	--	--	--	--	--	46	69	
Other	527	--	--	--	--	--	527	2,793	
	356,463	--	116,517	29,055	29,796	16,313	548,144	555,431	
Expenses (schedule)	362,032	--	18,199	--	--	16,313	396,544	685,811	
Excess (deficiency) of revenue over expenses	\$ (5,569)	\$ --	\$ 98,318	\$ 29,055	\$ 29,796	\$ --	\$ 151,600	\$ (130,380)	

See accompanying notes to financial statements.

COMMUNITY FUTURES CROWDSNEST PASS

Statement of Changes in Fund Balances

Year ended March 31, 2021, with comparative information for 2020

	Loan Investment Funds							2021 Total	2020 Total
	WD Operating Fund	Tourism Growth Innovation Fund	WD Non- Repayable Investment Fund	WD Conditionally Repayable Investment Fund	WD Conditionally Repayable EDP Fund	Regional Relief and Recovery Fund			
Net assets:									
Invested in capital assets, beginning of year	\$ 3,132	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 3,132	\$ 5,068
Deficiency of revenue over expenses	(1,959)	--	--	--	--	--	--	(1,959)	(1,936)
Net assets invested in capital assets, end of year	1,173	--	--	--	--	--	--	1,173	3,132
Externally restricted funds, beginning of year	--	--	2,735,273	325,022	334,645	--	--	3,394,940	3,501,680
Excess (deficiency) of revenue over expenses	--	--	98,318	29,055	29,796	--	--	157,169	(106,740)
Externally restricted funds, end of year	--	--	2,833,591	354,077	364,441	--	--	3,552,109	3,394,940
Unrestricted funds, beginning of year	173,691	18	--	--	--	--	--	173,709	195,413
Deficiency of revenue over expenses	(3,610)	--	--	--	--	--	--	(3,610)	(21,704)
Unrestricted funds, end of year	170,081	18	--	--	--	--	--	170,099	173,709
	\$ 171,254	\$ 18	\$ 2,833,591	\$ 354,077	\$ 364,441	\$ --	\$ --	\$3,723,381	\$3,571,781

See accompanying notes to financial statements.

COMMUNITY FUTURES CROWDNEST PASS

Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	Loan Investment Funds							2020 Total
	WD Operating Fund	Tourism Growth Innovation Fund	WD Non- Repayable Investment Fund	WD Conditionally Repayable Investment Fund	WD Conditionally Repayable EDP Fund	Regional Relief and Recovery Fund	2021 Total	
Cash provided by (used in):								
Operations:								
Excess (deficiency) of revenue over expenses	\$ (5,569)	\$ --	\$ 98,318	\$ 29,055	\$ 29,796	\$ --	\$ 151,600	\$ (130,380)
Items not involving cash:								
Provision for credit losses	--	--	17,856	--	--	--	17,856	214,351
Amortization of deferred capital contributions	(46)	--	--	--	--	--	(46)	(69)
Amortization	2,005	--	--	--	--	--	2,005	2,005
Change in non-cash operating working capital (note 8)	16,717	--	130,565	--	--	16,313	163,595	(129,800)
	13,107	--	246,739	29,055	29,796	16,313	335,010	(43,893)
Investing and financing:								
Increase in short-term investments	--	--	--	--	--	--	--	(711)
Change in loan portfolio	--	--	(107,816)	--	--	(551,000)	(658,816)	(179,127)
Proceeds from debt	--	--	--	--	--	657,000	657,000	--
	--	--	(107,816)	--	--	106,000	(1,816)	(179,838)
Increase (decrease) in cash and cash equivalents	13,107	--	138,923	29,055	29,796	122,313	333,194	(223,731)
Cash and cash equivalents, beginning of year	192,180	10,729	352,075	325,022	334,600	--	1,214,606	1,438,337
Cash and cash equivalents, end of year (note 2)	\$ 205,287	\$ 10,729	\$ 490,998	\$ 354,077	\$ 364,396	\$ 122,313	\$ 1,547,800	\$ 1,214,606

See accompanying notes to financial statements.

COMMUNITY FUTURES CROWSNEST PASS

Schedule of Expenses

Year ended March 31, 2020, with comparative information for 2019

	Loan Investment Funds										2020 Total
	WD Operating Fund	Tourism Growth Innovation Fund	WD Non- Repayable Investment Fund	WD Conditionally Repayable Investment Fund	WD Conditionally Repayable EDP Fund	Regional Relief and Recovery Fund	2021 Total	2020 Total			
Provision for credit losses	\$ --	\$ --	\$ 17,858	\$ --	\$ --	\$ --	\$ 17,858	\$ 252,226			
Salaries and benefits	241,725	--	--	--	--	--	241,725	235,604			
Travel	4,895	--	--	--	--	--	4,895	12,755			
Office	11,621	--	--	--	--	--	11,621	11,985			
Professional fees	10,678	--	--	--	--	--	10,678	10,290			
Telephone and internet	1,758	--	--	--	--	--	1,758	1,904			
Business development	11,752	--	--	--	--	--	11,752	95,481			
Training and board development	2,299	--	--	--	--	--	2,299	3,676			
Insurance	2,412	--	--	--	--	--	2,412	2,816			
Advertising and promotion	1,987	--	--	--	--	--	1,987	2,704			
Dues and memberships	697	--	--	--	--	--	697	841			
Interest and bank charges	45	--	341	--	--	--	386	404			
Consulting	--	--	--	--	--	--	--	34,868			
Trade shows	--	--	--	--	--	--	--	5,093			
Other	4,158	--	--	--	--	--	4,158	9,389			
Investment loss	--	--	--	--	--	--	--	3,770			
Direct Business supports											
- COVID	56,144	--	--	--	--	--	56,144	--			
Funding adjustment	9,856	--	--	--	--	16,313	26,169	--			
Amortization	2,005	--	--	--	--	--	2,005	2,005			
	\$ 362,032	\$ --	\$ 18,199	\$ --	\$ --	\$ 16,313	\$ 396,544	\$ 685,811			