

Financial Statements of

**COMMUNITY FUTURES  
CROWSNEST PASS**

And Independent Auditors' Report thereon

Year ended March 31, 2022





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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 "Corporation"), which comprise:

- the statement of financial position as at March 31, 2022
- 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 Corporation as at March 31, 2022, 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 Corporation 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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 Corporation'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 Corporation'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 Corporation 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*

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Chartered Professional Accountants

Lethbridge, Canada

June 17, 2022





# COMMUNITY FUTURES CROWSNEST PASS

Statement of Financial Position



March 31, 2022, with comparative information for 2021

	Loan Investment Funds							RRRF Investment/ Loan Fund	2022 Total	2021 Total
	PrairiesCan Operating Fund	Tourism Growth Innovation Fund	PrairiesCan Non- Repayable Investment Fund	Conditionally Repayable Investment Fund	PrairiesCan Conditionally Repayable EDP Fund					
<b>Assets</b>										
Current assets:										
Cash and short-term investments (note 2)	\$ 146,230	\$ 679	\$ 750,388	\$ 365,772	\$ 376,377	\$ 20,520	\$ 1,659,966	\$ 1,547,800		
Accounts receivable	41,881	--	--	--	45	--	41,926	27,153		
Interest receivable	--	--	29,998	--	--	--	29,998	33,680		
Prepaid expenses	4,962	--	--	--	--	--	4,962	943		
Current portion of loans receivable (note 3)	--	--	254,390	--	--	--	254,390	237,499		
	193,073	679	1,034,776	365,772	376,422	20,520	1,991,242	1,847,075		
Capital assets (note 4)	--	--	--	--	--	--	--	1,265		
Loans receivable, net of allowance for loan impairment (note 3)	--	--	1,957,751	--	--	611,000	2,568,751	2,622,414		
	\$ 193,073	\$ 679	\$ 2,992,527	\$ 365,772	\$ 376,422	\$ 631,520	\$ 4,559,993	\$ 4,470,754		

	Loan Investment Funds							2022 Total	2021 Total
	PrairiesCan Operating Fund	Tourism Growth Innovation Fund	PrairiesCan Non- Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment Fund	PrairiesCan Conditionally Repayable EDP Fund	RRRF Investment/ Loan Fund			
Current liabilities:									
Accounts payable and accrued liabilities	\$ 19,285	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 19,285	\$ 59,570
Unamortized deferred capital contributions	--	--	--	--	--	--	--	--	92
Deferred contributions (note 11)	3,014	661	--	--	--	20,520	24,195	30,711	
Debt (note 7)	--	--	--	--	--	611,000	611,000	657,000	
Net assets:									
Fund balances (note 12)	170,774	18	2,992,527	365,772	376,422	--	3,905,513	3,723,381	
	\$ 193,073	\$ 679	\$ 2,992,527	\$ 365,772	\$ 376,422	\$ 631,520	\$ 4,559,993	\$ 4,470,754	

See accompanying notes to financial statements.

On behalf of the Board:

 Director  
 Director

# COMMUNITY FUTURES CROWSNEST PASS

Statement of Operations

Year ended March 31, 2022, with comparative information for 2021

	Loan Investment Funds							2021 Total
	PrairiesCan Operating Fund	Tourism Growth Innovation Fund	PrairiesCan Non- Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment Fund	PrairiesCan Conditionally Repayable EDP Fund	RRRF Investment/ Loan Fund	2022 Total	
Revenue:								
Interest on loans receivable	\$ --	\$ --	\$ 146,814	\$ --	\$ --	\$ --	\$ 146,814	\$ 101,788
Investment income	329	--	12,197	11,695	11,981	--	36,202	73,620
Contributions (note 6)	289,550	10,050	--	--	--	--	299,600	371,863
Recovery of bad debts	--	--	900	--	--	--	900	300
Amortization of deferred capital contributions	92	--	--	--	--	--	92	46
Other	16,986	--	--	--	--	--	16,986	527
	306,957	10,050	159,911	11,695	11,981	--	500,594	548,144
Expenses (schedule)	307,437	10,050	975	--	--	--	318,462	396,544
Excess (deficiency) of revenue over expenses	\$ (480)	\$ --	\$ 158,936	\$ 11,695	\$ 11,981	\$ --	\$ 182,132	\$ 151,600

See accompanying notes to financial statements.

# COMMUNITY FUTURES CROWDSNEST PASS

## Statement of Changes in Fund Balances

Year ended March 31, 2022, with comparative information for 2021

	Loan Investment Funds							2021 Total
	PrairiesCan Operating Fund	Tourism Growth Innovation Fund	PrairiesCan Non- Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment Fund	PrairiesCan Conditionally Repayable EDP Fund	RRRF Investment/ Loan Fund	2022 Total	
<b>Net assets:</b>								
Invested in capital assets, beginning of year	\$ 1,173	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1,173	\$ 3,132
Deficiency of revenue over expenses	(1,173)	--	--	--	--	--	(1,173)	(1,959)
<b>Net assets invested in capital assets, end of year</b>	--	--	--	--	--	--	--	1,173
Externally restricted funds, beginning of year	--	--	2,833,591	354,077	364,441	--	3,552,109	3,394,940
Excess of revenue over expenses	--	--	158,936	11,695	11,981	--	182,612	157,169
<b>Externally restricted funds, end of year</b>	--	--	2,992,527	365,772	376,422	--	3,734,721	3,552,109
Unrestricted funds, beginning of year	170,081	18	--	--	--	--	170,099	173,709
Excess (deficiency) of revenue over expenses	693	--	--	--	--	--	693	(3,610)
<b>Unrestricted funds, end of year</b>	170,774	18	--	--	--	--	170,792	170,099
	\$ 170,774	\$ 18	\$ 2,992,527	\$ 365,772	\$ 376,422	\$ --	\$ 3,905,513	\$ 3,723,381

See accompanying notes to financial statements.

# COMMUNITY FUTURES CROWDSNEST PASS

## Statement of Cash Flows

Year ended March 31, 2022, with comparative information for 2021

	Loan Investment Funds							2021 Total
	PrairiesCan Operating Fund	Tourism Growth Innovation Fund	PrairiesCan Non- Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment Fund	PrairiesCan Conditionally Repayable EDP Fund	RRRF Investment/ Loan Fund	2022 Total	
Cash provided by (used in):								
Operations:								
Excess (deficiency) of revenue over expenses	\$ (480)	\$ --	\$ 158,936	\$ 11,695	\$ 11,981	\$ --	\$ 182,132	\$ 151,600
Items not involving cash:								
Provision for credit losses	--	--	--	--	--	--	--	17,856
Amortization of deferred capital contributions	(92)	--	--	--	--	--	(92)	(46)
Amortization	1,265	--	--	--	--	--	1,265	2,005
Change in non-cash operating working capital (note 9)	(59,750)	(10,050)	3,683	--	--	4,207	(61,910)	163,595
	(59,057)	(10,050)	162,619	11,695	11,981	4,207	121,395	335,010
Investing and financing:								
Change in loan portfolio	--	--	96,771	--	--	(60,000)	36,771	(658,816)
Proceeds from debt	--	--	--	--	--	(46,000)	(46,000)	657,000
	--	--	96,771	--	--	(106,000)	(9,229)	(1,816)
Increase (decrease) in cash and cash equivalents	(59,057)	(10,050)	259,390	11,695	11,981	(101,793)	112,166	333,194
Cash and cash equivalents, beginning of year	205,287	10,729	490,998	354,077	364,396	122,313	1,547,800	1,214,606
Cash and cash equivalents, end of year (note 2)	\$ 146,230	\$ 679	\$ 750,388	\$ 365,772	\$ 376,377	\$ 20,520	\$ 1,659,966	\$ 1,547,800

See accompanying notes to financial statements.

# COMMUNITY FUTURES CROWSNEST PASS

## Schedule of Expenses

Year ended March 31, 2022, with comparative information for 2021

	Loan Investment Funds										2021 Total
	PrairiesCan Operating Fund	Tourism Growth Innovation Fund	PrairiesCan Non- Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment Fund	PrairiesCan Conditionally Repayable EDP Fund	RRRF Investment/ Loan Fund	2022 Total	2021 Total			
Provision for credit losses	\$ --	\$ --	\$ 590	\$ --	\$ --	\$ --	\$ 590	\$ 17,858			
Salaries and benefits	228,310	--	--	--	--	--	228,310	241,725			
Travel	4,932	--	--	--	--	--	4,932	4,895			
Office	11,812	--	--	--	--	--	11,812	11,621			
Professional fees	10,657	--	--	--	--	--	10,657	10,678			
Telephone and internet	1,860	--	--	--	--	--	1,860	1,758			
Business development	10,648	--	--	--	--	--	10,648	11,752			
Training and board development	2,477	--	--	--	--	--	2,477	2,299			
Insurance	2,595	--	--	--	--	--	2,595	2,412			
Advertising and promotion	3,573	--	--	--	--	--	3,573	1,987			
Dues and memberships	922	50	--	--	--	--	972	697			
Interest and bank charges	235	--	385	--	--	--	620	386			
Consulting	22,889	--	--	--	--	--	22,889	--			
Other	5,262	10,000	--	--	--	--	15,262	4,158			
Direct Business supports	--	--	--	--	--	--	--	--			
- COVID	--	--	--	--	--	--	--	56,144			
Funding adjustment	--	--	--	--	--	--	--	26,169			
Amortization	1,265	--	--	--	--	--	1,265	2,005			
	\$ 307,437	\$ 10,050	\$ 975	\$ --	\$ --	\$ --	\$ 318,462	\$ 396,544			