

**COMMUNITY FUTURES CENTRAL ALBERTA**

**FINANCIAL STATEMENTS**

**For the year ended March 31, 2022**

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# COMMUNITY FUTURES CENTRAL ALBERTA

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Community Futures Central Alberta

### *Opinion*

We have audited the financial statements of Community Futures Central Alberta, which comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2022, and its financial performance 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 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 other 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 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 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 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 these 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:

**INDEPENDENT AUDITOR'S REPORT, continued**

- ◆ 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 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 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 financial statements, including the disclosures, and whether the 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.

Lethbridge, Alberta  
May 25, 2022



Chartered Professional Accountants

**COMMUNITY FUTURES CENTRAL ALBERTA**  
**STATEMENT OF FINANCIAL POSITION**  
**As at March 31, 2022**

	PrairiesCan Operating Fund	Loan investment funds			RRRF Investment/ Loan Fund	2022 Total	2021 Total
		PrairiesCan Non- Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment EDP Fund			
<b>ASSETS</b>							
<b>Current assets</b>							
Cash	\$ 316,794	\$ 1,118,025	\$ -	\$ 59,782	\$ 173,750	\$ 1,668,351	\$ 1,704,238
Short-term investment (note 3)	-	428,307	390,320	100,749	-	919,376	889,986
Accounts receivable	25,536	20,628	-	1,853	-	48,017	83,897
Prepaid expenses and deposits	10,835	-	-	-	-	10,835	48,748
Advances to other funds	-	86,473	-	-	-	86,473	8,531
Current portion of loans receivable	-	385,533	-	9,660	-	395,193	486,336
	353,165	2,038,966	390,320	172,044	173,750	3,128,245	3,221,736
<b>Loans receivable (note 4)</b>	-	1,227,337	-	179,223	5,669,393	7,075,953	5,940,297
<b>Capital assets (note 5)</b>	430,329	-	-	-	-	430,329	353,412
	\$ 783,494	\$ 3,266,303	\$ 390,320	\$ 351,267	\$ 5,843,143	\$10,634,527	\$ 9,515,445
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Current liabilities</b>							
Accounts payable and accrued liabilities	\$ 55,930	\$ -	\$ -	\$ -	\$ -	\$ 55,930	\$ 25,719
Payroll remittances	8,301	-	-	-	-	8,301	9,303
Deferred contributions (note 6)	244,007	-	-	-	-	244,007	-
Advances from other funds	15,634	-	-	70,839	-	86,473	8,531
	323,872	-	-	70,839	-	394,711	43,553
<b>Administrative funds loan (note 7)</b>	-	-	-	-	171,720	171,720	-
<b>Investment funds (note 7)</b>	-	-	300,000	200,000	5,669,393	6,169,393	5,818,818
	323,872	-	300,000	270,839	5,841,113	6,735,824	5,862,371
<b>Fund balances</b>							
Share capital (note 8)	7	-	-	-	-	7	7
Invested in capital assets	430,329	-	-	-	-	430,329	353,412
Externally restricted	-	3,266,303	90,320	80,428	2,030	3,439,081	3,190,147
Internally restricted (note 9)	36,177	-	-	-	-	36,177	78,507
Unrestricted	(6,891)	-	-	-	-	(6,891)	31,001
	459,622	3,266,303	90,320	80,428	2,030	3,898,703	3,653,074
	\$ 783,494	\$ 3,266,303	\$ 390,320	\$ 351,267	\$ 5,843,143	\$10,634,527	\$ 9,515,445

Approved on behalf of the board

Director Russell J Crook

Director J Johnson

**COMMUNITY FUTURES CENTRAL ALBERTA**  
**STATEMENT OF OPERATIONS**  
**For the year ended March 31, 2022**

	Loan investment funds					2022 Total	2021 Total
	PrairiesCan Operating Fund (schedule 1)	PrairiesCan Non- Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment EDP Fund	RRRF Investment/ Loan Fund		
<b>Revenue</b>							
Prairies Economic Development Canada Contribution (schedule 1)	\$ 308,493	\$ -	\$ -	\$ -	\$ -	\$ 308,493	\$ 522,781
Other grant funding	212,762	-	-	-	-	212,762	136,225
Interest on loans	-	122,722	-	15,322	-	138,044	150,012
Administrative and application fees	31,965	-	-	-	-	31,965	33,991
Training - Entrepreneurs with Disabilities	25,681	-	-	-	-	25,681	27,283
Investment income	912	12,435	8,116	2,354	875	24,692	25,377
Rental	14,400	-	-	-	-	14,400	13,860
Unrealized gain on investments	-	4,786	4,362	1,126	-	10,274	57,148
Courses and seminars	3,018	-	-	-	-	3,018	6,950
Wage subsidy	-	-	-	-	-	-	4,081
	597,231	139,943	12,478	18,802	875	769,329	977,708
<b>Expenses</b>							
Salaries and benefits	267,804	-	-	-	-	267,804	293,376
Special projects	171,426	-	-	-	-	171,426	111,538
Office and communication	30,664	-	-	-	-	30,664	42,947
Training - Entrepreneurs with Disabilities	25,367	-	-	-	-	25,367	24,277
Professional fees	24,554	-	-	-	-	24,554	34,122
Building operations	17,957	-	-	-	-	17,957	17,020
Repairs and maintenance	11,216	-	-	-	-	11,216	10,064
Non-refundable GST	7,108	-	-	-	-	7,108	4,425
Insurance, licences and dues	7,009	-	-	-	-	7,009	6,762
Staff and board development	6,725	-	-	-	-	6,725	5,882
Advertising and promotion	5,590	-	-	-	-	5,590	2,634
Equipment rental	4,927	-	-	-	-	4,927	4,492
Directors meetings	2,908	-	-	-	-	2,908	551
Travel	2,270	-	-	-	-	2,270	3,335
Bank charges	770	647	-	-	-	1,417	1,267
Community economic development	-	-	-	-	-	-	99,428
Loss on disposal of capital assets	-	-	-	-	-	-	4,532
Loan losses (recovery) and bad debts	-	(59,740)	-	(17,743)	-	(77,483)	(92,163)
Amortization	14,241	-	-	-	-	14,241	12,153
	600,536	(59,093)	-	(17,743)	-	523,700	586,642
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ (3,305)</b>	<b>\$ 199,036</b>	<b>\$ 12,478</b>	<b>\$ 36,545</b>	<b>\$ 875</b>	<b>\$ 245,629</b>	<b>\$ 391,066</b>

**COMMUNITY FUTURES CENTRAL ALBERTA**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
For the year ended March 31, 2022

	PrairiesCan Operating Fund	Loan investment funds			RRRF Investment/ Loan Fund	2022 Total	2021 Total
		PrairiesCan Non- Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment EDP Fund			
<b>Invested in capital assets</b>							
<b>Beginning of year</b>	\$ 353,412	\$ -	\$ -	\$ -	\$ -	\$ 353,412	\$ 359,725
Purchase of capital assets	91,158	-	-	-	-	91,158	10,372
Disposal of capital assets	-	-	-	-	-	-	(4,532)
Amortization	(14,241)	-	-	-	-	(14,241)	(12,153)
<b>End of year</b>	430,329	-	-	-	-	430,329	353,412
<b>Externally restricted</b>							
<b>Beginning of year</b>	-	3,067,267	77,842	43,883	1,155	3,190,147	2,867,027
Excess of revenue over expenses	-	199,036	12,478	36,545	875	248,934	323,120
<b>End of year</b>	-	3,266,303	90,320	80,428	2,030	3,439,081	3,190,147
<b>Internally restricted</b>							
<b>Beginning of year</b>	78,507	-	-	-	-	78,507	68,797
Internally restricted funds used for capital assets	(58,435)	-	-	-	-	(58,435)	-
Transfer from operating	16,105	-	-	-	-	16,105	9,710
<b>End of year</b>	36,177	-	-	-	-	36,177	78,507
<b>Unrestricted</b>							
<b>Beginning of year</b>	31,001	-	-	-	-	31,001	(33,548)
Excess (deficiency) of revenue over expenses	(3,305)	-	-	-	-	(3,305)	67,946
Purchase of capital assets	(91,158)	-	-	-	-	(91,158)	(10,372)
Disposal of capital assets	-	-	-	-	-	-	4,532
Amortization	14,241	-	-	-	-	14,241	12,153
Internally restricted funds used for capital assets	58,435	-	-	-	-	58,435	-
Transfer to internally restricted	(16,105)	-	-	-	-	(16,105)	(9,710)
<b>End of year</b>	(6,891)	-	-	-	-	(6,891)	31,001
<b>Share capital</b>							
<b>Beginning of year</b>	7	-	-	-	-	7	7
<b>End of year</b>	7	-	-	-	-	7	7
	\$ 459,622	\$ 3,266,303	\$ 90,320	\$ 80,428	\$ 2,030	\$ 3,898,703	\$ 3,653,074

**COMMUNITY FUTURES CENTRAL ALBERTA**  
**STATEMENT OF CASH FLOWS**  
For the year ended March 31, 2022

	PrairiesCan Operating Fund	Loan investment funds				RRRF Investment/ Loan Fund	2022 Total	2021 Total
		PrairiesCan Non- Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment Fund	PrairiesCan Conditionally Repayable Investment EDP Fund	PrairiesCan Conditionally Repayable Investment EDP Fund			
<b>Cash flows from operating activities</b>								
Excess (deficiency) of revenue over expenses	\$ (3,305)	\$ 199,036	\$ 12,478	\$ 36,545	\$ 875	\$ 245,629	\$ 391,066	
Items not involving cash								
Amortization	14,241	-	-	-	-	14,241	12,153	
Loss on disposal of capital assets	-	-	-	-	-	-	4,532	
Provision for credit losses (recoveries)	-	(82,575)	-	(13,922)	-	(96,497)	(92,163)	
Unrealized gain on investments	-	(4,786)	(4,362)	(1,126)	-	(10,274)	(57,148)	
Forgivable portion of investment funds	-	-	-	-	(20,000)	(20,000)	-	
	10,936	111,675	8,116	21,497	(19,125)	133,099	258,440	
Net change in non-cash working capital items								
Accounts receivable	43,902	(7,808)	-	(217)	-	35,877	(32,916)	
Prepaid expenses and deposits	37,914	-	-	-	-	37,914	(46,160)	
Accounts payable and accrued liabilities	29,209	-	-	-	-	29,209	8,325	
Deferred contributions	244,007	-	-	-	-	244,007	(25,707)	
Advances to/from other funds	8,289	(86,713)	-	69,893	8,531	-	-	
	374,257	17,154	8,116	91,173	(10,594)	480,106	161,982	
<b>Cash flows from lending activities</b>								
Loan repayments	-	701,263	-	13,588	194,486	909,337	271,143	
Loan advances	-	(491,808)	-	(87,542)	(1,278,000)	(1,857,350)	(4,787,468)	
Proceeds from investment funds	-	-	-	-	554,192	554,192	5,318,818	
Repayments to investment funds	-	-	-	-	(183,617)	(183,617)	-	
Proceeds from administrative funds loan	-	-	-	-	171,720	171,720	-	
	-	209,455	-	(73,954)	(541,219)	(405,718)	802,493	
<b>Cash flows from investing activities</b>								
Purchase of capital assets	(91,158)	-	-	-	-	(91,158)	(10,372)	
Contributions to investment pool	-	(8,906)	(8,116)	(2,095)	-	(19,117)	(19,931)	
	(91,158)	(8,906)	(8,116)	(2,095)	-	(110,275)	(30,303)	
<b>Increase (decrease) in cash</b>	283,099	217,703	-	15,124	(551,813)	(35,887)	934,172	
<b>Cash, beginning of year</b>	33,695	900,322	-	44,658	725,563	1,704,238	770,066	
<b>Cash, end of year</b>	\$316,794	\$1,118,025	\$ -	\$ 59,782	\$ 173,750	\$ 1,668,351	\$ 1,704,238	



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**COMMUNITY FUTURES CENTRAL ALBERTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended March 31, 2022

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**1. Nature of operations**

Community Futures Central Alberta is a community based not-for-profit organization that is incorporated under the Companies Act of Alberta.

The mission of the organization is to support community economic development, diversify the economy, support the creation and expansion of small and medium sized enterprises, maintain and create new employment and maintain the Minister's capacity to deliver business services to rural communities in western Canada. The organization operates in the Red Deer area.

**2. Significant accounting policies**

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

(a) Cash and cash equivalents

The organization includes cash on hand and amounts held by financial institutions in operating accounts in the determination of cash and cash equivalents.

(b) Fund accounting

The organization follows the restricted fund method of accounting for contributions and uses the following funds:

The Operating Fund is used to account for all revenues and expenses related to program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The PrairiesCan Non-repayable Investment Fund is used to account for non-repayable investment funds the organization received from Prairies Economic Development Canada to be used for loans, loan guarantees, and equity investments in new businesses or expansion of an existing business.

The PrairiesCan Conditionally Repayable Investment Fund is used to account for repayable investment funds the organization received from Prairies Economic Development Canada to be used for loans, loan guarantees, and equity investments in new businesses or expansion of an existing business.

The PrairiesCan Entrepreneurs with Disabilities Fund is used to account for repayable investment funds the organization received from Prairies Economic Development Canada to be used for loans, loan guarantees, and equity investments in businesses owned by persons with disabilities.

The Regional Relief and Recovery Fund is used to account for repayable investment funds the organization received from the Government of Canada to provide loans for small and medium-sized enterprises to enable their recovery from economic disruptions caused by the COVID-19 pandemic.

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**COMMUNITY FUTURES CENTRAL ALBERTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended March 31, 2022

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**2. Significant accounting policies, continued**

(c) Revenue recognition

Restricted contributions related to general operations are recognized as revenue of the operating fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the operating fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income includes interest income as well as realized and unrealized investment gains and losses. Unrealized gains and losses on financial assets are included in investment income and recognized as revenue in the statement of operations, deferred or reported directly in net assets depending on the nature of any external restrictions imposed on the investment income.

Administration and application fees are recognized when charged and collection is reasonably assured.

Rental, courses and seminars, training and other revenue are recognized as revenue when received or receivable, once service is provided.

(d) Investments

Investments are recorded at fair value. Changes in fair value are recognized in the statement of operations.

(e) Impaired loans and allowances for loan impairment

Loans receivable are classified as impaired when, in the opinion of management, there is reasonable doubt as to the timely collection of principal and interest. The carrying amount of a loan receivable classified as impaired is reduced to its estimated fair value.

The allowance for loan impairment is maintained at a level considered adequate to absorb the credit losses existing in the organization's portfolio. It reflects management's best estimate of losses existing in the loan portfolio at the statement of financial position date. The allowance is increased by an annual provision for credit losses, which is charged against income and reduced by write-offs, net of recoveries.

(f) Capital assets

Capital assets are recorded at cost. The organization provides for amortization using the following methods at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates and methods are as follows:

Buildings	4% declining balance
Computer equipment	30% declining balance
Computer software	20% straight-line

One-half of the normal rates are applied in the year of acquisition. No amortization is calculated in the year of disposal.

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**COMMUNITY FUTURES CENTRAL ALBERTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended March 31, 2022**

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**2. Significant accounting policies, continued**

(g) Equity in capital assets  
The organization has chosen to treat equity in capital assets as a separate component of fund balances.

(h) Financial instruments  
The organization initially measures all of its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments which are measured at fair value. Changes in fair value are recognized in the statement of operations.

(i) Income taxes  
The organization is operated exclusively for not-for-profit purposes and accordingly will be exempted from income taxes as long as it complies with the requirements of section 149(1)(l) of the Income Tax Act.

(j) Measurement uncertainty  
The preparation of 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 disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Loans receivable and foreclosed assets are reported after management's evaluation as to their collectibility and estimated net realizable value. By their nature, these estimates are subject to measurement uncertainty and the impact on the financial statements of future periods could be material.

**3. Short-term investments**

The organization has invested excess cash in the Community Futures Lending and Investment Pool (CFLIP). CFLIP funds are managed in investments which are considered by management to be highly liquid and low risk. The average return on these investments for 2022 is 2.2% (2021 - 2.4%).

**COMMUNITY FUTURES CENTRAL ALBERTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended March 31, 2022

**4. Loans receivable**

Outstanding loans to entrepreneurs are interest bearing at fixed rates varying from 0% to 12% with monthly blended principal and interest repayments amortized for terms of between 36 and 120 months. Security is taken on these loans as appropriate and includes personal guarantees, general security agreements covering personal and business assets, assignment of insurance, and mortgages on land and buildings.

	Recorded loan	Allowance	Carrying value	Current portion	Long-term portion
PrairiesCan Non-repayable Investment Fund	\$1,686,194	\$ (73,324)	\$1,612,870	\$ 385,533	\$1,227,337
PrairiesCan Conditionally Repayable Investment Fund	-	-	-	-	-
PrairiesCan Conditionally Repayable EDP Fund	192,416	(3,534)	188,882	9,660	179,222
Regional Relief and Recovery Fund	5,669,393	-	5,669,393	-	5,669,393
	<u>\$7,548,003</u>	<u>\$ (76,858)</u>	<u>\$7,471,145</u>	<u>\$ 395,193</u>	<u>\$7,075,952</u>

During the year, there were the following changes in the allowance for doubtful accounts:

	Beginning balance	Provisions	Write-offs	Recoveries	Ending balance
PrairiesCan Non-repayable Investment Fund	\$ 155,899	\$ (57,247)	\$ (28,031)	\$ 2,703	\$ 73,324
PrairiesCan Conditionally Repayable Investment Fund	-	-	-	-	-
PrairiesCan Conditionally Repayable EDP Fund	17,456	(17,303)	-	3,381	3,534
	<u>\$ 173,355</u>	<u>\$ (74,550)</u>	<u>\$ (28,031)</u>	<u>\$ 6,084</u>	<u>\$ 76,858</u>

**COMMUNITY FUTURES CENTRAL ALBERTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended March 31, 2022

**5. Capital assets**

	Cost	Accumulated amortization	2022 Net	2021 Net
Land	\$ 160,387	\$ -	\$ 160,387	\$ 160,387
Buildings	417,849	165,028	252,821	178,181
Computer equipment	34,944	19,487	15,457	12,705
Computer software	9,976	8,312	1,664	2,139
	<b>\$ 623,156</b>	<b>\$ 192,827</b>	<b>\$ 430,329</b>	<b>\$ 353,412</b>

**6. Deferred contributions**

	Opening	Received	Spent	Closing
Digital Squad Services Project	\$ -	\$ 252,787	\$ (8,780)	\$ 244,007
Central Alberta Regional Innovate Network Project	-	152,500	(152,500)	-
Women Entrepreneurship Ecosystem Fund Project	-	51,482	(51,482)	-
	<b>\$ -</b>	<b>\$ 456,769</b>	<b>\$ (212,762)</b>	<b>\$ 244,007</b>

**7. Due to Government of Canada**

Prairies Economic Development Canada contributions are required to be maintained in particular funds. These contributions are available solely for the mandate of each fund.

In prior years, Prairies Economic Development Canada provided contributions totaling \$500,000 to improve access to capital for qualifying business.

Upon notice of the Minister of Prairies Economic Development Canada (the "Minister"), the organization must repay the lesser of the uncommitted cash balance with each of these funds and the amount of the repayable contributions within each fund. As of March 31, 2022, no such notice has been given by the Minister.

In the current year the Government of Canada provided contributions totaling \$554,192 (2021 - \$5,318,818) for the Regional Relief and Recovery Fund. The contributions are repayable net of any loan forgiveness, losses and loan collection fees.

In the current year, the Government of Canada provided a loan totalling \$171,720 to be used for administrative costs relating to the Regional Relief and Recovery Fund loan aftercare and assisting small and medium-sized enterprises in their communities in response to COVID-19. The loan is interest-free and is repayable on December 31, 2025 net of any portion spent on eligible costs.

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**COMMUNITY FUTURES CENTRAL ALBERTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended March 31, 2022

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**8. Share capital**

	2022	2021
Authorized		
Unlimited number of Class A common shares		
Issued		
10 Class A shares	\$ 7	\$ 7

**9. Internally restricted funds**

During the year, the organization rented out space in their building. The revenue and expenses of the rental are recognized in the operating fund. A reserve has been established for the excess of the revenues over expenses to be used for future repairs, maintenance and capital expenditures. During the year, an additional \$16,105 (2021 - \$9,710) was transferred into the reserve while \$58,435 (2021 - \$0) of restricted funds were used to fund current year capital expenditures.

**10. Economic dependence**

The organization is economically dependent on Prairies Economic Development Canada for its operating funding.

**11. Financial instruments**

**Credit risk**

Credit risk arises from the potential that the entities to which the organization provides financing may experience difficulties and be unable to fulfill their obligations. The organization is exposed to financial risk that arises from the credit quality of the entities to which it provides services and loans.

**Interest rate risk**

The organization is exposed to interest rate risk as the short-term investments and loan investments bear interest at fixed interest rates.

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**COMMUNITY FUTURES CENTRAL ALBERTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended March 31, 2022

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**12. COVID-19**

Events have occurred as a result of the COVID-19 pandemic that have caused economic uncertainty. The duration and impact of the pandemic, as well as the effectiveness of government responses, remain unclear at this time.

Some of the key impacts include, but are not limited to, interruptions of production and supply chains, unavailability of personnel, reductions in revenue, disruptions or stoppages in non-essential travel, and the closure of facilities and businesses.

The organization's loans increased due to receiving additional operating funding for the increased costs associated with acting as an agent to disburse the Regional Relief and Recovery Fund. The organization is following government guidelines and has developed policies to ensure the safety of employees is maintained. Management is not aware of any material impairments that will further impact the financial assets or liabilities of the organization due to the pandemic. The situation is continually changing and the future impact on the organization is not readily determinable at this time.

**13. Comparative figures**

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

**COMMUNITY FUTURES CENTRAL ALBERTA**  
**SCHEDULE OF OPERATING FUND**  
For the year ended March 31, 2022

	PrairiesCan Operating Fund	RRRF Operating Fund	Total
<b>Revenue</b>			
Prairies Economic Development Canada Contribution	\$ 308,493	\$ -	\$ 308,493
<b>Expenses</b>			
Salaries and benefits	267,804	-	267,804
Office and communication	30,664	-	30,664
Professional fees	24,554	-	24,554
Building operations	17,960	-	17,960
Special projects	13,426	-	13,426
Repairs and maintenance	11,216	-	11,216
Insurance, licences and dues	7,009	-	7,009
Equipment rental	4,927	-	4,927
Advertising and promotion	5,590	-	5,590
Bank charges	770	-	770
Administrative costs allocated to other grant funded projects	(54,762)	-	(54,762)
	329,158	-	329,158
<b>Deficiency of revenue over expenses</b>	<b>\$ (20,665)</b>	<b>\$ -</b>	<b>\$ (20,665)</b>



**SIGNATURE CERTIFICATE**



**REFERENCE NUMBER**

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**TRANSACTION DETAILS**

**Reference Number**  
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Signature Request

**Sent At**  
05/26/2022 14:40 MST

**Executed At**  
05/27/2022 07:51 MST

**Identity Method**  
email

**Distribution Method**  
email

**Signed Checksum**  
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**Signer Sequencing**  
Disabled

**Document Passcode**  
Disabled

**DOCUMENT DETAILS**

**Document Name**  
Ye Audit Signing - Community Futures Central Ab

**Filename**  
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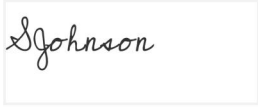
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**SIGNERS**

SIGNER	E-SIGNATURE	EVENTS
<p><b>Name</b> Russell Crook</p> <p><b>Email</b> rjcrook@shaw.ca</p> <p><b>Components</b> 1</p>	<p><b>Status</b> signed</p> <p><b>Multi-factor Digital Fingerprint Checksum</b> 06142d55d5a126adefa0d5b3b11909666fe0b93891dca497181702e62330a099</p> <p><b>IP Address</b> 70.65.182.246</p> <p><b>Device</b> Chrome via Windows</p> <p><b>Typed Signature</b> </p> <p><b>Signature Reference ID</b> 736106BC</p>	<p><b>Viewed At</b> 05/27/2022 07:49 MST</p> <p><b>Identity Authenticated At</b> 05/27/2022 07:51 MST</p> <p><b>Signed At</b> 05/27/2022 07:51 MST</p>
<p><b>Name</b> Sheena Johnson</p> <p><b>Email</b> sheena@thebralounge.ca</p> <p><b>Components</b> 1</p>	<p><b>Status</b> signed</p> <p><b>Multi-factor Digital Fingerprint Checksum</b> 45b50b5a5a7a0fac6cf317a72eedca9a035843b5b961100a6c1a0ec93d03d9bd</p> <p><b>IP Address</b> 174.0.145.187</p> <p><b>Device</b> Chrome via Windows</p> <p><b>Typed Signature</b> </p> <p><b>Signature Reference ID</b> 133D0B2A</p>	<p><b>Viewed At</b> 05/26/2022 16:30 MST</p> <p><b>Identity Authenticated At</b> 05/26/2022 16:31 MST</p> <p><b>Signed At</b> 05/26/2022 16:31 MST</p>
<p><b>Name</b> Kelly Kierluk</p> <p><b>Email</b></p>	<p><b>Status</b> signed</p> <p><b>Multi-factor Digital Fingerprint Checksum</b></p>	<p><b>Viewed At</b> 05/26/2022 16:14 MST</p> <p><b>Identity Authenticated At</b></p>

kkierluk@albertacf.com

94c2630ec64e6fbde04ba102e72759903870a751d23a0a4eb54effb6cada49f2

05/26/2022 16:16 MST

**Components**

9

**IP Address**

66.222.209.127

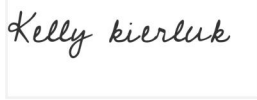
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05/26/2022 16:16 MST

**Device**

Mobile Safari via iOS

**Typed Signature**



**Signature Reference ID**

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## AUDITS

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05/26/2022 14:40 MST	Russell Crook (rjcrook@shaw.ca) was emailed a link to sign.
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