

COMMUNITY FUTURES TAWATINAW REGION
Financial Statements
Year Ended March 31, 2018

COMMUNITY FUTURES TAWATINAW REGION
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Year Ended March 31, 2018

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Shoemaker, Viney & Friesen

CHARTERED ACCOUNTANTS

John S. Shoemaker Professional Corporation

Tina J. Viney Professional Corporation

Timothy J. Friesen Professional Corporation

INDEPENDENT AUDITOR'S REPORT

To the Directors of Community Futures Tawatinaw Region

We have audited the accompanying financial statements of Community Futures Tawatinaw Region, which comprise the statement of financial position as at March 31, 2018 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Community Futures Tawatinaw Region as at March 31, 2018 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Westlock, Alberta
June 20, 2018


CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH AGREEMENT

To Western Economic Diversification Canada

We have audited the accompanying financial statements of Community Futures Tawatinaw Region, which comprise the statement of financial position as at March 31, 2018, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. These financial statements are prepared in accordance with the agreement dated March 12, 2015 between Her Majesty the Queen in Right of Canada as represented by the Minister of Western Economic Diversification and Community Futures Tawatinaw Region.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the agreement, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Community Futures Tawatinaw Region as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with the agreement dated March 12, 2015 between Her Majesty the Queen in Right of Canada as represented by the Minister of Western Economic Diversification and Community Futures Tawatinaw Region.

Westlock, Alberta
June 20, 2018


CHARTERED ACCOUNTANTS

COMMUNITY FUTURES TAWATINAW REGION
Statement of Financial Position
March 31, 2018

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 25,785	\$ 44,928
Accounts receivable	-	9,150
Goods and services tax recoverable	1,618	1,662
Prepaid expenses	4,461	5,068
	<u>31,864</u>	<u>60,808</u>
RESTRICTED CASH (Note 3)	1,159,454	1,280,408
RESTRICTED INVESTMENTS (Note 4)	2,214,072	2,145,139
LOANS RECEIVABLE (Note 5)	414,335	314,118
PROPERTY, PLANT AND EQUIPMENT (Note 7)	182,390	168,562
	<u>\$ 4,002,115</u>	<u>\$ 3,969,035</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 20,052	\$ 14,895
Accrued vacation and overtime	22,984	16,752
Deferred contributions (Note 8)	4,524	3,637
Current portion of long term debt (Note 9)	-	2,388
	<u>47,560</u>	<u>37,672</u>
NET ASSETS		
Unrestricted net assets	(7,746)	25,524
Investment in property, plant & equipment	182,390	166,174
Externally restricted net assets (Note 10)	3,779,911	3,739,665
	<u>3,954,555</u>	<u>3,931,363</u>
	<u>\$ 4,002,115</u>	<u>\$ 3,969,035</u>
CONTINGENT LIABILITY (Note 14)		

ON BEHALF OF THE BOARD

Director

Director

COMMUNITY FUTURES TAWATINAW REGION
Statement of Revenues and Expenditures
Year Ended March 31, 2018

	2018	2017
REVENUES		
Western Economic Diversification	\$ 294,963	\$ 294,963
Bank and investment interest	77,301	99,040
Loan interest	28,408	38,234
Other income	27,537	3,290
Rental revenue	6,050	6,250
Cost recoveries	2,835	14,400
	<u>437,094</u>	<u>456,177</u>
EXPENSES		
Salaries and wages	226,056	192,847
Professional fees	41,555	9,322
Office	27,800	15,546
Bad debts (recovery)	18,557	(70,864)
Advertising and promotion	17,954	3,760
Amortization	13,832	12,531
Travel	13,222	8,332
Repairs and maintenance	12,001	7,012
Telephone	8,286	7,739
Utilities	6,024	5,349
Bookkeeping	5,525	4,938
Conference fees	5,025	2,408
Interest and bank charges	4,558	4,574
Property taxes	4,110	5,099
Insurance	3,806	3,634
Education and reference fees	2,738	11,263
Board meetings	2,141	1,213
Equipment repairs and maintenance	700	1,211
Interest on long term debt	12	416
	<u>413,902</u>	<u>226,330</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 23,192</u>	<u>\$ 229,847</u>

COMMUNITY FUTURES TAWATINAW REGION
Statement of Changes in Net Assets
Year Ended March 31, 2018

	Unrestricted Net Assets	Investment in property, plant & equipment	Externally restricted Net Assets	2018	2017
NET ASSETS - BEGINNING OF YEAR	\$ 25,524	\$ 166,174	\$ 3,739,665	\$ 3,931,363	\$ 3,701,516
Excess of revenues over expenses	(67,054)	-	90,246	23,192	229,847
Addition of property, plant & equipment	(27,660)	27,660	-	-	-
Amortization of property, plant & equipment	13,832	(13,832)	-	-	-
Repayment of indebtedness on property, plant & equipment	(2,388)	2,388	-	-	-
Transfers between funds (Note 11)	50,000	-	(50,000)	-	-
NET ASSETS - END OF YEAR	\$ (7,746)	\$ 182,390	\$ 3,779,911	\$ 3,954,555	\$ 3,931,363

COMMUNITY FUTURES TAWATINAW REGION
Statement of Cash Flows
Year Ended March 31, 2018

	2018	2017
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 23,192	\$ 229,847
Item not affecting cash:		
Amortization of property, plant and equipment	13,832	12,531
	37,024	242,378
Changes in non-cash working capital:		
Accounts receivable	9,150	(1,614)
GST recoverable	44	37
Prepaid expenses	607	2,473
Accounts payable	5,157	(3,651)
Accrued vacation and overtime	6,232	(5,682)
Deferred contributions	887	(96)
	22,077	(8,533)
Cash flow from operating activities	59,101	233,845
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(27,660)	(8,854)
Restricted cash	120,954	(268,023)
Restricted investments	(68,933)	(99,026)
Loans receivable	(100,217)	158,939
Cash flow used by investing activities	(75,856)	(216,964)
FINANCING ACTIVITY		
Repayment of long term debt	(2,388)	(15,064)
INCREASE (DECREASE) IN CASH FLOW	(19,143)	1,817
CASH - BEGINNING OF YEAR	44,928	43,111
CASH - END OF YEAR	\$ 25,785	\$ 44,928

COMMUNITY FUTURES TAWATINAW REGION
Notes to Financial Statements
March 31, 2018

1. NATURE OF OPERATIONS

Community Futures Tawatinaw Region (the "Organization") is principally involved in supporting community economic development initiatives by helping those who wish to begin or further develop their business, as well as helping those seeking self employment. The Organization is a non-profit organization and accordingly, no provision for corporate income taxes has been made in these financial statements pursuant to Section 149(i)(l) of the Income Tax Act, Canada.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPOs).

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

The main item for which a significant estimate was made is the allowance for doubtful loans receivable as outlined in Note 5 of these financial statements. To estimate this amount, management is required to make various assumptions that it considers reasonable, including their analysis of the debtor's ability to repay the loan based on their current operations and security held by Community Futures Tawatinaw Region.

Fund accounting

The Organization follows the restricted fund method of accounting for contributions using the following funds. The General Fund accounts for general operations, innovation programs and capital assets related to the property and equipment of the Organization. The General Fund is significantly funded by the Federal Government - Western Economic Diversification. The purpose of this Fund is to provide administration services. The Tawatinaw Fund accounts for workshops and consulting programs. The Investment Fund is an externally restricted fund that accounts for loans provided to businesses in the region. Within the externally restricted fund is the Disability Fund that reports business loans provided to individuals with disabilities, both visible and non visible.

Cash and cash equivalents

Cash and cash equivalents includes balances with banks, net of outstanding cheques. Restricted cash includes balances with banks for use in restricted funds.

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COMMUNITY FUTURES TAWATINAW REGION
Notes to Financial Statements
March 31, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments policy

Initial and subsequent measurement

The Organization initially measures its financial assets and liabilities at fair value. Subsequent measurement of all financial assets and liabilities is at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in net income in the period incurred.

Financial assets measured at amortized cost on a straight-line basis include cash, accounts receivable, restricted cash, and loans receivable.

Financial assets measured at fair value are restricted investments.

Financial liabilities measured at amortized cost on a straight-line basis include bank indebtedness, accounts payable, accrued vacation and overtime, and long-term debt.

Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. Transactions costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the assets or liability and recognized in net income over the life of the instrument using the straight-line method.

Impairment

For financial assets measured at cost or amortized cost, the company determines whether there are indications of possible impairment. When there is an indication of impairment, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. the amount of the reversal is recognized in net income.

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COMMUNITY FUTURES TAWATINAW REGION
Notes to Financial Statements
March 31, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Loans receivable

Loans receivable are recorded at amortized cost, using the effective interest method, net of anticipated losses. Loans are extended to each borrower under the Organization's normal credit standards, controls and monitoring features. Most credit arrangements are short-term in nature and terms generally do not exceed five years. Credit terms provide for fixed interest rates at the time of approval of the loan, with blended principal and interest repayments. The Organization evaluates each loan's status yearly for non-performance.

Loans are recognized as being impaired when, in management's opinion, there is a reasonable doubt to the collectability of some or all of the principal or interest. When payment is 90 days past due and no restructuring option exists, any previously accrued interest on the loan is reversed against current year income and the loan is considered impaired. When a loan is classified as impaired, recognition of interest ceases and the impaired loans are reduced to their estimated realizable value, net of collateral expected to be collected and costs of realization. Loan costs to realize the security are charged to the Restricted Net Assets.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated amortization. Property, plant and equipment are amortized at the following rates and methods:

Buildings	35 years	straight-line method
Equipment	3 to 5 years	straight-line method
Computer equipment	3 to 5 years	straight-line method

Property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Allowances for credit losses

The Organization maintains an allowance for credit losses on a loan-by-loan basis and provisions based on past experience. An allowance is made when the Organization determines that the loan or any part thereof will likely not be repaid.

Revenue recognition

The Organization follows the restricted fund method of recognizing revenue for its contributions.

Restricted contributions for the purchase of property and equipment are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired property and equipment.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be estimated and collection is reasonably assured.

Interest income is recognized as revenue when earned.

COMMUNITY FUTURES TAWATINAW REGION
Notes to Financial Statements
March 31, 2018

3. RESTRICTED CASH

Restricted cash consists of cash in three bank accounts that are restricted to providing loans to clients of the Organization.

Per direction from Western Economic Diversification, up to \$50,000 per year of funds from restricted cash can be transferred to the operations bank accounts to fund incremental activity only. Interest transfers are not permitted when the organization has an operating surplus, and the amount transferred should not exceed the net growth (interest/other revenue minus bad debts/other expenses) of the fund during the previous year.

Details of transfers made in 2018 are indicated in note 11 of these statements.

4. RESTRICTED INVESTMENTS

Community Futures Lending and Investment Pool (CFLIP) is a professionally managed investment pool with fluctuating rates of return. At March 31, 2018, the pool consisted of 1.4% (2017 - 8.8%) cash, 17.8% (2017 - 45.5%) bonds, 12.8% (2017 - 0%) preferred shares, 34.3% (2017-20.4%) non-traditional income funds, 5.3% (2017 - 14.4%) Canadian equities, 12% (2017 - 10.9%) global equities, and 16.4% (2017-0%) non-traditional capital appreciation assets. CFLIP has a commercial line of credit of up to \$1.2 million to allow the fund manager to reduce the percentage level of cash or equivalents under management. The cost of the investments held by Community Futures Tawatinaw Region in the CFLIP account at March 31, 2018 was \$2,091,962 (2017-\$2,152,345). Reinvested income is added to the pool monthly.

	<u>2018</u>	<u>2017</u>
	\$ 2,214,072	\$ 2,145,139

5. LOANS RECEIVABLE

	<u>2018</u>	<u>2017</u>
Unpaid loan balance	\$ 445,162	\$ 331,646
Allowance for doubtful loans receivable (Note 6)	(30,827)	(17,528)
	414,335	314,118
Amounts receivable within one year	(227,134)	(153,149)
Receivable thereafter	\$ 187,201	\$ 160,969

(continues)

COMMUNITY FUTURES TAWATINAW REGION
Notes to Financial Statements
March 31, 2018

5. **LOANS RECEIVABLE** *(continued)*

The loans bear fixed interest rates ranging from 7.5% to 9% per annum. Repayment terms of the loans within the portfolio vary depending on the length of the term and individual agreement terms. Revolving loans have a repayment term of 12 months. Term loans can range in repayment terms, the maximum term is 120 months.

Loans have maturity dates ranging from April 2018 to May 2021. All loans require monthly payments. Some loans may require interest only payments for a set period at the beginning of the repayment term or may be negotiated throughout the term of the loan.

6. **ALLOWANCE FOR DOUBTFUL LOANS RECEIVABLE**

At year end, the Organization assessed each loan to determine the ultimate collectability. At March 31, 2018, the Organization had reduced its loan portfolio balance by \$13,299, representing specific identifications of provisions for credit losses.

	2018	2017
Allowance for doubtful loans, beginning of year	\$ 17,528	\$ 135,906
Loan amounts added to doubtful loans in the year	19,572	21,199
Recoveries of doubtful loans	(1,015)	(92,063)
Bad debt expense	18,557	(70,864)
Loans in allowance for doubtful accounts written off in the year	(5,258)	(47,514)
Allowance for doubtful loans, end of year	\$ 30,827	\$ 17,528

Allowance for doubtful loans at the end of the year consists of four specific loan balances. The debtors have not been making regular payments, and Community Futures Tawatinaw Region does not have any indication as to how much they will receive to pay down the debts.

7. **PROPERTY, PLANT AND EQUIPMENT**

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Buildings	\$ 257,629	\$ 86,754	\$ 170,875	\$ 153,551
Equipment	27,596	21,413	6,183	8,841
Computer equipment	37,119	31,787	5,332	6,170
	\$ 322,344	\$ 139,954	\$ 182,390	\$ 168,562

COMMUNITY FUTURES TAWATINAW REGION
Notes to Financial Statements
March 31, 2018

8. DEFERRED CONTRIBUTIONS

Deferred contributions for 2018 (2017) consists of net contributions from municipalities for the BizKids program, which did not advance any start-up loans in the 2018 fiscal year. The increase in deferred contributions was funding received for future loans, less funds used to pay bank charges for the accounts where the funds are being held.

COMMUNITY FUTURES TAWATINAW REGION
Notes to Financial Statements
March 31, 2018

9. LONG TERM DEBT

	2018	2017
Royal Bank of Canada loan bearing interest at 3.88% per annum, repayable in monthly blended payments of \$1,290. The loan matured on May 27, 2017.	\$ -	\$ 2,388
Amounts payable within one year	-	(2,388)
	\$ -	\$ -

10. EXTERNALLY RESTRICTED NET ASSETS

In fiscal year 2001, the Department of Western Economic Diversification amended the terms and conditions of its contribution agreement with the Organization. Under the revised terms and conditions, the conditionally repayable loan funds are repayable if any of the following conditions occur:

- (a) The conditionally repayable loan fund is not administered according to the terms and conditions specified in the funding agreement; or
- (b) Based on reviews and evaluations of the operations and of the conditionally repayable loan funds of the Organization, the conditionally repayable loan fund is not providing a satisfactory level of benefits in terms of employment creation, the development of community-owned or controlled businesses, and strengthening of the western economy; or
- (c) In the opinion of the Minister, the conditionally repayable loan fund is no longer necessary or relevant to the development of the Western Canadian economy; or
- (d) An event of default occurs, as described in Section 17 of the Agreement; or
- (e) The Minister does not approve terms and conditions to extend the project beyond March 31, 2019.

11. TRANSFERS BETWEEN FUNDS

In 2018, the board approved a transfer of up to \$50,000 from restricted cash to general operations to assist in funding training initiatives. \$42,050 in cash was transferred during the year, and the remaining \$7,950 was transferred between funds after year-end. There was no requirement for Western Economic Diversification to approve the transfer as per their Interest Transfer Policy, CF's with three year Contribution Agreements are pre-approved for interest transfers up to \$50,000 per annum. Community Futures Tawatinaw Region has a three year Contribution Agreement in place.

In 2017, \$3,000 was transferred from restricted cash to general operations to assist in funding the Community Futures Network of Alberta provincial marketing campaign. Western Economic Diversification approved this transfer.

COMMUNITY FUTURES TAWATINAW REGION
Notes to Financial Statements
March 31, 2018

12. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Organization's risk exposure and concentration as of March 31, 2018.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is exposed to credit risk from customers. In order to reduce its credit risk, the Organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Organization has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, and accounts payable.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is exposed to other price risk through its investment in restricted investments.

13. ECONOMIC DEPENDENCE

The Organization receives 95% (2017 - 94%) of its operating revenues from the Federal Government and is economically dependent upon the annual funding received for day to day operations.

14. CONTINGENT LIABILITY

The Organization has access to a line of credit up to \$25,000, and a Visa with a limit of up to \$6,500.

COMMUNITY FUTURES TAWATINAW REGION
Notes to Financial Statements
March 31, 2018

15. SUBSEQUENT EVENTS

In March 2018, Community Futures Tawatinaw Region received written confirmation from Western Economic Diversification that the Organization was granted a three year contract guaranteeing funding until March 31, 2021. The total funding to be received for the period April 1, 2018 to March 31, 2021 will not exceed \$884,889.

Western Economic Diversification approved a transfer for the fiscal period 2018/19 from the Non-repayable Investment Fund to the operations fund two separate amounts. Up to \$50,000 is approved for Community Futures Training Program and Youth in Business, and \$20,000 is approved for Lemonade Day Northwest Alberta.

COMMUNITY FUTURES TAWATINAW REGION
Financial Position by Fund
As at March 31, 2018

(Schedule 1)

	General	Tawatinaw	Investment	2018	2017
ASSETS					
CURRENT					
Cash	\$ 25,785	\$ -	\$ -	\$ 25,785	\$ 44,928
Accounts receivable	-	-	-	-	9,150
Prepaid expenses	4,461	-	-	4,461	5,068
Due (to) from other funds	(40,600)	48,550	(7,950)	-	-
GST receivable	1,618	-	-	1,618	1,662
	<u>(8,736)</u>	<u>48,550</u>	<u>(7,950)</u>	<u>31,864</u>	<u>60,808</u>
RESTRICTED CASH	-	-	1,159,454	1,159,454	1,280,408
INVESTMENTS	-	-	2,214,072	2,214,072	2,145,139
LOANS	-	-	414,335	414,335	314,118
PROPERTY, PLANT & EQUIPMENT	182,390	-	-	182,390	168,562
	<u>\$ 173,654</u>	<u>\$ 48,550</u>	<u>\$ 3,779,911</u>	<u>\$ 4,002,115</u>	<u>\$ 3,969,035</u>
LIABILITIES					
CURRENT					
Accounts payable and accrued liabilities	20,052	-	-	20,052	14,895
Accrued vacation and overtime	22,984	-	-	22,984	16,752
Deferred contributions	4,524	-	-	4,524	3,637
	<u>47,560</u>	<u>-</u>	<u>-</u>	<u>47,560</u>	<u>35,284</u>
LONG-TERM DEBT	-	-	-	-	2,388
	<u>\$ 47,560</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,560</u>	<u>\$ 37,672</u>
FUND BALANCES					
Unrestricted	(56,296)	48,550	-	(7,746)	25,524
Investment in fixed assets	182,390	-	-	182,390	166,174
Restricted	-	-	3,779,911	3,779,911	3,739,665
	<u>\$ 126,094</u>	<u>\$ 48,550</u>	<u>\$ 3,779,911</u>	<u>\$ 3,954,555</u>	<u>\$ 3,931,363</u>
	<u>\$ 173,654</u>	<u>\$ 48,550</u>	<u>\$ 3,779,911</u>	<u>\$ 4,002,115</u>	<u>\$ 3,969,035</u>

COMMUNITY FUTURES TAWATINAW REGION
Operations by Fund
Year ended March 31, 2018

(Schedule 2)

	General	Tawatinaw	Investment	2018	2017
RECEIPTS					
Western Economic Diversification	\$ 294,963	\$ -	\$ -	\$ 294,963	\$ 294,963
Loan interest revenue	-	-	28,408	28,408	38,234
Bank and investment interest	41	-	77,260	77,301	99,040
Cost recovery	2,835	-	-	2,835	14,400
Rental revenue	6,050	-	-	6,050	6,250
Other income	-	7,616	19,921	27,537	3,290
	<u>303,889</u>	<u>7,616</u>	<u>125,589</u>	<u>437,094</u>	<u>456,177</u>
EXPENDITURES					
Advertising	7,175	10,779	-	17,954	3,760
Amortization	13,832	-	-	13,832	12,531
Bad debts (recovery)	-	-	18,557	18,557	(70,864)
Board meetings	2,141	-	-	2,141	1,213
Bookkeeping	5,525	-	-	5,525	4,938
Building repairs and maintenance	12,001	-	-	12,001	7,012
Conferences fees	5,025	-	-	5,025	2,408
Education and reference fees	2,738	-	-	2,738	11,263
Equipment repairs and maintenance	700	-	-	700	1,211
Insurance	3,806	-	-	3,806	3,634
Interest and bank charges	3,443	-	1,115	4,558	4,574
Interest on long term debt	12	-	-	12	416
Office	10,449	17,351	-	27,800	15,546
Professional fees	8,994	16,890	15,671	41,555	9,322
Property taxes	4,110	-	-	4,110	5,099
Telephone	8,286	-	-	8,286	7,739
Travel expense	3,380	9,842	-	13,222	8,332
Utilities	6,024	-	-	6,024	5,349
Wages and benefits	226,056	-	-	226,056	192,847
	<u>323,697</u>	<u>54,862</u>	<u>35,343</u>	<u>413,902</u>	<u>226,330</u>
Net revenue (deficit)	(19,808)	(47,246)	90,246	23,192	229,847
Interfund transfers made in the year	(5,196)	47,246	(42,050)	-	-
Interfund transfers receivable	7,950	-	(7,950)	-	-
Net Assets, beginning of year	143,148	48,550	3,739,665	3,931,363	3,701,516
NET ASSETS, END OF YEAR	<u>\$ 126,094</u>	<u>\$ 48,550</u>	<u>\$ 3,779,911</u>	<u>\$ 3,954,555</u>	<u>\$ 3,931,363</u>

COMMUNITY FUTURES TAWATINAW REGION
INVESTMENT FUND
(Schedule 3)

Unaudited Statement of Operations and Changes in Fund Balances
Year ended March 31, 2018

	Disability	General	2018	2017
REVENUE				
Loan interest	\$ -	\$ 28,408	\$ 28,408	\$ 38,234
Investment interest	\$ -	\$ 77,260	\$ 77,260	\$ 99,026
Other income	-	19,921	19,921	2,149
Bad debt recoveries	-	-	-	-
	-	125,589	125,589	139,409
EXPENSES				
Bad debt allowance (recovery)	-	18,557	18,557	(70,864)
Professional fees	-	15,671	15,671	-
Bank charges	-	1,115	1,115	3,163
	-	35,343	35,343	(67,701)
EXCESS OF REVENUES OVER EXPENSES				
	-	90,246	90,246	207,110
FUND BALANCE, BEGINNING OF YEAR	119,087	3,620,578	3,739,665	3,535,555
TRANSFERS FROM (TO) OPERATING FUND	-	(50,000)	(50,000)	(3,000)
FUND BALANCE, END OF YEAR	\$ 119,087	\$ 3,660,824	\$ 3,779,911	\$ 3,739,665

COMMUNITY FUTURES TAWATINAW REGION
Unaudited Statement of Cash Flows for Western Economic Diversification Operations (Schedule 4)
As at March 31, 2018

	Financing and Investment Activities				2018	2017
	Operating Activities	General	Disability	Total		
Sources of Cash						
WD Contributions	\$ 294,963	\$ -	-	\$ -	\$ 294,963	\$ 294,963
Investment income	41	77,260	-	77,260	77,301	99,040
GST received	2,857	-	-	-	2,857	1,699
Cost recoveries	11,985	-	-	-	11,985	10,725
Rental	6,050	-	-	-	6,050	5,850
Other income	8,503	19,921	-	19,921	28,424	3,290
Investment loan repayments (principal plus interest)	-	463,525	-	463,525	463,525	573,347
	324,399	560,706	-	560,706	885,105	988,914
Uses of Cash						
Salaries and benefits	219,824	-	-	-	219,824	197,968
Materials and services	132,895	16,712	-	16,712	149,607	94,774
Purchase of capital assets	27,660	-	-	-	27,660	8,854
GST paid	2,813	-	-	-	2,813	1,662
Mortgage payments	2,400	-	-	-	2,400	15,480
Investment loan advances	-	553,966	-	553,966	553,966	301,310
Restricted investments	-	68,932	-	68,932	68,932	99,026
	385,592	639,610	-	639,610	1,025,202	719,074
Net increase (decrease) in cash	(61,193)	(78,904)	-	(78,904)	(140,097)	269,840
Cash, beginning	44,928	1,162,721	117,687	1,280,408	1,325,336	1,055,496
Interfund transfer	42,050	(42,050)	-	(42,050)	-	-
Cash, end of year	\$ 25,785	\$ 1,041,767	\$ 117,687	\$ 1,159,454	\$ 1,185,239	\$ 1,325,336