

**Community Futures
Peace Country
Financial Statements**
March 31, 2025

Community Futures Peace Country

Contents

Year Ended March 31, 2025

| | Page |
|--|-------------|
| Auditors' Report..... | 1 |
| Financial Statements | |
| Statement of Financial Position..... | 2 |
| Statement of Earnings (Loss) and Changes in Unrestricted Fund Balance..... | 3 |
| Statement of Earnings (Loss) and Changes in Restricted Fund Balances..... | 4 |
| Statement of Cash Flows..... | 5 |
| Notes to the Financial Statements..... | 6-12 |

Independent Auditor's Report

To the Board of Community Futures Peace Country:

Opinion

We have audited the financial statements of Community Futures Peace Country (the "Organization"), which comprise the statement of financial position as at March 31, 2025, and the statements of earnings (loss), changes in unrestricted and restricted 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, 2025, 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.

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:

- 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.

Peace River, Alberta

June 16, 2025

MNP LLP

Chartered Professional Accountants

MNP

As at March 31, 2025

See accompanying notes to the financial statements

Community Futures Peace Country
Statement of Earnings (Loss) and Changes in Unrestricted Fund Balance

Year Ended March 31, 2025

| | 2025 | 2024 |
|--|-----------------|-----------------|
| Revenue | | |
| PrairiesCan contribution | 309,963 | 309,963 |
| Bank interest | 909 | 1,922 |
| Program revenues | 64,116 | 43,934 |
| Loan and technical fees | 309 | 1,376 |
| | 375,297 | 357,195 |
| Operating expenses | | |
| Advertising and promotion | 11,536 | 6,667 |
| Amortization | 13,178 | 13,178 |
| Bad debt (recovery) | - | - |
| Bank charges | 784 | 1,832 |
| Board members expenses | 7,113 | 4,391 |
| Books and publications | - | 14 |
| Contractor expenses | 19,455 | 2,584 |
| Insurance and memberships | 7,722 | 7,215 |
| Janitorial | 9,182 | 7,967 |
| Legal and audit fees | 21,457 | 19,065 |
| Loan expenses | 3,604 | 3,837 |
| Long term interest | 10 | 875 |
| Meeting expenses | 4,405 | 2,007 |
| Non-refundable GST | 3,581 | 4,384 |
| Office supplies and postage | 15,129 | 15,622 |
| Repairs and maintenance | 6,964 | 1,939 |
| Salaries and benefits | 173,578 | 213,615 |
| Small equipment and furniture | 720 | 1,203 |
| Special projects - other | 50,044 | 66,894 |
| Staff development | 2,377 | 3,672 |
| Staff travel | 5,808 | 6,762 |
| Utilities | 16,262 | 17,868 |
| | 372,909 | 401,591 |
| Net earnings (loss) for the year | 2,388 | (44,396) |
| Unrestricted Net Assets, beginning of year | 108,757 | 103,124 |
| Transfer from restricted fund - interest transfer | - | 50,000 |
| Transfer from restricted fund - loan fees | 29,854 | 15,450 |
| Transfer to RRRF fund | (18,797) | (11,065) |
| Transfer (to) from investment in property and equipment | 11,716 | (4,356) |
| Unrestricted Net Assets, end of year | 133,918 | 108,757 |

See accompanying notes to the financial statements

Community Futures Peace Country

Statement of Earnings (Loss) and Changes in Restricted Fund Balances

Year Ended March 31, 2025

| | <u>Loan Investment Funds</u> | | | | | | |
|---|---|--|---|--|---|------------------|-------------|
| | <i>PrairieCan Conditionally Repayable Investment Fund</i> | <i>PrairieCan Non- Repayable Investment Fund</i> | <i>PrairieCan Conditionally Repayable Disabled Fund</i> | <i>CGI Investment/ Loan Fund</i> | <i>RRRF Investment/ Loan Fund</i> | 2025 | 2024 |
| Revenue | | | | | | | |
| Investment fees | 13,780 | - | - | - | - | 13,780 | 12,950 |
| Interest on loans | 196,651 | 98,625 | 2,677 | 9,654 | 16,711 | 324,318 | 296,236 |
| RRRF admin funds | - | - | - | - | 18,797 | 18,797 | 11,065 |
| | 210,431 | 98,625 | 2,677 | 9,654 | 35,508 | 356,895 | 320,251 |
| Expenses | | | | | | | |
| Bank and investment charges | 1,734 | - | - | - | - | 1,734 | 12,831 |
| Bad debts (recoveries) | 232,382 | (4,101) | (430) | - | - | 227,851 | 283,910 |
| Contract expense | - | - | - | - | 18,797 | 18,797 | 11,065 |
| GST expense (recoveries) | 27 | - | - | - | - | 27 | 359 |
| | 234,143 | (4,101) | (430) | - | 18,797 | 248,409 | 308,165 |
| Net earnings (loss) for the year | (23,712) | 102,726 | 3,107 | 9,654 | 16,711 | 108,486 | 12,086 |
| Interfund transfers | (61,295) | 83,202 | - | 405 | (22,312) | - | - |
| Transfer (to) from general fund | - | (29,854) | - | - | 18,797 | (11,057) | (54,385) |
| Earned fund balance, beginning of year (Note 6) | 1,716,339 | 606,105 | 106,818 | 10,805 | 9,488 | 2,449,555 | 2,491,854 |
| Earned fund balance, end of year (Note 6) | 1,631,332 | 762,179 | 109,925 | 20,864 | 22,684 | 2,546,984 | 2,449,555 |
| Original contributions | 837,500 | 350,000 | 200,000 | - | - | 1,387,500 | 1,387,500 |
| Total fund balance, end of year (Note 6) | 2,468,832 | 1,112,179 | 309,925 | 20,864 | 22,684 | 3,934,484 | 3,837,055 |

See accompanying notes to the financial statements

Community Futures Peace Country Statement of Cash Flows

As at March 31, 2025

| | PrairieCan Operating Fund | PrairieCan Conditionally Repayable Investment Fund | PrairieCan Non- Repayable Investment Fund | PrairieCan Conditionally Repayable Disabled Fund | CGI Investment/ Loan Fund | RRRF Investment/ Loan Fund | 2025 | 2024 |
|--|---------------------------------|--|---|--|---------------------------------|----------------------------------|-----------|-------------|
| Cash provided by (used): | | | | | | | | |
| Operating: | | | | | | | | |
| PrairieCan Contribution | 309,963 | - | - | - | - | - | 309,963 | 309,963 |
| Interest received | 909 | 203,831 | 98,113 | 6,320 | - | - | 309,173 | 293,366 |
| Other revenue | 136,383 | 13,780 | - | - | - | - | 150,163 | 88,137 |
| Investment loan repayments | - | 286,085 | 210,179 | 4,958 | 34,404 | - | 535,626 | 700,983 |
| Investment loan advances | - | (500,175) | (219,750) | - | - | - | (719,925) | (1,165,500) |
| CGI funds received | - | - | - | - | - | - | - | 33,333 |
| CGI funds disbursed | - | - | - | - | (58,550) | - | (58,550) | (33,333) |
| RRRF loan repayments | - | - | - | - | - | 89,721 | 89,721 | 1,182,853 |
| RRRF funds transferred to CWT | - | - | - | - | - | (89,721) | (89,721) | (1,182,853) |
| RRRF admin funds spent | - | - | - | - | - | (18,797) | (18,797) | (11,065) |
| Interest and investment costs | (794) | (1,761) | - | - | - | - | (2,555) | (15,897) |
| Salaries and benefits | (173,637) | - | - | - | - | - | (173,637) | (247,831) |
| Materials and services | (172,180) | (57,972) | - | - | - | - | (230,152) | (211,842) |
| | 100,644 | (56,212) | 88,542 | 11,278 | (24,146) | (18,797) | 101,309 | (259,686) |
| Investing: | | | | | | | | |
| Purchases of property and Equipment | - | - | - | - | - | - | - | - |
| Transfer out | - | (3,349) | - | - | - | - | (3,349) | (80,182) |
| | - | (3,349) | - | - | - | - | (3,349) | (80,182) |
| Financing: | | | | | | | | |
| Repayment of long term debt | (1,461) | - | - | - | - | - | (1,461) | (17,533) |
| Transfer in | - | - | 3,349 | - | - | - | 3,349 | 80,182 |
| | (1,461) | - | 3,349 | - | - | - | 1,888 | 62,649 |
| Increase (decrease) in | | | | | | | | |
| Cash resources | 99,183 | (59,561) | 91,891 | 11,278 | (24,146) | (18,797) | 99,848 | (277,219) |
| Cash resources, beginning of year | 122,136 | 187,385 | 38,448 | 226,597 | 42,813 | 61,475 | 678,854 | 956,073 |
| Cash resources, end of year | 221,319 | 127,824 | 130,339 | 237,875 | 18,667 | 42,678 | 778,702 | 678,854 |
| Cash resources consists of: | | | | | | | | |
| Cash in bank | 221,319 | 127,824 | 130,339 | 237,875 | 18,667 | 42,678 | 778,702 | 678,854 |

See accompanying notes to the financial statements