

**Community Futures
Peace Country
Financial Statements**
March 31, 2021

Community Futures Peace Country

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Year Ended March 31, 2021

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Independent Auditor's Report

To the Board of Community Futures Peace Country:

Qualified 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, 2021, the results of its operations, change 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2021, 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 Qualified Opinion

During the year, the Organization issued loans as part of the Reginal Relief and Recovery Fund ("RRRF") program. Due to the associated terms and conditions, the valuation of the RRRF loans is not susceptible to satisfactory audit verification. Accordingly, verification of the RRRF loans was limited to their existence based on the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to loan impairment provision and excess of revenues over expenses for the year ended March 31, 2021, and loans receivable, loans payable, and net assets as at March 31, 2021.

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 qualified 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


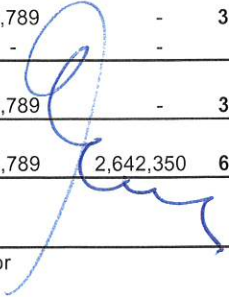
June 21, 2021

MNP LLP

Chartered Professional Accountants

Community Futures Peace Country
Statement of Financial Position

As at March 31, 2021

	<u>Loan Investment Funds</u>					2021	2020
	WD Operating Fund	WD Conditionally Repayable Investment Fund	WD Non- Repayable Investment Fund	WD Disabled Investment Fund	WD RRRF Fund		
Assets							
Current							
Cash in bank and short term investments	179,993	280,785	194,985	127,319	66,300	849,382	583,823
Accounts receivable	34,287	40,116	12,597	964	-	87,964	86,628
Prepaid expenses	13,099	-	-	-	-	13,099	13,099
Assets held for resale	-	-	-	-	-	-	75,000
Current portion of loans	-	601,180	163,627	44,914	-	809,721	535,545
	227,379	922,081	371,209	173,197	66,300	1,760,166	1,294,095
Property and equipment (Note 3)	281,339	-	-	-	-	281,339	289,102
RRRF loans receivable	-	-	-	-	2,576,050	2,576,050	-
Investment loans receivable net of allowance for credit loss (Note 5)	-	2,172,297	636,287	132,506	-	2,941,090	3,347,845
Less: current portion	-	(601,180)	(163,627)	(44,914)	-	(809,721)	(535,545)
	-	1,571,117	472,660	87,592	2,576,050	4,707,419	2,812,300
Total assets	508,718	2,493,198	843,869	260,789	2,642,350	6,748,924	4,395,497
Liabilities and fund balances							
Current							
Short-term debt (Note 7)	-	-	-	-	-	-	250,000
Accounts payable (Note 8)	77,112	-	18,263	-	-	95,375	77,813
Deferred revenue (Note 10)	37,743	-	-	-	-	37,743	42,403
Current portion of long-term debt (Note 11)	17,533	-	-	-	-	17,533	17,533
	132,388	-	18,263	-	-	150,651	387,749
Repayable RRRF loans (Note 13)	-	-	-	-	2,642,350	2,642,350	-
Long-term debt (Note 11)	36,528	-	-	-	-	36,528	54,062
	168,916	-	18,263	-	2,642,350	2,829,529	441,811
Fund Balances							
Invested in property and equipment	227,278	-	-	-	-	227,278	217,508
Externally restricted (Note 6)	-	2,493,198	825,606	260,789	-	3,579,593	3,622,733
Unrestricted	112,524	-	-	-	-	112,524	113,445
	339,802	2,493,198	825,606	260,789	-	3,919,395	3,953,686
Total liabilities and fund balances	508,718	2,493,198	843,869	260,789	2,642,350	6,748,924	4,395,497
Approved on behalf of the Board							
 Director	 Director						

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, 2021

	2021	2020
Revenue		
WD contribution	309,963	309,963
Bank interest	1,230	2,894
Project admin fee	375	2,500
Program revenues	6,730	13,464
Loan and technical fees	5,400	22,075
	323,698	350,896
Operating expenses		
Advertising and promotion	4,095	2,575
Amortization	10,937	10,302
Bad debt (recovery)	(236)	1,311
Bank charges	1,398	819
Board members expenses	1,033	6,792
Books and publications	72	67
Contractor expenses	1,873	29,811
Insurance and memberships	5,414	5,019
Janitorial	10,601	9,626
Legal and audit fees	16,380	15,985
Loan expenses	2,197	3,499
Long term interest	2,239	4,026
Meeting expenses	174	3,408
Non-refundable GST	3,410	4,711
Office supplies and postage	12,035	10,851
Repairs and maintenance	1,445	28,577
Salaries and benefits	213,839	197,186
Small equipment and furniture	788	3,129
Special projects - other	6,940	22,967
Staff development	1,678	597
Staff travel	2,316	4,281
Utilities	13,463	12,836
	312,091	378,375
Net earnings (loss) for the year	11,607	(27,479)
Unrestricted Net Assets, beginning of year	113,445	129,892
Transfer from restricted fund	-	18,263
Transfer to RRRF fund	(2,758)	-
Transfer to investment in property and equipment	(9,770)	(7,231)
Unrestricted Net Assets, end of year	112,524	113,445

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, 2021

	<u>Loan Investment Funds</u>					
	WD					
	Conditionally	WD Non-	WD			
	Repayable	Repayable	Disabled	WD		
	Investment	Investment	Investment	RRRF		
	Fund	Fund	Fund	Fund	2021	2020
Revenue						
Investment fees	850	-	-	-	850	5,462
Interest on loans	156,978	61,357	9,831	-	228,166	277,404
Operational funds	-	-	-	108,981	108,981	-
	157,828	61,357	9,831	108,981	337,997	282,866
Expenses						
Additional RRRF audit fees	-	-	-	5,000	5,000	-
Bank and investment charges	12,596	-	-	-	12,596	16,086
Bad debts (recoveries)	66,793	190,573	(2,205)	-	255,161	236,464
Board costs	-	-	-	429	429	-
Cyber security assessment and mitigation	-	-	-	3,998	3,998	-
Computer equipment	-	-	-	11,302	11,302	-
Covid projects	-	-	-	22,317	22,317	-
General Manager salary (20%)	-	-	-	21,500	21,500	-
GST expense (recoveries)	(43)	-	-	-	(43)	(96)
Long term interest - CFLIP	4,442	-	-	-	4,442	7,677
Office sign	-	-	-	3,700	3,700	-
Office supplies	-	-	-	9,499	9,499	-
Postage	-	-	-	952	952	-
PPE expenses	-	-	-	1,896	1,896	-
Remote communication	-	-	-	847	847	-
Round 1 and 2 coordinator	-	-	-	8,718	8,718	-
Round 1 and 2 marketing	-	-	-	18,758	18,758	-
Software upgrades	-	-	-	323	323	-
Staff overtime	-	-	-	2,500	2,500	-
	83,788	190,573	(2,205)	111,739	383,895	260,131
Net earnings (loss) for the year	74,040	(129,216)	12,036	(2,758)	(45,898)	22,735
Interfund transfers	(295)	186	109	-	-	-
Transfer (to) from general fund	-	-	-	2,758	2,758	(18,263)
Earned fund balance, beginning of year (Note 6)	1,581,953	604,636	48,644	-	2,235,233	2,230,761
Earned fund balance, end of year (Note 6)	1,655,698	475,606	60,789	-	2,192,093	2,235,233
Original contributions	837,500	350,000	200,000	-	1,387,500	1,387,500
Total fund balance, end of year (Note 6)	2,493,198	825,606	260,789	-	3,579,593	3,622,733

See accompanying notes to the financial statements

Community Futures Peace Country
Statement of Cash Flows

As at March 31, 2021

	WD Operating Fund	WD Conditionally Repayable Investment Fund	WD Non- Repayable Investment Fund	WD Disabled Investment Fund	WD RRRF Fund	2021	2020
Cash provided by (used) for the following:							
Operating:							
WD Contribution	309,963	-	-	-	-	309,963	309,963
Interest received	1,230	141,004	74,606	8,738	-	225,578	251,884
Other revenue	10,678	850	-	-	-	11,528	60,324
Investment loan repayments	-	457,447	76,951	51,195	-	585,593	835,763
Investment loan advances	-	(278,000)	(75,000)	(6,000)	-	(359,000)	(1,269,500)
RRRF funds received	-	-	-	-	2,576,050	2,576,050	-
RRRF funds disbursed	-	-	-	-	(2,509,750)	(2,509,750)	-
Interest and investment expenses paid	(3,637)	(16,995)	-	-	-	(20,632)	(28,512)
Salaries and benefits	(210,100)	-	-	-	-	(210,100)	(191,573)
Materials and services	(72,485)	(479)	-	-	-	(72,964)	(195,907)
	35,649	303,827	76,557	53,933	66,300	536,266	(227,558)
Investing:							
Purchases of property and equipment	(3,174)	-	-	-	-	(3,174)	-
Transfer out	-	(295)	-	-	-	(295)	(1,982)
	(3,174)	(295)	-	-	-	(3,469)	(1,982)
Financing:							
Advance (Repayment) of short term debt	-	(250,000)	-	-	-	(250,000)	150,000
Repayment of long term debt	(17,533)	-	-	-	-	(17,533)	(17,533)
Transfer in	-	-	186	109	-	295	1,982
	(17,533)	(250,000)	186	109	-	(267,238)	134,449
Increase (decrease) in cash resources	14,942	53,532	76,743	54,042	66,300	265,559	(95,091)
Cash resources, beginning of year	165,051	227,253	118,242	73,277	-	583,823	678,914
Cash resources, end of year	179,993	280,785	194,985	127,319	66,300	849,382	583,823
Cash resources consists of:							
Cash in bank	179,993	280,785	194,985	127,319	66,300	849,382	583,823

See accompanying notes to the financial statements

Community Futures Peace Country

Notes to the Financial Statements

March 31, 2021

1. Purpose of the organization

Community Futures Peace Country is a community-based organization that provides loans and financial services to small businesses that are otherwise unable to obtain financing. The Corporation is incorporated under the Alberta Companies Act as a non-profit organization. It is exempt from income taxes under the Income Tax Act as a non-profit organization.

2. Significant accounting policies

Revenue Recognition — Restricted Fund Method

Community Futures Peace Country follows the restricted method of accounting for contributions.

The General Fund accounts for the organization's operating costs and general revenues. This fund reports unrestricted resources and restricted operating grants.

The Investment Fund reports restricted resources that are to be used for assistance to small businesses and entrepreneurs in the form of loans, loan guarantees or equity participation. Loans from Investment Fund for the Disabled are limited to businesses owned and operated by disabled entrepreneurs. The organization is restricted in the types of loans that can be made according to its agreement with the federal government.

Property and equipment

Property and equipment acquisitions over \$1,000 are recorded at cost.

Property and equipment are being amortized on a straight-line basis over their estimated useful lives as follows:

Computer equipment	4 years
Equipment between \$1,000 and \$5,000	5 years
Equipment over \$5,000	10 years
Buildings	30 years

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of Property and Equipment.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

Community Futures Peace Country

Notes to the Financial Statements

March 31, 2021

2. Significant accounting policies (continued)

Financial Instruments

Held for trading

The Corporation has classified the following financial assets and liabilities as held for trading: cash and short term investments. These instruments are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the settlement date.

Held for trading financial instruments are initially and subsequently measured at their fair value. Gains and losses arising from changes in fair value are recognized immediately in the statement of revenues and expenses.

Loans and receivables

The Corporation has classified the following financial assets as loans and receivables: trade accounts receivable and long term loans receivable. These assets are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the settlement date.

Loans and receivables are subsequently measured at their amortized cost, using the effective interest method. Under this method, estimated future cash receipts are exactly discounted over the asset's expected life, or other appropriate method, to its net carrying value. Amortized cost is the amount at which the financial asset is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and less any reduction for impairment or uncollectibility. Gains or losses arising from changes in fair value are recognized in excess of revenues and expenses upon derecognition or impairment.

Other financial liabilities

The Corporation has classified the following financial liabilities as other financial liabilities: accounts payable and accruals, short-term debt and long term debt. These liabilities are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the settlement date.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Under this method, estimated future cash payments are exactly discounted over the liability's expected life, or other appropriate period, to its net carry value. Amortized cost is the amount at which the financial liability is measured at initial recognition less principal repayments, and plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount. Gains and losses arising from changes in fair value are recognized in excess of revenues over expenses upon derecognition or impairment.

Community Futures Peace Country
Notes to the Financial Statements

March 31, 2021

2. Significant accounting policies (continued)

Long-lived assets and discontinued operations

Long-lived assets consist of property and equipment with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The organization performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. If the carrying amount is not recoverable, impairment is then measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using prices for similar items. Any impairment is included in earnings for the year.

Long-lived assets are classified as held for sale when all of the following criteria are met:

- The Board of Directors, having the authority to approve the action, commits the organization to a plan to sell the assets;
- The asset is available for immediate sale in its present condition;
- The organization has initiated an active program to locate a buyer;
- The sale is probable, and is expected to qualify for recognition as a completed sale within one year;
- The asset is being actively marketed for sale at a reasonable price relative to its fair value; and
- It is unlikely that the plan to sell the asset will be withdrawn or that significant changes will be made to the plan.

Long-lived assets classified as held for sale are initially measured at the lower of the carrying amount and fair value less costs to sell, and are not amortized. Subsequent increases in fair value not in excess of the cumulative loss previously recorded are recognized as gains.

Community Futures Peace Country
Notes to the Financial Statements

March 31, 2021

3. Property and equipment

	<i>Accumulated</i>		2021	2020
	<i>Cost</i>	<i>Depreciation</i>	Net	Net
			Book Value	Book Value
Building	298,000	119,200	178,800	188,733
Computer equipment	8,373	8,373	-	-
Equipment \$1,000 - \$5,000	28,011	25,472	2,539	369
Equipment over \$5,000	23,859	23,859	-	-
Land	100,000	-	100,000	100,000
	458,243	176,904	281,339	289,102

4. Allowance for Credit Loss

An allowance for losses on investment loans is made based on expected loan default rates, potential loss ratios and review of loan portfolios, as determined by management, as follows:

	<i>2020</i>			<i>Provision</i>	2021
	<i>Ending</i>	<i>Written</i>		<i>for Credit</i>	<i>Ending</i>
	<i>Balance</i>	<i>Off</i>	<i>Recovery</i>	<i>Losses</i>	<i>Balance</i>
WD Conditionally Repayable Investment Fund	709,704	-	(9,013)	-	700,691
WD Non-repayable Investment Fund	277,980	-	-	160,815	438,795
WD Disabled Investment Fund	39,938	-	(2,262)	-	37,676
	1,027,622	-	(11,275)	160,815	1,177,162

Actual write-offs, net of recoveries, will be deducted from the allowance for credit losses. The provision for credit losses in the statement of income and changes in fund balances is charged with an amount sufficient to keep the balance in the allowance for credit losses adequate to absorb all credit related losses.

5. Loans receivable

Outstanding loans to entrepreneurs are interest bearing at fixed rates varying from 6% to 10% with monthly principal and interest repayments amortized for terms between 12 and 84 months. Security is taken on these loans as appropriate to the situation, and includes personal guarantees, general security agreements covering business assets and mortgages on land and building. This security is usually subordinated to those of a primary lender.

	<i>WD</i>				
	<i>Conditionally</i>	<i>WD Non-</i>	<i>WD</i>		
	<i>Repayable</i>	<i>Repayable</i>	<i>Disabled</i>		
	<i>Investment</i>	<i>Investment</i>	<i>Investment</i>	2021	2020
	<i>Fund</i>	<i>Fund</i>	<i>Fund</i>	Total	Total
Investment loans receivable	2,872,988	1,075,082	170,182	4,118,252	4,375,467
Less: Allowance for credit loss (Note 4)	700,691	438,795	37,676	1,177,162	1,027,622
	2,172,297	636,287	132,506	2,941,090	3,347,845

Community Futures Peace Country
Notes to the Financial Statements

March 31, 2021

6. Externally Restricted Fund Balance

	2021	2020
<u>Loan Investment funds</u>		
Loan Investment Funds restricted to loans and Equity Investments to entrepreneurs		
WD Conditionally Repayable Investment Fund - contributions	837,500	837,500
WD Conditionally Repayable Investment Fund - earned	1,655,698	1,581,953
	2,493,198	2,419,453
WD Non-repayable Investment Fund - contributions	350,000	350,000
WD Non-repayable Investment Fund - earned	475,606	604,636
	825,606	954,636
WD Disabled Investment Fund - contributions	200,000	200,000
WD Disabled Investment Fund - earned	60,789	48,644
	260,789	248,644
	3,579,593	3,622,733

Under the terms and conditions of the contribution agreement between the Corporation and the Department of Western Economic Diversification, the Conditionally Repayable Loan Funds are repayable if any of the following conditions occur:

- i. The Conditionally Repayable Investment Fund is not administered according to the terms and conditions specified in this Agreement; or
- ii. Based on reviews and evaluations of the operations and the Conditionally Repayable Investment Fund of the Corporation, the Conditionally Repayable Investment 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 Canadian economy; or
- iii. In the opinion of the Minister, the Conditionally Repayable Investment Fund is no longer necessary or relevant to the development of the western Canadian economy; or
- iv. The Agreement is Terminated as described in Section 16; or
- v. An event of default occurs, as described in Section 17 of the Agreement; or
- vi. The Minister does not approve terms and conditions to extend the project beyond March 31, 2021.

Community Futures Peace Country
Notes to the Financial Statements

March 31, 2021

7. Short-term debt

Short-term debt consists of a line of credit totalling \$1,000,000 (2020 - \$1,000,000) of which \$nil was drawn as of March 31, 2021 (2020 - \$250,000). The interest rate included on the line of credit is at prime, effective rate of 2.45% (2020 - prime, effective rate of 2.45%). Funds can be drawn in increments of \$50,000. The line of credit is payable on demand and in any case not later than sixty (60) months following the date of the first loan advance (the loan was first advanced in August 2016). Amount is secured by a demand promissory note executed by the Corporation and related general security agreement securing all assets and undertakings of the borrower.

8. Accounts payable

Included in accounts payable is \$6,366 (2020 - \$5,181) owing to the Receiver General for payroll source deductions.

9. Commitments

As of March 31, 2021, the corporation had no loans (2020 - no loans) that were approved but not disbursed.

10. Deferred revenue

During the year, the Corporation administered a number of projects in which they received \$24,750 (2020 - \$9,200) in allocations. Opening deferred revenue was \$16,573 (2020 - \$12,688) for a total revenue stream of \$41,323 (2020 - \$21,888). Of this amount, \$3,580 (2020 - \$5,315) was spent on the related projects. The excess contributions over expenses incurred for 2021 is \$37,743 (2020 - \$16,573) for the program revenues.

11. Long term debt

CIBC building mortgage with monthly principal payments of \$1,461 plus interest at prime plus 1.0%, effective rate of 3.45% (2020 - prime plus 1.0%, effective rate of 3.45%), secured by the related land and building with a net book value of \$278,800 (2020 - \$288,733), maturing 2025.

Less: current portion

	2021	2020
	54,061	71,595
	17,533	17,533
	36,528	54,062

Principal payments over the next four years are as follows:

2022	17,533
2023	17,533
2024	17,533
2025	1,462

Community Futures Peace Country Notes to the Financial Statements

March 31, 2021

12. Economic Dependence

The Corporation received 97% (2020 - 88%) of its operating revenue from the federal government and is economically dependant upon it.

13. Repayable RRRF loans

Repayable RRRF loans owing to the Community Futures Network of Alberta ("CFNA") are non-interest bearing and are repayable as the RRRF loans receivable are collected. Any loan losses on the RRRF loans receivable reduce the amount to be repaid to CFNA.

14. Financial instruments

The Corporation as part of its operations carries a number of financial instruments. It is management's opinion that the Corporation is not exposed to significant interest rate, currency or credit risks arising from these financial instruments except as otherwise disclosed.

15. Impact on Operations

There is still a global outbreak of COVID-19, which has had a significant impact on not for profit organization operations through the restrictions put in place by the Canadian and provincial governments regarding travel, isolation/quarantine orders, closures of organization facilities, cancellation/postponement of programs and deferral of client loan payments. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the virus, and the duration of the outbreak, including the duration of organization facility closures, program and service disruptions, and isolation/quarantine measures that are currently, or may be put, in place by Canada and other countries to fight the virus.