

COMMUNITY FUTURES EAST PARKLAND
Financial Statements
For The Year Ended March 31, 2020



Approved June 8, 2020

Eric Bloomquist - Board Chair



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INDEPENDENT AUDITOR'S REPORT

To the Members of Community Futures East Parkland

Opinion

We have audited the financial statements of Community Futures East Parkland (the Organization), which comprise the statement of financial position as at March 31, 2020, and the statements of revenues and expenditures and net assets 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, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *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 relating 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 to the Members of Community Futures East Parkland (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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear our independence, and where applicable, related safeguards.

Stettler, Alberta
June 8, 2020

Chapman and Co.
PROFESSIONAL ACCOUNTANTS LLP



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INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON COMPLIANCE

To the Members of Community Futures East Parkland

We have undertaken a reasonable assurance engagement of Community Futures East Parkland's compliance during the period April 1, 2019 to March 31, 2020, with the requirements set out in the Contribution Agreement between Western Economic Diversification Canada and Community Futures East Parkland dated March 19, 2018.

Management's Responsibility

Management is responsible for Community Futures East Parkland's compliance with the specified requirements. Management is also responsible for such internal control as management determines necessary to enable Community Futures East Parkland's compliance with the specified requirements.

Our Responsibility

Our responsibility is to express a reasonable assurance opinion on Community Futures East Parkland's compliance based on evidence we have obtained. We conducted our reasonable assurance engagement in accordance with Canadian Standard on Assurance Engagements 3531, Direct Engagements to Report on Compliance. This standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the entity complied with the specified requirements, in all significant respects.

Reasonable assurance is a high level of assurance but is not a guarantee that an engagement conducted in accordance with this standard will always detect a significant instance of non-compliance with specified requirements when it exists. Instances of non-compliance can arise from fraud or error and are considered significant if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. A reasonable assurance compliance reporting engagement involves performing procedures to obtain evidence about the entity's compliance with the specified requirements. The nature, timing and extent of procedures selected depends on our professional judgement, including an assessment of the risks of significant non-compliance, whether due to fraud or error.

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

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Rules of Professional Conduct of Alberta, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements and accordingly, maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion

In our opinion, Community Futures East Parkland complied with the specified requirements set out in the Contribution Agreement during the period April 1, 2019 to March 31, 2020 in all significant respects.

We do not provide a legal opinion on Community Futures East Parkland's compliance with the specified requirements.

Restriction on Distribution and Use of Our Report

Our report is intended solely for Community Futures East Parkland and Western Economic Diversification Canada and should not be distributed to or used by parties other than Community Futures East Parkland or Western Economic Diversification Canada.

Stettler, Alberta
June 8, 2020

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PROFESSIONAL ACCOUNTANTS LLP

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COMMUNITY FUTURES EAST PARKLAND
Statement of Revenues and Expenditures and Net Assets
For The Year Ended March 31, 2020

	WD Investment Fund (Schedule 1) 2020	WD Operating Fund (Schedule 2) 2020	Total 2020	Total 2019
REVENUE				
Western Economic Diversification (Notes 4, 8)	\$ -	\$ 294,963	\$ 294,963	\$ 294,963
Community Futures Network of Alberta (Notes 4, 9)	-	39,776	39,776	-
Interest on loan portfolio	337,724	-	337,724	286,417
Other fees and investment income	23,618	17,052	40,670	41,490
Donations, fees and sundry	-	1,915	1,915	4,772
	361,342	353,706	715,048	627,642
EXPENSES				
Accounting and audit fees	-	13,500	13,500	12,000
Advertising and promotion	-	7,767	7,767	12,434
Amortization	-	6,560	6,560	8,210
Building repairs and maintenance	-	12,889	12,889	7,087
Economic development projects	-	15,032	15,032	17,609
GST (non-refundable)	-	1,998	1,998	1,799
Impairment expense	406,007	-	406,007	161,000
Insurance	-	4,160	4,160	3,899
Interest and bank charges	-	867	867	955
Legal and collection costs (recovery)	(1,083)	4,796	3,713	5,100
Office supplies and postage	-	8,328	8,328	8,750
Registrations	-	2,765	2,765	2,259
Salaries and benefits	-	235,839	235,839	197,549
Telephone	-	8,733	8,733	8,755
Training and memberships	-	123	123	3,014
Travel, automotive and meetings	-	24,026	24,026	21,811
Utilities	-	3,488	3,488	3,285
	404,924	350,871	755,795	475,516
NET EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(43,582)	2,835	(40,747)	152,126
NET ASSETS - BEGINNING OF YEAR	6,295,681	730,426	7,026,107	6,873,981
NET ASSETS - END OF YEAR	\$ 6,252,099	\$ 733,261	\$ 6,985,360	\$ 7,026,107

COMMUNITY FUTURES EAST PARKLAND
Statement of Financial Position
As At March 31, 2020

	WD Investment Fund 2020	WD Operating Fund 2020	Total 2020	Total 2019
ASSETS				
CURRENT				
Cash and guaranteed investment certificates	\$ 1,696,975	\$ 725,303	\$ 2,422,278	\$ 1,809,212
Accounts receivable	-	6,358	6,358	6,766
Prepaid expenses	-	9,117	9,117	10,032
Current portion of loans receivable (Note 7)	477,243	-	477,243	650,859
Community Futures Lending and Investment Pool	119,354	-	119,354	115,844
	2,293,572	740,778	3,034,350	2,592,713
PROPERTY AND EQUIPMENT (Note 5)	-	16,788	16,788	17,681
LOANS RECEIVABLE (Note 7)	3,972,462	-	3,972,462	4,449,114
	<u>\$ 6,266,034</u>	<u>\$ 757,566</u>	<u>\$ 7,023,600</u>	<u>\$ 7,059,508</u>
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable	\$ 1,535	\$ 24,305	\$ 25,840	\$ 21,601
Deferred revenue	12,400	-	12,400	11,800
	13,935	24,305	38,240	33,401
NET ASSETS				
Property and equipment	-	16,788	16,788	17,681
WD conditionally repayable contributions (Note 6)	1,397,851	-	1,397,851	1,332,906
WD non-repayable investment fund	4,854,248	-	4,854,248	4,962,775
WD operating fund	-	716,473	716,473	712,745
	6,252,099	733,261	6,985,360	7,026,107
	<u>\$ 6,266,034</u>	<u>\$ 757,566</u>	<u>\$ 7,023,600</u>	<u>\$ 7,059,508</u>

COMMUNITY FUTURES EAST PARKLAND
Statement of Cash Flows
For The Year Ended March 31, 2020

	WD Investment Fund 2020	WD Operating Fund 2020	Total 2020	Total 2019
OPERATING ACTIVITIES				
Excess (deficiency) of revenue over expenses	\$ (43,582)	\$ 2,835	\$ (40,747)	\$ 152,126
Item not affecting cash:				
Amortization	-	6,560	6,560	8,210
	(43,582)	9,395	(34,187)	160,336
Changes in non-cash working capital:				
Accounts receivable	-	408	408	(2,117)
Accounts payable	1,461	2,779	4,240	(8,173)
Deferred revenue	600	-	600	1,800
Prepaid expenses	-	915	915	2,439
	2,061	4,102	6,163	(6,051)
Cash flow from (used by) operating activities	(41,521)	13,497	(28,024)	154,285
INVESTING ACTIVITIES				
Purchase of property and equipment	-	(5,667)	(5,667)	(1,790)
Principal repayments on loan portfolio (including write offs)	1,444,607	-	1,444,607	965,373
Proceeds on loan portfolio	(1,079,348)	-	(1,079,348)	(1,744,991)
Legal, collection, and other costs added to loan portfolio	(27,992)	-	(27,992)	(38,299)
Impairment allowance	313,000	-	313,000	161,000
Decrease (increase) in CFLIP	(3,510)	-	(3,510)	44,812
Cash flow from (used by) investing activities	646,757	(5,667)	641,090	(613,895)
INCREASE (DECREASE) IN CASH FLOW	605,236	7,830	613,066	(459,610)
Cash - beginning of year	1,091,739	717,473	1,809,212	2,268,822
CASH - END OF YEAR	\$ 1,696,975	\$ 725,303	\$ 2,422,278	\$ 1,809,212
CASH CONSISTS OF:				
WD operating	\$ -	\$ 70,303	\$ 70,303	\$ 92,473
WD operating GIC's	-	655,000	655,000	625,000
WD non-repayable	1,186,097	-	1,186,097	774,339
WD repayable	379,602	-	379,602	231,059
WD EDP	131,276	-	131,276	86,341
	\$ 1,696,975	\$ 725,303	\$ 2,422,278	\$ 1,809,212

COMMUNITY FUTURES EAST PARKLAND

(Schedule 1)

WD Investment Fund and Net Assets

For The Year Ended March 31, 2020

	WD Conditionally Repayable EDP Fund 2020	WD Non- repayable Investment Fund 2020	WD Conditionally Repayable Investment Fund 2020	Total Investment Funds 2020	Total Investment Funds 2019
REVENUE					
Interest on loan portfolio	\$ 11,450	\$ 289,848	\$ 36,426	\$ 337,724	\$ 286,417
Other fees and investment income	3,837	13,609	6,172	23,618	27,434
	15,287	303,457	42,598	361,342	313,851
EXPENSES					
Impairment expense (recovery)	-	413,007	(7,000)	406,007	161,000
Interest and bank charges	-	-	-	-	15
Legal and collection costs (recovery)	(60)	(1,023)	-	(1,083)	(377)
	(60)	411,984	(7,000)	404,924	160,638
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSE	15,347	(108,527)	49,598	(43,582)	153,213
FUND BALANCES: BEGINNING OF YEAR	311,141	4,962,775	1,021,765	6,295,681	6,142,468
INTERFUND TRANSFERS	-	-	-	-	-
FUND BALANCES: END OF YEAR	\$ 326,488	\$ 4,854,248	\$ 1,071,363	\$ 6,252,099	\$ 6,295,681



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COMMUNITY FUTURES EAST PARKLAND

WD Operating Fund and Net Assets

(Schedule 2)

For The Year Ended March 31, 2020

	2020	2019
REVENUE		
Western Economic Diversification (Notes 4, 8)	\$ 294,963	\$ 294,963
Community Futures Network of Alberta (Notes 4, 9)	39,776	-
Other fees and investment income	17,052	14,056
Donations, fees and sundry	1,915	4,772
	<u>353,706</u>	<u>313,791</u>
EXPENSES		
Accounting and audit fees	13,500	12,000
Advertising and promotion	7,767	12,434
Amortization	6,560	8,210
Building repairs and maintenance	12,889	7,087
Economic development projects	15,032	17,609
GST (non-refundable)	1,998	1,799
Insurance	4,160	3,899
Interest and bank charges	867	940
Legal and collection costs	4,796	5,477
Office supplies and postage	8,328	8,750
Registrations	2,765	2,259
Salaries and benefits	235,839	197,549
Telephone	8,733	8,755
Training and memberships	123	3,014
Travel, automotive and meetings	24,026	21,811
Utilities	3,488	3,285
	<u>350,871</u>	<u>314,878</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	2,835	(1,087)
FUND BALANCES: BEGINNING OF YEAR	730,426	731,513
INTERFUND TRANSFERS	-	-
FUND BALANCES: END OF YEAR	\$ 733,261	\$ 730,426

COMMUNITY FUTURES EAST PARKLAND
Notes to Financial Statements
For The Year Ended March 31, 2020

1. PURPOSE OF THE ORGANIZATION

Community Futures East Parkland (the Organization) is a community based not-for-profit, incorporated under the statutes of the Province of Alberta. The Government of Canada, through the Department of Western Economic Diversification, provides financial assistance to the Organization. The purpose of the Organization is to support community economic development, diversify the economy, support the creation and expansion of small and medium size enterprises, maintain and create new employment and provide business services to the communities in its rural region of East Parkland.

The Organization is governed by a local volunteer Board of Directors and is exempt from income taxes in accordance with Section 149 of the Canadian Income Tax Act.

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. This requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reported period. These estimates are reviewed periodically, as adjustments become necessary, they are reported in earnings in the period in which they became known. An example where significant estimates are required is in the determination of loan impairment allowance and bad debt expense.

Fund Accounting

Community Futures East Parkland follows the restricted fund method of accounting for contributions.

The General Operating Fund encompasses the day-to-day administration of the corporation. All general operating expenses and unrestricted contributions and resources are recorded in this fund.

The Investment Fund activities are limited to the services provided to small businesses in the form of loans, loan guarantees and equity participation to promote new business or the expansion of existing business. Investment funds are further segregated into WD Non-repayable Investment Fund and WD Conditionally Repayable Investment Fund. The WD Non-repayable Investment Fund is not repayable to Western Economic Diversification at the end of the operating agreement. The WD Conditionally Repayable Investment Fund is repayable (note 6).

In addition to the primary lending function, the organization administers a number of other restricted programs including the following:

- WD Conditionally Repayable EDP Fund - This program provides business loans and supporting services to individuals with disabilities (note 6).
- Economic Development Opportunities - The organization is involved in certain community economic development projects with primary funding provided through Western Economic Diversification and other funding agencies.

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COMMUNITY FUTURES EAST PARKLAND
Notes to Financial Statements
For The Year Ended March 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

Restricted government grant contributions related to general operations are recognized as revenue of the general 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 in the period in which it relates.

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

Loan interest revenue is recognized as earned and collection is reasonably assured using the effective interest rate method (rate specified in the loan agreement).

Administration, application fees, and other revenue is recognized as revenue when received or collection is reasonably assured.

Investments

The Corporation records loans to clients at the lower of principal plus accrued interest and net realizable value. Loans are evaluated on a specific account basis to determine net realizable value including estimating the fair value of the security underlying the loans, net of the expected costs of realization. The continuing creditworthiness of the borrowers is assessed to determine if a loan is impaired. A loan is classified as impaired when there is certainty that the principal and interest will not be collected. The allowance represents the amount required to reduce the carrying value of the loans to the higher of the present value of the cash flows expected to be generated from the loans or the amount of collateral held for the loans. Write-offs are recorded after all restructuring or collection activities have taken place and the possibility of further recovery is considered by management to be remote.

The investment in Community Futures Lending and Investment Pool are recorded at amortized cost.

Property and equipment

Amortization is provided at the following rates and methods:

Building and renovations	15 years	straight-line method
Office furniture and equipment	20%	declining balance method
Computer	55%	declining balance method
Computer software	100%	declining balance method

Current year additions are amortized a one-half the normal rates.

(continues)

COMMUNITY FUTURES EAST PARKLAND
Notes to Financial Statements
For The Year Ended March 31, 2020

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

Financial instruments

The loan portfolio is recorded at the originating amounts net of an allowance for loan impairment as outlined above. Any adjustment in the fair value on fixed rate loans resulting from changes in the interest rates has not been reflected in the financial statements. The fair values of cash, accounts receivable Community Futures Lending and Investment Pool, and accounts payable approximate their carrying value due to the short-term nature of these assets.

The organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the organization is not exposed to significant interest, market, liquidity, currency, or credit risk arising from these except as follows:

- The Organization is exposed to credit risk on the loans receivable from its clients to the extent their clients may experience financial difficulty and would be unable to meet their obligations. In order to reduce such risk, the organization has adopted appropriate policies through the approval process and regular review of client accounts. There is a concentration of credit risk within the geographical area of Central Alberta as loans are only advanced to businesses operating within this area.
- The Organization is exposed to interest rate risk as the Community Futures Lending and Investment Pool and the loan investments bear interest at fixed rates.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Comparative figures

Wherever necessary, the comparative amounts have been reclassified to conform to the current year's presentation.

3. SHARE CAPITAL

One share is issued to each active director for nominal proceeds of \$1 each. The shares are for voting purposes only and have no right to resale or dividends.

4. ECONOMIC DEPENDENCE

The organization receives a substantial portion of its operating revenues from the federal government and is economically dependent upon it.

COMMUNITY FUTURES EAST PARKLAND
Notes to Financial Statements
For The Year Ended March 31, 2020

5. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Land	\$ 3,000	\$ -	\$ 3,000	\$ 3,000
Building and renovations	103,019	103,019	-	-
Office furniture and equipment	26,693	19,667	7,026	8,783
Computer	57,042	50,280	6,762	5,898
	<u>\$ 189,754</u>	<u>\$ 172,966</u>	<u>\$ 16,788</u>	<u>\$ 17,681</u>

6. CONDITIONALLY REPAYABLE CONTRIBUTIONS

The corporation is party to a funding agreement with Western Economic Diversification (WED). As part of this funding agreement the funds may be required to be repaid to WED if the corporation does not adhere to certain terms and conditions of the agreement. Alternatively, the funds may become repayable if the Minister determines based on reviews and evaluations, that the program is not providing satisfactory levels of economic benefits. In the event of default, the funds will become repayable within 60 days. The funds are to include all returns of principal, interest and investments made from these funds. A portion of the interest earned by the Repayable fund contribution may be used to support the organization's operating fund with prior written approval from the Department of Western Economic Diversification.

The repayable investment funds are comprised of the following:

	WD Conditionally Repayable	WD Conditionally Repayable EDP	Total
Original WED contributions	\$ 650,000	\$ 200,000	\$ 850,000
Cumulative net interest	874,967	193,826	1,068,793
Cumulative loan impairment	(453,604)	(67,338)	(520,942)
	<u>\$ 1,071,363</u>	<u>\$ 326,488</u>	<u>\$ 1,397,851</u>

COMMUNITY FUTURES EAST PARKLAND
Notes to Financial Statements
For The Year Ended March 31, 2020

7. LOANS RECEIVABLE

	2020	2019
WD Non-repayable Investment Fund	\$ 4,513,897	\$ 4,713,651
WD Conditionally Repayable Investment Fund	958,606	1,064,550
WD Conditionally Repayable EDP Fund	143,202	174,772
	5,615,705	5,952,973
Amounts receivable within one year	(477,243)	(650,859)
Allowance for doubtful loans and notes receivable	(1,166,000)	(853,000)
	\$ 3,972,462	\$ 4,449,114

Principal and allowance by loan

March 31, 2020	Principal Performing	Principal Impaired	Net carrying value
WD Non-repayable Investment Fund	\$ 4,513,897	\$ (885,000)	\$ 3,628,897
WD Conditionally Repayable Investment Fund	958,606	(281,000)	677,606
WD Conditionally Repayable EDP Fund	143,202	-	143,202
	\$ 5,615,705	\$ (1,166,000)	\$ 4,449,705

Community Futures East Parkland loan portfolio at year end consists of 78 loans (2019-84) with interest rates ranging from 5.95% to 7.20% per annum. Repayment agreements most commonly require monthly or semi-monthly blended principal and interest payments and occasionally involve reduced payments or interest only periods. The loans have a maximum term of 5 years. The total loan impairment allowance includes 18 loans (2019 - 16). During the year, \$93,007 of WD non-repayable investment funds were written off.

There are 7 borrowers that have total outstanding loans of over \$150,000 at year end (total full value outstanding is \$1,572,011 with a corresponding impairment of \$735,000 at March 31, 2020).

8. CONTRACTUAL OBLIGATIONS

The corporation has committed \$2,600 for the 2020 and 2021 Alberta Youth Entrepreneurship Camp.

The corporation has entered into an agreement with Her Majesty the Queen with respect to Canada and Alberta to provide a program as follows:

The Community Futures Program is the core funding provided by the Office of Western Economic Diversification and is intended to offset the costs of operations. The contribution agreement dated March 19, 2018, provides a maximum of \$884,889 delivered over 3 years commencing April 1, 2018.

The agreement expires on March 31, 2021. Any surplus realized from this funding is repayable at the governments discretion.

Future cash payments for the remaining program year to be distributed to the corporation is as follows:

2021

\$ 294,963

COMMUNITY FUTURES EAST PARKLAND
Notes to Financial Statements
For The Year Ended March 31, 2020

9. CROP PROJECT

The corporation has entered into an agreement with Community Futures Network of Alberta to provide project coordination, training and coaching for the CROP project. The agreement dated April 1, 2019 provides a maximum of \$49,688 per year for the period April 1, 2019 to March 31, 2021.

Future cash payments

2021

\$ 49,688

10. SUBSEQUENT EVENTS

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic, which continues to spread in Canada and around the world.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the organization's operations as at the date of these financial statements.