

**COMMUNITY FUTURES EAST PARKLAND**  
**Financial Statements**  
**For The Year Ended March 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

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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, 2024, 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, 2024, 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  
July 22, 2024

**RWA LLP**  
CHARTERED PROFESSIONAL ACCOUNTANTS

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## INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON COMPLIANCE

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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, 2023 to March 31, 2024, with the requirements set out in the Contribution Agreement between Prairies Economic Development Canada and Community Futures East Parkland dated March 30, 2021.

### 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, 2023 to March 31, 2024 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 Prairies Economic Development Canada and should not be distributed to or used by parties other than Community Futures East Parkland or Prairies Economic Development Canada.

Stettler, Alberta  
July 22, 2024

**RWA LLP**  
CHARTERED PROFESSIONAL ACCOUNTANTS

**COMMUNITY FUTURES EAST PARKLAND**  
**Statement of Revenues and Expenditures and Net Assets**  
**For the Year Ended March 31, 2024**

	PrairiesCan Investment Fund (Schedule 1) 2024	PrairiesCan Operating Fund (Schedule 2) 2024	RRRF Operating Fund (Schedule 3) 2024	Capital Growth Initiative Fund (Schedule 4) 2024	Total 2024	Total 2023
<b>REVENUE</b>						
Prairies Economic Development Canada (Notes 4, 8)	\$ -	\$ 297,759	\$ -	\$ -	\$ 297,759	\$ 298,609
Community Futures Network of Alberta (Note 4)	-	5,780	-	-	5,780	57,907
Interest on loan portfolio	318,486	-	15,551	5,186	339,223	274,863
Investment income	151,817	35,133	23,883	3,109	213,942	109,150
Donations, fees and sundry	4,003	26,290	-	-	30,293	23,380
Community Futures Network of Alberta (Notes 4, 8)	-	-	49,366	-	49,366	48,208
	<b>474,306</b>	<b>364,962</b>	<b>88,800</b>	<b>8,295</b>	<b>936,363</b>	<b>812,117</b>

<b>EXPENSES</b>						
Accounting and audit fees	-	19,300	2,000	-	21,300	17,100
Advertising and promotion	-	4,541	-	-	4,541	8,155
Amortization	-	8,808	2,090	-	10,898	9,480
Bank charges	-	-	-	213	213	60
Building repairs and maintenance	-	3,346	-	-	3,346	9,766
Economic development projects	-	9,111	-	-	9,111	48,036
GST (non-refundable)	-	1,986	-	-	1,986	3,187
Impairment expense (recovery)	(29,608)	-	3,240	-	(26,368)	55,395
Insurance	-	4,874	-	-	4,874	3,385
Interest and bank charges	845	1,879	-	-	2,724	1,023
Legal and collection costs (recovery)	(3,590)	5,873	-	-	2,283	6,460
Office supplies and postage	-	18,107	228	-	18,335	17,717
Salaries and benefits	-	236,505	46,719	-	283,224	256,668
Sub-contracts	-	-	-	-	-	610
Telephone	-	8,161	-	-	8,161	8,534

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**COMMUNITY FUTURES EAST PARKLAND**  
**Statement of Revenues and Expenditures and Net Assets (continued)**  
**For the Year Ended March 31, 2024**

	PrairieCan Investment Fund (Schedule 1) 2024	PrairieCan Operating Fund (Schedule 2) 2024	RRRF Operating Fund (Schedule 3) 2024	Capital Growth Initiative Fund (Schedule 4) 2024	Total 2024	Total 2023
Training, memberships and registrations	-	10,931	647	-	11,578	18,012
Travel, automotive and meetings	-	18,566	-	-	18,566	20,078
Utilities	-	6,079	-	-	6,079	5,196
	(32,353)	358,067	54,924	213	380,851	488,862
<b>NET EXCESS OF REVENUE OVER EXPENSES</b>	506,659	6,895	33,876	8,082	555,512	323,255
<b>FUND BALANCES: BEGINNING OF YEAR</b>	7,149,064	733,196	12,534	1,977	7,896,771	7,573,516
<b>INTERFUND TRANSFER</b>	7,655,723	740,091	46,410	10,059	8,452,283	7,896,771
	-	-	-	-	-	-
<b>FUND BALANCES : END OF YEAR</b>	\$ 7,655,723	\$ 740,091	\$ 46,410	\$ 10,059	\$ 8,452,283	\$ 7,896,771

**COMMUNITY FUTURES EAST PARKLAND**  
**PrairieCan Investment Fund and Net Assets**  
**(Schedule 1)**

**For the Year Ended March 31, 2024**

	PrairieCan Conditionally Repayable EDP Fund 2024	PrairieCan Non-repayable Investment Fund 2024	PrairieCan Conditionally Repayable Investment Fund 2024	Total Investment Funds 2024	Total Investment Funds 2023
<b>REVENUE</b>					
Interest on loan portfolio	\$ 1,433	\$ 246,852	\$ 70,202	\$ 318,487	\$ 273,526
Investment income	16,195	123,583	12,038	151,816	92,238
Other fees	-	2,934	1,069	4,003	13,580
	17,628	373,369	83,309	474,306	379,344
<b>EXPENSES</b>					
Impairment expense (recovery)	-	(29,608)	-	(29,608)	55,395
Legal and collection costs (recovery)	(47)	(3,343)	(200)	(3,590)	1,702
Interest and bank charges	214	520	111	845	1
	167	(32,431)	(89)	(32,353)	57,098
<b>EXCESS OF REVENUE OVER EXPENSE</b>	17,461	405,800	83,398	506,659	322,246
<b>FUND BALANCES: BEGINNING OF YEAR</b>	360,233	5,565,644	1,223,187	7,149,064	6,826,818
<b>INTERFUND TRANSFERS</b>	-	-	-	-	-
<b>FUND BALANCES: END OF YEAR</b>	\$ 377,694	\$ 5,971,444	\$ 1,306,585	\$ 7,655,723	\$ 7,149,064



**COMMUNITY FUTURES EAST PARKLAND**  
**PrairiesCan Operating Fund and Net Assets**  
**For the Year Ended March 31, 2024**

*(Schedule 2)*

	<b>2024</b>	<b>2023</b>
<b>REVENUE</b>		
Prairies Economic Development Canada <i>(Notes 4, 8)</i>	\$ 297,759	\$ 298,609
Community Futures Network of Alberta <i>(Note 4)</i>	5,780	57,907
Investment income	35,133	9,605
Donations, fees and sundry	26,290	9,800
	<b>364,962</b>	<b>375,921</b>
<b>EXPENSES</b>		
Accounting and audit fees	19,300	14,600
Advertising and promotion	4,541	8,140
Amortization	8,808	6,444
Building repairs and maintenance	3,346	9,766
Economic development projects	9,111	48,036
GST (non-refundable)	1,986	3,187
Insurance	4,874	3,385
Interest and bank charges	1,879	1,022
Legal and collection costs	5,873	4,758
Office supplies and postage	18,107	13,980
Salaries and benefits	236,505	211,045
Sub-contracts	-	610
Telephone	8,161	8,534
Training, memberships and registrations	10,931	18,012
Travel, automotive and meetings	18,566	20,078
Utilities	6,079	5,196
	<b>358,067</b>	<b>376,793</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>6,895</b>	<b>(872)</b>
<b>FUND BALANCES: BEGINNING OF YEAR</b>	<b>773,196</b>	<b>734,068</b>
<b>INTERFUND TRANSFERS</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES: END OF YEAR</b>	<b>\$ 740,091</b>	<b>\$ 733,196</b>

**COMMUNITY FUTURES EAST PARKLAND**  
**RRRF Operating Fund and Net Assets**  
**For The Year Ended March 31, 2024**

*(Schedule 3)*

	2024	2023
<b>REVENUE</b>		
Community Futures Network of Alberta <i>(Notes 4, 8)</i>	\$ 49,366	\$ 48,208
Investment income	<u>39,434</u>	<u>6,607</u>
	<u>88,800</u>	<u>54,815</u>
 <b>EXPENSES</b>		
Advertising	-	15
Amortization	2,090	3,036
Impairment expense	3,240	-
Office supplies	228	3,737
Accounting and audit fees	2,000	2,500
Training and membership	647	-
Wages and benefits	<u>46,719</u>	<u>45,623</u>
	<u>54,924</u>	<u>54,911</u>
 <b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	 33,876	 (96)
 <b>FUND BALANCES: BEGINNING OF YEAR</b>	 <u>12,534</u>	 <u>12,630</u>
 <b>FUND BALANCES: END OF YEAR</b>	 <u>\$ 46,410</u>	 <u>\$ 12,534</u>

**COMMUNITY FUTURES EAST PARKLAND**  
**Capital Growth Initiative Fund**  
**For The Year Ended March 31, 2024**

*(Schedule 4)*

	2024	2023
<b>REVENUES</b>		
Interest on loan portfolio	\$ 5,186	\$ 1,337
Application fees	1,800	700
Other fees and investment income	1,309	-
	<u>8,295</u>	<u>2,037</u>
<b>EXPENSES</b>		
Interest and bank charges	<u>213</u>	<u>60</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>\$ 8,082</u>	<u>\$ 1,977</u>

**COMMUNITY FUTURES EAST PARKLAND**  
**Statement of Financial Position**  
**As at March 31, 2024**

	PrairieCan Investment Fund 2024	PrairieCan Operating Fund 2024	RRRF Operating Fund 2024	Capital Growth Initiative Fund 2024	Total 2024	Total 2023
<b>ASSETS</b>						
<b>CURRENT</b>						
Cash and guaranteed investment certificates	\$ 2,921,625	\$ 748,815	\$ 820,848	\$ 56,321	\$ 4,547,609	\$ 4,063,317
Accounts receivable	1,019	4,764	-	-	5,783	29,654
Prepaid expenses	-	4,370	-	-	4,370	8,049
Current portion of loans receivable (Note 7)	731,770	-	-	-	731,770	673,564
Community Futures Lending and Investment Pool	134,511	-	-	-	134,511	129,225
	3,788,925	757,949	820,848	56,321	5,424,043	4,903,809
<b>PROPERTY AND EQUIPMENT (Note 5)</b>	-	55,832	7,505	-	63,337	71,373
<b>LOANS RECEIVABLE (Note 7)</b>	3,883,337	-	1,533,148	91,738	5,508,223	8,598,352
	\$ 7,672,262	\$ 813,781	\$ 2,361,501	\$ 148,059	\$ 10,995,603	\$ 13,573,534
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT</b>						
Accounts payable	\$ 2,339	\$ 30,130	\$ 2,000	\$ -	\$ 34,469	\$ 63,776
Deferred revenue	14,200	43,560	51,539	13,000	122,299	169,859
	16,539	73,690	53,539	13,000	156,768	233,635
<b>LONG-TERM DEBT (Note 9)</b>	-	-	2,261,552	125,000	2,386,552	5,443,128
	16,539	73,690	2,315,091	138,000	2,543,320	5,676,763

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**COMMUNITY FUTURES EAST PARKLAND**  
**Statement of Financial Position (continued)**  
**As at March 31, 2024**

	PrairieCan Investment Fund 2024	PrairieCan Operating Fund 2024	RRRF Operating Fund 2024	Capital Growth Initiative Fund 2024	Total 2024	Total 2023
<b>NET ASSETS</b>						
Property and equipment	-	12,272	7,505	-	19,777	25,019
Share capital (Note 3)	-	7	-	-	7	8
PrairieCan conditionally repayable contributions (Note 6)	1,684,279	-	-	-	1,684,279	1,583,420
PrairieCan non-repayable investment fund	5,971,444	-	-	-	5,971,444	5,565,644
PrairieCan operating fund	-	727,812	-	-	727,812	717,764
RRRF operating fund	-	-	38,905	-	38,905	2,939
CGI operating fund	-	-	-	10,059	10,059	1,977
	<b>7,655,723</b>	<b>740,091</b>	<b>46,410</b>	<b>10,059</b>	<b>8,452,283</b>	<b>7,896,771</b>
	<b>\$ 7,672,262</b>	<b>\$ 813,781</b>	<b>\$ 2,361,501</b>	<b>\$ 148,059</b>	<b>\$ 10,995,603</b>	<b>\$ 13,573,534</b>

**COMMUNITY FUTURES EAST PARKLAND**  
**Statement of Cash Flows**  
**For the Year Ended March 31, 2024**

	PrairieCan Investment Fund 2024	PrairieCan Operating Fund 2024	RRRF Operating Fund 2024	Capital Growth Initiative Fund 2024	Total 2024	Total 2023
<b>OPERATING ACTIVITIES</b>						
Excess of revenue over expenses	\$ 506,659	\$ 6,895	\$ 33,876	\$ 8,082	\$ 555,512	\$ 323,255
Item not affecting cash:						
Amortization	-	8,808	2,090	-	10,898	9,479
	506,659	15,703	35,966	8,082	566,410	332,734
Changes in non-cash working capital:						
Accounts receivable	(1,019)	23,282	-	1,608	23,871	(14,153)
Accounts payable	1,324	(8,704)	(21,926)	-	(29,306)	37,117
Deferred revenue	1,600	(2,794)	(49,366)	3,000	(47,560)	7,095
Prepaid expenses	-	3,679	-	-	3,679	2,257
	1,905	15,463	(71,292)	4,608	(49,316)	32,316
Cash flow from (used by) operating activities	508,564	31,166	(35,326)	12,690	517,094	365,050

**INVESTING ACTIVITIES**

Purchase of property and equipment	-	(2,863)	-	-	(2,863)	(56,074)
Principal repayments on loan portfolio (including write offs)	1,192,454	-	3,721,382	-	4,913,836	1,076,422
RRRF loan advances	-	-	-	-	-	-
RRRF loan repayments	-	-	(3,081,576)	-	(3,081,576)	(56,093)
CGI loan advances	-	-	-	25,000	25,000	100,000
CGI loan repayments	-	-	-	-	-	-
Proceeds on loan portfolio added to loan portfolio	(1,760,000)	-	-	(26,649)	(1,786,649)	(717,500)
Legal, collection, and other costs added to loan portfolio	(65,656)	-	-	-	(65,656)	(42,540)
Impairment allowance	(29,608)	-	-	-	(29,608)	55,395
Increase in CFLIP	(5,286)	-	-	-	(5,286)	(4,212)

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**COMMUNITY FUTURES EAST PARKLAND**  
**Statement of Cash Flows (continued)**  
**For the Year Ended March 31, 2024**

	PrairieCan Investment Fund 2024	PrairieCan Operating Fund 2024	RRRF Operating Fund 2024	Capital Growth Initiative Fund 2024	Total 2024	Total 2023
Interfund transfer	-	-	-	-	-	-
Cash flow from (used by) investing activities	(668,096)	(2,863)	639,806	(1,649)	(32,802)	355,398
<b>INCREASE (DECREASE) IN CASH FLOW</b>						
Cash - beginning of year	(159,532)	28,303	604,480	11,041	484,292	720,448
	3,081,157	720,512	216,368	45,280	4,063,317	3,342,869
<b>CASH - END OF YEAR</b>	<b>\$ 2,921,625</b>	<b>\$ 748,815</b>	<b>\$ 820,848</b>	<b>\$ 56,321</b>	<b>\$ 4,547,609</b>	<b>\$ 4,063,317</b>
<b>CASH CONSISTS OF:</b>						
PrairieCan operating	\$ -	\$ 75,752	\$ -	\$ -	\$ 75,752	\$ 70,512
PrairieCan operating GIC's	-	673,063	-	-	673,063	650,000
PrairieCan non-repayable	2,344,935	-	-	-	2,344,935	2,583,082
PrairieCan repayable	265,480	-	-	-	265,480	224,758
PrairieCan EDP	311,210	-	-	-	311,210	272,302
PrairieCan non-repayable GIC	-	-	-	-	-	1,015
RRRF operating fund	-	-	820,848	-	820,848	216,368
CGI operating fund	-	-	-	56,321	56,321	45,280
	<b>\$ 2,921,625</b>	<b>\$ 748,815</b>	<b>\$ 820,848</b>	<b>\$ 56,321</b>	<b>\$ 4,547,609</b>	<b>\$ 4,063,317</b>