



**RWA CHARTERED PROFESSIONAL ACCOUNTANTS LLP**

4702 - 51 Avenue, P.O. Box 1328, Stettler, Alberta T0C 2L0

T: 403-742-3438 | F: 403-742-0560 | [www.rwallp.ca](http://www.rwallp.ca)

\* Naomi Roth, CPA, CGA \* Kendra Walgenbach, CPA, CA \* Chris Annand, CPA, CA

July 14, 2025

Community Futures East Parkland  
Box 250  
Mirror Alberta T0B 3C0

Attention: Board Members

We have been engaged to audit the financial statements of Community Futures East Parkland for the year ending March 31, 2025.

The purpose of this letter is to communicate with you regarding all relationships between Community Futures East Parkland and ourselves that, in our professional judgment, may reasonably be thought to bear on our independence.

The following comments have been prepared to facilitate our discussion with you regarding independence matters arising since July 22, 2024, the date of our last letter.

We hereby confirm that we:

- have complied with the requirements regarding independence in the Rules of Conduct of the Chartered Professional Accountants of Alberta; and
- have disclosed all relationships and other matters between the Firm and the entity that in our opinion may reasonably be thought to bear on independence.

We are not aware of any relationships between Community Futures East Parkland and ourselves that, in our professional judgment, may reasonably be thought to bear on our independence, that have occurred from July 22, 2024 to July 14, 2025.

This letter is intended solely for the use of the audit committee, the board of directors, management, and others within the organization and should not be used for any other purpose.

We look forward to discussing with you the matters addressed in this letter at our upcoming meeting on .

Yours truly,

A handwritten signature in black ink that reads "Kendra Walgenbach".

Kendra Walgenbach, CPA, CA

RWA CHARTERED PROFESSIONAL ACCOUNTANTS LLP



**RWA CHARTERED PROFESSIONAL ACCOUNTANTS LLP**

4702 - 51 Avenue, P.O. Box 1328, Stettler, Alberta T0C 2L0

T: 403-742-3438 | F: 403-742-0560 | [www.rwallp.ca](http://www.rwallp.ca)

\* Naomi Roth, CPA, CGA \* Kendra Walgenbach, CPA, CA \* Chris Annand, CPA, CA

July 14, 2025

Audit Committee  
Community Futures East Parkland  
Box 250  
Mirror, Alberta  
T0B 3C0

Dear Audit Committee Members;

The objective of our audit was to obtain reasonable assurance that the financial statements were free of material misstatement; our audit was not designed for the purpose of identifying matters to communicate. Accordingly, our audit would not usually identify all such matters that may be of interest to you and it is inappropriate to conclude that no such matters exist.

We did not identify any of the following matters: fraud, misstatements that may cause future financial statements to be materially misstated, illegal or possible illegal acts, or significant weaknesses in internal control.

This communication is prepared solely for your information and is not intended for any other purpose.

Please feel free to call our office anytime if you would like to discuss these or any other related matters. Thank you for allowing us to continue to be of service to your organization.

Yours truly,

RWA CHARTERED PROFESSIONAL ACCOUNTANTS LLP

A handwritten signature in black ink that reads "Kendra Walgenbach".

KENDRA WALGENBACH, CPA, CA

KW/kb

**COMMUNITY FUTURES EAST PARKLAND**  
**Financial Statements**  
**For The Year Ended March 31, 2025**

---

## 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, 2025, 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, 2025, 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 14, 2025

RWA LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

---

## 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, 2024 to March 31, 2025, 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, 2024 to March 31, 2025 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 14, 2025

RWA LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

**COMMUNITY FUTURES EAST PARKLAND**  
**Statement of Revenues and Expenditures and Net Assets**  
**For the Year Ended March 31, 2025**

	PrairiesCan Investment Fund (Schedule 1) 2025	PrairiesCan Operating Fund (Schedule 2) 2025	RRRF Operating Fund (Schedule 3) 2025	Capital Growth Initiative Fund (Schedule 4) 2025	Total 2025	Total 2024
<b>REVENUE</b>						
Prairies Economic Development Canada (Notes 4, 8)	\$ -	\$ 299,225	\$ -	\$ -	\$ 299,225	\$ 297,759
Community Futures Network of Alberta (Note 4)	-	-	-	-	-	5,780
Interest on loan portfolio	442,986	-	59,198	2,618	504,802	339,223
Investment income	122,007	35,984	4,435	2,465	164,891	213,942
Donations, fees and sundry	5,482	24,812	-	-	30,294	30,293
Community Futures Network of Alberta (Notes 4, 8)	-	-	20,000	7,500	27,500	49,366
	570,475	360,021	83,633	12,583	1,026,712	936,363

<b>EXPENSES</b>						
Accounting and audit fees	-	17,500	3,500	1,000	22,000	21,300
Advertising and promotion	-	4,930	-	-	4,930	4,541
Amortization	-	6,631	1,501	-	8,132	10,898
Bank charges	-	-	-	179	179	213
Building repairs and maintenance	-	8,240	-	-	8,240	3,346
Economic development projects	-	14,832	-	-	14,832	9,111
GST (non-refundable)	-	1,750	-	-	1,750	1,986
Impairment expense (recovery)	(4,961)	-	-	-	(4,961)	(26,368)
Insurance	-	2,930	-	-	2,930	4,874
Interest and bank charges	1,205	1,916	-	-	3,121	2,724
Legal and collection costs	-	2,137	-	-	2,137	2,283
Office supplies and postage	-	11,395	361	-	11,756	18,335
Salaries and benefits	-	229,903	20,000	6,500	256,403	283,224
Telephone	-	8,725	-	-	8,725	8,161
Training, memberships and registrations	-	4,081	-	-	4,081	11,578
Travel, automotive and meetings	-	16,752	-	-	16,752	18,566

(continues)



**COMMUNITY FUTURES EAST PARKLAND**  
**Statement of Revenues and Expenditures and Net Assets** *(continued)*  
**For the Year Ended March 31, 2025**

	PrairiesCan Investment Fund (Schedule 1) 2025	PrairiesCan Operating Fund (Schedule 2) 2025	RRRF Operating Fund (Schedule 3) 2025	Capital Growth Initiative Fund (Schedule 4) 2025	Total 2025	Total 2024
Utilities	-	5,084	-	-	5,084	6,079
	(3,756)	336,806	25,362	7,679	366,091	380,851
<b>NET EXCESS OF REVENUE OVER EXPENSES</b>	574,231	23,215	58,271	4,904	<b>660,621</b>	555,512
<b>FUND BALANCES: BEGINNING OF YEAR</b>	7,655,723	740,091	46,410	10,059	<b>8,452,283</b>	7,896,771
<b>INTERFUND TRANSFER</b>	8,229,954	763,306	104,681	14,963	<b>9,112,904</b>	8,452,283
	-	-	-	-	-	-
<b>FUND BALANCES : END OF YEAR</b>	<b>\$ 8,229,954</b>	<b>\$ 763,306</b>	<b>\$ 104,681</b>	<b>\$ 14,963</b>	<b>\$ 9,112,904</b>	<b>\$ 8,452,283</b>

**COMMUNITY FUTURES EAST PARKLAND**  
**PrairiesCan Investment Fund and Net Assets**  
**For the Year Ended March 31, 2025**

(Schedule 1)

	PrairiesCan Conditionally Repayable EDP Fund 2025	PrairiesCan Non-repayable Investment Fund 2025	PrairiesCan Conditionally Repayable Investment Fund 2025	Total Investment Funds 2025	Total Investment Funds 2024
<b>REVENUE</b>					
Interest on loan portfolio	\$ 196	\$ 352,796	\$ 89,994	\$ 442,986	\$ 318,487
Investment income	14,392	97,917	9,698	122,007	151,816
Other fees	-	3,761	1,721	5,482	4,003
	14,588	454,474	101,413	570,475	474,306
<b>EXPENSES</b>					
Impairment expense (recovery)	-	(2,461)	(2,500)	(4,961)	(29,608)
Legal and collection costs (recovery)	-	-	-	-	(3,590)
Interest and bank charges	281	653	271	1,205	845
	281	(1,808)	(2,229)	(3,756)	(32,353)
	14,307	456,282	103,642	574,231	506,659
<b>EXCESS OF REVENUE OVER EXPENSE</b>					
<b>FUND BALANCES: BEGINNING OF YEAR</b>					
	377,694	5,971,444	1,306,585	7,655,723	7,149,064
<b>INTERFUND TRANSFERS</b>					
	-	-	-	-	-
<b>FUND BALANCES: END OF YEAR</b>					
	\$ 392,001	\$ 6,427,726	\$ 1,410,227	\$ 8,229,954	\$ 7,655,723

**COMMUNITY FUTURES EAST PARKLAND**  
**PrairiesCan Operating Fund and Net Assets**  
*(Schedule 2)*  
**For the Year Ended March 31, 2025**

	2025	2024
<b>REVENUE</b>		
Prairies Economic Development Canada <i>(Notes 4, 8)</i>	\$ 299,225	\$ 297,759
Community Futures Network of Alberta <i>(Note 4)</i>	-	5,780
Investment income	35,984	35,133
Donations, fees and sundry	24,812	26,290
	<u>360,021</u>	<u>364,962</u>
<b>EXPENSES</b>		
Accounting and audit fees	17,500	19,300
Advertising and promotion	4,930	4,541
Amortization	6,631	8,808
Building repairs and maintenance	8,240	3,346
Economic development projects	14,832	9,111
GST (non-refundable)	1,750	1,986
Insurance	2,930	4,874
Interest and bank charges	1,916	1,879
Legal and collection costs	2,137	5,873
Office supplies and postage	11,395	18,107
Salaries and benefits	229,903	236,505
Telephone	8,725	8,161
Training, memberships and registrations	4,081	10,931
Travel, automotive and meetings	16,752	18,566
Utilities	5,084	6,079
	<u>336,806</u>	<u>358,067</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	23,215	6,895
<b>FUND BALANCES: BEGINNING OF YEAR</b>	740,091	773,196
<b>INTERFUND TRANSFERS</b>	-	-
<b>FUND BALANCES: END OF YEAR</b>	<u>\$ 763,306</u>	<u>\$ 740,091</u>

**COMMUNITY FUTURES EAST PARKLAND**  
**RRRF Operating Fund and Net Assets**  
*(Schedule 3)*  
**For The Year Ended March 31, 2025**

	2025	2024
<b>REVENUE</b>		
Community Futures Network of Alberta (Notes 4, 8)	\$ 20,000	\$ 49,366
Interest on loan portfolio	59,198	15,551
Investment income	4,435	23,883
	<u>83,633</u>	<u>88,800</u>
<b>EXPENSES</b>		
Accounting and audit fees	3,500	2,000
Amortization	1,501	2,090
Impairment expense	-	3,240
Office supplies	361	228
Training and membership	-	647
Wages and benefits	20,000	46,719
	<u>25,362</u>	<u>54,924</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	58,271	33,876
<b>FUND BALANCES: BEGINNING OF YEAR</b>	<u>46,410</u>	<u>12,534</u>
<b>FUND BALANCES: END OF YEAR</b>	<u>\$ 104,681</u>	<u>\$ 46,410</u>

**COMMUNITY FUTURES EAST PARKLAND**  
**Capital Growth Initiative Fund**  
*(Schedule 4)*  
**For The Year Ended March 31, 2025**

	2025	2024
<b>REVENUES</b>		
Application fees	\$ 200	\$ 1,800
Community Futures Network of Alberta (Notes 4, 8)	7,500	-
Interest on loan portfolio	2,618	5,186
Investment income	2,265	1,309
	<u>12,583</u>	<u>8,295</u>
<b>EXPENSES</b>		
Accounting and audit fees	1,000	-
Interest and bank charges	179	213
Wages and benefits	6,500	-
	<u>7,679</u>	<u>213</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>\$ 4,904</u>	<u>\$ 8,082</u>

**COMMUNITY FUTURES EAST PARKLAND**  
**Statement of Financial Position**  
**As at March 31, 2025**

	PrairieCan Investment Fund 2025	PrairieCan Operating Fund 2025	RRRF Operating Fund 2025	Capital Growth Initiative Fund 2025	Total 2025	Total 2024
<b>ASSETS</b>						
<b>CURRENT</b>						
Cash and guaranteed investment certificates	\$ 3,386,717	\$ 775,976	\$ 83,991	\$ 58,227	\$ 4,304,911	\$ 4,547,609
Accounts receivable	-	6,133	-	-	6,133	5,783
Prepaid expenses	-	5,623	-	-	5,623	4,370
Current portion of loans receivable (Note 7)	784,922	-	-	-	784,922	731,770
Community Futures Lending and Investment Pool	138,816	-	-	-	138,816	134,511
	4,310,455	787,732	83,991	58,227	5,240,405	5,424,043
<b>PROPERTY AND EQUIPMENT (Note 5)</b>	-	49,201	6,004	-	55,205	63,337
<b>LOANS RECEIVABLE (Note 7)</b>	3,936,497	-	1,491,534	87,236	5,515,267	5,508,223
	<u>\$ 8,246,952</u>	<u>\$ 836,933</u>	<u>\$ 1,581,529</u>	<u>\$ 145,463</u>	<u>\$ 10,810,877</u>	<u>\$ 10,995,603</u>
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT</b>						
Accounts payable	\$ 3,398	\$ 34,329	\$ 2,000	\$ -	\$ 39,727	\$ 34,469
Deferred revenue	13,600	39,298	31,539	5,500	89,937	122,299
	16,998	73,627	33,539	5,500	129,664	156,768
<b>LONG-TERM DEBT (Note 9)</b>	-	-	1,443,309	125,000	1,568,309	2,386,552
	16,998	73,627	1,476,848	130,500	1,697,973	2,543,320

(continues)

**COMMUNITY FUTURES EAST PARKLAND**  
**Statement of Financial Position** *(continued)*  
**As at March 31, 2025**

	PrairieCan Investment Fund 2025	PrairieCan Operating Fund 2025	RRRF Operating Fund 2025	Capital Growth Initiative Fund 2025	Total 2025	Total 2024
<b>NET ASSETS</b>						
Property and equipment	-	9,903	6,004	-	15,907	19,777
Share capital (Note 3)	-	7	-	-	7	7
PrairieCan conditionally repayable contributions (Note 6)	1,802,228	-	-	-	1,802,228	1,684,279
PrairieCan non-repayable investment fund	6,427,726	-	-	-	6,427,726	5,971,444
PrairieCan operating fund	-	753,396	-	-	753,396	727,812
RRRF operating fund	-	-	98,677	-	98,677	38,905
CGI operating fund	-	-	-	14,963	14,963	10,059
	8,229,954	763,306	104,681	14,963	9,112,904	8,452,283
	\$ 8,246,952	\$ 836,933	\$ 1,581,529	\$ 145,463	\$ 10,810,877	\$ 10,995,603

**COMMUNITY FUTURES EAST PARKLAND**  
**Statement of Cash Flows**  
**For the Year Ended March 31, 2025**

	PrairieCan Investment Fund 2025	PrairieCan Operating Fund 2025	RRRF Operating Fund 2025	Capital Growth Initiative Fund 2025	Total 2025	Total 2024
<b>OPERATING ACTIVITIES</b>						
Excess of revenue over expenses	\$ 574,231	\$ 23,215	\$ 58,271	\$ 4,904	\$ 660,621	\$ 555,512
Item not affecting cash:						
Amortization	-	6,631	1,501	-	8,132	10,898
	574,231	29,846	59,772	4,904	668,753	566,410
Changes in non-cash working capital:						
Accounts receivable	1,019	(1,369)	-	-	(350)	23,871
Accounts payable	1,057	4,199	-	-	5,256	(29,306)
Deferred revenue	(600)	(4,262)	(20,000)	(7,500)	(32,362)	(47,560)
Prepaid expenses	-	(1,253)	-	-	(1,253)	3,679
	1,476	(2,685)	(20,000)	(7,500)	(28,709)	(49,316)
Cash flow from (used by) operating activities	575,707	27,161	39,772	(2,596)	640,044	517,094

**INVESTING ACTIVITIES**

Purchase of property and equipment	-	-	-	-	-	(2,863)
Principal repayments on loan portfolio (including write offs)	916,593	-	41,614	4,502	962,709	4,913,836
RRRF loan advances	-	-	-	-	-	-
RRRF loan repayments	-	-	(818,243)	-	(818,243)	(3,081,576)
CGI loan advances	-	-	-	-	-	25,000
CGI loan repayments	-	-	-	-	-	-
Proceeds on loan portfolio	(985,000)	-	-	-	(985,000)	(1,786,649)
Legal, collection, and other costs added to loan portfolio	(32,942)	-	-	-	(32,942)	(65,656)
Impairment allowance	(4,961)	-	-	-	(4,961)	(29,608)
Increase in CFLIP	(4,305)	-	-	-	(4,305)	(5,286)

(continues)



**COMMUNITY FUTURES EAST PARKLAND**  
**Statement of Cash Flows** *(continued)*  
**For the Year Ended March 31, 2025**

	PrairieCan Investment Fund 2025	PrairieCan Operating Fund 2025	RRRF Operating Fund 2025	Capital Growth Initiative Fund 2025	Total 2025	Total 2024
Interfund transfer	-	-	-	-	-	-
Cash flow from (used by) investing activities	(110,615)	-	(776,629)	4,502	(882,742)	(32,802)
<b>INCREASE (DECREASE) IN CASH FLOW</b>						
Cash - beginning of year	465,092	27,161	(736,857)	1,906	(242,698)	484,292
	2,921,625	748,815	820,848	56,321	4,547,609	4,063,317
<b>CASH - END OF YEAR</b>	<b>\$ 3,386,717</b>	<b>\$ 775,976</b>	<b>\$ 83,991</b>	<b>\$ 58,227</b>	<b>\$ 4,304,911</b>	<b>\$ 4,547,609</b>
<b>CASH CONSISTS OF:</b>						
PrairieCan operating	\$ -	\$ 75,976	\$ -	\$ -	\$ 75,976	\$ 75,752
PrairieCan operating GIC's	-	700,000	-	-	700,000	673,063
PrairieCan non-repayable	2,690,439	-	-	-	2,690,439	2,344,935
PrairieCan repayable	369,789	-	-	-	369,789	265,480
PrairieCan EDP	326,489	-	-	-	326,489	311,210
RRRF operating fund	-	-	83,991	-	83,991	820,848
CGI operating fund	-	-	-	58,227	58,227	56,321
	<b>\$ 3,386,717</b>	<b>\$ 775,976</b>	<b>\$ 83,991</b>	<b>\$ 58,227</b>	<b>\$ 4,304,911</b>	<b>\$ 4,547,609</b>

**COMMUNITY FUTURES EAST PARKLAND**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2025**

---

**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 Prairies Economic Development Canada, 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.

Revenue Recognition

Restricted contributions and other revenues are recognized in the fund corresponding to the purpose for which they were contributed or earned. Restricted contributions and other revenues contributed to the general fund are deferred and recognized in the year in which the related expenses are incurred.

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.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Significant areas requiring the use of management's estimates are the allowance for loan impairment, accounts receivable, amortization of tangible capital assets, and deferred revenue. These amounts reflect management's best estimate based on the conditions and information available at the time of the preparation of the financial statements.

**COMMUNITY FUTURES EAST PARKLAND**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2025**

---

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

Fund accounting

Community Futures East Parkland follows the restricted fund method of accounting for contributions and maintains four funds: Operating Fund, Investment Fund, RRRF Fund, and the CGI Fund.

The PrairiesCan 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 fund reports unrestricted resources and restricted operating grants.

The PrairiesCan 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 PrairiesCan Non-repayable Investment Fund and PrairiesCan Conditionally Repayable Investment Fund. The PrairiesCan Non-repayable Investment Fund is not repayable to Prairies Economic Development Canada at the end of the operating agreement. The PrairiesCan 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:

- PrairiesCan 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 Prairies Economic Development Canada and other funding agencies.

The Regional Relief and Recovery Fund (RRRF) is used to account for repayable investments funds the organization received from the Government of Canada to provide loans for small and medium-sized enterprises to enable their recovery from economic disruptions caused by the COVID-19 pandemic.

Capital Growth Initiative Fund (CGI) is used to account for repayable investments funds the organization received from the Community Futures Network of Alberta to provide loans for small and medium-sized enterprises owned by female identifying entrepreneurs to increase access to capital.

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.

**COMMUNITY FUTURES EAST PARKLAND**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2025**

---

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

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 at one-half the normal rates.

Cash and short term investments

Cash and guaranteed investment certificates purchased with maturity of less than a year are classified as cash equivalents.

Financial instruments

Held for trading - Cash and short term investments are measured at their fair value and any gains or losses arising from changes in fair value are recognized immediately in excess of revenues over expenses.

Loans and receivables - Trade accounts receivables and long term loan receivables are initially recognized at their fair value (initial cost in a transaction between unrelated parties). They 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 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 or any difference between initial amount and the maturity amount, and less any reduction for impairments or uncollectibility. Gains or losses arising from the changes in fair value are recognized in excess of revenues over expenses upon derecognition or impairment.

Other financial liabilities - Trade payables and long term debt are initially recognized at their fair value (initial cost in a transaction between unrelated parties). They are subsequently measured at amortized cost using the effective interest method. Under this method, future cash payments are exactly discounted over the amount at which the financial liabilities expected life to its net carrying value. Amortized cost is the amount at which the financial liability is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method or any difference between initial amount and the maturity amount, and less any reduction for impairments or uncollectibility. Gains or losses arising from the changes in fair value are recognized in excess of revenues over expenses upon derecognition or impairment.

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.

**COMMUNITY FUTURES EAST PARKLAND**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2025**

**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.

**5. PROPERTY AND EQUIPMENT**

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Land	\$ 3,000	\$ -	\$ 3,000	\$ 3,000
Building and renovations	148,955	110,945	38,010	41,073
Office furniture and equipment	40,064	27,431	12,633	15,791
Computer	73,201	71,639	1,562	3,473
	<u>\$ 265,220</u>	<u>\$ 210,015</u>	<u>\$ 55,205</u>	<u>\$ 63,337</u>

**6. CONDITIONALLY REPAYABLE CONTRIBUTIONS**

The corporation is party to a funding agreement with Prairies Economic Development Canada. As part of this funding agreement the funds may be required to be repaid 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 Prairies Economic Development Canada.

The repayable investment funds are comprised of the following:

	PrairiesCan Conditionally Repayable	PrairiesCan Conditionally Repayable EDP	Total
Original PrairiesCan contributions	\$ 650,000	\$ 200,000	\$ 850,000
Cumulative net interest	1,206,059	259,339	1,465,398
Cumulative loan impairment	(445,832)	(67,338)	(513,170)
	<u>\$ 1,410,227</u>	<u>\$ 392,001</u>	<u>\$ 1,802,228</u>

**COMMUNITY FUTURES EAST PARKLAND**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2025**

**7. LOANS RECEIVABLE**

	2025	2024
PrairiesCan Non-repayable Investment Fund	\$ 3,876,988	\$ 3,994,189
PrairiesCan Conditionally Repayable Investment Fund	1,086,025	1,088,939
PrairiesCan Conditionally Repayable EDP Fund	1,906	5,310
RRRF Investment Fund	1,491,534	1,533,148
Capital Growth Initiative Project	87,236	91,738
	<b>6,543,689</b>	<b>6,713,324</b>
Amounts receivable within one year	(784,922)	(731,770)
Allowance for doubtful loans and notes receivable	(243,500)	(473,331)
	<b>\$ 5,515,267</b>	<b>\$ 5,508,223</b>

Principal and allowance by loan

	Principal Performing	Principal Impaired	Net carrying value
March 31, 2025			
PrairiesCan Non-repayable Investment Fund	\$ 3,876,988	\$ (183,500)	\$ 3,693,488
PrairiesCan Conditionally Repayable Investment Fund	1,086,025	(60,000)	1,026,025
PrairiesCan Conditionally Repayable EDP Fund	1,906	-	1,906
RRRF Investment Fund	1,491,534	-	1,491,534
Capital Growth Initiative Project	87,236	-	87,236
	<b>\$ 6,543,689</b>	<b>\$ (243,500)</b>	<b>\$ 6,300,189</b>

At year-end, PrairiesCan Non-repayable investment fund, PrairiesCan Conditionally Repayable Investments Fund and PrairiesCan Conditionally Repayable EDP Fund consists of 69 loans (2024-71) with interest rates ranging from 5.70% to 12.70% 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 7 loans (2024 - 12). During the year, \$224,870, (2024 - \$318,456) of PrairiesCan non-repayable investment funds were written off.

There are 8 borrowers that have total outstanding loans of over \$150,000 at year end (total full value outstanding is \$1,831,803 with a corresponding impairment of \$60,000 at March 31, 2025).

RRRF Investment Fund loan bears interest at 4% with no stipulated repayment terms. As of March 31, 2025, \$0 (2024 - \$411,750) has been recorded as a loan loss due to uncollectibility. Loans were advanced to individuals and enterprises experiencing financial business impact from the Covid-19 global pandemic under the Regional Relief and Recovery Fund (RRRF).

Capital Growth Initiative Project consists of 3 loans that bear interest ranging from 3.25% to 6.5% with only recommended repayment terms. If 75% of the loan is repaid within the 5 year loan term, 25% of the loan can be forgiven. Loans have to be advanced to women entrepreneurs to assist with starting and growing their business per CFNA guidelines.

**COMMUNITY FUTURES EAST PARKLAND**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2025**

**8. CONTRACTUAL OBLIGATIONS**

The corporation has committed \$2,600 for the 2025 Alberta Youth Entrepreneurship Camp and \$1,334 for the 2025 Lemonade Day which were paid subsequent to year end

During the prior year, the corporation received operating funding of \$156,060 from the Regional Relief and Recovery Fund provided by Community Futures Network of Alberta. This funding was due to the COVID-19 pandemic to help cover costs associated with administering the future of the RRRF program (note 7). The agreement expires on December 31, 2026. Any surplus realized from this funding is repayable at the governments discretion. The funding was based upon total number of loans completed as of June 30, 2021. As of March 31, 2025, \$31,539 (2024 - \$51,539) has been reported as deferred revenue.

During the prior year, the corporation received operating funding of \$13,000 from the Capital Growth Initiative Project provided by Community Futures Network of Alberta. This funding is to help cover costs associated with administering the future of the CGI program (note 7) which expires on March 31, 2027. Any surplus realized from this funding is repayable at the governments discretion. As of March 31, 2025, \$5,500 (2024 - \$13,000) has been reported as deferred revenue.

During the prior year, the company received \$50,000 for a Building Capacity and Responding to Growth contribution from Community Futures Pan West Network Inc.. The funds were used for upgrades to the building and computers. Included in deferred revenue is \$39,298 (2024 - \$43,560) which will be realized into income based on depreciation of the capital upgrades. Current year income includes \$4,262 (2024 - \$2,796) of the deferred contribution.

The corporation had entered into an agreement with the late 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 03, 2022, provides a maximum of \$1,474,815 delivered over 5 years commencing April 1, 2021.

The agreement expires on March 31, 2026. 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:

2026	<u>\$ 294,963</u>
------	-------------------

**9. LONG-TERM DEBT**

	<u>2025</u>	<u>2024</u>
Community Futures Network of Alberta loan, matures December 31, 2026	\$ 1,443,309	\$ 2,261,552
Community Futures Network of Alberta loan, matures March 31, 2027	<u>125,000</u>	<u>125,000</u>
	<u>\$ 1,568,309</u>	<u>\$ 2,386,552</u>

The RRRF Investment Fund consists of an interest-free loan from the Community Futures Network of Alberta (CFNA). The funds were used to provide loans to eligible applicants that were experiencing economic disruptions from the Covid-19 outbreak (note 7). Any loans in default due to lack of repayment, will reduce the amount to be repaid to CFNA and therefore CFEP will not be financially responsible for any loans under the RRRF program.

**COMMUNITY FUTURES EAST PARKLAND**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2025**

---

**9. LONG-TERM DEBT (*continued*)**

The CGI Fund consists of an interest free loan from Community Futures Network of Alberta (CFNA). The funds are used to provide loans to women entrepreneurs to start and grow their business. Any loans in default due to lack of repayment, will reduce the amount to be repaid to CFNA and therefore CFEP will not be financially responsible for any loans under the CGI program.

**10. FINANCIAL INSTRUMENTS**

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2025.

Credit risk

Credit risk arises from the potential that the entities to which the organization provides financing may experience difficulties and be unable to fulfill their obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit, adequate security, and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.



July 14, 2025

---

Marilyn Webber



Lennard Mcfarland

---

Jody Deroucher



Ray Reckseidler



Lisa Smith



Glenn Ruecker

---

Melissa Damiani