

**Community Futures East Kootenay**  
**Non-Consolidated Financial Statements**  
**For the year ended March 31, 2022**

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## Independent Auditor's Report

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**To the Members of  
Community Futures East Kootenay**

### **Opinion**

We have audited the non-consolidated financial statements of Community Futures East Kootenay (the "Organization"), which comprise the non-consolidated statement of financial position as at March 31, 2022 and the non-consolidated statements of operations, changes in net assets and cash flows for the year ended March 31, 2022, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Organization as at March 31, 2022, and the results of its non-consolidated operations and 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 Non-Consolidated 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 non-consolidated 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.

### **Other Matters**

We draw attention to the fact that the supplementary information included in Schedules 1 and 2 is presented for the purposes of additional analysis and does not conform to part of the audited non-consolidated financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express any opinion, review, conclusion or any form of assurance on this supplementary information.

### **Responsibilities of Management and Those Charged with Governance for the Non-Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

**Community Futures East Kootenay  
Non-Consolidated Statement of Financial Position**

March 31 2022 2021

**Assets**

**Current**

Cash and cash equivalents (Note 2)	\$ 3,158,000	\$ 2,069,355
Accounts receivable (Note 3)	231,070	240,060
Prepaid expenses	2,461	13,145
Investments (Note 4)	55,995	55,117
Due from related party (Note 5)	54,169	66,848
Current portion of loans receivable	922,871	730,065

4,424,566 3,174,590

Investments (Note 4)	1	1
Loans receivable (Note 6)	4,932,103	5,615,300
Capital assets (Note 7)	16,325	32,588

**\$ 9,372,995 \$ 8,822,479**

**Liabilities and Net Assets**

**Current**

Accounts payable and accrued liabilities	\$ 24,010	\$ 26,763
Deferred revenue (Note 8)	210,529	128,089

234,539 154,852

Long-term debt (Note 9)	1,579,850	1,225,750
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1,814,389 1,380,602

**Net Assets**

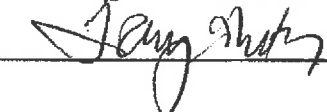
Unrestricted	149,313	157,045
Invested in capital assets	16,325	32,588
Contributed funds (Note 10)	2,875,000	2,875,000
Restricted loan funds	4,517,968	4,377,244

7,558,606 7,441,877

**\$ 9,372,995 \$ 8,822,479**

Approved on behalf of the Board:

 \_\_\_\_\_ Director

 \_\_\_\_\_ Director

**Community Futures East Kootenay  
Non-Consolidated Statement of Operations**

For the year ended March 31			2022	2021
	General Fund	Investment Loan Fund	Total	Total
<b>Revenue</b>				
Pacific Economic Development Canada	\$ 305,955	\$ -	\$ 305,955	\$ 371,955
Provincial grant	8,556	-	8,556	9,381
Interest on deposits	124	2,772	2,896	4,668
Interest on investments and loans	-	291,584	291,584	274,653
Loan and administration fees	65,402	-	65,402	138,482
Other revenue	26,251	-	26,251	13,496
Unrealized gain	1,100	-	1,100	13,289
	<b>407,388</b>	<b>294,356</b>	<b>701,744</b>	<b>825,924</b>
<b>Expenses</b>				
Advertising and promotion	5,759	-	5,759	11,834
Amortization	22,479	-	22,479	21,030
Audit, legal and consulting fees	34,597	-	34,597	43,531
Economic development, projects, and events	15,257	-	15,257	70,902
Insurance, licences, and dues	6,822	-	6,822	8,103
Interest, bank and service charges	1,259	3,064	4,323	5,277
Loan loss provision	-	18,068	18,068	17,445
Office and equipment rent	57,400	-	57,400	69,669
Office, supplies, and miscellaneous	18,112	-	18,112	14,545
Technical assistance	4,380	-	4,380	7,685
Training and education	7,149	-	7,149	5,405
Travel	8,641	-	8,641	3,567
Wages and benefits	382,028	-	382,028	346,813
	<b>563,883</b>	<b>21,132</b>	<b>585,015</b>	<b>625,806</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>(156,495)</b>	<b>273,224</b>	<b>116,729</b>	<b>200,118</b>
<b>Interest &amp; other fees transferred</b>	<b>132,500</b>	<b>(132,500)</b>	<b>-</b>	<b>-</b>
<b>Change in fund balances</b>	<b>\$ (23,995)</b>	<b>\$ 140,724</b>	<b>\$ 116,729</b>	<b>\$ 200,118</b>

**Community Futures East Kootenay  
Non-Consolidated Statement of Changes in Net Assets**

For the year ended March 31	Contributed Funds	Restricted Loan Funds	Invested in Capital	Unrestricted	2022 Total	2021 Total
Balance, beginning of year	\$ 2,875,000	\$ 4,377,244	\$ 32,588	\$ 157,045	\$ 7,441,877	\$ 7,241,759
Excess (deficiency) of revenues over expenses	-	273,224	(22,479)	(134,016)	116,729	200,118
Transfer of interest and other fees	-	(132,500)	-	132,500	-	-
Acquisition of capital assets	-	-	6,216	(6,216)	-	-
Balance, end of year	\$ 2,875,000	\$ 4,517,968	\$ 16,325	\$ 149,313	\$ 7,558,606	\$ 200,118

The accompanying notes are an integral part of these non-consolidated financial statements.

**Community Futures East Kootenay**  
**Non-Consolidated Statement of Cash Flows**

For the year ended March 31	2022	2021
<b>Cash flows provided by (used in):</b>		
<b>Operating activities</b>		
Cash received from governments and other sources	\$ 496,961	\$ 494,725
Cash paid to suppliers and employees	(532,498)	(592,912)
Loans receivable advances	(1,561,119)	(4,023,000)
Loan payments received	2,046,407	2,056,886
Interest paid	(4,324)	(5,277)
Interest received	295,112	225,121
	<u>740,539</u>	<u>(1,844,457)</u>
<b>Investing activities</b>		
Purchase of capital assets	(6,216)	(4,297)
Cash from sale of investments	222	2,197
	<u>(5,994)</u>	<u>(2,100)</u>
<b>Financing activities</b>		
Proceeds from issuance of long term debt	<u>354,100</u>	<u>1,225,750</u>
<b>Increase (decrease) in cash</b>	<b>1,088,645</b>	<b>(620,807)</b>
<b>Cash and cash equivalents, beginning of year</b>	<u><b>2,069,355</b></u>	<u><b>2,690,162</b></u>
<b>Cash and cash equivalents, end of year</b>	<u><b>\$ 3,158,000</b></u>	<u><b>\$ 2,069,355</b></u>

The accompanying notes are an integral part of these non-consolidated financial statements.