

**COMMUNITY FUTURES DEVELOPMENT
CORPORATION OF NORTH FRASER**

FINANCIAL STATEMENTS

MARCH 31, 2021

CONTENTS OF FINANCIAL STATEMENTS

Independent Auditors' Report 2-3

Balance Sheet 4

Statement of Operations 5

Statement of Fund Balances 6

Statement of Cash Flows 7

Notes to Non-Consolidated Financial Statements 8 – 16

Investment Funds Balance Sheet Schedule 1

Statement of operations- Operating fund Schedule 2

Investment Funds Statement of Operations Schedule 3

Investment Funds Balances Schedule 4

Allowance for Credit Losses Schedule 5

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INDEPENDENT AUDITOR'S REPORT

To the Members of Community Futures Development Corporation of North Fraser

Opinion

I have audited the financial statements of Community Futures Development Corporation of North Fraser (the Corporation), which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Corporation in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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 Corporation'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 a significant doubt on the Corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Corporation 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.

I 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 I identify during my audit.



A. Stephen Pomeroy Ltd.
Chartered Professional Accountant

Mission, British Columbia
June 16, 2021

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF NORTH FRASER**

Balance Sheet

March 31, 2021

	Administration Fund	Investment (WD) Fund (Schedule 1)	Investment (Other) Fund (Schedule 1)	Total March 31 2021	Total March 31 2020
Current assets:					
Cash- pooled bank (note 1e) \$	-	\$ 1,285,918	\$ 1,051,695	\$2,337,613	\$ 1,981,702
GST receivable	2,875	-	-	2,875	652
Accounts receivable	3,278	-	-	3,278	3,528
Prepaid expenses and deposits	15,182	-	-	15,182	10,480
Interfund transfers	94,471	301,354	(395,825)	-	-
Current portion of Loans receivable (note 3)	-	356,746	48,881	405,627	398,037
	115,806	1,944,018	704,751	2,764,575	2,394,399
Loans receivable (note 3)	-	2,021,546	276,994	2,298,540	2,255,544
Property, plant, and equipment (note 4)	41,501	-	-	41,501	27,966
Total assets	\$ 157,307	\$ 3,965,564	981,745	\$ 5,104,616	\$ 4,677,909

Liabilities and Fund Balances

Current liabilities:					
Bank overdraft (note 1e)	\$ 862,991	\$ -	-	\$862,991	\$ 991,688
Accounts payable and accruals	15,079	-	-	15,079	16,195
Payroll remittances payable	5,570	-	-	5,570	2,781
Deferred revenue	14,165	-	-	14,165	53,513
Current portion of long term debt For collaborative loans (note 8)	-	219,150	12,511	231,661	75,830
Conditionally repayable Contributions (note 5)	-	1,880,000	500,000	2,380,000	1,540,000
	897,805	2,099,150	512,511	3,509,466	2,680,007
Long term debt for collaborative Loans (note 8)	-	-	134,734	134,734	569,587
Total liabilities	897,805	2,099,150	647,245	3,644,200	3,249,594
Fund balances	(740,498)	1,866,414	334,500	1,460,416	1,428,315
	\$ 157,307	\$ 3,965,564	\$ 981,745	\$ 5,104,616	\$ 4,677,909

Approved on behalf of the Board of Directors:

See accompanying notes to financial statements.

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF NORTH FRASER**

Statement of Operations

Year ended March 31, 2021	Operating Fund (Schedule 2)	Investment (WD)Fund (Schedule 3)	Investment (Other)Fund (Schedule 3)	Total 2021	Total 2020
Revenue:					
Government- Core operations	\$ 284,306	\$ -	\$ -	\$ 284,306	\$ 284,306
Government- Regional Relief and Recovery (RRRF) support	66,000	-	-	66,000	-
Interest on loans	-	128,932	23,594	152,526	206,646
Project revenue	37,464	-	-	37,464	38,020
Rental income	21,000	-	-	21,000	-
Administration fees -loans	17,035	-	-	17,035	16,833
Regional Relief and Recovery Loan Fund administration	14,720	-	-	14,720	-
Project revenue (RRIF)	6,000	-	-	6,000	-
Bank deposit interest	-	13	1,684	1,697	15,553
Miscellaneous revenue	1,995	-	-	1,995	324
	448,520	128,945	25,278	602,743	561,682
Expenses:					
Advertising and sponsorships	21,160	-	-	21,160	6,315
Amortization	10,375	-	-	10,375	3,696
Bad debts	-	123,085	-	123,085	277,336
Bank charges and interest	2,753	3,424	-	6,177	6,816
Community economic development	5,000	-	-	5,000	5,000
Emergency fund project	29,500	-	-	29,500	-
Insurance	3,909	-	-	3,909	4,276
Interest and fees on partner loans	-	21,438	10,356	31,794	31,856
Loan collection costs	-	652	-	652	79
Memberships	1,007	-	-	1,007	1,075
Meetings and conferences	2,346	-	-	2,346	7,846
Office and administrative	30,504	-	-	30,504	26,810
Professional fees	20,749	1,040	-	21,789	13,378
Project- Client training (note 9) Program	12,189	-	-	12,189	10,924
	9,706	-	-	9,706	-
Rent and utilities	44,706	-	-	44,706	22,545
Repairs and maintenance	17,443	-	-	17,443	4,608
Telephone and online services	7,237	-	-	7,237	5,281
Travel	576	-	-	576	1,384
Wages and benefits	191,487	-	-	191,487	204,562
	410,647	149,639	10,356	570,642	633,787
Excess of					
Revenue over expenses	\$ 37,873	\$ (20,694)	\$14,922	\$ 32,101	\$ (72,105)

See accompanying notes to financial statements.

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF NORTH FRASER**

Statement of Fund Balances

Year ended March 31, 2021

	Administration Fund	Investment (WD)Fund (Schedule 3)	Investment (Other) Fund (Schedule 3)	Total 2021	Total 2020
Fund balances, Beginning of year	\$ (923,685)	\$ 2,021,856	\$330,144	\$1,428,315	\$ 1,500,420
Deficiency of Revenue over expenses	37,873	(20,694)	14,922	32,101	(72,105)
Interfund interest transfer	145,314	(134,748)	(10,566)	-	-
Fund balances, end of year	\$ (740,498)	\$ 1,866,414	\$ 334,500	\$ 1,460,416	\$ 1,428,315

See accompanying notes to financial statements.

**COMMUNITY FUTURES DEVELOPMENT CORPORATION
OF NORTH FRASER**

Statement of Cash Flows

Year ended March 31, 2021

	2021	2020
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$32,101	\$ (72,105)
Amortization of assets	10,375	3,696
Net changes in non-cash working		
Capital balances relating to operations		
Accounts receivable	250	1,559
GST Receivable	(2,223)	(360)
Prepaid expenses	(4,702)	(6,513)
Deferred revenue	(39,348)	3,955
Accounts payable	1,674	95
	(1,873)	(69,673)
Investing activities:		
Purchase of capital assets	(23,911)	(25,478)
Decrease (increase) in loan portfolio advances	(50,586)	(448,138)
	(74,497)	(473,616)
Financing activities:		
Increase in repayable government contributions	840,000	-
Increase (decrease) in long term debt (note 8)	(279,022)	551,147
	560,978	551,147
Increase (decrease) in cash during the year	484,608	7,858
Cash and equivalents, beginning of year	990,014	902,156
Cash, end of year (note 1e)	\$1,474,622	\$990,014

Cash (bank indebtedness) consists of:
Net pooled bank accounts (note 1 e)

Funds on deposit	\$ 2,337,613	\$ 1,981,702
Bank overdraft	(862,991)	(991,688)
Net cash	\$ 1,474,622	\$ 990,014

See accompanying notes to financial statements.