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**Community Futures
Grande Prairie & Region
Financial Statements
For the year ended March 31, 2015**

Community Futures Grande Prairie & Region
Financial Statements
March 31, 2015

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Independent Auditors' Report

To the Board of Directors of Community Futures Grande Prairie & Region

Report on the Financial Statements

We have audited the accompanying financial statements of Community Futures Grande Prairie & Region, which comprise the statements of financial position as at March 31, 2015, and the statements of changes in fund balances, statements of operations and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by management of Community Futures Grande Prairie & Region based on the financial reporting provisions of Western Economic Diversification as described in Note 1.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Western Economic Diversification as described in Note 1, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Community Futures Grande Prairie & Region as at March 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with the financial reporting provisions of Western Economic Diversification as described in Note 1.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial statement is prepared to assist Community Futures Grande Prairie & Region to meet the requirements of Western Economic Diversification. As a result, the financial statements may not be suitable for another purpose.

Chartered Accountants

Grande Prairie, Alberta
July 2, 2015

Community Futures Grande Prairie & Region

Statement of Financial Position - Combined

March 31

2015

2014

	Operating Fund	Investment Fund	Total	Total
Assets				
Current				
Cash	\$ 42,204	\$ 259,918	\$ 302,122	\$ 535,522
Loan security deposits (Note 2)	-	207,000	207,000	557,000
Accounts receivable	39,417	-	39,417	29,976
Accrued interest receivable	-	756	756	2,806
Other receivables	-	585	585	300
Prepaid expenses	5,496	-	5,496	5,496
Interfund receivable	-	5,453	5,453	1,192
	87,117	473,712	560,829	1,132,292
Loans receivable (Note 3)	-	6,127,259	6,127,259	5,269,186
Long-term investments (Note 4)	-	424,710	424,710	150,000
Capital assets (Note 5)	7,199	-	7,199	17,162
	\$ 94,316	\$ 7,025,681	\$ 7,119,997	\$ 6,568,640

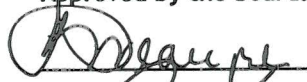

Liabilities

Current				
Revolving Loan (Note 6)	\$ -	\$ 2,740,000	\$ 2,740,000	\$ 2,000,000
Accounts payable and accrued liabilities	21,348	-	21,348	21,325
Interfund payable	5,453	-	5,453	1,192
Deferred revenue (Note 7)	23,298	-	23,298	63,773
	50,099	2,740,000	2,790,099	2,086,290
Investment funds payable (Note 8)	-	216,955	216,955	280,413
	50,099	2,956,955	3,007,054	2,366,703

Net Assets

Fund balances	44,217	4,068,726	4,112,943	4,201,937
	\$ 94,316	\$ 7,025,681	\$ 7,119,997	\$ 6,568,640

Approved by the Board:

 Chair
 Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region

Statement of Changes in Fund Balances - Combined

For the year ended March 31, 2015

	Operating Fund		Investment Fund		Total
	Capital	Unrestricted			
Balance, beginning of year	\$ 17,162	\$ 46,324	\$ 4,138,451	\$	4,201,937
Excess (deficiency) of revenue over expenses for the year	-	(118,873)	29,879		(88,994)
Amortization	(9,963)	9,963	-		-
Transfers (Note 9)	-	99,604	(99,604)		-
Balance, end of year	\$ 7,199	\$ 37,018	\$ 4,068,726	\$	4,112,943

For the year ended March 31, 2014

	Operating Fund		Investment Fund		Total
	Capital	Unrestricted			
Balance, beginning of year	\$ 15,803	\$ 44,131	\$ 3,934,808	\$	3,994,742
Excess (deficiency) of revenue over expenses for the year	-	(61,928)	269,123		207,195
Purchase of capital assets	9,260	(9,260)	-		-
Disposal of capital assets, net book value	(5,024)	5,024	-		-
Amortization	(2,877)	2,877	-		-
Transfers (Note 9)	-	65,480	(65,480)		-
Balance, end of year	\$ 17,162	\$ 46,324	\$ 4,138,451	\$	4,201,937

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region
Statement of Financial Position - Operating Fund

March 31	2015	2014
Assets		
Current		
Cash	\$ 42,204	\$ 95,040
Accounts receivable	39,417	29,976
Due from Investment Fund	-	1,051
Prepaid expenses	5,496	5,496
	<u>87,117</u>	<u>131,563</u>
Capital assets (Note 5)	7,199	17,162
	<u>\$ 94,316</u>	<u>\$ 148,725</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 21,348	\$ 21,325
Due to Investment Fund	5,453	141
Deferred revenue (Note 7)	23,298	63,773
	<u>50,099</u>	<u>85,239</u>
Net Assets		
Fund balances		
Unrestricted	37,018	46,324
Capital	7,199	17,162
	<u>44,217</u>	<u>63,486</u>
	<u>\$ 94,316</u>	<u>\$ 148,725</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region
Statement of Changes in Fund Balances - Operating Fund

For the year ended March 31

2015

2014

Unrestricted Fund Balance

Balance, beginning of year	\$	46,324	\$	44,131
Excess (deficiency) of revenue over expenses		(118,873)		(61,928)
Transfer from investment fund (Note 9)		99,604		65,480
Transfer of net operating funds invested in capital assets		9,963		(1,359)
Balance, end of year	\$	37,018	\$	46,324

Capital Fund Balance

Balance, beginning of year	\$	17,162	\$	15,803
Amortization		(9,963)		(2,877)
Purchase of capital assets		-		9,260
Net book value on disposal of capital assets		-		(5,024)
Balance, end of year	\$	7,199	\$	17,162

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region

Statement of Financial Position - Investment Fund

March 31

2015 2014

Assets

	Regular Non-Repayable	Regular Repayable	Disabled Repayable	Total	Total
Current					
Cash	\$ 578,234	\$ (364,876)	\$ 46,560	\$ 259,918	\$ 440,482
Loan security deposits (Note 2)	207,000	-	-	207,000	557,000
Accrued interest receivable	-	756	-	756	2,806
Other receivables	585	-	-	585	300
Due from Operating Fund	5,453	-	-	5,453	141
Interfund receivable (payable)	402,837	(477,966)	75,129	-	-
	1,194,109	(842,086)	121,689	473,712	1,000,729
Loans receivable (Note 3)	5,050,275	949,677	127,307	6,127,259	5,269,186
Long-term investments (Note 4)	424,710	-	-	424,710	150,000
	\$ 6,669,094	\$ 107,591	\$ 248,996	\$ 7,025,681	\$ 6,419,915

Liabilities

Current					
Revolving Loan (Note 6)	\$ 2,740,000	\$ -	\$ -	\$ 2,740,000	\$ 2,000,000
Due to Operating Fund	-	-	-	-	1,051
	2,740,000	-	-	2,740,000	2,001,051
Investment funds payable (Note 8)	-	109,707	107,248	216,955	280,413
	2,740,000	109,707	107,248	2,956,955	2,281,464
Net Assets					
Fund balances	3,929,094	(2,116)	141,748	4,068,726	4,138,451
Investment Fund	\$ 6,669,094	\$ 107,591	\$ 248,996	\$ 7,025,681	\$ 6,419,915

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region
Statement of Changes in Fund Balances - Investment Fund

For the year ended March 31	2015		2014	
	Regular Non-Repayable	Regular Repayable	Disabled Repayable	Total
Balance, beginning of year	\$ 3,901,919	\$ 84,621	\$ 151,911	\$ 4,138,451
Excess of revenue over expenses for the year	126,779	(86,737)	(10,163)	29,879
Transfer to operating fund (Note 9)	(99,604)	-	-	(99,604)
Balance, end of year	\$ 3,929,094	\$ (2,116)	\$ 141,748	\$ 4,068,726
				\$ 4,138,451

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region

Statement of Operations - Operating Fund

For the year ended March 31	2015	2014
Revenue		
Agri Business Conference	\$ -	\$ 2,000
Business Incubator Program	5,000	-
Business Workshops	48,276	-
Career Practitioner Program	121,115	125,920
Career Workshops	113,965	125,815
Contributions from federal government - operating	282,785	334,201
Community Futures Network Society of Alberta	1,181	624
Grant Specialist Initiative	-	10,000
NADC Ventures Program	20,475	15,180
Northern Alberta Youth Entrepreneur Camp	30,000	83,480
Other - projects and services	109,655	80,417
Rent	11,429	11,355
Self Employment program	-	30,450
	<u>743,881</u>	<u>819,442</u>
Expenses		
General and administrative (Schedule)	\$ 862,754	\$ 876,346
Deficiency of revenue over expenses before the undernoted	(118,873)	(56,904)
Loss on disposal of capital assets	-	(5,024)
Deficiency of revenue over expenses	<u>\$ (118,873)</u>	<u>\$ (61,928)</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region

Statement of Operations - Investment Fund

For the year ended March 31

2015 2014

	Regular Non-Repayable	Regular Repayable	Disabled Repayable	Total	Total
Revenue					
Interest and fees	\$ 408,395	\$ 35,853	\$ 10,221	\$ 454,469	\$ 426,490
Investment income and bank interest	3,172	3,172	3,172	9,516	10,245
Debt forgiven - WED (Note 8)	-	63,458	-	63,458	-
	411,567	102,483	13,393	527,443	436,735
Expenses					
Bad debts	82,615	165,664	-	248,279	78,624
Bank charges and other	23,556	23,556	23,556	70,668	60,186
Collection	28,617	-	-	28,617	28,802
	134,788	189,220	23,556	347,564	167,612
Excess (deficiency) of revenue over expenses before the undernoted	276,779	(86,737)	(10,163)	179,879	269,123
Impairment loss on investments (Note 4)	(150,000)	-	-	(150,000)	-
Excess (deficiency) of revenue over expenses	\$ 126,779	\$ (86,737)	\$ (10,163)	\$ 29,879	\$ 269,123

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region

Statement of Cash Flows

For the year ended March 31	Financing and Investing Activities					Total 2014
	Operating Fund	Non- Repayable	Repayable	Disabled	Total 2015	
Operating activities						
Cash received from government contracts	\$ 573,102	\$ -	\$ -	\$ -	\$ 573,102	\$ 548,293
Cash received from other revenue	121,915	-	-	-	121,915	206,631
Cash paid to suppliers for goods and services	(753,165)	(111,232)	(165,664)	-	(1,030,061)	(928,699)
Interest received	-	306,366	41,075	13,393	360,834	369,731
Interest paid	-	(23,556)	(23,556)	(23,556)	(70,668)	(60,186)
	(58,148)	171,578	(148,145)	(10,163)	(44,878)	135,770
Financing activities						
Transfer (to) from other funds	5,312	(38,594)	17,159	20,384	4,261	930
Loan proceeds	-	740,000	-	-	740,000	-
	5,312	701,406	17,159	20,384	744,261	930
Investing activities						
Purchase of capital assets	-	-	-	-	-	(9,259)
Loans advanced, net	-	(276,617)	(222,166)	(9,290)	(508,073)	(512,837)
Equity investments	-	(424,710)	-	-	(424,710)	(150,000)
	-	(701,327)	(222,166)	(9,290)	(932,783)	(672,096)
Net change in cash	(52,836)	171,657	(353,152)	931	(233,400)	(535,396)
Cash, beginning of year	95,040	406,577	(11,724)	45,629	535,522	1,070,918
Cash, end of year	\$ 42,204	\$ 578,234	\$ (364,876)	\$ 46,560	\$ 302,122	\$ 535,522

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region

Notes to the Financial Statements

March 31, 2015

1. Summary of Significant Accounting Policies

(a) Purpose of the Organization

Community Futures Grande Prairie & Region has a mandate to increase economic and social well-being throughout the region by assisting, supporting and investing in small business. The main focus is to maximize job creation and maintenance by providing small business consulting services and management of an investment fund. Community Futures Grande Prairie & Region is exempt from income taxes under Section 149 of the Income Tax Act.

(b) Basis of Accounting

These statements are prepared on an accrual basis of accounting using Canadian accounting standards for not-for-profit organizations as the underlying basis of accounting. As required by Western Economic Diversification, the Organization follows Canadian accounting standards for not-for-profit organizations except with regards to the initial measurement of financial instruments. Accounting for the conditionally repayable investment fund balance to Western Economic Diversification is as described in Note 8.

(c) Management Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates made by management include the valuation provision for loans in arrears. Actual results could differ from management's best estimates as additional information becomes available in the future.

(d) Financial Instruments

The Society initially measures its financial assets and liabilities at cost adjusted by the amount of transaction costs directly attributable to the instrument. Amounts due to and from related parties are measured at the exchange amount, being the amount agreed on by the related parties.

The Society subsequently measures its financial assets and financial liabilities at amortized cost, except for derivatives and equity securities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in operations.

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in operations.

Community Futures Grande Prairie & Region Notes to the Financial Statements

March 31, 2015

(e) Funding Accounting

Community Futures Grande Prairie & Region follows the restricted fund method of accounting for contributions. The Operating Fund accounts for the Organization's operating costs and general revenues. This fund reports unrestricted resources and restricted operating grants. The Investment Fund reports externally restricted resources that are to be used for assistance to small businesses and entrepreneurs in the form of loans, loan guarantees or equity participation. Loans from the loan investment fund for the disabled and youth are limited to businesses owned and operated by disabled and youth entrepreneurs, respectively. The Organization is restricted in the types of loans that can be made according to its agreement with the federal government. The non-repayable funds are not conditionally repayable to Western Economic Diversification. These funds represent the year over year growth of initial dollars that were invested by the Federal Government for the purposes of providing financial assistance to individuals or companies planning to start, grow or purchase a business in the Grande Prairie Region. The repayable fund represents funds that are conditional repayable to Western Economic Diversification. The disabled fund represents funds that are conditional repayable to Western Economic Diversification, but to disabled individuals.

(f) Long-term Investments

The long-term investments are accounted for using the equity method. A provision is made for impairment in value when there is a significant adverse change in the expected timing or amount of future cash flows.

(g) Capital Assets

Capital assets are stated at cost less accumulated amortization. Amortization is recorded on the diminishing balance basis at rates designed to amortize the cost of the capital assets over their estimated useful lives. Amortization rates are as follows:

Furniture and fixtures	20 %
Computer equipment	30 %
Computer software	100 %
Leasehold improvements	5 year straight line

(h) Contributed Services

Volunteers contribute many hours annually to assist Community Futures Grande Prairie & Region in carrying out specific program activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

(i) Leased Assets

Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a capital asset and the incurrence of an obligation. The obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases and the rental costs are expensed as incurred.

Community Futures Grande Prairie & Region

Notes to the Financial Statements

March 31, 2015

(j) Impairment of Long-Lived Assets

If events or circumstances indicate that the carrying value of any long-lived asset may be impaired, a recoverability analysis is performed based upon estimated undiscounted cash flows to be generated by the long-lived asset. If the analysis indicates that the carrying value is not recoverable from future cash flows, the asset is written down to estimated fair value and an impairment loss is recognized.

(k) Revenue Recognition

The Organization recognizes operating fund revenue when earned based on the terms of the agreements. Deferred revenue consists of funds received under such agreements for which the related expenses have not been incurred. They will be recognized as revenue in the year in which the related expenses are incurred.

Interest revenue is recorded when the amount to be received can be reasonably estimated and collection is reasonably assured.

Community Futures Grande Prairie & Region Notes to the Financial Statements

March 31, 2015

2. Term Deposits and Loan Security Deposits

The Organization's term deposits consist of the following :

	2015	2014
	<u>2015</u>	<u>2014</u>
Loan security deposit consisting of a Guaranteed Investment Certificate bearing interest at 1.05% per annum and maturing in July 2015	\$ 60,000	\$ -
Loan security deposit consisting of a Guaranteed Investment Certificate bearing interest at 1.05% per annum and maturing in January 2016	135,000	-
Loan security deposit consisting of a Guaranteed Investment Certificate bearing interest at 0.80% per annum and maturing in February 2016	12,000	-
Loan security deposits, matured during the year	-	557,000
Total loan security deposit	<u>\$ 207,000</u>	<u>\$ 557,000</u>

The loan security deposits are related to customers who needed to obtain a loan from another lending institution. The purpose of these loan guarantees is to provide confidence to the external lender that, in the event that the customer defaults on the loan, Community Futures Grande Prairie & Region will repay the loan. The security deposits are separated into current and long-term portions based on the expiration dates of the underlying guarantees.

Community Futures Grande Prairie & Region

Notes to the Financial Statements

March 31, 2015

3. Loans Receivable

Loans receivable are classified as long-term assets. No current portion has been set up as it is difficult to estimate the amount that can be reasonably considered to be collectible within a one-year period. Loans bear interest at fixed rates from 3% to 10%. Fixed rate loans are subject to interest rate risk as the value of the loans will fluctuate based on changes in market interest rates. Loans receivable, consisting of loans to businesses, have varying maturity dates ranging from June 2015 to August 2025. Substantially all loans require monthly, bi-weekly or weekly repayments. An allowance has been set up for the entire loan balance of all loans determined to be impaired. The three loan categories are summarized as follows:

	Regular Non-Repayable	Regular Repayable	Disabled Repayable	2015 Total	2014 Total
Loan portfolio	\$ 5,480,715	\$ 1,269,340	\$ 127,307	\$ 6,877,362	\$ 5,924,103
Allowance for doubtful loans	(430,440)	(319,663)	-	(750,103)	(654,917)
	<u>\$ 5,050,275</u>	<u>\$ 949,677</u>	<u>\$ 127,307</u>	<u>\$ 6,127,259</u>	<u>\$ 5,269,186</u>

There are securities held against the loans advanced to all the borrowers. Generally the securities include borrowers' personal and/or company assets, and there is always a continuing personal guarantee from the shareholders for all the loans.

4. Long-term Investments

Long-term investments are comprised of the following:

	2015	2014
Liquid Chicks Inc.		
Cost	\$ 150,000	\$ 150,000
Less valuation provision	(150,000)	-
Elevated Robotic Services Ltd.	120,000	-
Blackout Rental Services Ltd.	40	-
Blackout Rental Services Ltd. loan, unsecured, non-interest bearing, with no specific terms of repayment	149,960	-
Blackout Rental Services Ltd. loan, secured by a general security agreement, non-interest bearing, due February 2017	154,710	-
	<u>\$ 424,710</u>	<u>\$ 150,000</u>

In the 2014 fiscal year, Community Futures Grande Prairie and Region purchased 100% of the Class B shares representing a 40% voting interest in Liquid Chicks Inc. for \$150,000. Once the shares were issued, a corporate resolution was passed by Liquid Chicks Inc. to reduce the stated capital of the 40 class B voting shares to \$1 per share (\$40). In the 2015 fiscal year, the investment in Liquid Chicks Inc. was written down to its expected net realizable value.

In the 2015 fiscal year, Community Futures Grande Prairie and Region purchased 35% of the Class A shares representing a 35% voting interest in Elevated Robotic Services Ltd. for \$120,000.

In the 2015 fiscal year, Community Futures Grande Prairie and Region purchased 40% of the Class A shares representing a 40% voting interest in Blackout Rental Services Ltd. for \$40.

Community Futures Grande Prairie & Region

Notes to the Financial Statements

March 31, 2015

5. Capital Assets

	2015		2014	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Furniture and fixtures	\$ 47,160	\$ 42,055	\$ 47,160	\$ 40,779
Computer equipment	31,056	28,962	31,056	28,065
Computer software	7,790	7,790	17,835	10,045
Leasehold improvements	102,131	102,131	102,131	102,131
	<u>\$ 188,137</u>	<u>\$ 180,938</u>	<u>\$ 198,182</u>	<u>\$ 181,020</u>
Net book value		<u>\$ 7,199</u>		<u>\$ 17,162</u>

6. Revolving Loan

	2015	2014
Loan payable to CFNA	<u>\$ 2,740,000</u>	<u>\$ 2,000,000</u>

The loan has a stated interest rate of the RBC prime rate and is secured by a promissory note and a general security agreement covering all assets of the Organization. The maximum loan amount available is \$2,750,000. The loan is payable on demand and matures in November 2018.

Interest rate risk:

Floating rate debt is subject to interest rate cash flow risk, as the required cash flows to service debt will fluctuate as a result of changes in market interest rate.

7. Deferred Revenue

Deferred revenue is comprised of the following:

	2015	2014
Northern Alberta Youth Entrepreneurship Camp	\$ 23,298	\$ 43,298
Ventures - Youth Entrepreneurship Project	-	20,475
	<u>\$ 23,298</u>	<u>\$ 63,773</u>

Community Futures Grande Prairie & Region

Notes to the Financial Statements

March 31, 2015

8. Investment Funds Payable

Investment funds payable consist of funds advanced from the Western Economic Diversification (WED) Fund that are repayable on dissolution of Community Futures Grande Prairie & Region. Interest would be payable at the Bank of Canada rate plus 3%. As it is highly unlikely that dissolution would occur, no interest amount has been accrued in these financial statements. The investment funds payable balance consists of the following:

	Regular	Disabled	2015 Total	2014 Total
Balance, beginning of year	\$ 173,165	\$ 107,248	\$ 280,413	\$ 280,413
Write off of delinquent loans	(63,458)	-	(63,458)	-
Balance, end of year	\$ 109,707	\$ 107,248	\$ 216,955	\$ 280,413

Under the agreement with Western Economic Diversification, when loans are considered uncollectable, the loan amount reduces the investment payable respectively. Since the balance payable is non-interest bearing and it is unknown when the balance will be repaid, the fair value of the balance is less than the carrying amount. Management has determined that it is not practicable within the constraints of timeliness or cost to reliably measure the actual fair value.

9. Inter-fund Transfers

Transfers authorized by the Board of Directors were \$99,604 (2014 - \$65,480) from the Non-Repayable Regular Investment Fund to the Operating Fund to be used to cover operating expenditures. For the prior year transfer, the Organization submitted a request to Western Economic Diversification and approval was received during that year.

10. Funding

Community Futures Grande Prairie & Region has been formally re-selected as a Community Futures Project by the Department of Western Economic Diversification. Community Futures Grande Prairie & Region has contracts in place for funding until March 31, 2018. Contracts for renewal are approved annually upon review of operations.

In the event that Community Futures Grande Prairie & Region's contract is not renewed, Community Futures Grande Prairie & Region may cease operations and its loan portfolio will be transferred to another agency.

11. Economic Dependence

The Organization received 45% of its operating grant revenue from the federal department of Western Economic Diversification, 31% from Alberta Human Services, 13% from the Peace Wapiti School Division and the balance by way of outside contracts including other levels of government and fee for service programs.

Community Futures Grande Prairie & Region

Notes to the Financial Statements

March 31, 2015

12. Guarantee

The Organization has guaranteed \$150,000 customer loan that as not been included in the loan security deposits (Note 2).

13. Comparative Figures

Certain comparative figures have been reclassified in order to conform with the current year financial presentation.

Community Futures Grande Prairie & Region

Schedule of General and Administrative Expenses - Operating Fund

For the year ended March 31	2015	2014
Amortization	\$ 9,963	\$ 2,877
Advertising	7,363	8,620
Bad debts	3,060	3,750
Bank charges	2,646	2,646
Books and publications	176	449
Career Practitioner project	85,517	100,873
CEDO and special projects:		
- Agri Business Conference	2,796	3,620
- Business Workshops	27,424	-
- Business Incubator	5,000	-
- Career Workshops	83,479	90,911
- Innovation Conference	52,236	17,639
- Northern Alberta Youth Entrepreneur Camp	5,000	44,971
- Seminars	15,480	6,462
- Ventures/NADC	8,403	179
Consulting fees	37,778	42,812
Credit investigation	3,245	4,581
Equipment rental	14,455	12,404
Insurance	3,465	4,865
Office	9,585	12,028
Postage and freight	1,669	2,414
Professional fees	23,027	24,176
Rent	68,358	62,232
Repairs and maintenance	19,416	17,375
Self-employment program	-	95,852
Telephone	16,269	18,027
Travel and conferences:		
- board travel	6,476	3,515
- staff travel	28,807	27,100
- conference and training	8,201	5,734
Wages and benefits	313,460	260,234
	<u>\$ 862,754</u>	<u>\$ 876,346</u>

