

**COMMUNITY FUTURES ST. PAUL - SMOKY LAKE REGION**  
**Financial Statements**  
**Year Ended March 31, 2019**



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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Community Futures St. Paul - Smoky Lake Region

### *Opinion*

We have audited the financial statements of Community Futures St. Paul - Smoky Lake Region (the Organization), which comprise the statement of financial position as at March 31, 2019, and the statements of revenues and expenditures, 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 our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2019, and the results of its 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 those 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:

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Independent Auditor's Report to the Members of Community Futures St. Paul - Smoky Lake Region *(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.

*Carlson Roberts Seely LLP.*

Drayton Valley, Alberta  
June 20, 2019

CHARTERED PROFESSIONAL ACCOUNTANTS

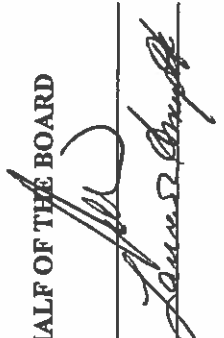
**COMMUNITY FUTURES ST. PAUL - SMOKY LAKE REGION**  
**Statement of Financial Position**  
**March 31, 2019**

	General Fund 2019	Restricted Non- repayable 2019	Restricted Repayable 2019	Restricted Disabled 2019	Total 2019	Total 2018
<b>ASSETS</b>						
<b>CURRENT</b>						
Cash (Note 4)	\$ 162,052	\$ 512,200	\$ 192,326	\$ 19,738	\$ 886,316	\$ 877,485
Term deposits (Note 4)	-	-	-	-	-	34,459
GST and accounts receivable	2,225	-	-	-	2,225	4,770
Current portion of investment loans receivable (Note 6)	-	159,806	185,934	25,033	370,773	452,593
Prepaid expenses	4,683	-	-	-	4,683	4,683
Inter-fund receivable (Note 3)	24,095	180,714	-	35,048	239,857	-
	193,055	852,720	378,260	79,819	1,503,854	1,373,990
<b>PROPERTY, PLANT AND EQUIPMENT (Net of accumulated amortization) (Note 5)</b>	228	-	-	-	228	684
<b>LOANS AND NOTES RECEIVABLE (Note 6)</b>	-	744,398	1,201,127	218,058	2,163,583	2,103,028
	\$ 193,283	\$ 1,597,118	\$ 1,579,387	\$ 297,877	\$ 3,667,665	\$ 3,477,702

**COMMUNITY FUTURES ST. PAUL - SMOKY LAKE REGION**  
**Statement of Financial Position**  
**March 31, 2019**

	General Fund 2019	Restricted Non- repayable 2019	Restricted Repayable 2019	Restricted Disabled 2019	Total 2019	Total 2018
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT</b>						
Accounts payable and accrued liabilities	\$ 13,760	-	-	-	\$ 13,760	\$ 13,760
Interest payable	-	-	-	-	-	367
Deferred revenue (Note 7)	34,580	-	-	-	34,580	-
Inter-fund payable (Note 3)	-	-	239,857	-	239,857	-
Callable debt due in one year (Note 8)	-	-	375,000	-	375,000	500,000
Current portion of long term debt (Note 9)	-	-	8,557	-	8,557	116,561
	48,340	-	623,414	-	671,754	630,688
<b>LONG TERM DEBT (Note 9)</b>	-	-	99,611	-	99,611	-
	48,340	-	723,025	-	771,365	630,688
<b>NET ASSETS (Notes 11, 12)</b>	144,943	1,597,118	856,362	297,877	2,896,300	2,847,014
	\$ 193,283	\$ 1,597,118	\$ 1,579,387	\$ 297,877	\$ 3,667,665	\$ 3,477,702

**ON BEHALF OF THE BOARD**

  
 Director  
 Director

**COMMUNITY FUTURES ST. PAUL - SMOKY LAKE REGION**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2019**

	Total	Total
	2019	2018
<b>REVENUES</b>		
Federal contracts	\$ 294,963	\$ 294,963
Investment interest	175,809	181,852
Community Futures (RCED)	9,336	15,475
Projects and other	8,424	8,428
Bank interest	5,376	2,205
Loan fees and cost recoveries	4,320	7,496
	<u>498,228</u>	<u>510,419</u>
<b>EXPENSES</b>		
Salaries and wages	216,382	208,110
Bad debts	99,978	40,868
Rent	30,922	31,000
Interest on CFNA loan	16,213	15,353
Office	14,069	13,719
Advertising and promotion	10,324	6,485
Professional fees	9,495	10,401
Telephone, utilities, and internet	8,830	8,997
Staff exercises	7,827	7,558
Interest on long term debt	7,567	8,481
Board member expenses	6,733	9,501
Projects	6,437	9,930
Professional development	5,739	5,842
Insurance	2,392	2,330
Bank charges and interest	2,256	2,265
Non-recoverable GST	2,225	2,410
Video conferencing	1,097	1,079
Amortization	456	456
	<u>448,942</u>	<u>384,785</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>\$ 49,286</u>	<u>\$ 125,634</u>

**COMMUNITY FUTURES ST. PAUL - SMOKY LAKE REGION**

**Statement of Changes in Net Assets**

**Year Ended March 31, 2019**

	General Fund 2019	Restricted Non- repayable 2019	Restricted Repayable 2019	Restricted Disabled 2019	Total 2019	Total 2018
<b>NET ASSETS - BEGINNING OF YEAR</b>						
Excess of revenues over expenses	\$ 140,359	\$ 1,645,066	\$ 783,250	\$ 278,339	\$ 2,847,014	\$ 2,721,380
Interest transfer	(7,974)	(35,390)	73,112	19,538	49,286	125,634
	12,558	(12,558)	-	-	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 144,943</b>	<b>\$ 1,597,118</b>	<b>\$ 856,362</b>	<b>\$ 297,877</b>	<b>\$ 2,896,300</b>	<b>\$ 2,847,014</b>

**Breakdown of Net Assets**

**Year Ended March 31, 2019**

	General Fund 2019	Restricted Non- repayable 2019	Restricted Repayable 2019	Restricted Disabled 2019	Total 2019	Total 2018
Original contributions	\$ -	\$ 581,497	\$ 600,000	\$ 200,000	\$ 1,381,497	\$ 1,381,497
Earned net assets	144,943	1,015,621	256,362	97,877	1,514,803	1,465,517
	\$ 144,943	\$ 1,597,118	\$ 856,362	\$ 297,877	\$ 2,896,300	\$ 2,847,014