

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Non-Consolidated Financial Statements**

**Year Ended March 31, 2020**

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

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**Year Ended March 31, 2020**

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## INDEPENDENT AUDITOR'S REPORT

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To the Board of Directors of Community Futures Development Corporation of Thompson Country

### Opinion

We have audited the non-consolidated financial statements of Community Futures Development Corporation of Thompson Country (the Corporation), which comprise the non-consolidated statement of financial position as at March 31, 2020, and the non-consolidated statements of changes in fund balances, revenues and expenses and cash flows for the year then ended, 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 Corporation as at March 31, 2020, and the non-consolidated results of its operations and non-consolidated 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 Corporation in accordance with 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.

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

Management is responsible for the preparation and fair presentation of the 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 Corporation'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 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 Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated 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:

(continues)

Independent Auditor's Report to the Members of Community Futures Development Corporation of Thompson Country *(continued)*

- Identify and assess the risks of material misstatement of the non-consolidated 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 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 significant doubt on the Corporation'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 non-consolidated 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 Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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.



Kamloops, British Columbia  
July 17, 2020

CHARTERED PROFESSIONAL ACCOUNTANTS

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Non-Consolidated Statement of Financial Position**

**March 31, 2020**

	<b>Operating Fund</b>	<b>SE Fund</b>	<b>ESC Fund</b>	<b>Investment Funds <i>(Schedule 1)</i></b>	<b>Capital Fund</b>	<b>Total 2020</b>	<b>Total 2019</b>
<b>ASSETS</b>							
<b>CURRENT</b>							
Cash	\$ 66,265	\$ 124,891	\$ 809,462	\$ 1,131,647	\$ -	\$ 2,132,265	\$ 1,065,885
Accounts receivable <i>(Note 4)</i>	40,229	80,607	400,338	-	-	521,174	228,546
Interest receivable	-	-	-	30	-	30	244
Prepaid expenses	457	-	4,790	-	-	5,247	5,642
	106,951	205,498	1,214,590	1,131,677	-	2,658,716	1,300,317
LOANS RECEIVABLE, NET <i>(Note 5)</i>	-	-	-	1,590,771	-	1,590,771	2,101,299
INVESTMENT IN SUBSIDIARY <i>(Note 6)</i>	156,170	-	-	-	-	156,170	150,392
DUE FROM SUBSIDIARY <i>(Note 7)</i>	-	-	672,646	-	-	672,646	580,146
TANGIBLE CAPITAL ASSETS <i>(Note 8)</i>	-	-	-	-	62,827	62,827	70,138
	\$ 263,121	\$ 205,498	\$ 1,887,236	\$ 2,722,448	\$ 62,827	\$ 5,141,130	\$ 4,202,292
<b>LIABILITIES</b>							
<b>CURRENT</b>							
Accounts payable and accrued liabilities <i>(Note 9)</i>	\$ 42,147	\$ 7,317	\$ 125,857	\$ 2,609	\$ -	\$ 177,930	\$ 111,141
Government remittances payable <i>(Note 10)</i>	9,423	-	49,285	-	-	58,708	19,497
Unused project funds <i>(Note 12)</i>	108,926	-	-	-	-	108,926	110,256
SIDIT payable <i>(Note 13)</i>	-	-	-	38,946	-	38,946	47,265
Callable debt <i>(Note 11)</i>	-	-	-	100,000	-	100,000	-
	160,496	7,317	175,142	141,555	-	484,510	529,051
Callable debt due thereafter <i>(Note 11)</i>	-	-	-	333,333	-	333,333	-
	160,496	7,317	175,142	474,888	-	817,843	288,159
GOVERNMENT ASSISTANCE <i>(Note 14)</i>	-	-	-	526,669	-	526,669	526,669
	160,496	7,317	175,142	1,001,557	-	1,344,512	814,828
<b>NET ASSETS</b>							
EXTERNALLY RESTRICTED FUND BALANCES <i>(Note 15)</i>	-	-	-	1,650,000	-	1,650,000	1,650,000
FUND BALANCES	102,625	198,181	1,712,094	70,891	62,827	2,146,618	1,737,464
	102,625	198,181	1,712,094	1,720,891	62,827	3,796,618	3,387,464
	\$ 263,121	\$ 205,498	\$ 1,887,236	\$ 2,722,448	\$ 62,827	\$ 5,141,130	\$ 4,202,292

COMMITMENTS *(Note 16)*

SUBSEQUENT EVENTS *(Note 21)*

See notes to financial statements

## COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY

## Non-Consolidated Statement of Changes in Fund Balances

Year Ended March 31, 2020

	Operating Fund	SE Fund	ESC Fund	Investment Funds	Capital Fund	Total 2020	Total 2019
<b>FUND BALANCES - BEGINNING OF YEAR</b>	\$ 124,826	\$ 220,444	\$ 1,219,644	\$ 102,412	\$ 70,138	\$ 1,737,464	\$ 1,529,350
<b>TANGIBLE CAPITAL ASSET PURCHASES</b>	-	-	-	-	36,897	<b>36,897</b>	64,033
<b>AMORTIZATION</b>	-	-	-	-	(44,208)	<b>(44,208)</b>	(20,995)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	(22,201)	(22,263)	492,450	(31,521)	-	<b>416,465</b>	165,076
<b>FUND BALANCES - END OF YEAR</b>	\$ 102,625	\$ 198,181	\$ 1,712,094	\$ 70,891	\$ 62,827	\$ <b>2,146,618</b>	\$ 1,737,464

Approved on behalf of the Board of Directors

*Lindsay Bilkey* \_\_\_\_\_ Director

*Ken White* \_\_\_\_\_ Director

See notes to financial statements

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Non-Consolidated Statement of Revenues and Expenses**

**For the Year Ended March 31, 2020**

	<b>Operating Fund</b>	<b>SE Fund <i>(Schedule 4)</i></b>	<b>ESC Fund <i>(Schedule 3)</i></b>	<b>Investment Funds <i>(Schedule 2)</i></b>	<b>Capital Fund</b>	<b>Total 2020</b>	<b>Total 2019</b>
<b>REVENUES</b>							
Federal Government contributions	\$ 295,131	\$ -	\$ -	\$ -	\$ -	\$ 295,131	\$ 295,128
Interest from deposits	2,170	-	-	-	-	2,170	3,720
Loan processing fee revenue	4,570	-	-	-	-	4,570	22,855
Management fees <i>(Note 17)</i>	95,000	-	-	-	-	95,000	76,000
Other	4,526	-	-	-	-	4,526	12,018
Regional Co-operatives	177	-	-	-	-	177	157
Income from subsidiary <i>(Note 6)</i>	5,778	-	-	-	-	5,778	21,512
Junior Dragons Den	13,284	-	-	-	-	13,284	12,500
Wildfire business transition project <i>(Note 12)</i>	1,330	-	-	-	-	1,330	94,345
Investment Funds <i>(Schedule 2)</i>	-	-	-	165,197	-	165,197	143,576
Employment Services Centre (ESC) <i>(Schedule 3)</i>	-	-	2,969,765	-	-	2,969,765	1,500,025
Open Door Group Service Agreement (ODG) <i>(Schedule 4)</i>	-	137,542	-	-	-	137,542	218,540
	<b>421,966</b>	<b>137,542</b>	<b>2,969,765</b>	<b>165,197</b>	<b>-</b>	<b>3,694,470</b>	<b>2,400,376</b>
<b>EXPENSES</b>							
Accounting and legal	29,293	-	-	-	-	29,293	15,877
Advertising	11,553	-	-	-	-	11,553	11,602
Capital purchases	6,965	-	-	-	-	6,965	5,237
Community support projects	15,139	-	-	-	-	15,139	12,517
Conferences	4,099	-	-	-	-	4,099	2,378
Consulting	75	-	-	-	-	75	5,100
Insurance	2,102	-	-	-	-	2,102	4,928
Interest and bank charges	2,801	-	-	-	-	2,801	2,552
Office	33,849	-	-	-	-	33,849	33,287
Rent	25,865	-	-	-	-	25,865	25,865
Repairs and maintenance	36,188	-	-	-	-	36,188	37,818
Telephone and utilities	14,307	-	-	-	-	14,307	17,704
Travel and training	9,559	-	-	-	-	9,559	7,663
Wages and employee benefits	240,816	-	-	-	-	240,816	250,059
Junior Dragons Den	11,556	-	-	-	-	11,556	1,584
Wildfire business transition project <i>(Note 12)</i>	-	-	-	-	-	-	94,345
Investment Funds <i>(Schedule 2)</i>	-	-	-	196,718	-	196,718	137,707
Employment Services Centre (ESC) <i>(Schedule 3)</i>	-	-	2,477,315	-	-	2,477,315	1,367,405
Employment Services Centre (ESC) - Other Items <i>(Schedule 3)</i>	-	-	-	-	-	-	5,000
Open Door Group Service Agreement (ODG) <i>(Schedule 4)</i>	-	159,805	-	-	-	159,805	196,672
	<b>444,167</b>	<b>159,805</b>	<b>2,477,315</b>	<b>196,718</b>	<b>-</b>	<b>3,278,005</b>	<b>2,235,300</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (22,201)</b>	<b>\$ (22,263)</b>	<b>\$ 492,450</b>	<b>\$ (31,521)</b>	<b>\$ -</b>	<b>\$ 416,465</b>	<b>\$ 165,076</b>

See notes to financial statements

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Non-Consolidated Statement of Cash Flows**

**Year Ended March 31, 2020**

	<b>Operating Fund</b>	<b>SE Fund</b>	<b>ESC Fund</b>	<b>Investment Funds</b>	<b>Capital Fund</b>	<b>Total 2020</b>	<b>Total 2019</b>
<b>OPERATING ACTIVITIES</b>							
Excess (deficiency) of revenues over expenses	\$ (22,201)	\$ (22,263)	\$ 492,450	\$ (31,521)	\$ -	\$ 416,465	\$ 165,076
Item not affecting cash:							
Income from subsidiary <i>(Note 6)</i>	(5,778)	-	-	-	-	(5,778)	(21,512)
	(27,979)	(22,263)	492,450	(31,521)	-	410,687	143,564
Changes in non-cash working capital <i>(Note 18)</i>	(14,462)	(51,942)	(221,863)	(115)	-	(288,382)	(188,022)
Cash flows from (used by) operating activities	(42,441)	(74,205)	270,587	(31,636)	-	122,305	(44,458)
<b>INVESTING ACTIVITIES</b>							
Decrease (increase) in loans receivable	-	-	-	510,528	-	510,528	(411,654)
Decrease (increase) in interest receivable	-	-	-	214	-	214	11
Cash flows from (used by) investing activities	-	-	-	510,742	-	510,742	(411,643)
<b>FINANCING ACTIVITIES</b>							
Proceeds from CFBC promissory note	-	-	-	500,000	-	500,000	-
Repayment of long term debt	-	-	-	-	-	-	(201,553)
Repayment of callable debt	-	-	-	(66,667)	-	(66,667)	-
Cash flows used by financing activities	-	-	-	433,333	-	433,333	(201,553)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	(42,441)	(74,205)	270,587	912,439	-	1,066,380	(657,654)
<b>CASH - BEGINNING OF YEAR</b>	108,706	199,096	538,875	219,208	-	1,065,885	1,723,539
<b>CASH - END OF YEAR</b>	\$ 66,265	\$ 124,891	\$ 809,462	\$ 1,131,647	\$ -	\$ 2,132,265	\$ 1,065,885

See notes to financial statements



# COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY

## Notes to Non-Consolidated Financial Statements

Year Ended March 31, 2020

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### 1. GENERAL

Community Futures Development Corporation of Thompson Country (the "Corporation") was incorporated under the Canada Corporations Act on March 31, 1995 without share capital. As a not-for-profit Corporation, the Corporation is exempt from income tax. The Corporation serves communities in the Thompson Country catchment area and operates out of Kamloops, B.C.

The Corporation entered into agreements with Western Economic Diversification ("WD") whereby investment funds and contributions are provided to support their purpose. The purpose of the Corporation is to assist the unemployed, the under-employed and employers to develop projects and services which are designed to provide employment opportunities and to remove employment barriers. This will be accomplished by identifying the viable employment development investment opportunities in the Thompson Country area, and providing counselling and financial and technical assistance necessary to develop such opportunities. The Corporation is also involved in delivering and administering programs geared to strengthen economic development initiatives within the communities it serves.

A significant portion of the Corporation's revenue is derived from the Federal and Provincial Government. In the Operating Fund, the revenue is primarily from WD to deliver various economic development programs. The contributions received from WD account for 69.94% (2019 - 54.83%) of total Operating Fund revenues in the current year. The current agreement expires on March 31, 2021. The renewal is currently in negotiations as at the date of this report.

### 2. COVID-19 PANDEMIC

The COVID-19 global outbreak was declared a pandemic by the World Health Organization in March 2020. The negative impact of COVID-19 in Canada and on the global economy has been significant. The global pandemic has disrupted economic activities and supply chains resulting in governments worldwide, and in Canada and its provinces, enacting emergency measures to combat the spread of the virus and protect the economy. These measures, which include social distancing, the implementation of travel bans and closures of non-essential businesses, have caused material disruption to businesses globally and in British Columbia resulting in an economic slowdown.

The accompanying financial statements have been prepared on the going concern assumption that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of operations. These financial statements have been prepared upon conditions existing as at March 31, 2020 and considering those events occurring subsequent to that date, that provide evidence of conditions that existed at that date. Although the disruption from the pandemic is expected to be temporary, given the dynamic nature of these circumstances, the duration and severity of the disruption to the Corporation and related financial impact cannot be reasonably estimated at this time. The Corporation's offices have temporarily closed to the public. Certain locations are available to staff while other staff choose to work from home according to COVID-19 office safety protocol options. A new telecommuting policy was implemented in order to continue operations for those working from home and to handle the temporary closure of the Kamloops, B.C. office location due to renovations subsequent to the year-end (*Note 21*).

As a result, we are unable to estimate the potential impact on the Corporation's operations as at the date of these financial statements. However, given the majority of the Corporation's funding is from provincial contracts with WD and WorkBC and there are agreements in place, there is no reason to believe this funding is not going to continue into the foreseeable future.

COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY

Notes to Non-Consolidated Financial Statements

Year Ended March 31, 2020

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) **Basis of Presentation**

The non-consolidated financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

(b) **Fund Accounting**

Community Futures Development Corporation of Thompson Country follows the restricted fund method of accounting for contributions.

Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Current funds in use are as follows:

**Operating Fund**

To account for the Corporation's financial resources, program delivery and administrative activities. This includes all loan expenses related to the ongoing management and administration of the loan fund such as staff salaries, credit reports, audit and legal fees related to the approval and monitoring of a loan.

**SE Fund**

To account for the Corporation's subcontract services provided to an external self-employment contract.

**Employment Services Centre (ESC) Fund**

To account for the contract held in three British Columbia locations, Merritt, Lillooet and Ashcroft, for employment programming services for the Employment Program of British Columbia.

**Capital Fund**

To account for all tangible capital assets of the Corporation.

**Investment Funds**

To account for loan funds (Investment, Investment II, Youth Investment, Community Business Program Investment, and Disabled Investment) received. The loan funds consist of contributions from WD or related entities for helping new and existing enterprises through promoting economic development in the community by providing assistance to small businesses in the form of loans in accordance with the requirements of the agreement with WD. This fund also includes contributions to the Conditionally Repayable Investment Funds.

(c) **Cash**

The Corporation's policy is to disclose bank balances under cash, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn.

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COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY

Notes to Non-Consolidated Financial Statements

Year Ended March 31, 2020

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

(d) Use of Estimates

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 non-consolidated 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.

Examples of significant estimates include:

- providing for amortization of tangible capital assets;
- the estimated useful lives of tangible capital assets;
- the allowance for impaired loans;
- the recoverability of tangible capital assets; and
- the recoverability of loans.

(e) Investment in Subsidiary

The Corporation issues only non-consolidated financial statements and its investment in its wholly owned subsidiary, TCK Holdings Ltd., is accounted for using the equity method (*Note 6*).

Under the equity method, the investment is initially recorded at cost and is increased for the share of any post-acquisition earnings and is decreased by any post-acquisition losses.

(f) Tangible Capital Assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful life on a straight-line basis over the following years:

Furniture, fixtures and equipment	5 years
Computer equipment and software	2 years
Leasehold improvements	5 years

The Corporation regularly reviews its tangible capital assets to eliminate obsolete items.

*(continues)*

COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY

Notes to Non-Consolidated Financial Statements

Year Ended March 31, 2020

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

**(g) Revenue Recognition**

Community Futures Development Corporation of Thompson Country follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

The annual WD contributions are recognized as revenue in the year specified in the agreement with WD.

Interest on loans to clients is recognized as revenue of the applicable Investment Fund when received or receivable. Interest is not accrued on loans which have been classified as impaired.

Other revenue including management fees, other contract revenue, interest from deposits and loan processing fees are recognized when received.

The Wildfire revenues are recognized when received.

**(h) Loans Receivable**

The loans receivable represent the outstanding principal at year end and are stated at net realizable value.

The Corporation has accounted for credit risk, as defined in *(Note 5)*, by establishing allowances for impaired loans and netting the allowances against the carrying value of certain impaired loans. The establishment of the allowance for impaired loans relies on the judgement of management, on historical precedent and expectations as to the future collections. It is reasonably possible that changes in future conditions could require a material change in the recognized amount of the allowance for impaired loans.

Therefore, loans are considered impaired as soon as collection of the full principal and interest on the loan becomes doubtful. The allowance for losses on loans is determined on the basis of historical allowance requirements and specific loans which, in management's opinion, may not be fully collectible. Amounts considered uncollectible are written off through operating expenses and written down to the fair market value of any security held in the appropriate loan fund in the applicable period.

Loans are secured by one, or a combination, of debentures, personal guarantees, promissory notes, general security agreements, mortgages and other charges on property.

The allowance for loan impairment is provided for through specific identification. Management has evaluated all loans in arrears with any risk of loss. Specific loans are written off when they are identified by management as uncollectible.

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COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY

Notes to Non-Consolidated Financial Statements

Year Ended March 31, 2020

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

(i) Financial Instruments Policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

*Measurement of Financial Instruments*

The Corporation initially measures its financial assets and liabilities at fair value.

The Corporation subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost includes cash, accounts receivable, interest receivable and loans receivable.

Financial liabilities measured at amortized cost includes the callable debt, accounts payable, SIDIT payable, unused project funds, Government assistance.

*Impairment*

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenues over expenses.

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2020**

**4. ACCOUNTS RECEIVABLE**

	<u>2020</u>	<u>2019</u>
<b>Operating Fund</b>		
GST rebate	\$ 3,735	\$ 4,675
General	1,000	911
Receivable from Employment Services Centre (ESC) Fund	28,178	10,809
Receivable from Investment Funds	-	270
Receivable from SE Fund	7,316	9,315
	<u>40,229</u>	<u>25,980</u>
<b>SE Fund</b>		
GST rebate	107	90
General	80,500	20,903
Receivable from Employment Services Centre (ESC) Fund	-	12,829
	<u>80,607</u>	<u>33,822</u>
<b>Employment Services Centre (ESC) Fund</b>		
Province of BC - Employment Services Centre (ESC) Contract	356,919	159,686
Province of BC - Community and Employer Partnerships	43,419	-
	<u>400,338</u>	<u>159,686</u>
<b>Investment Funds</b>		
Charges receivable	-	9,058
	<u>-</u>	<u>9,058</u>
	<u>\$ 521,174</u>	<u>\$ 228,546</u>

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2020**

**5. LOANS RECEIVABLE, NET**

	<u>2020</u>	<u>2019</u>
<b>Investment Fund</b>		
Loans receivable	\$ 1,813,116	\$ 2,185,956
Less: allowance for loan impairment	<u>(444,821)</u>	<u>(615,780)</u>
	<b>\$ 1,368,295</b>	<b>\$ 1,570,176</b>
<b>Investment II Fund</b>		
Loans receivable	\$ 68,755	\$ 104,587
Less: allowance for loan impairment	<u>(25,352)</u>	<u>(49,536)</u>
	<b>\$ 43,403</b>	<b>\$ 55,051</b>
<b>Youth Investment Fund</b>		
Loans receivable	\$ 144,058	\$ 195,672
Less: allowance for loan impairment	<u>-</u>	<u>(21,519)</u>
	<b>\$ 144,058</b>	<b>\$ 174,153</b>
<b>Community Business Program Investment Fund</b>		
Loans receivable	\$ 109,473	\$ 232,105
Less: allowance for loan impairment	<u>(74,458)</u>	<u>-</u>
	<b>\$ 35,015</b>	<b>\$ 232,105</b>
<b>Disabled Entrepreneur Investment Fund</b>		
Loans receivable	\$ 2,426	\$ 72,890
Less: allowance for loan impairment	<u>(2,426)</u>	<u>(3,076)</u>
	<b>\$ -</b>	<b>\$ 69,814</b>
<b>Total</b>		
Loans receivable	\$ 2,137,828	\$ 2,791,210
Less: allowance for loan impairment	<u>(547,057)</u>	<u>(689,911)</u>
	<b>\$ 1,590,771</b>	<b>\$ 2,101,299</b>

*(continues)*

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2020**

**5. LOANS RECEIVABLE, NET (continued)**

Loans receivable are due in monthly payments including interest and principal. Some loans start as interest-only payments for a few months. The loans bear interest at rates established by contract varying from 5.70% to 10.50%. The minimum interest rate that can be charged is generally the bank prime rate plus 2.00%. Certain underperforming loans have been subsequently restructured to bring the interest rates as low as 0.00%. The scheduled maturities range from a period of less than one year to a maximum of five years. Security is taken on these loans as appropriate to the situation and includes personal guarantees, general security agreements covering business assets and mortgages on land and building. The Corporation's revenue may be significantly impacted by the varying interest rates available.

During the year, there were three loan balances over \$150,000.

The allowance for loan impairment as a percentage of total loans is 25.59% (2019 - 24.72%).

A significant portion of the loans are to individuals or corporations involved in or starting a small business and as such, the Corporation is exposed to all of the risks associated with that segment of the industry.

According to management, the COVID-19 pandemic has affected the loans receivable and allowance for loan impairment was considered and factored into the estimates.

During the year, there were the following changes in the allowance for loan impairment that reduced the balance of the loans receivable:

**ALLOWANCE FOR LOAN IMPAIRMENT**

	<u>2020</u>	<u>2019</u>
<b>Investment Fund</b>		
Beginning balance	\$ 615,780	\$ 443,564
New provisions during the year	157,032	173,961
Reversals during the year	(327,260)	(1,745)
Recovered during the year	(731)	-
	<hr/>	<hr/>
Ending balance	\$ 444,821	\$ 615,780
	<hr/>	<hr/>
	<u>2020</u>	<u>2019</u>
<b>Investment II Fund</b>		
Beginning balance	\$ 49,536	\$ 28,352
New provisions during the year	(24,184)	22,784
Reversals during the year	-	(1,600)
Recovered during the year	-	-
	<hr/>	<hr/>
Ending balance	\$ 25,352	\$ 49,536
	<hr/>	<hr/>

*(continues)*



**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2020**

**5. LOANS RECEIVABLE, NET (continued)**

	<u>2020</u>	<u>2019</u>
<b>Youth Investment Fund</b>		
Beginning balance	\$ 21,970	\$ -
New provisions during the year	-	21,519
Reversals during the year	(21,970)	(69,290)
Recovered during the year	-	69,290
	<hr/>	<hr/>
Ending balance	\$ -	\$ 21,519
	<hr/>	<hr/>
<b>Community Business Program Investment Fund</b>		
Beginning balance	\$ -	\$ -
New provisions during the year	74,458	16,937
Reversals during the year	-	(16,937)
Recovered during the year	-	-
	<hr/>	<hr/>
Ending balance	\$ 74,458	\$ -
	<hr/>	<hr/>
<b>Disabled Entrepreneur Investment Fund</b>		
Beginning balance	3,076	4,795
New provisions during the year	-	-
Reversals during the year	(650)	(1,719)
Recovered during the year	-	-
	<hr/>	<hr/>
Ending balance	\$ 2,426	\$ 3,076
	<hr/>	<hr/>

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2020**

**6. INVESTMENT IN SUBSIDIARY**

	<u>2020</u>	<u>2019</u>
<b>TCK Holdings Ltd.</b>		
Balance, beginning of year	\$ 150,392	\$ 128,880
Net income for the year	<u>5,778</u>	<u>21,512</u>
Balance, end of year	<u>\$ 156,170</u>	<u>\$ 150,392</u>

The Corporation owns 100% of the shares of the subsidiary. The Corporation and TCK Holdings Ltd. share the same Board.

TCK Holdings Ltd. was incorporated under the Business Corporations Act of British Columbia on May 22, 2012.

TCK Holdings Ltd. owns the building and land in Merritt, B.C. that services the Employment Services Centre (ESC) contract.

The amounts below have not been consolidated into these non-consolidated financial statements. Financial summaries of the subsidiary as at March 31, 2020 and March 31, 2019 and for the years then ended are as follows:

	<u>2020</u>	<u>2019</u>
Assets	<u>\$ 1,247,949</u>	<u>\$ 1,241,699</u>
Liabilities	<u>1,091,778</u>	<u>1,091,307</u>
Shareholder's equity	<u>156,171</u>	<u>150,392</u>
	<u>\$ 1,247,949</u>	<u>\$ 1,241,699</u>

	<u>2020</u>	<u>2019</u>
Revenues	\$ 87,933	\$ 100,933
Expenses	<u>82,155</u>	<u>79,421</u>
Net income for the year	<u>\$ 5,778</u>	<u>\$ 21,512</u>
Cash flows from operating activities	\$ 25,526	\$ 53,964
Cash flows from financing activities	<u>5,945</u>	<u>(82,155)</u>
Net cash outflow	<u>\$ 31,471</u>	<u>\$ (28,191)</u>

**7. DUE FROM SUBSIDIARY**

The amount due from TCK Holdings Ltd. is non-interest bearing, unsecured and has no specified terms of repayment.

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2020**

**8. TANGIBLE CAPITAL ASSETS**

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
<b>Operating</b>				
Furniture, fixtures, and equipment	\$ 39,602	\$ 35,085	\$ 4,517	\$ 1,159
Computer equipment and software	95,370	92,181	3,189	7,155
<b>ESC Contract</b>				
Furniture, fixtures, and equipment	31,766	7,996	23,770	1,123
Computer equipment and software	132,118	104,610	27,508	60,073
Leasehold improvements	24,699	20,856	3,843	628
	<u>\$ 323,555</u>	<u>\$ 260,728</u>	<u>\$ 62,827</u>	<u>\$ 70,138</u>

**9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2020	2019
<b>Operating Fund</b>		
Audit accrual	\$ 15,000	\$ 15,000
General	14,427	12,365
Vacation payable	12,720	14,320
	<u>42,147</u>	<u>41,685</u>
<b>SE Fund</b>		
General	-	3,159
Payable to Operating Fund	7,317	9,315
	<u>7,317</u>	<u>12,474</u>
<b>Employment Services Centre (ESC) Fund</b>		
Audit accrual	14,000	14,000
General	74,970	11,473
Payable to Operating Fund	28,178	10,809
Payable to SE Fund	-	12,829
Vacation payable	8,709	4,408
	<u>125,857</u>	<u>53,519</u>
<b>Investment Funds</b>		
Payable to Operating Fund	-	270
Miscellaneous	2,609	3,193
	<u>2,609</u>	<u>3,463</u>
	<u>\$ 177,930</u>	<u>\$ 111,141</u>

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2020**

**10. GOVERNMENT REMITTANCES PAYABLE**

	<u>2020</u>	<u>2019</u>
<b>Operating Fund</b>		
Employee deductions payable	\$ 9,423	\$ 9,690
 <b>Employment Services Centre (ESC) Fund</b>		
Employee deductions payable	11,849	6,308
GST payable	37,436	3,499
	<u>49,285</u>	<u>9,807</u>
	<u>\$ 58,708</u>	<u>\$ 19,497</u>

**11. CALLABLE DEBT**

	<u>2020</u>	<u>2019</u>
Community Futures Development Association of British Columbia loan bearing interest at 3.95% per annum, repayable in monthly payments of \$8,333 plus interest. The loan matures on July 1, 2025 and is secured by general security agreement and first specific fixed charge on the loan accounts receivable of Community Futures Development Corporation of Thompson Country which has a carrying value of \$1,590,771. Loan is callable on demand	\$ 433,333	\$ -
Principal due in one year	<u>(100,000)</u>	<u>-</u>
	<u>\$ 333,333</u>	<u>\$ -</u>

Principal repayment terms are approximately:

2021	\$ 100,000
2022	100,000
2023	100,000
2024	100,000
2025	33,333
	<u>\$ 433,333</u>

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2020**

**12. UNUSED PROJECT FUNDS**

	<u>2020</u>	<u>2019</u>
<b>Operating Fund</b>		
<u>Wildfire Relief</u>		
Opening balance	\$ 84,332	\$ 84,332
Funds spent	-	-
Ending balance	<u>84,332</u>	<u>84,332</u>
 <u>Wildfire Business Transition Project</u>		
Opening balance	1,330	90,377
Funds received	-	5,298
Funds spent	<u>(1,330)</u>	<u>(94,345)</u>
Ending balance	<u>-</u>	<u>1,330</u>
 <u>Federal Government (WD)</u>		
Opening balance	24,594	-
Funds received	295,131	24,594
Funds spent	<u>(295,131)</u>	<u>-</u>
Ending balance	<u>24,594</u>	<u>24,594</u>
	<u>\$ 108,926</u>	<u>\$ 110,256</u>

**13. SIDIT (SOUTHERN INTERIOR DEVELOPMENT INITIATIVE TRUST) PAYABLE**

	<u>2020</u>	<u>2019</u>
Funds are loaned to the Corporation in order to partner in client loans. Principal repayments proportionate to SIDIT's involvement in client loans, as well as a portion of the interest earned on the client loans are paid to SIDIT on a quarterly basis. SIDIT bears the risk on the loan in proportion to their involvement	\$ 38,946	\$ 47,265

**14. GOVERNMENT ASSISTANCE**

**Investment II Fund**

In 1998, the Corporation received a repayable contribution in the amount of \$150,000 from the Government of Canada to administer, through the Investment Fund, loans, loan guarantees and equity participation in small businesses. Effective April 2001, the contribution became conditionally repayable. Conditionally repayable contributions made by WD are non-interest bearing, unsecured, and repayable upon 60-days notice in the event of default, as defined in the contribution agreement. WD Conditionally Repayable Contributions are subject to certain conditions as stipulated in the contribution agreement.

**Youth Investment Fund**

In 1996, the Corporation received a repayable contribution in the amount of \$200,000 from the Government of Canada to administer, through the Youth Investment Fund, loans, loan guarantees and equity participation in businesses owned and operated by youths. Effective April 2001, the contribution became conditionally repayable. Conditionally repayable contributions made by WD are non-interest bearing, unsecured, and repayable upon 60-days notice in the event of default, as defined in the contribution agreement. WD Conditionally Repayable Contributions are subject to certain conditions as stipulated in the contribution agreement.

**Disabled Entrepreneur Investment Fund**

In 1998, the Corporation received a repayable contribution in the amount of \$200,000 from the Government of Canada to administer, through the Disabled Entrepreneur Investment Fund, loans, loan guarantees and equity participation in businesses owned and operated by disabled entrepreneurs. Effective April 2001, the contribution became conditionally repayable. In 1999, the repayable amount was reduced by \$23,331 to \$176,669. Conditionally repayable contributions made by WD are non-interest bearing, unsecured, and repayable upon 60-days notice in the event of default, as defined in the contribution agreement. WD Conditionally Repayable Contributions are subject to certain conditions as stipulated in the contribution agreement.

**15. EXTERNALLY RESTRICTED FUND BALANCES**

**Investment Fund**

Thompson Enterprise Centre Society, a predecessor to the Corporation, received a \$1,400,000 grant from the Government of Canada to administer, through the Investment fund, loans, loan guarantees and equity participation in order to create new small businesses and to expand, stabilize and protect existing businesses resulting in the generation and maintenance of employment. This grant was transferred to the Corporation as part of an asset transfer agreement on March 31, 1995. As a condition of funding, the Corporation agrees to retain its non-profit status and to continue to administer the Investment Fund in conformity with criteria outlined in the original contribution agreement. Upon dissolution of the Corporation, any assets to which the Minister contributed, remaining after payment of debts and liabilities, and any records necessary to deliver the Program, can be transferred to another organization with similar objectives, as approved by the Minister.

**Community Business Program Investment Fund**

In 1996, the Corporation received a contribution in the amount of \$250,000 from Forest Renewal British Columbia which was matched by \$250,000 in funding transferred from the Corporation's Investment Fund. The \$500,000 in funds are to be used by the Corporation to provide loans to businesses in the forest, aquaculture, manufacturing or tourism sector, or businesses that are developing or using clean or renewable energy, or are developing innovative technology, or are beginning the export of goods or services from British Columbia. As a condition of the funding, the Corporation has agreed to administer the funds in accordance with the contribution agreement. If these conditions are not met, the agreement will be terminated and the funds will be disbursed as described in the terms of the contribution agreement.

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2020**

**16. COMMITMENTS**

The Corporation rents office space in Kamloops, B.C. from its subsidiary under a long term lease which expires July 31, 2019. There is an option to extend the lease a further two years, which has been accepted and included in the future minimum payments below. Future minimum lease payments for the use of office space will aggregate \$50,468 over the next two years:

2021	\$	25,234
2022		<u>25,234</u>
	\$	<u>50,468</u>

The Corporation rents office space in Merritt, B.C. from its subsidiary under a long term lease which expires July 31, 2019. There is an option to extend the lease a further three years, which has been accepted and included in the future minimum payments below. Future minimum lease payments for the use of office space will aggregate \$137,142 over the next two years:

2021	\$	68,571
2022		<u>68,571</u>
	\$	<u>137,142</u>

The Corporation rents office space in Ashcroft, B.C. under a long term lease which expires March 31, 2024. There is an option to extend the lease a further two years. Future minimum lease payments for the use of office space will aggregate \$123,816 over the next four years:

2021	\$	30,954
2022		30,954
2023		30,954
2024		<u>30,954</u>
	\$	<u>148,356</u>

The Corporation rents office space in Lillooet, B.C. under a lease which expires March 31, 2021. Future minimum lease payments for the use of office space will aggregate \$24,540 over the next year.

**17. MANAGEMENT FEES**

	<u>2020</u>	<u>2019</u>
<b>Operating Fund</b>		
Employment Services Centre (ESC) Contract	\$ <b>95,000</b>	\$ 76,000



**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2020**

**18. CHANGES IN NON-CASH WORKING CAPITAL**

	<u>2020</u>	<u>2019</u>
<b>Operating Fund</b>		
Accounts receivable	\$ (14,249)	\$ 72,955
Accounts payable and accrued liabilities	462	(19,776)
Government remittances payable	(267)	1,533
Prepaid expenses	922	2,073
Unused project funds	<u>(1,330)</u>	<u>(64,452)</u>
	<u>(14,462)</u>	<u>(7,667)</u>
<b>SE Fund</b>		
Accounts receivable	(46,785)	(13,593)
Accounts payable and accrued liabilities	<u>(5,157)</u>	<u>(2,860)</u>
	<u>(51,942)</u>	<u>(16,453)</u>
<b>ESC Fund</b>		
Accounts receivable	(240,652)	(85,145)
Accounts payable and accrued liabilities	72,338	(56,147)
Due from subsidiary	(92,500)	-
Government remittances payable	39,478	(4,573)
Prepaid expenses	<u>(527)</u>	<u>(2,278)</u>
	<u>(221,863)</u>	<u>(148,143)</u>
<b>Investment Funds</b>		
Accounts receivable	9,058	(7,441)
Accounts payable and accrued liabilities	(854)	(703)
SIDIT payable	<u>(8,319)</u>	<u>(7,615)</u>
	<u>(115)</u>	<u>(15,759)</u>
	<u>\$ (288,382)</u>	<u>\$ (188,022)</u>

**19. REGISTERED RETIREMENT SAVINGS PLAN CONTRIBUTIONS**

The Corporation matches employee contributions to a Registered Retirement Savings Plan ("RRSP") up to 5.00%. The employer contributions for the year were \$28,783 (2019 - \$26,025). The Corporation does not have any further obligations in respect of these contributions.

**20. RELATED PARTY TRANSACTIONS**

Included in the expenses of the Corporation for the year was rent paid to its wholly owned subsidiary, TCK Holdings Ltd., in the amount of \$84,190 (2019 - \$84,205).

Transactions with related parties are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

## 21. SUBSEQUENT EVENTS

The following events occurred subsequent to the fiscal year end:

### **Regional Relief and Recovery Fund Loan Agreement (Promissory Note Payable)**

Subsequent to the year-end, the Corporation received a promissory note payable from Community Futures Development Corporation of B.C. in the principal sum of \$500,000 with the option of an additional advance of \$250,000 if required for a total of \$750,000 under the Regional Relief and Recovery Loan Fund. The promissory note is non-interest bearing and is due on demand. Any outstanding principal must be repaid by December 31, 2025. The purpose of this promissory note is to obtain additional funds to support eligible Canadian Small and Medium-Sized Enterprises within the Corporation's region.

### **Office Renovations (Kamloops, B.C.)**

Subsequent to the year-end, the Corporation, the Kamloops, B.C. head office commenced renovations on the exterior and interior of the building for various repairs and building additions and enhancements including accessible workspaces on the ground level budgeted at \$263,636 plus GST. The anticipated completion will be in September or October 2020.

## 22. FINANCIAL INSTRUMENTS

The Corporation is exposed to various risks through its financial instruments. The following analysis provides information about the Corporation's risk exposure and concentration as of March 31, 2020.

### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's main credit risks relate to its accounts receivable, interest receivable, due from subsidiary and loans receivable. The Corporation is also exposed to credit risk from its bank accounts being held at financial institutions only being insured up to \$100,000 per account. The Corporation provides credit to its clients in the normal course of business. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The balance of the allowance for doubtful accounts as of March 31, 2020 was \$nil (2019 - \$nil).

### **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 Corporation manages exposure through its normal operating and financing activities. The Corporation 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 Corporation is not exposed to significant other price risks arising from these financial instruments.

COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY

Statement of Financial Position - Investment Funds

(Schedule 1)

Year Ended March 31, 2020

	Investment Fund	Investment II Fund	Youth Investment Fund	Community Business Program Investment Fund	Disabled Investment Fund	Total 2020	Total 2019
<b>ASSETS</b>							
<b>CURRENT</b>							
Cash	\$ 791,177	\$ 34,396	\$ 54,086	\$ 164,470	\$ 87,518	\$ 1,131,647	\$ 219,208
Accounts receivable (Note 4)	-	-	-	-	-	-	9,058
Interest receivable	30	-	-	-	-	30	244
	791,207	34,396	54,086	164,470	87,518	1,131,677	228,510
LOANS RECEIVABLE, NET (Note 5)	1,368,295	43,403	144,058	35,015	-	1,590,771	2,101,299
	\$ 2,159,502	\$ 77,799	\$ 198,144	\$ 199,485	\$ 87,518	\$ 2,722,448	\$ 2,329,809
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities (Note 9)	\$ 2,609	\$ -	\$ -	\$ -	\$ -	\$ 2,609	\$ 3,463
SIDIT payable (Note 13)	38,946	-	-	-	-	38,946	47,265
	41,555	-	-	-	-	41,555	50,728
GOVERNMENT ASSISTANCE (Note 14)	-	150,000	200,000	-	176,669	526,669	526,669
	41,555	150,000	200,000	-	176,669	568,224	577,397
<b>NET ASSETS</b>							
EXTERNALLY RESTRICTED FUND BALANCES (Note 15)	1,400,000	-	-	250,000	-	1,650,000	1,650,000
FUND BALANCES (DEFICIENCIES)	717,947	(72,201)	(1,856)	(50,515)	(89,151)	504,224	102,412
	2,117,947	(72,201)	(1,856)	199,485	(89,151)	2,154,224	1,752,412
	\$ 2,159,502	\$ 77,799	\$ 198,144	\$ 199,485	\$ 87,518	\$ 2,722,448	\$ 2,329,809

See notes to financial statements

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Statement of Revenues and Expenses - Investment Funds**

*(Schedule 2)*

**Year Ended March 31, 2020**

	<b>Investment Fund</b>	<b>Investment II Fund</b>	<b>Youth Investment Fund</b>	<b>Community Business Program Investment Fund</b>	<b>Disabled Investment Fund</b>	<b>Total 2020</b>	<b>Total 2019</b>
<b>REVENUES</b>							
Interest from deposits	\$ 8,129	\$ 408	\$ 641	\$ 1,892	\$ 1,344	\$ 12,414	\$ 7,049
Interest from loans	122,962	4,449	11,843	13,353	176	<b>152,783</b>	136,527
	<u>131,091</u>	<u>4,857</u>	<u>12,484</u>	<u>15,245</u>	<u>1,520</u>	<b>165,197</b>	143,576
<b>EXPENSES</b>							
Interest on long term debt	-	-	-	-	-	-	10,616
Interest on callable debt	12,398	-	-	-	-	<b>12,398</b>	-
Professional fees	1,328	-	-	-	-	<b>1,328</b>	550
Reserve for loan impairment provisions and write-offs (recovery)	110,584	(1,400)	-	74,458	(650)	<b>182,992</b>	126,541
	<u>124,310</u>	<u>(1,400)</u>	<u>-</u>	<u>74,458</u>	<u>(650)</u>	<b>196,718</b>	137,707
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ 6,781</b>	<b>\$ 6,257</b>	<b>\$ 12,484</b>	<b>\$ (59,213)</b>	<b>\$ 2,170</b>	<b>\$ (31,521)</b>	<b>\$ 5,869</b>

See notes to financial statements

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Statement of Revenues and Expenses - Employment Services Centre (ESC)**

*(Schedule 3)*

**Year Ended March 31, 2020**

	2020	2019
<b>REVENUES</b>		
Fixed operating fee contributions	\$ 1,448,801	\$ 656,760
Financial support and purchased service contributions	842,999	329,295
Outcome fees	427,950	8,075
Community employer partnership contributions	123,596	-
Variable service fee contributions	-	444,135
Labour market partnership contributions	76,619	-
Client milestone fees	38,550	-
Administrative fees	-	25,000
Miscellaneous revenue	2,515	27,683
Interest from deposits	8,735	9,077
<b>TOTAL REVENUES</b>	<b>2,969,765</b>	<b>1,500,025</b>
<b>EXPENSES</b>		
<b>Fixed Operating Fee Expenses</b>		
Accounting and legal	25,063	14,000
Advertising	10,492	20,969
Capital purchases	29,932	58,796
Insurance	2,150	1,990
Interest and bank charges	2,085	946
Office	147,616	87,063
Rent	112,866	58,340
Repairs and maintenance	11,674	9,123
Telephone	26,795	9,742
Utilities	13,836	6,698
Wages and benefits	790,099	269,678
	<b>1,172,608</b>	<b>537,345</b>
<b>Variable Service Fee Expenses</b>		
Variable service fees	-	250,000
Wages and benefits	-	101,840
	<b>-</b>	<b>351,840</b>

*(continues)*

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**

**Statement of Revenues and Expenses - Employment Services Centre (ESC) (continued)**

**(Schedule 3)**

**Year Ended March 31, 2020**

	2020	2019
<b>Financial Support and Purchased Service Expenses</b>		
Dependent care expenses	6,430	117
Disability support	14,897	20,035
Food costs	401	1,593
Job search	7,232	4,853
Job start	43,457	22,759
Living supports	452,063	105,603
Training support	322,502	158,196
Transportation support	72,808	16,498
Wage subsidy support	46,805	27,324
	<u>966,595</u>	<u>356,978</u>
<b>Administrative Expenses</b>		
AGM expenses	1,222	-
Conference expenses	5,391	1,231
General manager business development	928	1,900
Labour market partnership	74,663	-
Management fee - self employment	20,000	27,500
Management fees (Note 17)	95,000	76,000
Marketing	1,849	20
Moving expenses	860	-
Outcome fees	-	1,839
Staff events	3,859	1,958
Subcontract	103,933	-
Training for staff and board	7,753	2,370
Travel for staff and board	22,654	8,424
	<u>338,112</u>	<u>121,242</u>
<b>TOTAL EXPENSES</b>	<u>2,477,315</u>	<u>1,367,405</u>
<b>EXCESS OF REVENUES OVER EXPENSES BEFORE OTHER ITEMS</b>	<u>492,450</u>	<u>132,620</u>
<b>OTHER ITEMS</b>		
Expenses - Community support projects	-	(5,000)
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>\$ 492,450</u>	<u>\$ 127,620</u>

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THOMPSON COUNTRY**  
**Statement of Revenues and Expenses - Open Door Group Service Agreement (ODG) - SE Fund**  
*(Schedule 4)*  
**Year Ended March 31, 2020**

	2020	2019
<b>REVENUES</b>	<b>\$ 137,542</b>	<b>\$ 218,540</b>
<b>EXPENSES</b>		
Administrative fees	-	18,768
Advertising	2,783	3,134
Interest and bank charges	131	131
Office	1,125	2,753
Professional fees	1,380	2,344
Telephone	700	550
Travel and promotion	494	2,974
Wages and benefits	153,192	166,018
	<b>159,805</b>	<b>196,672</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (22,263)</b>	<b>\$ 21,868</b>