

COMMUNITY FUTURES WEST INTERLAKE INC.

FINANCIAL STATEMENTS

For the year ended March 31, 2023

COMMUNITY FUTURES WEST INTERLAKE INC.
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STATEMENT OF RESPONSIBILITY

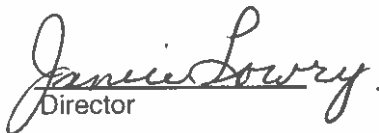
To the Members of Community Futures West Interlake:

Management is responsible for preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the organization. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the organization's external auditors.

Sensus Chartered Professional Accountants Ltd., an independent firm of Chartered Professional Accountants, is appointed by the Board to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and Management to discuss their audit findings.


Director

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of:
Community Futures West Interlake Inc.
Ashern, Manitoba

Qualified Opinion

We have audited the financial statements of Community Futures West Interlake Inc., which comprise the statements of financial position as at March 31, 2023 and the statement of operations, statement of changes in fund balances, and statements of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis of Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of Community Futures West Interlake Inc. as at March 31, 2023, 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 Qualified Opinion

As discussed in Note 2 to the financial statements, capital asset purchases are expensed in the year of acquisition and no provision is made for amortization. The organization no longer qualifies for the exemption under Part III, section 4433.03 of the CPA Handbook which allows small organizations to expense capital assets upon acquisition. The organization has not recorded any capital assets or set a provision for amortization which constitutes a departure from Canadian accounting standards for not-for-profit organizations. This is the result of a policy chosen by the Board and has caused us to qualify our opinion on these financial statements.

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 Community Futures West Interlake Inc. in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

During our audit we were able to obtain reasonable assurance that the corporation is in compliance with its agreement with Western Economic Diversification of Canada ("WED") - Contribution Agreement - Project No. 6187.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Community Futures West Interlake Inc.'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 Community Futures West Interlake Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Community Futures West Interlake Inc.'s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

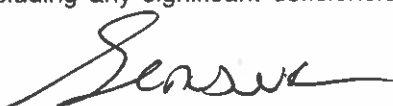
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 auditing standards, we exercise our professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 Community Futures West Interlake Inc.'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 Community Futures West Interlake Inc.'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 Community Futures West Interlake Inc. 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.

Brandon, Manitoba
June 21, 2023



Chartered Professional Accountants Ltd.

COMMUNITY FUTURES WEST INTERLAKE INC.

STATEMENT OF FINANCIAL POSITION

As at March 31, 2023

	Administration Fund	Regular Investment Fund	WED Investment/ Youth Fund	WED Disability Fund	Regional Relief and Recovery Fund	Total
						2023
						2022
ASSETS						
Current Assets						
Cash (Note 3)	\$ 191,562	\$ 1,759,089	\$ 258,820	\$ 115,062	\$ 276,929	\$ 2,421,596
Accounts receivable (Note 4)	2,863	9,603	27,161	540	40,167	36,875
Current portion of loans receivable (Note 9)		118,397	145,038	29,837	1,511,563	218,705
Prepays	3,993				3,993	4,780
Due from Administration			8		8	30
	198,418	1,887,089	431,027	145,439	1,788,492	2,681,986
Loans receivable (Note 9)		541,854	660,502	117,343	2,807,190	5,824,268
Community Futures Investment Fund (Note 2)		435,159	200,097	111,644	746,900	724,802
	\$ 198,418	\$ 2,864,102	\$ 1,291,626	\$ 374,426	\$ 4,595,682	\$ 9,324,254
						\$ 9,231,056
LIABILITIES						
Current Liabilities						
Accounts payable (Note 5)	\$ 46,480	\$	\$	\$	\$	\$ 46,480
Due to Administration	8					8
Due to WED investment/youth fund	46,488				46,488	41,855
Repayable to WED (Note 10)			424,352	199,744	624,096	624,096
Repayable funds - RRRF (Note 11)	137,160			4,589,235	4,726,395	4,790,118
	183,648		424,352	199,744	4,589,235	5,396,979
						5,456,069
FUND BALANCES						
Unrestricted Fund (Note 2)	14,770				14,770	11,262
Externally restricted fund (Note 2)		1,020,000			1,020,000	1,020,000
Internally restricted fund (Note 2)		1,844,102	867,274	174,682	6,447	2,892,505
	14,770	2,864,102	867,274	174,682	6,447	3,927,275
	\$ 198,418	\$ 2,864,102	\$ 1,291,626	\$ 374,426	\$ 4,595,682	\$ 9,324,254
						\$ 9,231,056

COMMUNITY FUTURES WEST INTERLAKE INC.

STATEMENT OF OPERATIONS

For the year ended March 31, 2023

	Administration Fund		Regular Investment Fund		WED Investment/ Youth Fund		WED Disability Fund		Regional Relief and Recovery Fund		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
REVENUES												
Contribution from WED	\$ 295,321	\$ 295,321	\$	\$	\$	\$	\$	\$	\$	\$	\$ 295,321	\$ 295,321
Interest earned - loans			39,585	41,911	44,360	40,491	5,548	1,080			89,493	83,482
Interest earned - banks			59,050	22,934	10,707	4,729	5,251	3,206	5,300	372	80,308	31,241
Loan forgiveness									63,723	20,000	63,723	20,000
Rural Opportunities Funding	49,470	200,223									49,470	200,223
Other income	2,625	3,931									2,625	3,931
Recovery of bad debts							2,620	1,081			2,620	1,081
Contract services	1,684	8,000									1,684	8,000
Regional development strategy		372										372
	\$ 349,100	\$ 507,847	\$ 98,635	\$ 64,845	\$ 55,067	\$ 45,220	\$ 13,419	\$ 5,367	\$ 69,023	\$ 20,372	\$ 585,244	\$ 643,651
EXPENSES												
Accounting and legal	\$ 5,125	\$ 4,754	\$	\$	\$	\$	\$	\$	\$	\$	\$ 5,125	\$ 4,754
Advertising	1,505	1,153									1,505	1,153
Board member	3,776	1,946									3,776	1,946
Client costs	429	400									429	400
Community development projects	20,000	20,000									20,000	20,000
Insurance	5,724	4,811									5,724	4,811
Interest and bank charges	1,601	1,683				34					1,601	1,717
Loan forgiveness									63,722	20,000	63,722	20,000
Micro Loan Rebate						400					400	400
Office	10,131	19,813									10,131	19,813
Provision for doubtful loans												
Rent	6,977	6,977									6,977	6,977
Repairs and maintenance	515	558									515	558
RRRF - COVID-19	1,625	6,275									1,625	6,275
Special projects - ROF	49,500	195,525									49,500	195,525
Special projects - public relations	75	4,297									75	4,297
Staff	4,303	2,892									4,303	2,892
Subscriptions and memberships	55	350									55	350
Telephone	5,742	5,496									5,742	5,496
Training and professional development	6,790	10,810									6,790	10,810
Utilities	1,689	1,467									1,689	1,467
Wages and Benefits	240,030	249,103									240,030	249,103
	365,592	538,310			3,642	2,344			63,722	20,000	432,956	560,654
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (16,492)	\$ (30,463)	\$ 98,635	\$ 64,845	\$ 51,425	\$ 42,876	\$ 13,419	\$ 5,367	\$ 5,301	\$ 372	\$ 152,288	\$ 82,997

COMMUNITY FUTURES WEST INTERLAKE INC.

STATEMENT OF CHANGES IN FUND BALANCES

For the year ended March 31, 2023

	Administration		Regular Investment Fund		WED Investment/ Youth Fund		WED Disability Fund	
	2023	2022	2023	2022	2023	2022	2023	2022
Balance, beginning of year	\$ 11,262	\$ 26,725	\$ 2,785,467	\$ 2,735,622	\$ 815,849	\$ 772,973	\$ 161,263	\$ 155,896
Excess (deficiency) of revenue over expenses	(16,492)	(30,463)	98,635	64,845	51,425	42,876	13,419	5,367
Transfers (Note 14)	20,000	15,000	(20,000)	(15,000)				
Balance, end of year	\$ 14,770	\$ 11,262	\$ 2,864,102	\$ 2,785,467	\$ 867,274	\$ 815,849	\$ 174,682	\$ 161,263

Regional Relief and Recovery Fund

	Total	
	2023	2022
Balance, beginning of year	\$ 1,146	\$ 774
Excess (deficiency) of revenue over expenses	5,301	372
Transfers (Note 14)		
Balance, end of year	\$ 6,447	\$ 1,146

Balance, beginning of year	\$ 1,146	\$ 774	\$ 3,774,987	\$ 3,691,990
Excess (deficiency) of revenue over expenses	5,301	372	152,288	82,997
Transfers (Note 14)				
Balance, end of year	\$ 6,447	\$ 1,146	\$ 3,927,275	\$ 3,774,987

COMMUNITY FUTURES WEST INTERLAKE INC.

STATEMENT OF CASH FLOWS

For the year ended March 31, 2023

	Administration		Regular Investment Fund		WED Investment/ Youth Fund		WED Disability Fund		Regional Relief and Recovery Fund		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES												
Cash receipts from clients	\$ 80,354	\$ 89,263	\$ (5,625)	\$ 1,760	\$ (3,817)	\$ 3,028	\$ 2,196	\$ 4,885	\$ 63,723	\$ 20,000	\$ 136,831	\$ 118,936
Cash paid to suppliers and employees	(358,549)	(536,037)	(20,000)	(15,000)	(3,642)	(5,344)			(63,722)	(20,000)	(445,913)	(576,381)
Grants received	295,321	295,321	98,635	64,845	55,067	45,220	10,799	4,286	5,300	372	169,801	114,723
Interest received	(1,601)	(1,683)									(1,601)	(1,683)
Interest paid	(22)	476									(22)	476
Change in due to/from funds					22	(630)	154				22	(476)
Change in due to/from Administration					47,630	42,274	12,995	9,325	5,301	372	154,439	(49,084)
	15,503	(152,660)	73,010	51,605	47,630	42,274	12,995	9,325	5,301	372	154,439	(49,084)
CASH FLOWS FROM INVESTING ACTIVITIES												
Change in loans receivable			(90,228)	300,252	112,766	(235,841)	(130,494)	6,499	219,204	(713,300)	111,248	(642,390)
Change in due to/from Administration			(13,860)	(7,971)	(5,727)	96,331	(2,511)	(1,381)			(22,098)	86,979
			(104,088)	292,281	107,039	(139,510)	(133,005)	5,118	219,204	(713,300)	89,150	(555,411)
CASH FLOWS FROM FINANCING ACTIVITIES												
Change in Repayable to WED									(63,723)	372,958	(63,723)	372,958
Change in Repayable fund - RRRF									(63,723)	372,958	(63,723)	372,958
	15,503	(15,500)	(31,078)	343,886	154,669	(97,236)	(120,010)	14,443	160,782	(339,970)	179,866	(94,377)
CASH, BEGINNING OF YEAR	176,059	191,559	1,790,167	1,446,281	104,151	201,387	235,072	220,629	116,147	456,117	2,421,596	2,515,973
CASH, END OF YEAR	\$ 191,562	\$ 176,059	\$ 1,759,089	\$ 1,790,167	\$ 258,820	\$ 104,151	\$ 115,062	\$ 235,072	\$ 276,929	\$ 116,147	\$ 2,601,462	\$ 2,421,596

COMMUNITY FUTURES WEST INTERLAKE INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2023

1. ENTITY DEFINITION

Community Futures West Interlake Inc. (the "corporation") is a community based organization that provides loans and financial services to small businesses in the West Interlake Region of Manitoba that are otherwise unable to obtain suitable financing and also provide community economic development services. The program which is being funded by the community futures program, was formed to foster the economic development of the region. The corporation was incorporated under the Manitoba Companies Act as a non-profit organization on August 19, 1989. The corporation is exempt from income taxes under the Income Tax Act paragraph 149(1)(d) as a non-profit organization.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The following are considered to be the more significant policies:

Capital assets

Capital assets are expensed on acquisition. Capital assets held include computers, computer software, and office furniture. During the year there was no capital purchases.

Community futures investment fund

The corporation has entered into a cash pooling agreement with Community Futures Investment Fund (the "CFIF") and has transferred monies plus accumulated interest possessed and beneficially owned by the corporation. Such monies will be administered under the control and supervision of the persons authorized to do so in accordance with the terms of the agreement. The monies shall comprise all monies advanced from time to time by the corporation to the CFIF, together with interest thereon, less any fees, expenses and other charges of the CFIF in accordance with the terms of the agreement.

Revenue recognition

The corporation follows the restricted fund method of accounting for contributions. Unrestricted contributions are recognized as revenue of the administration fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. All other restricted contributions are recognized as revenue of the administration fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Interest and all other revenues are recorded as income when earned. All other restricted contributions are recognized as revenue of the appropriate fund.

Government transfers

Government transfers, which include federal, provincial, and municipal grants are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met except when, and to the extent that, the transfer gives rise to an obligation that meets the definition of a liability.

Nature of fund balances

Unrestricted fund

The unrestricted fund accounts for the corporation's program delivery and administrative activities. This fund reports unrestricted resources and operating grants. The unrestricted fund consists of the Administration Fund.

COMMUNITY FUTURES WEST INTERLAKE INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Nature of fund balances (continued)

Internally restricted fund

The internally restricted fund consists of funds to be used for the purpose of local employment through loans, loan guarantees, and equity investment. The internally restricted fund consists of the regular investment fund, WED investment fund/youth, WED disability fund, and the Regional Relief and Recovery fund.

The regular investment fund and WED investment fund/youth provides loans, loan guarantees, or equity investments to a maximum of \$150,000. This fund requires a minimum equity of 10.0% in the business and has repayment terms up to five years with a maximum amortization period of ten years. Interest charged consists of bank prime rate plus 2.0% to 4.0% with a minimum base rate of 6.5%.

The WED disability fund offers business services to people with disabilities or health conditions and provides loans to a maximum of \$150,000. This fund requires a minimum equity of 10% in the business and has flexible repayment terms, designed for a client's specific needs. Interest charged consists of bank prime with a minimum base rate of 5%.

The Regional Relief and Recovery Fund ("RRRF") was established to provide financing to support rural communities and small and medium sized enterprises to enable their recovery from economic disruptions associated with the COVID-19 pandemic. The receipt of monies was received through the Government of Canada's Regional Relief and Recovery Fund.

Externally restricted fund

The externally restricted fund consists of grants from WED to be used for the purpose of local employment through loans, loan guarantees, and equity investments. The externally restricted fund is part of the regular investment fund.

Use of estimates

The preparation of financial statements in accordance 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Significant estimates consist of allowances on doubtful loans. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Financial instruments

Community Futures West Interlake Inc. 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 include cash, accounts receivable, loans receivable and the Community Futures Investment Fund.

Financial liabilities measured at amortized cost include accounts payable, repayable to WED, and repayable funds - RRRF.

COMMUNITY FUTURES WEST INTERLAKE INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2023

3. CASH

The corporation has a line of credit with Access Credit Union Ltd. in the amount of \$40,000. The interest rate charged on the line of credit was 6.70% (2022 - 2.95%). Secured by the investment fund.

4. ACCOUNTS RECEIVABLE

	2023	2022
Administration:		
GST	\$ 2,863	\$ 2,938
Community Futures Manitoba		6,500
	<u>2,863</u>	<u>9,438</u>
Regular Investment Fund- accrued interest	<u>9,603</u>	3,978
WED Investment/Youth Fund - accrued interest	<u>27,161</u>	23,343
WED Disability Fund - accrued interest	<u>540</u>	116
	<u>\$ 40,167</u>	<u>\$ 36,875</u>

5. ACCOUNTS PAYABLE

	2023	2022
Administration:		
Accrued vacation	\$ 28,682	\$ 23,897
Trade	17,798	17,928
	<u>\$ 46,480</u>	<u>\$ 41,825</u>

6. ALLOWANCE FOR DOUBTFUL LOANS

The Board of Directors and management have agreed upon and created an account for potential doubtful accounts. The need for an allowance has been determined through a review process in accordance with management's judgment of the credit worthiness of the individual borrowers. Loans determined to be uncollectible will be offset against the allowance for doubtful loans. As the collectability of loans included in the allowance is indeterminable, interest has only been accrued on the loans management has determined should be collected in the future. Loan write-offs for the 2023 fiscal year total \$0 (2022 - \$0.)

7. ECONOMIC DEPENDENCE

Community Futures West Interlake Inc. receives 85% (2022 - 58%) of its administration fund revenue from WED, a sub-division of the federal government and is economically dependent on it. The present contract the corporation has with WED will expire on March 31, 2026.

COMMUNITY FUTURES WEST INTERLAKE INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2023

8. FINANCIAL INSTRUMENTS

The corporation is exposed to various risks through its financial instruments.

Credit risk

The corporation provides credit to its clients through lending loans in the normal course of its operations. It carries out, on a continuing basis, credit checks and obtains security on these clients and on occasion has bad debts.

For grants receivable, the corporation assesses, on a continuous basis amounts receivable on the basis of amounts it is virtually certain to receive based on their estimated realizable value.

Liquidity risk

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they become due. It stems from the possibility of a delay in realizing the fair value of financial instruments.

The corporation manages its liquidity by constantly monitoring cash flows and financial liability matures, and by holding assets that can be readily converted to cash.

Trade accounts payable are generally paid within one month of receipt of invoice.

Interest rate risk

The corporation is exposed to interest rate risk on its floating interest rate financial instruments. Floating rate financial subject the corporation to a cash flow risk. The corporation is exposed to this type of risk as a result of investments held in the Community Futures Investment Fund. However, the risk associated with the investments are reduced to a minimum due to maintaining a balanced portfolio.

9. LOANS RECEIVABLE

	RRRF	Regular Investment Fund	WED Investment Fund/Youth	WED Disability	2023 Total	2022 Total
Loans	\$ 4,318,753	\$ 660,251	\$ 959,719	\$ 190,730	\$ 6,129,453	\$ 6,239,678
Current portion	(1,511,563)	(118,397)	(145,038)	(29,837)	(1,804,835)	(218,705)
	2,807,190	541,854	814,681	160,893	4,324,618	6,020,973
Allowance for doubtful loans (Note 6)			(154,179)	(43,550)	(197,729)	(196,705)
	\$ 2,807,190	\$ 541,854	\$ 660,502	\$ 117,343	\$ 4,126,889	\$ 5,824,268

All loans issued by the corporation have been for the purpose represented by the Board of Directors in its corporate mandate.

The regular investment fund and WED investment fund/youth provides loans, loan guarantees, or equity investments to a maximum of \$150,000. There were two loans that exceeded the \$150,000 limit. One from the regular investment fund issued in the 2014 fiscal year in the amount of \$230,000 and one from the WED investment/youth fund issued in the 2021 fiscal year in the amount of \$250,000.

COMMUNITY FUTURES WEST INTERLAKE INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2023

10. REPAYABLE TO WED

The corporation is in receipt of monies from the Government of Canada to provide loans to specific groups in their mandate area. These monies were distributed for the following purposes:

Term and repayment:

- 1) \$525,000 to provide a repayable investment fund.
- 2) \$200,000 to provide a repayable disabled persons investment fund.

The repayment commencement date has not been determined under the terms and conditions of the agreement with the Government of Canada.

	WED Investment Fund / Youth	WED Disability	2023 Total	2022 Total
Principal	\$ 525,000	\$ 200,000	\$ 725,000	\$ 725,000
Accumulated loss realized	(100,648)	(256)	(100,904)	(100,904)
	\$ 424,352	\$ 199,744	\$ 624,096	\$ 624,096

The amount repayable may be adjusted as the outstanding loans in this fund are not fully collected at this time. Future losses that have not been realized may require an offset adjustment against the outstanding commitment.

COMMUNITY FUTURES WEST INTERLAKE INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2023

11. REPAYABLE FUNDS - REGIONAL RELIEF AND RECOVERY FUND (RRRF)

Regional Relief and Recovery Fund:

The corporation is in receipt of monies from the Government of Canada's Regional Relief and Recovery Fund through the Community Futures Investment Fund Inc. (CFIF) to provide financing to support rural communities and small and medium sized enterprises to enable their recovery from economic disruptions associated with the COVID-19 pandemic. Total loan advances received was \$4,672,958 and the full amount was loaned out as of year end.

Term and repayment:

- i. From disbursement until December 31, 2023, no principal payments of the loan will be required.
- ii. All loan proceeds received that have not been loaned to business entities by June 30, 2021 are to be returned to the CFIF.
- iii. CFIF will not be requiring repayment of its loans prior to January 1, 2024.
- iv. Repayable balance will be reduced by any loan write-offs or allowance for doubtful loan receivable determined by the management of the corporation on or before January 1, 2024 and reasonable costs charges and expenses incurred by the corporation in connection with enforcing payment of any monies or in performance of any other obligation owing under any Secondary Loan.
- v. Outstanding loan amount must be repaid in full by December 31, 2025.

	2023	2022
Amount initially advanced	\$ 4,672,958	\$ 4,672,958
Less: total amount forgiven to date	83,723	20,000
	4,589,235	4,652,958

Administration:

The organization has entered into a loan agreement with Community Futures Investment Fund Regional Relief and Recovery Fund program to borrow funds to be used for RRRF Investment Fund administration costs. The RRRF Investment Fund administration costs include, but are not limited to RRRF loans aftercare, monitoring, collections, and related administration costs deemed reasonable, incremental, and directly attributable to support RRRF loan clients and loan recovery. It is incurred and charged to the borrower's RRRF Investment Fund. Total loan advances received was \$137,160.

Term and repayment:

- i. From disbursement until December 31, 2025, no principal payments of the loan will be required.
- ii. The remaining balance of the loan advanced be repaid by the Borrower to the Lender, as calculated by the Lender from time to time, shall be the total of: (i) the principal advanced; less (ii) less any of the loan used for operating costs related to RRRF loan aftercare and assisting SMEs in their communities in response to COVID-19.
- iii. Outstanding loan amount must be repaid in full by December 31, 2025.
- iv. All amounts be payable in Canadian Dollars.

	2023	2022
Amount initially advanced	137,160	137,160
Total Repayable Fund	\$ 4,726,395	\$ 4,790,118

COMMUNITY FUTURES WEST INTERLAKE INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2023

12. RELATED PARTIES

During the year, the corporation received grants from WED, a sub-division of the federal government which has significant influence over the corporation in the amount of \$295,321 (2022 - \$295,321). The corporation also has a loan receivable from a board member and family of a board member in the amount of \$100,000 (2022 - \$100,000) through the RRRF. These transactions are in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed by the related parties), which approximates the arm's length equivalent value.

13. BUDGET

The budget figures presented for comparative purposes for the administrative fund are those approved by the Board of Directors and are unaudited. There was no budget figures presented for the investment fund.

14. INTERFUND TRANSFERS

The administrative fund transferred \$0 (2022 - \$0) to the regular investment fund. The regular investment fund transferred \$20,000 (2022 - \$15,000) to the administrative fund for special initiatives.

COMMUNITY FUTURES WEST INTERLAKE INC.

SCHEDULE 1 - SCHEDULE OF REVENUES AND EXPENSES WITH BUDGET - ADMINISTRATION

For the year ended March 31, 2023

	2023 Budget Unaudited (Note 13)	2023 Actual	2022 Actual
REVENUE			
Contribution from WED	\$ 295,321	\$ 295,321	\$ 295,321
Rural Opportunities Funding		49,470	200,223
Other income	500	2,625	3,931
Contract services	500	1,684	8,000
SE program and training	750		
Regional development strategy			372
RRRF Funding	22,400		
	319,471	349,100	507,847
EXPENSES			
Accounting and legal	7,500	5,125	4,754
Advertising	2,500	1,505	1,153
Board member	5,000	3,776	1,946
Client costs	1,250	429	400
Community development projects	20,000	20,000	20,000
Insurance	6,300	5,724	4,811
Interest and bank charges	1,500	1,601	1,683
Office	12,000	10,131	19,813
Rent	7,200	6,977	6,977
Repairs and maintenance	1,000	515	558
RRRF - COVID-19		1,625	6,275
Special projects - ROF		49,500	195,525
Special projects - public relations	10,300	75	4,297
Staff	7,500	4,303	2,892
Subscriptions and memberships	600	55	350
Telephone	6,900	5,742	5,496
Training and professional development	10,000	6,790	10,810
Utilities	2,100	1,689	1,467
Wages and benefits	260,569	240,030	249,103
	362,219	365,592	538,310
DEFICIENCY OF REVENUES OVER EXPENSES BEFORE TRANSFERS	(42,748)	(16,492)	(30,463)
TRANSFERS	40,000	20,000	15,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (2,748)	3,508	(15,463)
UNRESTRICTED FUND, BEGINNING OF YEAR		11,262	26,725
UNRESTRICTED FUND, END OF YEAR		\$ 14,770	\$ 11,262