White Horse Plains Community Futures Development Corporation

Financial Statements

March 31, 2022

White Horse Plains Community Futures Development Corporation

March 31, 2022

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George & Associates Chartered Professional Accountants Inc.
Box 567, 113 2nd Street SW
Carman, Manitoba
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Independent Auditors' Report

To the Board of Directors
White Horse Plains Community Futures Development Corporation

Opinion

We have audited the financial statements of White Horse Plains Community Futures Development Corporation, which comprise the statement of financial position as at March 31, 2022, and the statements of operations and changes in fund balances and cash flow 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 White Horse Plains Community Futures Development Corporation as at March 31, 2022, 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 these financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to a 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 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:

- 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.

George & Associates Chartered Professional Accountants Inc.

Carman, Manitoba
June 22, 2022

White Horse Plains Community Futures Development Corporation

Statement of Financial Position

March 31, 2022

	PrairiesCan	Loan Investment Funds				
	Operating Fund	PrairiesCan Repayable	RRRF	PrairiesCan EDP	2022	2021
Assets						
Current Assets						
Cash and bank (note 2)	**$ 42,865**	**$ 203,566**	**$ -**	**$ 223,984**	**$ 470,415**	$ 403,511
GST receivable (note 3)	**2,200**	**-**	**-**	**-**	**2,200**	2,909
Accounts receivable (note 6)	**10**	**-**	**-**	**-**	**10**	10
Accrued interest receivable	**-**	**2,344**	**-**	**-**	**2,344**	2,420
Grant receivable	**4,006**	**-**	**-**	**-**	**4,006**	-
Prepaid expense	**19,601**	**-**	**-**	**-**	**19,601**	14,847
Inter-fund receivable	**-**	**2,825**	**6,906**	**-**	**9,731**	2,672
Current portion of long-term investments	**-**	**81,931**	**-**	**-**	**81,931**	91,239
	68,682	**290,666**	**6,906**	**223,984**	**590,238**	517,608
Capital Assets (note 2 and 4)						
Cost	**40,983**	**-**	**-**	**-**	**40,983**	81,396
Accumulated amortization	**(30,867)**	**-**	**-**	**-**	**(30,867)**	(70,724)
	10,116	**-**	**-**	**-**	**10,116**	10,672
Investment Funds						
Investment loans, net of allowances (note 2, 12, 7 and 10)	**-**	**470,216**	**260,000**	**-**	**730,216**	684,193
Less: Current portion	**-**	**(81,931)**	**-**	**-**	**(81,931)**	(91,239)
	-	**388,285**	**260,000**	**-**	**648,285**	592,954
Total Assets	**$ 78,798**	**$ 678,951**	**$ 266,906**	**$ 223,984**	**$ 1,248,639**	$ 1,121,234

The accompanying notes are an integral part of these financial statements.

White Horse Plains Community Futures Development Corporation

Statement of Financial Position

March 31, 2022

	PrairiesCan	Loan Investment Funds				
	Operating Fund	PriairesCan Repayable	RRRF	PrairiesCan EDP	2022	2021
Liabilities and Fund Balances						
Current Liabilities						
Bank indebtedness	$ -	$ -	$ -	$ -	$ -	$ 1
Accrued liabilities	**6,519**	**-**	**-**	**-**	**6,519**	7,107
Inter-fund payable	**9,264**	**-**	**-**	**467**	**9,731**	2,670
Current portion of CFIF loan (note 8)	**-**	**28,704**	**-**	**-**	**28,704**	27,663
	15,783	**28,704**	**-**	**467**	**44,954**	37,441
Long-term Liabilities						
Investment funds repayable (note 8)	**-**	**532,364**	**-**	**200,000**	**732,364**	732,364
CFIF loan (note 8)	**-**	**64,434**	**260,000**	**-**	**324,434**	253,139
RRRF operating loan	**-**	**-**	**6,906**	**-**	**6,906**	-
Deferred contributions (note 18)	**2,402**	**-**	**-**	**-**	**2,402**	-
	2,402	**596,798**	**266,906**	**200,000**	**1,066,106**	985,503
Total Liabilities	**18,185**	**625,502**	**266,906**	**200,467**	**1,111,060**	1,022,944

The accompanying notes are an integral part of these financial statements.

White Horse Plains Community Futures Development Corporation

Statement of Financial Position

March 31, 2022

	PrairiesCan	Loan Investment Funds				
	Operating Fund	**PriairesCan Repayable**	**RRRF**	**PrairiesCan EDP**	**2022**	**2021**
Fund Balances						
Invested in capital assets	**10,116**	**-**	**-**	**-**	**10,116**	10,672
Unrestricted	**50,497**	**-**	**-**	**-**	**50,497**	44,055
Externally restricted	**-**	**53,449**	**-**	**23,517**	**76,966**	43,563
	60,613	**53,449**	**-**	**23,517**	**137,579**	98,290
Total Liabilities and Fund Balances	**$ 78,798**	**$ 678,951**	**$ 266,906**	**$ 223,984**	**$ 1,248,639**	$ 1,121,234

Approved on Behalf of the Board:

_____, Director

_____, Director

The accompanying notes are an integral part of these financial statements.

White Horse Plains Community Futures Development Corporation

Statement of Operations and Changes in General Fund Balances

For the Year Ended March 31, 2022

	Operating Fund	2022	2021
Revenue			
PrairiesCan contribution	**$ 291,832**	**$ 291,832**	$ 291,832
CF Pan West grant	**1,604**	**1,604**	-
Other	**3,245**	**3,245**	66,785
Total revenues	**296,681**	**296,681**	358,617
Expenses			
Professional Expenses			
Accounting and audit	**6,837**	**6,837**	6,757
Management fees	**160,000**	**160,000**	156,000
Other	**650**	**650**	640
Administration			
Advertising and promotion	**31,501**	**31,501**	10,724
Board member expenses	**141**	**141**	110
Casual labour	**189**	**189**	370
Computers and equipment - capital	**2,587**	**2,587**	10,362
Insurance	**257**	**257**	407
Non-refundable GST	**2,200**	**2,200**	2,909
Office rent	**24,863**	**24,863**	24,380
Office supplies	**12,693**	**12,693**	10,676

The accompanying notes are an integral part of these financial statements.

White Horse Plains Community Futures Development Corporation

Statement of Operations and Changes in General Fund Balances

For the Year Ended March 31, 2022

	Operating Fund	2022	2021
Photocopying and printing	**384**	**384**	576
Postage and delivery	**230**	**230**	374
Special projects	**38,236**	**38,236**	119,671
Staff expenses	**3,212**	**3,212**	3,577
Telephone	**6,259**	**6,259**	6,449
Total Expenses	**290,239**	**290,239**	353,982
Income (loss) before the following items:	**6,442**	**6,442**	4,635
Add back: Computers and equipment capitalized	**2,587**	**2,587**	10,362
Less: Amortization	**(3,143)**	**(3,143)**	(3,854)
Net Income (loss) for the year	**5,886**	**5,886**	11,143
Transfer (to) from invested in capital	**556**	**556**	(6,508)
Operating Fund, beginning of year	**44,055**	**44,055**	39,420
Operating Fund, end of year	**$ 50,497**	**$ 50,497**	$ 44,055

The accompanying notes are an integral part of these financial statements.

White Horse Plains Community Futures Development Corporation

Statement of Operations and Changes in Restricted Fund Balances

For the Year Ended March 31, 2022

	Loan Investment Funds				
	PrairiesCan Repayable	**RRRF**	**PrairiesCan EDP**	**2022**	**2021**
Revenue					
Bank interest	**$ 1,792**	**$ -**	**$ 2,272**	**$ 4,064**	$ 2,416
Investment interest	**33,308**	**-**	**-**	**33,308**	35,703
Fee revenue	**35**	**-**	**-**	**35**	70
Operating loan forgiven	**-**	**114**	**-**	**114**	-
Total revenues	**35,135**	**114**	**2,272**	**37,521**	38,189
Expenses					
Bank charges and interest	**-**	**114**	**-**	**114**	-
Loan interest	**4,004**	**-**	**-**	**4,004**	6,414
Total Expenses	**4,004**	**114**	**-**	**4,118**	6,414
Net Income (loss) for the year	**31,131**	**-**	**2,272**	**33,403**	31,775
Restricted Funds, beginning of year	**22,318**	**-**	**21,245**	**43,563**	11,788
Restricted Funds, end of year	**$ 53,449**	**$ -**	**$ 23,517**	**$ 76,966**	$ 43,563

The accompanying notes are an integral part of these financial statements.

White Horse Plains Community Futures Development Corporation

Statement of Cash Flows

For the Year Ended March 31, 2022

	Operating Activities	Financing and Investing Activities				
	Operating Fund	**PrairiesCan Repayable**	**RRRF**	**PrairiesCan EDP**	**2022**	**2021**
Sources of Cash						
PrairiesCan Contributions	**$ 291,832**	**$ -**	**$ -**	**$ -**	**$ 291,832**	$ 291,832
Investment income	**-**	**33,308**	**-**	**-**	**33,308**	35,703
Bank interest	**-**	**1,792**	**-**	**2,272**	**4,064**	2,416
Fee revenue	**-**	**35**	**-**	**-**	**35**	70
Other	**4,849**	**-**	**-**	**-**	**4,849**	66,785
Investment loan repayments	**-**	**61,012**	**-**	**-**	**61,012**	57,362
CFIF loan	**-**	**-**	**167,020**	**-**	**167,020**	290,000
	296,681	**96,147**	**167,020**	**2,272**	**562,120**	744,168
Use of Cash						
Management fees	**160,000**	**-**	**-**	**-**	**160,000**	156,000
Materials and services	**127,650**	**4,004**	**114**	**-**	**131,768**	194,034
Purchases of capital assets	**2,587**	**-**	**-**	**-**	**2,587**	10,362
Investment loan advances	**-**	**7,035**	**100,000**	**-**	**107,035**	160,070
CFIF loan repayment	**-**	**27,663**	**60,000**	**-**	**87,663**	272,326
	290,237	**38,702**	**160,114**	**-**	**489,053**	792,792
Net increase (decrease) in cash	**6,444**	**57,445**	**6,906**	**2,272**	**73,067**	(48,624)
Cash, beginning	**35,562**	**146,200**	**1**	**221,748**	**403,511**	451,786

The accompanying notes are an integral part of these financial statements.

White Horse Plains Community Futures Development Corporation

Statement of Cash Flows

For the Year Ended March 31, 2022

	Operating Activities	Financing and Investing Activities				
	Operating Fund	**PrairiesCan Repayable**	**RRRF**	**PrairiesCan EDP**	**2022**	**2021**
Changes in payables	**8,910**	**-**	**-**	**(36)**	**8,874**	617
Change in receivables and prepaids	**(8,051)**	**(79)**	**(6,907)**	**-**	**(15,037)**	(268)
Cash, end of year	**$ 42,865**	**$ 203,566**	**$ -**	**$ 223,984**	**$ 470,415**	$ 403,511

The accompanying notes are an integral part of these financial statements.

White Horse Plains Community Futures Development Corporation

Schedule 1 - RRRF Fund

For the Year Ended March 31, 2022

	RRRF Operating Fund	RRRF Investment Fund	2022	2021
Assets				
Inter-fund receivable	$ -	$ 6,906	$ 6,906	$ -
Loans receivable	-	260,000	260,000	160,000
Capital Assets - Cost	6,149	-	6,149	6,149
Capital Asset - Accumulated amortization	(2,206)	-	(2,206)	(1,103)
Total Assets	3,943	266,906	270,849	165,046
Liabilities				
Bank indebtedness	-	-	-	1
Inter-fund payable	22,636	-	22,636	22,636
CFIF loan	-	260,000	260,000	160,000
RRRF operating loan	-	6,906	6,906	-
	22,636	266,906	289,542	182,637
Fund Balances				
Invested in capital assets	3,943	-	3,943	5,047
Externally restricted	(22,636)	-	(22,636)	(22,636)
	(18,693)	-	(18,693)	(17,589)
Total Liabilities and Fund Balances	$ 3,943	$ 266,906	$ 270,849	$ 165,048

White Horse Plains Community Futures Development Corporation

Schedule 2 - RRRF Fund

For the Year Ended March 31, 2022

	RRRF Operating Fund	RRRF Investment Fund	2022	2021
Revenue				
Other income	**$ -**	**$ -**	**$ -**	**$ 66,000**
Operating loan forgiven	**-**	**114**	**114**	**-**
	-	**114**	**114**	**66,000**
Expenses				
Advertising and promotion	**-**	**-**	**-**	**47,654**
Amortization	**-**	**-**	**-**	**1,103**
Bank charges and interest	**-**	**114**	**114**	**95**
COVID grants	**-**	**-**	**-**	**32,835**
Community Economic Development	**-**	**-**	**-**	**550**
Office	**-**	**-**	**-**	**6,399**
	-	**114**	**114**	**88,636**
Excess (deficiency) of revenue over expenses	**-**	**-**	**-**	**(22,636)**
Net assets, beginning of year	**(22,636)**	**-**	**(22,636)**	**-**
Interest transfers	**-**	**-**	**-**	**-**
Other interfund transfers	**-**	**-**	**-**	**-**
Net Assets (Deficit), end of year	**$ (22,636)**	**$ -**	**$ (22,636)**	**$ (22,636)**

White Horse Plains Community Futures Development Corporation

Notes to the Financial Statements

For the Year Ended March 31, 2022

1 Purpose of the Association

The corporate body has been constituted under White Horse Plains Community Futures Development Corporation, and its objective is to stimulate employment in the community by providing funds to small businesses in the form of loans, loan guarantees and share capital. The organization is incorporated under the Manitoba Corporations Act as a not-for-profit organization and is exempt under the Income Tax Act as a not-for-profit organization.

2 Significant Accounting Policies

a. Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook, on a going-concern basis, which assumes that the organization will be able to realize its assets and discharge its liabilities in the normal course of business. Outlined below are those policies considered significant for the organization.

b. Revenue Recognition

The organization follows the restricted fund method of accounting for contributions.

Unrestricted contributions are recognized as revenue in the general fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions and interest are recognized as revenue in the investment funds when received and receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

c. Fund Accounting

White Horse Plains Community Futures Development Corporation follows the restricted method of accounting for contributions. The General Fund accounts for the organization's operating costs and general revenues. This fund reports unrestricted resources and restricted operating grants. The Loan Investment Funds report restricted resources that are to be used for assistance to small businesses and entrepreneurs in the form of loans, loan guarantees or equity participation. Loans from the Loan Investment Fund for the Disabled are limited to businesses owned and operated by disabled entrepreneurs. The organization is restricted in the types of loans that can be made according to its agreement with the federal government.

d. Cash and Bank

Cash and bank are made up of cash on hand and bank account balances.

2 Significant Accounting Policies continued

e. Financial Instruments

Measurement of financial instruments:
The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures all its financial assets and liabilities at amortized cost.

Financial assets measured at amortized cost include cash, investments and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and long-term debt.

Impairment:
A long-lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

f. Allowance for Losses on Loans

The allowances are established on a specific case analysis basis.

g. Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided on a straight-line basis over the assets' estimated useful lives, which varies from 2 to 10 years. Amortization expense is reported in the General Fund.

h. 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Differences in actual results from prior estimates are taken into account at the time the differences are determined.

Significant items subject to such estimates and assumptions include the valuation of investment loans receivable and the estimated useful life of capital assets. Actual results could differ from those estimates.

3 Processing of the Goods and Service Tax

The organization claimed a 50% refund of the input tax credits. An amount of $2,200 remains included in the expenses.

4 Property, Plant and Equipment

	2022 Cost	2022 Accumulated Amortization	2022 Net Value	2021 Net Value
Equipment (20%)	**$ 1,988**	**$ (325)**	**$ 1,663**	**$ 1,135**
Computer equipment (50%)	**33,214**	**(24,761)**	**8,453**	**9,537**
Software (20%)	**5,781**	**(5,781)**	**-**	**-**
	$ 40,983	**$ (30,867)**	**$ 10,116**	**$ 10,672**

5 Investment Loans Receivable

Outstanding loans to entrepreneurs are interest bearing at varying rates between 4.25% and 7% with monthly blended principle and interest repayments amortized for terms of 60 months and 120 months. 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 buildings. At the year end, the organization had not approved any additional loans pending certain conditions.

6 Accounts Receivable

Accounts receivable consist of the following:

	2022	2021
Trade Receivables	**$ 10**	$ 10
Total	**$ 10**	$ 10

7 Allowance for Credit Loss

An allowance for losses on investment loans is made based on expected loan default rates, potential loss ratios and review of loans portfolio, as determined by management, as follows:

	2021	Provision for Credit Losses	2022
PrairiesCan Loan Investment Fund			
Repayable	$ -	$ -	**$ -**
EDP	-	-	**-**
	$ -	$ -	**$ -**

Actual write-offs, net of recoveries, will be deducted from the allowance for credit losses. The provision for credit losses in the statement of operations and changes in fund balances is charged with an amount sufficient to keep the balance in the allowance for credit losses adequate to absorb all credit related losses.

8 Long Term Debt

Long term debt consists of:

	2022	2021
Investment funds repayable	**$ 532,364**	$ 532,364
Investment funds disabled	**200,000**	200,000
CFIF loan	**93,139**	120,802
Regional Relief and Recovery Fund investment funds repayable	**260,000**	160,000
Regional Relief and Recovery Fund operating funds repayable	**6,906**	-
Current portion of CFIF loan	**(28,704)**	(27,663)
Total	**$ 1,063,705**	$ 985,503

The loan from Western Economic Diversification is due as follows:
In the event that the organization is not in compliance with the agreement, dated April 1, 2021 or the project is not approved by the minister, the minister is entitled to take steps described in sections 2, 3 or 4 of the agreement.

The loan from CFIF is due as follows:
Interest at 3.7% per annum, repayable in monthly blended principle and interest payments of $2,638.92, due May 1, 2025, secured by general security agreement creating a first charge on the Loan Assets of Community Futures White Horse Plains fully executed by the authorized officers of CF White Horse Plains and registered at Personal Property Registry.

Principal repayments on the CFIF loan over the next four years are as follows:

8 Long Term Debt continued

2023	$28,704
2024	$29,785
2025	$30,906
2026	$3,744

The Regional Relief and Recovery Fund investment funds loan from Community Futures Investment Fund Inc. is due as follows:
On December 31, 2025 the borrower must repay the entire outstanding loan amount in full.

The Regional Relief and Recovery Fund operating funds loan is due as follows:
On December 31, 2025 the borrower must repay the entire outstanding loan amount in full.

9 Changes in Repayable Investments

	2022	2021
Starting balance	**$ 524,193**	$ 581,485
Disbursed loans	**7,000**	-
Fees charged	**35**	70
Capitalized interest	**33,385**	35,948
Collected reimbursements	**(94,397)**	(93,310)
Written-off loans	**-**	-
	$ 470,216	$ 524,193

10 Repayable Investments

Repayable investments consists of the following:

	2022	2021
Loan granted, guaranteed by mortgages, pledge or personal endorsement, between 4.25% and 7% falling due between 2022 and 2030	**$ 470,216**	$ 524,193
Less: allowance losses on loans	**-**	-
	$ 470,216	$ 524,193

Redeemable amounts from investments for the next five years are as follows:

	Amount
2023	$ 81,931
2024	87,584
2025	93,626
2026	100,085
2027	106,990
Total	**$ 470,216**

11 Changes in EDP Investments

	2022	2021
Starting balance	**$ -**	$ -
Disbursed loans	**-**	-
Written-off loans	**-**	-
	$ -	$ -

12 EDP Investments

	2022	2021
Loans granted, guaranteed by mortgages, pledge or personal endorsement, between 4% and 7.4%	**$ -**	$ -
Less: allowance losses on loans	**-**	-
	$ -	$ -

13 Changes in RRRF Investments

	2022	2021
Starting balance	**$ 160,000**	$ -
Disbursed loans	**100,000**	160,000
	$ 260,000	$ 160,000

14 RRRF Investments

	2022	2021
Loans granted, guaranteed by the Government of Canada, at 5%	**$ 260,000**	$ 160,000
Less: allowance losses on loans	**-**	-
	$ 260,000	$ 160,000

Repayment terms for the organization of RRRF Loan Funds are as follows:

- No principal repayment is due until December 31, 2023
- On October 31, 2022 any funds that have not been loaned by the organization (Community Futures White Horse Plains) to a Secondary Borrower, were required to be repaid to Lender (Community Futures Investment Fund Inc.)
- The repayable balance is repayable in equal monthly payments starting January 31, 2024 and the last day of each month thereafter, until December 31, 2025.
- The repayable balance is interest free between January 1, 2024 and December 31, 2025.
- The repayable balance is calculated by the lender (CFIF).
  The repayable balance will be calculated as follows. Loans funds advanced by CFIF, less amounts already repaid, less any portion of forgiven loans by CFIF, less any portion of secondary loans in default and cannot be collected or recovered, less reasonable costs incurred by the organization in connection with enforcing payment.
- The organization must repay the entire outstanding loan amount in full on December 31, 2025.

15 Financial Instruments

Risk and concentrations:
The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at the balance sheet date.

Liquidity risk:
Liquidity risk is the risk that a organization will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. The organization is exposed to this risk mainly in respect of its accounts payable.

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 organization's main credit risks relate to accounts receivable and investment loans receivable. The organization provides credit to its clients in the normal course of its operations.

15 Financial Instruments continued

Market risk:
Market risk is the risk that financial instrument fair values will fluctuate due to changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The organization is not exposed to these risks.

16 Commitments

The organization's total obligations, under various lease agreements is:

	Amount
2023	$ 2,250

17 Economic Dependence

The organization received 87% of its operating revenues from the federal government and is economically dependent upon it.

18 Deferred Contributions

Government grants restricted for the purchase of security upgrades, such as capital assets and prepaid security software subscriptions, are being amortized to income on a straight-line basis over the life of the asset and term of subscription, respectively. The changes in deferred contributions balance for the period are as follows:

	2022	2021
Grants receivable during the period	**$ 4,006**	$ -
Grant revenue recognized	**(1,604)**	-
Deffered contributions, end of period	**$ 2,402**	$ -

19 Management Services

For the 2022 operations the corporation retained Community Futures Heartland Inc. to provide administrative services. There is an agreement in place for 2023 in the amount of $165,000 and 2024 in the amount of $165,000.

20 Externally Restricted Fund Balances

Major categories of externally imposed restrictions on net assets are as follows:

Restricted Funds:	
Repayable Funds	$532,364
Disabled Funds	$200,000

PrairiesCan has set the terms and conditions of its contribution with the organization in the April 1, 2021 agreement. Under the terms and conditions the Conditionally Repayable Loan Funds are repayable if any of the following occur:

i. The Conditionally Repayable Investment Fund is not administered according to the terms and conditions specified in this Agreement

ii. Based on reviews and evaluations of the operations and the Conditionally Repayable Investment Fund of the organization, the Conditionally Repayable Investment Fund is not providing a satisfactory level of benefits in terms of employment creation, the development of Community-owned or controlled businesses and strengthening of the western Canadian economy; or

iii. In the opinion of the Minister, the Conditionally Repayable Investment Fund is no longer necessary or relevant to the development of the western Canadian economy; or

iv. The agreement is terminated as described in Section 10; or

v. An event of default occurs, as described in Section 10 of the agreement; or

vi. The Minister does not approve terms and conditions to extend the project beyond March 31, 2026.

21 Interest Rate Disclosure

Community Futures are required to follow the Policy Bulletin - Interest Rates for Community Futures Organizations. If normal interest rates described in the Policy Bulletin were not used, WCBSN Organizations must disclose this in a note to the financial statements. The Policy Bulletin rate is Prime + 3% or 6.5%, whichever is greater at the date the loan is approved.

The following loans have below normal interest rates:

Loan #	Rate	Comment
19-0067	4.25%	Loan interest when combined with 5 year GIC as security, is within normal interest rates described in Policy Bulletin.

Independent Auditors' Report on Compliance with Agreement

To Prairies Economic Development Canada
White Horse Plains Community Futures Development Corporation

We have undertaken a reasonable assurance engagement of White Horse Plains Community Futures Development Corporation's compliance during the period April 1, 2021 to March 31, 2022 with the requirements set out in the Contribution Agreement between Pacific Economic Development Canada / Prairies Economic Development Canada and White Horse Plains Community Futures Development Corporation dated April 1, 2021.

Management's Responsibility
Management is responsible for White Horse Plains Community Futures Development Corporation's compliance with the specified requirements. Management is also responsible for such internal control as management determines necessary to enable White Horse Plains Community Futures Development Corporation's compliance with the specified requirements.

Our Responsibility
Our responsibility is to express a reasonable assurance opinion on White Horse Plains Community Futures Development Corporation's compliance based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with Canadian Standard on Assurance Engagements 3531, Direct Engagements to Report on Compliance. This standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the entity complied with the specified requirements, in all significant respects.

Reasonable assurance is a high level of assurance but is not a guarantee that an engagement conducted in accordance with this standard will always detect a significant instance of non-compliance with specified requirements when it exists. Instances of non-compliance can arise from fraud or error and are considered significant if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. A reasonable assurance compliance reporting engagement involves performing procedures to obtain evidence about the entity's compliance with the specified requirements. The nature, timing and extent of procedures selected depends on our professional judgment, including an assessment of the risks of significant non-compliance, whether due to fraud or error.

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

Our Independence and Quality Control
We have complied with the independence and other ethical requirements of the Rules of Professional Conduct of Manitoba, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion
In our opinion, White Horse Plains Community Futures Development Corporation complied with the specified requirements set out in the Contribution Agreement during the period April 1, 2021, to March 31, 2022, in all significant respects.

We do not provide a legal opinion on White Horse Plains Community Futures Development Corporation's compliance with the specified requirements.

Independent Auditors' Report on Compliance with Agreement

Restriction on Distribution and Use of Our Report

Our report is intended solely for White Horse Plains Community Futures Development Corporation and Pacific Economic Development Canada / Prairies Economic Development Canada and should not be distributed to or used by parties other than White Horse Plains Community Futures Development Corporation or Pacific Economic Development Canada / Prairies Economic Development Canada.

George & Associates Chartered Professional Accountants Inc.

Carman, Manitoba
June 22, 2022