

**COMMUNITY FUTURES DEVELOPMENT CORPORATION OF OKANAGAN  
SIMILKAMEEN**

Non-Consolidated Financial Statements

March 31, 2023

# Community Futures Development Corporation of Okanagan Similkameen

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## INDEPENDENT AUDITOR'S REPORT

**To the Directors of  
Community Futures Development Corporation of Okanagan Similkameen**

### **Opinion**

We have audited the non-consolidated financial statements of Community Futures Development Corporation of Okanagan Similkameen (the "Corporation"), which comprise:

- the non-consolidated statement of financial position as at March 31, 2023;
- the non-consolidated statement of receipts, expenditures and reserves for the year then ended;
- the non-consolidated statement of cash flows for the year then ended; and
- the 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 financial position of the Corporation as at March 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNPO").

### **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 the 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 ASNPO, 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

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## INDEPENDENT AUDITOR'S REPORT, continued

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:

- ◆ 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 Corps' 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 Corps 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.

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## **INDEPENDENT AUDITOR'S REPORT, continued**

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.

*Rise CPA Inc.*

**Chartered Professional Accountants**

Coquitlam, BC

August 23, 2023

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# COMMUNITY FUTURES DEVELOPMENT CORPORATION OF OKANAGAN SIMILKAMEEN

## NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31, 2023

	Operating Fund	Investment Funds (Schedule 1)	Food Hub Fund	Total March 31, 2023	Total March 31, 2022
<b>Assets</b>					
<b>Current</b>					
Cash	\$ 452,609	\$ 1,145,669	\$ -	\$ 1,598,278	\$ 4,113,049
Accounts receivable	41,035	-	-	41,035	31,992
Prepaid expenses	9,363	-	-	9,363	6,509
Term deposits (Note 5)	-	3,057,802	-	3,057,802	-
Inter-fund balances receivable	-	-	400,000	400,000	-
	503,007	4,203,471	400,000	5,106,478	4,151,550
Loans receivable (Note 6)	-	7,474,714	-	7,474,714	7,146,887
CFLIP investment fund	-	103,422	-	103,422	100,000
Investment in subsidiary (Note 7)	1	-	-	1	1
	1	7,578,136	-	7,578,137	7,246,888
	\$ 503,008	\$ 11,781,607	\$ 400,000	\$ 12,684,615	\$ 11,398,438
<b>LIABILITIES</b>					
<b>Current</b>					
Accounts payable and accrued liabilities (Note 8)	\$ 25,707	\$ -	\$ -	\$ 25,707	\$ 37,531
Deferred revenue (Note 9)	103,080	-	-	103,080	188,939
Current portion of syndicated loans payable (Note 10)	-	175,828	-	175,828	161,386
Inter-fund balances payable	295,730	104,270	-	400,000	-
	424,517	280,098	-	704,615	387,856
Long-term syndicated loans payable (Note 10)	-	892,658	-	892,658	495,310
Loan payable (Note 11)	-	4,354,368	-	4,354,368	4,392,679
	424,517	5,227,124	-	5,651,641	5,275,845
<b>Reserves</b>					
Unrestricted	78,491	-	-	78,491	31,452
Restricted - Investment funds	-	6,254,483	-	6,254,483	6,091,141
Restricted - Food Hub Fund	-	-	400,000	400,000	-
	78,491	6,254,483	400,000	6,732,974	6,122,593
	\$ 503,008	\$ 11,781,607	\$ 400,000	\$ 12,684,615	\$ 11,398,438

Commitment (Note 12)

Conditionally Repayable Contributions (Note 15)

On behalf of the board

Director

DocuSigned by:

Director

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

## COMMUNITY FUTURES DEVELOPMENT CORPORATION OF OKANAGAN SIMILKAMEEN

### NON-CONSOLIDATED STATEMENT OF RECEIPTS, EXPENDITURES AND RESERVES

Year ended March 31, 2023

	Operating Fund	Investment Funds (Schedule 2)	Food Hub Fund	Total 2023	Total 2022
<b>RECEIPTS</b>					
Pacific Economic Development (Note 2)	\$284,306	\$ -	\$ -	\$ 284,306	\$ 284,306
Operating contributions - Self Employment Program	132,385	-	-	132,385	163,877
Grant and membership revenue	78,696	-	400,000	478,696	75,632
Administration fees and other	42,163	-	-	42,163	26,794
File management fee revenue (Note 9)	29,220	-	-	29,220	-
Rental	28,700	-	-	28,700	19,500
Interest income	6,598	123,127	-	129,725	5,257
Interest from loans	-	219,851	-	219,851	229,572
RRRF debt forgiveness (Note 11)	-	38,311	-	38,311	33,250
	602,068	381,289	400,000	1,383,357	838,188
<b>EXPENDITURES</b>					
Wages and benefits	469,584	-	-	469,584	465,588
Administrative and office - Schedule 3	55,306	-	-	55,306	49,680
Rent (Note 12)	52,262	-	-	52,262	52,262
Professional fees	22,982	-	-	22,982	25,773
Advertising and promotion	4,895	-	-	4,895	17,310
Bad debts (recovery) (Note 6)	-	75,835	-	75,835	(1,299)
Interest on syndicated loans payable	-	53,801	-	53,801	49,639
Loan forgiveness	-	38,311	-	38,311	33,250
	605,029	167,947	-	772,976	692,203
<b>Excess of Receipts over Expenditures for Year</b>	(2,961)	213,342	400,000	610,381	145,985
<b>RESERVES</b>					
Excess of Receipts over Expenditures for Year	(2,961)	213,342	400,000	610,381	145,985
Reserves, Beginning of Year	31,452	6,091,141	-	6,122,593	5,976,608
Inter-fund transfer - Interest transfers (Note 13)	50,000	(50,000)	-	-	-
<b>Reserves, End of Year</b>	\$ 78,491	\$ 6,254,483	\$400,000	\$ 6,732,974	\$ 6,122,593

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