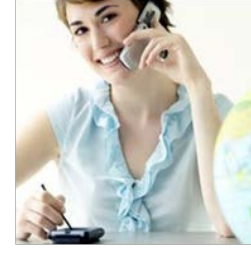




# 2018-2019 Annual Report



Growing communities one idea at a time.

[www.cfsask.ca](http://www.cfsask.ca)

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**Ventures Community Futures Development Corporation would like to thank our primary funder – Western Economic Diversification Canada**



Western Economic  
Diversification Canada

Diversification de l'économie  
de l'Ouest Canada

Canada



# Annual Report

April 1, 2018 to March 31, 2019

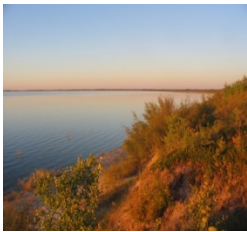
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## CORPORATE INFORMATION



## Message from the Chairperson



On behalf of myself and the Volunteer Board of Directors, welcome to the 2018–2019 Community Futures Ventures Annual General Meeting.

I would like to begin by saying that my duration as Chairperson and also as Director will be coming to a conclusion. It was a pleasure to have served as a Director of Community Futures Ventures for the past 9 years, I will truly miss and value the friendships I have made.

This past year Community Futures Ventures continued to provide loans, advice and support resulting in growth and prosperity to new and existing rural businesses. As part of the Strategic plan Community Futures Ventures will continue to strive to be the best resource network for small businesses and entrepreneurs in East Central Saskatchewan.

In the 2018-2019 fiscal year we seen a change in staff and Directors. Judy Charney, Client Service Officer moved on to pursued her entrepreneurial spirit and started a home based business. Sharon Armstrong and Kendra Busch both reached their duration on the board, thank you to both of them for their many years of devoted service.

I would like to welcome to our Board of Directors; Laurie Renton, Diane Jamieson, Lorie Antony, Charlotte Datchko and Gerald Marcoux. Thank you to all the volunteer Directors for your support over the past year, namely; Michael Kaminski, Carol Marriott, Steve Boha, Gary Kayter and Garth Bates.

Lastly, I would like to acknowledge our ongoing partnership with Western Economic Diversification Canada for their continued support and confidence in our organization.

Respectfully,

*Regina Melnyk*

## 2018-2019 BOARD OF DIRECTORS

In accordance with the Non-Profit Corporations Act, 1995, and Bylaws of Community Futures Ventures, the Organization is governed by a volunteer Board of Directors – five elected zone positions, two appointed by the Board, three elected by the membership and two appointed by the City of Yorkton. These individuals volunteer their time and are familiar with their communities’ needs, concerns and future development priorities.



### Volunteer Board of Directors

Thank you to our Volunteer Board of Directors they provide invaluable guidance, valued contributions and direction to the Community Futures Ventures organization

Regina Melnyk, Chairperson	Zone 3	June, 2010
Michael Kaminski, Vice Chairperson		June, 2014
Carol Marriott, Secretary	Treasure	June, 2016
Steve Boha	Zone 5	June, 2013
Gary Kayter		Sept, 2013
Garth Bates	Zone 1	June, 2017
Gerald Marcoux		Dec , 2017
Diane Jamieson	Zone 2	June, 2018
Charlotte Datchko		June, 2018
Laurie Renton	Zone 6	June, 2018
Lorie Antony	Zone 6	June, 2018

Vacant seats: 1, Zone 4

## OUR MISSION

*Community Futures Ventures encourages and promotes the development of an entrepreneurial culture in the communities we serve*

*Community Futures Ventures provides loans, advice and support resulting in growth and prosperity for new and existing rural businesses*

## ABOUT COMMUNITY FUTURES

Community Futures History - for more information on the Community Futures Program visit [www.communityfuturescanada.ca](http://www.communityfuturescanada.ca)

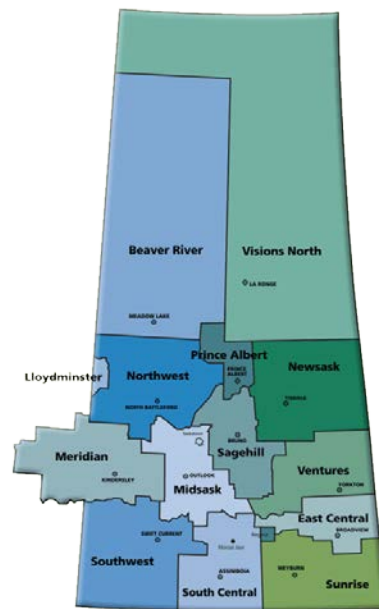
### Statistics 2017-2018

13	Saskatchewan CFDCs
107	Volunteers
43	Employees
685,173	Population served
256	Loans approved
\$8,487,014	Approved loans amount

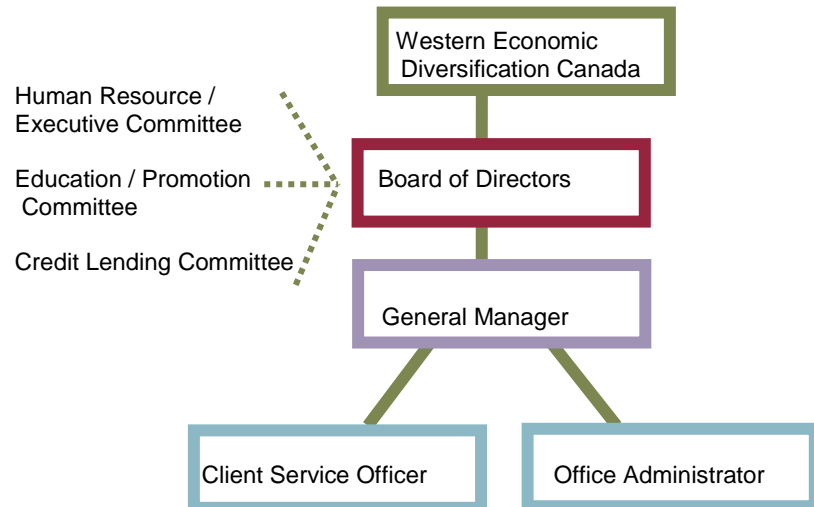
The Community Futures Program is an initiative that was introduced in 1986 through Employment and Immigration Canada (which is now known as Service Canada) as part of the Canadian Jobs Strategy.

In 1995, the responsibility for Community Futures was transferred to Western Economic Diversification Canada who continues to provide core funding assistance to the 90 Community Futures organizations throughout rural Western Canada. There are currently 267 CFDCs and CBDCs that make up the Community Futures Network of Canada and are present in all the Canadian provinces, the Northwest Territories and Nunavut. The focus of the Community Futures program is on fostering economic stability, growth and job creation, diversified and competitive rural economies, and sustainable communities.

Saskatchewan's thirteen Community Futures organizations play an important role in the entrepreneurial culture of smaller communities. Community Futures Ventures covers east-central Saskatchewan.



## ORGANIZATIONAL CHART



The Role of the Board of Directors is to:

- ✍ hold the ultimate decision-making authority for the organization;
- ✍ advise the Corporation about local needs and conditions;
- ✍ safeguard the Corporation's assets on behalf of the taxpayers;
- ✍ provide the continuity of the organization by ensuring that a capable Board and Management are in place; and
- ✍ serve as a symbol of strength and leadership that motivates the organization and inspires confidence in the Community

Community Futures Ventures was incorporated February 6, 1997 and began operations March 23, 1997.

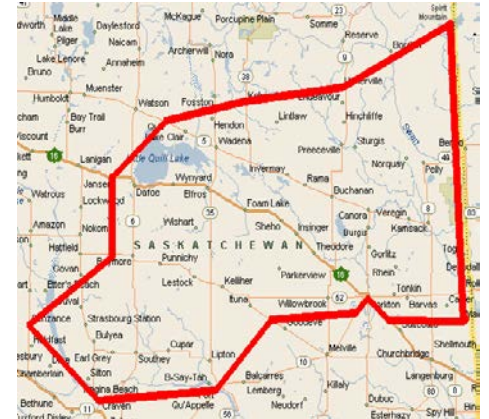
Community Futures Ventures:

- ✍ is locally-based, not-for-profit organization;
- ✍ is community driven;
- ✍ is governed by a volunteer Board of Directors;
- ✍ is partnership focused;
- ✍ emphasizes local strategic planning;
- ✍ pursues Community Futures Ventures initiatives aligned with our Strategic Plan



## LOCATION AND FACILITIES

Community Futures Ventures is committed to serving the Communities of east-central Saskatchewan. The region spans a distance of approximately 250 kilometers on an east/west basis from the Saskatchewan/Manitoba border to Strasbourg, and 200 kilometers on a north/south basis from Preeceville to Southey, including all the Rural Municipalities in this area. The area includes: 1 City, 29 Rural Municipalities, 37 Villages, 11 Towns, and 7 First Nations.



204 Smith Street East



## STAFF MEMBERS



Corinne Lubiniecki  
General Manager  
June, 1997



Brenda Airth  
Office Administrator  
February 2005



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## PROGRAM AND SERVICE DELIVERY








## Program and Service Delivery

### PROGRAM AND SERVICE DELIVERY




3665

Website

Visits




-  Access to capital
-  Business advisory services and entrepreneurship training
-  Strategic community planning
-  Leading or participating in projects to promote entrepreneurial, economically diversified communities
-  Youth initiatives

### General Services

-  Business resource library
-  Public computer access
-  One-stop business registry

### Business Services

In 2018-2019, Community Futures Ventures offered potential entrepreneurs and small business owners a wide range of business services, including:




-  Total of 12 applications received for \$392,067, creating or maintaining 22 jobs, while leveraging an additional \$713,024 through lending and business advisory services
-  Business development services for 645 potential entrepreneurs and business owners
-  144 business training participants

Since 1997, Community Futures Ventures has lent \$7,448,682 to small businesses

Flexible, affordable Community Futures loans are specifically designed to help start, expand, relocate or buy a business in a rural community.

Solutions are tailored to meet the needs of the qualifying individual businesses and are managed and administered through a local Board of Directors.

### Marketing Initiatives

-  Targeted marketing initiatives that raise the profile of Community Futures Ventures programs and services
-  Community Futures Ventures worked with Skills Canada Saskatchewan to offer a Skills Camp. This day long try a trade camp would focus on skill development in various trade and technology areas to high school students and people with a health condition or disability. Unfortunately we had to cancel this event due to the timing with the schools
-  Two Staff and three Directors of Community Futures Ventures attended the Community Futures National Conference in Winnipeg, Manitoba. The National Conference is a collaboration of staff and Directors from across western and eastern Canada. The conference provides a wide range of training and networking with other Community Futures across Canada



Community Futures Ventures and Parkland Valley Sports & Recreation partnered in bringing Terri Parent to deliver Board Training geared towards anyone interested in being a Chairperson to ensure that they are effective in their governance roles

Partners in Employment teamed up with Community Futures Ventures office to conduct an employer focus group. The employer focus group identified how a new resource, HIRE for TALENT's Employer Toolkit can expand its reach and increase businesses' appetite to hire persons with disabilities. Participants provided their labour needs with a set of questions, the questions were to gain insight from employer's needs and market needs. The information collected from employers will help define outcomes and activities for a future HIRE for TALENT awareness campaign



Taunya Woods Richardson, Nail the Numbers Pro delivered a revolutionary approach to financial wellbeing, the "Money Matrix Transform Your Financial Reality" boot camp. Participants took away from this workshop tools, templates and techniques that will keep them motivated towards taking consistent steps with managing their money

In support of "Bell Let's Talk Day", SaskAbilities Partners in Mental Health and Well-Being, SIGN, and Mental Health and Addiction Services had partnered and created a questionnaire/survey about the mental health gaps within the community. A staff member of Community Futures Ventures attended this event.

Community Futures Ventures brought back Ron Robichaud, Nail the Numbers Pro. Ron facilitated a highly interactive boot camp; "Planning for Profit" and "Pricing for Profit", for business owners looking to focus on methods to increase the bottom line and improve profit margins. He provided easy to understand advice and practical tools for business owners to redefine their business goals with an eye specifically on profit potential



Community Futures Ventures sponsored a book launch hosted by LR Futures. Inspirational speaker, entrepreneur and lifestyle coach Corliss Ratti, of "Corliss With Purpose" from Saskatoon shared her journey with those in attendance what inspired her to write a book, "Lead Your Life". Staff of Community Futures Ventures attended this event, which gave opportunity to make contacts



Staff from Community Futures Ventures attended an event in conjunction with International Women's Day. A round table conversation with speaker Melissa Coomber-Bendsten (Chief Executive Officer of YWCA Regina) to speak on "Focus on Family Homelessness". This event was in partnership between SIGN Housing Support Program, Shelwin House and Canadian

#### Federation of University of Women Yorkton Branch

- ☛ “Celebrate Success 2018” business awards was held October 3, 2018, Ventures CFDC sponsored this awards evening that was a sold out event, 41 businesses were finalists in 10 business categories and 6 organizations were finalists in the community merit category
- ☛ Staff and directors of Community Futures Ventures met for a two day retreat with facilitator Jill Sauter of “Jill Sauter Marketing & Communications”. She provided a sound board for our 2019 – 2021 strategic planning session
- ☛ Community Futures Ventures and the Yorkton Chamber of Commerce partnered to host a Business Succession information summit. We invited a panel of professionals to provide their expertise intended for those looking for options, resources, and steps to transitioning their business or farm business to the next generation or owner
- ☛ On March 27, 2019 Ventures CFDC sponsored the “Business Summit”, the purpose of this summit was twofold; provide information to business people that will help them move their business forward; and to create an atmosphere of positivity within the business community, there were 3 directors and 1 CF staff in attendance
- ☛ Community Futures Ventures continued to provide assistance, support and resources to clients in completing their final necessary stages of the Elevate program
- ☛ A two day realization law course in Saskatoon was attended by staff of Community Futures Ventures. The course was facilitated by Brooks Mack Legal Professional Corporation, Barrister and Solicitor from Langenburg, Saskatchewan. This course focused on the activities of lenders faced with a member’s default on loan. Board development training was as well offered over the two days, we had volunteer directors attend the training
- ☛ Parkland CAFA (Canadian Association of Farm Advisors) is a network of professionals in agriculture, ranging from of accountants, lawyers, bankers, financial advisors, realtors, insurance agents. They continue to meet once a month in our boardroom, and bring in specialized presenters. This is an excellent means to promote the Community Futures program to all who attend their meetings
- ☛ The provincial CF marketing planning session was held November 29th, 2018, the SK CF’s and a facilitator set plans for the next few years marketing strategy

- Throughout the fiscal year Community Futures Ventures boardroom as well as one office space was well utilized by a number of groups of all levels, this provided extra revenue along with an excellent means of exposure to our program
- The Yorkton Chamber of Commerce luncheons provide an opportunity for business people to network, staff of Community Futures Ventures attended these luncheons throughout the year



Growing communities one idea at a time.



## COMMUNITY ECONOMIC DEVELOPMENT



## COMMUNITY ECONOMIC DEVELOPMENT


Community Futures Ventures is committed to Community Economic Development in the region. Community Futures Ventures helps rural communities to expand local economies by looking at new approaches to business development and providing access to business resources and financial assistance.

Presentations on the Community Futures program are made on a regular basis in order to establish, foster and maintain community partnerships and participate in partnering initiatives.

## PARTNERING INITIATIVES

Community Futures Ventures also assists organizations with accessing funding from various sources through information dissemination and participation in local community initiatives.

## INFORMATION DISSEMINATION

- Membership in the Chamber of Commerce within our service region
-  Partnering with local organizations bringing high quality seminars to the East Central Region of Saskatchewan
-  Participation in Economic Development meetings within East Central Saskatchewan provides updates on success and demands with in the communities

## SERVICE REGION MAP

### Zone Listing and Population Data

Towns, RM's Villages and Cities of Community Futures Ventures region	Zone 1	6,980
	Zone 2	8,135
	Zone 3	8,086
	Zone 4	5,290
	Zone 5	8,893
Total Population: 56,454	Zone 6	19,070





Growing communities one idea at a time.

## BYLAWS AND MINUTES



# Ventures Community Futures Development Corporation Bylaws

## 1. **Corporate Name**

- 1.1 The name of the corporation shall be “Ventures Community Futures Development Corporation”, hereinafter referred to as “VCFDC”.

## 2. **Registered Office**

- 2.1 The registered office of the corporation shall be located in the City of Yorkton.

## 3. **Definitions**

- 3.1 “The Corporation” means the Ventures Community Futures Development Corporation (VCFDC).
- 3.2 “The Directors”, “Board of Directors”, and “Board” shall mean the Directors from time to time of VCFDC.
- 3.3 “Family” means father, mother, stepfather, stepmother, foster parent, spouse (including common-law spouse residing with the employee/director), child (including a child of a common-law spouse), stepchild, ward of the employee/director, brother, sister, stepbrother, stepsister, father-in-law, mother-in-law, any relative permanently residing with the employee/director, or any other person with whom the employee/director permanently resides.
- 3.4 “Ventures Community Futures Development Corporation” or “VCFDC” region will include all municipal entities, or equivalents, as directed by WD and as may change from time to time.
- 3.5 “Officers” means any or all of the following: Chair, Vice-chair, Secretary/Treasurer.
- 3.6 “Member” shall mean any municipal entity, or equivalent, within the region of the corporation.
- 3.7 All references to gender shall include masculine, feminine, or the neuter.
- 3.8 The “Act” means The Non-Profit Corporations Act of the Province of Saskatchewan, as from time to time amended.

#### 4. **Directors**

- 4.1 Number of Directors – The board shall consist of not less than three (3) directors and not more than twelve (12). Where there is a vacancy or vacancies on the board, the remaining directors may exercise all the powers of the board so long as a quorum of the board remains in office. The board shall endeavor, without being bound, to contain representation from each zone of the VCFDC region.
- 4.2 Qualification – Directors must reside in the VCFDC region OR have their principal place of business in the VCFDC region.
- 4.3 Capacity – Directors must be legally able to enter into a contract. No person shall be qualified to act as a director if:
- i) less than 18 years of age,
  - ii) of unsound mind,
  - iii) not an individual,
  - iv) bankrupt,
  - v) breaches the oath of confidentiality,
  - vi) violates the conflicts of interest guidelines hereinafter set for directors,
  - vii) convicted of an indictable offence and sentenced to a period of incarceration,
  - viii) absent from three consecutive meetings of the board of directors, unless the board has given prior consent or concludes that there was an adequate reason for such absence.
- 4.4 Transfer – Directorship is non-transferable.
- 4.5 Removal – A director may be disqualified from the board if the Director:
- i. discloses any confidential business of Ventures Community Futures Development Corporation, including In-Camera meeting
  - ii. harasses any employee or Director including delegates
  - iii. uses the powers as a director or any Ventures Community Futures Development Corporation program for his/her own personal advantage or for the advantage of family and/or friends
  - iv. does not maintain the integrity, confidence and the dignity of the office of a director

- v. is hostile, bitter, and does not observe proper decorum and behavior as a director
- vi. is making disparaging remarks in and out of board meetings about other directors and/or employees
- vii. conducts himself/herself in a manner which is deemed to be prejudicial to the best interests of the corporation

If a director contravenes any one of the above, the said director will be requested to tender a resignation immediately and may be removed as a Director by two-thirds vote of the Board of Directors either by a show of hands or by secret ballot. If the director is removed from his/her position, the said director will not be entitled to hold office for a term of five years.

Prior to the vote being taken, the person, whose removal is to be considered, shall be given 14 days written notice of the proposed removal and shall be afforded the opportunity to explain or justify his/her position to the quorum of the board of directors present at the special meeting. At such meeting, only the quorum of the board of directors and any necessary witnesses shall be present.

4.6 Vacation of Office – A director ceases to hold office upon:

- i) death,
- ii) removal by the board of directors,
- iii) ceasing to be qualified for election as a director,
- iv) written resignation sent or delivered to the corporation, or if a time is specified in such resignation, at the time so specified, whichever is later.

4.7 Notice of Vacancy – Members shall be advised of any vacancy on the board of directors, immediately in writing and the reasons for the vacancy clearly stated.

4.8 Filling of Vacancy – When a vacancy occurs (as specified in sub-section 4.6) sitting board members may fill the vacated position in the interim without public notice.

## 5. Meetings of the Board of Directors

5.1 Calling of Meetings – Meetings of the board shall be held from time to time at such time and at such place as the board, the chair, or any two directors may determine.

5.2 Notice of Meeting – The directors shall receive notice of all meetings no less than 48 hours prior to the meeting taking place. Notice of a meeting of directors must specify the business to be transacted at the meeting. A director may waive notice of or otherwise consent to a meeting of the board.

- 5.3 Manner of Giving Notice – Any notice (which includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the articles, the bylaws, or otherwise to a director, officer, auditor or member of a committee of the board shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to his/her latest address as shown on the records of the corporation or if mailed to him/her at said address by prepaid ordinary or airmail or if sent to him/ her by fax or email. A notice so delivered shall be deemed to have been given when it is delivered personally or to the said address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; a notice so sent by fax or email shall be deemed to have been given when dispatched or when delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any director, officer, auditor, or member of a committee of the board in accordance with any information which he/she reasonably believes to be reliable.
- 5.4 Quorum – A quorum for the transaction of business at any meeting of the board shall consist of a simple majority of the total number of directors. A director who is not entitled to vote by reason of personal interest or otherwise, shall not be counted in a quorum.
- 5.5 Chair – The chair or the vice-chair (in the absence of the chair) shall take the chair at each meeting of the board of directors. If neither is present, the directors present shall choose one of the directors present to be the acting chair.
- 5.6 Proxies – Directors may not attend meetings by proxy.
- 5.7 Voting – Votes shall be taken by a show of hands unless a majority of the directors present request a secret ballot. In case of an equality of votes, the motion shall be defeated. Each director, including the chair must vote; exception granted only where a pecuniary interest has been declared. A declaration by the chair that a resolution has been carried or lost and an entry to that effect in the minutes of the corporation shall be conclusive proof of the number of votes so recorded.
- 5.8 Telecommunication – If permitted by the board, directors may attend meetings by telephone, teleconference or any other acceptable mode of telecommunication technology. Voice audibility must be present and reciprocal for all directors and for the duration of the meeting.
- 5.9 Annual General Meeting – The AGM shall be held in accordance with the regulations of the Act and where and when possible, to coincide with a regular

meeting of the board of directors. Notice of the Annual General Meeting must be mailed 45 days in advance of the Annual General Meeting.

## 6. **Board of Directors**

- 6.1 Number of Directors – The board shall consist of up to twelve (12) directors; one (1) to be elected from each of the zones 1 through 5, and three (3) to be elected at large. Two (2) directors are to be appointed by the Board. The City of Yorkton shall appoint two (2) directors for Zone 6.
- 6.2 Term of Office – The term of office shall be three years to a maximum tenure of nine (9) consecutive years.
- 6.3 Remuneration – No director shall receive remuneration for services rendered while acting as a director, but will be entitled to receive reimbursement for out-of-pocket expenses incurred in the discharge of duties as a director.
- 6.4 Power of the Board – The board of directors shall have the power to:
- i) Appoint auditors, accountants, legal services and other professional services as required,
  - ii) Hire employees, including the general manager, and to define the terms of employment, including salaries and benefits.
  - iii) Dismiss employees, including the general manager, and to define the terms and conditions as the board deems advisable,
  - iv) Establish committees and define their respective terms of reference,
  - v) Conduct the day to day business of the corporation, including the implementation of lending and other services,
  - vi) Conduct all business of the corporation as required,
  - vii) Vote at the Annual General Meeting.

## 7. **Elections**

- 7.1 Elections shall be held at the Annual General Meeting
- 7.2 Zone Meetings to elect directors will be scheduled at the Annual General Meeting
- 7.3 At the First Annual General Meeting Directors elected from Zones 1, 3 and 5 will serve a two (2) year term and Directors elected from Zones 2, 4 and Appointed from Zone 6 will serve a one (1) year term. At the Second Annual General Meeting

Representatives for Zones 2, 4 and Appointed from Zone 6 will serve a two (2) year term. At the 2015 Annual General Meeting Directors elected from Zones 2, 4 and Appointed from Zone 6 will serve a three (3) year term and at the 2016 Annual General Meeting Directors elected from Zones 1, 3 and 5 will serve a three (3) year term to a maximum tenure of nine (9) consecutive years.

- 7.4 Members at Large shall be nominated from the floor and elected by secret ballot at the plenary session. The representatives having the two higher numbers of votes will have a two (2) year term. The Representative having the third largest number of votes shall have a one (1) year term. All Members at Large terms have a maximum tenure of nine (9) consecutive years.
- 7.5 Board Appointments shall be made following the first Board Meeting after the Annual General Meeting and shall have a one (1) year term to a maximum tenure of nine (9) consecutive years.
- 7.6 Qualifications – Nominees must be capable of considering the needs of the entire region.
- 7.7 Resignations – When resignation creates a vacancy, sitting board members shall fill the vacated position in the interim and without public notice.

## 8. **Officers**

- 8.1 Names – The officers of the corporation shall be: chair, vice-chair, and secretary/treasurer.
- 8.2 Election – Officers shall be elected by the board of directors from the members of the board. Officers shall be elected at the first meeting of the board of directors following the Annual General Meeting.
- 8.3 Vacancy – In the event of a vacancy among the officers, the board shall elect a replacement to hold office until the first meeting of the board in the following fiscal year.
- 8.4 Chair – the chair shall:
  - i) Promote the mandate of the corporation,
  - ii) Be the chief executive officer of the corporation and responsible for the operation of the board of directors,
  - iii) Call, plan and chair all meeting of the board,

- iv) Be an ex-officio member of all committees of the board,
- v) Be the official spokesperson for the corporation, but may delegate such authority with regard to public announcements,
- vi) At all times act in accordance with the lawful directives of the corporation and the board of directors,
- vii) Provide one of the two signatures required for the execution of contracts and other documents binding upon the corporation,
- viii) Cause to be brought to the attention of the board all matters affecting the well-being of the corporation and its operation,
- ix) Perform all other duties as assigned by the board.

8.5 Vice-chair – The vice-chair shall:

- i) Serve as chair in the absence of the chair,
- ii) Perform all other duties as assigned by the board.

8.6 Secretary/Treasurer – The secretary/treasurer shall:

- i) Perform all duties as assigned by the board.

9. **Committees**

9.1 Standing Committees – The board of directors shall appoint standing committees, the powers and terms of reference for which will be made available before the first meeting of each committee. A committee shall consist of at least three directors. The board shall appoint two alternate directors who may be called on to sit as committee members to ensure a decision-making quorum. The committee shall appoint a chairperson and recorder to report back to the board of directors on the committee's activities.

9.2 Business – Recommendations passed by majority vote of the committee will go to the board for ratification. Recommendations must be ratified by the board before becoming board policy. Members from a committee may consult others from time to time as required, but others shall not be consulted by the investment fund committee.

9.3 All Committee Chairs must be members of the Board of Directors.



10. **Finance**

- 10.1 Fiscal Year – The fiscal year of the corporation shall commence on the 1<sup>st</sup> day of April in each year and will terminate on the last day of March in the following year.
- 10.2 Banking – All monies of the corporation shall be deposited in accounts held in the name of the corporation at any branch of chartered financial institution or Credit Union which guarantees the deposits at or exceeding the level of insurance provided by the Canadian Depositors Insurance Corporation of Canada. All monies shall be deposited as directed by the board.
- 10.3 Records – Books of account and accounting records shall be securely kept at the business office of the corporation.
- 10.4 Inspection of Records – The directors may inspect the books of account and documents of the corporation at any time. Copies of annual financial statements shall be made available to the directors of the corporation prior to the annual general meeting.
- 10.5 Audit – The books, accounts and records of the corporation shall be audited at least once a year by a duly qualified auditor appointed for that purpose by the board. Complete and proper financial statements for the previous year as well as an auditor's statement will be presented to the board for ratification at the annual general meeting of members.

11. **Conflict of Interest**

- 11.1 No director or member of any corporate committee shall participate in any discussion or vote on any topic which could result in direct benefit to such individual or family member or to any business or commercial venture located in the VCFDC region in which the individual or family member, individually or collectively holds a legal interest.
- 11.2 In the event a director is not entitled to vote on a resolution because of a conflict of interest, s/he shall so declare before discussion begins and shall leave the meeting until consideration of the resolution has been concluded.
- 11.3 Declaration by a director of a conflict of interest shall be recorded in the minutes of the corporation.

12. **Confidentiality Guidelines**

- 12.1 All information provided to the corporation will be treated confidentially. The reputation of the corporation rests on the enforcement of this confidentiality.
- 12.2 All confidential information shall be maintained in a locked filing cabinet at the business office of the corporation.
- 12.3 The board of directors as well as all staff members of the corporation will be required to take and sign an oath of confidentiality.

13. **Minutes and Agendas**

- 13.1 Minutes of all meetings will be kept in a minute book. Meetings of any standing or ad hoc committees will be maintained in a separate section of the book.
- 13.2 Agendas will be prepared by the General Manager in consultation with the Chairperson.
- 13.3 Directors will receive an agenda for each monthly board meeting as well as the minutes from the previous meeting at least 7 days prior to the meeting.

14. **Development and Dissemination**

- 14.1 Resolutions made and carried in meetings of the board will constitute new policy. Directors should have as much information as possible before calling for a decision on policy. Resolutions shall be recognized as policy.
- 14.2 Staff shall provide any information the board may request.
- 14.3 New policies will be added to the appropriate section of the Personnel/General policy manual.

15. **Policy Review**

- 15.1 Policies and procedures must be constantly updated in order to maintain useful Personnel/General policy manuals. Policies will be reviewed at least once each year.
- 15.2 All policy changes will be presented to the board of directors for ratification.

16. **The Corporate Seal**

- 16.1 The corporation shall have a seal which has been approved by the directors.
- 16.2 The seal of the corporation shall only be affixed to an instrument by the authority of a passed resolution of the board. The chairperson and secretary/treasurer, or such other person as the board may designate, shall sign every instrument to which the seal of the corporation is to be affixed.

17. **Registered Office**

- 17.1 Subject to the provisions of the Non-Profit Corporations Act, the corporation may change the place within the Province of Saskatchewan where its registered office is to be situated. This change is to be effected by a passed resolution of the board of directors.

18. **Indemnity**

- 18.1 The corporation hereby agrees to indemnify and save harmless the directors, officers and staff of the corporation for all action undertaken by them on behalf of the corporation while they are acting in good faith. No director, officer or staff of the corporation shall be indemnified by the corporation in any aspect of any liability; costs, charges or expenses that s/he sustains or incurs as a result of her/his own fraud, dishonesty, willful neglect or willful default.

19. **Dissolution**

- 19.1 The corporation may be voluntarily dissolved provided, however, that at least 30 days' notice of such a meeting for that purpose be sent to each director.
- 19.2 Only directors in good standing are entitled to vote at such a meeting and the wind-up shall not be approved unless passed by a majority of two-thirds (2/3) of the directors.
- 19.3 Should the dissolution of the corporation take effect, VCFDC shall satisfy its debts and liabilities and disposed of all remaining assets in a manner acceptable to the Government of Canada.

20. **The General Manager**

- 20.1 The general manager shall be responsible as chief operating officer, to the board of directors through the chairperson, for the following:
- i) All approved policies, results, occurrences and matters of and relating to the operations of the corporation,
  - ii) The supervision, direction and control of all employees of the corporation,
  - iii) To ensure employees properly perform their duties and fulfill their responsibilities in accordance with approved policy,
  - iv) All administrative functions according to corporation policy, including budget preparation and control, maintenance of books of account, correspondence and clerical matters.
- 20.2 The general manager shall be responsible for the custodianship of all property and records of the corporation as required by corporation policy established by the board.
- 20.3 The general manager shall attend all meetings of the board of directors, and meetings of its committees as required, in order to take minutes of the said meetings. The general manager shall have no vote at any board or committee meeting.
- 20.4 The general manager shall perform all other duties as may be required by the board of directors to maintain the successful operation of the corporation in accordance with approved plans and policies.

**Ventures Community Futures Development Corporation  
21<sup>st</sup> Annual General Meeting, June 26, 2018**

**1. Meeting was called to order at 7:00 P.M.**

Kendra Busch, Chairperson welcomed and thanked those in attendance for coming to our 21<sup>st</sup> Annual General Meeting

**2. Adoption of Agenda**

**Motion:** That the agenda for 21<sup>st</sup> Annual General Meeting, which took place on June 26, 2018 be approved as circulated  
Moved by Michael Kaminski Seconded by Gary Kayter

**CARRIED**

**3. Review of the Minutes of the 20<sup>th</sup> Annual General Meeting June 27, 2017**

Brenda Airth, Office Administrator, read the minutes of the 20<sup>th</sup> Annual General Meeting to all representatives in attendance

**4. Adoption of the Minutes of the 20<sup>th</sup> Annual General Meeting June 27, 2017**

**Motion:** That the minutes of the 20<sup>th</sup> Annual General Meeting, which took place on June 27, 2017 be adopted as presented  
Moved by Sharon Armstrong seconded by Garth Bates

**CARRIED**

**5. Annual General Meeting Report 2017/2018**

Corinne Lubiniecki, General Manager reviewed the contents of the 2017/2018 Annual General Meeting Report to all those in attendance

**Motion:** That the 2017/2018 Annual General Meeting Report be accepted as received  
Moved by Steve Boha seconded by Regina Melnyk

**CARRIED**

**6. Financial Report – Collins Barrow PQ LLP Chartered Accountants**

Mandy Price, BAdmin. CPA, CA of Collins Barrow PQ LLP Chartered Accountants presented the Financial Report/Auditor's Report for 2017/2018 fiscal year

**Motion:** That 2017/2018 Financial Report be accepted as received  
Moved by Gary Kayter Seconded by Michael Kaminski

**CARRIED**

**7. Appointment of Auditor for 2018/2019**

**Motion:** That Collins Barrow PQ LLP Chartered Accountants be appointed as Ventures Community Futures Development Corporation auditor for the 2018/2019 fiscal year  
Moved by Michael Kaminski Seconded by Garth Bates

**CARRIED**

8. **Election of Board of Directors (Zones 2 & 4)**

Sharon Armstrong, Chair of Ventures Community Futures Development Corporation Education/Promotion Committee, provided an overview of the procedures for elections of Directors. She also informed all those in attendance that Zone 2 and 4 are up for election this year.

i) **Appointment of Scrutineers**

Sharon Armstrong Appointed Carol Marriott and Regina Melnyk as Scrutineers  
 Moved by Michael Kaminski Seconded by Garth Bates **CARRIED**

ii) **Election of Directors (One Each From Zone 2 and 4)**

**ZONE 2: Diane Jamieson**

Sharon Armstrong announced that Zone 2 had been won by acclamation

**ZONE 4 Henry Mamer**

Sharon Armstrong announced that Zone 4 had been won by acclamation

iii) **ZONE 6 – Appointment of Directors**

Corinne Lubiniecki, General Manager announced that the City of Yorkton has appointed **Laurie Renton** and **Lorie Antony** to represent Zone 6 for a three year term

**Laurie Renton and Lorie Antony** appointed for Zone 6

iv) **Election of Members at Large Position (3)**

Nominations were called from the floor for three Members at Large positions

Sharon Armstrong announced that Michael Kaminski and Carol Marriott have accepted the member at large position for a two year term and Gary Kayter has accepted the member at large position for a one year term

*Michael Kaminski, Carol Marriott and Gary Kayter have won by acclamation*

**Motion:** That nomination cease  
 Moved by Carol Marriott Seconded by Steve Boha

**CARRIED**

v) **Motion to Destroy Ballots**

Not required

**Adjournment**

**Motion:** To adjourn at 7:45 P.M.  
Moved by Steve Boha

**CARRIED**

**BOARD APPROVAL**

Date: \_\_\_\_\_

\_\_\_\_\_  
Regina Melnyk, Chairperson

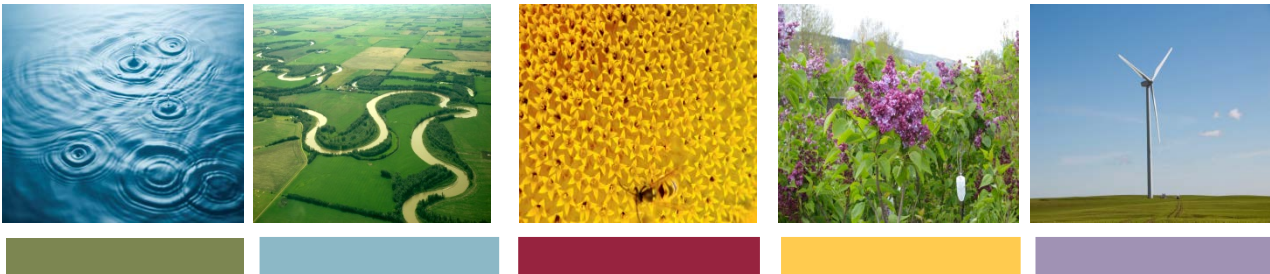
\_\_\_\_\_  
Carol Marriott, Secretary/Treasurer



Growing communities one idea at a time.

## APPENDIX A

# AUDITOR'S REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019





**Ventures Community Futures  
Development Corporation**  
**FINANCIAL STATEMENTS**  
**Year Ended March 31, 2019**

**Ventures Community Futures Development Corporation**  
Yorkton, Saskatchewan  
March 31, 2019

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### Independent Auditors' Report

To the Board of Directors  
Ventures Community Futures Development Corporation

#### Opinion

We have audited the financial statements of Ventures Community Futures Development Corporation, (the non-profit), which comprise the Statement of Financial Position as at March 31, 2019 and the Statements of Operations, Changes in Net Assets 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 the non-profit as at March 31, 2019, and results of its operations and its cash flow 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 non-profit 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the non-profit'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 non-profit or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the non-profit's financial reporting process.



*Auditors' 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 auditors' 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 non-profit'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 non-profit'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 non-profit 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.

Baker Tilly SK LLP

*Baker Tilly SK LLP*

Yorkton, SK  
June 11, 2019

**Ventures Community Futures Development Corporation**  
 Yorkton, Saskatchewan  
 Statement of Financial Position as at March 31, 2019

	Operating Fund	Investment Fund	Disabled Entrepreneur Investment Fund	2019 Total	2018 Total
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	278,392	588,367	78,187	944,946	816,349
Accounts receivable - note 4	1,880	18		1,898	20,041
Accrued interest receivable		12,324	1,060	13,384	21,489
Inventories	4,959			4,959	4,764
Current portion of loans receivable		154,400	115,700	270,100	306,800
Prepaid expenses	3,961			3,961	4,096
Foreclosed assets - note 5		75,204		75,204	68,536
	<u>289,192</u>	<u>830,313</u>	<u>194,947</u>	<u>1,314,452</u>	<u>1,242,075</u>
<b>Long-Term Investments</b>					
Loans receivable - note 6	0	1,048,461	114,363	1,162,824	1,355,609
<b>Capital Assets - note 8</b>	<u>2,465</u>	<u>0</u>	<u>0</u>	<u>2,465</u>	<u>3,037</u>
	<b>\$ 291,657</b>	<b>\$ 1,878,774</b>	<b>\$ 309,310</b>	<b>\$ 2,479,741</b>	<b>\$ 2,600,721</b>
<b>Liabilities and Net Assets</b>					
<b>Current Liabilities</b>					
Accounts payable and accrued liabilities - note 9	12,709	183		12,892	8,688
Unearned revenue - note 10	25,206			25,206	
Current portion of CFSIP investment pool loan		77,800		77,800	75,800
	<u>37,915</u>	<u>77,983</u>	<u>0</u>	<u>115,898</u>	<u>84,488</u>
<b>Long-Term Liabilities</b>					
CFSIP investment pool loan - note 11		6,551		6,551	84,335
Repayable loan funds		1,001,000	200,000	1,201,000	1,201,000
	<u>0</u>	<u>1,007,551</u>	<u>200,000</u>	<u>1,207,551</u>	<u>1,285,335</u>
<b>Net Assets</b>					
Unrestricted net assets	253,742			253,742	246,871
Restricted net assets					
Investment fund		793,240		793,240	846,821
Disabled entrepreneur investment fund			109,310	109,310	137,206
	<u>253,742</u>	<u>793,240</u>	<u>109,310</u>	<u>1,156,292</u>	<u>1,230,898</u>
	<b>\$ 291,657</b>	<b>\$ 1,878,774</b>	<b>\$ 309,310</b>	<b>\$ 2,479,741</b>	<b>\$ 2,600,721</b>

Approved on behalf of the board:

\_\_\_\_\_  
 President

\_\_\_\_\_  
 Secretary

*The notes to financial statements are an integral part of these financial statements.*

**Ventures Community Futures Development Corporation**  
 Statement of Changes in Net Assets  
 For the year ended March 31, 2019

	Unrestricted Net Assets	Restricted Net Assets		2019 Total	2018 Total
		Investment Fund	Disabled Entrepreneur Investment Fund		
Balance, beginning of year	246,871	846,821	137,206	1,230,898	1,092,771
Excess (deficiency) of revenue over expenses for the year	<u>6,871</u>	<u>( 53,581)</u>	<u>( 27,896)</u>	<u>( 74,606)</u>	<u>138,127</u>
Balance, end of year	<u>\$ 253,742</u>	<u>\$ 793,240</u>	<u>\$ 109,310</u>	<u>\$ 1,156,292</u>	<u>\$ 1,230,898</u>

*The notes to financial statements are an integral  
 part of these financial statements.*

**Ventures Community Futures Development Corporation**  
Statement of Operations  
For the year ended March 31, 2019

	Operating Fund	Investment Fund	Disabled Entrepreneur Investment Fund	2019 Total	2018 Total
<b>Revenue</b>					
Grants					
W.E.D.C.	297,671			297,671	297,670
W.E.D.C. capital					132
Interest on loans		88,826	23,810	112,636	150,206
Loan administration fees	4,524			4,524	7,810
Loan recoveries					15,467
Investment income	5,541	9,740	1,166	16,447	10,517
Training programs	3,820			3,820	3,595
Other revenue	16,753			16,753	17,601
	<u>328,309</u>	<u>98,566</u>	<u>24,976</u>	<u>451,851</u>	<u>502,998</u>
<b>Expenses</b>					
Advertising and promotion	1,073			1,073	552
Amortization	1,418			1,418	2,196
Audit	9,006			9,006	8,138
Bank charges	2,140			2,140	1,311
Board travel/training	16,117			16,117	7,550
Community Economic Development	7,870			7,870	6,225
Contracted services	8,395			8,395	9,230
Credit checks/collections	1,221			1,221	2,284
Employee wages and benefits	181,536			181,536	207,916
Impairment - loans and interest - note 7		149,047	52,872	201,919	38,465
Insurance	2,141			2,141	1,976
Interest - long-term		3,100		3,100	5,048
Office	3,811			3,811	2,574
Office rent	55,157			55,157	50,428
Professional development	3,885			3,885	1,416
Repairs and maintenance	893			893	819
Resource library	491			491	481
Staff travel	8,776			8,776	3,255
Telephone	5,919			5,919	5,995
Utilities	3,884			3,884	4,063
Workshops	7,705			7,705	4,949
	<u>321,438</u>	<u>152,147</u>	<u>52,872</u>	<u>526,457</u>	<u>364,871</u>
<b>Excess (Deficiency) of Revenue over Expenses for the Year</b>	<u>\$ 6,871</u>	<u>\$( 53,581)</u>	<u>\$( 27,896)</u>	<u>\$( 74,606)</u>	<u>\$ 138,127</u>

*The notes to financial statements are an integral part of these financial statements.*

**Ventures Community Futures Development Corporation**  
 Statement of Cash Flow  
 For the year ended March 31, 2019

	<b>2019</b>	<b>2018</b>
<b>Cash Provided By (Used In):</b>		
<b>Operations</b>		
Excess (deficiency) of revenue over expenses for the year	( 74,606)	138,127
Loans disbursed	( 343,158)	( 509,141)
Principal payments collected	369,304	357,038
Add items not requiring cash resources		
Amortization	1,418	2,196
Provision for impairment, net of writeoffs	198,672	38,465
Net change in working capital	<u>55,597</u>	<u>( 51,565)</u>
	<u>205,227</u>	<u>( 24,880)</u>
<b>Investing activities</b>		
Capital asset purchases	<u>( 846)</u>	<u>( 424)</u>
<b>Financing activities</b>		
Repayment of long-term loans	( 75,784)	( 73,841)
Deferred contributions	<u>( 132)</u>	<u>( 132)</u>
	<u>( 75,784)</u>	<u>( 73,973)</u>
<b>Net Cash Increase (Decrease) for the Year</b>	128,597	( 99,277)
Cash position, beginning of year	<u>816,349</u>	<u>915,626</u>
<b>Cash Position, End of Year</b>	<u>\$ 944,946</u>	<u>\$ 816,349</u>
Net change in working capital consists of:		
Decrease (increase) - accounts receivable	18,143	( 18,610)
- inventories	( 195)	407
- prepaid expenses	135	468
- other current assets	8,105	( 13,854)
Increase (decrease) - accounts payable and accrued liabilities	4,203	5,732
- other current liabilities	<u>25,208</u>	<u>( 25,708)</u>
	<u>\$ 55,597</u>	<u>\$( 51,565)</u>
<b>Additional Information:</b>		
Interest received	\$ 137,188	\$ 146,868

*The notes to financial statements are an integral part of these financial statements.*



**Ventures Community Futures Development Corporation**  
Notes to Financial Statements  
For the year ended March 31, 2019

**1. Nature of Operations**

The organization was incorporated on February 6, 1997 under the Non-Profit Corporations Act of Saskatchewan. The Ventures Community Futures Development Corporation develops and diversifies the economy of east-central Saskatchewan through support of new or expanding small businesses. Funding for the organization has been provided by Western Economic Diversification Canada. These funds are used to provide small business counselling, advisory services and access to capital in the form of loans. The organization is not subject to income tax.

**2. Significant Accounting Policies**

These financial statements are the responsibility of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations using the accounting policies as summarized below:

(a) Fund accounting

Operations of the organization are reported in an operating fund, an investment fund and a disabled entrepreneur investment fund. An agreement with Western Economic Diversification Canada requires that the two investment funds be established as restricted funds. These funds are to provide loans to qualifying businesses.

The revenue generated from the undisbursed repayable loan funds and interest from disbursed loans are restricted until March 31, 2021. On April 1, 2021, the unencumbered free cash balance of the repayable fund must be repaid to Western Economic Diversification Canada, unless the funding contract is renegotiated or extended. At this time, all loan payments will be payable to Western Economic Diversification Canada until the original repayable contribution and one-half of the remaining assets have been repaid.

The contribution agreement provides funds to the organization for reimbursement up to 100% of eligible operating expenses of the corporation.

Another agreement with Western Economic Diversification Canada has provided financial assistance to the organization to obtain capital assets to enable them to operate. The revenue is deferred until the assets are amortized.

(b) Cash and cash equivalents

Cash and cash equivalents represents cash on hand and cash held in banks.

(c) Inventories

Inventories are valued at the lower of cost and current replacement cost. Cost is determined on a first-in, first-out basis.

**Ventures Community Futures Development Corporation**  
 Notes to Financial Statements  
 For the year ended March 31, 2019

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**2. Significant Accounting Policies - continued**

(d) Loans receivable

Loans receivable are initially measured at fair value and subsequently at amortized cost using the effective interest method, less any impairment. An allowance for impaired loans is maintained that reduces the carrying value of loans to their estimated realizable amount. A loan is classified as impaired when there is no reasonable assurance that the principal and interest will be collected in full.

The organization records specific allowances based on management's review of individual loans to reduce their book values to estimated realizable amounts. The net amount represents management's best estimate of the future value of the payment it will receive on each loan, discounted at the loan's inherent interest rate. When management cannot determine the loan's future cash flow, it bases its estimate on the estimated market value of the loan's security, and where appropriate and reasonable, on the discounted future value of the loan's security, net of expected selling costs. The organization records changes to the estimated realizable value of the loan as a charge or credit for loan impairment.

The charge for loan impairment includes the current year's allowance for loan principal deemed uncollectible, less collections of principal and interest on loans allowed for in prior years and the write-down of foreclosed assets.

(e) Capital assets

Tangible capital assets are recorded at cost less accumulated amortization.

The assets are amortized on a straight-line basis based on the estimated useful life of the asset as follows:

Office equipment	2-10 years
Computer equipment	2-3 years
Computer software	2 years
Leasehold improvements	5 years

In the year of purchase, capital assets are amortized starting in the month of acquisition.

In the year of disposition, capital assets are amortized until the month of disposition.

(f) Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions for which the related restrictions remain unfulfilled are accumulated as deferred contributions.

Interest revenue is recognized on an accrual basis as it is earned based on the terms of loans, deposit accounts and other investments. Grant revenues for operations are recognized based on the time period to which they relate. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. All other revenues are recognized when goods have been delivered or services provided, provided the amount receivable can be reasonably estimated and collection is reasonably assured.

Restricted contributions for the purchase of amortized capital assets are deferred and recognized as revenue on the same basis as the amortization related to the acquired assets.

Ventures Community Futures Development Corporation  
Notes to Financial Statements  
For the year ended March 31, 2019

2. Significant Accounting Policies - continued

(g) Donated materials and service

Materials and services donated to the organization are recognized in these financial statements when they are used in the normal operations of the organization. They are recorded at their fair market value. During the year, there were no goods and services donated to the organization.

(h) Financial instruments

*Measurement of financial instruments*

The organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The organization subsequently measures all its financial assets and liabilities at amortized cost, net of impairment allowances, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenue over expenses.

*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 excess of revenue over expenses. 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 revenue over expenses.

(i) 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 reported period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they became known.

Significant estimates have been made in the following financial statement areas:

- valuation of loans and receivables - actual collectability may differ from those anticipated by management
- useful lives of capital assets and related amortization - service lives may differ from initial estimates

**Ventures Community Futures Development Corporation**  
 Notes to Financial Statements  
 For the year ended March 31, 2019

**3. Risks Arising from Financial Instruments**

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 reporting date. The terms and conditions affecting the financial instruments are:

(a) 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. Due to the nature of the organization, the organization is exposed to significant credit risk from the potential non-payment of loans receivable. To mitigate this risk, the organization had implemented processes to review the credit worthiness of its loan applicants, as well as registering security interests. Additionally, the organization has policies in place relating to loan approvals and maximum amounts able to be lent to any one borrower. The organization does not consider itself to be exposed to credit risk in relation to its accounts receivables, as these amounts are substantially all receivable from government bodies.

(b) Interest rate risk

The loans receivables bear fixed interest rates. As such, the organization's exposure to interest rate risk is limited to fair value risk.

**4. Accounts Receivable**

Accounts receivable are comprised of the following items:

Operating fund:

	2019	2018
Goods and services tax	1,488	1,074
Other receivables	412	3,441
	<u>\$ 1,890</u>	<u>\$ 4,515</u>

Investment fund:

Goods and services tax	18	59
Other receivables		15,467
	<u>\$ 18</u>	<u>\$ 15,526</u>

**5. Foreclosed Assets**

Foreclosed assets	103,204	96,536
Less: Allowance	<u>( 28,000)</u>	<u>( 28,000)</u>
	<u>\$ 75,204</u>	<u>\$ 68,536</u>

**Ventures Community Futures Development Corporation**  
 Notes to Financial Statements  
 For the year ended March 31, 2019

	<b>2019</b>	<b>2018</b>
<b>6. Loans Receivable</b>		
Investment Fund:		
Construction	82,828	92,560
Food services	281,773	402,027
Hospitality services	61,859	77,270
Mechanical services	229,943	210,745
Retail trade	161,207	231,135
Transportation	7,001	12,858
Other services	238,686	267,553
Impaired loans	<u>304,064</u>	<u>117,102</u>
	1,367,361	1,411,250
Allowance for impaired loans	( 164,500)	( 22,000)
Current portion	<u>( 154,400)</u>	<u>( 183,700)</u>
	<b><u>\$ 1,048,461</u></b>	<b><u>\$ 1,205,550</u></b>
Disabled Entrepreneur Investment Fund:		
Construction	53,584	56,728
Other services	126,479	216,431
Impaired loans-disabled	102,872	
Allowance for impaired loans	( 52,872)	
Current portion	<u>( 115,700)</u>	<u>( 123,100)</u>
	<b><u>\$ 114,363</u></b>	<b><u>\$ 150,059</u></b>
<b>7. Impairment of Loans and Interest</b>		
The change in allowances for impaired loans is comprised of:		
Investment Fund:		
Allowance, beginning of year	( 22,000)	0
Current year impairment provision - loans and interest	( 149,047)	( 15,000)
Amounts written off in year - interest	5,247	
Fair value write downs		( 7,000)
Amortization of fair value write downs	<u>1,300</u>	
Allowance, end of year	<b><u>\$( 164,500)</u></b>	<b><u>\$( 22,000)</u></b>
Disabled Entrepreneur Investment Fund:		
Allowance, beginning of year	0	0
Current year impairment provision - loans and interest	( 52,872)	( 23,465)
Amounts written off in year - loans		<u>23,465</u>
Allowance, end of year	<b><u>\$( 52,872)</u></b>	<b><u>\$ 0</u></b>

**Ventures Community Futures Development Corporation**  
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 For the year ended March 31, 2019

	2019	2018
<b>8. Capital Assets</b>		
Cost		
Office equipment	57,420	58,005
Computer equipment	26,462	25,816
Computer software	6,664	12,384
Leasehold improvements	20,076	20,076
	<u>110,622</u>	<u>116,081</u>
Accumulated amortization		
Office equipment	56,317	56,366
Computer equipment	25,378	24,641
Computer software	6,664	12,384
Leasehold improvements	19,798	19,653
	<u>108,157</u>	<u>113,044</u>
Net book value	<u>\$ 2,465</u>	<u>\$ 3,037</u>
<b>9. Accounts Payable and Accrued Liabilities</b>		
Accounts payable and accrued liabilities are comprised of the following items:		
Operating Fund:		
Accounts payable	8,285	
Government remittances		3,882
Accrued wages payable	4,424	4,459
	<u>\$ 12,709</u>	<u>\$ 8,341</u>
Investment Fund:		
Accrued interest payable	<u>\$ 183</u>	<u>\$ 347</u>
<b>10. Unearned Revenue and Deferred Contributions</b>		
Unearned revenue represents restricted contributions to be used to fund operations in the subsequent fiscal year (\$24,808) and funds received in the current year for training to be provided in the subsequent fiscal year (\$400). The changes in the deferred contributions balance are as follows:		
	2019	2018
Balance, beginning of year	0	25,708
Less: Amount recognized as revenue during the year		25,708
Plus: Amount received for subsequent year	<u>25,208</u>	<u>        </u>
Balance, end of year	<u>\$ 25,208</u>	<u>\$ 0</u>

**Ventures Community Futures Development Corporation**  
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	2019	2018
<b>11. CFSIP Investment Pool Loan</b>		
<p>The organization has borrowed from the Community Futures Saskatchewan Investment Pool fund for the purposes of advancing loans via its normal lending program. These loans are unsecured. Details and repayment terms of the amounts borrowed are as follows:</p> <p>\$300,000 was borrowed in the 2016 fiscal year. The loan bears a fixed interest rate of 2.6% per annum, with interest-only payments until April 2016 and \$6,587 monthly thereafter.</p>		
Balance, end of year	84,351	160,135
Less: Portion due in one year	<u>77,800</u>	<u>75,800</u>
	<u>\$ 6,551</u>	<u>\$ 84,335</u>
<p>Estimated principal payments of the CFSIP loan due within each of the next two years amount to:</p>		
2020	77,800	
2021	<u>6,551</u>	
	<u>\$ 84,351</u>	

**12. Commitments**

Loans and flex lines of credit approved but not advanced at March 31, 2019 total \$108,911 (2018 - \$136,597).

The organization leases office space under a lease agreement which expires March 31, 2021 but includes a five-year option to renew at the end of the lease. The lease is payable monthly in the amount of \$2,833 plus GST. The organization is also responsible for its proportionate share of the overall operational and maintenance costs of the building based on proportionate square footage. These costs are payable on a monthly basis at a value estimated by the landlord and adjusted annually for actual costs.