
**AUDITOR'S REPORT
ON COMPLIANCE WITH AGREEMENT**

To the Board of Directors of Community Futures Grande Prairie & Region

We have audited the Community Futures Grande Prairie & Region's compliance as at March 31, 2011 with the criteria established in the Contribution Agreement between Western Economic Diversification and Community Futures Grande Prairie & Region dated April 4, 2006. Compliance with the criteria established is the responsibility of the board of directors of Community Futures Grande Prairie & Region. Our responsibility is to express an opinion on this compliance based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether Community Futures Grande Prairie & Region complied with the criteria established by the provision of the agreement referred to above. Such an audit includes examining, on a test basis, evidence supporting compliance, evaluating the overall compliance with the agreement, and where applicable, assessing the accounting principles used and significant estimates made by management.

In our opinion, Community Futures Grande Prairie & Region is in compliance, in all material respects, with the criteria established by the Contribution Agreement.

Chartered Accountants

Grande Prairie, Alberta
June 24, 2011

**Community Futures Grande
Prairie & Region
Financial Statements
For the year ended March 31, 2011**

Community Futures Grande Prairie & Region
Financial Statements
March 31, 2011

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Independent Auditors' Report

To the Board of Directors of Community Futures Grande Prairie & Region

Report on the Financial Statements

We have audited the accompanying financial statements of Community Futures Grande Prairie & Region, which comprise the statements of financial position as at March 31, 2011, and the statements of changes in fund balances, statements of operations and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Community Futures Grande Prairie & Region as at March 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

"BDO CANADA LLP"

Chartered Accountants

Grande Prairie, Alberta
June 20, 2011

Community Futures Grande Prairie & Region
Statement of Financial Position - Combined

March 31

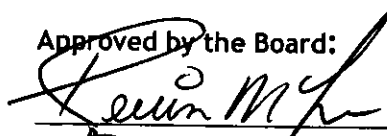
2011

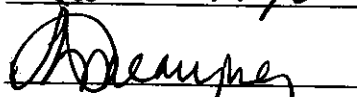
2010

(Restated)

	Operating Fund	Investment Fund	Total	Total
Assets				
Current				
Cash	\$ 483,874	\$ 568,380	\$1,052,254	\$ 1,025,756
Term deposits (Note 2)	-	50,000	50,000	-
Loan security deposits (Note 1)	-	150,000	150,000	-
Accounts receivable	81,592	-	81,592	53,847
Accrued interest receivable	-	932	932	192
Other receivables	4,081	101	4,182	4,133
Prepaid expenses	11,814	-	11,814	12,954
Interfund receivable	-	280	280	70,615
	581,361	769,693	1,351,054	1,167,497
Loan security deposits (Note 1)	-	150,000	150,000	50,000
Loans receivable (Note 3)	-	3,402,798	3,402,798	3,744,559
Capital assets (Note 4)	30,591	-	30,591	27,802
	\$ 611,952	\$4,322,491	\$4,934,443	\$ 4,989,858
Liabilities				
Current				
Loan payable (Note 5)	\$ -	\$ -	\$ -	\$ 500,000
Accounts payable and accrued liabilities	30,069	-	30,069	41,335
Interfund payable	280	-	280	70,615
Deferred revenue (Note 6)	395,752	-	395,752	169,830
	426,101	-	426,101	781,780
Investment grants payable (Note 7)	-	601,296	601,296	601,296
	426,101	601,296	1,027,397	1,383,076
Commitments (Note 12)				
Net Assets				
Fund balances	185,851	3,721,195	3,907,046	3,606,782
	\$ 611,952	\$4,322,491	\$4,934,443	\$ 4,989,858

Approved by the Board:

 Director

 Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region
Statement of Changes in Fund Balances - Combined

For the year ended March 31, 2011

	Operating Fund		Investment	
	Capital	Unrestricted	Fund	Total
Balance, beginning of year				
As previously reported	\$ 27,802	\$ 398,412	\$ 3,350,398	\$ 3,776,612
Correction of prior period error (Note 8)	-	(169,830)	-	(169,830)
As restated	27,802	228,582	3,350,398	3,606,782
Excess (deficiency) of revenue over expenses for the year	-	(70,533)	370,797	300,264
Purchase of capital assets	13,248	(13,248)	-	-
Amortization	(10,459)	10,459	-	-
Balance, end of year	\$ 30,591	\$ 155,260	\$ 3,721,195	\$ 3,907,046

For the year ended March 31, 2010 (Restated)

	Operating Fund		Investment	
	Capital	Unrestricted	Fund	Total
Balance, beginning of year	\$ 47,755	\$ 257,885	\$ 3,545,981	\$ 3,851,621
Excess (deficiency) of revenue over expenses for the year	-	(64,256)	(180,583)	(244,839)
Purchase of capital assets	10,213	(10,213)	-	-
Disposal of capital assets, net book value	(3,212)	3,212	-	-
Amortization	(26,954)	26,954	-	-
Transfers (Note 9)	-	15,000	(15,000)	-
Balance, end of year	\$ 27,802	\$ 228,582	\$ 3,350,398	\$ 3,606,782

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**Community Futures Grande Prairie & Region
Statement of Financial Position - Operating Fund**

March 31	2011	2010 (Restated)
Assets		
Current		
Cash	\$ 483,874	\$ 298,396
Accounts receivable	81,592	53,847
Other receivables	4,081	3,935
Due from Investment Fund	-	70,615
Prepaid expenses	11,814	12,954
	581,361	439,747
Capital assets (Note 4)	30,591	27,802
	\$ 611,952	\$ 467,549
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 30,069	\$ 41,335
Due to investment fund	280	-
Deferred revenue (Note 6)	395,752	169,830
	426,101	211,165
Net Assets		
Fund balances		
Unrestricted	155,260	228,582
Capital	30,591	27,802
	185,851	256,384
	\$ 611,952	\$ 467,549

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region
Statement of Changes in Fund Balances - Operating Fund

For the year ended March 31 2011 2010
(Restated)

Unrestricted Fund Balance

Balance, beginning of year		
As previously reported	\$ 398,412	\$ 257,885
Correction of prior period error (Note 8)	(169,830)	-
	228,582	257,885
As restated		
Deficiency of revenue over expenses	(70,533)	(64,256)
Transfer from investment fund (Note 9)	-	15,000
Transfer of net operating funds invested in capital assets	(2,789)	19,953
	155,260	228,582
Balance, end of year	\$ 155,260	\$ 228,582

Capital Fund Balance

Balance, beginning of year		
Amortization	\$ 27,802	\$ 47,755
Purchase of capital assets	(10,459)	(26,954)
Net book value on disposal of capital assets	13,248	10,213
	-	(3,212)
Balance, end of year	\$ 30,591	\$ 27,802

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region
Statement of Financial Position - Investment Fund

March 31	2011		2010 (Restated)	
	Regular Non-Repayable	Regular Repayable	Disabled Repayable	Total
Assets				
Current				
Cash (overdraft)	\$ 650,839	\$ (147,679)	\$ 65,220	\$ 568,380
Term deposits (Note 2)	50,000	-	-	50,000
Loan security deposits (Note 1)	150,000	-	-	150,000
Accrued interest receivable	-	932	-	932
Other receivables	101	-	-	101
Due from Operating Fund	280	-	-	280
Interfund receivable (payable)	(568,835)	394,551	174,284	-
	282,385	247,804	239,504	769,693
Loan security deposits (Note 1)	150,000	-	-	150,000
Loans receivable (Note 3)	2,909,734	465,329	27,735	3,402,798
	\$3,342,119	\$ 713,133	\$ 267,239	\$4,322,491
				\$4,522,309
Liabilities				
Current				
Loan payable (Note 5)	\$ -	\$ -	\$ -	\$ -
Due to Operating Fund	-	-	-	70,615
Investment grants payable (Note 7)	-	494,048	107,248	601,296
	-	494,048	107,248	1,171,911
Net Assets				
Fund balances				
Investment Fund	3,342,119	219,085	159,991	3,721,195
	\$3,342,119	\$ 713,133	\$ 267,239	\$4,322,491
				\$4,522,309

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region
Statement of Changes in Fund Balances - Investment Fund

For the year ended March 31

	2011		2010	
	Regular Non-Repayable	Regular Repayable	Disabled Repayable	Total
Balance, beginning of year	\$ 2,954,403	\$ 237,093	\$ 158,902	\$ 3,350,398
Excess of revenue over expenses for the year	387,716	(18,008)	1,089	370,797
Transfer to operating fund (Note 9)	-	-	-	(180,583)
Balance, end of year	\$ 3,342,119	\$ 219,085	\$ 159,991	\$ 3,721,195
				\$ 3,350,398

(Restated)

**Community Futures Grande Prairie & Region
Statement of Operations - Operating Fund**

<u>For the year ended March 31</u>	<u>2011</u>	<u>2010</u> (Restated)
Revenue		
Contributions from federal government - operating	\$ 308,493	\$ 308,482
Community Futures Network Society of Alberta	1,717	-
Grant Specialist Initiative	3,500	36,000
Self Employment program	86,735	77,837
Youth Connections program	204,600	206,850
Other - projects and services	23,180	21,567
Regional Self Employment program	72,113	118,701
Rent	3,635	4,919
Career Practitioner program	107,600	112,500
Northern Alberta Youth Entrepreneur Camp	5,611	459
NADC Ventures Program	41,066	50,000
DMF	96,055	41,628
RADF Agri Food Project	66,845	-
	<u>1,021,150</u>	<u>978,943</u>
Expenses		
General and administrative (Schedule)	<u>1,091,683</u>	<u>1,039,987</u>
Deficiency of revenue over expenses before the undernoted	(70,533)	(61,044)
Loss on disposal of capital assets	-	(3,212)
Deficiency of revenue over expenses	\$ (70,533)	\$ (64,256)

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region
Statement of Operations - Investment Fund

	2011		2010	
	Regular Non-Repayable	Regular Repayable	Disabled Repayable	Total (Restated)
For the year ended March 31				
Revenue				
Interest and fees	\$ 324,682	\$ 34,253	\$ 2,845	\$ 323,398
Investment income and bank interest	2,363	2,363	7,089	19,251
	327,045	36,616	5,208	342,649
Expenses				
GST	449	-	-	449
Bad debts (recovery)	(88,014)	50,505	-	490,909
Bank charges and other	4,119	4,119	4,119	10,629
Collection	22,775	-	-	22,775
	(60,671)	54,624	4,119	(1,928)
Excess (deficiency) of revenue over expenses before the undernoted	387,716	(18,008)	1,089	(169,639)
Loss on disposal of investments	-	-	-	(10,944)
Excess (deficiency) of revenue over expenses	\$ 387,716	\$ (18,008)	\$ 1,089	\$ (180,583)

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Community Futures Grande Prairie & Region

Statement of Cash Flows

For the year ended March 31	Financing and Investing Activities				Total 2010 (Restated)
	Operating Fund	Non- Repayable	Repayable	Disabled	
Operating activities					
Cash received from government contracts	\$ 994,335	-	\$ -	-	\$ 994,335
Cash received from other revenue	224,846	-	-	-	224,846
Cash paid to suppliers for goods and services	(1,091,349)	(27,343)	(54,624)	(4,119)	(1,177,435)
Interest received	-	327,142	35,876	5,207	368,225
	127,832	299,799	(18,748)	1,088	409,971
Financing activities					
Transfer (to) from other funds	70,894	(439,539)	(133,572)	2,217	(500,000)
Investing activities					
Purchase of capital assets	(13,248)	-	-	-	(13,248)
Investment loans repaid (advanced), net	-	180,502	(24,932)	(25,795)	129,775
	(13,248)	180,502	(24,932)	(25,795)	116,527
Net change in cash	185,478	40,762	(177,252)	(22,490)	26,498
Cash, beginning of year	298,396	610,077	29,573	87,710	1,025,756
Cash, end of year	\$ 483,874	\$ 650,839	\$ (147,679)	\$ 65,220	\$ 1,052,254
					\$ 1,025,756

Community Futures Grande Prairie & Region

Notes to the Financial Statements

March 31, 2011

1. Summary of Significant Accounting Policies

(a) Purpose of the Organization

Community Futures Grande Prairie & Region has a mandate to increase economic and social well-being throughout the region by assisting, supporting and investing in small business. The main focus is to maximize job creation and maintenance by providing small business consulting services and management of an investment fund. Community Futures Grande Prairie & Region is exempt from income taxes under Section 149 of the Income Tax Act.

(b) Management Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

(c) Financial Instruments

Community Futures Grande Prairie & Region's financial instruments consist of cash, term deposits, loan security deposits, accounts receivable, accrued interest receivable, other receivables, loans receivable, accounts payable and accrued liabilities, and investment grants payable. It is management's opinion that Community Futures Grande Prairie & Region is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

All financial instruments are classified as either held to maturity, loans and receivables, held for trading, available for sale or liabilities other than held for trading. Financial instruments are initially recorded at their fair value.

Assets available for sale and either assets or liabilities designated as held for trading are subsequently measured at fair value at each balance sheet date. All other financial assets and liabilities are carried at cost or amortized cost using the effective interest rate method where applicable.

The fair value of all financial instruments approximate their carrying values because of the short-term maturity of these instruments.

Continued...

Community Futures Grande Prairie & Region Summary of Significant Accounting Policies

March 31, 2011

(c) Financial Instruments (continued)

The Organization has made the following classifications:

Cash	Held for trading
Term deposits	Held for trading
Loan security deposits	Held to maturity
Accounts receivable	Loans and receivables
Accrued interest receivable	Loans and receivables
Other receivables	Loans and receivables
Loans receivable	Loans and receivables
Accounts payable and accrued liabilities	Liabilities other than held for trading
Investment grants payable	Liabilities other than held for trading
Deferred revenue	Liabilities other than held for trading

(d) Funding Accounting

Community Futures Grande Prairie & Region follows the restricted fund method of accounting for contributions. The Operating Fund accounts for the Organization's operating costs and general revenues. This fund reports unrestricted resources and restricted operating grants. The Investment Fund reports externally 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 and youth are limited to businesses owned and operated by disabled and youth entrepreneurs, respectively. The Organization is restricted in the types of loans that can be made according to its agreement with the federal government.

(e) Capital Assets

Capital assets are stated at cost less accumulated amortization. Amortization is recorded on the diminishing balance basis at rates designed to amortize the cost of the capital assets over their estimated useful lives. Amortization rates are as follows:

Furniture and fixtures	20 %
Computer equipment	30 %
Computer software	100 %
Leasehold improvements	5 year straight line

(f) Contributed Services

Volunteers contribute many hours annually to assist Community Futures Grande Prairie & Region in carrying out specific program activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Community Futures Grande Prairie & Region Summary of Significant Accounting Policies

March 31, 2011

(g) Leased Assets

Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a capital asset and the incurrence of an obligation. The obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases and the rental costs are expensed as incurred.

(h) Impairment of Long-Lived Assets

If events or circumstances indicate that the carrying value of any long-lived asset may be impaired, a recoverability analysis is performed based upon estimated undiscounted cash flows to be generated by the long-lived asset. If the analysis indicates that the carrying value is not recoverable from future cash flows, the asset is written down to estimated fair value and an impairment loss is recognized.

(i) Revenue Recognition

The Organization recognizes operating fund revenue when earned based on the terms of the agreements. Deferred revenue consists of funds received under such agreements for which the related expenses have not been incurred. They will be recognized as revenue in the year in which the related expenses are incurred.

Interest revenue is recorded when the amount to be received can be reasonably estimated and collection is reasonably assured.

(j) Capital Disclosures

The Organization considers its capital to be its net assets. The operating fund balance consists of unrestricted net assets available for future use as considered appropriate by the Board. The investment fund balance consists primarily of the loan portfolio net of grants payable and cash and term deposits available for specific types of future loans and for loan guarantees as described in the fund accounting significant accounting policy and Note 2 respectively. The Organization's objectives when managing its capital are to safeguard its ability to continue as a going concern so that it can continue to provide service to small business in the Grande Prairie region. Management and the Board monitor the levels of cash and term deposits needed to support future operations. They also regularly review lending policies and loans in arrears to minimize the Organization's exposure to bad debt. The Organization's exposure to bad debt is further reduced since Western Economic Diversification bears some of the risk related to bad debts as described in Note 7.

Community Futures Grande Prairie & Region Notes to the Financial Statements

March 31, 2011

2. Term Deposits and Loan Security Deposits

The organization has three term deposits totaling \$350,000 as follows:

a) Term deposit consisting of a Guaranteed Investment Certificate bearing interest at 0.9% per annum and maturing in December, 2011	\$ 50,000
b) Loan security deposit consisting of a Guaranteed Investment Certificate bearing interest at 0.9% per annum and maturing in December, 2011 - current portion	150,000
c) Loan security deposit consisting of a Guaranteed Investment Certificate bearing interest at 0.9% per annum and maturing in December, 2011 - long-term portion	<u>150,000</u>
	<u>\$ 350,000</u>

The loan security deposits are related to customers who needed to obtain an loan from another lending institution. The purpose of these loan guarantees is to provide confidence to the external lender that, in the event that the customer defaults on the loan, Community Futures Grande Prairie & Region will repay the loan. The security deposits are separated into current and long-term portions based on the expiration dates of the underlying guarantees - \$50,000 in October 2011, \$100,000 in November 2011 and \$150,000 in December 2012.

Community Futures Grande Prairie & Region
Notes to the Financial Statements

March 31, 2011

3. Loans Receivable

Loans receivable are classified as long-term assets. No current portion has been set up as it is difficult to estimate the amount that can be reasonably considered to be collectible within a one-year period. Loans bear interest at fixed rates from 3% to 10%. Fixed rate loans are subject to interest rate risk as the value of the loans will fluctuate based on changes in market interest rates. Loans receivable, consisting of loans to businesses, have varying maturity dates ranging from May 5, 2011 to August 30, 2020. Substantially all loans require monthly repayments. An allowance has been set up for the entire loan balance of all loans determined to be impaired. The three loan categories are summarized as follows:

	Regular Non-Repayable	Regular Repayable	Disabled Repayable	2011 Total	2010 Total
Loan portfolio	\$ 3,364,643	\$ 711,924	\$ 27,735	\$ 4,104,302	\$ 4,527,092
Allowance for doubtful loans	(454,909)	(246,595)	-	(701,504)	(782,533)
	\$ 2,909,734	\$ 465,329	\$ 27,735	\$ 3,402,798	\$ 3,744,559

The fair value of these loans is impacted by the actual rate charged compared to the market rate of interest for loans with similar risk. Since the Organization is a government supported not-for-profit organization, the interest rates charged may be lower than market. As a result, the fair value of these loans is less than their carrying amount. Management has determined that it is not practicable within the constraints of timeliness or cost to reliably measure the actual fair value of these loans.

There are securities held against the loans advanced to all the borrowers. Generally the securities include borrowers' personal and/or company assets, and there is always a continuing personal guarantee from the shareholders for all the loans.

Community Futures Grande Prairie & Region
Notes to the Financial Statements

March 31, 2011

4. Capital Assets

	2011		2010	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Furniture and fixtures	\$ 71,085	\$ 53,897	\$ 64,093	\$ 49,600
Computer equipment	52,436	44,259	47,530	40,754
Computer software	10,045	10,045	8,695	8,695
Leasehold improvements	102,131	96,905	102,131	95,598
	\$ 235,697	\$ 205,106	\$ 222,449	\$ 194,647
Net book value		\$ 30,591		\$ 27,802

5. Loan Payable

	2011	2010
Loan payable to CFNA	\$ -	\$ 500,000

During the year the Organization repaid the loan of \$500,000 which had been received in the previous year from The Community Futures Network of Alberta.

6. Deferred Revenue

Deferred revenue is comprised of the following:

	2011	2010
Agri-Food Project	\$ 215,335	\$ (Restated) 169,830
Northern Alberta Youth Entrepreneurship Camp	52,578	-
Grant Specialist Initiative	33,000	-
Ventures - Youth Entrepreneurship Project	38,934	-
Destination Marketing Fund	55,695	-
Other	210	-
	\$ 395,752	\$ 169,830

Community Futures Grande Prairie & Region Notes to the Financial Statements

March 31, 2011

7. Investment Grants Payable

Investment grants payable consist of funds advanced from the Western Economic Diversification (WED) Fund that are repayable on dissolution of Community Futures Grande Prairie & Region. Interest would be payable at the Bank of Canada rate plus 3%. As it is highly unlikely that dissolution would occur, no interest amount has been accrued in these financial statements. The investment grants payable balance consists of the following:

	Regular	Disabled	2011 Total	2010 Total
Balance, beginning of year	\$ 494,048	\$ 107,248	\$ 601,296	\$ 601,296
Debt forgiven by WED during the year	-	-	-	-
Balance, end of year	\$ 494,048	\$ 107,248	\$ 601,296	\$ 601,296

Under the agreement with Western Economic Diversification, when loans are considered uncollectable, the loan amount reduces the investment payable respectively. Since the balance payable is non-interest bearing and it is unknown when the balance will be repaid, the fair value of the balance is less than the carrying amount. Management has determined that it is not practicable within the constraints of timeliness or cost to reliably measure the actual fair value.

8. Correction of Prior Period Error

In the prior year, deferred revenues for the RADF Agri Food Project and the NADC Ventures Program were understated. The changes from the previously issued financial statements are as follows:

	2010
	(Restated)
Increase in deferred revenue	\$ 169,830
Decrease in RADF Agri Food Project revenues, 2010 net income, and net assets	(169,830)
	<u>\$ -</u>

9. Inter-fund Transfers

Transfers authorized by the Board of Directors were \$nil (2010 -\$15,000) from the Non-Repayable Regular Investment Fund to the Operating Fund to be used to cover operating expenditures. For the prior year transfer, the Organization submitted a request to Western Economic Diversification and approval was received during that year.

Community Futures Grande Prairie & Region

Notes to the Financial Statements

March 31, 2011

10. Funding

Community Futures Grande Prairie & Region has been formally re-selected as a Community Futures Project by the Department of Western Economic Diversification. Community Futures Grande Prairie & Region has contracts in place for funding until March 31, 2012. Contracts for renewal are approved annually upon review of operations.

In the event that Community Futures Grande Prairie & Region's contract is not renewed, Community Futures Grande Prairie & Region may cease operations and its loan portfolio will be transferred to another agency.

11. Economic Dependence

The Organization received 29% of its operating revenue from the federal department of Western Economic Diversification, 22% from Alberta Employment and Immigration and the balance by way of outside contracts including other levels of government and fee for service programs.

12. Commitments

The Organization has a one year lease for its premises. The lease requires monthly payments of \$5,546 and expires in February 2012.

The minimum annual lease payments until maturity are as follows:

2012	\$ <u>61,009</u>
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The Organization has leased its photocopiers and a printer. These leases require monthly payments of \$756, quarterly payments of \$458, quarterly payments of \$213 respectively for the duration of the lease agreements.

The minimum annual lease payments until maturity are as follows:

2012	\$ 11,759
2013	11,759
2014	11,759
2015	2,985
2016	<u>640</u>
	<u>\$ 38,902</u>

13. Comparative Figures

Certain comparative figures have been reclassified in order to conform with the current year financial presentation.

Community Futures Grande Prairie & Region
Schedule of General and Administrative Expenses - Operating Fund

For the year ended March 31	2011	2010
Amortization	\$ 10,459	\$ 26,954
Advertising	19,867	24,701
Bad debts	2,706	-
Bank charges	1,858	1,954
Books and publications	695	558
Career Practitioner project	76,645	81,530
CEDO and special projects:		
- Agri Food / DMF	162,901	40,628
- CED	1,478	6,579
- Northern Alberta Youth Entrepreneur Camp	5,611	6,847
- Seminars	80	282
- Ventures/NADC	41,066	44,762
- Video Conferencing	5,498	3,250
Consulting fees	292	2,800
Credit investigation	2,007	3,931
Equipment rental	12,112	14,569
Grant specialist initiative program	3,500	18,516
GST	7,548	7,857
Insurance	4,818	4,190
Office	4,624	21,314
Postage and freight	2,683	1,617
Professional fees	19,625	18,230
Rent	41,875	53,172
Repairs and maintenance	29,246	14,967
Self-employment program	48,722	53,420
Telephone	17,236	19,521
Travel and conferences:		
- board travel	3,870	6,072
- staff travel	28,169	29,111
- conference and training	15,620	18,234
Wages and benefits	350,338	335,939
Youth Connections program	170,534	178,482
	1,091,683	1,039,987