

**MERIDIAN COMMUNITY FUTURES
DEVELOPMENT CORPORATION**

Independent Auditors' Report

Financial Statements – March 31, 2018

CLOSE HAUTA BERTOIA BLANCHETTE
Chartered Professional Accountants
KINDERSLEY, Saskatchewan

Director:

S Wiechink

Director:

Lene K. Jensen

MERIDIAN COMMUNITY FUTURES DEVELOPMENT CORPORATION

Statement of Financial Position

March 31, 2018

	<u>Operations</u>	<u>Investment</u>	<u>Programs</u> (Schedule 2)	<u>Total 2018</u>	<u>Total 2017</u>
	<u>Assets</u>				
Current assets:					
Cash and cash equivalents	\$ 180,312	952,606	524,900	1,657,818	1,732,121
Interest receivable	-	3,102	148	3,250	5,277
Other receivables	4,910	-	-	4,910	1,507
Prepays	880	-	-	880	11,310
Total current assets	<u>186,102</u>	<u>955,708</u>	<u>525,048</u>	<u>1,666,858</u>	<u>1,750,214</u>
Long-term assets:					
Loans receivable (Note 3)	-	2,333,164	149,397	2,482,561	2,336,235
Equity in Co-ops	359	-	-	359	359
Capital assets (Note 4)	14,672	-	-	14,672	16,644
Total long-term assets	<u>15,031</u>	<u>2,333,164</u>	<u>149,397</u>	<u>2,497,592</u>	<u>2,353,238</u>
	<u>\$ 201,133</u>	<u>3,288,872</u>	<u>674,445</u>	<u>4,164,450</u>	<u>4,103,452</u>
	<u>Liabilities and Fund Balances</u>				
Current liabilities:					
Accounts payable	\$ 19,712	-	-	19,712	17,628
Loan from Western Economic Diversification (Note 6 & 7)	-	-	400,000	400,000	400,000
Total current liabilities	<u>19,712</u>	<u>-</u>	<u>400,000</u>	<u>419,712</u>	<u>417,628</u>
Long-term liabilities:					
Due to Beaver River Community Futures (Note 8)	-	43,419	-	43,419	44,190
Due to Visions Community Futures (Note 8)	-	43,419	-	43,419	44,190
	<u>-</u>	<u>86,838</u>	<u>-</u>	<u>86,838</u>	<u>88,380</u>
Fund balances per accompanying statement:					
Externally restricted	-	3,202,034	274,445	3,476,479	3,412,164
Internally restricted	24,680	-	-	24,680	24,680
Invested in capital assets	14,672	-	-	14,672	16,644
Unrestricted	142,069	-	-	142,069	143,956
	<u>181,421</u>	<u>3,202,034</u>	<u>274,445</u>	<u>3,657,900</u>	<u>3,597,444</u>
	<u>\$ 201,133</u>	<u>3,288,872</u>	<u>674,445</u>	<u>4,164,450</u>	<u>4,103,452</u>

See accompanying notes to financial statements.

MERIDIAN COMMUNITY FUTURES DEVELOPMENT CORPORATION

Statement of Operations

March 31, 2018

- 2 0 1 8 -

	<u>Budget</u>	<u>Operations</u>	<u>Investment</u>	<u>Programs</u> (Schedule 3)	<u>Total 2018</u>	<u>Total 2017</u>
Revenue:						
Loan interest	\$ -		152,713	9,486	162,199	153,837
Investment interest	-	2,680	13,212	6,732	22,624	16,097
W.E.D. contributions (Note 5):						
Operating	297,669	297,669	-	-	297,669	297,669
Other income (Note 9)	56,000	23,610	-	-	23,610	31,050
	<u>353,669</u>	<u>323,959</u>	<u>165,925</u>	<u>16,218</u>	<u>506,102</u>	<u>498,653</u>
Charge for loan impairment (Note 3)	<u>-</u>	<u>-</u>	<u>77,778</u>	<u>(10,000)</u>	<u>67,778</u>	<u>206,934</u>
Income before operating expenses	353,669	323,959	88,147	26,218	438,324	291,719
Expenses (Schedule 1):						
Personnel	272,850	265,255	-	-	265,255	260,550
Occupancy	28,823	26,350	-	-	26,350	26,246
Loan administration	4,200	2,398	50	-	2,448	4,016
Economic development	26,850	19,517	-	-	19,517	4,318
Organizational	11,800	6,315	-	-	6,315	2,929
General	53,829	53,351	-	-	53,351	54,318
	<u>398,352</u>	<u>373,186</u>	<u>50</u>	<u>-</u>	<u>373,236</u>	<u>352,377</u>
Income (loss) before the following items:	<u>\$ (44,683)</u>	<u>(49,227)</u>	<u>88,097</u>	<u>26,218</u>	<u>65,088</u>	<u>(60,658)</u>
Amortization		<u>(4,632)</u>	<u>-</u>	<u>-</u>	<u>(4,632)</u>	<u>(3,527)</u>
Net income (loss) for the year		<u>\$ (53,859)</u>	<u>88,097</u>	<u>26,218</u>	<u>60,456</u>	<u>(64,185)</u>

See accompanying notes to financial statements.

MERIDIAN COMMUNITY FUTURES DEVELOPMENT CORPORATION

Statement of Fund Balances

March 31, 2018

- 2 0 1 8 -

	<u>Budget</u>	<u>Operations</u>	<u>Investment</u>	<u>Programs (Schedule)</u>	<u>Total 2018</u>	<u>Total 2017</u>
Fund balances, beginning of year	\$ 159,037	185,280	3,163,937	248,227	3,597,444	3,373,949
Prior period adjustment (Note 14)						287,680
Net income (loss) for the year	(44,683)	(53,859)	88,097	26,218.00	60,456	(64,185)
Interfund transfers (Note 10)		<u>50,000</u>	<u>(50,000)</u>	-	-	-
Fund balances, end of year	<u>\$ 114,353</u>	<u>181,421</u>	<u>3,202,034</u>	<u>274,445.00</u>	<u>3,657,900</u>	<u>3,597,444</u>

See accompanying notes to financial statements.

MERIDIAN COMMUNITY FUTURES DEVELOPMENT CORPORATION

Statement of Cash Flow

March 31, 2018

	<u>- 2 0 1 8 -</u>				
	<u>Operations</u>	<u>Investment</u>	<u>Programs</u> (Schedule)	<u>Total 2018</u>	<u>Total 2017</u>
Cash flow from (used in) operating activities:					
Operations:					
Net income (loss) for year	\$ (53,859)	88,097	16,215.00	60,456	(24,732)
Items not affecting cash:					
Loss on disposal of capital asset	574			574	
Amortization	4,632	-	-	4,632	3,527
	<u>(48,653)</u>	<u>88,097</u>	<u>16,215.00</u>	<u>65,662</u>	<u>(21,205)</u>
Changes in non-cash working capital components:					
Accounts receivable	(3,403)	1,964	63	(1,376)	2,205
Prepaid expenses	10,430	-	-	10,430	1,775
Accounts payable	2,084	-	-	2,084	(13,876)
Deferred revenue - WED advances	-	-	-	-	-
Interfund balances	49,989	(49,989)	-	-	-
	<u>59,100</u>	<u>(48,025)</u>	<u>63</u>	<u>11,139</u>	<u>(9,895)</u>
	10,447	40,072	16,278	76,801	(31,099)
Cash flow from (used in) financing & investing activities:					
Capital assets	(3,235)	-	-	(3,235)	(10,986)
Co-op equity	-	-	-	-	-
Loans receivable	-	(129,558)	(6,765)	(136,323)	(64,419)
Due to other Community Futures	-	(1,542)	-	(1,542)	67,916
Loan from WED	-	-	-	-	(39,452)
	<u>(3,235)</u>	<u>(131,100)</u>	<u>(6,765)</u>	<u>(141,100)</u>	<u>(46,942)</u>
Increase (decrease) in cash	7,212	(91,028)	9,513	(74,303)	(78,043)
Cash at beginning of year	123,100	1,093,634	515,387	1,732,121	1,810,164
Interfund transfers (Note 10)	50,000	(50,000)	-	-	-
Cash at end of year	<u>\$ 180,312</u>	<u>952,606</u>	<u>524,900</u>	<u>1,657,818</u>	<u>1,732,121</u>

Cash consists of cash and short-term investments.

See accompanying notes to financial statements.

MERIDIAN COMMUNITY FUTURES DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2018

1. PURPOSE OF THE ORGANIZATION:

Meridian Community Futures Development Corporation is a community-based organization that provides loans and financial services to small businesses that are otherwise unable to obtain financing. The corporation is incorporated under the Saskatchewan and Alberta Companies Acts as a non-profit organization. It is exempt from income taxes under the Income Tax Act as a non-profit organization.

2. SIGNIFICANT ACCOUNTING POLICIES:

These financial statements are in accordance with Canadian accounting standards for not-for-profit organizations included in Part III of the CPA Canada Handbook and include the following significant accounting policies:

a) Cash and Cash Equivalents

The corporation's policy is to present bank balances under cash and cash equivalents including, if applicable, bank overdrafts with balances that may fluctuate from being positive to overdrawn.

b) Fund Accounting

Meridian Community Futures Development Corporation follows the restricted method of accounting for contributions. Accordingly, resources are classified for accounting and financial reporting purposes into funds. These funds are maintained in accordance with either the objectives specified by Western Economic Diversification or with directives issued by the Board of Directors. Certain interfund transfers may be necessary to ensure the appropriate allocation of assets and liabilities to the respective funds. Transfers between funds are recorded in the statement of changes in fund balances. For financial reporting purposes, the accounts have been classified into the following funds:

(i) The Operations Fund accounts for the organization's operating costs and general revenues. This fund reports unrestricted resources and internally and externally restricted operating grants.

(ii) The Investment Fund reports restricted resources that are to be used in assisting small businesses and entrepreneurs in the form of loans, loan guarantees or equity participation. The organization is restricted in the types of loans that can be made according to its agreement with the federal government. When all loans are collected, the remaining assets of the investment fund may be returned by Meridian Community Futures Development Corporation, at the discretion of the minister.

(iii) The Program Fund reports restricted resources that are to be used for various entrepreneurship programs including disabled loan programs. Loans from the Programs Fund and Entrepreneurs with a Disability (EDP) Program are limited to businesses owned and operated by persons with a disability. The organization is restricted in the types of loans that can be made according to its agreement with the federal government.

c) Loans Receivable

Loans receivable are stated at net realizable value.

Accrued interest on loans receivable is recognized to the extent that the accrual does not exceed 24 months interest. Accrued interest on loans for which an allowance for doubtful loans has been established is written off as a reduction in loan interest income in the period in which collectability of the loan first becomes doubtful.

d) Capital Assets

Capital assets are stated at cost less accumulated amortization. Amortization is recorded on the diminishing balance method using the following rates: Equipment - 20%, computer software - 100%, computer equipment - 30% to 45%. One-half these rates are used in the year of acquisition.

e) Impairment of Long-lived Assets

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

f) Revenue Recognition

Restricted contributions are recognized as revenue in the appropriate restricted fund when they are received or receivable, provided the amounts are measurable and collection is reasonably assured. Unrestricted contributions are recorded as revenue of the operations fund when received or receivable, provided the amounts are measurable and collection is reasonably assured.

Loan and investment interest are recorded on an accrual basis as revenues of the investment or programs fund depending upon the underlying loan and investment asset.

MERIDIAN COMMUNITY FUTURES DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2018

2. SIGNIFICANT ACCOUNTING POLICIES (cont.):

g) Charge for Loan Impairment

The charge for loan impairment includes the current years 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.

Foreclosed property is valued at the lower of cost and net realizable value. Changes to the asset's net realizable value is recorded as a charge to loan impairment.

h) Management Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect reported assets and liabilities and the reported amounts of revenues and expenses for the period covered. The main estimates relate to the useful life of capital assets and the collectability of loans receivable. Management believes that the estimates utilized in preparing these financial statements are reasonable; however, actual results could differ from these estimates.

i) Related Party Transactions

Related party transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Details of related party transactions are disclosed in Note 8.

j) Financial Instruments

Initial and subsequent measurement

The organization initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The organization subsequently measures all of its financial assets and liabilities at cost or amortized cost.

Financial assets measured at amortized cost on a straight-line basis include cash and short-term investments, interest receivable, other receivables, and loans receivable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable, loan from Western Economic Diversification, due to Beaver River Community Futures and due to Visions Community Futures.

Transaction costs

Transactions costs related to financial instruments that will be subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in net income over the life of the instrument using the straight-line method.

Impairment

For financial assets measured at cost or amortized cost, the organization determines whether there are indication of possible impairment. When there is an indication of impairment, and the organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognize impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be 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 net income.

MERIDIAN COMMUNITY FUTURES DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2018

3. LOAN RECEIVABLE:

Classification	Principal	Allowance	2018 Net Loan Balance	2017 Net Loan Balance
Agriculture	\$ 43,775	-	43,775	63,479
Mechanical services	-	-	-	-
Oilfield services	106,820	58,248	48,572	73,637
Manufacturing & construction	179,834	137,095	42,739	57,216
Transportation	670,225	156,299	513,926	429,152
Information & cultural	138,450	-	138,450	-
Retail trade	320,961	10,000	310,961	240,605
Admin & Support	217,193	75,000	142,193	170,999
Health services	-	-	-	-
Accommodation & Food services	73,379	25,000	48,379	49,532
Other services	1,009,251	-	1,009,251	1,035,266
Professional, Scientific & Technical	91,321	-	91,321	116,331
Arts, Entertainment & Recreation	92,994	-	92,994	100,018
	<u>\$ 2,944,203</u>	<u>461,642</u>	<u>2,482,561</u>	<u>2,336,235</u>

Outstanding loans to entrepreneurs are interest bearing at fixed rates varying from 5.75% to 10% with monthly blended principal and interest repayments amortized for terms between 3 and 120 months. Security is taken on these loans as appropriate to the situation and includes personal guarantees, general and specific security agreements covering business assets and mortgages on land and building.

The balance of the allowance for loan impairment changed as follows:

	Investment	Programs	2018	2017
Opening balance	\$ 480,441	50,000	530,441	466,726
Charge for loan impairment	92,521	-	92,521	246,934
Recovery of amounts previously written off	(14,743)	(10,000)	(24,743)	(40,000)
Net charge to income statement for loan impairment	77,778	(10,000)	67,778	206,934
Amounts written off	(136,576)	-	(136,577)	(143,219)
Closing balance	<u>\$ 421,643</u>	<u>40,000</u>	<u>461,642</u>	<u>466,726</u>

4. CAPITAL ASSETS:

	Cost	Accumulated Amortization	Net 2018	Net 2017
Computer equipment	\$ 56,403	51,956	4,447	2,092
Equipment	91,808	81,583	10,225	14,552
Software	2,846	2,846	-	-
	<u>\$ 151,056</u>	<u>136,385</u>	<u>14,672</u>	<u>16,644</u>

MERIDIAN COMMUNITY FUTURES DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2018

5. W.E.D. OPERATING CONTRIBUTIONS AND ECONOMIC DEPENDENCE:

The current year operating funding approved by W.E.D. was \$297,669. W.E.D. operating contributions have been approved to March 31, 2021 as follows: 2019 - \$297,669; 2020 - \$297,669; 2021 - \$297,669. The Corporation is economically dependent upon W.E.D. for annual contributions to fund eligible operating expenditures of the corporation. The current agreement expires on March 31, 2021 and may be terminated by the Minister upon 60 days notice to the corporation. The corporation's operations are dependent upon compliance with its agreement with Western Economic Diversification. Management believes that the corporation is in compliance with the agreement at March 31, 2018.

6. REPAYABLE INVESTMENT FUNDS (RIF):

Repayable Investment Funds (formerly Youth Entrepreneurs Loan Program) are loans available from MCFDC to start businesses within the region.

The total contributions of \$200,000 repayable by the MCFDC on demand as follows:

- a) the cash balance of the fund, and
- b) the rights to the loan receivable portfolio will be assigned.

When all loans are collected, the remaining assets of the repayable investment fund may be retained by MCFDC, at the discretion of the Minister.

At the time of the auditors' report, W.E.D. has not requested repayment of any amounts owing with respect to this fund.

7. ENTREPRENEURS WITH DISABILITIES PROGRAM (EDP):

Repayable Entrepreneurs with Disabilities Investment Fund contributions are to provide individuals whom have an emotional, physical or intellectual disability with a repayable loan pool to assist in starting their own business. Similar MCFDC term and conditions apply to the EDP program.

The total contributions of \$200,000 repayable by the MCFDC on demand as follows:

- a) the cash balance of the fund, and
- b) the rights to the loan receivable portfolio will be assigned.

When all loans are collected, the remaining assets of the repayable investment fund may be retained by MCFDC, at the discretion of the Minister.

At the time of the auditors' report, W.E.D. has not requested repayment of any amounts owing with respect to this fund.

8. RELATED PARTY TRANSACTIONS:

In the prior year, the Organization entered into agreements with Beaver River Community Futures and Visions Community Futures in regards to providing financing to one entrepreneur. Both Community Futures offices agreed to provide \$50,000 for the loan. Meridian Community Futures is responsible for collecting payments and interest on this loan and remitting to the other Community Futures their portion of these payments. The organization is related to the other Community Futures offices due to federal government ownership of all entities.

9. OTHER INCOME:

	<u>2018</u>	<u>2017</u>
Operations:		
Business development fees	\$ 16,400	\$ 14,550
Elevate project income	1,809	6,000
Other project income	5,975	10,500
Gain (loss) on sale of capital assets	- 574	-
	<u>\$ 23,610</u>	<u>31,050</u>

MERIDIAN COMMUNITY FUTURES DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2018

10. INTERFUND TRANSFERS:

The investment fund transferred \$50,000 to the operating fund as approved by W.E.D. to be used by the operating fund for budgeted expenditures.

11. FINANCIAL INSTRUMENTS:

Financial risks

The organization is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The main risks are broken down below.

Credit Risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for the organization by failing to discharge an obligation. The corporation is exposed to credit risk from the potential non-payment of loans receivables. Loans receivable are spreadout over numerous industries (Note 3) which decreases credit risk. Credit risk is also mitigated through the lending policy approved by the Board of Directors which includes customer credit checks and adequate loan security.

Market Risk

Market risk is the risk that the fair value or future cash flows of the corporation's financial instruments will fluctuate because of changes in market prices. Some of the corporation's financial instruments expose it to this risk, which comprises currency risk, interest rate risk and other price risk. It is management's opinion that the corporation is not subject to currency risk, as it has no financial assets which are denominated in a foreign currency, nor to other price risk, as it holds no investments in quoted shares.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument might be adversely affected by a change in interest rate. The corporation grants loans at a fixed rate of interest not to be less than prime lending rates plus 2%. Interest rate risk is low due to new loans being approved at the current prime lending rate.

Liquidity Risk

Liquidity risk is the risk the corporation will not be able to meet a demand for cash or fund its obligations as they become due. The corporation is exposed to this risk mainly in respect of its accounts payable, loan from Western Economic Diversification and due to Beaver River Community Futures and Visions Community Futures. The corporation manages liquidity risk through it's budget process and monitoring of loans.

12. COMMITMENTS:

The organization has committed to disbursing \$319,533 of loans after the year end.

13. PENSION:

Employees of Meridian Community Futures Development Corporation participate in a group community futures retirement plan with London Life. The corporations financial obligation to the plan is limited to making required payments to match amounts contributed by employees for current services. Pension expense for the year amounted to \$11,395 (2017 - \$11,221).

14. PRIOR PERIOD ADJUSTMENT:

During the year it was determined that the WED loans as discussed in Note 6 and Note 7 are repayable to a maximum of \$200,000. Therefore any surplus that has been accumulated on these funds over and above the \$200,000 maximum is that of Meridian Community Futures Development Corporation.

	<u>Amended</u>	<u>Original</u>
Statement of Financial Position as at March 31, 2017		
Loan from Western Economic Diversification	400,000	648,227
Fund balance - Externally restricted	3,412,164	3,163,937
Statement of Operations as at March 31, 2017		
Federal Government share of investment in income and loan losses	0	39,453
Net income (loss) for the year	(64,185)	(39,453)

MERIDIAN COMMUNITY FUTURES DEVELOPMENT CORPORATION

Schedule of Expenses

March 31, 2018

	2018		2017
	Budget	Operations	
Personnel			
Contracted position	\$ 15,600	6,683	3,801
Staff development	4,000	3,895	2,523
Staff travel	7,250	7,871	4,552
Wages and benefits	246,000	246,806	249,674
	<u>272,850</u>	<u>265,255</u>	<u>260,550</u>
Occupancy			
Insurance	3,200	2,072	1,971
Repairs and maintenance	3,573	3,217	3,875
Rent	22,050	21,061	20,400
	<u>28,823</u>	<u>26,350</u>	<u>26,246</u>
Loan Administration			
Loan administration	4,200	2,398	4,016
Economic Development			
Business development	21,000	500	-
CED initiatives	-	14,839	-
Youth camp	4,350	4,178	4,318
Youth events	1,500	-	-
	<u>26,850</u>	<u>19,517</u>	<u>4,318</u>
Organizational			
Board development	6,500	4,669	1,078
Board travel	5,300	1,646	1,851
	<u>11,800</u>	<u>6,315</u>	<u>2,929</u>
General			
Advertising and promotion	3,000	1,900	5,080
Bank charges	-	1,316	117
Equipment rental	720	77	807
GST expense	2,659	2,185	2,315
Information technology	4,800	14,693	8,074
Lemonade game	-	-	1,127
Library	600	-	-
Office supplies	4,500	5,695	4,465
Printing and photocopy	3,000	1,383	1,844
Postage	1,800	741	1,183
Professional fees	12,850	14,636	13,279
Memberships	600	575	550
Miscellaneous	-	100	-
Miscellaneous - ineligible for WED funding	-	902	1,100
Telephone	13,200	8,729	12,957
Client training and development	600	419	1,419
Net capital assets purchased (sold)	5,500	-	-
	<u>53,829</u>	<u>53,351</u>	<u>54,318</u>
	<u>\$ 398,352</u>	<u>373,186</u>	<u>352,377</u>

See accompanying notes to financial statements.

MERIDIAN COMMUNITY FUTURES DEVELOPMENT CORPORATION

Schedule of Programs
Balance Sheet

March 31, 2018

Assets

	<u>RCED</u>	<u>RIF</u>	<u>EDP</u>	<u>Total</u>
Current assets:				
Cash and short-term investments	\$ -	327,660	197,240	524,900
Interest receivable	-	-	148	148
Total current assets	<u>-</u>	<u>327,660</u>	<u>197,388</u>	<u>525,048</u>
Long-term assets:				
Interfund balance		-	-	-
Loans receivable, net of allowance on EDP \$40,000.			149,397	149,397
	<u>-</u>	<u>-</u>	<u>149,397</u>	<u>149,397</u>
	<u>\$ -</u>	<u>327,660</u>	<u>346,785</u>	<u>674,445</u>

Liabilities and Equity

Interfund balances	\$ -	-	-	-
Long-term liabilities:				
Loan from Western Economic Diversification (Note 7 & 8)	-	200,000	200,000	400,000
Fund balance, per accompanying schedule	<u>-</u>	<u>127,660</u>	<u>146,785</u>	<u>274,445</u>
	<u>\$ -</u>	<u>327,660</u>	<u>346,785</u>	<u>674,445</u>

See accompanying notes to financial statements.

MERIDIAN COMMUNITY FUTURES DEVELOPMENT CORPORATION

Schedule of Programs
Statement of Operations and Changes in Fund Balances

March 31, 2018

	<u>RCED</u>	<u>RIF</u> (Note 6)	<u>EDP</u> (Note 7)	<u>TOTAL</u>
Revenue:				
Loan interest	\$ -	-	9,486	9,486
Investment interest	-	3,965	2,767	6,732
Recovery of bad debts	-	-	-	-
Program funding and other	-	-	-	-
	-	3,965	12,253	16,218
Expenses:				
Program expenses	-	-	-	-
Charge for loan impairment	-	-	(10,000)	(10,000)
	-	-	(10,000)	(10,000)
Income (loss) before the following items:				
Federal government share of investment income and loan interest and loan losses/recoveries	-	3,965	22,253	26,218
	-	(3,965)	-	(3,965)
Capital assets				
	-	-	-	-
Net income (loss) for the year	-	3,965	22,253	-
Fund balance, beginning of year	-	123,695	124,532	248,227
Interfund transfers (Note 10)	-	-	-	-
Fund balance, end of year	\$ -	<u>127,660</u>	<u>146,785</u>	<u>-</u>

See accompanying notes to financial statements.