

# 2013 CEDF ANNUAL REPORT





LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD  
 LYNN LAKE SOUTH INDIAN LAKE LEAF RAPIDS NELSON  
 HOUSE THOMPSON THICKET PORTAGE WABOWDEN  
 OXFORD HOUSE GOD'S RIVER SNOW LAKE SHER-  
 RIDON FLIN FLON CRANBERRY PORTAGE WANLESS  
 THE PAS CORMORANT CROSS LAKE NORWAY HOUSE  
 MOOSE LAKE BARROWS BIRCH RIVER PELICAN RAP-  
 IDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK  
 BAY SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE  
 BENITO DURBEN MALLARD ROCK RIDGE BERENS  
 RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIV-  
 ER RORKETON LAKE ST MARTIN ETHELBERT SIFTON  
 SHORTDALE ROBLIN ASHVILLE GILBERT PLAINS KINO-  
 SOTA DAUPHIN HODGSON MANIGOTAGEN BISSETT RI-  
 VERTON GIMLI ARNES RIVERTON HODGSON ARBORG  
 SELKIRK STONEWALL BRANDON AMARENTH ALONSA  
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The Honourable Eric Robinson  
Minister Responsible for the  
Communities Economic Development Fund Act  
Province of Manitoba  
Room 344 Legislative Building  
Winnipeg MB R3C 0V8

Dear Sir:

It is my pleasure to forward to you, the Communities Economic Development Fund's Annual Report for the year ended March 31<sup>st</sup>, 2013.

Respectfully submitted,

Harold Westdal  
Chairperson

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The Communities Economic Development Fund is a Manitoba Crown Corporation, incorporated under the Communities Economic Development Fund Act (C155 of the Consolidated Statutes of Manitoba).

## LEGISLATED MANDATE:

The object of the Fund, as stated in section 3(1) of the Act is as follows:

*“The objects of the fund are to encourage the economic development of*

- (a) northern Manitoba;*
- (b) aboriginal people in the province outside of the City of Winnipeg; and*
- (c) the fishing industry in Manitoba.”*

Section 3(2) of the Act states the focus of the fund:

*“In carrying out its objects, the fund is to*

- (a) give emphasis to the needs of small business, community development corporations and corporations without share capital; and*
- (b) seek to provide its financial assistance in a way that encourages other lending and financial institutions to provide additional financing.”*

Forms of financial assistance are described in Section 8(1) of the Act:

*“The fund may provide financial assistance in such forms as it may decide; including making loans to borrowers for the provision of fixed capital or working capital or for both.”*

The activities of the fund are outlined in Section 6.1(1) of the Act:

*“For the purpose of achieving its objects, the fund may*

- (a) provide financial assistance to persons or economic enterprises;*
- (b) provide information, advice and training respecting the administration and operation of economic enterprises; and*
- (c) promote good management practices in economic enterprises.”*

## PROGRAMS:

CEDF provides loans and guarantees to small to medium enterprises through its Business Loan Program and to the commercial fishery through its Fisheries Loan Program. It provides support for community economic development through its Community Economic Development programming which includes the delivery of Rural Economic Development Initiative (REDI) programs. REDI programs are delivered under a Memo of Understanding (MOU) with Manitoba Agriculture, Food, and Rural Initiatives.

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## OVERVIEW:

CEDF saw a record year in business lending in 2013. Business loans continue to show signs of recovery with lending exceeding \$6.5 million while the decline in fisheries loan activity is showing signs of leveling off with activity being slightly less than the previous year at \$2.86 million. For the 14th consecutive year, CEDF achieved its operating budget and reports an unqualified audit opinion.

The turnaround in key sectors, albeit slow, continues to show signs of recovery. CEDF expects the slow recovery to continue into 2014.

### Performance Measurement:

CEDF strategic business units remain unchanged.

- Administration - accounting, finance, management information services, and treasury management.
- Business Loans - providing loans and guarantees to economic enterprises.
- Fisheries Loans – providing loans to the commercial fishing industry.
- Community Economic Development - community level programming to assist Northern communities in expanding economic opportunities.

Each unit is measured on key objectives which are noted below with outcomes:

## ADMINISTRATION:

The unit is headed by the CFO and has one staff. It is responsible for the production of financial reports, accurate recording of transactions, and managing budget. The accounting department handled in excess of \$13 million in transactions including loan disbursements, payments from clients, and operating expenditures. In addition, the unit manages CEDF's Treasury supply.

Accounting Objectives:

Budget management – CEDF achieved budget for the 14th consecutive year. For fiscal 2013, the CEDF budget remained unchanged from 2012.

Timely reporting of performance and regulatory reporting - CEDF has met its filing objectives throughout the year and has provided regular (monthly) reporting to Board and Management.

CEDF borrows its loan funds from the Department of Finance at Crown rates. It is important for CEDF to manage this supply to ensure it can provide an efficient source of capital to clients. Treasury is also responsible for ensuring an adequate supply of capital under the Loan Act. The key objectives and outcomes of Treasury Management are:

Obtain capital at rates enabling the Fund to offer stable rates at market levels – the Fund routinely confirms its rates in the market place and offers loans at competitive rates. As CEDF shifts from being a

lender of last resort, its goal is to position its rates at slightly higher than those available from conventional sources.

Loan margin budget target is 2.25% (loan margin as calculated by dividing Gross Margin by Gross Portfolio) – the Fund achieved 2.31% during the year.

Margins are affected by a CEDF self-imposed limit on margin when its cost of interest exceeds the base rate for calculation.

## BUSINESS LOAN PROGRAM:

The Business Loan Program had a record year with close to \$6.6 million in lending. Some key industries such as Forestry and Transportation are showing signs of recovery. The hospitality and service industry continue to perform well for CEDF. The amendments to its programs and legislation, approved in 2011, are starting to show benefits in increased lending levels.

Program Objectives:

\$4.5 million in annual loan activity – during fiscal 2013 the Fund approved \$6.56 million in new lending. The result is a year over year increase of \$3.41 million or 108% increase in activity from the previous year and is significantly higher than the 5-year average of \$3.35 million. CEDF is monitoring demand factors such as the arrival of new capital in the market as well as industry conditions.

Account management to reduce loan losses – during fiscal year 2013, CEDF's loan loss provision was \$267,778 or approximately 4.08% of new activity. This is slightly lower than CEDF's 5-year loan loss average of \$276,301 and is significantly lower than the 5-year average of 12.57%. The high average is in part due to CEDF valuing its portfolios aggressively, adopting the approach of conservatism in valuation. Despite the variance, loan loss provisions for the year for both programs remain within budget.

Examine new financial products – the new loan categories and branding of CEDF.

At year end, the Business Loan portfolio stood at \$14.53 million, up from \$11.81 million in 2012.

## FISHERIES LOANS PROGRAM:

Due to flooding issues in 2011, the fisheries in Dauphin River and Lake St. Martin were shut down. This resulted in approximately 525,000 kg or \$1.2 million worth of mostly pickerel and whitefish not harvested. For the fiscal year of 2012/13, residents from St. Martin are still evacuated and it is reported by fishers that issues still remain with damages to infrastructure that restricts the Dauphin River fishers from fishing their entire quotas.

CEDF continues to be a major source of financing to the industry where many participants do not have access to conventional financing.

The loans are for “above water” assets such as boats, motors, ATVs, snowmobiles, and quotas. The Fund caters its loan payments to reflect the seasonality of the industry. The U.S. is a major geographical customer for FFMC. Its economy has been slow in recovering from the recession and due to the Canadian dollar gaining parity with the U.S., this has resulted in lower than historical average payments to fishers. This has in turn negatively affected the level of capital investment.

In recent years, FFMC’s “single-desk marketing” monopoly is being challenged. CEDF’s fisheries loan payments come by way of a 25% assignment of fish delivered to FFMC agents. There is a strong relationship between the availability of capital to support the fishing industry and the surety of payments offered by FFMC’s check-off.

CEDF continues to monitor fishery conditions and work with fishers to address issues as part of its risk mitigation approach.

#### Program Objectives:

Lending activity \$4.5 million annually – New lending activity during 2012/2013 was \$2.85 million, slightly down from 2011/12 (\$2.92 million). CEDF attributes the reduced level of borrowing to reduced activity due mostly to the lower fish prices.

Successful loan management practice – Management made a loan loss provision of \$171,058 this year to reflect a decline in the overall value of the portfolio on an NPV basis due to the decline in payments received in the year. The Fund’s provision for loan loss under both programs is within budget.

At fiscal year end, the Fisheries portfolio stood at \$13.96 million, down slightly from \$14.12 in 2012, due in part to reduced lending levels in the year. CEDF is monitoring both payment levels and amortization terms to ensure that portfolio quality is accurately reported.

## COMMUNITY PROGRAMS:

CEDF’s Community Economic Development Officer (CEDO) provides community economic development technical assistance and consultative services to northern communities, community development corporations, and northern economic development practitioners.

The CEDO is under contract to Manitoba Agriculture, Food & Rural Initiatives (MAFRI) to deliver department programming and provide access to northern entrepreneurs to various business support programs.

Primary activities during this period include: business planning, community planning, community facilitation, and strategic planning.

### Business Planning

- Provided research and business planning service for a reserve-based home renovations/remodelling business and six agriculture related enterprises including four hydroponics/greenhouse operations, an

apiary, and a commercial fisher’s value added concept.

- Assisted the following organizations: Model Forest (Pine Falls) – product procurement and industry contact information; Healthy Aging Secretariat (Brandon University Rural Development Institute) – aging in northern First Nations communities.

### Community Planning

- Facilitated strategic planning with the Lynn Lake Community Development Corporation (CDC) resulting in: operational plans to keep the Lynn Lake Arena open; and, a joint local flora-essential oil extraction project between the Marcel Colomb First Nation and the CDC.
- Met with 20+ business owners and town officials to strategize design and secure funding for the downtown revitalization of Snow Lake.

### Community Facilitation

- Assisted Keewatin Tribal Council (serving 11 First Nation communities) with their Community Employment Pathways project designed to assist First Nation residents to access jobs in the Thompson area.

### Strategic Planning

- Invited by Fox Lake Cree Nation to facilitate strategic planning sessions for residents affected by Manitoba Hydro’s most recent hydroelectric development (Keeyask).





## LOANS APPROVED 2012-2013

AMOUNT	NAME	BUSINESS	LOCATION	RATE	TERM
\$ 92,000	4011961 Manitoba Inc.(Fisher River)	Fish Plant	Koostatak MB	5.60%	60
644,094	6154060 Manitoba Ltd. (Evenson)	Commerical building	Thompson MB	6.16%	180
110,120	6173285 Manitoba Ltd. (Boychuk)	General contracting	Thompson MB	5.72%	84
21,800	Albert Leslie Ross	Construction	Grand Rapids MB	5.68%	48
10,000	Cindy Lou Jonasson	Retail green house	Wabowden MB	5.25%	52
31,939	Cindy Lou Jonasson	Greenhouse	Wabowden MB	5.72%	60
44,092	Edwin George Sinclair	Trucking / Hauling	Cross Lake MB	5.68%	48
130,345	Harold Wilson	Construction	Norway House MB	5.80%	84
25,875	Helgi & Dale Einarsson	Transporting fish	Gypsumville MB	5.90%	60
546,935	Hilliker Enterprises Inc.	Motel	Cross Lake MB	5.87%	120
445,000	Hilliker Enterprises Inc.	Transportation	Cross Lake MB	5.73%	60
111,650	Hollow Water Fishers Co-op Ltd.	Fish packing agency	Wanipigow MB	5.72%	120
10,650	Kory & Kenneth Wickdahl	Landscaping/renovation	Thompson MB	5.90%	48
60,330	Lionel Rundle	Hauling	Koostatak MB	5.87%	60
1,005,000	Logar Ventures Ltd.	Fly-in Lodge	Alonsa MB	5.60%	180
30,950	Marc & Heather Provencher	Commercial Rental	Swan River MB	5.06%	120
71,550	Maria Portage Fisheries	Fisheries	St. Theresa Point MB	5.60%	48
392,328	Nelson River Logging Ltd	Logging	Wabowden MB	5.87%	60
1,005,000	Norway House Broadband Inc.	Internet Service	Norway House MB	6.10%	120
57,755	Norway House Fish Co-op	Fish Co-op	Norway House, MB	5.87%	36
1,266,776	Oliver Owen	Air taxi	Selkirk MB	5.87%	84
233,950	Ripple Rock Meat Shop Inc.	Meat Shop	Thompson MB	5.73%	120
61,400	Tamarack Rentals Ltd.	Vehicle rental	Churchill MB	6.40%	60
152,675	Vera Lynne Mowatt	Cottage Rentals	Norway House MB	5.68%	120
<b>\$6,562,214</b>	Total Active Loan Approval - 24 Clients				
----	Loans Approved / Withdrawn (Unlisted) - 0 Clients				
<b>\$6,562,214</b>	Total Approvals - 24 Clients				

## BUSINESS LOANS APPROVED / JOBS CREATED

Year Approved	Amount	Applications Approved	Jobs Created &/or Retained
1972-1984	\$15,783,670	453	1479
1985	2,326,548	63	172
1986	2,909,735	43	159
1987	3,573,294	66	215
1988	3,550,050	70	210
1989	725,243	22	31
1990	1,681,090	38	136
1991	1,737,344	30	80
1992	1,183,686	19	102
1993	5,406,375	36	120
1994	1,427,220	21	88
1995	4,811,247	51	135
1996	6,134,635	64	252
1997	4,321,829	53	198
1998	4,387,457	45	230
1999	5,188,498	41	178
2000	2,062,664	36	165
2001	2,797,419	28	170
2002	2,787,386	28	166
2003	5,174,099	39	213
2004	4,721,154	41	267
2005	2,834,888	33	359
2006	4,961,588	35	155
2007	4,123,999	31	233
2008	1,687,381	27	242
2009	2,590,197	27	132
2010	3,207,171	23	167
2011	1,238,133	15	20
2012	3,150,028	21	228
2013	6,562,214	24	236
	\$113,046,242	1523	6538

WABOWDEN OXFORD HOUSE GOD'S RIVER SNOW LAKE SHERRIDON FLIN FLON CRANBERRY PORTAGE WANLESS THE PAS CORMORANT CROSS LAKE NORWAY HOUSE MOOSE LAKE BARROWS BIRCH RIVER PELICAN RAPIDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK BAY SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIVER RORKETON LAKE ST MARTIN ETHELBERT SIFTON SHORDDALE ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAUPHIN HODGSON MANIGOTAGEN BISSETT RIVERTON GIMLI ARNES RIVERTON HODGSON ARBORG SELKIRK STONEWALL BRANDON AMARENTH ALONSA STE ROAD OCHRE RIVER MCCREARY INGLIS LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD HOUSE THICKET PORTAGE WABOWDEN THOMPSON OXFORD HOUSE GOD'S RIVER SNOW LAKE SHERRIDON FLIN FLON CRANBERRY PORTAGE WANLESS THE PAS CORMORANT CROSS LAKE NORWAY HOUSE MOOSE LAKE BARROWS BIRCH RIVER PELICAN RAPIDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK BAY THO SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIVER RORKETON LAKE ST MARTIN ETHELBERT SIFTON SHORDDALE ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAUPHIN HODGSON MANIGOTAGEN BISSETT RIVERTON GIMLI ARNES RIVERTON HODGSON ARBORG SELKIRK STONEWALL BRANDON AMARENTH ALONSA STE ROAD OCHRE RIVER MCCREARY INGLIS EASTERVILLE GRAND RAPIDS DUCK BAY SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIVER RORKETON LAKE ST MARTIN ETHELBERT SIFTON SHORDDALE ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAUPHIN HODGSON OMPSON THICKET PORTAGE WABOWDEN OXFORD HOUSE GOD'S RIVER SNOW LAKE SHERRIDON FLIN FLON CRANBERRY PORTAGE WANLESS THE PAS CORMORANT CROSS LAKE NORWAY HOUSE MOOSE LAKE BARROWS PELICAN RAPIDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK BAY SWAN RIVER FLIN FLON LYNN LAKE SOUTH INDIAN LAKE LEAF RAPIDS ARBORG SELKIRK STONEWALL BRANDON AMARENTH NELSON HOUSE THOMPSON THICKET PORTAGE SNOW LAKE LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD LYNN LAKE SOUTH INDIAN LAKE LEAF RAPIDS NELSON HOUSE THOMPSON THICKET PORTAGE EASTERVILLE

	2013	2012	2011	2010	2009	2008
No. of Loans Approved - Business	24	21	15	23	27	27
Dollar Value - Business	\$6,562,214	\$3,150,028	\$1,238,133	\$3,207,171	\$2,590,197	\$1,687,381
Dollar Value - Fisheries Approvals	\$2,853,817	\$2,922,493	\$3,201,487	\$3,760,207	\$4,268,577	\$4,290,014
No. of Active Loans - Business	108	109	116	128	135	141
No. of Active Loans - Fisheries	1010	1189	1073	1119	1280	1309
Portfolio Value - Total	\$28,491,599	\$25,929,394	\$26,483,870	\$27,296,850	\$25,938,282	\$26,306,974
Bad Debt Expense - Business	\$ 267,778	\$ 282,939	\$ 455,100	\$ 199,854	\$ 175,832	\$ 706,893
As a percentage of Approvals	4.08%	9%	36.76%	6.23%	6.79%	41.89%
Bad Debt Expense - Fisheries	\$ 171,058	\$ 207,402	\$ 100,000	\$ 287,500	\$ 105,000	\$ ---
As a percentage of Approvals	5.99%	7.1%	3.12%	7.65%	2.46%	0.00%
Total Subsidy	\$1,469,451	\$1,469,454	\$1,469,208	\$1,514,900	\$1,505,556	\$1,514,164
Subsidy as a percentage of Approvals	15.61%	24.20%	33.09%	21.74%	21.95%	25.33%



We present the following data which reflects our impact on the regional economy within our mandated area.

## JOBS

Number of persons directly employed in business supported by Fund loans	874
Number of Fishers supported by Fund loans	1010
<b>Total Employment</b>	<b>1884</b>

## REVENUES

Total revenue of Business Loan clients:	\$50,958,422
Total revenues of Fisheries Loan clients (before final payment and transfer income)	13,363,454
<b>Total Revenue</b>	<b>\$64,321,876</b>
Direct Wages Paid:	\$13,279,922

LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD LYNN LAKE SOUTH INDIAN LAKE LEAF RAPIDS NELSON HOUSE THOMPSON THICKET PORTAGE WABOWDEN OXFORD HOUSE GOD'S RIVER SNOW LAKE SHERRIDON FLIN FLON CRANBERRY PORTAGE WANLESS THE PAS CORMORANT CROSS LAKE NORWAY HOUSE MOOSE LAKE BARROWS BIRCH RIVER PELICAN RAPIDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK BAY SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIVER RORKETON LAKE ST MARTIN ETHELBERT SIFTON SHORTDALE ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAUPHIN HODGSON MANIGOTAGEN BISSETT RIVERTON GIMLI ARNES RIVERTON HODGSON ARBORG SELKIRK STONEWALL BRANDON AMARENTH ALONSA STE ROAD OCHRE RIVER MCCREARY INGLIS LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD HOUSE THICKET PORTAGE WABOWDEN THOMPSON OXFORD HOUSE GOD'S RIVER SNOW LAKE SHERRIDON FLIN FLON CRANBERRY PORTAGE WANLESS THE PAS CORMORANT CROSS LAKE NORWAY HOUSE MOOSE LAKE BARROWS BIRCH RIVER PELICAN RAPIDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK BAY THO SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIVER RORKETON LAKE ST MARTIN ETHELBERT SIFTON SHORTDALE ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAUPHIN HODGSON MANIGOTAGEN BISSETT RIVERTON GIMLI ARNES RIVERTON HODGSON ARBORG SELKIRK STONEWALL BRANDON AMARENTH ALONSA STE ROAD OCHRE RIVER MCCREARY INGLIS EASTERVILLE GRAND RAPIDS DUCK BAY SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIVER RORKETON LAKE ST MARTIN ETHELBERT SIFTON SHORTDALE ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAUPHIN HODGSON OMPSON THICKET PORTAGE WABOWDEN OXFORD HOUSE GOD'S RIVER SNOW LAKE SHERRIDON FLIN FLON CRANBERRY PORTAGE WANLESS THE PAS CORMORANT CROSS LAKE NORWAY HOUSE MOOSE LAKE BARROWS PELICAN RAPIDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK BAY SWAN RIVER FLIN FLON LYNN LAKE SOUTH INDIAN LAKE LEAF RAPIDS ARBORG SELKIRK STONEWALL BRANDON AMARENTH NELSON HOUSE THOMPSON THICKET PORTAGE SNOW LAKE WABOWDEN ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAU



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Winnipeg MB R3C 4L5 Canada

## To the Directors of **COMMUNITIES ECONOMIC DEVELOPMENT FUND**

We have audited the accompanying financial statements of COMMUNITIES ECONOMIC DEVELOPMENT FUND, which comprise the statements of financial position as at March 31, 2013, March 31, 2012, and April 1, 2011 and the statements of operations, and cash flows for the years ended March 31, 2013 and March 31, 2012, 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 public sector accounting standards, 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.

### **Auditor's 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 auditor's 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 purpose 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 COMMUNITIES ECONOMIC DEVELOPMENT FUND as at March 31, 2013, March 31, 2012, and April 1, 2011 and the results of its operations and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian public sector accounting standards.

*BDO Canada LLP*

Chartered Accountants  
Winnipeg, Manitoba  
June 11, 2013

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# STATEMENTS OF FINANCIAL POSITION

	March 31 2013	March 31 2012	April 1 2011
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	\$ 119,212	\$ 257,865	\$ 13,201
Trust deposits Province of Manitoba	519,746	1,997,834	954,057
Due from the Province of Manitoba (Note 3)	3,694,188	3,187,151	2,641,918
Accounts receivable	71,970	104,851	86,219
Property held for resale	4,425	4,425	4,425
Prepaid expenses	3,034	3,404	5,804
	4,412,575	5,555,530	3,705,624
Loans receivable (Note 4)	22,987,053	19,967,408	20,796,710
Capital assets (Note 5)	965,209	985,447	1,006,357
	<b>\$28,364,837</b>	<b>\$26,508,385</b>	<b>\$25,508,691</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	\$ 1,454,271	\$ 1,083,853	\$ 864,625
Funds held in trust	-	-	297,464
Deferred contributions (Note 6)	199,672	199,672	199,672
Interest payable to the Province of Manitoba	296,467	388,997	395,280
	1,950,410	1,672,522	1,757,041
<b>Accrued pension liability</b> (Note 7)	2,627,636	2,456,041	2,289,950
<b>Advance by the Province of Manitoba</b> (Note 8)	23,786,791	22,379,822	21,461,700
	<b>28,364,837</b>	<b>26,508,385</b>	<b>25,508,691</b>
<b>Commitments</b> (Note 9)			
<b>Net Assets</b>	-	-	-
	<b>\$28,364,837</b>	<b>\$26,508,385</b>	<b>\$25,508,691</b>

Approved on behalf of the Board of Directors:

Director: 

Director: 

# STATEMENTS OF OPERATIONS

For the year ended March 31	2013	2012
<b>Revenue</b>		
Loan interest		
Business program	\$ 732,324	\$ 721,599
Fisheries program	742,093	764,625
Investment income	30,017	50,030
	<b>1,504,434</b>	<b>1,536,254</b>
<b>Cost of Funds</b>		
Interest paid to the Province of Manitoba		
Business program	364,743	428,850
Fisheries program	322,364	384,148
Life insurance	115,719	105,265
Trust line of credit	45,000	44,301
	<b>847,826</b>	<b>962,564</b>
<b>Gross margin</b>	656,608	573,690
<b>Operating expenditures</b> (see schedule)	1,757,500	1,667,652
	<b>(1,100,892)</b>	<b>(1,093,962)</b>
<b>Other Revenue</b>		
Administration fees	176,821	158,173
<b>Deficiency of revenue over expenditures before provision for doubtful loans</b>	<b>(924,071)</b>	<b>(935,789)</b>
<b>Provision for Doubtful Loans</b>		
Regular operations	545,380	533,666
<b>Deficiency of revenue over expenditures before subsidy due from the Province of Manitoba</b>	<b>(1,469,451)</b>	<b>(1,469,455)</b>
<b>Subsidy due from the Province of Manitoba</b>	<b>1,469,451</b>	<b>1,469,455</b>
<b>Excess of revenue over expenditures for the year</b>	<b>\$ -</b>	<b>\$ -</b>

# STATEMENTS OF CASH FLOWS

For the year ended March 31	2013	2012
<b>Cash Flows from Operating Activities</b>		
Deficiency of revenue over expenditures before subsidy due from the Province of Manitoba	\$ (1,469,451)	\$ (1,469,455)
Adjustments for non-cash items		
Amortization of capital assets	26,888	27,348
Provision for doubtful loans	545,380	533,666
	<b>(897,183)</b>	<b>(908,441)</b>
Net changes in work capital balances		
Accounts receivable	32,881	(18,632)
Prepaid expenses	370	2,400
Accounts payable and accrued liabilities	370,418	219,228
Funds held in trust	-	(297,464)
Interest payable to the Province of Manitoba	(92,530)	(6,283)
Accrued pension liability	171,595	166,091
	<b>(414,449)</b>	<b>(843,101)</b>
<b>Cash Flows from Financing Activities</b>		
Net increase in amounts due from the Province of Manitoba	(507,037)	(545,233)
Net increase in advance by the Province of Manitoba	1,406,969	918,122
Subsidy due from the Province of Manitoba	1,469,451	1,469,455
	<b>2,369,383</b>	<b>1,842,344</b>
<b>Cash Flows from Capital Activities</b>		
Acquisition of capital assets	(6,650)	(6,438)
<b>Cash Flows from Investing Activities</b>		
Change in loans receivable, net of repayments	(3,565,025)	295,636
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(1,616,741)</b>	<b>1,288,441</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>2,255,699</b>	<b>967,258</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 638,958</b>	<b>\$ 2,255,699</b>
<b>Represented by</b>		
Cash	\$ 119,212	\$ 257,865
Trust deposits - Province of Manitoba	519,746	1,997,834
	<b>\$ 638,958</b>	<b>\$ 2,255,699</b>

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

For the year ended March 31, 2013

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## I. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Nature of the Organization

The Communities Economic Development Fund (the "Fund") was established in 1971 (Ch. C155) as a Crown Corporation to encourage the optimum economic development of remote and isolated communities within the Province of Manitoba. With an act revision passed in July 1991, the objects of the Fund are to encourage the economic development of northern Manitoba, Aboriginal people in the province outside of the City of Winnipeg, and the fishing industry in Manitoba. The Business and Fisheries Loans Programs are administered under the C.E.D.F. Act.

### (b) Basis of Accounting

The financial statements have been prepared using Canadian public sector accounting standards for not-for-profit organizations as established by the Public Sector Accounting Board.

### (c) Management's Responsibility for the Financial Statements

The financial statements of the Fund are the responsibility of management.

### (d) Revenue Recognition

The Fund follows the deferral method of accounting for contributions. Interest on loans is recorded as revenue on an accrual basis except for loans which are considered impaired. When a loan becomes impaired, recognition of interest revenue ceases when the carrying amount of the loan including accrued interest exceeds the estimated realizable amount of the underlying security.

Investment revenue is recorded on an accrual basis.

Other revenue including administration fees is recorded when the related service or activity is provided.

### (e) Allowance for Doubtful Loans

Business Loan Program - The loans are reviewed quarterly to assess potential impairment or loss of value. Impaired loans are defined as those which are greater than two payments in arrears and for which the value of realizable security is less than the value of the loan outstanding. In these cases, a specific allowance is accrued equal to the value of the potential security shortfall or impairment. In all other cases, including loans that are both current and for which there is excess security value, a non-specific allowance equal to 5% of the outstanding loan balance is recorded.

For the year ended March 31, 2013

Fisheries Loan Program - The allowance for doubtful loans on fisheries loans and interest receivable is calculated based on the present value of future cash flows for those loans which, if they maintain their past payment history, will fail to retire their debt completely within the agreed term. The net present value ("NPV") formula used for calculating the allowance for doubtful loans is recognized by the Canadian Institute of Chartered Accountants, however, it does not account for closure of a fishery or regulated reduction of production. In the event of the closure of a fishery or regulated reduction of production, the NPV formula may not adequately provide for doubtful loans.

The amount of initial impairment and any subsequent changes are recorded through the provision for doubtful loans as an adjustment of the specific allowance.

Loans considered uncollectible are written off. Recoveries on loans previously written off are taken into revenue.

## (f) Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each balance sheet date and charged to the financial instrument for those measured at amortized cost.

## (g) Capital Assets

Capital assets are stated at cost less accumulated amortization. Amortization based on the estimated useful life of the asset is calculated on a straight-line basis as follows:

Building	2%
Office furniture and equipment	10 to 30%
Parking lot	50%

## (h) Employment and Post-Employment Benefits

The Fund provides pension, retirement allowance, and sick leave benefits to its employees.

Employees of the Fund are provided pension benefits by the Civil Service Superannuation Fund (the "CSSF"). The Fund's contribution toward the pension benefits is limited to matching the employees' contributions to the CSSF.

Retirement allowances are provided to certain qualifying employees. The benefits are provided under a final pay plan. The costs of benefits earned by employees are charged to expenses as services are



rendered. The costs are determined using projected benefit payments and reflect management's best estimates of future payouts. Adjustments to the allowance are recognized in income immediately.

Employees of the Fund are entitled to sick pay benefits that accumulate however do not vest. The cost of the anticipated future sick pay benefits that will be required by the employee is charged to expenses as services are rendered. The cost is determined using actuarial assumptions.

**(i) Use of Estimates and Measurement Uncertainty**

These financial statements have been prepared in accordance with Canadian public sector accounting standards which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reported period. Significant estimates are involved in the valuation of loans receivable. Actual results may differ from those estimates.

## 2. FIRST TIME ADOPTION

Effective April 1, 2012, the Fund adopted the requirements of the new accounting framework, Canadian Public Sector Accounting Standards for Not-for-Profit Organizations (PSAB for NPOs). These are the Fund's first financial statements prepared in accordance with this framework and the transitional provisions of Section 2125, First-time adoption by Government Organizations have been applied. Section 2125 requires retrospective application of the accounting standards with certain elective exemptions and mandatory exceptions. The accounting policies set out in Note 1 – Nature of the Organization and Summary of Significant Accounting Policies have been applied in preparing the financial statements for the year ended March 31, 2013, the comparative information presented in these financial statements for the year ended March 31, 2012 and in the preparation of an opening PSAB for NPOs statement of financial position at the date of transition of April 1, 2011.

No optional exemptions were used at the date of transition to PSAB for NPOs.

The Fund issued financial statements for the year ended March 31, 2012 using Canadian generally accepted accounting principles prescribed by the CICA Handbook – Accounting Part V – Pre-changeover Accounting Standards. The adoption of PSAB for NPOs resulted in no adjustments to the previously reported assets, liabilities, net assets, excess of revenue over expenditures and cash flows of the Fund.

For the year ended March 31, 2013

### 3. DUE FROM THE PROVINCE OF MANITOBA

Annually, the Province of Manitoba provides a grant to cover the Fund's anticipated subsidy requirements for the year. The amount of \$3,694,188 (\$3,187,151 in 2012) represents additional funds needed to cover the actual requirements for the year including coverage for the pension liability. The balance is comprised of the following:

	2013	2012
Department of Aboriginal and Northern Affairs		
Subsidy, refundable	\$ (55,090)	\$ (66,249)
Order in Council pending	1,056,240	731,959
Pension, unfunded	2,605,316	2,435,729
Pension, funded	22,322	20,312
Severance accrual, unfunded	65,400	65,400
	<b>\$ 3,694,188</b>	<b>\$ 3,187,151</b>

### 4. LOANS RECEIVABLE

Loans receivable by program are as follows:

	2013	2012
Business Loans Program		
Interest rates applied range from 5.25% to 9.88%		
Principal	\$ 13,316,707	\$ 10,625,433
Accrued interest	1,213,922	1,185,848
	14,530,629	11,811,281
Allowance for doubtful loans	1,982,069	2,330,888
Total Business Loans Program	<b>12,548,560</b>	9,480,393
Fisheries Loans Program		
Interest rates applied range from 4.25% to 6.25%		
Principal	12,735,122	12,937,798
Accrued interest	1,225,848	1,180,314
	13,960,970	14,118,112
Allowance for doubtful loans	3,509,676	3,625,182
Allowance for insurance	12,801	5,915
Total Fisheries Loans Program	10,438,493	10,487,015
Total Business and Fisheries Loans Programs	<b>\$22,987,053</b>	<b>\$19,967,408</b>

Gross amount of loans together with the allowance for doubtful loans are as follows:

	2013		2012	
	Gross Loan Balances	Total Allowance	Gross Loan Balances	Total Allowance
<b>Business Loans Program</b>				
Impaired	\$ 4,731,110	\$ 1,492,093	\$ 3,467,801	\$ 1,913,714
Performing	9,799,520	489,976	8,343,480	417,174
	<b>\$ 14,530,630</b>	<b>\$ 1,982,069</b>	<b>\$ 11,811,281</b>	<b>\$ 2,330,888</b>
<b>Fisheries Loans Program</b>				
Impaired	\$ 3,509,676	\$ 3,509,676	\$ 3,625,182	\$ 3,625,182
Performing	10,451,294	---	10,492,930	---
	<b>\$ 13,960,970</b>	<b>\$ 3,509,676</b>	<b>\$ 14,118,112</b>	<b>\$ 3,625,182</b>

The change in the allowance for doubtful loans are as follows:

	2013			2012
	Specific	Non-specific	Total	Total
<b>Business Loans Program</b>				
Balance, beginning of year	\$ 1,913,714	\$ 417,174	\$ 2,330,888	\$ 2,271,285
Provision for the year	285,078	72,802	357,880	326,264
	<b>2,198,792</b>	<b>489,976</b>	<b>2,688,768</b>	2,597,549
Loans written-off	(706,699)	---	(706,699)	(266,661)
Balance, end of year	<b>\$ 1,492,093</b>	<b>\$ 489,976</b>	<b>\$ 1,982,069</b>	\$ 2,330,888

	2013	2012
<b>Fisheries Loans Program</b>		
Balance, beginning of year	\$ 3,625,182	\$ 3,417,782
Provision for the year	187,500	207,400
	<b>3,812,682</b>	3,625,182
Loans written-off	(303,006)	---
Balance, end of year	<b>\$ 3,509,676</b>	\$ 3,625,182

The provision for fisheries loans losses recorded by the Fund exceeds the value derived by the net present value formula as at March 31, 2013 by \$3,091 (\$ Nil in 2012).

	2013	2012
<b>Loan Loss Provision</b>		
Per accounts	\$ 3,509,676	\$ 3,625,182
Per net present value calculation	(3,506,585)	(3,625,182)
	<b>\$ 3,091</b>	\$ ---

For the year ended March 31, 2013

## 5. CAPITAL ASSETS

	2013			2012		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Land	\$ 92,482	\$ ---	\$ 92,482	\$ 92,482	\$ ---	\$ 92,482
Building	931,236	79,155	852,081	931,236	60,530	870,706
Office furniture and equipment	162,662	142,016	20,646	156,012	133,753	22,259
Parking lot	73,000	73,000	---	73,000	73,000	---
Total	\$1,259,380	\$294,171	\$ 965,209	\$1,252,730	\$267,283	\$985,447

## 6. DEFERRED CONTRIBUTIONS

The Government of Manitoba has contributed \$200,000 to the Fund to cost share on an equal basis with the Fund to establish the Non-Timber Forest Products Program.

## 7. EMPLOYMENT AND POST-EMPLOYMENT BENEFITS PAYABLE

### Pension Benefits

The employees of the Fund are not members of the Civil Service of the Province of Manitoba but they contribute to, and are pensionable under, the Civil Service Superannuation Fund. In accordance with the provisions of the Manitoba Civil Service Superannuation Act, the Fund will contribute 50% of the pension payments made to retired employees. The current pension expense consists of the Fund's share of pension benefits paid to retired employees, as well as the increase in the unfunded pension liability during the fiscal year. This liability is determined actuarially every three years with the balances for the intervening years being determined by a formula provided by the actuary. The most recent actuarial valuation as at December 31, 2011 indicated the accrued liability is in line with the obligation forecast in the report.

The significant actuarial assumptions adopted in measuring the Fund's pension liability are as follows:

	2013	2012
Benefit costs for the year ended March 31		
Discount rate	6.00%	6.00%
Rate of compensation increase	3.75%	3.75%

In fiscal years prior to 1989, the Fund charged to operations, contributions to the Manitoba Civil Service Superannuation Fund which amounted to 50% of the pension payments made to retired employees. Beginning in the 1989 fiscal year, the Fund has recorded a provision to fund current service obligations.

### Pre Retirement Benefits

Employees may be eligible for a pre-retirement benefit. The pre-retirement liability is estimated to be \$87,700 at March 31, 2013 (\$87,700 in 2012) and is presented as accounts payable and accrued liabilities.

### Sick Leave Benefits

Employees of the Fund are entitled to sick leave benefits during their employment. Sick leave benefits, which accumulate but do not vest, are estimated to be a liability as at March 31, 2013 of \$16,500 (\$15,300 in 2012). The amount is not considered to be significant by management, and as such has not been recorded as a liability in the financial statements of the Fund.

## 8. ADVANCE BY THE PROVINCE OF MANITOBA

The Communities Economic Development Fund is included under the Province of Manitoba's Loan Act Authority. Advances from the Province of Manitoba bear interest at rates established by the Minister of Finance pursuant to The Loan Act, 2012. The advances are repayable at any time in whole or in part at the option of the Lieutenant Governor in Council.

Advances by the Province of Manitoba by program are as follows:

	2013	2012
Business Loans Program		
Advances, beginning of year	\$ 14,691,195	\$13,812,216
Loan advances	6,475,000	3,990,000
Loan advance repayments	(4,266,930)	(3,111,021)
Advances, end of year	16,899,265	14,691,195
Unfunded allowance, beginning of year	2,957,701	2,674,762
Provision for doubtful loans	357,880	326,264
Loans written-off as approved by Order in Council	(625,658)	(43,325)
Unfunded allowance for doubtful loans, end of year	2,689,923	2,957,701
Net advances balance, end of year	<u>\$ 14,209,342</u>	<u>\$ 11,733,494</u>



# NOTES TO FINANCIAL STATEMENTS

For the year ended March 31, 2013

	2013	2012
Fisheries Loans Program		
Advances, beginning of year	\$ 13,397,275	\$ 12,845,369
Loan advances	2,625,000	2,980,000
Loan repayments	(3,499,222)	(2,428,094)
Advances, end of year	12,523,053	13,397,275
Unfunded allowance for doubtful loans, beginning of year	3,686,981	3,479,579
Provision for doubtful loans	187,500	207,402
Loans written off as approved by Order in Council	(16,442)	---
Unfunded allowance for doubtful loans, end of year	3,858,039	3,686,981
Net advances balance, end of year	<u>\$ 8,665,014</u>	<u>\$ 9,710,294</u>

Net advances due by the Province of Manitoba are as follows:

	2013	2012
Business Loans Program	\$ 14,209,342	\$ 11,733,494
Fisheries Loans Program	8,665,014	9,710,294
Building mortgage	912,435	936,034
	<u>\$ 23,786,791</u>	<u>\$ 22,379,822</u>

The Fund obtains capital for the purpose of carrying out its mandate of providing financial assistance in the form of loans and guarantees through loans provided by the Department of Finance. The Fund has an authorized line of credit of \$2,000,000 from the Province of Manitoba bearing interest at 2.25% which is unutilized at year end. Term loans bear interest at the rates posted by the Department of Finance at time of issue. The Fund also has the option to draw funds on floating rates set periodically at the Royal Bank prime rate minus 0.75%. At year end, the advances bore rates ranging from 2.00% to 5.25% with a weighted cost of capital of 2.45%.

Principal payments due in each of the next five fiscal years on advances by the Province of Manitoba that excluded unfunded allowances for doubtful loans are as follows:

2014	\$9,217,831
2015	6,766,403
2016	5,595,460
2017	5,179,275
2018	2,801,280

## 9. COMMITMENTS

Total undisbursed balances of approved loans are \$351,457 at March 31, 2013 (\$1,319,949 at March 31, 2012).

## 10. LOAN ACT AUTHORITY

Amounts authorized for advances under The Loan Act, 2012 are as follows:

	<u>2013</u>
Schedule A of The Loan Act, 2012	\$ 6,800,000
Schedule B of The Loan Act, 2011	10,679,900
Direct loans	<u>17,479,900</u>
Authority used	9,100,000
Unused Loan Act capital available	<u>\$ 8,379,900</u>

## 11. ECONOMIC DEPENDENCE

The ongoing operations of the Fund depend on obtaining adequate financing and funding from the Province of Manitoba.

## 12. FINANCIAL INSTRUMENT RISK MANAGEMENT AND EXPOSURES

There have been no substantive changes in the Fund's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or methods used to measure them from previous periods. The Board has overall responsibility for the determination of the Fund's risk management objectives and policies and has identified significant exposure to credit risk.

### **Credit Risk**

Credit risk is the risk of loss to the Fund if a counterparty to a financial instrument fails to meet its contractual obligations. The Fund has significant outstanding loans and is mainly exposed to credit risk through the credit quality of the individuals and businesses to whom the Fund has loaned funds.

Credit risk rating systems are designed to assess and quantify the risk inherent in credit activities in an accurate and consistent manner. To assess credit risk, the Fund takes into consideration the individual's and business' ability to pay, and value of collateral available to secure the loan. The Fund's maximum exposure to credit risk, without taking into account any collateral or other credit enhancements is \$23,059,023 (\$20,072,259 in 2012).

### **Interest Rate Risk**

Interest rate risk is the impact that changes in market interest rates will have on the operations of the Fund. The Fund holds \$23,578,769 (\$22,070,093 in 2012) in interest bearing deposits and loans receivable at March 31, 2013. The Fund has mitigated this risk by adjusting interest rates for fish loans on a quarterly basis and interest rates for business loans on a monthly basis based on its weighted average cost of capital.

### **Liquidity Risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting financial obligations as they become due, and arises from the Fund's management of working capital and collections of loans receivable. The Fund's policy is to ensure that it will have sufficient cash to allow it to meet its liabilities when they become due.

## SCHEDULE OF OPERATING EXPENDITURES

For the year ended March 31	2013	2012
Amortization of capital assets	\$ 26,888	\$ 27,348
Collection costs	45,380	45,797
Communications	37,071	35,415
Credit reports	3,317	2,234
Directors' fees and expenses	53,512	59,589
Government vehicles	32,382	27,733
Insurance	6,689	6,944
Legal costs	10,326	28,673
MAFRI	93,007	87,975
Mortgage interest	48,472	49,967
Office supplies and expenses	40,479	43,860
Pension	221,698	211,106
Professional fees	50,838	28,829
Rent and utilities	29,392	28,334
Repairs and maintenance	13,819	11,840
Salaries and benefits	991,397	922,159
Sundry	17,837	14,465
Travel	34,996	35,384
	\$ 1,757,500	\$ 1,667,652



LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD LYNN LAKE SOUTH INDIAN LAKE LEAF RAPIDS NELSON HOUSE THOMPSON THICKET PORTAGE WABOWDEN THOMPSON OXFORD HOUSE GOD'S RIVER SNOW LAKE SHERRIDON FLIN FLON CRANBERRY PORTAGE WANLESS THE PAS CORMORANT CROSS LAKE NORWAY HOUSE MOOSE LAKE BARROWS BIRCH RIVER PELICAN RAPIDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK BAY SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIVER RORKETON LAKE ST MARTIN ETHELBERT SIFTON SHORTDALE ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAUPHIN HODGSON MANIGOTAGEN BISSETT RIVERTON GIMLI ARNES RIVERTON HODGSON ARBORG SELKIRK STONEWALL BRANDON AMARENTH ALONSA STE ROAD OCHRE RIVER MCCREARY INGLIS LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD LYNN LAKE SOUTH INDIAN LAKE LEAF RAPIDS NELSON HOUSE THICKET PORTAGE WABOWDEN THOMPSON OXFORD HOUSE GOD'S RIVER SNOW LAKE SHERRIDON FLIN FLON CRANBERRY PORTAGE WANLESS THE PAS CORMORANT CROSS LAKE NORWAY HOUSE MOOSE LAKE BARROWS BIRCH RIVER PELICAN RAPIDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK BAY THO SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIVER RORKETON LAKE ST MARTIN ETHELBERT SIFTON SHORTDALE ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAUPHIN HODGSON MANIGOTAGEN BISSETT RIVERTON GIMLI ARNES RIVERTON HODGSON ARBORG SELKIRK STONEWALL BRANDON AMARENTH ALONSA STE ROAD OCHRE RIVER MCCREARY INGLIS EASTERVILLE GRAND RAPIDS DUCK BAY SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIVER RORKETON LAKE ST MARTIN ETHELBERT SIFTON SHORTDALE ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAUPHIN HODGSON MANIGOTAGEN BISSETT RIVERTON GIMLI ARNES RIVERTON HODGSON ARBORG SELKIRK STONEWALL BRANDON AMARENTH ALONSA STE ROAD OCHRE RIVER MCCREARY INGLIS LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD LYNN LAKE SOUTH INDIAN LAKE LEAF RAPIDS NELSON HOUSE THOMPSON LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD HOUSE MOOSE LAKE BARROWS BIRCH RIVER PELICAN RAPIDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK BAY SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIVER RORKETON LAKE ST MARTIN ETHELBERT SIFTON SHORTDALE ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAUPHIN HODGSON BISSETT RIVERTON GIMLI ARNES RIVERTON HODGSON ARBORG SELKIRK STONEWALL BRANDON AMARENTH ALONSA STE ROAD OCHRE RIVER MCCREARY INGLIS LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD LYNN LAKE SOUTH INDIAN LAKE LEAF RAPIDS NELSON HOUSE THOMPSON LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD HOUSE MOOSE LAKE BARROWS BIRCH RIVER PELICAN RAPIDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK BAY SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIVER RORKETON LAKE ST MARTIN ETHELBERT SIFTON SHORTDALE ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAUPHIN HODGSON BISSETT RIVERTON GIMLI ARNES RIVERTON HODGSON ARBORG SELKIRK STONEWALL BRANDON AMARENTH ALONSA STE ROAD OCHRE RIVER MCCREARY INGLIS LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD LYNN LAKE SOUTH INDIAN LAKE LEAF RAPIDS NELSON HOUSE THOMPSON LAC BROCHET CHURCHILL BROCHET GILLAM ILFORD HOUSE MOOSE LAKE BARROWS BIRCH RIVER PELICAN RAPIDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK BAY SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER LITTLE GRAND RAPIDS SAN CLARA PINE RIVER RORKETON LAKE ST MARTIN ETHELBERT SIFTON SHORTDALE ROBLIN ASHVILLE GILBERT PLAINS KINOSOTA DAUPHIN HODGSON BISSETT RIVERTON GIMLI ARNES RIVERTON HODGSON ARBORG SELKIRK STONEWALL BRANDON AMARENTH ALONSA STE ROAD OMAFEKING EASTERVILLE TMOOSE LAKE BARROWS BIRCH RIVER PELICAN RAPIDS MAFEKING EASTERVILLE GRAND RAPIDS DUCK BAY SWAN RIVER CAMPERVILLE SKOWAN KAMVILLE BENITO DURBEN MALLARD ROCK RIDGE BERENS RIVER



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