

**Community Futures Development Corporation of Central Island**  
**Non-Consolidated Financial Statements**  
*March 31, 2016*

# Community Futures Development Corporation of Central Island

## Contents

For the year ended March 31, 2016

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	<i>Page</i>
<b>Management's Responsibility</b>	
<b>Independent Auditors' Report</b>	
<b>Non-Consolidated Financial Statements</b>	
Non-Consolidated Statement of Financial Position.....	1
Non-Consolidated Statement of Operations.....	2
Non-Consolidated Statement of Changes in Fund Balances.....	3
Non-Consolidated Statement of Cash Flows.....	4
<b>Notes to the Non-Consolidated Financial Statements.....</b>	<b>5</b>

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## **Management's Responsibility**

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To the Board of Directors of Community Futures Development Corporation of Central Island:

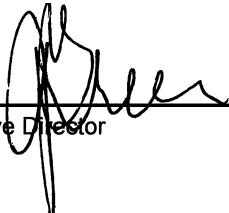
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed of Directors who are neither management nor employees of the Corporation. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Audit Committee assists the Board with fulfilling these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Audit Committee is also responsible for recommending the appointment of the Corporation's external auditors.

MNP LLP is appointed by the Board of Directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically with, both the Audit Committee and management to discuss their audit findings.

September 29, 2016

  
\_\_\_\_\_  
Executive Director

## Independent Auditors' Report

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To the Directors of Community Futures Development Corporation of Central Island:

We have audited the accompanying financial statements of Community Futures Development Corporation of Central Island, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Non-Consolidated Financial Statements*

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

### *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 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 Community Futures Development Corporation of Central Island as at March 31, 2016 and the results of its operations, changes in fund balances and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Nanaimo, British Columbia

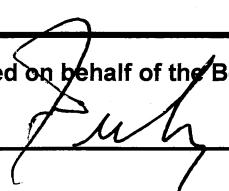
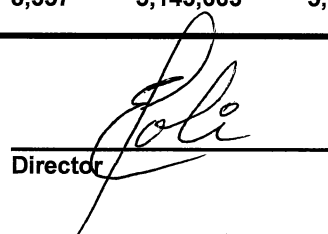
June 29, 2016, except for Note 11, which is as of September 29, 2016

*MNP LLP*

Chartered Professional Accountants

**Community Futures Development Corporation of Central Island**  
**Non-Consolidated Statement of Financial Position**

*As at March 31, 2016*

	Operating Fund	Investment Fund	2016  (Restated - Note 11)	2015
<b>Assets</b>				
<b>Current</b>				
Cash	11,303	2,312,302	2,323,605	2,193,063
Accrued interest receivable	-	16,393	16,393	13,929
Prepaid expenses and deposits	-	-	-	949
GST receivable	1,438	-	1,438	4,384
Accounts receivable	3,625	-	3,625	3,331
Due from (to) other funds (Note 3)	(8,009)	8,009	-	-
Loans receivable - current (Note 4)	-	542,486	542,486	489,035
	<b>8,357</b>	<b>2,879,190</b>	<b>2,887,547</b>	<b>2,704,691</b>
<b>Capital assets</b>	-	-	-	1,748
<b>Investments</b>	-	250,000	250,000	250,000
<b>Loans receivable (Note 4)</b>	-	2,014,373	2,014,373	1,966,655
<b>Investment in Colville Investments Corporation (Note 5)</b>	-	100	100	100
	<b>8,357</b>	<b>5,143,663</b>	<b>5,152,020</b>	<b>4,923,194</b>
<b>Liabilities</b>				
<b>Current</b>				
Accounts payable and accruals	51,794	1,293	53,087	36,680
Current portion of capital lease obligations	-	-	-	3,210
Due to Colville Investments Corporation (Note 6)	51,439	-	51,439	54,865
Repayable contributions (Note 7)	-	991,345	991,345	1,781,743
	<b>103,233</b>	<b>992,638</b>	<b>1,095,871</b>	<b>1,876,498</b>
<b>Capital lease obligations</b>	-	-	-	2,543
	<b>103,233</b>	<b>992,638</b>	<b>1,095,871</b>	<b>1,879,041</b>
<b>Fund Balances</b>				
Investment in capital assets	-	-	-	1,748
Externally restricted	-	3,317,846	3,317,846	3,136,407
Unrestricted	(94,876)	833,179	738,303	(94,002)
	<b>(94,876)</b>	<b>4,151,025</b>	<b>4,056,149</b>	<b>3,044,153</b>
	<b>8,357</b>	<b>5,143,663</b>	<b>5,152,020</b>	<b>4,923,194</b>
<b>Approved on behalf of the Board</b>				
 Director	 Director			

The accompanying notes are an integral part of these financial statements

# Community Futures Development Corporation of Central Island

## Non-Consolidated Statement of Operations

*For the year ended March 31, 2016*

	Operating Fund	Investment Fund	2016  (Restated - Note 11)	2015
<b>Revenue</b>				
Western Economic Diversification contribution	273,480	-	273,480	273,480
Loan interest	-	201,291	201,291	202,660
Fee income	25,807	4,295	30,102	13,473
Miscellaneous income	29,655	-	29,655	4,044
Bank interest	2	13,748	13,750	17,839
Rental income	1,075	-	1,075	1,130
Lease rental income	-	-	-	8,078
<b>Total revenue</b>	<b>330,019</b>	<b>219,334</b>	<b>549,353</b>	<b>520,704</b>
<b>Expenses</b>				
Advertising	28,181	-	28,181	24,174
Amortization	1,748	-	1,748	828
Bad debt expense (recovery) (Note 8)	2,055	(71,765)	(69,710)	(110,637)
Bank charges and interest	1,432	206	1,638	1,723
Collection costs	-	9,289	9,289	1,327
Conferences	2,000	-	2,000	2,000
Equipment rental	4,018	-	4,018	3,771
Insurance	4,332	2,619	6,951	13,446
Licences and fees	2,503	-	2,503	5,546
Office	18,640	-	18,640	13,655
Professional fees and consulting	28,296	4,766	33,062	42,904
Rent (Note 5)	28,300	-	28,300	26,427
Repairs and maintenance	1,826	-	1,826	135
Salaries and benefits	216,052	-	216,052	186,474
Special projects	15,090	-	15,090	-
Supplies	1,958	-	1,958	6,313
Telephone	7,882	-	7,882	7,531
Training and education	907	-	907	150
Travel and conference	14,005	-	14,005	14,590
Utilities	3,415	-	3,415	2,328
<b>Total expenses</b>	<b>382,640</b>	<b>(54,885)</b>	<b>327,755</b>	<b>242,685</b>
<b>Excess (deficiency) of revenue over expenses before other items</b>	<b>(52,621)</b>	<b>274,219</b>	<b>221,598</b>	<b>278,019</b>
<b>Other items</b>				
Interest transfers (Note 3)	49,999	(49,999)	-	-
Change in fair value of conditionally repayable loans	-	(42,781)	(42,781)	(69,518)
DFO loans forgiven (Note 7)	-	833,179	833,179	-
<b>Excess (deficiency) of revenue over expenses</b>	<b>(2,622)</b>	<b>1,014,618</b>	<b>1,011,996</b>	<b>208,501</b>

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

**Community Futures Development Corporation of Central Island**  
**Non-Consolidated Statement of Changes in Fund Balances**

*For the year ended March 31, 2016*

	<i>Operating Fund</i>	<i>Investment Fund</i>	<b>2016</b> <i>(Restated - Note 11)</i>	<i>2015</i>
<b>Fund balances, beginning of year</b>	<b>(92,254)</b>	<b>3,136,407</b>	<b>3,044,153</b>	2,835,652
<b>Excess (deficiency) of revenue over expenses</b>	<b>(2,622)</b>	<b>1,014,618</b>	<b>1,011,996</b>	208,501
<b>Fund balances, end of year</b>	<b>(94,876)</b>	<b>4,151,025</b>	<b>4,056,149</b>	3,044,153

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

# Community Futures Development Corporation of Central Island

## Non-Consolidated Statement of Cash Flows

*For the year ended March 31, 2016*

	<b>2016</b>	<b>2015</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Cash received from contributions	384,704	420,096
Cash receipts from investment income	223,949	229,183
Cash paid for program service expenses	(169,467)	(153,609)
Cash paid for salaries and benefits	(214,667)	(186,474)
Cash paid for interest	1,788	(1,057)
	<b>226,307</b>	<b>308,139</b>
<b>Financing</b>		
Repayment of advances from Colville Investments Corporation	(3,426)	(13,947)
Repayments of capital lease obligations	(2,543)	(3,983)
	<b>(5,969)</b>	<b>(17,930)</b>
<b>Investing</b>		
Purchase of investments	-	(250,000)
Advances of loans receivable	(1,329,656)	(651,894)
Repayments of loans receivable	1,228,557	588,573
	<b>(101,099)</b>	<b>(313,321)</b>
<b>Increase (decrease) in cash resources</b>	<b>119,239</b>	<b>(23,112)</b>
<b>Cash resources, beginning of year</b>	<b>2,193,063</b>	<b>2,210,936</b>
<b>Cash resources, end of year</b>	<b>2,312,302</b>	<b>2,187,824</b>

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



# Community Futures Development Corporation of Central Island

## Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2016

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### 1. Incorporation and nature of the corporation

Community Futures Development Corporation of Central Island (the "Organization") was established to promote employment and economic development in the Central Vancouver Island area. The activities of the Corporation include delivering various economic development programs on behalf of the Government of Canada, specifically for Western Economic Diversification ("WED") and Fisheries and Oceans Canada. The Corporation also operates programs to promote employment and economic development through loans and loan guarantees to qualifying local businesses. The Corporation, incorporated without share capital under Part II of the Canada Corporations Act, is a not-for-profit corporation and is exempt for income tax purposes.

### 2. Significant accounting policies

The non-consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

#### ***Investment in a not-for-profit subsidiary***

The Organization's financial statements do not include the accounts of Colville Investments Corporation, which is controlled by the Organization and recorded at cost. The required disclosures have been provided in Note 5.

All transactions with the subsidiary are disclosed as related party transactions.

#### ***Fund accounting***

The Organization follows the restricted fund method of accounting for contributions, and maintains two funds: the operating fund and the investment fund.

The Operating Fund provides the personnel and other facilities that enable the Corporation to deliver the Community Futures contribution agreement with WED and other related programs. It accounts for the corporation's program delivery and administrative activities.

The Investment Fund promotes economic development in the community by providing assistance to small businesses in the form of loans or equity investments in accordance with the requirements of the agreement with WED. The assets, liabilities, revenue and expenses associated with providing these loans and equity investment are recorded in the Investment Fund.

#### ***Revenue recognition***

The annual WED contribution is recognized as revenue in the year specified in the agreement with WED. Interest transfers are recognized as revenue in the period that the transfer is approved by WED. Interest is recognized in the period in which it is earned.

#### ***Contributed services***

Contributions of services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the services are used in the normal course of the Organization's operations and would otherwise have been purchased.

Committee volunteers contribute many hours of time to the Corporation. Because of the difficulty of determining the fair value, these contributed services are not recognized in the non-consolidated financial statements.

#### ***Capital assets***

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

# Community Futures Development Corporation of Central Island

## Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2016

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### 2. Significant accounting policies (Continued from previous page)

#### **Measurement uncertainty (use of estimates)**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the non-consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accrued interest receivable, accounts receivable and loans receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets. Provision is made for a decline in fair value of long-term investments when the decline is not considered to be temporary.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenue and expenses in the periods in which they become known.

#### **Financial instruments**

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with CPA Canada Handbook - Accounting Section 3840 *Related Party Transactions*.

At initial recognition, the Organization may irrevocably elect to subsequently measure any financial instrument at fair value. The Organization has elected to subsequently measure repayable contributions at their fair value.

The Organization subsequently measures investments in equity instruments quoted in an active market at fair value. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. With the exception of those financial instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenue over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

#### **Financial asset impairment:**

The Organization assesses impairment of all of its financial assets measured at cost or amortized cost. Management considers whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenue over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenue over expenses in the year the reversal occurs.

#### **Investments**

Long-term investments are portfolio investments not quoted in an active market. They have been classified as long-term assets in concurrence with the nature of the investment.

# Community Futures Development Corporation of Central Island

## Notes to the Non-Consolidated Financial Statements

*For the year ended March 31, 2016*

### 3. Interfund transactions

The Operating Fund received interest transfers of \$49,999 (2015 - \$43,537) from the non-repayable investment fund. There were no other transfers between funds during the year.

The balances due from (to) other funds are non-interest bearing, unsecured and have no fixed terms of repayment.

### 4. Loans receivable

Loans receivable are repayable monthly at varying amounts including interest ranging from 0% to 10% and have maturities from April 24, 2016 to March 27, 2027. The interest rate on some loans are adjusted semi-annually based on the bank prime rate.

	<b>March 31, 2016</b>	<i>March 31, 2015</i>
Loans receivable	<b>2,556,859</b>	2,461,190
Less: allowance for doubtful loans	-	(5,500)
	<b>2,556,859</b>	2,455,690
Less: current portion of loans receivable	<b>(542,486)</b>	(489,035)
	<b>2,014,373</b>	1,966,655

Principal repayments on loans receivable in each of the next five years are estimated as follows:

2017	\$542,486
2018	\$536,126
2019	\$375,110
2020	\$305,285
2021	\$145,654

# Community Futures Development Corporation of Central Island

## Notes to the Non-Consolidated Financial Statements

*For the year ended March 31, 2016*

### 5. Investment in Colville Investments Corporation and transactions with Colville Investments Corporation

The Corporation is the sole shareholder of Colville Investments Corporation. The company is a not-for-profit corporation incorporated under the B.C. Company Act and is an exempt corporation for income tax purposes. Information for the years ended March 2016 and 2015 presented below is unaudited.

	<b>March 31, 2016</b>	<i>March 31, 2015</i>
Assets	<b>321,511</b>	322,468
Liabilities	<b>(54,324)</b>	(69,217)
<b>Shareholder's Equity</b>	<b>267,187</b>	253,251
Revenue	<b>27,715</b>	16,280
Expenses	<b>(13,778)</b>	(14,634)
<b>Excess of revenue over expenses</b>	<b>13,937</b>	1,646
Cash flows from activities:		
Operating (increase in cash)	<b>4,669</b>	11,895
Financing (decrease in cash)	<b>(4,669)</b>	(11,895)

Included in rent expense is \$27,027 (2015 - \$15,400) paid to Colville Investments Corporation for use of the building owned by Colville. The expense is measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

### 6. Due to Colville Investments Corporation

\$34,000 (2015 - \$34,000) of the loan due to Colville Investments Corporation has no set terms of repayment and does not bear interest.

\$17,439 (2015 - \$20,865) due to Colville Investments Corporation is due on demand and is being repaid in monthly payments of \$324 including interest at 2%. Based on these repayment terms the principal payments due in the next five years are as follows:

2017	\$2,214
2018	\$2,259
2019	\$2,304
2020	\$2,351
2021	\$1,326

Interest charged during the year by Colville Investments Corporation was \$637 (2015 – \$666).

# Community Futures Development Corporation of Central Island

## Notes to the Non-Consolidated Financial Statements

*For the year ended March 31, 2016*

### 7. Repayable contributions

The Corporation has received repayable contributions from the Government of Canada and the Province of British Columbia. These contributions provided the capital through which loans, loan guarantees and equity investments can be made in businesses owned and operated by applicants eligible under the specific programs being managed by the Corporation.

	<b>2016</b>	<b>2015</b>
<p>Disabled Entrepreneur Investment Fund Under the original terms of this funding agreement, loans could be made to disabled entrepreneurs until March 31, 2004. This agreement was subsequently extended to March 31, 2005. Advances to the Corporation were unsecured and did not bear interest. No further extension has been granted and accordingly funds must be repaid to WED on demand. The original amount of the loan was \$200,000.</p>	<b>158,801</b>	127,940
<p>Youth Entrepreneur Fund Under the original terms of this funding agreement, loans could be made to qualifying youths until March 31, 2003. This agreement was subsequently extended to March 31, 2005. Advances to the Corporation were unsecured and did not bear interest. No further extension has been granted and accordingly funds must be repaid to WED on demand. The original amount of the loan was \$200,000.</p>	<b>200,000</b>	200,000
<p>Fisheries Legacy Fund Under the original terms of this funding agreement, loans could be made to small businesses in fishing related and ocean-based commercial ventures until March 31, 2003. This agreement was subsequently extended to March 31, 2005. Advances to the Corporation were unsecured and did not bear interest. No further extension has been granted and accordingly funds must be repaid to WED on demand.</p>	<b>420,000</b>	420,000
<p>Fisheries Legacy Fund Under the original terms of this funding agreement, loans could be made to qualifying fishers until March 31, 2003 at which time the agreement was to be reviewed. Advances to the Corporation were unsecured and did not bear interest. On termination of the agreement, 90% of the outstanding balance of the fund is repayable to Fisheries and Oceans Canada ("DFO") together with 90% of subsequent principal and interest payments made by loan holders. No extension has been granted and during the year the contributions were determined to be forgiven and recognized as revenue.</p>	-	833,179
<p>Community Business Fund Under the terms of this restated contribution agreement, loans may be made to small businesses carrying on business in the forest, aquaculture, manufacturing or tourism sectors. Advances to the Corporation were unsecured and did not bear interest. In the event that the funding agreement is terminated, any uncommitted funds together with interest thereon must be repaid to the Province of BC. Subsequent principal and interest repayments must be repaid to the Province of BC in proportion to their share of such loans. The agreement can be terminated by either party with 90 days notice and accordingly is classified as a current liability. The original amount of the loan was \$250,000.</p>	<b>212,544</b>	200,624
	<b>991,345</b>	1,781,743

# Community Futures Development Corporation of Central Island

## Notes to the Non-Consolidated Financial Statements

*For the year ended March 31, 2016*

### 8. Bad debts

The charge to income during the year related to impaired loans is comprised of the following:

	<b>2016</b>	<b>2015</b>
Reversals of the allowance - principal	(184)	(159,000)
Recoveries	(71,628)	(13,510)
Loans written off	<b>2,102</b>	61,873
<hr/>		
Bad debt recovery	<b>(69,710)</b>	(110,637)

### 9. Financial instruments

The Corporation, as part of its operations, carries a number of financial instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

#### ***Credit concentration***

Financial instruments that potentially subject the Corporation to concentrations of credit risk consist primarily of cash, accrued interest receivable and loans receivable. The Corporation has provided for credit risks by establishing allowances against the carrying value of certain impaired loans. Loans are considered impaired as soon as collection of the full principal and interest on the loan becomes doubtful. Each impaired loan is evaluated separately and written down to the fair value of any security held. Various forms of security are taken on loans ranging from promissory notes and personal guarantees of principals to chattel mortgages and mortgages over real property. Credit risk exposure is limited for cash due to the credit quality of the financial institution where the cash is held. The maximum credit risk exposure is \$4,896,856 (2015 - \$4,668,183).

#### ***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Corporation is exposed to interest rate cash flow risk with respect to loans receivable and interest receivable, which are subject to a range of interest rates ranging from 0% - 10% (2015 – 0% - 11%).

### 10. Economic dependence

The Corporation is dependent on contributions from the Government of Canada; specifically operating fund contributions from WED.

# Community Futures Development Corporation of Central Island

## Notes to the Non-Consolidated Financial Statements

*For the year ended March 31, 2016*

### 11. Restatement of Non-Consolidated Financial Statements

Subsequent to the issuance of the Corporation's non-consolidated financial statements for the year ended March 31, 2016, it was determined that the WED contribution of the Fisheries Legacy Fund repayable contribution was still repayable and should not have been treated as being forgiven and taken into revenue in 2016. The effect of the restatement on the non-consolidated statement of financial position, the non-consolidated statement of operations, and the non-consolidated statement of changes in fund balances for the year ended March 31, 2016 is summarized below:

	<i>Previously Reported</i>	<i>Adjustment</i>	<i>Restated</i>
	\$	\$	\$
<b>Non-Consolidated Statement of Financial Position</b>			
Repayable contributions	571,345	420,000	991,345
Unrestricted fund balances	1,158,303	(420,000)	738,303
<b>Non-Consolidated Statement of Operations</b>			
WED loans forgiven	420,000	(420,000)	-
Excess (deficiency) of revenue over expenses	1,431,996	(420,000)	1,011,996
<b>Non-Consolidated Statement of Changes in Fund Balances</b>			
Excess (deficiency) of revenues over expenses	1,431,996	(420,000)	1,011,996

The adjustments between amounts previously reported and restated amounts have no effect on the cash flows generated.

In addition, Note 7 was updated to reflect the restated repayable loan balance.