

East Prince Development Inc.

DBA



# 2022-2023 ANNUAL REPORT



SERVING THE CENTRAL, PRINCE EDWARD ISLAND REGION



## **ALG Management Ltd.**

**In our first year of operation, our company had one team member and mid 6 figures in sales. Our second year, we increased that to 7 team members and our sales tripled. This year, we have successfully had sales grow by 12.5% and we now have 11 team members and dedicated sub-contractors.**

**This growth in our business is directly linked to the assistance we received from CBDC Central PEI and their commitment to business on PEI. With the money we borrowed, we have turned that into a company!**

**The support from this organization and their understanding is second to none. Our success now and in the future is attributable to CBDC Central PEI and the supports they have provided.**

**Thank you to the team and Board of CBDC Central PEI for making our dream a reality and supporting us along the way.**



**Alex Davidson  
owner,  
ALG Management LTD.**



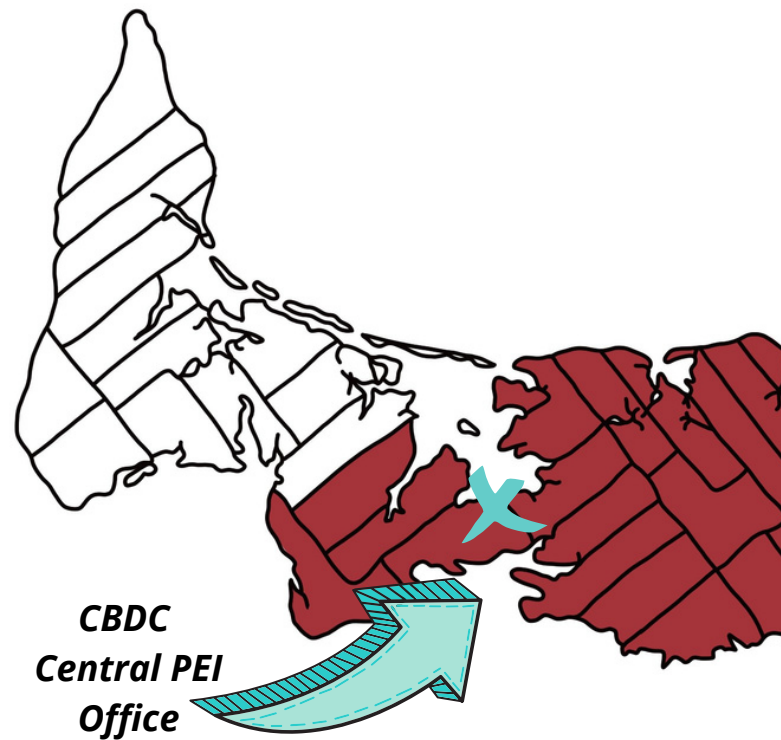
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# WHO ARE WE?



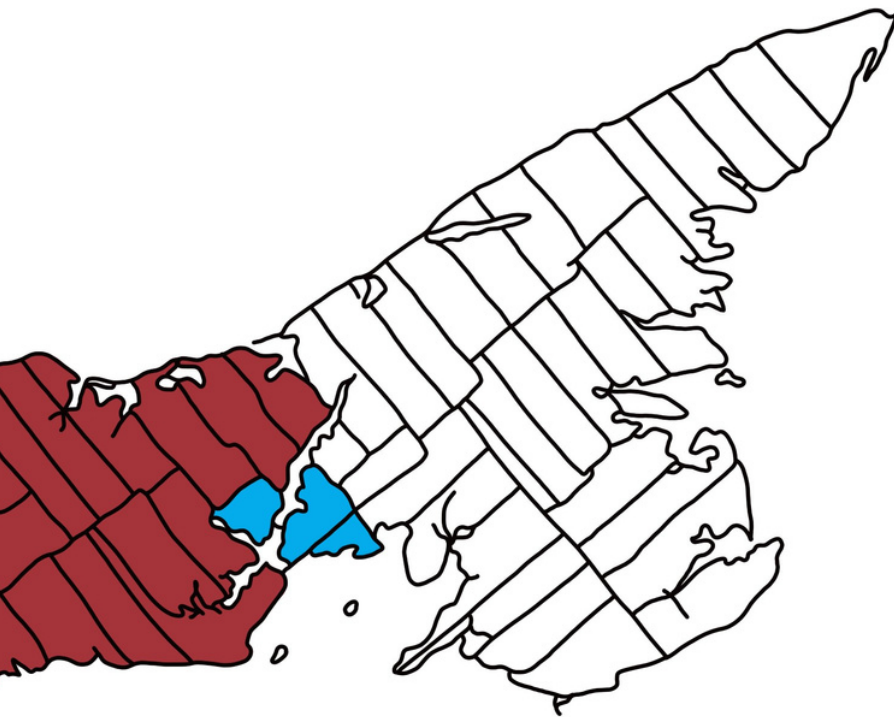
## OVERVIEW

East Prince Development Inc. is a not-for-profit organization, that operates as CBDC Central PEI, working to support the creation and expansion of small and medium-sized businesses. We are part of the Community Business Development Corporations (CBDCs), a network of 41 independent, not-for-profit organizations that work in cooperation with all levels of government and the private sectors.

We provide new and existing entrepreneurs tools that will help ensure their stability and growth through financial assistance, technical assistance, and counselling services. Financial assistance includes character-based loans for business purposes, social enterprise loans, and urban financing through the Impact Atlantic Program. Simultaneously, technical assistance more commonly takes the following forms: business skills training, workshops, and connecting clients to partner organizations.

This report, along with presenting our audited 2022/23 financial statements, will concentrate on the major activities undertaken by CBDC Central PEI during its 33rd year of operation. PEI experienced impressive economic growth, and as such, our office had an increase in activity in all areas. We invested \$3,101,426 of new funds into the region this year. We have disbursed over \$35.8M in loans since inception. Additionally, in 2022/23 we disbursed \$459,843 of non-repayable contributions through the Tourism Activation Grant funded by the Department of Economic Growth, Tourism and Culture.

# CBDC CENTRAL PEI



## Service Region



## Mission Statement

We carry out our mission through the following core activities:

- Deliver flexible and character-based loans and lending (this is our core business)
- Provide value-based, complimentary business counselling and referrals
- Support clients with skills development through training, workshops and financial support
- Build our network of connections to provide the best value for our clients and to leverage resources

## Our Core Values

The following values guide the everyday activities of CBDC Central PEI:

- Client-Focused
- Flexible, Agile & Responsive
- Strategic Use of Resources
- Partnerships & Collaborations

# WELCOME MESSAGE



This year was a year that was filled with challenges, change and yes... SUCCESS! Despite the lasting effects of the pandemic, CBDC Central PEI has been the much needed rock for many businesses.

We played a huge role in leveling out the tidal waves from the pandemic that were experienced by all industries in the Central PEI region. It is an honor for me to present my report on our organization for the 2022-2023 fiscal year.

CBDC Central PEI provides top-notch services to the Central PEI region, otherwise known as the Heart of PEI. We offer financial assistance, training, and networking opportunities to entrepreneurs. We understand the needs of our distinct rural clients and their various industries' demographic makeup.

As a community-orientated organization, our mandate is to promote economic growth through private investment, while supporting entrepreneurs throughout their journey. Our diverse volunteer Board of Directors is a vital part of this process. Each Board member has business expertise that provides the leadership and knowledge that is needed to ensure economic growth in the Central PEI region.

The past couple of years have been extremely challenging, not only for CBDC Central PEI but for all of the 267 Community Future Network of Canada (CFNC) organizations across Canada, of which we are a member. Our operating costs are increasing, and the need to advocate for additional funding to assist all CFNC offices in the future continues to be the number one priority of the 2023-2024 CFNC Strategic Plan. In Atlantic Canada, we are known as "CBDC" (Community Business Development Corporation) and there are 41 CBDC organizations supporting the rural economies of the Atlantic provinces.

Thank you to our partners: the Atlantic Association of CBDC's, the other CBDC's, the Government of Canada through the Atlantic Canada Opportunities Agency (ACOA) and the Provincial Government. These partnerships allow us to fulfill our mandate ensuring client success, through the utilization of the support programs and services available. This ensures that the region remains healthy and vibrant.

Thank you to RDÉE Île-du-Prince-Édouard and to the 5 Chambers of Commerce in our region (La Chambre de commerce acadienne et francophone de l'Î.-P.-É., Charlottetown, Kensington, South Shore & Summerside) for their continued dedication to assisting with business development and success.

To our Board of Directors.... I want to express my heartfelt appreciation, particularly the last few months. We have had to make some difficult decisions, but your experience, talent and passion for CBDC guided us through the tough times, and I am confident that we are a stronger team. In February 2023, we welcomed Cheryl and Glenn to the Board of Directors. I want to thank all of you for sharing your time, knowledge and professionalism with this organization and to our clients. You are instrumental to our success!

The 2022-2023 year saw a change in the leadership role for CBDC Central PEI. I am proud and excited to see where the new Executive Director, Claus Schmidt, will lead the organization. He is fearless and has a forward-thinking vision that will assist the organization to exceed all expectations and to provide top-quality services for the betterment of the economic development of Central PEI. In the short time that he has been the Executive Director, he has developed stronger relationships with strategic partners, created new community partnerships, and has pulled the organization into a smooth, cohesive team.

On behalf of the Board, I extend our sincere gratitude to all of our staff. Thank you Krista, Julia, Rebecca and our most recent employee, Trista. Each one of you, in your roles, has the ability to ensure that our organization runs smoothly. Your hard work does not go unnoticed. We are also pleased to announce that Rebecca has accepted her new role as a Business Development Officer.

I am honoured to lead such a strong and dedicated team that has the success of the organization as their main priority. It has been a pleasure getting to know each of you and to work with you!

I am looking forward to 2023-2024.

Thank you,

A handwritten signature in black ink, appearing to read "Karen MacDonald".



# WELCOME MESSAGE

From The  
Executive  
Director

I am excited to have accepted my new role as Executive Director, effective January 1, 2023 and I am pleased to share the outstanding accomplishments of CBDC Central PEI this past fiscal year. In 2022, I was the Business Development Officer and a proud team member that saw our portfolio grow. I am honored to have been a part of this team that offered superb services that far exceeded our core values and responsiveness to the needs of the Central PEI entrepreneurs.

The Island CBDC's partnered with the Department of Economic Growth, Tourism and Culture to deliver the second round of Emergency Relief by administering the Tourism Activation Grant (TAG).

We continued to offer our regular business loan lending platforms through our CBDC General Business Loans for rural borrowers and the Impact Atlantic program delivered on behalf of Atlantic Canada Opportunities Agency (ACOA) PEI to Charlottetown, Cornwall and Stratford borrowers.

CBDC Central PEI has disbursed over \$35.8M in loans and support assistances, since our inception in August 1990.

Thank you to ACOA, the Government of PEI, the Government of Canada and the Atlantic Association of CBDC's for providing the funding to allow for these critical services to be delivered to our clients. We wish to extend a special thank you to our ACOA PEI representatives Marilyn Murphy (Director, Communities & Inclusive Growth) and Heather Connolly (Economic Business Development Officer, Communities & Inclusive Growth).

Our partnerships continued to grow, strengthen and ensure that Island businesses received the much-needed support and relief.

Thank you to Basil Ryan, Chief Operating Officer and the staff of the Atlantic Association of CBDC's for their ongoing guidance and support.

The staff and I would like to express our appreciation to our Board of Directors, past and present. This past year has been filled with change and growth but the knowledge, passion and expertise you offer to the region is evident through your enthusiasm and positive energy.

It takes a strong team to make all these accomplishments happen and I am very proud of the tenacity and ability our team has to find humour in all of the daily processes. I want to thank our team: Krista, Julia, Rebecca and Trista for all your hard work, patience and your ability to work together as a cohesive team. You are the glue that holds the organization together!

This year has seen several challenges, but I feel that CBDC Central PEI has made their mark on the map! I am confident that CBDC Central PEI is solidly positioned to provide the supports needed by the region and that we will develop dynamic partnerships that exceed our client's desires.

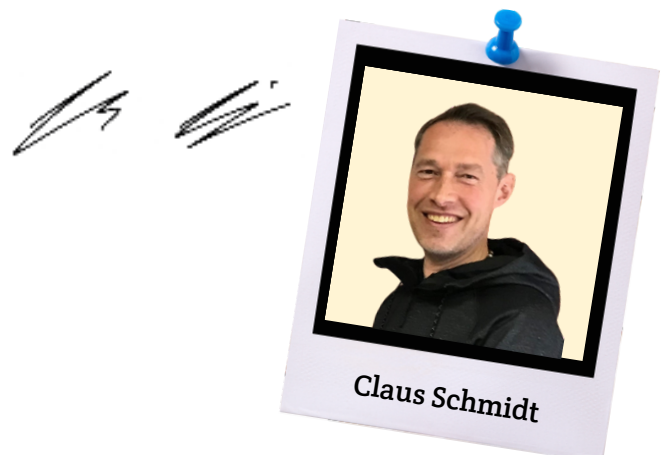
We will surpass our mission of helping clients to build success by partnering with them and teaching them the tips they need to be a success!

If there is one thing that I have learned since I started, it is:

**"If YOU always do what YOU have always done, YOU will always get what YOU always got!"**

I love positive change.

Go Team Go!



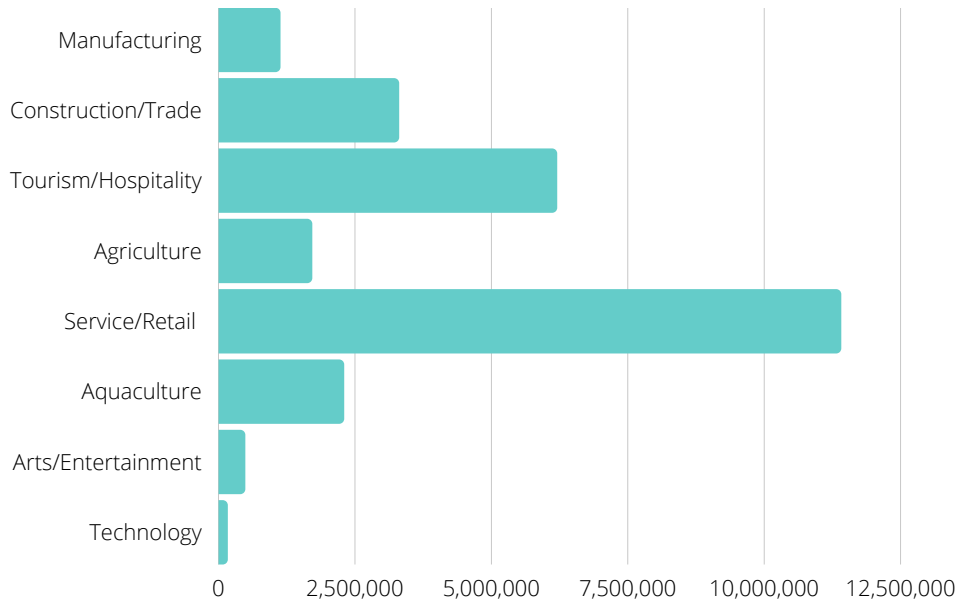
# INVESTMENT

In the region

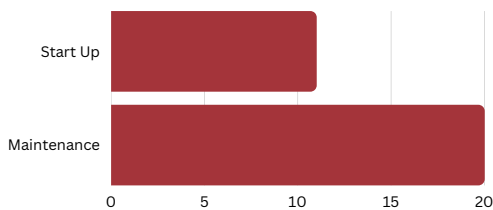


Since our inception in August 1990, CBDC Central PEI has disbursed approximately \$35.8M into the community while creating and maintaining 4,736 jobs and assisting 1,407 businesses

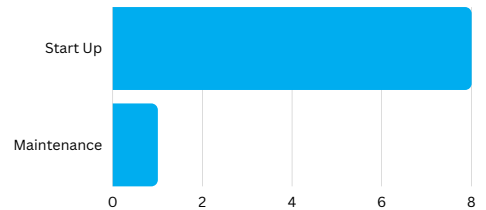
## Loan Amounts Disbursed by Sector Since Inception



## CBDC Loans Approved

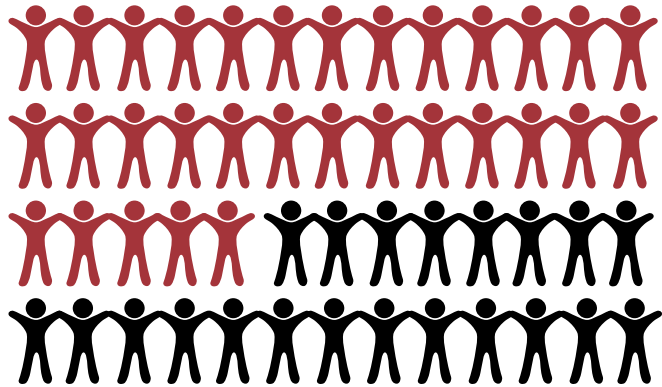


## Impact Loans Approved





# INVESTMENT



## impact



**REQUESTS PROCESSED**

Applications received .....	52
Applications approved .....	31
Amount approved .....	\$2,825,117

**COUNSELLING SESSIONS**

Number of clients .....	161
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**BUSINESSES ASSISTED**

Number Loans Disbursed .....	26
Amount Invested in Community.....	\$2,473,700

**EMPLOYMENT**

Jobs created .....	109
Jobs maintained .....	164
Total .....	273

**TRAINING SESSIONS**

Number of individuals .....	57
Number of workshops .....	10
Total invested .....	\$10,143

**CONSULTING ADVISORY SERVICES**

Number of businesses .....	4
Amount granted .....	\$18,750

**REQUESTS PROCESSED**

Applications received .....	17
Applications approved .....	9
Amount approved .....	\$184,600

**COUNSELLING SESSIONS**

Number of clients .....	17
-------------------------	----

**BUSINESSES ASSISTED**

Number Loans Disbursed .....	7
Amount Invested in Community.....	\$134,600

**EMPLOYMENT**

Jobs created .....	48
Jobs maintained .....	8
Total .....	56

**TRAINING SESSIONS**

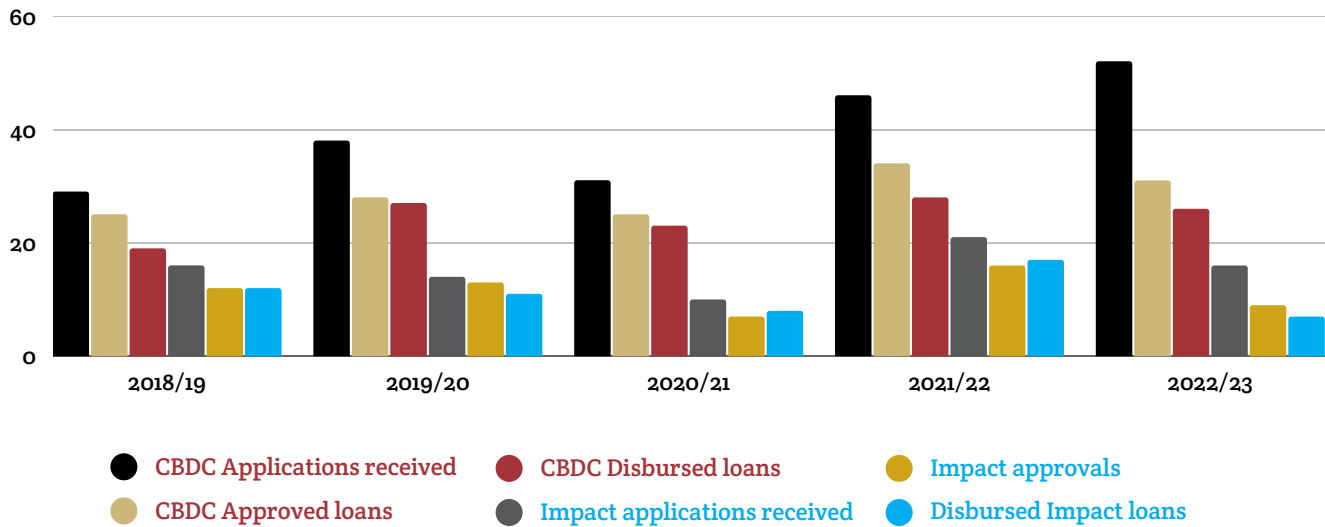
Number of individuals .....	41
Number of workshops .....	2
Total invested .....	\$4,390



# INVESTMENT

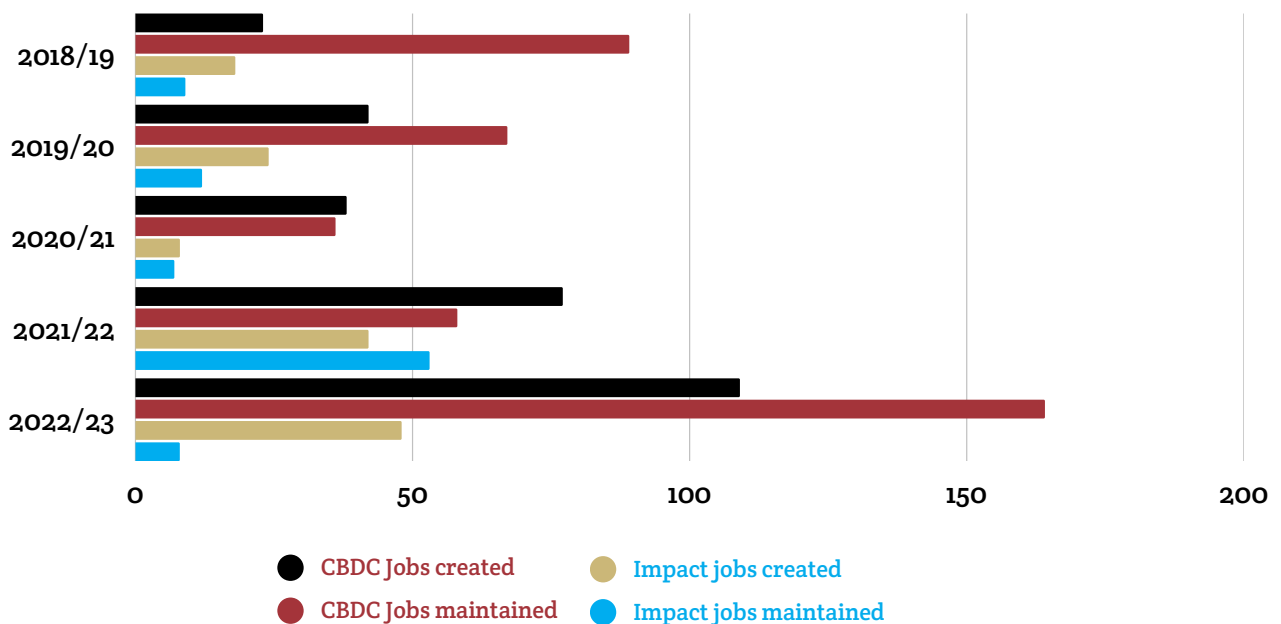
In the region

## Number of Applications Approved and Disbursed (over the past 5 years)



Average **CBDC loan** approval amount was \$91,133  
 Average **Impact loan** approval amount was \$20,511

## Jobs Created and Maintained (over the past 5 years)



# BUSINESS ASSISTANCE

## Tourism Activation Grant (TAG)

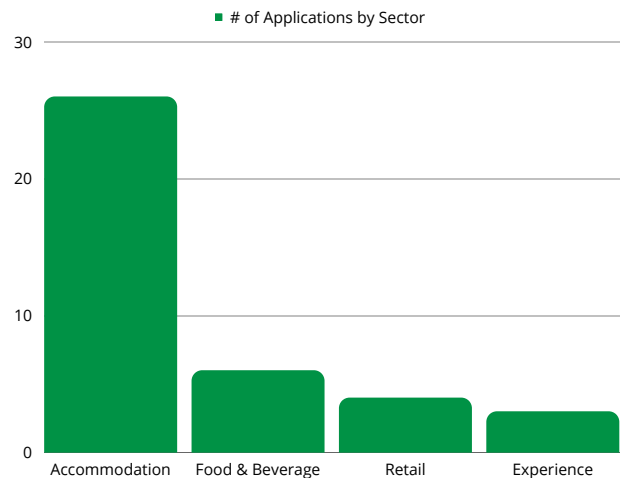
CBDC Central PEI was pleased to have the opportunity to assist more clients, specifically those in the hard hit Tourism Industry through the partnership with Tourism PEI. The 3 CBDC's on PEI worked in partnership as the delivery agents for the "TAG" (Tourism Activation Grant) program for the second time.

The purpose of the program was to provide tourism businesses with a non-repayable financial contribution (grant) towards eligible expenses to assist with capital and / or maintenance costs associated with opening for the 2022 Season.

This program was intended to support investments that will help tourism businesses adapt to a new normal and position them to capitalize on future economic recovery.

CBDC Central PEI approved 29 applications with a total approved TAG funding of \$459,843.00.

The Pandemic has caused immense upheaval worldwide and placed an enormous strain on the economy. PEI suffered an immeasurable economic loss that will take many years to recover from. Programs and assistance like the Tourism Activation Grant is a wonderful step in helping many businesses to be able to adapt to the new normal and to pivot their services to meet the "new" demands. Our clients were extremely appreciative to receive the assistance and submitted descriptions and pictures of how they used this funding.



“

### A quote from our newest team member....

*“When I started at CBDC Central PEI, I really didn't know how much of a positive impact it would have. The staff here really are a small work family with so much heart. I watch them daily put their clients' needs front and center and always work hard to do their part in helping to make their clients' dreams come true. They welcomed me with open arms and have helped me grow so much with their kindness, patience, and knowledge. I continue to learn daily and truly feel like part of this wonderful team. CBDC Central PEI is more than just a non-profit organization with clients; it is a community of amazing and inspiring people all coming together to help our region grow and thrive and I couldn't be happier to be a part of something so incredible.”*

Trista Gallant

”



# THE "A" TEAM

Office Manager



**Krista Thompson** celebrating her 17th year. She is responsible for maintaining the accounts.

**We believe...**

"The best way to predict your future is to create it!"

Abraham Lincoln

**We will help!**

Executive Officer



**Julia Smith** maintains the client relations, training and social media; in addition to being Assistant to the Executive Director.

Executive Director



**Claus Schmidt** was the Business Development Officer and accepted the new Executive Director position in January 2023. He has an extensive background in accounting and is a small business owner.

Business Development Officer



**Rebecca Curley** accepted the BDO position so that she could offer her professional experience and support to all clients, on their financial journey to success.

Office Assistant



**Trista Gallant** shares her exceptional client service experience and uses her legal administration skills to assist clients and staff.

# THE "B" TEAM

## Board of Directors



**Karen MacDonald**  
President

**Karen MacDonald** has been President of CBDC Central PEI since January 2022. She volunteered as a Director on the Board five years ago and then became the Vice President in 2019. She retired after 31 years from Canada Post. The last 18 years, she was elected as a Union Representative for the Canadian Postmasters and Assistants Association (CPAA). From 2005-2016, she was President of the CPAA Maritime Branch Board of Directors and sat on the CPAA National Board of Directors working on many committees such as By Laws, Policies, Negotiations and Political Action. This career path led her to volunteer for CBDC Central PEI as a way to continue working with and for the people, with the mission to help them succeed and to strengthen our rural communities.



**Rosemary Larkin**  
Vice President

**Rosemary Larkin** is the President and CFO for Larkin Farms and Contract Accountant for a federal Crown Corporation, Canada Development Investment Corporation. She received her Bachelor of Business Administration Degree and the Certified Management Accounting designation from the University of Prince Edward Island. Currently, she is an active member of the Chartered Professional Accountants of Canada and PEI. Rosemary has been a Director for 3 years and became Vice President in January 2022.



**Tara Simmons**  
Secretary/Treasurer

**Tara Simmons** is a Chartered Professional Accountant and Financial Manager at Kool Breeze Farms. She grew up on her family farm, holds a Bachelor of Business Administration and is a devoted wife and mother of two. Tara has been involved with CBDC Central PEI as the Secretary/Treasurer for 3 years.

**“Ability is nothing without an opportunity.”**  
*Napoleon Bonaparte*



**Felix Arsenault**  
Director

**Felix Arsenault**, is a Chef by trade and owner of La Grub A Felix. He is a francophone from the Evangeline area and has retired after 33 years with the Government of PEI. He has been married 34 years, is a father of 3 and grandfather of 2. Felix has been a Board Member with CBDC Central PEI for 7 years.

# THE "B" TEAM

## Board of Directors



**Jillian Robinson**  
Director

**Jillian Robinson**, is an Accomplished Learning Manager at Holland College with over 18 years of experience as a Paralegal specializing in real estate. She possesses a deep understanding of legal processes and procedures. As a Learning Manager, Jillian is responsible for developing, implementing, and managing learning programs that empower students to succeed academically and professionally. She is committed to creating a supportive environment fostering intellectual curiosity, critical thinking, and lifelong learning. Jillian is in the final stages of completing a Master of Education from the University of Prince Edward Island. She has been a CBDC Central PEI Director since November 2021.



**Glenn Saldanha**  
Director

**Glenn Saldanha**, is a Project Manager / Employee Experience Specialist for Health PEI. He and his family, moved to PEI after his 13 years of employment as a Head of Human Resources Department with Dubai Airports where he perfected his skills of Negotiation, HR Operations Management, HR Consulting, Performance Management, Coaching, Training Needs Analysis, Employee Engagement and Productivity. Glenn joined the Board of Directors in February 2023.



**Cheryl Doyle**  
Director

**Cheryl Doyle** joined the Board of Directors in February 2023. She was originally born and raised on PEI but moved away for a 33 year career in the Canadian Forces working in both administration and finance. In 2014, She has returned to her home town here in rural PEI.



## Impact Atlantic Committee



Ben Howard

Mandy Fraser

Patrick Cullen

# CBDC CLIENT'S SAY...



Lynn Reynolds, HR Administrative Assistant at Centennial Auto Group says...

*"I am impressed with CBDC Central PEI's BET training series. It has equipped me with practical skills that have directly enhanced my professional development. Our instructor, Jacob Robar, is exceptional at delivering engaging sessions that have made learning very enjoyable and impactful. I highly recommend CBDC Central PEI's "BET" training series to anyone seeking to advance their skills and excel in their career."*



Emma Nguyen, Coordinator for PEI Provincial Immigration Partnership says...

*"The first time I joined an event from CBDC, I was amazed by the knowledge packed in it. They always get the right speakers who have significant experience and know how to share it in an exciting way. I am an immigrant and a first-time entrepreneur, so a tiny aspect of the business world could be challenging. Participating in CBDC information sessions helped me to navigate the journey with the right contacts. I have heard from many other new business owners that they also find CBDC events valuable."*



Alex Davidson, the owner of ALG Management LTD says...

*I have had the pleasure of being lent money to build our business. During the course of our business we have grown from two part time team members to 13 full time team members including the owners.*

*We have made our second acquisition and continue to grow and acquire companies on PEI. We are dedicated and driven to grow our company and CBDC Central PEI has been instrumental in this process. The money borrowed has given our company the financial capacity to execute work in a timely fashion and deliver on time.*

*Thank you for being there to support small business and continuing to support small business!*



Steve, an event attendee says...

*Thanks for hosting the "BET" training session, it was very well done. Lots of useful information and the presenter did a wonderful job of keeping it engaging!*

*You folks are way fun to be around ! Met some interesting folks.*



# CBDC CLIENT SUCCESS

## THE WILLOW BAKERY & CAFÉ



Owner, Jocelyn Thorwaldson had a dream from a very young age. She wanted to be an entrepreneur. She grew up in Saskatchewan but moved to PEI to make her dream become a reality!



The purchase of a lovely, historic home, located in Kensington, the heart of PEI, was the birth of her dream.

She opened a Bed and Breakfast operation that was known as “The Willow House”.



This B&B offers a relaxing, comfortable, at home feel, especially when you sit in the hot tub, with the sun setting on the horizon through the Weeping Willow tree.

Guests will be treated to the baked items Jocelyn provides daily. The guests always comment on how fresh and delicious her items are and how they wished that they could get them at a store or restaurant. She took their suggestion to heart.

Fast forward 1 year and she made that wish come true. When an opening became available, in the downtown core of Kensington, she could not pass up the opportunity to open her own bakery. She says it was a “No Brainer”! Now everyone can enjoy her delicious treats at the Willow Bakery & Café.



# CBDC CLIENT SUCCESS

## THE WILLOW BAKERY & CAFÉ



The Willow Bakery and Café opened its doors in March 2020.... The day that the COVID pandemic started. Who could have foreseen that happening!

“CBDC Central PEI was there for me on multiple occasions to help with resources and information to allow me to open my business and start my dream. They have always been very informative and helpful and are “actually there” for small businesses wanting them to succeed and “actually help!”” Jocelyn Thorwaldson, Owner



The Willow Bakery and Café is famous for its “Cinny Buns” and “Scones”. These were the initial staple items in the Bakery but as time passed, more and more tasty treats were added to the menu. The homemade baked goods are made with fresh ingredients from local farmers and businesses.

**BAKED  
FRESH**

The Bakery has been so popular that she has hired several full-time staff. She credits her initial success to the support given by CBDC Central PEI because at that time, she had been months into renovations and costs started being more than expected. She said, “CBDC Central PEI helped me get over the finish line to open this business.”



# IMPACT ATLANTIC PROGRAM

## impact MORE THAN A START-UP LOAN

Helping businesses in Charlottetown, Cornwall or Stratford

- Repayable Loan up to \$25,000
- Competitive Interest Rates
- No penalty for early repayment
- Age 18+ for NEW start-ups
- Age 18-39 for growth/expansion loans
- Canadian Citizenship or Permanent Resident



YOUR KNOWLEDGE  
YOUR GROWTH  
YOUR REVENUE



### impact Your Knowledge

Focus on your brilliant business idea, while Impact equips you for success. More than just a loan, Impact clients are connected to business skills development opportunities. By attending Impact’s training sessions, entrepreneurs can gain essential knowledge to help them as a business owner, learning topics ranging from marketing strategy and human resources, to accounting and planning.



### impact Your Business

The Impact loan helps foster small and medium-sized businesses in urban Atlantic Canada. Entrepreneurs of all ages can apply for a business start-up loan, while established business owners between 18 and 39 can avail of expansion financing. Low-interest loans of up to \$25,000 are available, with flexible repayment terms and no penalty for early repayment of the principal. The application process is fast and straightforward so entrepreneurs can reach their goals more quickly and take their business to the next level.



### impact Your Future

With a simple application process and flexible repayment options, Impact gives you the freedom to make your business into what you want, the way you want. More adventurous than a traditional bank loan, Impact can work with varied credit histories or unusual business ideas. Impact is more than just a check, it’s also a lifeline, where you’ll find on-going business support and advice throughout your entrepreneurial journey.

Website: [www.impactatlantic.ca](http://www.impactatlantic.ca)

# IMPACT CLIENT SUCCESS



## Damien Morris Designs

**What is the name of your business? How did you come up with it?**

My business name is Damien Morris Designs. I chose this name because I wanted it to reflect my personal brand/style and shortened it is dMD.



**What is your business and what services do you offer?**

Damien Morris Designs is a full-service interior design/decorating company that provides a range of quality design services. Services include concept and design development, computer generated drawings, kitchen design, space, and furniture planning.

**Why did you want to start your business?**

I always had a passion for design from a young age, constantly rearranging the living room and my bedroom layouts. I completed an online interior design course after high school. A few years later I was hired as a kitchen designer and developed skills in virtual and 3D design. From there I worked assisting another local designer which was an excellent learning experience. After almost a decade working in the interior design industry, I knew it was time to start my own business.



**“CDBC Central PEI was an essential partner in helping my business become the best possible version of itself!”**

*-Damien Packwood, owner of dMD*



**How did CBDC Central PEI help you and your business?**

CBDC Central PEI was an essential partner in helping my business become the best possible version of itself. Without the funding from the Impact program, I wouldn't have been given the opportunity to start off with all the tools I needed to be successful. Not only did they help with my start up funding they also helped with funding for accounting training.

# IMPACT CLIENT'S WORDS



Shaman Ferraro owner of GoCanna says...

*Thank you so much, for closing out the loan and for CBDC Central PEI's support!  
While the market conditions ultimately turned against me, your team's help was invaluable in empowering me to move forward with my business.  
Wishing you all the best and thanks again!*



Riley Shea, CPA is a Partner at Keough, O'Brien, Shea Chartered Professional Accountants says....

*With the support and belief of CBDC through their Impact Loan, I was able to take a leap of faith into the world of entrepreneurship. The trust and assistance provided by CBDC was invaluable in helping me realize the potential of our business and helped turn this vision into a reality!*

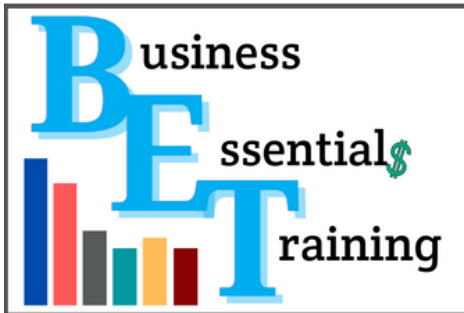


Damien Packwood, an Event Guest Speaker & Attendee says...

*I had the best time! I left feeling very motivated and inspired. Also, Bonus! I got 3 new contacts for my business that looks like is going to turn into something really great.  
Thanks again and I can't wait to attend your next session.*



# BUILDING CLIENT SUCCESS



**Client success is much more than just having money in the bank. Our "BET" series offers the training needed to build success!**

Business Essentials Training is offered throughout the year with sessions lead by community leaders in various industries fostering skill development related to business development and growth.

## WE BELIEVE IN OUR CLIENTS!

A few words from our Guest Speakers....

“Workplace Learning PEI has worked Island wide for over 25 years with various business's and organizations. CBDC Central PEI was one organization that WLPEI had not had a major relationship with before 2023, out of no fault of either group. It was terrific to have some new programming that could be offered for free to groups like CBDC Central PEI and their clients. A partnership soon ensued, which included several workshops for their clients. CBDC Central PEI has proven to be a supportive, professional, and dedicated partner and their work is much appreciated!

- Jacob Robar, Project Team Lead/Adult Educator

Workplace Learning  
PRINCE EDWARD ISLAND



“In the past year, I've had the pleasure of addressing two groups of local business owners put together by CBDC Central PEI staff. In each case, understanding the needs of business owners has been front and center. Namely, how to improve the value of a business and build something that could be sold in the future and how to grow beyond being a one-person business. It's clear that CBDC Central PEI staff are in touch with their constituency and understand the needs of island entrepreneurs working towards building their community economies.

- David C Barnett, Author, Speaker, Business Transaction Advisor

DCB  
DavidCBarnett.com

“It has been a pleasure to provide CBDC Central PEI customers with Business Essentials Training on “The ART of Collecting Delinquent Accounts”. New companies face many challenges and accounts receivable is one challenge that can significantly impact cash flow and cause the early demise of many new entrepreneurs. Using my experience of 30 plus years (prior to retirement) in the credit and collection industry and having successfully completed the CCP (Certified Credit Professional) designation with the Credit Institute of Canada placed me in a good position to share my experiences with CBDC Central PEI staff and their customers. Today I enjoy being an entrepreneur myself in operating Auction Owls Inc. one of the Islands leading online auction companies that services estate and commercial liquidations and customers that simply want to downsize. I look forward to future presentation opportunities with CBDC Central PEI and wish Claus and the Board of Directors every success at the AGM.

- Paul Cyr, Credit Consultant

# SMALL BUSINESS WEEK

## MONDAY

**SMALL**  
Business Week 2022  
**MONDAY** OCTOBER 17  
KENSINGTON  
and Area Chamber of Commerce  
Making Business Connections  
Speed Networking Event



oh what  
**FUN**

## TUESDAY

**SMALL**  
Business Week 2022  
**Tuesday** OCTOBER 18  
RDEE  
Le Prince-Édouard  
CCAFIPC  
Centre  
d'Action  
rurale  
Centre  
d'Action  
rurale



## Wednesday

**SMALL**  
Business Week 2022  
**Wednesday** OCTOBER 19  
GREATER SUMMERSIDE  
CHAMBER OF COMMERCE  
Breakfast  
with the Premier



## THURSDAY

**SMALL**  
Business Week 2022  
**Thursday** OCTOBER 20  
Mega Mixer



**JUST  
HAVE  
FUN**

## FRIDAY

**SMALL**  
Business Week 2022  
**Friday** OCTOBER 21  
CBDC CENTRAL PEI  
Client Visits  
Prize Give Aways



# OUT & ABOUT



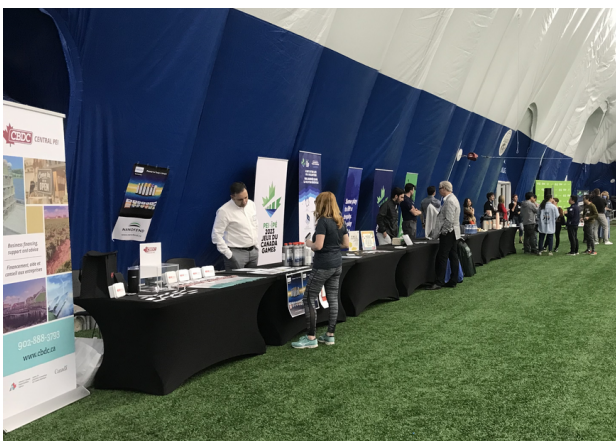
## Partnerships



## Community Spirit

NO *so much* OF  
**WORLD**  
*so little*  
**TIME**

**SO FUN**



## # Entrepreneur Support



# PRODUCTS & SERVICES

## GENERAL BUSINESS LOAN

Designed to assist entrepreneurs to obtain financing for their businesses, when traditional avenues of financing are not available. It can be used for key events in the business life cycle such as business creation, purchase and business succession planning.



## CONSULTANT ADVISORY SERVICES

Gives CBDC's the ability to offer consultant advisory services to small and medium-sized businesses and not-for-profit organizations throughout the Atlantic Region. New and existing clients of CBDC's will be able to access technical and financial assistance by engaging consultants to assist them with various issues.



## OTHER LOAN PRODUCTS

- Impact Atlantic Loan
- Youth Loan
- First-Time Entrepreneur Loan
- Innovation Loan
- Social Enterprise Loan



## SKILLS TRAINING

Tailored skills training in special areas such as market development, bookkeeping, feasibility studies and business analysis.

Follow us on Facebook to stay current with the training programs being offered.



## BUSINESS COUNSELLING

Business counselling in the form of advice to new and established entrepreneurs throughout Atlantic Canada.

Follow us on Facebook to stay current with the counselling programs being offered.



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# THROUGH THE AGES



# East Prince Development Inc.

DBA



## Non-consolidated Financial Statements

For the Year Ended March 31, 2023



# Non-consolidated Financial Statements

## For the Year Ended March 31, 2023

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# Independent Auditors Report



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BDO Canada LLP  
107 Walker Avenue  
PO Box 1347  
Summerside, PE C1N 4K2

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## Independent Auditor's Report

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To the Board of Directors of East Prince Development Inc.

### Qualified Opinion

We have audited the non-consolidated accompanying financial statements of East Prince Development Inc. (the "Organization"), which comprise the non-consolidated statement of financial position as at March 31, 2023, the non-consolidated statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2023 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

The Organization has not identified and classified all its non-consolidated financial instruments, or recorded its financial instruments initially at fair value. Rather, all financial instruments are recorded at historic cost. The Organization has not specifically disclosed information that enables users of its non-consolidated financial statement to evaluate the significance of financial instruments for its financial position and performance, including exposure to risks, methods of determining fair value and other relevant information. This constitutes a departure from Canadian accounting standards for not-for-profit organizations. We have not determined the fair value of financial instruments and its effect on fund balances as at April 1 and March 31 for both the 2023 and 2022 years, nor income and expenses, excess of revenue over expenses and change in fund balances for the years ended March 31, 2022 and 2023.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

# Independent Auditors Report



## **Responsibilities of Management and Those Charged with Governance for the Non-consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

# Independent Auditors Report



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO Canada LLP*

Chartered Professional Accountants

Summerside, Prince Edward Island  
June 14, 2023

# Non-consolidated Statement of Financial Position

## East Prince Development Inc. Non-consolidated Statement of Financial Position

March 31	Operatin g Fund	Investment /RRRF/ EW C Fund	SCI Fund	UMSLI Fund	TAG/TSE P Fund	2023 Total	2022 Total
<b>Assets</b>							
<b>Current</b>							
Cash	\$ 461,520	\$ 703,647	\$ 242,124	\$ -	\$ 502,776	\$ 1,910,067	\$ 2,695,949
Internally restricted cash (Note 10)	13,699	-	-	-	-	13,699	14,518
Short term investments	166,654	-	335,000	-	-	501,654	-
Accounts receivable							
ACOA	34,299	-	-	-	-	34,299	6,854
Advances	11,484	-	-	-	-	11,484	41,988
H.S.T.	4,725	-	-	-	-	4,725	1,496
Loan interest	-	24,623	1,629	-	-	26,252	30,313
	<u>692,381</u>	<u>728,270</u>	<u>578,753</u>	<u>-</u>	<u>502,776</u>	<u>2,502,180</u>	<u>2,791,118</u>
<b>Investments</b>							
Loans receivable (Note 2)	-	7,661,826	518,376	1,402,978	-	9,583,180	8,762,440
ACCBIF deposit (Note 3)	-	37,500	-	-	-	37,500	37,500
Capital assets (Note 4)	1	-	-	-	-	1	1
	<u>\$ 692,382</u>	<u>\$ 8,427,596</u>	<u>\$ 1,097,129</u>	<u>\$ 1,402,978</u>	<u>\$ 502,776</u>	<u>\$ 12,122,861</u>	<u>\$ 11,591,059</u>
<b>Liabilities and Fund Balances and Reserves</b>							
<b>Current</b>							
Accounts payable and accrued liabilities	\$ 3,827	\$ -	\$ -	\$ -	\$ -	\$ 3,827	\$ 12,651
Deferred revenue (Note 5)	41,400	-	-	-	502,776	544,176	540,068
Current portion of long-term debt - ACCBIF (Note 3)	-	379,456	-	-	-	379,456	381,295
Current portion of long-term debt - RRRF (Note 7)	-	1,635,975	-	-	-	1,635,975	-
	<u>45,227</u>	<u>2,015,431</u>	<u>-</u>	<u>-</u>	<u>502,776</u>	<u>2,563,434</u>	<u>934,014</u>
ACCBIF long-term debt (Note 3)	-	2,327,984	-	-	-	2,327,984	2,004,640
Other long-term debt (Note 7)	-	195,617	-	-	-	195,617	2,027,347
	<u>45,227</u>	<u>4,539,032</u>	<u>-</u>	<u>-</u>	<u>502,776</u>	<u>5,087,035</u>	<u>4,966,001</u>
<b>Fund Balances and Reserves</b>							
Invested in property and equipment	1	-	-	-	-	1	1
External restricted (Note 6)	-	3,888,564	1,097,129	1,402,978	-	6,388,671	5,814,816
Unrestricted	633,455	-	-	-	-	633,455	795,723
Employee severance reserve (Note 10)	13,699	-	-	-	-	13,699	14,518
	<u>647,155</u>	<u>3,888,564</u>	<u>1,097,129</u>	<u>1,402,978</u>	<u>-</u>	<u>7,035,826</u>	<u>6,625,058</u>
	<u>\$ 692,382</u>	<u>\$ 8,427,596</u>	<u>\$ 1,097,129</u>	<u>\$ 1,402,978</u>	<u>\$ 502,776</u>	<u>\$ 12,122,861</u>	<u>\$ 11,591,059</u>

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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

# Non-consolidated Statement of Changes in Fund Balances

## East Prince Development Inc. Non-consolidated Statement of Changes in Fund Balances

For the year ended March 31	2023					2022	
	Operating Fund	Investment/ RRRF/ EWC Fund	SCI Fund	UMSLI Fund	TAG/TSEP Fund	Total	Total
Fund balances, beginning of the year	\$ 795,723	\$ 3,436,672	\$ 899,120	\$ 1,479,024	\$ -	\$ 6,610,539	\$ 6,050,609
Excess (deficiency) of revenues over expenses	(114,991)	403,796	16,846	105,117	-	410,768	(6,204)
Capital contribution - net	-	-	-	-	550,000	550,000	2,069,500
Transfer to employee severance reserve (Note 10)	819	-	-	-	-	819	(3,366)
Principal repayments	-	-	181,163	(181,163)	-	-	-
Transfer of 2023 deficit	107,890	(107,890)	-	-	-	-	-
Correction of transfers from prior years	(155,986)	155,986	-	-	-	-	-
Transfer of admin fees	-	-	-	-	(50,000)	(50,000)	(150,000)
Fund distributions	-	-	-	-	(450,000)	(450,000)	(897,224)
Deferred revenue	-	-	-	-	(50,000)	(50,000)	(452,776)
Fund balances, end of the year	\$ 633,455	\$ 3,888,564	\$ 1,097,129	\$ 1,402,978	\$ -	\$ 7,022,126	\$ 6,610,539

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



# Non-consolidated Statement of Operations

## East Prince Development Inc. Non-consolidated Statement of Operations

For the year ended March 31	2023						2022
	Operating Fund	Investment/ RRRF/ EWC Fund	SCI Fund	UMSLI Fund	TAG/TSEP Fund	Total	Total
<b>Revenue</b>							
ACOA contribution	\$ 278,743	\$ -	\$ -	\$ -	\$ -	\$ 278,743	\$ 273,736
ACOA SCI contribution	-	-	68,655	-	-	68,655	68,655
Investment income							
Loan portfolio	-	381,064	24,975	-	-	406,039	351,174
Other interest	14,103	-	-	-	-	14,103	6,157
Other revenue (Note 11)	116,540	10,666	10,044	-	-	137,250	291,947
Forgivable portion of loans - AACBDC	-	-	-	-	-	-	218,963
TAG/TSEP income	-	-	-	-	450,000	450,000	897,224
	<b>409,386</b>	<b>391,730</b>	<b>103,674</b>	<b>-</b>	<b>450,000</b>	<b>1,354,790</b>	<b>2,107,856</b>
<b>Expenses</b>							
Advertising	33,143	-	-	-	-	33,143	30,814
Board expenses	5,366	-	-	-	-	5,366	5,280
Capital assets	3,577	-	-	-	-	3,577	3,107
Credit services	3,531	-	-	-	-	3,531	3,588
Equipment rental	2,261	-	-	-	-	2,261	2,261
Forgivable portion of loans - clients	-	-	-	-	-	-	431,163
HR project	37,113	-	-	-	-	37,113	50,595
Insurance	1,955	-	-	-	-	1,955	1,896
Interest and bank charges	1,049	41,505	-	-	-	42,554	33,256
Loan loss provision (Note 2)	-	(53,571)	18,173	(105,117)	-	(140,515)	235,656
Office and postage	15,080	-	-	-	-	15,080	8,210
Professional fees	50,394	-	-	-	-	50,394	19,309
Real estate rental	34,073	-	-	-	-	34,073	34,073
SCI administration fees	-	-	8,750	-	-	8,750	8,750
SCI marketing and translation	-	-	7,573	-	-	7,573	7,985
SCI training	-	-	4,390	-	-	4,390	12,754
SCI travel and memberships	-	-	2,342	-	-	2,342	1,572
SCI wages	-	-	45,000	-	-	45,000	37,000
Software and equipment	-	-	600	-	-	600	594
Subscriptions and memberships	1,620	-	-	-	-	1,620	1,618
TAG/TSEP disbursements	-	-	-	-	450,000	450,000	897,224
Telephone and internet	9,297	-	-	-	-	9,297	8,544
Travel	19,608	-	-	-	-	19,608	6,629
Wages and benefits (Note 12)	306,310	-	-	-	-	306,310	272,182
	<b>524,377</b>	<b>(12,066)</b>	<b>86,828</b>	<b>(105,117)</b>	<b>450,000</b>	<b>944,022</b>	<b>2,114,060</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$(114,991)</b>	<b>\$ 403,796</b>	<b>\$ 16,846</b>	<b>\$ 105,117</b>	<b>\$ -</b>	<b>\$ 410,768</b>	<b>\$ (6,204)</b>

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

# Non-consolidated Statement of Cash Flows

## East Prince Development Inc. Non-consolidated Statement of Cash Flows

For the year ended March 31	2023	2022
<b>Cash flows from operating activities</b>		
Excess of revenues over expenses	\$ 410,768	\$ (6,204)
Items not affecting cash:		
Loan loss provision and forgiveness	(140,515)	447,857
	270,253	441,653
Changes in working capital:		
Accounts receivable	3,891	113,200
Accounts payable and accrued liabilities	(8,824)	11,485
Deferred revenue	4,108	87,292
	269,428	653,630
<b>Cash flows used in financing activities</b>		
Proceeds from ACCBIF long-term debt	700,000	1,200,000
Repayment of ACCBIF long-term debt	(378,495)	(277,881)
Proceeds from RRRF long-term debt	-	780,000
Repayment of RRRF long-term debt	(91,000)	(281,500)
Repayment of EWC long-term debt	(106,676)	(25,972)
	123,829	1,394,647
<b>Cash flows used in investing activities</b>		
Loans advanced	(2,473,733)	(2,860,525)
Loans repaid	1,590,760	1,695,502
SCI loans advanced	(134,600)	(298,000)
SCI loans repaid	158,106	138,715
UMSLI capital contribution	-	569,500
UMSLI loans advanced	-	(788,000)
UMSLI loans repaid	181,163	109,222
T-SEP/TAG funds received	500,000	1,500,000
TAG distribution of funds	(450,000)	(897,224)
T-SEP/TAG admin fees transferred	(50,000)	(150,000)
	(678,304)	(980,810)
<b>Net (decrease) increase in cash and cash equivalents</b>	(285,047)	1,067,467
<b>Cash and cash equivalents, beginning of the</b>	<b>2,710,467</b>	<b>1,643,000</b>
<b>Cash and cash equivalents, end of the year</b>	<b>\$ 2,425,420</b>	<b>\$ 2,710,467</b>
<b>Cash and cash equivalents consists of:</b>		
Cash and short-term investments	\$ 1,910,067	\$ 2,695,949
Internally restricted cash	13,699	14,518
Term deposits	501,654	-
	<b>\$ 2,425,420</b>	<b>\$ 2,710,467</b>

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

# Notes to Non-consolidated Statement of Finances

## East Prince Development Inc. Notes to Non-consolidated Financial Statements

March 31, 2023

### 1 . Significant Accounting Policies

#### Nature and Purpose of Organization

East Prince Development Inc.'s (the "Organization") mission is to "Create sustainable employment through promoting business development in our communities by providing capital and mentoring assistance."

The Organization is a community-based and community controlled corporation with a mandate to provide lending and other investments to small businesses in P.E.I. who have difficulty obtaining financing from conventional sources. The Organization is incorporated in the Province of P.E.I. under Part II of the Companies Act as a non-profit organization without share capital, and as such, is exempt from income tax by virtue of paragraph 149(l)(l) of the Income Tax Act.

The Organization also manages other community programs which arise from time to time which require a managing agency.

#### Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations (ASNPO).

The Organization follows the restricted fund method of accounting for contributions. The externally imposed restrictions are specifically described in Note 5.

The Operating Fund accounts for the Organization's program delivery and administrative activities. This fund reports unrestricted resources and operating contributions. Expenditures of the Operating Fund are limited to those agreed upon in the contribution agreement between Atlantic Canada Opportunities Agency ("ACOA"), or other funding partners and the Organization.

The Investment Fund reports all restricted resources of the Investment Fund and the investment income resulting from investing activities employing the fund.

The Seed Capital Initiative Fund ("SCI Fund") reports all restricted resources of the SCI Fund and the investment income and expenses resulting from investing activities employing the fund.

The Urban Main Street Loan Initiative Fund ("UMSLI Fund") reports all restricted resources of the SCI Fund and the investment income and expenses resulting from investing activities employing the fund.

The Tourism Activation Grant Fund ("TAG Fund") and Tourism Seasonal Extension Program ("TSEP Fund") reports all restricted resources of the TAG/TSEP Fund and the investment income and expenses resulting from investing activities employing the fund.

# Notes to Non-consolidated Statement of Finances

## East Prince Development Inc. Notes to Non-consolidated Financial Statements

March 31, 2023

### 1. Significant Accounting Policies (continued)

<b>Departure from ASNPO</b>	<p>These financial statements have not adopted the ASPE CPA Handbook Section 3856 - "Financial Instruments" and as a result, depart from ASNPO. The effects of not adopting these sections have not been measured, recorded or disclosed in these financial statements.</p> <p>ACOA has confirmed, within the 2023 Community Features Agreement to all Atlantic CBDCs, it will accept qualified financial statements from CBDCs when not prepared in full compliance with the above noted CPA Handbook section.</p>
<b>Employee Future Benefits</b>	<p>The Organization has defined contribution pension plans for their employees. Contributions are a defined amount based upon a set percentage of salary.</p>
<b>Capital Assets</b>	<p>Capital assets are not recorded on the statement of financial position. Expenditures for capital assets in the year are recorded as expenses and disclosed in the statement of operations.</p>
<b>Use of Estimates</b>	<p>The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Such estimates include the determination of loan loss provisions. Actual results could differ from management's best estimates as additional information becomes available in the future.</p>
<b>Investments</b>	<p>The investments are recorded at the lower of cost or market value.</p>
<b>Inter-Fund Advances</b>	<p>The inter-fund advances are non-interest bearing, with no set terms of repayment.</p>
<b>Financial Instruments</b>	<p>Financial instruments are recorded at cost at initial recognition. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable. Transaction costs are charged to the financial instrument for those measured at amortized cost. Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flow of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income.</p>

# Notes to Non-consolidated Statement of Finances

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## East Prince Development Inc. Notes to Non-consolidated Financial Statements

March 31, 2023

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### 1. Significant Accounting Policies (continued)

#### Related Party

The financial position and results of operations of the related party, E.K. Holdings Ltd., has not been consolidated in the Organization's financial statements. Refer to Note 7 for disclosure of E.K. Holdings Ltd.'s financial information.

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# Notes to Non-consolidated Statement of Finances

## East Prince Development Inc. Notes to Non-consolidated Financial Statements

March 31, 2023

### 2. Investments

	Investment/ RRRF/EWC Fund	SCI Fund	UMSLI Fund	2023	2022
Loans to clients	\$ 8,854,627	\$ 575,973	\$ 2,251,115	\$ 11,681,715	\$ 11,264,712
Less: allowance for doubtful loans	(578,776)	(57,597)	(225,112)	(861,485)	(1,250,210)
Less: allowance for forgivable loans	(614,025)	-	(623,025)	(1,237,050)	(1,252,062)
	<u>\$ 7,661,826</u>	<u>\$ 518,376</u>	<u>\$ 1,402,978</u>	<u>\$ 9,583,180</u>	<u>\$ 8,762,440</u>

The activity in the loans to clients is comprised of:

Balance, beginning of year	\$ 8,167,651	\$ 622,283	\$ 2,474,778	\$ 11,264,712	\$ 9,333,364
Loans advanced during the year	2,473,733	134,600	-	2,608,333	3,946,525
Loans repaid during the year	(1,590,760)	(158,106)	(181,163)	(1,930,029)	(1,943,439)
Loan recovery	(35,000)	-	(42,500)	(77,500)	(15,000)
Loans written off during the year	(160,997)	(22,804)	-	(183,801)	(56,738)
Balance, end of year	<u>\$ 8,854,627</u>	<u>\$ 575,973</u>	<u>\$ 2,251,115</u>	<u>\$ 11,681,715</u>	<u>\$ 11,264,712</u>

The activity in the allowance for doubtful loans is comprised of:

Balance, beginning of year	\$ 816,765	\$ 62,228	\$ 371,217	\$ 1,250,210	\$ 1,023,886
Loans written off during the year	(160,997)	(22,804)	-	(183,801)	(56,738)
Loan loss (recovery) provision, current year	(53,571)	18,173	(105,117)	(140,515)	235,656
Change in allowance for forgivable portion	(23,421)	-	(40,988)	(64,409)	47,406
Balance, end of year	<u>\$ 578,776</u>	<u>\$ 57,597</u>	<u>\$ 225,112</u>	<u>\$ 861,485</u>	<u>\$ 1,250,210</u>

The allowance for doubtful loans in the Investment Funds, excluding the EWC and RRRF loans, are calculated at the rate of 5% (2022 - 10%) of the total loans outstanding. The allowance for doubtful loans in the UMSLI and SCI Fund, as well as the RRRF and EWC loans are calculated at the rate of 10% of the total loans outstanding. The allowance for the forgivable portion of loans is calculated as the total possible amount to be forgiven, adjusted for loans that are considered doubtful. The change in allowance for doubtful loan rates noted above resulted in a net loan recovery during the year.

#### Other Information:

As at March 31, 2023:

A) Total number of investment loans (excluding RRRF, UMSLI & EWC loans) approved during the year	<u>31</u>
B) Total number of active investment loans (excluding RRRF, UMSLI & EWC loans) under management	<u>121</u>

# Notes to Non-consolidated Statement of Finances

## East Prince Development Inc. Notes to Non-consolidated Financial Statements

March 31, 2023

### 3. Atlantic Canada Community Business Investment Fund (ACCBIF)

Atlantic Canada Community Business Investment Fund (ACCBIF), a division of Atlantic Association of Community Business Development Corporations, was established to pool investment funds from the federal government and cash-rich CBDCs and, in turn, loan these funds to CBDCs in Atlantic Canada.

In order to become a member of ACCBIF and receive loan funds, each subscribing CBDC must contribute \$37,500 to ACCBIF. The Organization has subscribed as of the year-end date and will be refunded the deposit, at the discretion of the ACCBIF, without interest.

In 2017/2018 the Organization was approved for \$1,889,497 through ACCBIF by way of a demand loan. The demand loan bears interest at 1.75%, per annum, and is secured by a promissory note signed by the Board of Directors. The loan is repayable in monthly blended principal and interest payments of \$35,000.

	<u>2023</u>	<u>2022</u>
ACCBIF demand loan - 2017/2018	\$ 2,707,440	\$ 2,385,935
Less: portion repayable within one year	(379,456)	(381,295)
	<u>\$ 2,327,984</u>	<u>\$ 2,004,640</u>

Principal repayments on long-term debt over the next five years and thereafter are as follows:

2023	\$ 379,456
2024	385,572
2025	391,786
2026	398,101
2027	404,517
Thereafter	<u>748,008</u>
	<u>\$ 2,707,440</u>

# Notes to Non-consolidated Statement of Finances

## East Prince Development Inc. Notes to Non-consolidated Financial Statements

March 31, 2023

### 4. Capital Assets

Due to the nature of the Organization, capital assets are carried at a nominal value of \$1 on the statement of financial position with the remaining costs being expensed on the statement of operations and changes in fund balances and reserve. Lease payments on capital assets are included as equipment rent expense on the statement of operations and changes in fund balances and reserve. During the year, capital assets expenditures included the following:

	2023	2022
Computer equipment	\$ 3,577	\$ 3,107
SCI software and equipment	600	594
	<u>\$ 4,177</u>	<u>\$ 3,701</u>

### 5. Deferred Revenue

#### *TAG Fund*

During the prior year, the Organization had received an additional \$500,000 from Tourism PEI for the Tourism Activation Grant. Of this grant, \$447,224 has been distributed to businesses, and \$50,000 has been used for administration fees (10%). The remaining \$2,776 funds have not been distributed to businesses as of March 31, 2023, therefore is recognized as deferred revenue.

#### *T-SEP Fund*

During 2023, the Organization had received \$550,000 from Tourism PEI for the Tourism Seasonal Extension Program (T-SEP). Of this grant, \$50,000 was used for administration fees (10%), and no amounts have yet been distributed to businesses. Therefore, the remaining \$500,000 of the fund that has not been used is recognized as deferred revenue.

In total, there is a deferred revenue of \$502,776 for the Tourism Grants between 2022 and 2023.

#### *Operating Fund*

As two months of the fourteen month project for the T-SEP contract had been incurred, \$8,600 of the \$50,000 administration fee had been recognized in revenue, leaving the remaining \$41,400 deferred.



# Notes to Non-consolidated Statement of Finances

## East Prince Development Inc. Notes to Non-consolidated Financial Statements

March 31, 2023

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### 6. Externally Restricted Funds

#### *Community Futures Program*

Pursuant to a contract signed with ACOA under the Community Futures Program, funds advanced to the Organization in respect of its eligible costs and the Organization's Investment Fund capitalization costs shall be deposited and maintained in two separate accounts.

Funds credited to the Investment Fund shall not be used for purposes other than Investment Fund activities without the prior written approval of ACOA. This includes funds lent to or received from ACCBIF.

Notwithstanding, funds credited to the Investment Fund account may be transferred to the Eligible Costs account ("Operating Fund") of the Organization where the following conditions are met:

1. the Organization's Annual Budget submitted with the Business Plan projects a deficit (the "Deficit") and is accepted by ACOA;
2. the Deficit was, in fact, incurred as projected; and,
3. the Organization shall provide to ACOA written confirmation of the transfer of the funds from the Investment Fund account to the Eligible Costs account within 90 days of the end of each fiscal year.

#### *Seed Capital Initiative*

Pursuant to a contract signed with ACOA under the SCI, funds advanced to the Organization in respect of its eligible costs and the Organization's SCI Fund capitalization costs shall be deposited and maintained in two separate accounts.

Funds credited to the SCI Fund shall not be used for purposes other than SCI Fund activities without the prior written approval of ACOA. This program is offered exclusively in the Greater Charlottetown area.

#### *Urban Main Street Loan Initiative*

Pursuant to a contract signed with ACOA under the UMSLI, funds advanced to the Organization in respect to the UMSLI Fund shall be used solely to make distributed payments by way of interest-free, conditionally repayable loans to borrowers in need of working capital related to economic impacts arising from the COVID-19 pandemic. All principal payments on UMSLI loans collected by the Organization must be redistributed into the SCI fund. All interest collected on loans will remain property of the Organization.

#### *Tourism Activation Grant & Tourism Seasonal Extension Program*

Pursuant to contracts signed with Tourism PEI under the TAG and T-SEP agreements, funds advanced to the Organization in respect to the TAG & T-SEP Funds shall be used solely to make distributed non-repayable payments to businesses in need funding for eligible project expense within underlying conditions.

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# Notes to Non-consolidated Statement of Finances

## East Prince Development Inc. Notes to Non-consolidated Financial Statements

March 31, 2023

### 7. Other Long-Term Debt

	2023	2022
RRRF Loan payable, 0%, no principal payments due until February 15, 2024	\$ 2,500,000	\$ 2,626,000
EWC Loan payable, 0%, no principal payments due until February 15, 2024	217,352	324,028
	<b>2,717,352</b>	<b>2,950,028</b>
Less:		
Allowance for doubtful loans	(271,735)	(295,156)
Allowance for forgivable loans	(614,025)	(627,525)
Current portion of debt	(1,635,975)	-
	<b>\$ 195,617</b>	<b>\$ 2,027,347</b>

#### *Regional Relief & Recovery Fund (RRRF)*

The RRRF was established to help mitigate the adverse effect of the COVID-19 pandemic on the working capital needs of small to medium size business enterprises (SMEs) in Atlantic Canada by enabling CBDCs to make emergency working capital loans. AACBDC and the Organization have agreed that the Organization will administer the loan program using RRRF funds. RRRF funds that have been disbursed by the Organization have an initial term and an extended term. The initial term of the loan is interest-free, does not require principal payments, and ends on December 31, 2023. The extended term is for the following 2 years, requiring monthly payments and accruing 5% interest. A portion of the principal loan is forgivable if repaid by the end of the initial term.

The Organization shall on the 15th day of each and every month, commencing February 15, 2024 remit to the AACBDC 100 percent of the principal paid by borrowers up to and including the 31st day of the preceding month.

#### *Emergency Working Capital (EWC) Loan Program*

Finance PEI had established the EWC loan program to provide emergency working capital financing to assist rural Prince Edward Island small businesses to overcome the financial challenges resulting from the COVID-19 pandemic. Finance PEI and the Organization have agreed that the Organization will administer the loan program using Finance PEI funds.

EWC funds that have been disbursed by the Organization are for a term of 6 years, with an interest rate of 4%, repayable monthly beginning one year after the initial disbursement. All amounts, on account of principal and interest, collected by the Organization from borrowers pursuant to the EWC loan program shall be paid to Finance PEI within 30 days of receipt.

The following security has been provided on the funds disbursed: a promissory note for the amounts disbursed to the Organization (up to \$1,500,000) from the Organization to Finance PEI, and assignment of the debts of small business borrowers under the EWC loan program equal to the amount of the loan.

# Notes to Non-consolidated Statement of Finances

## East Prince Development Inc. Notes to Non-consolidated Financial Statements

March 31, 2023

### 8. Related Party Transactions

E.K. Holdings Ltd. is a non-profit organization incorporated under Part II of the Companies Act of PEI and is exempt from tax under section 149(1)(l) of the Income Tax Act. Its main business activity is the rental of commercial properties in the East Prince area of P.E.I. and provides office facilities for administration and program delivery for East Prince Development Inc.

E.K. Holdings Ltd. is controlled by East Prince Development Inc. since the Organization has the power to appoint the board of directors of E.K. Holdings Ltd., which is required to be the same as the Organization's board of directors.

These transactions are in the normal course of operations and are measured at the exchange amount being the amount of consideration established and agreed to by the related parties.

During the year the Organization had the following transactions with E.K. Holdings Ltd.:

	2023	2022
Rent	\$ 34,073	\$ 34,073

Financial summaries of the unconsolidated company as of March 31, 2023 and 2022 are as follows:

	(Unaudited) 2023	(Unaudited) 2022
<b>Financial position</b>		
Total assets	\$ 152,153	\$ 165,918
Total liabilities	201,465	212,394
Total deficiency	(49,312)	(46,476)
	\$ 152,153	\$ 165,918
	(Unaudited) 2023	(Unaudited) 2022
<b>Results of operations</b>		
Total revenues	\$ 54,090	\$ 46,860
Total expenses	(56,927)	(49,953)
<b>Net income (loss)</b>	\$ (2,837)	\$ (3,093)
	(Unaudited) 2023	(Unaudited) 2022
<b>Cash flows</b>		
Cash provided by operations	\$ 3,451	\$ 1,675
Cash used in financing and investing activities	(12,656)	(12,030)
	\$ (9,205)	\$ (10,355)

# Notes to Non-consolidated Statement of Finances

## East Prince Development Inc. Notes to Non-consolidated Financial Statements

March 31, 2023

### 9. Economic Dependence

The Organization receives an annual operating contribution from ACOA to cover a portion of the operating expenses of the Operating Fund. The continued operation of the Organization currently depends on the receipt of the annual operation contribution.

### 10. Employee Severance Reserve

The Organization has a discretionary employee severance benefits policy. The policy adopted follows the guidelines issued by the Atlantic Association of Community Business Development Corporations in their CBDC Policies and Procedures Manual issued January 1, 1999. The Organization has recognized as a reserve, the minimum future severance amounts which, subject to board approval, would be payable to the existing employee base under various severance circumstances.

The Organization executed employment agreements with an employee whereby minimum future severance amounts calculated as noted in the previous paragraph were superseded by a specific future severance amount calculated with reference to their current level of remuneration. In the prior year, the employee has retired and the agreement has ended.

The funding of the employee future severance is shown as a transfer from the Operating Fund balance on the statement of operations and changes in fund balances and reserve.

	2023	2022
Employee future severance reserve, beginning of year	\$ 14,518	\$ 11,152
Transfer from surplus (deficit)	(819)	3,366
	<u>\$ 13,699</u>	<u>\$ 14,518</u>

# Notes to Non-consolidated Statement of Finances

## East Prince Development Inc. Notes to Non-consolidated Financial Statements

March 31, 2023

### 11. Other Revenue

	2023	2022
Bad debt recovery	\$ 10,666	\$ 4,626
Impact bad debt recovery	10,044	-
Admin fee CASP	2,000	3,658
Admin fee revenue - RRRF	-	27,000
Admin fee revenue - UMSLI	-	66,800
Creditor life insurance	720	403
Entrepreneurship forum & workshops	5,546	4,115
Hire for talent project	-	17,000
HR momentum project	49,924	50,595
SCI admin fee	8,750	8,750
Tourism Grant Program admin fees	49,600	109,000
	<b>\$ 137,250</b>	<b>\$ 291,947</b>

### 12. Employee Future Benefits

The Organization matches employee contributions to the defined contribution pension plans. Total pension expense for the year was \$11,399 (2022 - \$9,860) which is included in wages and benefits.

# East Prince Development Inc.

DBA



## États financiers non consolidés

Pour l'exercice clos le 31 mars 2023



États financiers non consolidés  
Pour l'exercice clos le 31 mars 2023

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# Rapport de l'audit indépendant



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## Rapport de l'audit indépendant

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**Au conseil d'administration d'East Prince Development Inc.**

### **Opinion avec réserve**

Nous avons audité les états financiers non consolidés ci-joints d'East Prince Development Inc. (l'« Organisation »), qui comprennent le bilan non consolidé au 31 mars 2023, l'état des résultats non consolidé, de l'évolution des soldes de fonds et des flux de trésorerie pour l'exercice clos à cette date, ainsi que les notes afférentes aux états financiers non consolidés, y compris un résumé des principales méthodes comptables.

À notre avis, à l'exception des effets possibles de la question décrite dans la section *Fondement de l'opinion avec réserve* de notre rapport, les états financiers non consolidés ci-joints donnent, dans tous leurs aspects importants, une image fidèle de la situation financière de l'Organisation au 31 mars 2023, ainsi que de ses résultats d'exploitation et de ses flux de trésorerie pour l'exercice clos à cette date, conformément aux normes comptables canadiennes pour les organismes sans but lucratif.

### **Fondement de l'opinion avec réserve**

L'Organisation n'a pas recensé et classé tous ses instruments financiers non consolidés ni enregistré ses instruments financiers initialement à leur juste valeur. Au contraire, elle les a comptabilisés au coût historique. L'Organisation n'a pas fourni d'information particulière permettant aux personnes qui consultent ses états financiers non consolidés d'évaluer l'importance des instruments financiers au regard de sa situation financière et de sa performance, y compris l'exposition aux risques, les méthodes de détermination de la juste valeur et d'autres informations pertinentes. Cette approche constitue une dérogation aux normes comptables canadiennes pour les organisations à but non lucratif. Nous n'avons pas déterminé la juste valeur des instruments financiers et son effet sur les soldes des fonds au 1<sup>er</sup> avril et au 31 mars pour les exercices 2023 et 2022, ni les produits et les charges, l'excédent des produits sur les charges et la variation des soldes des fonds pour les exercices clos les 31 mars 2022 et 2023.

Nous avons effectué notre audit conformément aux normes d'audit généralement reconnues au Canada. Les responsabilités qui nous incombent en vertu de ces normes sont exposées plus en détail dans la partie de notre rapport intitulée *Responsabilités de l'auditeur dans le cadre de l'audit des états financiers*. Nous sommes indépendants de l'Organisation conformément aux règles déontologiques qui s'appliquent à notre audit des états financiers non consolidés au Canada, et nous nous sommes acquittés de nos autres responsabilités déontologiques conformément à ces règles. Nous estimons que les éléments probants que nous avons obtenus sont suffisants et appropriés pour fonder notre opinion d'audit avec réserve.



# Rapport de l'audit indépendant



## **Responsabilités de la direction et des personnes chargées de la gouvernance pour les états financiers non consolidés**

La direction est responsable de la préparation et de la présentation fidèle des états financiers non consolidés conformément aux normes comptables canadiennes pour les organismes sans but lucratif, ainsi que du contrôle interne qu'elle considère comme nécessaire pour permettre la préparation d'états financiers non consolidés exempts d'anomalies importantes, que celles-ci résultent de fraudes ou d'erreurs.

Lors de la préparation des états financiers non consolidés, la direction est responsable de l'évaluation de la capacité de l'Organisation à poursuivre son activité, de la présentation, le cas échéant, des questions liées à la continuité de l'exploitation et de l'application du principe de continuité de l'exploitation, sauf si la direction a l'intention de liquider l'Organisation ou de cesser ses activités, ou si elle n'a pas d'autre solution réaliste que de le faire.

Les personnes chargées de la gouvernance sont responsables de la supervision du processus d'établissement des rapports financiers de l'Organisation.

## **Responsabilités de l'auditeur relativement à l'audit des états financiers non consolidés**

Nous avons pour objectif d'obtenir l'assurance raisonnable que les états financiers non consolidés dans leur ensemble ne comportent pas d'anomalies importantes, que celles-ci résultent de fraudes ou d'erreurs, et de remettre un rapport d'audit comprenant notre opinion. L'assurance raisonnable est un niveau élevé d'assurance, mais ne constitue pas une garantie qu'un audit effectué selon les normes d'audit généralement reconnues au Canada permettra toujours de détecter une anomalie importante lorsqu'elle existe. Les inexactitudes peuvent résulter de fraudes ou d'erreurs et sont considérées comme importantes si, individuellement ou dans leur ensemble, on peut raisonnablement s'attendre à ce qu'elles influencent les décisions économiques des utilisateurs prises sur la base de ces états financiers non consolidés.

Dans le cadre d'un audit conforme aux normes d'audit généralement reconnues au Canada, nous exerçons un jugement professionnel et maintenons un scepticisme professionnel tout au long de l'audit. Nous procédons de plus à ce qui suit :

- Reconnaissance et évaluation des risques d'anomalies importantes dans les états financiers non consolidés, qu'elles soient imputables à une fraude ou à une erreur, conception et mise en œuvre des procédures d'audit adaptées à ces risques et obtention des éléments probants suffisants et appropriés pour fonder notre opinion. Le risque de ne pas détecter une anomalie importante découlant d'une fraude est plus élevé que celui d'une erreur, car la fraude peut impliquer la collusion, la falsification, des omissions intentionnelles, des déclarations inexactes ou le contournement du contrôle interne.
- Obtention d'une bonne connaissance du contrôle interne pertinent pour l'audit afin de concevoir des procédures d'audit adaptées aux circonstances, mais pas dans le but d'exprimer une opinion sur l'efficacité du contrôle interne de l'Organisation.
- Évaluation de l'adéquation des méthodes comptables employées et du caractère raisonnable des estimations comptables et des informations connexes que fournit la direction.

# Rapport de l'audit indépendant



- Conclusion sur le bien-fondé de l'application par la direction du principe de continuité d'exploitation et, sur la base des éléments probants recueillis, sur l'existence d'une incertitude importante liée à des événements ou à des conditions susceptibles de jeter un doute sérieux sur la capacité de l'Organisation à poursuivre son activité. Si nous concluons à l'existence d'une incertitude importante, nous sommes tenus d'attirer l'attention, dans notre rapport d'audit, sur les informations fournies à ce sujet dans les états financiers non consolidés ou, si ces informations sont insuffisantes, de modifier notre opinion. Nos conclusions sont basées sur les éléments probants obtenus jusqu'à la date de notre rapport d'audit. Toutefois, des événements ou des conditions futurs peuvent amener l'Organisation à ne plus être en situation de continuité d'exploitation.
- Évaluation de la présentation générale, de la structure et du contenu des états financiers non consolidés, y compris les informations à fournir, et évaluation du fait que les états financiers non consolidés représentent les transactions et les événements sous-jacents d'une manière qui donne une image fidèle.

Nous communiquons avec les personnes chargées de la gouvernance en ce qui concerne, entre autres, l'étendue et le calendrier prévus pour l'audit et les constatations d'audit importantes, y compris les déficiences notables du contrôle interne que nous relevons au cours de notre audit.

*BDO Canada LLP*

Comptables professionnels agréés

Summerside, Île-du-Prince-Édouard  
14 juin 2

# Bilan non consolidé

## East Prince Development Inc. Bilan non consolidé

31 mars	Fonds de fonctionnement	Investissement /FARR/FRU	Fonds du prog de capital d'appoint	Fonds de l' IPEUP	Fonds du TAG/TSE	2023 Total	2022 Total FRU FRU
<b>Actif</b>							
<b>Court terme</b>							
Encaisse	461 520 \$	703 647 \$	242 124 \$	\$-	502 776 \$	1 910 067 \$	2 695 949 \$
Liquidités soumises à restriction (note 10)	13 699	-	-	-	-	13 699	14 518
Investissements à court terme	166 654	-	335 000	-	-	501 654	-
<b>Débiteurs</b>							
APECA	34 299	-	-	-	-	34 299	6 854
Avances	11 484	-	-	-	-	11 484	41 988
TVH	4 725	-	-	-	-	4 725	1 496
Intérêts des prêts	-	24 623	1 629	-	-	26 252	30 313
	692 381	728 270	578 753	-	502 776	2 502 180	2 791 118
<b>Investissements</b>							
Prêts en cours (note 2)	-	7 661 826	518 376	1 402 978	-	9 583 180	8 762 440
Dépôt du FICAEL (note 3))	-	37 500	-	-	-	37 500	37 500
Actif immobilisé (note 4)	1	-	-	-	-	1	1
	692 382 \$	8 427 596 \$	1 097 129 \$	1 402 978 \$	502 776 \$	12 122 861 \$	11 591 059 \$
<b>Passif et soldes des fonds et réserves</b>							
<b>Court terme</b>							
Créditeurs et charges à payer	3 827	-\$	\$	-\$	3 827 \$	12 651 \$	12 651 \$
Produit reporté (note 5)	41 400	-	-	-	502 776	544 176	540 068
Partie à court terme de la dette à long terme - FICAEL)	-	379 456	-	-	-	379 456	381 295
Partie à court terme de la dette à long terme - FARR (note 7)	-	1 635 975	-	-	-	1 635 975	-
	45 227	2 015 431	-	-	502 776	2 563 434	934 014
<b>Dette à long terme du FICAEL (note 3)</b>							
Autres dettes à long terme (note 7)	-	2 327 984	-	-	-	2 327 984	2 004 640
	-	195 617	-	-	-	195,617	2 027 347
	45 227	4 539 032	-	-	502 776	5 087 035	4 966 001
<b>Soldes des fonds et réserves</b>							
Investissements en immobilisations corporelles	1	-	-	-	-	1	1
Restrictions externes (note 6)	-	3 888 564	1 097 129	1 402 978	-	6 388 671	5 814 816
Sans restriction	633 455	-	-	-	-	633 455	795 723
Réserve pour indemnités de départ (note 10)	13 699	-	-	-	-	13 699	14 518
	647 155	3 888 564	1 097 129	1 402 978	-	7 035 826	6 625 058
	692 382 \$	8 427 596 \$	1 097 129 \$	1 402 978 \$	502 776 \$	12 122 861 \$	11 591 059 \$

Au nom du conseil d'administration :

\_\_\_\_\_ Membre du conseil \_\_\_\_\_ Membre du conseil

Les notes annexes font partie intégrante de ces états financiers non consolidés.

# État non consolidé de l'évolution des soldes des fonds

## East Prince Development Inc. État non consolidé de l'évolution des soldes des fonds

Pour l'exercice clos le 31 mars	2023					2022	
	Fonds de fonctionnement	Investissement / FARR/ FRU	Fonds du prog. de capital d'appoint	Fonds de l' IPEUP	Fonds du TAG/TSEP	Total	Total
Soldes des fonds, début de l'exercice	795 723 \$	3 436 672 \$	899 120 \$	1 479 024 \$	-	6 610 539 \$	6 050 609 \$
Excédent (insuffisance) des recettes sur les dépenses	(114 991)	403 796	16 846	105 117	-	410 768	(6 204)
Apport en capital - net	-	-	-	-	550 000	550 000	2 069 500
Transfert à la réserve pour d'indemnités de départ (note 10)	819	-	-	-	-	819	(3 366)
Remboursement du capital	-	-	181 163	(181 163)	-	-	-
Transfert du déficit de 2023	107 890	(107 890)	-	-	-	-	-
Correction des transferts des années précédentes	(155 986)	155 986	-	-	-	-	-
Transfert des frais adm.	-	-	-	-	(50 000)	(50 000)	(150 000)
Distributions de fonds	-	-	-	-	(450 000)	(450 000)	(897 224)
Produits reportés	-	-	-	-	(50 000)	(50 000)	(452 776)
<b>Soldes des fonds, fin de l'exercice</b>	<b>633 455 \$</b>	<b>3 888 564 \$</b>	<b>1 097 129 \$</b>	<b>1 402 978 \$</b>	<b>-</b>	<b>7 022 126 \$</b>	<b>6 610 539 \$</b>

Les notes annexes font partie intégrante de ces états financiers non consolidés

# État des résultats non consolidé

## East Prince Development Inc. État des résultats non consolidé

Pour l'exercice clos le 31 mars	2023					2022	
	Fonds de De fonctionnement	Investissement/ /FARR/ FRU	Fonds du prog. de capital d'appoint	Fonds de l'IPEUP	Fonds du TAG/TSEP	Total	Total
<b>Recettes</b>							
Contribution de l'APECA	278 743 \$	-\$	\$	\$	- \$	278 743 \$	273 736 \$
Contribution PCA de l'APECA	-	-	68 655	-	-	68 655	68 655
Revenus des investissements							
Portefeuille de prêts	-	381 064	24 975	-	-	406 039	351 174
Autres intérêts	14 103	-	-	-	-	14 103	6 157
Autres recettes (note 11)	116 540	10 666	10 044	-	-	137 250	291 947
Partie remise des prêts - AACBDC	-	-	-	-	-	-	218 963
Revenu du TAG/TSEP	-	-	-	-	450 000	450 000	897 224
	<b>409 386</b>	<b>391 730</b>	<b>103 674</b>	<b>-</b>	<b>450 000</b>	<b>1 354 790</b>	<b>2 107 856</b>
<b>Dépenses</b>							
Publicité	33 143	-	-	-	-	33 143	30 814
Dépenses du conseil	5 366	-	-	-	-	5 366	5 280
Actifs immobilisés	3 577	-	-	-	-	3 577	3 107
Services de crédit	3 531	-	-	-	-	3 531	3 588
Location de matériel	2 261	-	-	-	-	2 261	2 261
Partie remise (forgivable) des prêts aux clients -	-	-	-	-	-	-	431 163
Projet RH	37 113	-	-	-	-	37 113	50 595
Assurance	1 955	-	-	-	-	1 955	1 896
Intérêts et frais bancaires	1 049	41 505	-	-	-	42 554	33 256
Provision pour pertes sur prêts (note 2)	-	(53 571)	18 173	(105 117)	-	(140 515)	235 656
Bureau et affranchissement	15 080	-	-	-	-	15 080	8 210
Honoraires professionnels	50 394	-	-	-	-	50 394	19 309
Location de biens immobiliers	34 073	-	-	-	-	34 073	34 073
Frais d'administration du PCA (SCI)	-	-	8 750	-	-	8 750	8 750
Marketing et traduction du PCA	-	-	7 573	-	-	7 573	7 985
Formation du PCA (SCI)	-	-	4 390	-	-	4 390	12 754
Voyages et adhésions au PCA	-	-	2 342	-	-	2 342	1 572
Salaires du PCA (PCA)	-	-	45 000	-	-	45 000	37 000
Logiciels et équipements	-	-	600	-	-	600	594
Abonnements et cotisations	1 620	-	-	-	-	1 620	1 618
Décassements du TAG/TSEP	-	-	-	-	450 000	450 000	897 224
Téléphones et Internet	9 297	-	-	-	-	9 297	8 544
Déplacements	19 608	-	-	-	-	19 608	6 629
Salaires et avantages sociaux (note 12)	306 310	-	-	-	-	306 310	272 182
	<b>524 377</b>	<b>(12 066)</b>	<b>86 828</b>	<b>(105 117)</b>	<b>450 000</b>	<b>944 022</b>	<b>2 114 060</b>
<b>Excédent (insuffisance) des recettes sur les dépenses</b>	<b>(114 991) \$</b>	<b>403 796 \$</b>	<b>16 846 \$</b>	<b>105 117 \$</b>	<b>-\$</b>	<b>410 768 \$</b>	<b>(6 204) \$</b>

Les notes annexes font partie intégrante de ces états financiers non consolidés.

# État des flux de trésorerie non consolidé

## East Prince Development Inc. État des flux de trésorerie non consolidé

Pour l'exercice clos le 31 mars	2023	2022
<b>Flux de trésorerie des activités d'exploitation</b>		
Excédent des recettes sur les dépenses	410 768 \$	(6 204) \$
Éléments sans incidence sur la trésorerie :		
Provision pour pertes sur prêts et remise de prêts (loan forgiveness)	(140 515)	447 857
	<b>270 253</b>	<b>441 653</b>
Variation du fonds de roulement :		
Débiteurs	3 891	113 200
Créditeurs et charges à payer	(8 824)	11 485
Produits reportés	4 108	87 292
	<b>269 428</b>	<b>653 630</b>
<b>Flux de trésorerie utilisés pour les activités de financement</b>		
Produit de la dette à long terme du FICAEL	700 000	1 200 000
Remboursement de la dette à long terme du FICAEL	(378 495)	(277 881)
Produit de la dette à long terme du FARR	-	780 000
Remboursement de la dette à long terme du FARR	(91 000)	(281 500)
Remboursement de la dette à long terme de la FRU	(106 676)	(25 972)
	<b>123 829</b>	<b>1 394 647</b>
<b>Flux de trésorerie utilisés pour les activités d'investissement</b>		
Prêts consentis	(2 473 733)	(2 860 525)
Prêts remboursés	1 590 760	1 695 502
Prêts PCA (SCI) accordés	(134 600)	(298 000)
Prêts PAC (SCI) remboursés	158 106	138 715
Apport en capital de l'IPEUP (Initiative des prêts pour les entreprises urbaines de rue principale, en anglais Urban Main Street Loan Initiative)	-	569 500
Prêts de l'IPEUP avancés	-	(788 000)
Prêts de l'IPEUP remboursés	181 163	109 222
Fonds du TSEP/TAG reçus	500 000	1 500 000
Distribution des fonds du programme TAG	(450 000)	(897 224)
Transfert des frais administratifs du programme TSEP/TAG	(50 000)	(150 000)
	<b>(678 304)</b>	<b>(980 810)</b>
<b>Augmentation (diminution) nette de la trésorerie et des équivalents de trésorerie</b>	<b>(285 047)</b>	<b>1 067 467</b>
<b>Trésorerie et équivalents de trésorerie, début de l'exercice</b>	<b>2 710 467</b>	<b>1 643 000</b>
<b>Trésorerie et équivalents de trésorerie, fin de l'exercice</b>	<b>2 425 420 \$</b>	<b>2 710 467 \$</b>
<b>La trésorerie et les équivalents de trésorerie se composent des éléments suivants :</b>		
La trésorerie et les placements à court terme	13 699	14 518
Les liquidités soumises à des restrictions internes	501 654	-
Les dépôts à terme		
	<b>2 425 420 \$</b>	<b>2 710 467 \$</b>

Les notes annexes font partie intégrante de ces états financiers non consolidés.

# Notes aux états financiers non consolidés

## East Prince Development Inc. Notes aux états financiers non consolidés

31 mars 2023

### 1. Principales méthodes comptables

#### Nature et objectif de l'organisation

East Prince Development Inc. (l'« Organisation ») a pour mission de « créer des emplois durables en encourageant le développement d'entreprises dans nos collectivités par l'apport de capitaux et d'une assistance en matière de mentorat ».

L'organisation est une société axée sur la collectivité et contrôlée par elle, qui se donne pour mandat d'accorder des prêts et d'autres investissements aux petites entreprises de l'Île-du-Prince-Édouard qui ont de la difficulté à obtenir du financement auprès de sources conventionnelles. L'organisation est constituée dans la province de l'Île-du-Prince-Édouard en vertu de la partie II de la *Companies Act* en tant qu'organisation à but non lucratif sans capital-actions et, à ce titre, elle est exonérée de l'impôt sur le revenu en vertu de l'alinéa 149(1)l) de la *Loi de l'impôt sur le revenu*.

L'organisation gère également d'autres programmes communautaires qui se présentent de temps à autre et qui nécessitent une agence de gestion.

#### Base comptable

Les états financiers sont établis selon les normes comptables canadiennes pour les organismes sans but lucratif (NCOSBL).

L'Organisation applique la méthode des fonds affectés pour comptabiliser les contributions. Les restrictions imposées par des tiers sont expressément décrites dans la note 5.

Le Fonds d'exploitation représente les activités administratives et de mise en œuvre des programmes de l'Organisation. Ce fonds présente les ressources non affectées et les contributions de fonctionnement. Les dépenses du Fonds de fonctionnement sont limitées à celles convenues dans l'accord de contribution entre l'Agence de promotion économique du Canada atlantique (« APECA »), ou d'autres partenaires financiers, et l'Organisation.

Le fonds d'investissement rapporte toutes les ressources affectées du fonds d'investissement et les revenus d'investissement provenant des activités d'investissement du fonds.

Le Fonds du programme de capital d'appoint (PCA, en anglais SCI) fait état de toutes les ressources affectées du Fonds du PCA et des revenus et dépenses d'investissement résultant des activités d'investissement du fonds.

Le fonds de l'Initiative des prêts pour les entreprises urbaines de rue principale (IPEUP) présente toutes les ressources affectées du fonds de l'IPEUP ainsi que les revenus et les dépenses d'investissement résultant des activités d'investissement du fonds.

Le Tourism Activation Grant Fund (TAG, fonds d'aide à l'activation touristique) et le Tourism Seasonal Extension Program (TSEP, fonds d'aide à l'extension saisonnière de l'activité touristique) rendent compte de toutes les ressources affectées du fonds TAG/TSEP ainsi que des revenus et des dépenses d'investissement issus des activités d'investissement de ce fonds.

# Notes aux états financiers non consolidés

## East Prince Development Inc. Notes aux états financiers non consolidés

31 mars 2023

### 1. Principales méthodes comptables (suite)

<b>Dérogation de la NCOSBL</b>	<p>Les états financiers ne sont pas établis selon la section 3856 - « Instruments financiers » de la NCECF figurant dans le Manuel de CPA Canada - Comptabilité. De ce fait, ils s'écartent de la NCECF. Les effets de la non-adoption de cette section n'ont pas été mesurés, enregistrés ou divulgués dans les présents états financiers.</p> <p>L'APECA a confirmé à toutes les CBDC de l'Atlantique, dans le cadre de l'accord sur le développement des collectivités de 2023, qu'elle acceptera les états financiers qualifiés des CBDC lorsqu'ils ne sont pas préparés en conformité totale avec l'article susmentionné du manuel de la CPA.</p>
<b>Avantages sociaux futurs du personnel</b>	<p>L'Organisation a mis en place des régimes de retraite à cotisations déterminées à l'intention de ses employés. Les cotisations sont d'un montant défini, basé sur un pourcentage déterminé du salaire.</p>
<b>Actifs immobilisés</b>	<p>Les capitaux immobilisés ne sont pas enregistrés dans le bilan. Les dépenses relatives aux capitaux immobilisés au cours de l'année sont comptabilisées en tant que dépenses et présentées dans l'état des résultats.</p>
<b>Recours aux estimations</b>	<p>L'établissement des états financiers conformément aux normes comptables canadiennes pour les organismes sans but lucratif exige que la direction procède à des estimations et formule des hypothèses qui influent sur les montants déclarés de l'actif et du passif à la date des états financiers, ainsi que sur les montants déclarés des recettes et des dépenses au cours des périodes de référence. Ces estimations comprennent la détermination des provisions pour pertes sur prêts. Les résultats réels peuvent différer des meilleures estimations de la direction si des informations supplémentaires sont disponibles à l'avenir.</p>
<b>Investissements</b>	<p>Les investissements sont comptabilisés à la valeur la plus basse entre le coût et la valeur de marché.</p>
<b>Avances interfonds</b>	<p>Les avances interfonds ne portent pas d'intérêt et ne sont pas assorties de conditions de remboursement.</p>
<b>Instruments financiers</b>	<p>Les instruments financiers sont enregistrés au coût lors de leur comptabilisation initiale. Au cours des périodes suivantes, ils sont comptabilisés en fonction de leur coût ou de leur coût amorti, déduction faite des dépréciations, le cas échéant. Les coûts de transaction sont imputés à l'instrument financier pour ceux qui sont évalués au coût amorti. Les actifs financiers sont soumis à un test de dépréciation lorsqu'il existe des indicateurs de dépréciation. Lorsqu'un changement significatif dans le calendrier ou le montant attendu des flux de trésorerie futurs de l'actif financier est constaté, la valeur comptable de l'actif financier est réduite et le montant de la réduction de valeur est comptabilisé dans le résultat net.</p>



# Notes aux états financiers non consolidés

## East Prince Development Inc. Notes aux états financiers non consolidés

31 mars 2023

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### 1. Principales méthodes comptables (suite)

#### Parties liées

La situation financière et les résultats d'exploitation de la partie liée, E.K. Holdings Ltd., n'ont pas été consolidés dans les états financiers de l'Organisation. Se référer à la note 7 pour les informations financières d'E.K. Holdings Ltd.

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# Notes aux états financiers non consolidés

## East Prince Development Inc. Notes aux états financiers non consolidés

31 mars 2023

### 2. Investissements

	Investissement / FARR/FRU	Fonds du prog. de capital d'appoint (PCA)	Fonds de l'IPEUP	2023	2022
Prêts aux clients	8 854 627	\$ 575 973	\$ 2 251 115	\$ 11 681 715	\$ 11 264 712
Moins : provision pour créances douteuses	(578 776)	(57 597)	(225 112)	(861 485)	(1 250 210)
Moins : provision pour les prêts-subventions	(614 025)	-	(623 025)	(1 237 050)	(1 252 062)
	<b>7,661,826</b>	<b>\$ 518,376</b>	<b>\$ 1,402,978</b>	<b>\$ 9,583,180</b>	<b>\$ 8,762,440</b>

L'activité des prêts aux clients comprend les éléments suivants :

Solde, début de l'exercice	8 167 651	\$ 622 283	\$ 2 474 778	\$ 11 264 712	\$ 9 333 364
Prêts accordés au cours de l'exercice	2 473 733	134 600	-	2 608 333	3 946 525
Prêts remboursés au cours de l'exercice	(1 590 760)	(158 106)	(181 163)	(1 930 029)	(1 943 439)
Recouvrement des prêts	(35 000)	-	(42 500)	(77 500)	(15 000)
Prêts radiés au cours de l'exercice	(160 997)	(22 804)	-	(183 801)	(56 738)
Solde, fin de l'exercice	<b>8 854 627</b>	<b>\$ 575 973</b>	<b>\$ 2 251 115</b>	<b>\$ 11 681 715</b>	<b>\$ 11 264 712</b>

L'activité de la provision pour créances douteuses comprend les éléments suivants :

Solde, début de l'exercice	816 765	\$ 62 228	\$ 371 217	\$ 1 250 210	\$ 1 023 886
Prêts radiés au cours de l'exercice	(160 997)	(22 804)	-	(183 801)	(56 738)
Provision pour pertes sur prêts (recouvrement), exercice en cours	(53 571)	18 173	(105 117)	(140 515)	235 656
Variation de la provision pour la partie remise (forgivable portion)	(23 421)	-	(40 988)	(64 409)	47 406
Solde, fin de l'exercice	<b>578 776</b>	<b>\$ 57 597</b>	<b>\$ 225 112</b>	<b>\$ 861 485</b>	<b>\$ 1 250 210</b>

La provision pour créances douteuses dans les fonds d'investissement, à l'exclusion des prêts FRU et FARR, est calculée au taux de 5 % (2022 - 10 %) de l'encours total des prêts. La provision pour créances douteuses dans les fonds de l'IPEUP et du programme de capital d'appoint (PCA), ainsi que les prêts du FARR et du FRU, est calculée au taux de 10 % de l'encours total des prêts. La provision pour la partie remise des prêts (forgivable portion) est calculée comme le montant total possible à renoncer, ajusté pour les prêts considérés comme douteux. La modification des taux de provision pour les prêts douteux mentionnés ci-dessus a entraîné un recouvrement net de prêts au cours de l'exercice.

### Autres informations :

Au 31 mars 2023 :

A) Nombre total de prêts à l'investissement (à l'exclusion des prêts du FARR, de l'IPEUP et du FRU) approuvés au cours de l'exercice. 31

B) Nombre total de prêts à l'investissement actifs (à l'exclusion des prêts FARR, IPEUP et FRU) sous gestion. 121

# Notes aux états financiers non consolidés

## East Prince Development Inc. Notes aux états financiers non consolidés

31 mars 2023

### 3. Fonds d'investissement du Canada atlantique dans les entreprises locales (FICAEL)

Le Fonds d'investissement du Canada atlantique dans les entreprises locales (FICAEL), une filiale de l'Association atlantique des Corporations au développement communautaire, a été créé pour mettre en commun les fonds d'investissement du gouvernement fédéral et des CBDC riches en liquidités et, par la suite, prêter cet argent aux Corporations au développement communautaire dans le Canada atlantique.

Pour devenir membre du FICAEL et recevoir des fonds de prêt, chaque CBDC souscriptrice doit verser 37 500 \$ au FICAEL. L'Organisation a souscrit à la date de fin d'exercice et se verra rembourser le dépôt, à la discrétion du FICAEL, sans intérêt.

En 2017-2018, l'Organisation s'est vu approuver un montant de 1 889 497 \$ par l'intermédiaire du FICAEL, sous la forme d'un prêt à vue. Le prêt à vue porte un intérêt de 1,75 % par an et est garanti par un billet à ordre signé par le Conseil d'administration. Le prêt est remboursable en paiements mensuels mixtes de capital et d'intérêts d'un montant de 35 000 \$.

	<u>2023</u>	<u>2022</u>
Prêt à vue du FICAEL - 2017-2018	2 707 440 \$	2 385 935 \$
Moins : partie remboursable dans l'année	(379 456)	(381 295)
	<u>2 327 984 \$</u>	<u>2 004 640 \$</u>

Les remboursements en capital de la dette à long terme au cours des cinq prochaines années et au-delà sont les suivants :

2023	379 456 \$
2024	385 572
2025	391 786
2026	398 101
2027	404 517
Par la suite	<u>748 008</u>
	<u>2 707 440 \$</u>

# Notes aux états financiers non consolidés

## East Prince Development Inc. Notes aux états financiers non consolidés

**31 mars 2023**

### 4. Actifs immobilisés

En raison de la nature de l'Organisation, les actifs immobilisés sont comptabilisés à une valeur nominale de 1 \$ dans le bilan, les coûts restants étant passés en charges dans l'état des résultats et de l'évolution des soldes des fonds et des réserves. Les paiements de location des actifs immobilisés sont inclus dans les dépenses de location d'équipement dans l'état des résultats et de l'évolution des soldes de fonds et de la réserve. Au cours de l'année, les dépenses en actifs immobilisés ont été les suivantes :

	<u>2023</u>	<u>2022</u>
Matériel informatique	3 577 \$	3 107 \$
Logiciels et équipements PCA (SCI)	<u>600</u>	<u>594</u>
	<u>4 177 \$</u>	<u>3 701 \$</u>

### 5. Produit reporté

#### *Fonds du TAG*

Au cours de l'année précédente, l'Organisation avait reçu 500 000 \$ supplémentaires de Tourisme Î.-P.-É. au titre de la subvention pour l'activation du tourisme. De cette subvention, 447 224 \$ ont été distribués aux entreprises et 50 000 \$ ont été utilisés pour les frais d'administration (10 %). Les 2 776 \$ restants n'ont pas été distribués aux entreprises au 31 mars 2023 et sont donc comptabilisés à titre de produit reporté.

#### *Fonds du T-SEP*

Au cours de l'année 2023, l'Organisation avait reçu 550 000 \$ de Tourisme Î.-P.-É. pour le programme d'extension saisonnière du tourisme (T-SEP). De cette subvention, 50 000 \$ ont servi à payer les frais d'administration (10 %), et aucun montant n'a encore été distribué aux entreprises. Par conséquent, les 500 000 \$ restants du fonds qui n'ont pas été utilisés sont comptabilisés en tant que produit reporté.

Au total, le produit reporté pour les subventions au tourisme de 2022 à 2023 s'élève à 502 776 \$.

#### *Fonds de fonctionnement*

Comme deux mois du projet de quatorze mois pour le contrat T-SEP avaient été engagés, 8 600 \$ des 50 000 \$ de frais d'administration avaient été comptabilisés en recettes, laissant les 41 400 \$ restants en report.

# Notes aux états financiers non consolidés

## East Prince Development Inc. Notes aux états financiers non consolidés

31 mars 2023

### 6. Fonds soumis à des restrictions externes

#### *Programme de développement des collectivités*

Conformément à un contrat signé avec l'APECA dans le cadre du Programme de développement des collectivités, les fonds avancés à l'Organisation au titre de ses coûts admissibles et des coûts de capitalisation du Fonds d'investissement de l'Organisation sont déposés et conservés dans deux comptes distincts.

Les sommes créditées au Fonds d'investissement ne peuvent servir à d'autres fins que les activités du Fonds d'investissement sans l'accord écrit préalable de l'APECA. Cela inclut les fonds prêtés au FICAEL ou reçus de celui-ci.

Néanmoins, les montants crédités sur le compte du Fonds d'investissement peuvent faire l'objet d'un transfert sur le compte des coûts admissibles (« Fonds de fonctionnement ») de l'Organisation lorsque les conditions suivantes sont remplies :

1. le budget annuel de l'Organisation présenté avec le plan d'affaires prévoit un déficit (le « déficit ») et est accepté par l'APECA;
2. on a effectivement enregistré le déficit tel qu'il avait été prévu;
3. l'Organisation confirme par écrit à l'APECA le transfert de l'argent du compte du Fonds d'investissement au compte des coûts admissibles dans les 90 jours suivant la fin de chaque exercice financier.

#### *Programme de capital d'appoint*

Conformément à un contrat signé avec l'APECA dans le cadre du Programme de capital d'appoint (PCA), les fonds avancés à l'Organisation au titre de ses coûts admissibles et des coûts de capitalisation du Fonds du PCA de l'Organisation sont déposés et conservés sur deux comptes distincts.

Le financement crédités au Fonds du PCA ne doivent pas servir à d'autres fins que les activités du Fonds du PCA sans l'approbation écrite préalable de l'APECA. Ce programme est offert exclusivement dans la région du Grand Charlottetown.

#### *Initiative des prêts pour les entreprises urbaines de rue principale*

Conformément à un contrat signé avec l'APECA dans le cadre de l'Initiative des prêts pour les entreprises urbaines de rue principale, les sommes avancées à l'Organisation au titre du Fonds de l'IPEUP ne doivent être employées que pour effectuer des paiements distribués sous forme de prêts sans intérêt et à remboursement conditionnel à des emprunteurs ayant besoin de fonds de roulement pour faire face aux conséquences économiques de la pandémie de la COVID-19. Tous les paiements en capital sur les prêts de l'IPEUP que perçoit l'Organisation doivent être redistribués dans le fonds de l'IPEUP. Tous les intérêts perçus sur les prêts resteront la propriété de l'Organisation.

#### *Tourism Activation Grant & Tourism Seasonal Extension Program*

Conformément aux contrats signés avec Tourisme Î.-P.-É. dans le cadre des ententes TAG et PEA, les fonds avancés à l'Organisation en ce qui concerne les fonds TAG et PEA doivent uniquement permettre d'effectuer des paiements distribués non remboursables aux entreprises qui ont besoin de financement pour des dépenses de projets admissibles dans les conditions sous-jacentes.

# Notes aux états financiers non consolidés

## East Prince Development Inc. Notes aux états financiers non consolidés

31 mars 2023

7. Autres dettes à long terme	2023	2022
Prêt du FARR à rembourser, 0 %, aucun paiement de capital n'est dû jusqu'au 15 février 2024	2 500 000 \$	2 626 000 \$
Prêt du FRU à rembourser, 0 %, aucun paiement de capital n'est dû jusqu'au 15 février 2024	217 352	324 028
	<b>2 717 352</b>	<b>2 950 028</b>
Moins :		
Provision pour créances douteuses	(271 735)	(295 156)
Provision pour prêts-subsidies	(614 025)	(627 525)
Partie à court terme de la dette	(1 635 975)	-
	<b>195 617 \$</b>	<b>2 027 347 \$</b>

### Fonds d'aide et de relance régionale (FARR)

Le FARR vise à atténuer les effets négatifs de la pandémie de la COVID-19 sur les besoins en fonds de roulement des petites et moyennes entreprises (PME) du Canada atlantique en permettant aux CBDC d'accorder des prêts de fonds de roulement en cas d'urgence. L'AACBDC et l'Organisation ont convenu que l'Organisation administrerait le programme de prêts à partir des fonds du FARR. Les fonds du FARR que l'Organisation a déboursés sont assortis d'une durée initiale et d'une durée prolongée. La durée initiale du prêt est sans intérêt, ne nécessite pas de remboursement du capital et se termine le 31 décembre 2023. La durée prolongée est de deux ans, avec des paiements mensuels et un taux d'intérêt de 5 %. Une partie du prêt principal peut faire l'objet d'une renonciation si elle est remboursée avant la fin de la période initiale.

Le 15<sup>e</sup> jour de chaque mois, à compter du 15 février 2024, l'Organisation remettra à l'AACBDC 100 % du capital payé par les emprunteurs jusqu'au 31<sup>e</sup> jour du mois précédent, y compris celui-ci.

### Programme de prêts pour fonds de roulement d'urgence (FRU)

Finances Î.-P.-É. avait mis en place le programme de prêts FRU pour assurer un financement d'urgence des fonds de roulement afin d'aider les petites entreprises rurales de l'Île-du-Prince-Édouard à surmonter les difficultés financières résultant de la pandémie de la COVID-19. Le ministère et l'Organisation ont convenu que l'Organisation administrerait le programme de prêt en se servant du financement de Finances Î.-P.-É.

L'argent du FRU que l'Organisation a déboursé a une durée de 6 ans, avec un taux d'intérêt de 4 %, remboursable mensuellement à partir d'un an après le déboursement initial. Toutes les sommes, au titre du principal et des intérêts, perçues par l'Organisation auprès des emprunteurs dans le cadre du programme de prêts du FRU doivent être versées à l'Î.-P.-É. dans les 30 jours suivant leur réception.

La garantie suivante a été fournie pour les fonds versés : un billet à ordre pour les montants versés à l'Organisation (jusqu'à 1 500 000 \$) de l'Organisation à Finance Î.-P.-É., et la cession des dettes des petites entreprises emprunteuses dans le cadre du programme de prêts du FRU égale au montant du prêt.

# Notes aux états financiers non consolidés

## East Prince Development Inc. Notes aux états financiers non consolidés

31 mars 2023

### 8. Transactions entre parties liées

E.K. Holdings Ltd. est un organisme sans but lucratif constitué en vertu de la partie II de la *Companies Act* de l'Île-du-Prince-Édouard et exonéré d'impôt en vertu de l'alinéa 149(1)l) de la *Loi de l'impôt sur le revenu*. Sa principale activité commerciale est la location de propriétés commerciales dans la région d'East Prince (Île-du-Prince-Édouard) et fournit des bureaux pour l'administration et la mise en œuvre de programmes pour East Prince Development Inc.

E.K. Holdings Ltd. se trouve sous le contrôle d'East Prince Development Inc., puisque l'Organisation a le pouvoir de nommer le conseil d'administration d'E.K. Holdings Ltd., qui doit être le même que le conseil d'administration de l'Organisation.

Ces transactions s'inscrivent dans le cours normal des activités et sont évaluées à la valeur d'échange, c'est-à-dire au montant de la contrepartie établie et acceptée par les parties liées.

Au cours de l'année, l'Organisation a effectué les transactions suivantes avec E.K. Holdings Ltd :

	2023	2022
Loyer	34 073 \$	34 073 \$

Les résumés financiers de la société non consolidée aux 31 mars 2023 et 2022 sont les suivants :

	(Non audité) 2023	(Non audité) 2022
<b>Situation financière</b>		
Total de l'actif	152 153 \$	165 918 \$
Total du passif	201 465	212 394
Déficit total	(49 312)	(46 476)
	152 153 \$	165 918 \$
	(Non audité) 2023	(Non audité) 2022
<b>Résultats d'exploitation</b>		
Total des recettes	54 090 \$	46 860 \$
Total des dépenses	(56 927)	(49 953)
Revenu net (perte)	(2 837) \$	(3,093) \$
	(Non audité) 2023	(Non audité) 2022
<b>Flux de trésorerie</b>		
Liquidités provenant des activités d'exploitation	3 451 \$	1 675 \$
Liquidités affectées aux activités de financement et d'investissement	(12 656)	(12 030)
	(9 205) \$	(10 355) \$

# Notes aux états financiers non consolidés

## East Prince Development Inc. Notes aux états financiers non consolidés

31 mars 2023

### 9. Dépendance économique

L'Organisation reçoit une contribution annuelle de l'APECA pour couvrir une partie des dépenses de fonctionnement du Fonds de fonctionnement. La poursuite des activités de l'Organisation dépend actuellement de la réception de la contribution annuelle de fonctionnement.

### 10. Réserve pour indemnités de départ

L'Organisation dispose d'une politique discrétionnaire en matière d'indemnités de départ. La politique adoptée suit les lignes directrices émises par l'Association atlantique des corporation au bénéfice du développement communautaire dans son manuel des politiques et procédures des CBDC publié le 1<sup>er</sup> janvier 1999. L'Organisation a constitué une réserve pour les indemnités de départ minimales qui, sous réserve de l'approbation du conseil d'administration, peuvent être versées aux employés actuels dans diverses circonstances.

L'Organisation a signé des contrats de travail avec un employé en vertu desquels les indemnités minimales de départ calculées comme indiqué au paragraphe précédent ont été remplacées par une indemnité spécifique de départ calculée en fonction du niveau de rémunération actuel de l'employé. Au cours de l'année précédente, l'employé a pris sa retraite et le contrat a pris fin.

Le financement de l'indemnité de départ future des employés est présenté comme un transfert du solde du Fonds de fonctionnement dans l'état de fonctionnement et de l'évolution des soldes de fonds et de la réserve.

	<u>2023</u>	<u>2022</u>
Réserve pour indemnités de départ futures des employés, début de l'exercice	14 518 \$	11 152 \$
Transfert de l'excédent (du déficit)	(819)	3,366
	<u>13 699 \$</u>	<u>14 518 \$</u>



# Notes aux états financiers non consolidés

## East Prince Development Inc. Notes aux états financiers non consolidés

31 mars 2023

### 11. Autres recettes

	2023	2022
Recouvrement des créances douteuses	10 666 \$	4 626 \$
Incidence sur le recouvrement des créances douteuses	10 044	-
Frais administratifs du programme de SCE	2 000	3 658
Recettes provenant des frais administratifs - FARR	-	27 000
Recettes provenant des frais administratifs - IPEUP	-	66 800
Assurance-vie des créanciers	720	403
Forum et ateliers sur l'esprit d'entreprise	5 546	4, 115
Projet de recrutement de talents	-	17 000
Projet de dynamisation des RH	49 924	50 595
Frais d'administration du Programme de capital d'appoint	8 750	8 750
Frais d'administration du Tourism Grant Program (programme de subventions au tourisme)	49 600	109 000
	<b>137 250 \$</b>	<b>291 947 \$</b>

### 12. Avantages sociaux futurs des employés

L'Organisation verse des cotisations équivalentes à celles des employés aux régimes de retraite à cotisations définies. La charge de retraite totale pour l'exercice s'est élevée à 11 399 \$ (9 860 \$ en 2022) et est incluse dans les salaires et avantages sociaux.