Atlantic Association of CBDCs

Annual Report

2013-2014



What people are saying about us!

"CBDC has been there to help and guide Resource Innovations and that has been a huge credit to our success" - Adam Anderson - Resource Innovations

"I have never seen the kind of personal approach with any other banker that I have seen with NOBL. The staff at NOBL has visited our business and given us the chance to articulate our passion for the business. NOBL's financing is not conventional; they invest in people.." - Gordie Hunt - Hunt Outdoors

> "CBDCs are easy to work with and are flexible. They have a big heart when it comes to small business" - Larry Stewart - Stewart Enterprises Ltd.



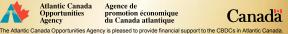
The Atlantic Association of CBDCs 2013-2014 Annual Report was prepared by the Atlantic Communications Committee

Graphic Design: Dan O'Brien, Design North

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Atlantic Canada Opportunities Agency Agence de promotion économique du Canada atlantique







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Message from the **PRESIDENT**



CBDCs continue to provide a vital service to

Atlantic Canadian entrepreneurs who help support the economy of rural communities throughout the Atlantic region. Last year, CBDCs assisted 1,322 SMEs for a total value of assistance in excess of \$60.9 million. Since the inception of the Community Futures Program (CFP), CBDCs have assisted 27,563 business people in realizing their dreams of becoming entrepreneurs, and CBDCs have injected in excess of \$947.2 million directly into the rural Atlantic Canadian economy.

This past year, your Atlantic Executive has worked on key initiatives that continue to support and raise the profile of member CBDC offices throughout Atlantic Canada. Projects include the new five year strategic plan, a group benefits review, management of a central investment fund and overseeing key enhancements to the CFoT model all to better suit the needs of CBDCs. Looking forward, the Atlantic Executive Committee is committed to working on these and other key initiatives that will continue to benefit member CBDCs and the CBDC network as a whole. In closing, I would like to thank management and staff of the Atlantic Association for their hard work in carrying out the Association's business over the past year. I would also like to thank my fellow Atlantic Executive members and the Atlantic Canada Opportunities Agency (ACOA) for their ongoing support and assistance throughout the past year.

On behalf of the Executive Committee, I hope you enjoy our annual report. This report represents the work of our Association in its supporting role to the 41 CBDCs throughout Atlantic Canada.

Warmest regards,

Patrice Finnigan President, Atlantic Association of CBDCs

"CBDCs continue to provide a vital service to Atlantic Canadian entrepreneurs who help support the economy of rural communities throughout the Atlantic region."



Message from the CHIEF OPERATING OFFICER



2013-2014 has been another successful year for the CBDCs of Atlantic Canada. Collectivity, Atlantic CBDCs have assisted 1,322 entrepreneurs and invested in excess of \$60.9 million in to the rural Atlantic Canadian economy.

Throughout the past fiscal year, the Atlantic Executive Committee and the other association standing committees have been busy working on various projects to benefit members CBDCs. The Atlantic Executive continues to oversee and administer a comprehensive benefits package for member CBDCs. The package includes a full health and dental plan and a pension plan for staff of member CBDCs. In the past year, we have also completed a competitive analysis of the health and dental plans to ensure we are offering the best coverage and in line with industry averages.

During 2013-2014, the central credit facility, ACCBIF, has seen an increase in lending activity. The ACCBIF Board of Governance approved seven loans for a total value of assistance of \$3.8 million. Since the inception of the central investment fund, ACCBIF has approved 146 loans to 32 CBDCs for a total value of assistance of \$89,425,000.

The Community Futures of Tomorrow (CFoT) Oversight Committee continues to monitor the results and impacts of the new business model. This past year, the CFoT Oversight Committee has been exploring improvements to the model to protect the integrity and sustainability of the program over the long term.

Board of Governance training continues to be well attended and in high demand. During 2013-2014, there were nine separate board of governance modules offered through the Atlantic Provinces with a total of 153 participants in attendance. Topics ranged from Community Futures Lending to Board Evaluation. Also during 2013-2014, there have been five Atlantic Canadian facilitators trained to offer the Board of Governance modules through the Community Futures Leadership Institute.

The Risk Mitigation Fund (RMF) continues to be well utilized by the CBDCs with 463 additional loans registered in 2013-2014, representing \$18,300,000 in funds advanced to youth, first-time entrepreneurs, and innovators (as compared to \$16.7M in 2012-2013 and \$11.9M in 2011-2012). At the end of the last fiscal year, 1,155 loans were registered under the RMF which translates into coverage for \$44,700,000 in high risk loans. Claims have been limited to date, but are expected to rise significantly in the coming years. Six claims totalling \$39,000 were paid in 2013-2014 and 18 more for \$147,000 were approved. The RMF ended the year on a great note having secured additional funding from ACOA in the amount of \$725,212.

The Entrepreneurial Training Fund (ETF) usage continues to increase each year. 437 training sessions were supported by the ETF in the 2013-2014 fiscal year for a value of \$416,540. 37 of 41 CBDCs have used the fund in 2013-2014 as compared

>

to 35 of 41 CBDCs in the 2012-2013 fiscal year. To date, 1,146 training sessions have been supported by the ETF since inception at a value of \$1,079,813. We would like to encourage all members to continue utilising the Entrepreneurial Training Fund.

March 31, 2015 will mark the official end of the LLRF program. The LLRF program began in 2003 and booked 668 high risk loans over the course of 7 years. The program as of March 31, 2014 has paid out \$2.2 m in claims representing 132 claims. Original projections indicated that the loan portfolio of \$4.1m would have been paid out by 2010.

The MIS Committee continues to play a critical role by supporting CBDC's vision for excellence in rural community economic development. In addition to maintaining core services such as centralized email, antivirus, managed firewalls, managed file servers, service desk, and hosted TEA applications, the MIS Committee completed several additional initiatives which helped create additional value and support. In particular, 4 the Committee focused largely on CBDC reporting, TEA performance and training which resulted in the development of a new CBDC reporting platform, a series of regional classroom and online TEA training sessions being conducted and followed-up by TEA training videos.

The Atlantic Communications Committee continues to build upon our CBDC brand by introducing exciting new initiatives items, such as the strategic marketing initiative, a comprehensive SEO strategy for our website and the enhancement of our social media efforts, which will help us build upon our CBDC brand and image throughout the Atlantic region.

Equally important is our internal communication with members; new initiatives such as the CBDC e-Newsletter and the introduction of the new CBDC members-only website CBDCZone will continue to keep the members engaged and up to date on key projects the Atlantic Association is working toward on behalf of the member CBDCs.

In conclusion, I would like to extend a heartfelt thank you to hundreds of volunteers and staff for their professionalism and commitment to community economic development throughout rural Atlantic Canada. I would also like to acknowledge the members of the Atlantic Executive Committee and Atlantic Canada Opportunities Agency (ACOA) for their continued dedication and passion as we continue to support the CBDCs of Atlantic Canada.

Warmest Regards,

Basil Ryan

Chief Operating Officer, Atlantic Association of CBDCs

"First, have a definite, clear practical ideal; a goal, an objective. Second, have the necessary means to achieve your ends; wisdom, money, materials, and methods. Third, adjust all your means to that end."

~ Aristotle





A message from the Honourable Rob Moore, Minister of State (Atlantic Canada Opportunities Agency)

Building a competitive economy

Our Government is committed to working with businesses and communities to make our economy more innovative, productive and competitive.

This commitment starts at the grassroots level by supporting key partners such as the Community Business Development Corporations (CBDCs) and their associations in Atlantic Canada.

Since their inception, the CBDCs have built a solid reputation in community economic development. Their work has been critical to driving new economic activity in rural communities across the region.

In 2013-2014 alone, the CBDCs invested \$60.9 million in over 1,300 businesses in the region, helping to create and maintain more than 4,000 jobs in rural Atlantic Canada. During that same time, more than 6,200 entrepreneurs participated in 436 business counselling and business skills development sessions.

With this strategic support, rural-based businesses in Atlantic Canada are now better positioned to compete successfully in regional, national and global markets.

By working together, we are creating jobs, building strong local communities, and contributing to a vibrant national economy.



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NEWFOUNDLAND AND LABRADOR REPORT



Newfoundland and Labrador AT A GLANCE

Number of Loans Approved	d	330
Total Value of Assistance	\$ 16,850	0,262
Jobs Created and Maintain	ed	836
Client Provided Business Cou	unselling	1.711

Jobs Created & Maintained





Another CBDC Success Story A VIEW TO COMFORT

Mountain View Park Ltd.

Ernie Mugford is truly a grass-roots entrepreneur, making a difference to the local rural economy.

Situated in the heart of the scenic Clarke's Beach community, Mountain View RV Park is one of the oldest privately owned parks on the island. With all the comforts of modern living, their park attracts clients who like to camp at night but experience local attractions by day.

Named the Best RV Park on the Baccalieu Trail 2 years running, Mountain View offers a stress-free, relaxing camping environment with hometown Newfoundland hospitality. Their amenities include 30 amp hook-ups, public washrooms with hot showers, a laundromat, and wireless internet.

Strong with cultural traditions and extraordinary scenery, this is one of the first North American areas settled by English colonists in the early 1600s. While staying with them, you and your family will enjoy a bird's eye view of the Atlantic Ocean from their park. They're only a 3-minute walk to the town beach and playground area, and you can be in St. John's, the provincial capital, in only 45 minutes.

CBDC Trinity Conception, first helped Ernie in 1994 and followed with two additional general business loans to assist with the park expansion over the past 20 years. Ernie is still a current client of CBDC Trinity Conception today!



"Over the years, I've had many struggles from various sources, but I have overcome them all mainly with the help of strangers, my family, my campers and the CBDC who I will be indebted to for their help for the rest of my life."

> - Ernie Mugford Mountain View Park Ltd.

NOVA SCOTIA REPORT





Number of Loans Approved			
Total Value of Assistance	\$ 20,732,722		
Jobs Created and Maintair	ned 1,250		
Client Provided Business Cou	unselling 2,765		



Jobs Created & Maintained



Another CBDC Success Story THE HUNT FOR SUCCESS Hunt Outdoors

Gordie Hunt has nurtured a business idea

since as far back as he can remember, so in 2011 with his business dream in mind and two kids and his wife, Sara, in tow, Gordie relocated to Truro from Arizona. Gordie was raised in Tatmagouche, but Sara's from Arizona and the couple had been living there for a decade.

They had just \$2,000 in start-up funds, not enough to lease a commercial space and buy stock, really not enough to do much of anything. But what they lacked in finances was more than made up for in creativity. They launched their new venture from a tent, which they set up on weekends in a parking lot on a busy street in Truro. Genious!

From those humble beginnings Gordie and Sara grew the business into a storefront located at 50 Juniper Street in Truro. Today, from their impressive shop they offer every imaginable supply for hunting, fishing, camping, and hiking, plus they sell duck and goose calls, a selection of clothing and footwear and even some home and cabin décor.

In September 2014, Hunt Outdoors will move into a new, larger facility in Onslow where they can expand into other areas, including a firing range, dog training, and monthly seminars which will provide valuable knowledge to their customers.

Since they launched three years ago, the Hunts have reached out to and received funding from CBDC NOBL to grow the business, and NOBL will be there for them again as they move to Onslow and expand on their dream.

Visit Gordie and Sara online at www.huntoutdoors.ca



"I have never seen the kind of personal approach with any other banker that I have seen with NOBL. The staff at NOBL has visited our business and given us the chance to articulate our passion for the business. NOBL's financing is not conventional; they invest in people."

> - Gordie Hunt, Hunt Outdoors

PRINCE EDWARD ISLAND REPORT





Prince Edward Island AT A GLANCE

Number of Loans Approved		82
Total Value of Assistance	\$ 2,25	9,174
Jobs Created and Maintained	1	218
Client Provided Business Couns	selling	443



Jobs Created & Maintained



Another CBDC Success Story IN IT FOR THE LONG HAUL

Stewart Enterprises Ltd.

At a young age, Larry Stewart began working around the shop of his family owned business. Located in West Point, PEI, Stewart Enterprises Ltd. was established in 1974 by John Stewart, Larry's father.

The company began as a logging business and was one of the largest on PEI upon inception. They shipped to Cape Breton by rail to the pulp mill; however, when the pulp mills began to unionize and workers went on strike, John noticed that his business began to slow down and as a result he moved on to other business ventures.

In the early 1980s, Stewart Enterprises Ltd. purchased a shore property at the wharf in West Point and began sand mining. Between 1980 and 2008 they supplied sand to most of the concrete plants on PEI.

From 1985-2000, Stewart Enterprises Ltd. was also in the business of buying and selling potato trucks along with some used equipment. Today, Stewart Enterprises Ltd maintains their dealer's license and continues to attend auctions and partake in some buying and selling.

Presently, Stewart Enterprises Ltd., under the ownership of Larry Stewart, engages primarily in earth work, such as shale, gravel, sand, as well as hydro seeding for highway construction projects. They are also involved in scrap metal work whereby they purchase heavier steel, non-ferrous metals as well as cars by the ton, process or crush them, and ship the metal to Saint John, NB or Halifax, NS.

Stewart Enterprises Ltd. currently employs 5 staff and hires up to 3 temporarily for larger projects.

This is certainly a remarkable story of succession. It is apparent that Larry inherited the same innovative and entrepreneurial skills as his father, as he is always thinking of



new ideas and diverse initiatives. There is no denying that this business has evolved over time and continues to change as demand and economic conditions change.

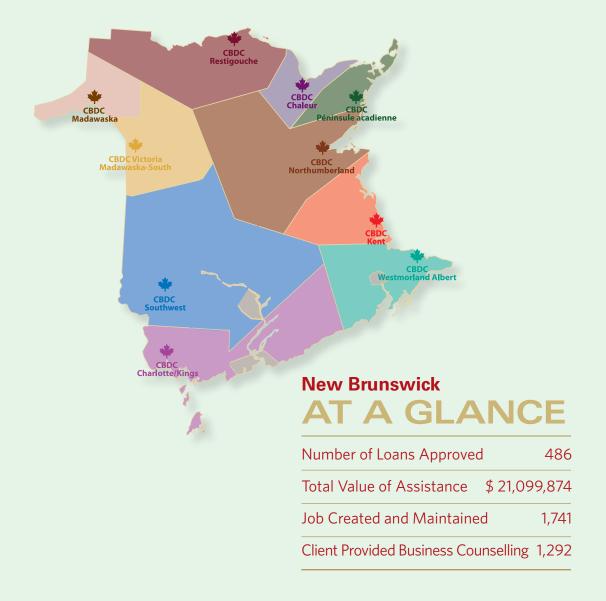
Throughout the changes in their business, CBDC has provided financing during various phases of the business.

> "CBDCs are easy to work with and are flexible. They have a big heart when it comes to small business."

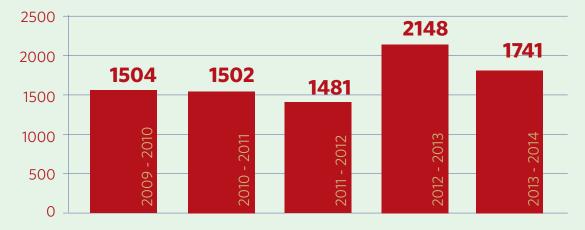
> > - Larry Stewart, Stewart Enterprises Ltd.

NEW BRUNSWICK











Another CBDC Success Story HEALTH FOOD FOR PETS

The Barking Lot

When asked about the philosophy behind her business, Heather MacLeod - owner and operator of The Barking Lot - will tell you that, to her, "a dog or cat is not just an animal, but a member of the family". Heather's passion for animals is evident by the framed pictures of her pets lining the walls of her establishment.

Described as "Fredericton's Health Food Store for Pets", The Barking Lot, located at the top of the Hanwell Road, Fredericton, provides customers with health-conscious foods, treats, toys, beds, etc., for the furry companions in their lives. Heather's focus is your pet's health and well-being, only carrying foods that have been naturally preserved and contain no chemicals or by-products. There are also alternative diets such as raw, frozen food and pre-mixes for home-prepared diets for both dogs and cats.

Born in Fredericton, Heather graduated from UNB with a Bachelor's degree in Education before embarking on an 18 year career in graphic design. When faced with a lifethreatening illness, Heather was motivated to re-focus her life and career for something she had a passion for and something that she felt Fredericton needed. Thus the Barking Lot was created. She states that entrepreneurship just fell into her lap, however Heather had significant retail and managerial experience that was needed to operate her own venture.

Working closely with the Southwest CBDC, Heather gained the financing and advice needed to realize her passion; and found attending training sessions through the NB Association of CBDCs proved to be a rewarding experience. She also received financing through Business New Brunswick's Entrepreneur Loan. Heather is also very grateful for having wonderful role models in her past career at Valley Graphics, who taught her leadership, the determination to build a business from the ground up, and the basics of entrepreneurship.



When asked, Heather says that the most rewarding aspect of being an entrepreneur is being in charge and having the freedom to make your own decisions. However, Heather finds the administration aspect of a business to be the biggest challenge, as her focus is on pets, and their health and wellbeing. Heather's advice for an aspiring young entrepreneur is to make sure they have done their homework and that they know the market they are attempting to enter. She also advises that young entrepreneurs take advantage of the programs that are available such as the training she received from NB CBDC. Given Heather's recent success, that advice is well taken!

Visit Heather and her furry friends online at www.thebarkinglot.ca

Working closely with the Southwest CBDC, Heather gained the financing and advice needed to realize her passion; and found attending training sessions through the NB Association of CBDCs proved to be a rewarding experience.

CBDC Atlantic FINANCIAL HIGHLIGHTS

ACCBIF AT A GLANCE

Throughout 2013-2014, the ACCBIF Board of Governance approved seven loans for a total value of assistance of \$3.8 million.

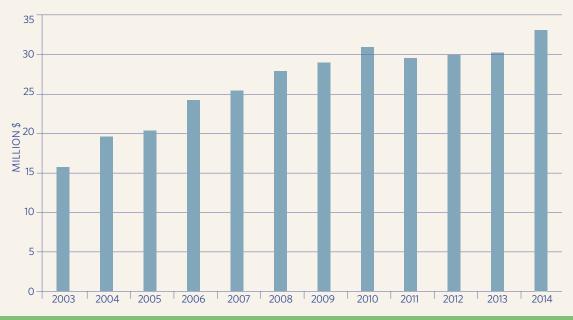
- 18 CBDCs are borrowing from ACCBIF.
- 14 CBDCs are lending to the central fund.
- Loans Receivable as at March 31st, 2014 was \$12,521,538.
- ACCBIF owes the CBDCs \$15,921,482 at March 31st, 2014.

During 2013-2014, the ACCBIF Board has conducted two reviews and the recommendations have proven to be a valuable resource in improving efficiencies and the future sustainability of the CBDCs. A document called best practices associated with ACCBIF reviews has been developed and shared with member CBDCs for their review and implementation.



ACCBIF Investment Funds Disbursed & Repaid

ACCBIF Total Assets





CBDC Atlantic FINANCIAL HIGHLIGHTS

WCBDCs AT A GLANCE

- As at March 31st, 2014, CBDCs collectively managed 6,057 loans for a total value of \$233,939,191;
- Number of CBDC clients receiving Business Counselling was 6,211;

Number of Loans Managed

• Since the inception of the Community Futures Programs, CBDCs have assisted 27,563 small-and-medium sized businesses and invested a total of \$947,282,031 in the rural Canadian economy.

- March 31st, 2014 Prince Edward Island 1521 Newfoundland & Labrador Nova Scotia 2353 New Brunswick 1846 **Total Investment Outstanding** - March 31st, 2014 \$12,325,005 Prince Edward Island \$ 69, 469,006 Newfoundland & Labrador Nova Scotia New Brunswick \$75,295,925

Results for the FINANCIAL YEAR 2013-2014

AUDITOR'S REPORT

To the President and Members of Atlantic Association of Community Business Development Corporations:

I have audited the accompanying consolidated financial statements of Atlantic Association of Community Business Development Corporations which comprise the statement of financial position as at 31 March 2014, and the statements of operations and changes in fund balances, and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles for non profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis for qualified opinion

These financial statements have been prepared to conform in all material respects to the accounting principles prescribed in the written contractual agreement between the Association and the Atlantic Canada Opportunities Agency and are intended for the use of the Association's Board of Directors and the Atlantic Canada Opportunities Agency. The basis of accounting used in these financial statements differs materially from the Canadian generally accepted accounting principles represented by accounting recommendations of the Canadian Institute of Chartered Accountants because, the Association has not identified and classified all its financial instruments, and recorded its financial instruments at fair value. Rather, all financial instruments are recorded at historical cost. The Association has not specifically disclosed information that enables users of its financial statements 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.

Qualified opinion

In my opinion these consolidated financial statements present fairly, in all material respects, the financial position of the Association as at 31 March 2014 and the results of its operations and the changes in its cash flow for the year then ended in accordance with the basis of accounting described in Note 2 to the financial statements. These financial statements which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are intended for the information of the Board of Directors of the Association and the Atlantic Canada Opportunities Agency and may not be appropriate for any other use.

CERTIFIED GENERAL ACCOUNTANT

David S. Moeller, Antigonish, Nova Scotia, 28 May 2014



Results for the FINANCIAL YEAR 2013-2014

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 21 NAADCH 201A

	Operating Fund	Investment Fund	2014 Total	Operating Fund	Investment Fund	2013 Total
Current assets						
Cash and term deposits	\$1,427,446	\$13,512,926	\$14,940,372	\$1,321,701	\$9,260,180	\$10,581,881
HST refundable	85,299	φ10,012,020	85,299	79,530	ψ0,200,100	79,530
Accounts receivable	13,676		13,676	1,179		1,179
Accounts receivable ACOA	199,150		199,150	186,507		186,507
Interfund receivable		3,233	3,233		7,273	7,273
Interest receivable	6,741	246,541	253,282		126,382	126,382
Principal due within one year on investments		6,069,606	6,069,606		6,543,997	6,543,997
	1,732,312	19,832,306	21,564,618	1,588,917	15,937,832	17,526,749
Property, plant and equipment (note 3)	4,390		4,390	6,083		6,083
Investments - Ioans (note 4)		7,722,124	7,722,124		11,510,551	11,510,551
Investments - other (note 4)		15,985,529	15,985,529		12,943,088	12,943,088
	-	23,707,653	23,707,653		24,453,639	24,453,639
	\$1,736,702	\$43,539,959	\$45,276,661	\$1,595,000	\$40,391,471	\$41,986,471
<u>Liabilities</u>						
Current liabilities						
Current liabilities Accounts payable and accrued liabilities	\$536,934	\$146,622	\$683,556	\$549,982		\$549,982
	\$536,934 1,031,080	\$146,622	\$683,556 1,031,080	\$549,982 859,804		-
Accounts payable and accrued liabilities		\$146,622				-
Accounts payable and accrued liabilities Unearned revenue	1,031,080	\$146,622 13,808,928	1,031,080	859,804	9,671,428	859,804
Accounts payable and accrued liabilities Unearned revenue Interfund payable	1,031,080		1,031,080 3,233	859,804	9,671,428 9,671,428	859,804 7,273
Accounts payable and accrued liabilities Unearned revenue Interfund payable	1,031,080 3,233	13,808,928	1,031,080 3,233 13,808,928	859,804 7,273		859,804 7,273 9,671,428
Accounts payable and accrued liabilities Unearned revenue Interfund payable Principal due within one year on long-term debt	1,031,080 3,233	13,808,928 13,955,550	1,031,080 3,233 13,808,928 15,526,797	859,804 7,273	9,671,428	859,804 7,273 9,671,428 11,088,487
Accounts payable and accrued liabilities Unearned revenue Interfund payable Principal due within one year on long-term debt Long-term liability (note 5)	1,031,080 3,233	13,808,928 13,955,550	1,031,080 3,233 13,808,928 15,526,797	859,804 7,273	9,671,428	859,804 7,273 9,671,428 11,088,487
Accounts payable and accrued liabilities Unearned revenue Interfund payable Principal due within one year on long-term debt Long-term liability (note 5) Fund balances	1,031,080 3,233	13,808,928 13,955,550 3,650,000	1,031,080 3,233 13,808,928 15,526,797 3,650,000	859,804 7,273 1,417,059	9,671,428 5,337,500	859,804 7,273 9,671,428 11,088,487 5,337,500
Accounts payable and accrued liabilities Unearned revenue Interfund payable Principal due within one year on long-term debt Long-term liability (note 5) Fund balances Externally restricted (note 6)	1,031,080 3,233 1,571,247	13,808,928 13,955,550 3,650,000 25,894,091	1,031,080 3,233 13,808,928 15,526,797 3,650,000 25,894,091	859,804 7,273 1,417,059 212,109	9,671,428 5,337,500 25,349,428	859,804 7,273 9,671,428 11,088,487 5,337,500 25,561,537

Approved by the Board

President Liter Aning Chief Operating Officer

2013-2014 Annual Report

Results for the FINANCIAL YEAR 2013-2014

CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES - YEAR ENDED 31 MARCH 2014

	Operating Fund		Ir	Investment Fund	
	2014	2013	2014	2013	
Revenue					
ACOA Contribution	\$1,914,078	\$1,860,319	\$725,212	\$1,800,000	
Membership fees and dues	12,800	13,100			
Other revenue	249,762	160,384			
Interest on loans			208,843	257,685	
Interest, other	24,136	32,678	456,797	362,753	
Unrealized gains (loss) on investments (note 2)			-71,003	-16,959	
	2,200,776	2,066,481	1,319,849	2,403,479	
<u>Expenses</u>					
Salaries and benefits	538,052	520,466			
Rent and equipment lease	31,357	31,300			
Professional fees	66,055	43,428			
Insurance	3,675	3,394			
Interest on loans			253,907	230,147	
Loan loss reserve fund payouts			275,979	17,171	
Telephone	11,592	12,713			
Translation	56,622	26,249			
Travel, meetings and training	128,421	152,965			
Office	15,510	20,166			
Annual general meetings	91,000	8,098			
Other	11,026	6,429	12,962	12,234	
Projects	1,440,889	1,450,082			
Provision for doubtful loans			42,505	115,010	
Amortization	1,693	2,420			
	2,395,892	2,277,710	585,353	374,562	
Excess (deficiency) of revenues over expenses	-195,116	-211,229	734,496	2,028,917	
Transfer to CBDCs - recapitalization				-384,904	
Contribution to operating from investment fund	182,630	156,121	-182,630	-156,121	
-	-12,486	-55,108	551,866	1,487,892	
Fund balances at beginning of year	177,941	233,049	25,382,543	23,894,651	
Fund balances at end of the year	\$165,455	\$177,941	\$25,934,409	\$25,382,543	



Results for the FINANCIAL YEAR 2013-2014

CONSOLIDATED STATEMENT OF CASH FLOW – YEAR ENDED 31 MARCH 2014

	Operating Fund		Investment Fund	
	2013	2012	2013	2012
Operating activities				
Excess (deficiency) of revenues over expenses	-\$195,116	-\$211,229	\$734,496	\$2,028,917
Provision for doubtful loans			42,505	115,010
Amortization	1,693	2,420		
Unrealized (gains) loss on investments (note 2)			71,003	16,959
Transfer from investment to operating fund	182,630	156,121	-182,630	-156,121
Transfer to CBDCs - recapitalization				-384,904
Decrease (increase) HST refundable	-5,769	-7,012		
Decrease (increase) accounts receivable	-12,497	6,730		
Decrease (increase) accounts receivable ACOA	-12,643	-103,085		
Decrease (increase) interfund receivable/payable	-4,040	-19,037	4,040	19,037
Decrease (increase) interest receivable	-6,741		-120,159	-85,998
Decrease (increase) prepaid expenses		43		
Increase (decrease) accounts payable	-13,048	304,653	146,622	
Increase (decrease) unearned revenue	171,276	-432,432		
	105,745	-302,828	695,877	1,552,900
Financing and investing activities				
Acquisitions of capital assets		-1,696		
Loans from CBDCs			2,450,000	551,100
Decrease (increase) in investments other			-3,113,444	-10,028,445
Loan repayments from CBDCs			7,320,313	7,882,235
Loan advances to CBDCs			-3,100,000	-5,200,000
		-1,696	3,556,869	-6,795,110
Net increase (decrease) in cash and equivalents	105,745	-304,524	4,252,746	-5,242,210
Cash and equivalents at beginning of year	1,321,701	1,626,225	9,260,180	14,502,390
Cash and equivalents at end of year	\$1,427,446	\$1,321,701	\$13,512,926	\$9,260,180

NOTE: The full version of the CBDC Audited Financial Statements is available on our website, www.cbdc.ca

CBDC Atlantic

CBDCs offer a variety of lo that help entrep



CBDC Youth Loan

Tailored business solutions for young entrepreneurs' ages 18-34 interested in starting, expanding or modernizing projects that require financing to get the business moving.

CBDC First Time Entrepreneur Loan

Entrepreneur loan targeted financing for those first-time entrepreneurs starting or purchasing their very first business.

CBDC General Business Loan

The CBDC General Business Loan is designed to assist entrepreneurs to obtain financing for their business, 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.



To assist in the development of the knowledge-based economy in the adoption and commercialization of technology by rural businesses.





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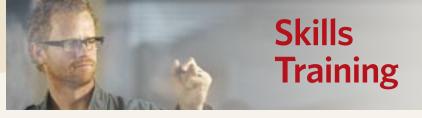


CBDC Social Enterprise Loan

Tailored financing designed to assist social enterprises in rural based communities in Atlantic Canada.



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



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

Where to find us?

To find out more information about the many programs and services offered by the CBDCs of Atlantic Canada, call or visit us online.

www.cbdc.ca • 1.888.303.CBDC (2232)

Please note: Programs and services delivered by CBDCs may vary by region.





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