

Annual Report

April 1, 2018 to March 31, 2019

*Investing in the Economic Growth of
Western PEI*



**West Prince Ventures
Limited**

June 6th, 2019

To: The Members of CBDC West Prince Ventures Limited

As Chairman of the Board of Directors, I am pleased to present the annual report for the year ending March 31st, 2019.

This year marks West Prince Ventures Limited's 37th year for delivering Community Business Economic development in Western PEI. West Prince has a strong economy derived from agriculture, fishing, and tourism. Supporting these and other industries over the years has contributed to creating and maintaining 3889 jobs with a total value of loans advanced of \$30,123,200. This activity has led West Prince Ventures Ltd to being one of the highest corporations for percentage of growth within the 41 CBDCs in Atlantic Canada. The success of this corporation is from the strong dedication of many volunteers and staff that have served over the years.

2018-19 has been a very busy year delivering business development programs to the Western Region of PEI through our loan products providing financing up to \$225,000, business management training and consulting assistance, as well as entrepreneurial workshops and special projects.

Over the past year, we held 12 regular meetings, 1 special meeting to update our by-laws, along with additional meetings of the Provincial and Atlantic Associations of CBDCs.

I would like to thank Shelley Clark and Marilyn Murphy of the Atlantic Canada Opportunities Agency (ACOA) for their continued support. ACOA has demonstrated ongoing confidence in the CBDCs through its support of activities. We are very pleased to administer many important initiatives on the agency's behalf.

I also want to thank Basil Ryan, Chief Operating Officer of the Atlantic Association of Community Business Development Corporations and the staff for their dedication in strengthening the network of the 41 CBDCs.

In closing, I look forward to another busy year in supporting our businesses and communities of Western PEI.

Sincerely,



Kevin MacLeod,
Chairman



CBDC West Prince Ventures Limited is federally funded through the Community Futures Program, and has been delivering business financing with loans up to \$225,000, as well as other business support services through training and counselling to small and medium sized businesses in Western PEI since 1981.

This past year 2018-19, has been another busy year for our staff. We have had steady activity in the loan portfolio and have brought forward a number of new initiatives. We received 43 requests for financing that were presented to the Board of Directors of which 38 were approved for total assistance approved of \$2,810,322. We continue to promote our Entrepreneurial Training Fund to assist our clients and business community to strengthen their business management skills. This year we advanced \$22,986 to support 13 businesses and hosted 11 training workshops. We have a two-year contract to deliver the Consulting Advisory Services Program, with this year supporting 19 businesses for total assistance of \$81,375.

Our annual report outlines the many programs and projects we offer that assists our business community in the development of the economy in our region. Our success comes from many individuals and the great partnerships we have with government, which include the following:

- Our clients, we want to thank you, the entrepreneurs of Western PEI for your confidence and trust in our organization.
- To our great team, I want to thank you for your hard work, dedication and professionalism. Lucille Brennan-Loan Officer, Barb MacDonald- CIO Rural Action Centre, Amy Murphy-Administrative Assistant, Nathan Lawless-Human Resource Specialist, Jessica Field- Human Resource Specialist, Brooke Smallman-Young Millionaires Coordinator, Carol Rayner-Entrepreneurship Forum, Michelle Penwarden Project Coordinator – Quality Oyster Aquaculture Program.
- Our funding partner, Atlantic Canada Opportunities Agency, your guidance and support is of utmost importance to our success. Special thanks to Shelley Clark and Marilyn Murphy and the PEI staff.
- Province of PEI -Departments, Rural Development, Innovation PEI and Skills PEI & Workforce & Advanced Learning, your support in assisting the development of our business community and the Rural Action Centre is greatly appreciated. Special thanks to Amie Swallow MacDonald, Joanne MacDonald and Shane MacDougall, Brad Arsenault and Ellen Rennie.
- Atlantic Association of CBDCs- special thanks to Basil Ryan and the team at the Atlantic office for the continued work to strengthen and grow the CBDC network.
- Provincial Association of CBDCs- currently we are the managing CBDC and I act as the Provincial Executive Director. I want to thank our provincial board for their support in advancing the partnerships within our province to build the CBDC brand, and in promoting the services to our valued clients.

We have been very fortunate to have a very dedicated Board of Directors and I sincerely thank each of you for your time, expertise and commitment to the Entrepreneurs in our region. A special thank you to our Chairman, Kevin MacLeod for taking on this leadership role. Your support and guidance is greatly valued and appreciated.

In closing, I look forward to working with all of you in the year ahead with continued partnership in delivering community business development to our business community of Western PEI.

Respectfully submitted,



Maxine Rennie,
Executive Director





OUR ORGANIZATION

BOARD OF DIRECTORS



Back -
Mitchell Doucette - *Vice Chair*
Amy Bryan - *Director*
John Colwill - *Director*
Arthur Lewis - *Director*
Kevin MacLeod - *Chairman*

Front -
Wendy Fraser - *Director*
Gail Ellis - *Secretary/Treasurer*

STAFF 2018 - 2019



Barb MacDonald - *Client Information Officer*,
Amy Murphy - *Administrative Assistant*,
Lucille Brennan - *Loan Officer*,
Michelle Penwarden - *Projects Coordinator*,
Maxine Rennie - *Executive Director*



Jessica Field,
HR Specialist
November 2017 - June 2018



Brooke Smallman,
*Young Millionaires
Coordinator*

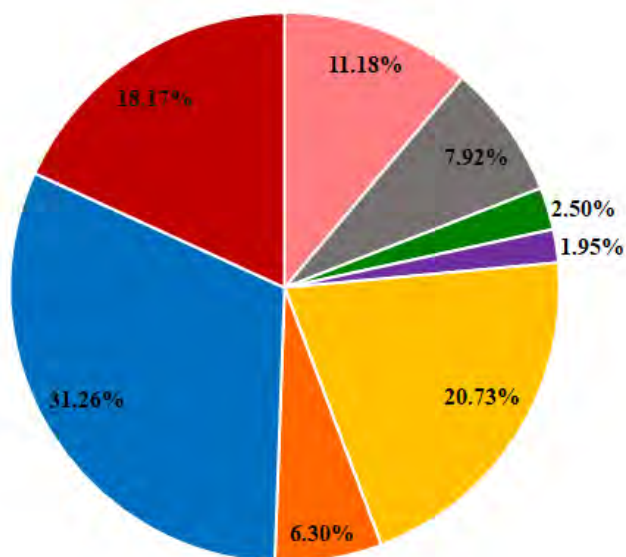


Carol Rayner,
*Entrepreneurship
Forum Coordinator*



Nathan Lawless,
HR Specialist
March 2019

West Prince Ventures Ltd. Loan Portfolio by Sector as of March 31, 2019



- Agriculture
- Manufacturing, transportation & warehousing
- Aquaculture & Fisheries
- Retail/Service
- Construction
- Social Enterprise
- Tourism
- Accommodation, Food Service & Rental

Loan Portfolio History

Since Inception (1981)	As of March 31, 2019
Total Number of Loans Disbursed:	922
Total Value of Loans Disbursed:	\$ 30,123,200.73
Total Number of Jobs Created:	1441
Total Number of Jobs Maintained:	2448
Total Number of Loans Written-Off:	150
Total Value of Loans Written-Off:	\$ 2,168,613.72



Investment / Business Activity Summary Report

CBDC West Prince Ventures Limited April 1, 2018 – March 31, 2019

Investment Fund Activity	Value
Number of completed applications received	43
Number of approved loans	38
Number of disbursed loans	32
Total dollar value of disbursements/advances	\$2,037,852.63
Value of assistance - guarantees/equity	\$0.00
Total value of assistance	\$2,037,852.63
Average size of loan	\$63,682.89
Total value of write-offs	\$8,752.41
Total value of recoveries	\$21,061.27
Value of leveraged funds - Owner's Equity	\$406,647.98
Value of leveraged funds - ACOA	\$0.00
Value of leveraged funds - Other	\$2,000.00
Total value of leveraged funds (excluding ACOA)	\$408,647.98
Total value of leveraged funds	\$408,647.98
Amount leveraged per dollar invested by CBDC	\$0.20
Investment funds received from central credit facility	\$0.00
Total Outstanding with Central Credit Facility	\$0.00
Investment funds repaid to central fund	\$0.00
Gross investment revenue	\$293,362.02
Client Training	Value
Number of clients that have received training	371
Investment Activity Impact Summary	Value
Number of businesses assisted – Start-up	9
Value of Businesses assisted - Startup	\$815,200.00
Number of Businesses Assisted – Maintenance	4
Value of Businesses assisted - Maintenance	\$283,408.68
Number of Businesses Assisted – Expansion	19
Value of Businesses assisted - Expansion	\$1,170,297.71
Number of Businesses assisted – Existing	23
Value of Businesses assisted - Existing	\$1,453,706.39
Total number of Businesses assisted	32
Total value of Businesses assisted	\$2,268,906.39
Number of jobs created	40
Number of jobs maintained	58
Average investment per job	\$20,794.41
Total number of jobs created and maintained	98



Investment / Business Activity Summary Report

CBDC West Prince Ventures Limited April 1, 2018 – March 31, 2019

Operational Activity	Value
Number of clients provided business counselling	260
Total number of business counselling sessions provided	379
Number of client site visits	140
Number of other client monitoring engagements	1,678
Number of Staff	4
Number of Board Members	7
Number of Other Volunteers	0
Number of Board Members/Volunteers	7
Situation at end of Reporting Period	Value
Total number of investments managed in the investment fund portfolio	128
Allowance for doubtful accounts	\$431,893.00
Total investments outstanding	\$4,317,786.15
Funds available	\$3,649,849.00
Net value of fund	\$7,535,742.15
Gross return on investment	0.01%
Value of loans approved but not disbursed	\$845,798.67
Net funds available	\$2,804,050.33
Since Inception	Value
# of Disbursed Loans	922
Value of Loans Disbursed	\$30,123,200.73
Average Size of Loan	\$32,671.58
Contributions to Investment Funds from ACCBIF	
Amount Received from ACCBIF	\$750,000.00
Amount Repaid to ACCBIF	\$750,000.00
Net total	\$0.00
Contributions to Investment Funds prior to ACCBIF	\$1,510,000.00
% Growth of Fund	399.06%



Client Success Stories

Cascumpec Seed Oyster is a commercial oyster breeding, hatching, and spat rearing enterprise in Western Prince Edward Island. It applies innovative technologies of oyster genetic selection, spawning and breeding, and growing of oyster spat (immature oysters) to provide commercial oyster farm enterprises with seed sourced from the waters of Cascumpec Bay, which has the desired characteristics of rapid growth, ideal shape, shell depth, and hinge placement. CBDC West Prince Ventures Limited has assisted this project with working capital to develop and grow their operation.



Maxine Rennie & Ralph Clark

T & V Enterprises Inc.

Huntley Horizon has a special place in the heart of many who live in West Prince, PEI. Owners, Tiffany Hackett and Vicki Williams are in their 8th season of operation and have worked each year towards improvements with the business. From purchasing new equipment to expanding their building, the various improvements have created efficiencies, such as a larger working space for staff and serving area for customers as well as wheelchair accessibility.

Their recent expansion made a huge impact and received great feedback from the customers. Vicki stated that “without CBDC, we wouldn’t have been able to do the expansion. They were able to assist us when traditional lenders were unable to do so. For a small business, CBDC is a great option!”



Maxine Rennie, Tiffany Hackett, Vicki Williams

Consulting Advisory Services Program (CASP)

Our Consulting Advisory Services Program can provide SMEs with financial assistance (75% of eligible costs) to access professional services and expertise such as: Business Diagnostic Assessment; Business Management Skills Development; Market Readiness and Export Potential; and Productivity Improvement and Business Efficiency.

Within the 2018/19 Fiscal year, there were 19 completed Consulting Advisory Services Program projects. The total CASP project costs were \$141,593 and CBDC's contribution to the 19 projects was \$81,375



“The CAS program allowed me to access additional, valuable professional expertise to make a well thought out and researched business decision.” – Mary Ellen Rennie, the Medicine Shoppe Pharmacy

Client Training Fund

The Entrepreneurial Training Fund provides clients up to 90%, to a maximum of \$2,000, of the cost relating to business skills training in special areas such as market development, bookkeeping, feasibility studies and business analysis. Training can be in the form of, but not limited to, one-on-one consultation, classroom style courses, seminars and conferences.

There were 24 client training projects in 2018-2019; 13 of which were one on one training and 11 projects were workshop training. The total client training fund for the 24 projects was \$22,985.75, with Innovation PEI contributing \$3,197.50 and \$19,788.25 coming from the CBDC Entrepreneurial Training Fund.

Building an Online Presence Workshop

CBDC West Prince Ventures Limited in partnership with Innovation PEI and Rural Action Centre hosted a ***Building an Online Presence Workshop*** on September 20, 2018 with facilitator, David Gamble of Breakthrough Business and saw 15 people attending.

The focus of the workshop was how to attract customers to your business by utilizing online tools and social media. The workshop was beneficial for those wishing to establish a more effective online presence, for those to get started using social media or for those who were keen to increase the effectiveness of social media marketing.

Topics of discussion included such platforms as Facebook, Instagram and Twitter - which is suitable for you and why.



Participants and David Gamble

Business Success with Facebook Workshop

CBDC West Prince Ventures Limited in partnership with Rural Action Centre hosted a ***Business Success with Facebook Workshop*** on November 15, 2018 with facilitator Maureen Kerr of Kerr Consulting and saw 22 people attending.

Maureen has provided social media training and consulting services since 2007. She manages social media for many Island businesses and organizations. The workshop provided an opportunity to learn how to grow your business through marketing, networking and advertising on Facebook.



Lucille Brennan, Maureen Kerr and Barb MacDonald



Participants



Maximizing the Profit Potential of your Business Workshop

CBDC West Prince Ventures Limited, in partnership with Innovation PEI, hosted Ron Robichaud of C & R Care & Consulting Ltd. to facilitate a workshop titled Maximizing the Profit Potential of Your Business on March 6, 2019 and saw 7 people attending.

The workshop was beneficial for those who want to better understand financial statements and learn how to ensure they achieve a reasonable profit from their business.

Topics of discussion included, how to think like an investor, how to use financial statements to make solid informed decisions, the key things you need to know in monitoring financial statements, how to calculate the net profit margin and how to establish a net profit margin goal.



Barb MacDonald and Ron Robichaud

Business Plan Basics Workshops

CBDC West Prince Ventures Limited in partnership with Rural Action Centre - Alberton was pleased to host two half-day entrepreneurship workshops titled **Business Plan Basics** facilitated by David Gamble of Breakthrough Business. The sessions in took place in the Boardroom at the Rural Action Centre in Alberton. The sessions were held May, September and November 2018 and February 2019. The workshops covered the topics of Business Planning & Marketing and Pricing for Profit. A total of 16 participants took part in all 4 dates.



Barb MacDonald, Judy Bernard and David Gamble

HR Workshop - Substance Use and the Workplace

On Thursday, March 28, 2019, CBDC West Prince Ventures Limited in partnership with the Rural Action Centre hosted a workshop titled “Substance Used and the Workplace”. This workshop was facilitated by Detry Carragher of CarvoGroup, a human resources consulting firm located in Charlottetown, P.E.I. The workshop attracted twelve (12) participants.

During the workshop, Detry provided the participants with an overview of how to manage and regulate substance use in the workplace. As marijuana is the latest issue, marijuana was the focus of Detry’s presentation. During the workshop, Detry covered:

- Signs of substance use;
- Policy development regarding substance use;
- Monitoring employees who use substances (legal and illegal);
- Employer requirements when dealing with employees who use substances; and
- Other related topics.

Throughout the workshop, participants asked many engaging questions. These questions sparked informative discussions between Detry and the participants.



Participants and Detry Carragher

The Human Resources Advisory Project is a one-year program designed to provide basic and practical Human Resources Management advisory services for businesses in Prince County. The project is offered through one-on-one sessions with an experienced Human Resources Specialist, based on the businesses identified needs.

The Human Resources Specialists who were contracted to facilitate the project, Jessica Field from November, 2017 to June, 2018 and Nathan Lawless joined the Project in March, 2019. The Human Resources Specialists demonstrate expertise in a wide range of specialized human resources including talent management, advisory services / day-to-day counsel to managers, employee relations and practices, health and safety, employment legislation compliance, training and organizational development, policy development and implementation, conflict resolution and advisory services. The HR Specialist facilitated the following workshops: Return to Work Planning in conjunction with CBDC Day events and the Rural Action Centre; Exploring your Communication Style in conjunction with the West Prince Chamber of Commerce; and Managing Performance and Understanding Progressive Discipline in conjunction with the Greater Summerside Chamber of Commerce.

Currently the project has four (4) participants, three (3) from the Eastern Prince County region, and one (1) from the Western Prince County region. The project is currently looking to recruit an additional business in the Prince County area to enroll in the program.

The participating businesses have received assistance with various human resource tasks such as:

- Developing and maintaining human resource policies and procedures to remain compliant with the current legislation;
- Developing performance management tools for both employees and supervisors/managers;
- Drafting and revising staff memos and notices;
- Developing employment contracts and offers of employment;
- Developing new employee orientation packages and programs; and
- Answering various human resource related questions.

In addition to assisting project participants, the program also answers human resource related questions posed by local businesses. Often these questions are one off events.

The Human Resources Advisory Project has been a great support for our small and medium sized businesses since 2015 and we are very pleased to offer this support.



Nathan Lawless & Maxine Rennie



CBDC West Prince Ventures Limited delivered the Quality Oyster Aquaculture Program (QOAP) for the second consecutive year. The purpose of the program was to provide an incentive for oyster aquaculture operations to expand production through the adoption of technologies used to produce cultivated oysters on private leases. The QOAP provided support for equipment to reduce labour, increase efficiency, expand production, handling and storage, and improve the quality of cultured oysters. To successful Program applicants, a financial contribution of up to 50% of eligible expenditures may be provided to a minimum of \$5,000 (for a \$10,000 project) and a maximum of \$10,000 (for a \$20,000 project). Recipients from the 2017/18 QOAP were not eligible under the 2018/19 Program. Michelle Penwarden was the Project Coordinator for the 2018/19 Quality Oyster Aquaculture Program (QOAP).

The QOAP was jointly funded with financial contributions from the Atlantic Canada Opportunities Agency (ACOA), the Atlantic Fisheries Fund (AFF), the PEI Department of Agriculture and Fisheries (DAF), and the Private Sector.

QOAP opened to accept applications on Friday, November 30, 2018. A notice of amendment to the Program was released on December 12, 2018, which was publicly advertised to reach oyster growers across PEI. The notice of amendment stated that a draw process was not going to be used, but rather, applications would be evaluated by the Program Management Committee using a merit-based screening process. Following the notice of amendment of the Program, the closing date to accept applications was extended to December 31, 2018 at 12 noon.

The program was advertised through the funders, the Aquaculture Alliance, press releases, newspaper, CBDC website, and social media. The QOAP received great interest from the aquaculture community, with 109 applications received by the deadline date. The QOAP was overall very successful, assisting 80 oyster growers to help them expand and grow their business. With the funding, growers were able to expand their operations by purchasing equipment such as oyster pods, oyster cages, and oyster bags.



Michelle Penwarden - Project Coordinator



CBDC West Prince Ventures Limited coordinated the Young Millionaires Program in the Western Region of Prince Edward Island and had a total of 42 participants. There were a total of 33 businesses that received funding through the Young Millionaires Program. Of this 33, 24 were sole proprietorships and 9 were partnerships. Brooke Smallman coordinated and administered the 2018 Young Millionaires Program.

The Program began with the Coordinator making presentations to the 7 elementary and 2 intermediate schools in the West Prince area. The children could either register online through the Young Millionaires Program PEI website or they could fill out the application form they picked up from school and hand it back in to the office before the deadline. A total of 59 applications were received.

Before the children could get their grant money to start their businesses, they were required to attend three workshops. These adventure workshops taught children the basics of how to start up and successfully run their own business. Business plans were received and reviewed by the Coordinator to ensure they were complete and accurate. Providing that no changes had to be made to the business plans, the children were presented with a cheque to start their business.

Throughout the summer, the Coordinator kept in contact with the participants and their parents through email, phone, and Facebook. Using these ways of communication, the Coordinator was able to update individuals and groups with the upcoming selling events and festivals. The Coordinator also made site visits to the children which allowed the Coordinator to see all of the creativity and imagination the kids have. The Coordinator was able to see the skills that were taught in the workshops come to life through the Young Millionaires' businesses. The Young Millionaires were successful in displaying and selling of their product at several events over the summer.

The Celebration Night this year was held at the Elmsdale Community Center on Wednesday, August 8th. This night was a great way to celebrate and congratulate each participant on completing the program and what they have accomplished over the summer.



Brooke Smallman, Coordinator



Celebration Night



15th Annual CBDC Day

CBDC Day was celebrated across Atlantic Canada - Wednesday, May 9th, 2018!

CBDC – West Prince Ventures Limited hosted a workshop as part of this year's **CBDC Day** activities. **CBDC** HR Specialist, Jessica Field, facilitated a Lunch & Learn workshop titled "Return to Work Planning". Approximately 8 people attended and enjoyed lunch and cake.

The **CBDC Day** Banner was displayed outside our Centre, posters were placed in the windows and photos were taken. At both workshops, **CBDC** Information Folders, **CBDC** Pens and **CBDC** Promotional Items were given to all participants. An advertisement was also placed in the West Prince Graphic to promote **CBDC** services and provide awareness of **CBDC Day**.

CBDC Staff travelled to various businesses in West Prince delivering trays of delicious squares and **CBDC** promotional items.

CBDC Day provides a great opportunity for our staff to visit clients, as well as become familiar with businesses in the West Prince area.

Another successful **CBDC Day** !



CBDC Staff and Rural Action Centre - Alberton Partners



Dawn Helm and Jessica Field



West Prince Chamber of Commerce Business Excellence Award

Sponsored by CBDC West Prince Ventures Limited



At the West Prince Chamber of Commerce Gala event, presenting the West Prince Chamber of Commerce Business Excellence Award to Don McDougall of Mill River Resort are West Prince Ventures Limited Chairman, Kevin MacLeod and Executive Director, Maxine Rennie

CBDC West Prince Ventures Award Bursary & Charlie Sark Memorial Bursary Award



Maxine Rennie, Executive Director presenting the Charlie Sark Memorial Bursary to Tristan Blackmore (left) and the CBDC West Prince Ventures Limited Award Bursary to Cody Roberts (right)

Small Business Week “Breakfast Business Mixer” 2018

CBDC West Prince Ventures Limited and Rural Action Centre Alberton in partnership with West Prince Chamber of Commerce celebrated ***Small Business Week*** by hosting a ***Breakfast Business Mixer*** at Mill River Resort on October 17, 2018.

Maxine Rennie, Executive Director and Kevin MacLeod, Chairman presented Joanie Chislett of Community Inclusions Limited with the 2018 CBDC Business Award of Distinction.

The Young Millionaires Excellence Award was presented to Makayla Bernard for her business, Quilling with Makayla.

Guest speakers for this year were Kees and Sabina Kennema of Blue Sky Farms. The event attracted 65 people from the West Prince area.



Maxine Rennie, Joanie Chislett and Kevin MacLeod



Maxine Rennie, Makayla Bernard and Kevin MacLeod



Entrepreneurship Forum 2018

CBDC West Prince Ventures Ltd held its Entrepreneurship Forum on April 11, 2018 at the Mill River Resort. A panel of local entrepreneurs spoke on their experiences in entrepreneurship and answered questions from participants. Michelle Penwarden was hired as the Coordinator for the 2018 Forum.

Participants: 54 Participants, Lieutenant Governor, 6 Guests/Observers, 9 Presenters, and 4 CBDC Staff.

Purpose: For the participants to consider entrepreneurship as a career; to get inspired, whether they already own a business or considering starting one; and to learn about the different resources available when starting or expanding a business.

Presenters were chosen based on diversity, entrepreneurial stories, and business backgrounds.

Patrick Ledwell is a well-known comedian and is a regular on CBC Radio's "The Debaters." In 2012 Patrick released the Canadian bestselling book "I Am an Islander," and in 2016 he released "An Islander Strikes Back." In addition to his comedy career, Patrick owns Sustain Creative, a company that collaborates with organizations to develop digital communications.

Buhle Dlamini was raised in South Africa and immigrated to Canada. He is an accomplished entrepreneur, a global motivational speaker, and an author. He received an award from Desmond Tutu and has worked with leaders like Nelson Mandela. He started his first consulting firm at age 23 and is the winner of two entrepreneur awards.

Kurk Bernard is a music Artist from Nail Pond, P.E.I. He recently released a solo recording entitled, "Love's Gonna Live Here." He has been nominated for Canadian Country Music Award for Bass Player of the Year. His career with the band South Mountain has led him to tour internationally and to perform with many country musicians like Dolly Parton.

Margaret Magner has taught presentation skills to thousands of people in Canada and the U.S for 20+ years. Her consulting practice, Magner Ink, builds on decades of management-level experience. She is also a speechwriter, a member of the Playwrights Guild of Canada, a Governor of The National Theatre School of Canada, and a professor at UPEI.

Panel Members included:

Alex Clark - *Open Eats*

Darren Cousins - *Twin Shores Camping Area*

Maureen Hanley - *Navigate Food Safety*

Ralph Clark - *Oyster Point Seed*

Sara Roach- Lewis - *SRL Solutions*



Entrepreneurship Forum 2018



*Patrick Ledwell, Buhle Dalamini,
Maxine Rennie*



*Darren Cousins, Ralph Clark, Maureen Hanley, Alex Clark,
and Sara Roach - Lewis*



Kirk Bernard



Margaret Magner & Maxine Rennie



Participants networking

Entrepreneurship Forum 2019

CBDC West Prince Ventures Ltd held its West Prince Entrepreneurship Forum on Tuesday, March 12th, 2019 at the Mill River Resort in the Hogan Convention Centre. This forum was open to all ages 16 and above. The purpose of the forum was to have people of all ages to consider entrepreneurship as a career, and to learn and get inspired by presenters and workshops. Carol Rayner was hired as Coordinator of this years' Forum.

There were 140 in attendance to the forum, which included: 109 Participants, 15 Observers, 9 Presenters, and 7 CBDC staff members.

The presenters were chosen based on diversity, entrepreneurial stories, and business backgrounds.

Patrick Ledwell was the forum emcee. Patrick is a popular speaker, entertainer and host. He has appeared at more than three hundred professional and conference events and forums. His smart, clean comedy has brought him national recognition with 14 appearances to date on CBC Radio's "The Debaters." During the summer, he performs with Mark Haines in the PEI hit "The Island Summer Review."

Orlando Bowen kicked off the forum as this year's Motivational Speaker. Orlando is a game-changer and a messenger of hope who inspires change with his words and delivers results with his actions. He is a speaker, trainer and the founder and Executive Director at "One Voice One Team Youth Leadership Organization"!

Janet Podleski was this year's Keynote Speaker. Janet's captivating, heartfelt and often hilarious "against-all-odds" personal success story, illustrates the awesome power of passion, perseverance, following your gut instinct and believing in your heart that ANYTHING is possible - even when people tell you otherwise!

Cory Gallant provided the group with a speech and entertainment during the luncheon. Cory is an accomplished Island country recording artist. Cory's soul-filled vocals helped him gain national exposure when he became the winner of the 2018 CCMA National Spotlight Performance Contest. Cory's album of all original material will be available spring 2019!

Nicola Reynolds presented the Workshop. Nicola is the Marketing Manager of "Insight Studio PEI". Nicola is enthusiastic about marketing, branding and staying up-to-date on the newest industry trends!

Panel Members included:

Jamie Niessen - Island Stoneware

Jeff Ellsworth - Exit Speed Swing & Dragons' Den "pitcher"

Kelly Wilson - Up West Fire Fries

Ruby Lubigan - Sari Sari Store



Entrepreneurship Forum 2019



Carol Rayner, Orlando Bowen, Maxine Rennie, Janet Podleski



Orlando Bowen, Maxine Rennie & Participants



Maxine Rennie, tablet winner Kees Kennema and Carol Rayner



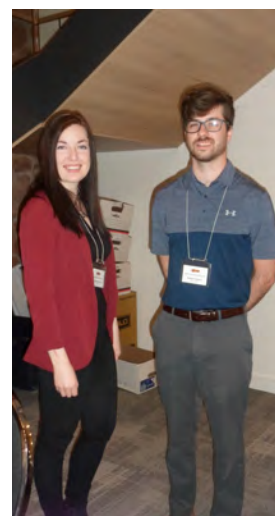
Patrick Ledwell, Cory Gallant and Kelly Wilson (Up West Fire Fries)



Lucille Brennan & Tania Bernard, CBDC Central



Barb MacDonald & Amy Murphy



Michelle Penwarden & Nathan Lawless





Our 8th year of operation has certainly been successful. The number of Individual Client Interactions have shown considerable growth. One-to-Many Events and Guest Advisory Sessions remain strong. During this year we have organized, promoted and hosted a total of 65 workshops and sessions. Rural Action Centre continues to remain very engaged with the business community and community organizations as the Boardroom serves as a space to gather. During April 1, 2018 to March 31, 2019, a total of 2064 people utilized our meeting areas.

The Client Information Officer is responsible for the daily recording of stats/data pertaining to Rural Action Centre – Alberton.

Please note the table below includes totals for all Partners within the Centre – April 1, 2018 to March 31, 2019.

<u>Month</u>	<u>CIO Interactions</u>	<u>Phone</u>	<u>Walk-In</u>	<u>Email</u>	<u>BR/MR Events</u>	<u>One to Many</u>	<u>Guest Adv.</u>
April	29	152	64	413	15 Evts/77 ppl	3 Evts / 91 ppl	1
May	23	163	82	394	19 Evts / 133 ppl	9 Evts / 169 ppl	0
June	19	159	84	430	12 Evts / 73 ppl	8 Evts / 272 ppl	2
July	19	123	86	297	12 Evts / 40 ppl	4 Evts / 72 ppl	0
August	23	92	76	281	5 Evts / 27 ppl	5 Evts / 116 ppl	0
September	18	122	49	350	9 Evts / 112 ppl	6 Evts / 57 ppl	2
October	17	162	64	498	11 Evts / 61 ppl	7 Evts / 141 ppl	0
November	18	125	72	421	13 Evts / 64 ppl	8 Evts / 82 ppl	1
December	6	119	87	237	7 Evts / 38 ppl	1 Evt / 9 ppl	0
January	27	166	61	358	14 Evts / 84 ppl	4 Evt / 33 ppl	0
February	17	287	143	203	10 Evts / 51 ppl	5 Evts / 35 ppl	0
March	23	228	85	328	10 Evts / 51 ppl	5 Evts / 176 ppl	0
TOTAL	239	1898	953	4210	137Evts/811ppl	65Evts /1253ppl	6

* Total Participants at Boardroom/One to Many Events as @ March 31, 2019 = 2064



RURAL ACTION CENTRE PARTNERS



Barb MacDonald, *Rural Action Centre*



Joanne MacDonald, *Skills PEI*



Mitchell Rennie, *Atlantic Canada Opportunities Agency*



Susan Williams,
Skills PEI



Shelley Clark, *Atlantic Canada Opportunities Agency*



Derek Pierce, *Canada Business*



Ellen Rennie, *Rural & Regional Development*



RURAL ACTION CENTRE PARTNERS



Kelly Ashley, *North Cape Coastal Tourism*



Madison MacKinnon, *North Cape Coastal Tourism*



Steve Reaman, *Innovation PEI*



Brad Arseneault, *Innovation PEI*



Tammy Rix, *West Prince Chamber of Commerce*



Madison Pitre, *West Prince Chamber of Commerce*



West Prince Ventures Limited
Non-consolidated Financial
Statements
For the Year Ended March 31, 2019

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Non-consolidated Financial Statements
For the Year Ended March 31, 2019

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Tel: 902 436 2171
Fax: 902 436 0960
www.bdo.ca

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

Independent Auditor's Report

To the board of directors of West Prince Ventures Limited

Qualified Opinion

We have audited the non-consolidated financial statements of West Prince Ventures Limited (the organization), which comprise the non-consolidated statement of financial position as at March 31, 2019, the non-consolidated statements of operations and 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 non-consolidated financial position of the organization as at March 31, 2019, and its non-consolidated financial performance and 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 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 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 2019 and 2018 years, nor income and expenses, excess of revenue over expenses and change in fund balances for the years ended March 31, 2019 and 2018.

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 Non-consolidated 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 opinion.



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.



- 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 5, 2019

West Prince Ventures Limited

Non-consolidated Statement of Financial Position

March 31	Operating Fund	Investment Fund	Projects Fund	2019 Total	2018 Total
Assets					
Current					
Cash and short term investments	\$ 33,342	\$ 3,655,155	\$ 37,224	\$ 3,725,721	\$ 3,888,086
Accounts receivable					
ACOA	23,152	-	35,000	58,152	70,238
Provincial association	75,136	-	-	75,136	20,802
Atlantic Fisheries Fund	-	-	210,524	210,524	-
Entrepreneurial training	11,454	-	-	11,454	20,164
Project sponsors	-	-	10,344	10,344	4,000
GST/HST recoverable	5,331	8	2,471	7,810	7,424
Loan interest	-	44,438	-	44,438	30,421
Prepaid expenses	1,235	-	-	1,235	1,167
	149,650	3,699,601	295,563	4,144,814	4,042,302
Investments					
Loans receivable (Note 2)	-	3,887,046	-	3,887,046	3,413,534
ACCBIF Deposit (Note 3)	-	37,500	-	37,500	37,500
Investment in wholly-owned subsidiaries	67,500	-	-	67,500	67,500
Asset held for sale	-	-	-	-	112,800
	\$ 217,150	\$ 7,624,147	\$ 295,563	\$ 8,136,860	\$ 7,673,636
Liabilities and Fund Balances and Reserves					
Current					
Supplier payables	\$ 42,728	\$ 525	\$ 140,734	\$ 183,987	\$ 19,055
Government remittances	-	-	3,216	3,216	5,672
Employee accrual	32,508	-	-	32,508	25,592
Deferred revenue	-	-	24,180	24,180	-
	75,236	525	168,130	243,891	50,319
Fund Balances and Reserves					
External restricted (Note 4)	-	7,623,622	-	7,623,622	7,403,444
Unrestricted	141,914	-	127,433	269,347	219,873
	141,914	7,623,622	127,433	7,892,969	7,623,317
	\$ 217,150	\$ 7,624,147	\$ 295,563	\$ 8,136,860	\$ 7,673,636

On behalf of the Board:

 Director
 Director

West Prince Ventures Limited

Non-consolidated Statement of Changes in Fund Balances

	2019			2018	
For the year ended March 31	Operating Fund	Investment Fund	Projects Fund	Total	Total
Fund balances, beginning of the year	\$ 137,835	\$ 7,403,444	\$ 82,038	\$7,623,317	\$ 7,410,651
Excess (deficiency) of revenues over expenditures	(36,178)	260,435	45,395	269,652	212,666
Interfund transfers	40,257	(40,257)	-	-	-
Fund balances, end of the year	\$ 141,914	\$ 7,623,622	\$ 127,433	\$7,892,969	\$ 7,623,317

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

West Prince Ventures Limited

Non-consolidated Statement of Operations

	2019			2018	
For the year ended March 31	Operating Fund	Investment Fund	Projects Fund	Total	Total
Revenue					
ACOA contribution	\$ 231,515	\$ -	\$ -	\$ 231,515	\$ 219,049
Administration fees	25,950	4,520	-	30,470	15,607
Investment income					
Loan portfolio	-	238,726	-	238,726	217,640
Other interest	-	64,923	-	64,923	54,180
Bad debt recovery	-	21,061	-	21,061	-
Government contributions					
QOAP funding	-	-	795,000	795,000	500,000
Entrepreneurship Forums	-	-	51,532	51,532	59,735
Young Millionaires Program	-	-	3,506	3,506	6,437
Project sponsors and other					
Entrepreneurship Forums	-	-	15,763	15,763	7,075
Young Millionaires Program	-	-	5,425	5,425	5,500
	257,465	329,230	871,226	1,457,921	1,085,223
Expenditures					
Advertising and promotion	7,113	-	-	7,113	5,543
Asset held for sale operational costs	-	-	-	-	14,011
Bank charges	74	-	-	74	34
Conference fees	9,826	-	-	9,826	6,961
Consulting and training	93	-	-	93	24,100
Credit services	492	-	-	492	405
Directors'	15,762	-	-	15,762	14,917
Insurance	2,412	-	-	2,412	2,405
Loan loss provision (Note 2)	-	68,795	-	68,795	36,715
Office	4,144	-	-	4,144	4,581
Professional fees	13,529	-	-	13,529	14,165
Projects					
Bursaries and awards	-	-	500	500	1,000
QOAP Project	-	-	753,053	753,053	456,563
Entrepreneurship Forums	-	-	61,508	61,508	64,236
Young Millionaires Program	-	-	10,359	10,359	11,010
Community Navigator	-	-	411	411	-
Rental	27,501	-	-	27,501	27,501
Salaries and benefits	193,671	-	-	193,671	176,863
Telephone and fax	3,510	-	-	3,510	3,132
Travel	72	-	-	72	127
Vehicle	15,444	-	-	15,444	8,288
	293,643	68,795	825,831	1,188,269	872,557
Excess (deficiency) of revenues over expenditures	\$ (36,178)	\$ 260,435	\$ 45,395	\$ 269,652	\$ 212,666

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

West Prince Ventures Limited

Non-consolidated Statement of Cash Flows

For the year ended March 31	Operating Fund	Investment Fund	Projects Fund	2019	2018
Cash flows from operating activities					
Excess (deficiency) of revenues over expenditures	\$ (36,178)	\$ 260,435	\$ 45,395	\$ 269,652	\$ 212,666
Items not affecting cash:					
Loan loss provision	-	68,795	-	68,795	36,715
	(36,178)	329,230	45,395	338,447	249,381
Changes in working capital:					
Accounts receivable	(47,441)	(14,025)	(203,343)	(264,809)	(8,088)
Prepaid expenses	(68)	-	-	(68)	(30)
Accounts payable and accrued liabilities	26,269	525	142,598	169,392	(11,518)
Deferred revenue	-	-	24,180	24,180	-
Interfund transfers	40,257	(40,257)	-	-	-
	(17,161)	275,473	8,830	267,142	229,745
Cash flows used in financing activities					
Proceeds from sale of asset	-	112,800	-	112,800	-
Cash flows from investing activities					
Loan advances to clients	-	(2,037,853)	-	(2,037,853)	(1,463,470)
Loan repayments from clients	-	1,495,546	-	1,495,546	1,395,962
	-	(542,307)	-	(542,307)	(67,508)
Net (decrease) increase in cash	(17,161)	(154,034)	8,830	(162,365)	162,237
Cash, beginning of the year	50,503	3,809,189	28,394	3,888,086	3,725,849
Cash, end of the year	\$ 33,342	\$ 3,655,155	\$ 37,224	\$ 3,725,721	\$ 3,888,086

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

West Prince Ventures Limited

Notes to Non-consolidated Financial Statements

March 31, 2019

1 . Significant Accounting Policies

Nature and Purpose of Organization

West Prince Ventures Limited's ("the organization") mission statement 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 Western Prince Edward Island 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(1)(l) of the Income Tax Act.

The organization also manages other community programs and projects 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 4.

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 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 Projects Fund reports all restricted resources that are to be used for the delivery of community programs and projects which arise from time to time requiring a managing agency.

West Prince Ventures Limited

Notes to Non-consolidated Financial Statements

March 31, 2019

1. Significant Accounting Policies (continued)

Departure from ASNPO	<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>The Atlantic Canada Opportunities Agency (ACOA) has confirmed, within the 2011 CF 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>
Capital Assets	<p>Capital assets are recorded net of government assistance. Amortization is based on the estimated useful life of the asset.</p>
Use of Estimates	<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 expenditures 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>
Investment in Wholly-Owned Subsidiaries	<p>The investments in wholly-owned subsidiaries are recorded at cost.</p>
Inter-Fund Advances	<p>The inter-fund advances are non-interest bearing, with no set terms of repayment.</p>
Financial Instruments	<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>

West Prince Ventures Limited

Notes to Non-consolidated Financial Statements

March 31, 2019

2. Investments

	2019	2018
Loans to clients	\$ 4,318,939	\$ 3,792,816
Less: allowance for doubtful loans	<u>(431,893)</u>	<u>(379,282)</u>
	<u>\$ 3,887,046</u>	<u>\$ 3,413,534</u>

The activity in the loans to clients is comprised of:

Balance, beginning of year	\$ 3,792,816	\$ 3,758,601
Loans advanced during the year	2,037,853	1,463,470
Loans repaid during the year	(1,495,546)	(1,395,962)
Loans written off during the year	<u>(16,184)</u>	<u>(33,293)</u>
Balance, end of year	<u>\$ 4,318,939</u>	<u>\$ 3,792,816</u>

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

Balance, beginning of year	\$ 379,282	\$ 375,860
Loans written off during the year	(16,184)	(33,293)
Loan loss provision	<u>68,795</u>	<u>36,715</u>
Balance, end of year	<u>\$ 431,893</u>	<u>\$ 379,282</u>

The allowance for doubtful loans in the Investment Fund is calculated at the rate of 10% of the total loans outstanding.

Other Information:

As at March 31, 2019:

A) Total number of investment loans approved during the year	<u>38</u>
B) Total number of active Investment loans under management	<u>105</u>

West Prince Ventures Limited

Notes to Non-consolidated Financial Statements

March 31, 2019

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.

4. Externally Restricted Funds

Community Futures Program

Pursuant to a contract signed with Atlantic Canada Opportunities Agency (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 Atlantic Canada Community Business Investment Fund (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.

In addition, pursuant to the contract signed with Atlantic Canada Opportunities Agency (ACOA) under the Community Futures Program, the organization must ensure that a minimum of 70% of its Investment Fund is maintained in active loans. Active loans include loans provided to the organization's clients in addition to loans provided to the Atlantic Canada Community Business Investment Fund (ACCBIF). As of the year-end date, the organization was in compliance with the 70% active loan requirement with \$2,800,000 in loans outstanding to ACCBIF in addition to its loans to clients. These ACCBIF loans have been included for presentation purposes in the cash and short-term investments of the Investment Fund.

West Prince Ventures Limited

Notes to Non-consolidated Financial Statements

March 31, 2019

5. Related Party Transactions

West Prince Ventures Limited controls Ventures 2000 Limited and a wholly owned subsidiary, Westisle Properties Ltd. by virtue of a common board of directors.

Ventures 2000 Limited is a provincial organization which owns and operates the Rural Action Centre in Alberton, P.E.I. providing operational and administrative facilities solely for the benefit of West Prince Ventures Limited and other unrelated not-for-profit organizations. Ventures 2000 Limited is incorporated under Part II of the Companies Act of P.E.I. without share capital and is a tax-exempt non-profit association under the Income Tax Act.

Westisle Properties Ltd. was established as a holding company to hold investments for the benefit of its parent company, West Prince Ventures Limited.

Neither Ventures 2000 Limited nor Westisle Properties Ltd. has been consolidated in the financial statements of West Prince Ventures Limited. In addition, West Prince Ventures Limited does not account for its investment in Westisle Properties Ltd. using the equity method, but follows the cost method of recording this long term investment. Financial summaries of these unconsolidated entities as at March 31, 2019 and 2018 are as follows:

Ventures 2000 Limited	(Unaudited) 2019	(Unaudited) 2018
Financial position		
Total assets	\$ 365,547	\$ 281,109
Total liabilities	\$ 148,418	\$ 89,964
Total net assets	217,129	191,145
	\$ 365,547	\$ 281,109
	(Unaudited) 2019	(Unaudited) 2018
Results of operations		
Total revenues	\$ 151,072	\$ 182,974
Total expenditures	(125,088)	(155,649)
Net income	\$ 25,984	\$ 27,325

West Prince Ventures Limited

Notes to Non-consolidated Financial Statements

March 31, 2019

5. Related Party Transactions (continued)

	(Unaudited) 2019	(Unaudited) 2018
Cash flows		
Cash flows from operating activities	\$ 99,755	\$ 16,355
Cash flows from financing and investing activities	(9,250)	-
	\$ 90,505	\$ 16,355

Westisle Properties Ltd.	(Unaudited) 2019	(Unaudited) 2018
Financial position		
Total assets	\$ 453,137	\$ 448,578
Total liabilities	\$ 65,000	\$ 65,000
Total equity	388,137	383,578
	\$ 453,137	\$ 448,578

	(Unaudited) 2019	(Unaudited) 2018
Results of operations		
Total revenues	\$ 9,875	\$ 10,464
Total expenses	(5,316)	(5,814)
Net income	\$ 4,559	\$ 4,650

	(Unaudited) 2019	(Unaudited) 2018
Cash flows		
Cash flows from operating activities	\$ 4,361	\$ 4,891
Cash flow from financing and investing activities	12,213	78,468
	\$ 16,574	\$ 83,359

West Prince Ventures Limited

Notes to Non-consolidated Financial Statements

March 31, 2019

5. Related Party Transactions (continued)

During the current and prior years, the organization had the following transactions with its commonly controlled related companies:

Purchases from Ventures 2000 Limited (building rental charges)	<u>\$ 27,501</u>	<u>\$ 27,501</u>
Revenue received Ventures 2000 Limited (administration fees and loan interest)	<u>\$ 2,055</u>	<u>\$ 2,055</u>

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

Included in the loans to clients in note 2, is a loan to Ventures 2000 Limited with a balance outstanding of \$68,500 (2018 - \$68,500). The loan bears interest at 3% per annum, is due on demand and is secured by a promissory note signed by Ventures 2000 Limited.

6. Economic Dependence

West Prince Ventures Limited receives an annual operating contribution from ACOA to cover a portion of the operating expenditures of the Operating Fund. The continued operation of the organization currently depends on the receipt of the annual operation contribution.

7. Financial Instruments

Credit risk

The organization is exposed to credit risk resulting from the possibility that a loan client or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The organization's financial instruments that are exposed to concentrations of credit risk relate primarily to its loan investments. Given the general nature of the loan clients' current financial situations and their inability to obtain financing through other traditional financial institutions, the risk of the loan clients defaulting on their respective loans is increased. Management believes that credit risk associated with loans receivable is minimized by the diverse loan client base which covers many business sectors in the West Prince County Area of P.E.I.

The organization obtains collateral and other security to support the loans receivable subject to credit risk and mitigates this risk by dealing with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance. Allowance for doubtful loans is reviewed on each balance sheet date. The organization updates its estimates of allowances for doubtful loans based upon loan client history and in accordance with the policy set out in note 2.

West Prince Ventures Limited

Notes to Non-consolidated Financial Statements

March 31, 2019

7. Financial Instruments (continued)

Interest rate risk

The organization is exposed to interest rate risk on its variable interest rate financial instruments (mainly its short-term investments and certain of its loan receivable). Due to the variable interest rate financial instruments, the organization is subject to cash flow risk. The organization does not use derivative financial instruments to alter the effects of this risk. The risk has decreased from the prior year due to the decrease in short-term investments.
