

# Trouver et saisir des occasions stimulantes



### Mot de la présidente du conseil

À titre de nouvelle présidente d'ACCAvenir, j'ai le grand plaisir de vous présenter ce nouveau rapport annuel.

Pour commencer, j'aimerais exprimer ma profonde gratitude aux membres sortants du conseil d'administration qui ont achevé leur mandat en tant qu'administrateurs. Leur dévouement et leur leadership ont grandement contribué à faire d'ACCAvenir ce qu'il est aujourd'hui.

Lorsque j'ai endossé ce rôle en avril 2023, je bouillonnais d'enthousiasme et j'étais ravie d'assumer cette nouvelle responsabilité. C'est un honneur de prendre la relève de personnes qui ont joué un rôle majeur dans le parcours de l'organisme. Je suis impatiente de piloter des efforts qui soutiennent notre vision, soit de trouver des occasions stimulantes pour les entrepreneurs et leur communauté, et les aider à les saisir.

En somme, nous espérons que ce rapport brossera un portrait clair des réalisations d'ACCAvenir de l'an dernier et vous donnera un aperçu de nos plans stratégiques pour l'année 2023-2024. Merci de nous appuyer alors que nous accomplissons notre mission avec fierté et passion.

### Membres du conseil d'administration

Shannon Lebrun, *présidente*  
Garrett VanderBurg, *vice-président*  
Kerry Gibson, *secrétaire-trésorière*  
Jason Lazore  
Wade Dorland  
Lyle Warden  
Nanda Wubs Huizenga  
Jason Riley  
Marc Lafleur

### Anciens administrateurs

Patricia Remillard  
*De 2015 à mars 2023*  
Sean Helmkey  
*De 2016 à mars 2023*  
Lila Romanko, *présidente*  
*De 2018 à novembre 2022*  
Louis Savard, *secrétaire-trésorière*  
*De 2020 à février 2023*  
Stephanie Nesbitt  
*De 2020 à novembre 2022*



### Mot du directeur général

Durant la dernière année, le conseil et le personnel d'ACCAvenir ont travaillé sans relâche pour mener à bien notre mission d'offrir un soutien complet et des solutions intelligentes aux entrepreneurs. Je suis fier d'annoncer que nos efforts collectifs ont grandement contribué à cultiver l'esprit entrepreneurial de notre région tout en continuant de stimuler notre économie.

Lorsque nous établissons notre plan stratégique plus tôt en 2023, nous avons longuement discuté de notre approche idéale à la prise de décisions. Notre consensus : nous souhaitons toujours agir avec courage et rigueur.

Durant la prochaine année, nous tenterons d'incarner ces principes encore davantage. Nous comptons repousser les limites et nous mettre au défi d'innover et d'accompagner nos entrepreneurs plus loin que jamais.

Ensemble, continuons à aider ceux qui ont de grandes idées à accomplir de grandes choses.

### L'équipe d'ACCAvenir

Greg Pietersma, *directeur général*

Shannon Tierney, *directrice des opérations*

Cynthia Quenneville, *adjointe exécutive*

Lexie Jasiewicz, *agente de prêts*

Alycia Sauve, *agente de projet*

**Funded by:**  
Federal Economic Development  
Agency for Southern Ontario

**Financé par :**  
Agence fédérale de développement  
économique pour le Sud de l'Ontario

**Canada** 

# Un ACCAvenir radieux

## Notre histoire

Les entrepreneurs sont agiles,  
créatifs et courageux de nature.  
Nous aussi.

Ils prennent des décisions et passent  
à l'action rapidement. Nous aussi.

Ils détestent se faire dire « non »;  
notre mission est de leur dire « oui ».

Quand ils ont besoin d'avancer,  
nous leur offrons des solutions intelligentes.

Ensemble, nous bâtissons une économie  
et des collectivités plus fortes pour tous.

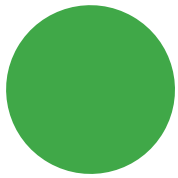


# Nos piliers stratégiques

1. Nous apportons une note plus humaine à chaque occasion de développement des affaires. C'est ainsi que nous ajoutons des cordes à notre arc et générons des revenus.
2. Nous sommes constamment à la recherche de partenaires prometteurs et établissons des relations symbiotiques.
3. Nous normalisons les procédés pour faire le suivi et l'évaluation des transactions, maximiser les ressources et les revenus, et offrir un service optimal à notre clientèle.
4. Nous faisons preuve de professionnalisme pour outiller notre personnel, miser sur nos capacités et acquérir une réputation solide auprès de nos clients, partenaires et intervenants.
5. Nous tirons parti de nos contacts pour tisser des liens mutuellement profitables entre des partenaires autochtones et non autochtones, dans un esprit de réconciliation.

# Fonds d'investissement

Notre fonds d'investissement vise à fournir du financement remboursable sous forme de prêts à de petites et moyennes entreprises et des entreprises sociales. Les entrepreneurs qui ont de la difficulté à obtenir du financement bancaire peuvent se tourner vers ACCAvenir pour soutenir les activités reliées à la création, au développement, à la stabilisation, à l'expansion et à la restructuration de leur entreprise.



## Activités de prêt y compris l'activité des fonds de capital-risque

Du 1er avril 2022 au 31 mars 2023

---

21 16 1 422 510 \$

demandes  
reçues

prêts  
accordés

valeur des prêts

---

1 989 300 \$

investissements soutenus

91

emplois créés  
ou maintenus

---

6

nouvelles  
entreprises lancées

9

entreprises  
maintenues

95

prêts actifs  
au total

---

10 055 370 \$

au total dans le portefeuille

# Un financement qui frappe sa cible

Notre équipe est *toujours* à la recherche d'entrepreneurs passionnés qui ont de grandes idées. Quand nous en trouvons, nous faisons tout ce que nous pouvons pour les aider à réaliser leurs rêves. Voici certaines de leurs histoires.



John Wright et Mat Camm

## Lost Villages Brewery, Long Sault

Le 1er octobre 2022, John Wright, Mat Camm et Kevin Baker ont ouvert les portes de la Lost Villages Brewery, comprenant une section bar, une terrasse extérieure et une boutique.

Mais les amateurs de bière du coin ne savaient rien du parcours tortueux qui a mené à son ouverture. John, Mat et Kevin espéraient initialement financer eux-mêmes les rénovations majeures de l'espace commercial devant accueillir leur brasserie, mais ils ont rapidement compris que ce serait impossible. « Entre le début de la planification et le lancement des travaux, les coûts de construction ont augmenté d'environ 20 % », explique John. D'autres imprévus ont également retardé l'ouverture et ont grugé leur budget.

Pour concrétiser leurs projets ambitieux pour la brasserie le plus rapidement possible, les trois amis ont sollicité un prêt de 250 000 \$ auprès d'ACCAvenir.

Kevin affirme avoir été impressionné et rassuré par le processus de demande de prêt convivial. « Entre la soumission de notre demande et la réception des fonds, seulement trois semaines se sont écoulées. Nous avons donc pu continuer sur notre lancée. »

**« Si vous êtes coincé parce que les banques ne veulent pas vous appuyer et que vous voulez éviter les taux d'intérêt élevés des prêteurs privés, tournez-vous vers ACCAvenir. »**



## Modern Mold, Green Valley

Au début de la pandémie en 2020, Melissa di Peco Rose cherchait de nouvelles occasions professionnelles, ne pouvant plus occuper son emploi actuel.

L'artiste a alors lancé Modern Mold, une entreprise qui conçoit, fabrique et vend des moules en silicone de haute qualité en ligne pour la sculpture en résine. « Il y avait un créneau important sur le marché et j'ai sauté sur l'occasion de le remplir », raconte Melissa.

Quand ses ventes ont monté en flèche, Melissa savait qu'elle devait s'acheter une machine de découpe laser et des matériaux



Un partenaire local et chef de file du secteur bancaire dans les Amériques.



Un partenaire et service offrant des renseignements, des outils et du soutien aux propriétaires d'entreprise et entrepreneurs en herbe.



Un partenaire et cabinet offrant des solutions de comptabilité modernes aux propriétaires d'entreprise.



en grandes quantités pour faire passer son entreprise au niveau supérieur et affronter la concurrence.

La solution : une collaboration avec ACCAvenir. Elle a présenté une demande de prêt de 25 000 \$ en mai 2022 et, en juin, elle avait l'argent en main et une machine de découpe laser dans son studio. Elle explique que grâce au prêt, elle a pu non seulement se démarquer dans un marché concurrentiel, mais aussi démarrer une deuxième entreprise, du nom de Son of a Birch.

**« Les petites entreprises n'ont pas toujours les fonds nécessaires pour prendre de l'expansion. C'est pourquoi je recommande ACCAvenir. Les membres de l'équipe m'ont écoutée, ont compris mes projets pour l'entreprise et m'ont rapidement fourni l'argent pour stimuler mes affaires. »**



(de gauche à droite) Kim Waldroff, Elise Francis et Ashley Barnhart

### The Village Green Flower Shop, Ingleside

Dix ans après avoir quitté la fleuristerie pour s'occuper de sa jeune famille, Elise Francis a retrouvé le goût de l'entrepreneuriat. Elle a collaboré avec le Centre d'affaires de Cornwall en 2016 pour élaborer son plan d'affaires, a enregistré son nom d'entreprise et s'est trouvé un local à louer. Il ne lui manquait qu'une chose : le capital pour mettre en branle ses projets. Elle a d'abord sollicité sa banque, qui a vite rejeté sa demande. Ensuite, à la recommandation du Centre d'affaires de Cornwall, elle a soumis une demande de prêt de démarrage de 20 000 \$ à ACCAvenir (alors appelée la SADC), pour installer de l'équipement et se procurer les stocks nécessaires.

« L'équipe a consulté mon plan d'affaires, a vu mon expérience antérieure et m'a assez fait confiance pour me dire "Voilà ce qu'il te faut, lance-toi" », explique la fleuriste primée.

En juillet 2023, six ans et demi après avoir ouvert sa boutique florissante d'arrangements floraux, Elise a terminé de rembourser son prêt.

**« ACCAvenir a accepté d'appuyer mon entreprise en se basant sur mes rêves, mes objectifs et mon**



Une partenaire et entreprise sociale bilingue qui aide les entrepreneures des milieux ruraux de l'Est ontarien à tisser des liens, à se développer et à collaborer.

**expérience. Je suis extrêmement reconnaissante d'avoir pu collaborer avec cet organisme local qui aide les entrepreneurs à se lancer et à prospérer! »**



### Food Cycle Science, Ottawa

En 2017, alors que Food Cycle Science (FCS) en était encore à ses débuts, l'entreprise s'est tournée vers ACCAvenir, alors la SADC, pour l'aider à étendre ses activités. L'entreprise, qui était établie à Cornwall à l'époque, travaillait d'arrache-pied pour concevoir des outils révolutionnaires permettant aux gens de gérer leurs propres déchets alimentaires facilement et à peu de coûts. Il lui manquait toutefois le capital pour continuer à innover et à prendre de l'expansion. Par l'entremise du fonds communautaire de capital-risque, une fiducie, ACCAvenir a réalisé un investissement précoce en actions dans l'entreprise.

Grâce à ce financement important, FCS est passée d'un modeste distributeur à une entreprise spécialisée en technologie propre primée et en pleine croissance, avec des produits et solutions brevetés à l'échelle mondiale. FCS a figuré parmi les entreprises à la croissance la plus rapide au Canada selon le Globe and Mail, s'est classée dans la catégorie Technologie propre du palmarès Fast 50 de Deloitte et a été nommée comme l'une des entreprises à la croissance la plus rapide selon le Ottawa Business Journal. Plus récemment, elle a remporté 1,65 million de dollars lors du Défi Innovation alimentaire du Réseau canadien d'innovation en alimentation et s'est hissée parmi les 12 finalistes en lice pour gagner 1,5 million de dollars dans le cadre du Défi de réduction du gaspillage alimentaire d'Impact Canada.

À un événement spécial plus tôt cet été, le PDG de FCS, Bradley Crépeau, a ratifié la vente des actions de FCS détenues par ACCAvenir. Cette transaction importante a permis à ACCAvenir de réaliser un gain net de 320 000 \$ par rapport à son investissement initial. Lorsque FCS s'est retirée de l'investissement initial d'ACCAvenir, ce n'était pas la fin d'une aventure, mais plutôt la progression d'un cycle. Les fonds retournés permettent à l'organisme de continuer à réaliser des investissements en actions dans d'autres entreprises locales comme Fieldless Farms et Canobi Technologies, et de contribuer à stimuler l'économie de la région.

« Je trouve merveilleux que le modèle circulaire de FCS trouve écho dans celui d'ACCAvenir. Alors que notre entreprise réintègre les déchets alimentaires dans l'écosystème, ACCAvenir réinvestit les fonds dans de nouvelles entreprises », explique Brad.

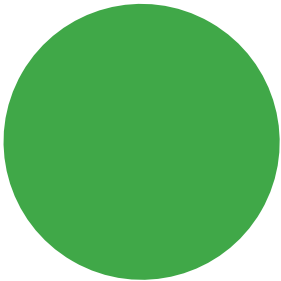
**« La réussite de notre entreprise ne nous revient pas uniquement, affirme Brad. Nous la partageons avec ACCAvenir et une communauté qui a à cœur l'innovation, la durabilité et l'entrepreneuriat. »**



Un partenaire et programme de prêts qui vient en aide aux PME en pleine expansion des collectivités rurales et urbaines.



Un partenaire et laboratoire d'innovation régional qui soutient les entreprises en croissance de l'Est de l'Ontario.



# La vitrine



**En signe de gratitude pour ses sympathisants, ACCAvenir conçoit actuellement une vitrine remplie d'une précieuse collection d'objets qui témoignent des contributions qui ont façonné l'organisme.**

Au cœur de l'exposition figure une ceinture wampum fabriquée avec soin par l'entreprise Fire Loom Creations pour rendre hommage aux efforts remarquables de feu Christopher Thompson pour cultiver des initiatives de réconciliation. Cet objet symbolique illustre le pouvoir de la collaboration et de l'unité pour entraîner des changements positifs.

Pour souligner le dévouement et le service des membres sortants de notre conseil d'administration, ACCAvenir a donné à l'artiste locale Laura Stevens de Victoria Street Studios la mission de créer une peinture en leur honneur. L'œuvre intitulée « IGNITE » représente l'esprit d'entreprise dynamique d'Akwesasne, de Cornwall et des Comtés S.D. & G. Les administrateurs sortants ont reçu une impression de cette œuvre, marque de reconnaissance touchante et symbole de leur influence durable.

Le troisième objet dans la vitrine est un ancien modèle du recycleur de déchets FoodCycler de Food Cycle Science. Il s'agit d'un exemple puissant de notre capacité à soutenir de jeunes pousses innovantes, qui exprime concrètement la façon dont nous aidons les nouvelles entreprises à transformer leurs rêves en réalité.

La vitrine d'ACCAvenir continuera peu à peu à se remplir d'articles qui symbolisent un lieu donnant vie aux idées et cultivant les occasions d'affaires. Chaque nouvel ajout enrichira la collection et mettra en lumière la diversité des contributions de la collectivité.

**Cornwall & The Counties Community Futures Development Corporation**  
**Financial Statements**  
*March 31, 2023*

# Cornwall & The Counties Community Futures Development Corporation

## Contents

*For the year ended March 31, 2023*

---

	<i>Page</i>
<b>Independent Auditors' Report</b>	
<b>Financial Statements</b>	
Statement of Financial Position.....	1
Statement of Operations.....	2
Statement of Changes in Net Assets.....	3
Statement of Cash Flows.....	4
<b>Notes to the Financial Statements</b> .....	5

---

To the To the Board of Directors of Cornwall & The Counties Community Futures Development Corporation:

## Opinion

We have audited the financial statements of Cornwall & The Counties Community Futures Development Corporation (the "Organization"), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the 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 opinion.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the 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.

Cornwall, Ontario  
August 23, 2023

Chartered Professional Accountants  
Licensed Public Accountants

# Cornwall & The Counties Community Futures Development Corporation

## Statement of Financial Position

As at March 31, 2023

	Feddev Fund	Investment Fund	Project Fund	General Fund	2023	2022
<b>Assets</b>						
<b>Current</b>						
Cash	-	-	-	226,698	<b>226,698</b>	93,765
Restricted cash	-	2,621,296	-	-	<b>2,621,296</b>	2,589,949
Accounts receivable	-	26,327	-	6,699	<b>33,026</b>	167,591
Prepaid expenses	-	-	-	2,933	<b>2,933</b>	2,933
Interest receivable	-	12,247	-	-	<b>12,247</b>	12,247
Due from other funds	-	(61,097)	-	61,097	-	-
	-	<b>2,598,773</b>	-	<b>297,427</b>	<b>2,896,200</b>	2,866,485
<b>Capital assets (Note 3)</b>	-	-	-	472	<b>472</b>	943
<b>Long-term investments (Note 4)</b>	-	4,340,701	-	-	<b>4,340,701</b>	4,326,770
<b>Investment in CVCF Trust #1 (Note 5)</b>	-	2,945,896	-	-	<b>2,945,896</b>	2,098,781
	-	<b>9,885,370</b>	-	<b>297,899</b>	<b>10,183,269</b>	9,292,979
<b>Liabilities</b>						
<b>Current</b>						
Accounts payable and accruals	-	4,427	-	51,925	<b>56,352</b>	21,968
Deferred contributions (Note 5)	-	-	-	91,343	<b>91,343</b>	102,955
	-	<b>4,427</b>	-	<b>143,268</b>	<b>147,695</b>	124,923
<b>Fund balances</b>						
Reserve	-	-	-	7,000	<b>7,000</b>	7,000
Unrestricted	-	-	-	147,631	<b>47,631</b>	35,236
Restricted	-	9,880,943	-	-	<b>9,980,943</b>	9,125,820
	-	<b>9,880,943</b>	-	<b>154,631</b>	<b>10,035,574</b>	9,168,056
	-	<b>9,885,370</b>	-	<b>297,899</b>	<b>10,183,269</b>	9,292,979

Approved on behalf of the Board

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

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



**Cornwall & The Counties Community Futures Development Corporation**  
**Statement of Operations**  
*For the year ended March 31, 2023*

	<i>Feddev Fund</i>	<i>Investment Fund</i>	<i>Project Fund</i>	<i>General Fund</i>	<b>2023</b>	<b>2022</b>
<b>Revenue</b>						
Investment income	-	260,384	-	2	<b>260,386</b>	305,506
Program funding	-	-	-	-	-	302,684
FedDev Ontario - contributions	301,457	-	-	-	<b>301,457</b>	302,013
Other income	-	69,106	-	234,986	<b>304,092</b>	237,605
RRRF funding	-	-	-	-	-	30,000
Gain on investment in CVCF Trust #1	-	386,166	-	-	<b>386,166</b>	119,385
	<b>301,457</b>	<b>715,656</b>	-	<b>234,988</b>	<b>1,252,101</b>	1,297,193
<b>Expenses</b>						
Salaries and benefits	215,676	-	-	177,041	<b>392,717</b>	313,213
Port Lands project	-	-	-	-	-	102,684
Advertising	10,896	-	-	8,944	<b>19,840</b>	66,835
Provision for (recovery of) forgivable loans	-	(77,577)	-	-	<b>(77,577)</b>	53,750
Rent	2,306	-	-	15,744	<b>18,050</b>	31,390
Consulting	10,615	-	-	8,713	<b>19,328</b>	30,712
Official Language	10,984	-	-	9,016	<b>20,000</b>	20,000
Professional fees	-	-	-	474	<b>474</b>	16,556
Communication	2,612	-	-	25,368	<b>27,980</b>	15,238
Meetings - directors and others	7,488	-	-	6,147	<b>13,635</b>	10,349
Computer	-	-	-	-	-	10,000
Office supplies	9,528	-	-	12,206	<b>21,734</b>	9,397
Loan management expenses	-	-	-	-	-	8,108
Insurance	2,745	-	-	2,254	<b>4,999</b>	6,104
Repairs and maintenance	1,082	-	-	2,782	<b>3,864</b>	5,521
Director's travel	-	-	-	1,630	<b>1,630</b>	2,826
RRRF projects	5,274	-	-	4,331	<b>9,605</b>	2,537
Equipment rental	19,180	-	-	-	<b>19,180</b>	2,506
Bank charges and interest	1,798	1,627	-	1,474	<b>4,899</b>	2,462
Membership fees	1,273	-	-	1,046	<b>2,319</b>	1,572
Travel	-	-	-	5,212	<b>5,212</b>	1,181
Amortization	-	-	-	471	<b>471</b>	471
RED Grant (recovery)	-	-	-	-	-	(5,300)
Training and education	-	-	-	5,013	<b>5,013</b>	-
Recovery of doubtful loans (Note 4)	-	(133,517)	-	-	<b>(133,517)</b>	(218,034)
	<b>301,457</b>	<b>(209,467)</b>	-	<b>292,487</b>	<b>384,477</b>	490,078
<b>Excess (deficiency) of revenue over expenses before other items</b>	-	<b>925,123</b>	-	<b>(57,499)</b>	<b>867,624</b>	807,115
<b>Other items</b>	-	-	-	(106)	<b>(106)</b>	-
<b>Excess (deficiency) of revenue over expenses</b>	-	<b>925,123</b>	-	<b>(57,605)</b>	<b>867,518</b>	807,115

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

**Cornwall & The Counties Community Futures Development Corporation**  
**Statement of Changes in Net Assets**

*For the year ended March 31, 2023*

	<i>Feddev Fund</i>	<i>Investment Fund</i>	<i>Project Fund</i>	<i>General Fund</i>	<b>2023</b>	<b>2022</b>
<b>Fund balances, beginning of year</b>	-	9,125,820	-	42,236	9,168,056	8,360,941
<b>Excess (deficiency) of revenue over expenses</b>	-	925,123	-	(57,605)	867,518	807,115
<b>Fund transfers</b>	-	(170,000)	-	170,000	-	-
<b>Fund balances, end of year</b>	-	9,880,943	-	154,631	10,035,574	9,168,056

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

**Cornwall & The Counties Community Futures Development Corporation**  
**Statement of Cash Flows**  
*For the year ended March 31, 2023*

	<i>Feddev Fund</i>	<i>Investment Fund</i>	<i>Project Fund</i>	<i>General Fund</i>	<b>2023</b>	<b>2022</b>
<b>Cash from operating activities</b>						
Surplus (deficit) for the year	-	925,123	-	(57,605)	867,518	807,115
Amortization	-	-	-	471	471	471
Provision for (recovery of) doubtful loans	-	(133,517)	-	-	133,517	(218,034)
Provision for forgivable loans	-	(77,577)	-	-	77,577	53,750
Gain (loss) on long-term investment	-	(347,116)	-	-	(347,116)	(119,385)
	-	366,913	-	(57,134)	731,967	523,917
Changes in working capital accounts						
Accounts receivable	-	(26,326)	-	160,893	134,566	78,338
Prepaid expenses	-	-	-	-	-	(2,079)
Accounts payable and accruals	-	-	-	34,383	34,383	(196)
Deferred contributions	-	-	-	(11,612)	(11,612)	(113,054)
Due to other funds	-	(6,403)	-	6,403	-	-
	-	334,184	-	132,933	889,304	486,926
<b>Investing</b>						
Advances of long-term investments	-	(1,086,650)	-	-	(1,086,650)	(983,750)
Repayment of long-term investments	-	1,283,813	-	-	861,626	1,850,503
Purchase of GICs	-	(500,000)	-	-	(500,000)	-
	-	(302,837)	-	-	(725,024)	866,753
<b>Increase (decrease) in cash resources</b>	-	31,347	-	132,933	164,280	1,353,679
<b>Cash, beginning of year</b>	-	2,589,949	-	93,765	2,683,714	1,330,035
<b>Cash resources, end of year</b>	-	2,621,296	-	226,698	2,847,994	2,683,714
<b>Represented by:</b>						
Cash	-	-	-	226,698	226,698	93,765
Restricted cash	-	2,621,296	-	-	2,621,296	2,589,949
	-	2,621,296	-	226,698	2,847,994	2,683,714

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

# Cornwall & The Counties Community Futures Development Corporation

## Notes to the Financial Statements

For the year ended March 31, 2023

---

### 1. Purpose of the organization

Cornwall & The Counties Community Futures Development Corporation (the "Organization") is incorporated without share capital under the laws of Ontario as a non-profit organization. The Organization is a social enterprise "passionate about community, grounded in business, and committed to advancing reconciliation" in the communities of Akwesasne, Cornwall and Stormont, Dundas & Glengarry. They service to advance the region's largest economic development priorities by way of delivering funding to small to medium-sized enterprise's as well as developing, supporting, and implementing projects which support the socio-economic success of the region. The Organization is funded through a blend of core funding, project funding, and revenue generation/ The organization is exempt from income taxes under the Income Tax Act of Canada.

### 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

#### **Fund accounting**

The Organization follows the deferral method of accounting for contributions utilizing the following funds.

The FedDev fund accounts for the corporation's FedDev program delivery funded by FedDev Ontario. This fund reports restricted operating contributions.

The Investment fund was established as outlined in the Contribution Agreement with FedDev Ontario to provide financing for new and existing enterprises in order to protect or create new jobs. The fund is restricted pursuant to the agreement.

The project fund accounts for the specific programs undertaken by the corporation. This fund reports restricted contributions.

The general fund accounts for the corporation's program delivery and administrative activities. This fund reports unrestricted resources.

#### **Revenue recognition**

Contributions from FedDev Ontario are recognized as revenue in the year of receipt except for the following:

- i) Contributions relating to capital assets are credited to deferred capital contribution and recognized as revenue on the same basis as amortization on the related asset is charged against operations.
- ii) Contributions relating to approved expenditures not yet incurred are recorded as deferred contributions.
- iii) Unexpended funds at the end of the year may be refundable to the contributor. Repayable amounts reduce contribution revenue for the year. Excess expenditures may not be reimbursed by FedDev Ontario.

Other contributions are recognized as revenue in the year of receipt except for contributions relating to approved expenditures not yet incurred that are recorded as deferred contributions.

Other income includes administrative and management fees which are recognized when the fees are earned or services are performed.

Interest and dividend revenue in the investment fund are recognized when received or receivable. The corporation accrues interest on loans and mortgages in arrears until collection becomes doubtful.

#### **Capital assets**

Capital assets are recorded at cost. Amortization is based on the estimated useful life of the asset and is provided at the following rates and methods:

Leaseholds	- greater of 5 years or length of the lease
------------	---

# Cornwall & The Counties Community Futures Development Corporation

## Notes to the Financial Statements

For the year ended March 31, 2023

---

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

#### **Cash and cash equivalents**

Cash and cash equivalents is defined as cash on hand and cash on deposit. Cash subject to restrictions that require its use for specified purposes is included in restricted cash.

#### **Long-term investments**

Long-term investments are comprised of loans receivable and equity investments with set redemption values.

- i) Loans receivable consists of loans made out of the Organization's investment fund and are measured at amortized cost. The Organization maintains an allowance for impaired loans as estimated by management based on their assessment of the net recoverable amount of the Organization's loans, which is determined on a loan by loan basis.
- ii) Equity investments consist of non-controlling share interests in Canadian private small business corporations. The equity investments are recorded at amortized cost. Management assesses its equity investments for impairment on a periodic basis and, at least, annually.

#### **Investment in CVCF Trust #1**

The investment in CVCF Trust #1 is accounted for using the equity method. Accordingly, the investment is recorded at acquisition cost and is increased for the proportionate share of post-acquisition earnings and decreased by post-acquisition losses and distributions received.

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

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts or revenues and expenses during the current period. These estimates are reviewed periodically and adjustments are made to excess (deficiency) of revenue over expenses as appropriate in the year they become known.

Significant items subject to such estimates and assumptions include the provision for doubtful long-term investments. As the Organization's long-term investments consist of loans and equity investments in small businesses, including start-up or developing entities, the Organization's long-term investments are exposed to various risk factors which may impact their net recoverable amount. These factors include the overall business environment of the Stormont, Dundas and Glengarry area, Canadian interest rates and factors and risks specific to the relevant small businesses. Management regularly reviews and assesses the net recoverable amount of its long-term investments and other estimates and, where necessary, makes adjustments prospectively. Actual results could differ from those estimates.

#### **Financial instruments**

The Organization adopted the amendments to Section 3856 Financial Instruments effective April 1, 2021. The new standard resulted in minimal impact on the Organization.

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

#### **Arm's length financial instruments**

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Organization has made such an election during the year.

The Organization subsequently measures investments in equity instruments not quoted in an active market at cost less impairment. With the exception of financial liabilities indexed to a measure of the Organization's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

# Cornwall & The Counties Community Futures Development Corporation

## Notes to the Financial Statements

For the year ended March 31, 2023

---

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

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

#### Related party financial instruments

The Organization initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value:

- Investments in equity instruments quoted in an active market
- Debt instruments quoted in an active market
- Debt instruments when the inputs significant to the determination of its fair value are observable (directly or indirectly)
- Derivative contracts.

All other related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

At initial recognition, the Organization may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

The Organization has not made such an election during the year, thus all such related party debt instruments are subsequently measured at amortized cost.

The Organization subsequently measures its financial instruments using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess (deficiency) of revenue over expenses.

#### Financial asset impairment

The Organization assesses impairment of all of its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group and there are numerous assets affected by the same factors. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenue over expenses.

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

# Cornwall & The Counties Community Futures Development Corporation

## Notes to the Financial Statements

For the year ended March 31, 2023

### 3. Capital assets

	<b>Cost</b>	<b>Accumulated amortization</b>	<b>2023 Net book value</b>	<b>2022 Net book value</b>
Leasehold improvements	4,711	4,239	472	943

As at March 31, 2022 the cost and accumulated amortization of capital assets was \$4,711 and \$3,768 respectively.

### 4. Long-term investments

The loans and mortgages receivable bear interest ranging from Nil% to 10% with amortization periods from one to twenty years.

The loans and mortgages receivable balance is comprised of:

	<b>2023</b>	<b>2022</b>
Loans and mortgages receivable, principal	3,401,440	3,252,934
Equity investment, cost	375,000	375,000
COVID loans receivable, principal	62,732	184,606
IRD-COVID loans receivable, principal	95,740	130,267
RRRF loans receivable	1,392,442	1,554,005
	5,327,354	5,496,812
<b>Less:</b>		
Provision for doubtful loans	(581,571)	(714,688)
Provision for RRRF Loan forgiveness	(377,777)	(455,354)
	(959,348)	(1,170,042)
	4,368,006	4,326,770

The activity in the provision for doubtful loan account is as follows:

	<b>2023</b>	<b>2022</b>
Balance, beginning of year	714,688	958,625
Loans written off during the year	-	-
Recovery of loans written off in previous periods	(133,517)	(218,034)
Adjustment to provision for doubtful loans	-	(25,903)
	581,171	714,688

# Cornwall & The Counties Community Futures Development Corporation

## Notes to the Financial Statements

*For the year ended March 31, 2023*

**4. Long-term investments** *(Continued from previous page)*

The corporation determines the provision for doubtful loans by providing specific loan losses after reviewing outstanding loans on a loan-by-loan basis plus the use of an estimated percentage based on past experience for all loans for which no specific provision has been established.

The loan principal payments due to be received over the next five years are as follows:

<b>2023</b>	<b>885,047</b>
<b>2024</b>	<b>818,968</b>
<b>2025</b>	<b>818,968</b>
<b>2026</b>	<b>841,450</b>
<b>Subsequent years unspecified</b>	<b>1,003,573</b>
	<b>4,368,006</b>

**RRRF loans receivable**

The organization issued loans under the Regional Relief and Recovery Fund (RRRF) which provides zero-interest, partially forgivable loans of up to \$60,000 to small businesses. These loans can be repaid at any time without penalty and if the individual loans are repaid on or before December 31, 2023 a portion of the loan will be forgiven. A provision of \$377,777 (2022 - \$455,354), which represents the maximum forgivable portion of these loans, is recorded as a reduction of the carrying value and is included as an expense on the Statement of Operations.

The equity investment represents the following investments:

300,000 preferred shares, non-voting, non-participating, redeemable at cost, no dividends.

100,000 preferred shares, non-voting, non-participating, convertible at cost into common shares.

80,466 Series A-1-2 preferred shares, voting, convertible into Class A Common Shares at a varying conversion price depending on circumstance, discretionary dividends.

60,763 Series A-2 preferred shares, voting, convertible into Class A Common Shares at a varying conversion price depending on circumstance, discretionary dividends.

110,684 preferred shares, non-voting, non-participating, redeemable at cost, annual dividends at 10% paid monthly commencing February 2020

**5. Investment in Community Ventures Capital Fund Trust #1**

	<b>2023</b>	2022
Investment in CVCF Trust #1	<b>2,445,896</b>	2,098,781

Investment in Community Ventures Capital Fund - Trust #1 is accounted for using the equity method. The Trust provides equity financing and loans to businesses within Eastern Ontario. Any distributions from the Trust are reinvested in the Trust.



# Cornwall & The Counties Community Futures Development Corporation

## Notes to the Financial Statements

For the year ended March 31, 2023

### 6. Deferred contributions

Deferred contributions consist of unspent contributions externally restricted for delivery of specific programs. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. The deferred contribution balances are as follows:

	2023	2022
Port Lands	-	11,662
Technology Innovation Project	91,343	91,293
	<b>91,343</b>	<b>102,955</b>

### 7. Economic dependence

The Organization receives a significant portion of its annual operating revenue from government contributions. If these revenues were lost, the Organization would be unable to operate and would need authorization by FedDev Ontario to use the earnings of the investment fund for operating purposes.

### 8. Financial instruments

The Organization, is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

#### **Liquidity risk**

Liquidity risk is the risk that the Organization will not be able to meet its obligations associated with financial liabilities. Cash flow from operations provides a substantial portion of the Organization's cash requirements.

#### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable, interest receivable and long-term investments. Accounts receivable arise primarily from contractual agreements with Federal and Provincial governments. The long-term investments, and resulting interest receivable, are comprised of long-term mortgages and loans, and equity investments.

The Organization's policy is to regularly assess the credit worthiness of its counterparties to mitigate the risk of financial loss from defaults. The Organization reviews its small business investment loan balances regularly and amounts are written down to their expected realizable value when outstanding amounts are determined not to be fully collectible. The maximum exposure to credit risk is the carrying value of accounts receivable, interest receivable and long-term investments.

The corporation has a geographical concentration of credit risk due to its operations being primarily in eastern Ontario. Accounts receivable, contributions receivable and interest receivable are non-interest bearing and are generally due in 30 to 60 days. The long-term investments are interest bearing, have varying due dates and are primarily secured.

#### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization's interest-bearing assets comprise long-term investments. All of the long-term investments have fixed interest rates.

# Cornwall & The Counties Community Futures Development Corporation

## Notes to the Financial Statements

*For the year ended March 31, 2023*

---

### 9. Significant event

In early 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

The Organization received grant funding of \$Nil (2022 - \$150,000) in order to provide local businesses with partially forgivable loans. A total of \$Nil (2022 - \$150,00) in loans was disbursed through this grant program of which \$Nil (2022 - \$41,250) is expected to be repaid to the Organization by December 2023.

While the extent of the impact is unknown, we anticipate this outbreak may cause reductions in the Organization's scheduled collections of loans receivable, ability to collect its loans receivable, staff shortages/disruptions, and increased government regulations, all of which may negatively impact the Organization's business and financial condition.