

Financial Statements of

**FUTURPRENEUR CANADA**

And Independent Auditors' Report thereon

Year ended March 31, 2021



KPMG LLP  
Vaughan Metropolitan Centre  
100 New Park Place, Suite 1400  
Vaughan ON L4K 0J3  
Canada  
Tel 905-265-5900  
Fax 905-265-6390

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Futurpreneur Canada

### ***Opinion***

We have audited the financial statements of Futurpreneur Canada (the Entity), which comprise:

- the statement of financial position as at March 31, 2021
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

### ***Auditors' 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 auditors' 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 the 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 Entity's internal control.



Page 3

- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the end.

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

July 21, 2021

# FUTURPRENEUR CANADA

## Statement of Financial Position

March 31, 2021, with comparative information for 2020

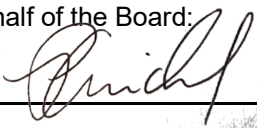
	2021	2020
<b>Assets</b>		
Current assets:		
Cash and cash equivalents (note 2)	\$ 15,381,837	\$ 11,032,992
Contributions and accounts receivable	158,583	690,649
Current portion of loans receivable (note 3)	12,947,641	8,927,381
Accrued interest receivable	95,960	94,830
Prepaid expenses	219,688	126,872
	<u>28,803,709</u>	<u>20,872,724</u>
Loans receivable (note 3)	18,077,592	15,609,710
Capital assets (note 4)	112,475	160,216
	<u>\$ 46,993,776</u>	<u>\$ 36,642,650</u>

## Liabilities and Net Assets

Current liabilities:		
Bank indebtedness (note 5)	\$ 5,072,710	\$ 6,024,446
Accounts payable and accrued liabilities (notes 6 and 11)	887,579	1,048,474
Deferred contributions (note 7)	939,288	504,665
	<u>6,899,577</u>	<u>7,577,585</u>
Net assets:		
Invested in capital assets	112,475	160,216
Unrestricted	28,481,724	17,404,849
Internally restricted (note 8)	11,500,000	11,500,000
	<u>40,094,199</u>	<u>29,065,065</u>
Commitments (note 10)		
	<u>\$ 46,993,776</u>	<u>\$ 36,642,650</u>

See accompanying notes to financial statements.

On behalf of the Board:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

# FUTURPRENEUR CANADA

## Statement of Operations

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenue:		
Contributions and sponsorships (note 7)	\$ 28,915,971	\$ 8,907,373
Loan interest	2,035,669	2,191,369
Loan fees	585,931	570,965
Investment	86,066	152,642
Other (notes 11 and 13)	567,169	716,732
	<u>32,190,806</u>	<u>12,539,081</u>
Expenses (note 9):		
Entrepreneurial programs	17,079,202	8,294,231
Outreach initiatives	1,114,455	1,384,676
Fundraising development	770,527	882,935
Administration	2,197,488	2,259,778
	<u>21,161,672</u>	<u>12,821,620</u>
Excess (deficiency) of revenue over expenses	<u>\$ 11,029,134</u>	<u>\$ (282,539)</u>

See accompanying notes to financial statements.

# FUTURPRENEUR CANADA

## Statement of Changes in Net Assets

Year ended March 31, 2021, with comparative information for 2020

				2021	2020
	Invested in capital assets	Unrestricted	Internally restricted	Total	Total
Net assets, beginning of year	\$ 160,216	\$ 17,404,849	\$ 11,500,000	\$ 29,065,065	\$ 29,347,604
Excess (deficiency) of revenue over expenses	(113,853)	11,142,987	–	11,029,134	(282,539)
Purchase of capital assets	66,112	(66,112)	–	–	–
Net assets, end of year	\$ 112,475	\$ 28,481,724	\$ 11,500,000	\$ 40,094,199	\$ 29,065,065

See accompanying notes to financial statements.

# FUTURPRENEUR CANADA

## Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Cash received from contributions and sponsorships	\$ 30,449,829	\$ 8,886,158
Investment income received for operation purposes	86,066	152,642
Cash received from principal payments	10,727,427	10,513,046
Interest and fees income received on loans	2,620,470	2,761,813
Loan advances	(22,537,500)	(12,499,000)
Cash paid for employment costs	(8,559,112)	(7,978,276)
Cash paid for operating expenses	(7,420,487)	(3,050,552)
	5,366,693	(1,214,169)
Financing activities:		
Increase (decrease) in bank indebtedness	(951,736)	1,736,866
Investing activities:		
Purchase of capital assets	(66,112)	(54,619)
Increase in cash and cash equivalents	4,348,845	468,078
Cash and cash equivalents, beginning of year	11,032,992	10,564,914
Cash and cash equivalents, end of year	\$ 15,381,837	\$ 11,032,992

See accompanying notes to financial statements.



# FUTURPRENEUR CANADA

Notes to Financial Statements

Year ended March 31, 2021

---

Futurpreneur Canada (the "Organization") is a non-profit organization, funded through public-private partnerships, designed to provide mentoring, business support and financing to young Canadian entrepreneurs who are creating new businesses. The Organization was continued under the Canada Not-for-profit Corporations Act in April 2014.

The Organization is a registered not-for-profit organization exempt from tax.

## 1. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants of Canada's Handbook. The significant accounting policies are as follows:

### (a) Cash and cash equivalents:

Cash and cash equivalents comprise cash on account and investments in units of high interest savings accounts.

Cash and cash equivalents are carried at fair value. Changes in fair value are recognized in the statement of operations in the current year. Any transaction costs are expensed as incurred.

### (b) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has elected to carry non-equity investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

# FUTURPRENEUR CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2021

---

## 1. Significant accounting policies (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

### (c) Revenue recognition:

The Organization follows the deferral method of accounting for contributions, which includes contributions from corporations and government grants. Government grants and corporate sponsorships are recognized as revenue in the year in which the related expenses are recognized or the spending restrictions are met.

Investment income, which includes interest income, is recognized in the statement of operations as earned.

### (d) Loans receivable:

Loans receivable are stated at amortized cost using the effective interest method, net of the allowance for loan losses.

Interest is recorded on the accrual basis for all loans, except on loans classified as impaired. A loan is classified as impaired when, in the opinion of management, there no longer is reasonable assurance of timely collection of the full amount of principal and interest. Impaired loans are written off. Interest received on a loan subsequent to its classification as impaired is not recorded as income. Subsequent collection of amounts on loans previously written off are netted and applied against the loan loss provision.

Any transaction costs are expensed as incurred.

# FUTURPRENEUR CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2021

---

## 1. Significant accounting policies (continued):

### (e) Allowance for loan losses:

Management of the Organization establishes and maintains an allowance for loan losses, which it considers the best possible estimate of probable loan losses in light of current conditions. The allowance for loan losses is deducted from loans receivable to arrive at a net carrying value.

### (f) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided on a straight-line basis over the following periods:

---

Computers and software	3 years
Office furniture	3 years
Leasehold improvements	Lesser of the term of lease and useful life of the asset

---

### (g) Contributions-in-kind:

Amounts are reflected in the financial statements for contributed operating materials and services only when an objective basis is available to measure the value of such services and when the contributed materials or services would have otherwise been purchased.

### (h) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

# FUTURPRENEUR CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2021

---

## 1. Significant accounting policies (continued):

### (i) Allocation of expenditures:

The Organization classifies its activities into four principal functions: entrepreneurial programs, outreach initiatives, fundraising development, and administration. The cost of each function includes direct costs associated with those functions: employment costs, other direct expenses and allocations.

Employment costs are allocated if necessary when a role supports more than one function.

The Organization incurs a number of shared indirect costs, common operating and other expenses relating to more than one function that are allocated by the Organization. These costs include the cost of management and administrative personnel, occupancy costs, other operating expenses and amortization not directly or only attributable to a specific function. These expenses are allocated by applying a percentage based on the percentage of all other direct costs attributed to the function.

## 2. Cash and cash equivalents:

	2021	2020
Cash	\$ 7,333,081	\$ 10,506,380
Fixed income instruments	8,048,756	526,612
	<u>\$ 15,381,837</u>	<u>\$ 11,032,992</u>

Cash and cash equivalents are recorded at fair value, based on quoted market values.

# FUTURPRENEUR CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2021

### 3. Loans receivable:

Loans receivable consist of unsecured floating rate (ranging from prime to prime plus 3.75%) loans to young entrepreneurs for the start-up of new businesses. The maximum amount of an initial loan cannot exceed \$20,000. In March 2021, the Organization launched Black Entrepreneur Startup Loan ("BESP") and the maximum amount of an initial loan under this program is \$40,000. Loan terms range from three to five years, with no principal payments due within the first year.

The following table summarizes the Organization's loan portfolio by payment due dates:

2021	Within 1 year	1 - 2 years	3 - 5 years	Total
Loans	\$ 12,947,641	\$ 10,800,036	\$ 17,619,302	\$ 41,366,979
Allowance for loan losses				(10,341,746)
Loans, net of allowance				31,025,233
Less amounts due within 1 year				12,947,641
Loans - long-term				\$ 18,077,592

2020	Within 1 year	1 - 2 years	3 - 5 years	Total
Loans	\$ 8,927,381	\$ 8,983,222	\$ 12,760,762	\$ 30,671,365
Allowance for loan losses				(6,134,274)
Loans, net of allowance				24,537,091
Less amounts due within 1 year				8,927,381
Loans - long-term				\$ 15,609,710

The fair value of the loans approximates the carrying value of loans, net of allowance and is calculated based on estimated future cash flow amounts.

# FUTURPRENEUR CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2021

### 3. Loans receivable (continued):

The general allowance for loan losses is summarized as follows:

	2021	2020
Balance, beginning of year	\$ 6,134,274	\$ 6,072,549
Write offs, net of recoveries applied to allowance	(1,019,751)	(1,541,448)
Loan loss expense	5,227,223	1,603,173
Balance, end of year	\$ 10,341,746	\$ 6,134,274

### 4. Capital assets:

	2021		2020	
	Cost	Accumulated amortization	Net book value	Net book value
Computers and software	\$ 1,516,211	\$ 1,410,488	\$ 105,723	\$ 146,705
Office furniture	162,671	155,919	6,752	13,511
Leasehold improvements	309,680	309,680	–	–
	\$ 1,988,562	\$ 1,876,087	\$ 112,475	\$ 160,216

### 5. Line of credit:

(a) Business Development Bank of Canada ("BDC"):

On September 29, 2017, the Organization signed a Letter of Offer (the "agreement") with BDC for a \$20 million demand revolving credit facility. The Organization signed an amended Letter of Offer on March 23, 2021 amending certain terms and conditions of the credit facility. As per the March 23, 2021 amendment, the borrowing limit was reduced from \$20 million to \$10 million and it was agreed that borrowing covenants shall not apply to the Black Entrepreneur Startup Program ("BESP") loan pool funded by Royal Bank of Canada as it will fall under Special Initiatives. The credit facility bears interest at BDC's floating base rate minus a variance of 2.74% per annum plus a stand by fee of 0.07% per annum of the unused portion of the credit facility. The credit facility is repayable on demand and is secured by a general security agreement constituting a first priority ranking and exclusive charge on all property of the Organization, including rights of the Organization in the loans receivable, but excluding the assets under Special Initiatives such as BESP.

# FUTURPRENEUR CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2021

---

## 5. Line of credit (continued):

As at March 31, 2021, the Organization drew \$5,050,210 (2020 - \$6,024,446) on the credit facility. These funds are used for loan capital for young entrepreneurs. Under the terms of the credit facility the Organization is required to maintain certain covenants. The Organization complied with these covenants as at March 31, 2021 and 2020.

### (b) Royal Bank of Canada ("RBC"):

On March 23, 2021, the organization signed a credit agreement with the RBC for a \$3 million revolving demand facility to help fund loans made by the organization under the BESP. The credit facility bears interest at RBC's prime rate plus 3.75% on the balance outstanding on the credit facility. RBC's recourse against the organization for collection of all amounts owing under this agreement is limited to receiving the proceeds of BESP loan interest payments and principal repayments as and when received by the organization. The credit facility is repayable by demand and is secured by a Security Agreement constituting a first ranking priority on all BESP loans receivable funded under RBC's credit facility.

As at March 31, 2021, the Organization drew \$30,000 (2020 - nil) on the demand facility.

## 6. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances of nil (2020 - \$13,049) for payroll-related taxes and GST/HST.

## 7. Deferred contributions:

The Organization has received several grants from the federal and provincial governments and corporate sponsorships. The amount of contributions and sponsorships not yet recognized as revenue is as follows:

	2021	2020
Balance, beginning of year	\$ 504,665	\$ 1,287,280
Contributions and sponsorships received	29,232,000	7,806,000
Amounts recognized as contributions and sponsorships	(28,797,377)	(8,588,615)
Balance, end of year	\$ 939,288	\$ 504,665

# FUTURPRENEUR CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2021

## 8. Internally restricted net assets:

During 2015, the Board of Directors approved a transfer of \$11,500,000 from unrestricted to internally restricted net assets. The internally restricted net assets are set aside for future operations and resources for new start-up financing.

## 9. Expenses by function:

2021	Entrepreneurial programs	Outreach initiatives	Fundraising development	Administration	Total
Employment costs	\$ 5,575,420	\$ 805,417	\$ 631,294	\$ 1,546,981	\$ 8,559,112
Marketing costs	151,448	156,940	–	–	308,388
Programs costs	281,339	121,165	111,475	127,329	641,308
Office occupancy and operating costs	617,398	26,208	24,015	512,195	1,179,816
Amortization	94,402	4,725	3,743	10,983	113,853
Loan loss expense	5,227,223	–	–	–	5,227,223
COVID relief coverage expense	5,131,972	–	–	–	5,131,972
	\$ 17,079,202	\$ 1,114,455	\$ 770,527	\$ 2,197,488	\$ 21,161,672

2020	Entrepreneurial programs	Outreach initiatives	Fundraising development	Administration	Total
Employment costs	\$ 5,163,259	\$ 807,815	\$ 664,739	\$ 1,524,379	\$ 8,160,192
Marketing costs	242,479	338,370	5,295	260	586,404
Programs costs	685,073	156,406	160,157	156,488	1,158,124
Office occupancy and operating costs	506,315	67,973	43,734	553,954	1,171,976
Amortization	93,932	14,112	9,010	24,697	141,751
Loan loss expense	1,603,173	–	–	–	1,603,173
	\$ 8,294,231	\$ 1,384,676	\$ 882,935	\$ 2,259,778	\$ 12,821,620

## 10. Commitments:

The Organization has operating lease commitments for its equipment and premises as follows:

2022	\$ 455,675
2023	300,049
2024	96,474
2025	30,333
	\$ 882,531



# FUTURPRENEUR CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2021

---

## 11. Related party transactions:

Transactions with Futurpreneur Foundation ("FF"):

The Organization has an economic relationship with FF. FF was registered as a charity under the Income Tax Act (Canada) effective April 1, 2012. The Organization is providing administrative support and facilities to FF. The purpose of FF is to advance education that focuses on personal and business skill development and entrepreneurship, and to advance education through research on entrepreneurship and the publication of useful results of such research.

During the year, the Organization administered a program on behalf of FF. Total costs associated with the programs were \$239,467 (2020 - \$305,775). No funds were owing to/from FF at year end (2020 - \$314,930 due from FF).

FF has not been consolidated in the financial statements of the Organization. The financial summary is as follows:

Statement of financial position:

	2021	2020
Assets	\$ 258,260	\$ 495,713
Liabilities	122,176	370,930
<b>Net assets</b>	<b>\$ 136,084</b>	<b>\$ 124,783</b>

Statement of operations:

	2021	2020
Revenue	\$ 262,497	\$ 208,775
Expenses	251,196	315,045
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 11,301</b>	<b>\$ (106,270)</b>

# FUTURPRENEUR CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2021

## 11. Related party transactions (continued):

Statement of cash flows:

	2021	2020
Operating activities	\$ (238,656)	\$ 143,201
Increase (decrease) in cash	(238,656)	143,201
Cash, beginning of year	495,713	352,512
Cash, end of year	\$ 257,057	\$ 495,713

## 12. Financial risk management:

The Organization's activities expose it to credit risk and liquidity risk. The Organization believes that it is not exposed to significant interest rate and market risks arising from its financial instruments. The Organization's overall risk management program and business practice seek to minimize any potential adverse effect of those risks on the Organization's performance.

COVID-19 has resulted in nation-wide business disruption in Canada, and severe economic repercussions for all small businesses, particularly main street start-up enterprises that form a significant portion of the Youth Entrepreneurs who are serviced by the Organization.

In response to COVID-19, the Organization received on May 6, 2020 a one-time \$20.1 million grant from the federal government. These funds were used for the following:

- Offering \$5,000 to \$10,000 top-up loans to eligible current clients impacted by COVID-19;
- Providing six months of loan coverage to all existing clients as of March 31, 2020; and
- Ensuring that the Organization has adequate capital to support new business launches following the pandemic period.

# FUTURPRENEUR CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2021

---

## 12. Financial risk management (continued):

### (a) Credit risk:

Credit risk arises from the possibility that borrowers may be unable to fulfill their obligations. The Organization mitigates this risk by limiting loan amounts to individual entrepreneurs and by hiring individuals with the required expertise to assess the merits of loan applications from entrepreneurs. The Organization provides a mandatory mentorship program, while undertaking individual due diligence and adjudications for all applications of its individual entrepreneurs, to mitigate any other potential financial risks after loans are disbursed.

In 2021, the Organization assessed the impact of COVID-19 on its loan loss provision and arrived at the conclusion that the impact of COVID-19 on year end loans receivable balance, and even with the loan relief provided by the Federal Government of Canada to the Organization and the other relief programs mentioned above, will be higher than previous years. Hence, the Organization has increased its loan loss provision to 25% (2020 - 20%).

### (b) Liquidity risk:

Liquidity management relies on maintaining sufficient cash and the availability of funding. The Organization manages liquidity risk by continuously monitoring actual and projected cash flows to ensure that it will have sufficient liquidity to meet its liabilities when due.

## 13. Economic relationship:

The co-lending agreement expired on September 30, 2020 and was renewed with an amended and restated agreement on September 26, 2020. On March 19, 2021, the Organization entered into an amended and restated co-lending agreement with BDC to provide additional financing to eligible Organization applicants, and BDC's total commitment is up to \$60 million.

In addition, on September 29, 2017, the Organization signed a Letter of Offer with BDC for a \$20,000,000 demand revolving credit facility. The Letter of Offer was most recently amended on March 23, 2021 and the revolving credit facility was reduced to \$10,000,000 as disclosed in note 6.

Included in other revenue are fees received from BDC of \$425,873 (2020 - \$354,570).