

Kawartha Lakes
BCDC
**Business & Community
Development Corporation**

**Welcomes You to Our
Second Annual General Meeting
December 8th , 2015**

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Canada 



Annual General Meeting

Tuesday, December 8th, 2015

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THE KAWARTHA LAKES BUSINESS AND COMMUNITY DEVELOPMENT CORPORATION

BUILDING ON THE PAST; LOOKING TO THE FUTURE

The Kawartha Lakes Business and Community Development Corporation (KLBCDC) was incorporated in the spring of 2013 for the purpose of facilitating of jobs, prosperity and community development in the City of Kawartha Lakes.

As per its sister corporations, the Kawartha Lakes Community Futures Development Corporation (KLCFDC) and the Victoria County Employment Development Group (VCEDG), the corporation will continue to be a community based, non-profit, business led organization. All three corporations are overseen by a volunteer Board of Directors, representing a variety of business and professional experience and residing throughout the area in which the Corporation operates. These Directors may not realize any personal gain as a result of their involvement on the Board and must declare any real or perceived conflicts of interest when dealing with matters before the Board. The Board, in turn, has a professional staff to administer and manage the daily operations and planned development of the Corporation and its activities to the satisfaction of the Directors.

The idea that led to the creation of the "BCDC" emerged from a practice we have utilized often through our history here in Kawartha Lakes. Referred to as "community consultation", this is an activity that we often undertake in our quest to do more for our local economy. In discussions with business leaders, owners and operators, came the clear consensus that with more capital, their businesses could increase capacity and in turn create more opportunities. This would lead to growing revenues and greater success both within their operations as well as for the community overall. This message registered with our Directors and starting in 2013, we have worked towards creating an entity that could provide this increased access to capital.

What the BCDC will strive to do is extend the potential for local businesses and others to secure monies that can help them expand, enhance and ultimately create more chances to increase our community's economic prosperity. We want to build on where we've come from, the Kawartha Lakes Community Futures Development Corporation (KLCFDC) and the Victoria County Employment Development Group (VCEDG), in supporting opportunities that may extend beyond what we've accomplished previously or be structured in new and different ways that can help local businesses succeed.

This being said, it is imperative to know that this new corporation will not, in any way, undermine or look to affect the activities and the impacts of, in particular, the work of the KLCFDC. All Directors understand and appreciate what has been achieved in Kawartha Lakes in operating as a Community Futures corporation over the many years. What we hope to do now is ideally enhance this work by offering more options for local business.

The policies and structure of the Corporation allows the community to play a direct and active role in employment and business development within the region. Based on solid plans, detailed strategic assessment and well thought out implementation, we will work collaboratively in growing our economic strengths, gaining even more through partnerships, and ultimately creating an effective and efficient model which others can look towards in assisting their own operations or areas to achieve more.

The Kawartha Lakes Business and Community Development Corporation is empowered to pursue its goals through:

- Providing entrepreneurial, commercial, financial, marketing and other business advice and counseling to businesses and to persons seeking to establish new businesses;
- Providing assistance in the development and the diversification of the local economy by assisting entrepreneurs to create new businesses, or existing businesses to stabilize or expand in the community, and through the possible provision of financial and other types of assistance;
- Supporting employment growth and by fostering the growth of viable and continuing employment opportunities in the City of Kawartha Lakes, Eastern and Southern Ontario; and by
- Providing resources for the planning and development of strategies and tactics pertaining to local, regional and national activities that will serve the future economic prosperity of the City of Kawartha Lakes; as well as other complimentary purposes not inconsistent with these objects.

The financial support component of these goals can be further defined by proposing that the capital being requested may not be available elsewhere or at terms that also may not be available from other lending sources. There can be a higher degree of risk associated with these types of financial assistance but this is not inconsistent with what has been the experience of our two sister organizations. In assuming a degree of additional risk, it can also bring a rare failure. However, from what we have experienced, the successes far outweigh the losses.

The Kawartha Lakes Business and Community Development Corporation will operate with this perspective first and foremost in what it does.

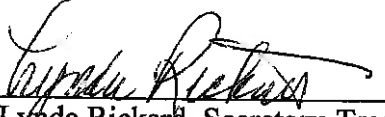
The governing principles for the operation and decisions made by the Corporation are based in our By-Laws and operating policies developed by the Board, reviewed from both a legal as well as an accounting principles position, and approved for implementation by the KLBCDC Board of Directors. As we work to grow and develop this corporation as well as realize on further opportunities that may become available over time, we will continue to maintain the governance required of a Provincially-registered, not-for-profit corporation.

The organizations and individuals responsible for the Kawartha Lakes Business and Community Development Corporation recognize the proud heritage and history that has led to this new entity being created. They are most appreciative of the solid reputation and strong record for supporting community which has been established and maintained for nearly three decades. While creating the KLBCDC with a clear view to the future, the activities of the past and the success factors involved will be present in all that we do.

Adopted unanimously by the Kawartha Lakes Business & Community Development Corporation Board of Directors at its inaugural General Meeting on December 8th, 2014 in Lindsay.

KAWARTHA LAKES
BUSINESS AND COMMUNITY DEVELOPMENT CORPORATION

I hereby certify that the notice to the Directors of the Kawartha Lakes Business and
Community Development Corporation regarding the Annual General Meeting of
December 8th, 2015 was delivered according to the By-Laws of the Corporation.


Lynda Rickard, Secretary-Treasurer



KAWARTHA LAKES
BUSINESS AND COMMUNITY DEVELOPMENT CORPORATION

Annual General Meeting

Agenda

Tuesday, December 8th, 2015 11:00 A.M.

Olympia Restaurant
Banquet Room, Second Floor
106 Kent Street, West, Lindsay

1. Call to Order and Confirmation of Notice Being Sent.
 2. Approval of the Agenda for the December 8, 2015 Annual General Meeting.
 3. Chairman's Welcome.
 4. Presentation of the Corporation's Financial Highlights for Fiscal Year Ending March 31, 2015; Ms. Linda Rickard, Secretary-Treasurer; Mr. Erik Ellis, Collins Barrow Kawarthas.
 5. Approval of All Acts of the Directors for the Fiscal Year 2014/2015.
 6. The Appointment of the Directors and Executive Committee for the Forthcoming Year.
 7. Appointment of Auditors for KLBCDC Fiscal Year 2015 – 2016.
 8. Chairman's Remarks.
 9. Adjournment.
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KAWARTHA LAKES BUSINESS AND COMMUNITY DEVELOPMENT CORPORATION
SUMMARY FINANCIAL STATEMENTS
March 31, 2015

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS

To the Board of Directors of Kawartha Lakes Business and Community Development Corporation

The accompanying summary financial statements of Kawartha Lakes Business and Community Development Corporation, which comprise the summary statement of financial position as at March 31, 2015, and the summary statement of operations and changes in fund balances for the year were derived from the audited financial statements of Kawartha Lakes Business and Community Development Corporation for the year ended March 31, 2015. We expressed an unmodified audit opinion on those financial statements in our report dated October 30, 2015. Those financial statements, and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all of the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Kawartha Lakes Business and Community Development Corporation.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these summary financial statements in accordance with the criteria described in note 2.

Auditors' Responsibility

Our responsibility is to express an opinion on these summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of Kawartha Lakes Business and Community Development Corporation as at and for the year ended March 31, 2015 are a fair summary of those financial statements, in accordance with the basis described in note 2.

Collins Barrow Kawarthas LLP

Chartered Professional Accountants
Licensed Public Accountants

Lindsay, Ontario
October 30, 2015

 Collins Barrow
Chartered Accountants

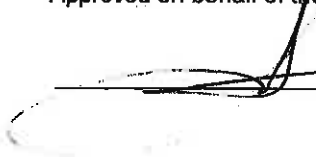
KAWARTHA LAKES BUSINESS AND COMMUNITY DEVELOPMENT CORPORATION

SUMMARY STATEMENT OF FINANCIAL POSITION

As at March 31, 2015

	2015	2014
	\$	\$
ASSETS		
Current assets		
Cash	833,065	3,020,500
Short term investments	2,250,000	475,000
Accrued interest receivable	18,694	4,717
Current portion of loans receivable	87,289	-
	<u>3,189,048</u>	<u>3,500,217</u>
Loans receivable	306,537	-
Note receivable from related party	1,935,505	1,935,505
	<u>5,431,090</u>	<u>5,435,722</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	3,500	2,500
Note payable to related party	4,935,505	4,935,505
	<u>4,939,005</u>	<u>4,938,005</u>
Net assets		
Unrestricted	492,085	497,717
	<u>5,431,090</u>	<u>5,435,722</u>

Approved on behalf of the board:

 Director

 Director

KAWARTHA LAKES BUSINESS AND COMMUNITY DEVELOPMENT CORPORATION

SUMMARY STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended March 31, 2015

	2015	2014
	\$	\$
Revenues		
Interest income	49,789	4,957
Loan application fees	1,750	-
	<u>51,539</u>	<u>4,957</u>
Expenses		
Advertising and promotion	1,620	-
Consulting fees	11,639	-
Insurance	1,782	1,782
Interest and bank charges	8	95
Meetings	610	-
Office	681	147
Professional fees	11,147	3,014
Travel	43	-
Wages and benefits	29,641	1,200
	<u>57,171</u>	<u>6,238</u>
Loss before the undernoted	<u>(5,632)</u>	<u>(1,281)</u>
Debt forgiveness	-	498,998
Excess (deficiency) of revenues over expenses for the year	<u>(5,632)</u>	<u>497,717</u>
Unrestricted net assets - beginning of year	<u>497,717</u>	-
Unrestricted net assets - end of year	<u>492,085</u>	<u>497,717</u>

KAWARTHA LAKES BUSINESS AND COMMUNITY DEVELOPMENT CORPORATION

NOTES TO THE SUMMARY FINANCIAL STATEMENTS For the year ended March 31, 2015

1. NATURE AND PURPOSE OF ENTITY

Kawartha Lakes Business and Community Development Corporation was incorporated under the Business Corporations Act of Ontario on March 19, 2013 as a corporation without share capital.

The corporation was formed:

- (i) To foster the establishment, expansion and stabilization of small and medium sized businesses in the community by:
 - and (a) providing entrepreneurial, commercial, financial, marketing and other business advice and counselling to these businesses and to persons seeking to establish new businesses;
 - and (b) providing assistance in the development and diversification of the local economy stabilize by assisting entrepreneurs to create new businesses, or existing businesses to or expand in the community, through the provision of financial assistance in the form of loans, loan guarantees and equity investments;
- (ii) To support employment growth and foster the growth of viable and continuing employment opportunities in the City of Kawartha Lakes;
- (iii) To provide resources for the planning and development as well as the execution of key community economic development strategies and tactics pertaining to local, regional and national activities that will serve the future economic prosperity of the City of Kawartha Lakes

2. SUMMARY FINANCIAL STATEMENTS

The summary financial statements are derived from the audited financial statements, prepared in accordance with Canadian accounting standards for not-for-profit organizations, as at March 31, 2015 and for the year then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summary financial statements using the following criteria:

- (i) the summary financial statements will have a summary of the statement of financial position, and a summary of the statement of operations and changes in net assets. Management has determined that the statement of cash flows does not provide additional useful information and as such has not included them as part of the summary financial statements.
- (ii) information in the summary financial statements agrees with the related information in the complete audited financial statements;
- (iii) in all material respects, the summary financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the related complete audited financial statements, including notes thereto.

The complete audited financial statements of the Kawartha Lakes Business and Community Development Corporation are available upon request by contacting the Corporation.



Directors for Fiscal 2015 – 2016

John Bennett

Ian Crockford

Dennis Zekveld

Dan Burns

Carly Poole

Anna Friend

Jill Quast

Paul Reeds

Moti Tahiliani

Lynda Rickard

Mark Torrey

Amy Terrill

Consuelo Kuettner-Sandoval

Executive Committee for Fiscal 2015 – 2016

Chair – John Bennett

Vice Chair – Ian Crockford

Vice President – Paul Reeds

Secretary-Treasurer – Lynda Rickard

Member at Large – Mark Torrey

Member at Large – Moti Tahiliani

Chairman's Remarks

When I addressed our inaugural Annual General Meeting last December, I spoke to the fact that the reason for the creation of the Kawartha Lakes Business and Community Development Corporation involves, and revolves around our business community. I talked about our conversations with the entrepreneurial people in our community, whose businesses generate jobs, pay taxes, and support Kawartha Lakes in so many ways. And I stated that paramount to what we will do as an organization will be the efforts we make in keeping up with their requirements for support--and that this is what will keep us relevant and all of us, as a community, moving forward in the years ahead.

One year later I can tell you that nothing in this has changed; which brings with it good news and bad news. The challenges facing our local businesses continue but so too, do the opportunities for development, innovation and expansion.

To an extent the same can be said about the KLBCDC. Providing capital for business is not a new thing but it's new for us. During this past fiscal we began to see revenues result from our lending activity. These are through the loans we've now made to help local businesses grow, which is great news. On the other side, we too have experienced some challenges and as the old adage says, *'The best laid plans are subject to change without notice.'* Okay, I'll admit that's not exactly how it goes but it's often how things happen!

A year ago, I spoke about the fact that over the upcoming few months we would finalize plans and form the basis for bringing a new investment option to the community. The investment opportunity we were developing would involve a distinct operating philosophy and practice--one that investors and business owners alike could easily identify with and we hope that as a community, will invest in. One that we believe will bring great pride by way of achievements and great success by way of business growth, economic expansion and increased prosperity. And one year later, I can again say that nothing in this has changed.

Unfortunately, I must also tell you that we're not quite there yet. So while the KLBCDC has started to develop its loan portfolio, the newest lending tool we hope to offer the community, is itself, still in development. Several months after starting, we are continuing with conversations involving both the Canada Revenue Agency as well as the Ontario Securities Commission. What we had researched and seemed to present itself as something we could execute at the municipal level, has become a challenge in satisfying regulatory and legislative requirements at the highest levels. All of this to say, we're not there yet but we are still committed to getting there if it's at all possible to do.

But the KLBCDC isn't just about money. It's about listening--just like we did 24+ months ago when our business community first stated their needs for greater access to capital. It's about sharing plans, developing a vision, and working tirelessly to achieve the objectives established. It's what business owners and operators work for and what we, as an organization strive to do in providing the tools needed for their success.

Whether we're discussing capital for equipment, expansion or succession planning; or advising on marketing, exporting or training, we are a new option for our business community to call on and that's what we're about. As you will see in our Financial Highlights the capacity to do this is clearly there and our goal, first and foremost, is to insure the our local businesses know that its available to them.

The idea to develop a "community-based investment fund" remains vibrant and one we hope can soon be realized. Then we would look to be out in the community, offering this opportunity to investors and businesses alike. If successful, we will have created a fund that will reach well beyond what our individual corporation can do. A fund that will provide those involved with an attractive return on their investment; all the while as the investment helps grow community economic development in Kawartha Lakes and beyond.

To achieve all we envision for the KLBCDC we will have a number of partners who will help us grow the organization and what it can deliver. We're extremely fortunate to be building on a proven entity in the Community Futures Corporation and its partner, the Victoria County Employment Development Group, in having launched new entity in Kawartha Lakes. There's nearly 30 years of history there and includes partnerships with all 3 levels of government: federal, provincial and municipal. We look to derive significant benefit through these relationships as we develop—just as we see happening in working with our business leaders and investors in delivering our supports and services.

All of this will be based on commitment. A commitment we have to seeing this community grow and succeed. One based on supporting business and community together. A commitment shared by all of our Directors and Staff; all of whom I thank for their dedication in continuing to work towards our goals. It's a commitment we hope that others in this great community of Kawartha Lakes may come to join and share with us and take pride in.

As an organization, the Kawartha Lakes Business and Community Development Corporation is just getting started and we look towards a future of great potential.

Thank you.

John D. Bennett, Chair
December 8, 2015.