

# BUSINESS SOLUTIONS FOR SUCCESS

Women Entrepreneurs of Saskatchewan Inc.  
Annual Report April 1, 2012 to March 31, 2013



WOMEN ENTREPRENEURS  
OF SASKATCHEWAN INC.  
Business Solutions for Success

Women Entrepreneurs of Saskatchewan Inc.'s Impact

Over the past 18 years, Women Entrepreneurs of Saskatchewan Inc. (W.E.) has been making a difference in the results of women owned businesses throughout the province. Since inception in 1995, W.E. has lent over \$27 million which has contributed to the Saskatchewan economy. The organization continues to help shape and create the economic climate and business community for women entrepreneurs in the province.

Programs & Services

- ◆ Business Advising
- ◆ Start-up and Expansion Loans up to \$150,000
- ◆ Business Development Seminars
- ◆ Mentoring and Networking Opportunities

2013 Quick Facts

- ◆ 2,079 Information Requests
- ◆ 17,958 Website Visits
- ◆ 940 Members
- ◆ 999 Business Advising Appointments
- ◆ 32 Loans, totalling \$2,660,700
- ◆ 162 Fulltime employment positions created and maintained through our lending program alone

Funding Partner

*Women Entrepreneurs of Saskatchewan Inc. administers a \$5 million loan fund and receives core operations funding from Western Economic Diversification Canada.*

*W.E. gratefully acknowledges the support of:*

TABLE OF CONTENTS

Board of Directors and Staff	3
Message from the CEO	4
At a Glance	5
Business Advising	6
Financing	7
Training	8
Success	9
Message from the Board Chair	11
Audited Financial Statements	12

START

EXPAND

SUCCEED





## Directors

Shana Ring	<i>Chair/Regina</i>
Irene Boychuk	<i>Past Chair/Saskatoon</i>
Peggie Koenig	<i>Vice Chair/Saskatoon</i>
Bev Anderson	<i>Regina</i>
Audrey Ashcroft	<i>South Region</i>
Jackie Ferraton	<i>North Region</i>
Tracey Kowalchuk	<i>North Region</i>
Lana Sheppard	<i>Saskatoon</i>
Donna Ziegler	<i>South Region</i>

## Staff

Laura Small	<i>Chief Executive Officer</i>
Agnes Bourassa	<i>Loans Manager</i>
Erin Brakefield	<i>Loans &amp; Accounting Administrator</i>
Katelyn Cholowski	<i>Business Advisor</i>
Nancy Friesen	<i>Membership Coordinator</i>
Charlotte McCall	<i>Business Advisor</i>
Debra Needham Moshurchak	<i>Loans Officer</i>
Diane Souillet	<i>Client Services Representative &amp; Training Administrator</i>
Danielle Wojcichowsky	<i>Communications &amp; Events Coordinator</i>
Linda Prafke	<i>Business Advisor (Contract)</i>
Jennifer Smith	<i>Accountant (Contract)</i>

Our CEO, Laura Small, was recognized by The International Alliance for Women (TIAW) for the difference she has made to the economic empowerment of women in Saskatchewan. Laura is one of seven Canadians who was named to the 2012 TIAW World of Difference 100 list. The TIAW World of Difference Awards honour women who are often the "unsung heroines" of our societies; ordinary women who accomplish extraordinary things. This past year over 300 nominations were received from more than 70 countries. W.E. is extremely proud to have our CEO recognized on an international scale for the contributions she has made.

**Women Entrepreneurs of Saskatchewan Inc.** is proud to be the **2013 Better Business Bureau Torch Award Recipient** in the Non-Profit category for outstanding ethics and integrity in business.



"A company is only as good as the people it keeps."  
- Mary Kay Ash

Women Entrepreneurs of Saskatchewan Inc. is by this measure, an awesome company. From the members and clients that we work with on a daily basis who are taking advantage of opportunities to follow their dreams of business ownership; to the staff who are dedicated to providing the highest quality of service to meet the needs of those members and clients.

Demand continues to be steady, as once again we worked with hundreds of women over the course of the 2012/2013 fiscal year. Lending was at the second highest level in our history at \$2.66 million, being only surpassed by last year's number. The business advisors dealt with 216 new clients through 999 appointments. And between lending and business advising, we were able to leverage an additional \$2.53 million from sources outside of W.E.

The original \$5.0 million loan fund contribution provided by Western Economic Diversification Canada (WD) has allowed us over the years to provide \$27,394,645 in financing to women owned businesses in Saskatchewan. And the annual operating funding provided by WD gives us the ability to deliver all of our programs and services. W.E. is not just here to assist with business startup, and we continue to not only provide but add to our portfolio of on-going support, training and information for existing business owners.

The face of W.E. has remained relatively stable over the past year. Three long-term staff members manage the client workload in the Regina office, and in Saskatoon with six staff and two contractors, we only have one new member of our team. These women inspire me every day through their dedication and hard work in serving our members and clients.

Not only will we be celebrating the accomplishments and contributions of women entrepreneurs through the declaration by the Province of Saskatchewan of Women Entrepreneurs Week from May 6 to May 12, 2013, we will be celebrating our own accomplishment as the recipient of a Better Business Bureau award recognizing outstanding ethics and integrity in business. This award means a lot to the staff, even more so due to the fact that we were nominated by one of our clients.

This year's Annual Report highlights our activities and accomplishments over the past year. We are proud to share this document with you and extend our sincere appreciation to Western Economic Diversification for their continued support.

Laura Small, CEO





Women Entrepreneurs of Saskatchewan Inc. works towards

*"A business culture in which barriers to success, recognition, and advancement of women entrepreneurs in Saskatchewan are eliminated."*

## About Women Entrepreneurs of Saskatchewan Inc.

W.E. is a non-profit membership organization established in 1995 dedicated to enabling women to build successful businesses that strengthen Saskatchewan's economy. W.E. serves to complement, rather than duplicate, the services of other organizations in supporting business and professional women while promoting entrepreneurship as a career option for girls and women throughout our province. With offices in Saskatoon and Regina, W.E. is led by a voluntary board of directors and provides services across Saskatchewan. Our goal is to provide women with the resources necessary to start, expand, and succeed in business.

## Inquiries

Entrepreneurial information and resource connections are key components of support we offer to clients at all stages of business development.

Each year we receive requests for information from budding to experienced entrepreneurs across Saskatchewan. This year we received 2,079 information requests relating to entrepreneurship and business, 20% of those requests from the rural population with the remaining 80% from urban centres.

**Interesting Fact:** In 2012/2013 over 17,958 unique visitors connected to information and resources through our website. Our online presence continues to grow and is identified as one of the top ways individuals access and learn more about our organization.



## Business Beginnings

This year W.E. introduced 319 women to the entrepreneurial process through a one hour Business Beginnings session. Held twice a week, these 170 sessions introduce the key concepts involved in starting and sustaining a successful business as well as outline the programs and services offered by W.E. to assist clients along their entrepreneurial journey. These sessions are the first point of contact with our organization and are aimed at helping individuals determine how to best move forward with their business using the help of W.E.

## Membership

Did you know that W.E. started with 6 members back in 1995? Today, we are 940 members strong across Saskatchewan with 25% of our membership being Associate Members and 75% Full Members. Our membership is primarily made up of women, entrepreneurs, business owners and professionals from a diverse range of sectors within business.

This year, we engaged and connected with 400 new members. Our members are an integral part of the organization and we sincerely appreciate their support and commitment. This year we recognize 17 members for their continued commitment and dedication over the years. W.E. is proud to award the following recipients:

**5 Year Members:** Audrey Ashcroft, Nancy Black, Lisa Burns, Angela Edmunds, Trina Fader, Tamara Hrechuch, Mary Huebert, Lezlie Lajeunesse, Craig Lowenberg, Peggy Masson, Rachel Mielke, Corylee Montgomery, Eva Sabau, Tara Simpson, Jack Totter

**10 Year Members:** Connie den Hollander

**15 Year Members:** Brenda Zolinsky



## Do you need advice on managing your current business? Are you starting a business?

Through all cycles of business – idea to maturity and beyond – Business Advisors are here to help clients and members find the information they need to make good business decisions. *"It's their business and our role is to make sure they have the tools they need to start and operate successfully."* Charlotte McCall, Business Advisor

During the past year, W.E. assisted 216 new clients through our Business Advisory services. Our Business Advisors held 999 business advising sessions assisting clients in creating business plans, providing insight and direction, facilitating analysis of the business, identifying potential barriers to success, and helping our members reach their goals.

With help and support through Business Advisory services, our clients secured \$865,030 in external financing. Over the course of this past year, our business advisors transferred 55 files to lending through W.E. and other financial institutions.

*"My involvement with W.E. has been invaluable. I currently own and operate my second business and they've been an integral part of my support system both times. Twenty-one months into my venture I am still in contact with my Business Advisor and Loans Manager at W.E. and it is still the most valuable business relationship I have. I look forward to a long relationship with W.E. because I understand how helpful and uplifting they are to women in business."* Liza Kook, Owner of Wet Paint Pottery





*"After completing a large amount of research, a business plan and a five year financial forecast, I set out to secure financing. Even though I had great credit, I was unable to secure funds through conventional institutions. I went to W.E. with an ambitious dream. My experience with W.E. was beyond amazing. I was challenged and inspired to answer the hard questions about my business, given to-do lists and received hours of help with perfecting my start-up costs and sales forecasts. For a female business owner, this type of support has been invaluable and after only a few months I have secured all the financing necessary to make my business a reality." Josceyln Armstrong, Owner, Honey Bun Café Inc.*



W.E. administers a \$5M loan fund from Western Economic Diversification Canada. This year we approved 32 loans all contributing to the economic prosperity of Saskatchewan. Of these loans, 14 were new business start-ups, 14 were expansions loans, and 4 existing businesses were purchased through the support and services of W.E. In total this past year, we lent \$2,660,700 which leveraged an additional \$1,663,476 and created and maintained 162 new full time positions province wide. To date, W.E. has lent a total \$27,394,645 to entrepreneurs starting, expanding, and purchasing businesses and has helped clients leverage \$18,346,850 in additional funding.

W.E. provides financing up to \$150,000 to new or existing qualified businesses owned and operated by women. Our loans and ongoing business support complement programs offered by traditional lenders and W.E. partners with other lenders to support business success in Saskatchewan.

*"As the Loans Officer I work with clients to help them match their dreams with reality whether it's assessing the level of risk or asking the hard questions. I ask the questions that no one wants to hear or think about. What happens when this doesn't go as planned? What's your backup plan? Does this business move you towards personal vision? Lending is more than just putting the money out there; we're here to work with our clients through all stages and aspects of their business." Debra Needham Moshurchak, Loans Officer*



**Interesting Fact:** In 1998, W.E. provided assistance to a woman entrepreneur whose business now earns annual revenues between \$10-15M and has been named on the Profit Top 100 Women Entrepreneurs list.

## Business Check-Ups

W.E. is excited to partner with Happy Entrepreneur Consulting to bring Business Check-Ups to members in order to provide further customized business coaching and support focused on a keep it simple process that successful entrepreneurs can use to make informed decisions about their business.

Business Check-Ups are designed for business owners to help them identify opportunities for improved financial outcomes through analysis of financial information, determining an estimated value of the business and providing recommendations for ways to improve the value of the business and financial outcomes.



## Training

Many business owners struggle with understanding and applying essential business skills - forward planning, financial management, marketing and operational control. This is why business skills training are a must for small business owners. This year we delivered 201 business development sessions which educated 983 attendees about the different components of business and provided them with the tools to apply this information to their own businesses.

Over this last year, W.E. provided a variety of online solutions to help clients and members meet their training requests and needs. W.E. has partnered with the Business Training Networking (BTN) to offer various training sessions to our network with top presenters delivering these sessions through video conferencing from across Canada.

We continue to partner with GoForth Training, 100 Essential Small Business Skills™ and the Entrepreneurship Centre of Excellence, On-line Business Plan Development Seminar to provide online training for entrepreneurs and business owners.





# SUCCESS

Our priority is to help women throughout Saskatchewan achieve their entrepreneurial goals. Through our programs, services, events and workshops we strive to connect women to successful business owners and professionals in order to learn best practices and build supportive networks. Our organization has established a reputation as an invaluable resource for women entrepreneurs in Saskatchewan and has helped many women to better their business, careers, and lives.

*"Women Entrepreneurs of Saskatchewan is a tremendous asset to women in business and provides guidance to help business owners and entrepreneurs succeed in a competitive market." Kent Smith-Windsor, Greater Saskatoon Chamber of Commerce*

*"W.E.'s commitment to and success with helping entrepreneurs flourish is impressive. The attention they provide to each individual they work with is extensive through often-times difficult and arduous process of business planning and cash flow projecting. W.E. is an organization Canadian Youth Business Foundation can rely on to help further entrepreneurship in the Province." Taunya Woods Richardson, Director CYBF Saskatchewan*

## The Power of Mentoring

Our Mentoring programs are key in helping business owners move their businesses to the next level by sharing best business practices. Mentorship programs expose entrepreneurs to business owners and groups who will guide and support them during the establishment and journey of their business venture. In a confidential and secure environment provided by W.E., business owners are encouraged to share their struggles and successes, provide their knowledge and experience, while working together to overcome everyday business problems. Currently we have over 80 members and counting involved within our formal mentoring programs.

## International Women's Day

International Women's Day, observed annually on March 8th, is an opportunity to celebrate progress towards equality for women and to profile the achievements and contributions of women leaders as mentors and change-makers throughout history. W.E. in partnership with the Status of Women Office held an event titled *The POW 'Her' of Mentoring*. This event was designed to bring together women business owners and professionals across Saskatchewan to raise awareness of mentorship. This year's theme "Women as Mentors: Building Leadership Together" was chosen in recognition of Saskatchewan women who are mentors or have received mentoring across the generations. Mentoring in our communities, both formally and informally, ensures women and girls prosper as leaders in business ventures, professional careers, and other aspects of community life. Women who are mentoring others are ensuring the next generation of leaders will continue to advance the future growth of our province.



## Networking: Key to a Business's Success

Women business owners and professionals occasionally say they 'hate to network' but it is crucial to a business's success. We emphasize the importance of networking to our members and clients and hold monthly networking events called W.E. Meets to help connect individuals and businesses.

## Conference: Business Solutions for Success

Our 2012 Conference brought together two of Canada's accomplished business leaders, authors, speakers and professionals, as well as five of Saskatchewan's most savvy entrepreneurs to share how they have accomplished their goals, leveraged their business, honed their leaderships skills and utilized social marketing tools to impact their business success.

## Women Entrepreneurs Week: May 6-12, 2013

Since 1999, the Government of Saskatchewan has declared one week in May to be "Women Entrepreneurs Week". The designation of this week for the past fourteen years has assisted our organization in raising the awareness of women in business and in profiling successful women entrepreneurs.



*"Saskatchewan's economy is strong, and women are playing a big part in that," says CEO, Laura Small. "It's important to recognize the contribution that women-owned businesses are making and to also encourage women who may be thinking of entrepreneurship as an option."*





As the Chair of the Board of Women Entrepreneurs of Saskatchewan Inc. (W.E.) I would like to thank everyone for their support over the past year. As a woman entrepreneur myself, it has been an honour to represent the members of W.E. I truly enjoyed being part of an organization that is dedicated to serving women entrepreneurs in Saskatchewan.

On behalf of the Board, I first and foremost thank and acknowledge Laura Small for her leadership of Women Entrepreneurs of Saskatchewan over the past year. The organization's performance is a result of Laura and her team's dedication and commitment to the success of W.E. and its members. The Board acknowledges the W.E. teams in both Saskatoon and Regina who work tirelessly to support and meet the needs of the women entrepreneurs in Saskatchewan.

The Board is very proud of Laura and her team for their accomplishments during the 2012-2013 year as well as the awards they received. In April 2013, W.E. won the Better Business Bureau Torch Award in the Non-Profit Category "Recognizing Outstanding Ethics and Integrity in Business" and in October 2012, Laura was honoured as one of the 2012 TIAW World of Difference 100 Award Winners.

I am also grateful to my fellow Board members for their support and commitment to me as Chair over the past year. Thank you for working with me and dedicating your time to serve and represent the members in your region. The Board members each share and contribute their expertise and knowledge throughout the year and are passionate about supporting women entrepreneurs. Thank you to Board members Bev Anderson, Audrey Ashcroft, Irene Boychuk, Jackie Ferraton, Peggie Koenig, Tracey Kowalchuk, Lana Sheppard, and Donna Ziegler. Serving on the Board is a truly rewarding experience and I would encourage all members to consider this opportunity in the future.

I also thank the membership for supporting W.E. and contributing to its success. You make this all possible and it is very exciting as a Board member to learn about the talented entrepreneurs in our Province and see the organization grow and prosper. Women entrepreneurs are an important part of Saskatchewan's economy and your individual success is celebrated by all members.

The Board maintains full provincial representation and continues to fulfill its mandate to review policies and activities to ensure the needs of the members are met in a cost effective and diligent manner. The Board meets quarterly and has three working committees that contribute to the success of the organization.

Shana Ring, Board Chair

### **WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.**

### ***FINANCIAL STATEMENTS***

***March 31, 2013***







Deloitte LLP  
2103 - 11th Avenue  
Mezzanine Level  
Bank of Montreal Building  
Regina SK S4P 3Z8  
Canada  
  
Tel: 306-565-5200  
Fax: 306-757-4753  
www.deloitte.ca

INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF  
WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.

We have audited the accompanying financial statements of Women Entrepreneurs of Saskatchewan Inc. which comprise the statement of financial position as at March 31, 2013, March 31, 2012 and April 1, 2011 and the statements of operations, changes in net assets and cash flows for the years ended March 31, 2013 and March 31, 2012, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Women Entrepreneurs of Saskatchewan Inc. as at March 31, 2013, March 31, 2012 and April 1, 2011 and the results of its operations and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

  
Chartered Accountants

April 30, 2013  
Regina, Saskatchewan

WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.

STATEMENT OF OPERATIONS  
years ended March 31, 2013 and March 31, 2012

	General Fund	Loan Fund	Angel Investment Fund	2013 Total	General Fund	Loan Fund	2012 Total
REVENUE							
Contributions - operating (Note 8)	\$ 971,771	\$ -	\$ -	\$ 971,771	\$ 946,527	\$ -	\$ 946,527
Membership fees	70,450	-	-	70,450	69,012	-	69,012
Interest income	6,148	325,882	174	332,204	5,439	288,635	294,074
Other income	66,060	7,159	-	73,219	42,109	2,154	44,263
	1,114,429	333,041	174	1,447,644	1,063,087	290,789	1,353,876
EXPENSES							
Operating - Schedule of expenses	645,472	-	-	645,472	646,971	-	646,971
Services to clients - Schedule of expenses	418,189	-	-	418,189	386,276	-	386,276
Direct loan costs	-	19,175	7	19,182	-	6,962	6,962
Provision for loan losses (Note 4)	-	162,553	-	162,553	-	234,610	234,610
	1,063,661	181,728	7	1,245,396	1,033,247	241,572	1,274,819
AMORTIZATION							
Amortization of capital assets	47,774	-	-	47,774	45,001	-	45,001
Amortization of deferred contributions on capital assets (Note 7)	(19,236)	-	-	(19,236)	(16,462)	-	(16,462)
	28,538	-	-	28,538	28,539	-	28,539
EXCESS OF REVENUES OVER EXPENSES	\$ 22,230	\$ 151,313	\$ 167	\$ 173,710	\$ 1,301	\$ 49,217	\$ 50,518

See accompanying notes to the financial statements



WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.

STATEMENT OF FINANCIAL POSITION  
as at March 31, 2013, March 31, 2012 and April 1, 2011

	General Fund	Loan Fund	Angel Investment Fund	2013 Total	March 31, 2012 Total	April 1, 2011 Total
CURRENT ASSETS						
Cash	\$ 442,250	\$ 1,303,121	\$ 38,428	\$ 1,783,799	\$ 1,953,585	\$ 2,159,689
Marketable securities	311,709	-	-	311,709	307,260	305,661
Accounts receivable	6,952	21,402	30	28,384	36,380	24,331
Contributions receivable	-	-	-	-	-	46,200
Prepaid expenses	34,805	442	-	35,247	39,433	31,483
Government remittances receivable	1,378	-	-	1,378	-	-
Current portion of loans receivable (Note 4)	-	1,139,781	1,575	1,141,356	1,198,570	1,072,959
	797,094	2,464,746	40,033	3,301,873	3,535,228	3,640,323
Loans receivable (Note 4)	-	4,009,675	10,134	4,019,809	3,432,574	2,433,999
Assets held for realization	-	-	-	-	20,000	-
Capital assets (Note 5)	85,656	-	-	85,656	118,508	146,090
	\$ 882,750	\$ 6,474,421	\$ 50,167	\$ 7,407,338	\$ 7,106,310	\$ 6,220,412
CURRENT LIABILITIES						
Accounts payable	\$ 155,673	\$ 22,730	\$ -	\$ 178,403	\$ 133,369	\$ 110,216
Accountable advance (Note 6)	50,000	-	-	50,000	11,271	-
Government remittances payable	-	-	-	-	1,709	1,709
	205,673	22,730	-	228,403	146,349	111,925
Deferred contributions (Note 7)	28,295	-	-	28,295	33,031	32,075
	233,968	22,730	-	256,698	179,380	144,000
NET ASSETS						
Contributions to loan fund (Note 8)	-	5,000,000	50,000	5,050,000	5,000,000	4,200,000
Net assets invested in capital assets	57,360	-	-	57,360	85,476	114,015
Unrestricted net assets	591,422	1,451,691	167	2,043,280	1,841,454	1,762,397
	648,782	6,451,691	50,167	7,150,640	6,926,930	6,076,412
	\$ 882,750	\$ 6,474,421	\$ 50,167	\$ 7,407,338	\$ 7,106,310	\$ 6,220,412

See accompanying notes to the financial statements

APPROVED BY THE BOARD

..... Director

..... Director

WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.

STATEMENT OF CHANGES IN NET ASSETS  
as at March 31, 2013 and March 31, 2012

	General Fund	Loan Fund	Angel Investment Fund	2013 Total	2012 Total
CONTRIBUTIONS TO LOAN FUND					
Balance, beginning of year	\$ -	\$ 5,000,000	\$ -	\$ 5,000,000	\$ 4,200,000
Contributions received from Western Diversification (Note 8)	-	-	-	-	800,000
Angel Investment Fund (Note 8)	-	-	50,000	50,000	-
BALANCE, END OF YEAR	\$ -	\$ 5,000,000	\$ 50,000	\$ 5,050,000	\$ 5,000,000
NET ASSETS INVESTED IN CAPITAL ASSETS					
Balance, beginning of year	\$ 85,476	\$ -	\$ -	\$ 85,476	\$ 114,015
Purchase of capital assets	14,922	-	-	14,922	18,469
Contributions received related to capital assets purchased	(14,500)	-	-	(14,500)	(18,469)
Amortization of capital assets	(47,774)	-	-	(47,774)	(45,001)
Amortization of deferred contributions on capital assets (Note 7)	19,236	-	-	19,236	16,462
BALANCE, END OF YEAR	\$ 57,360	\$ -	\$ -	\$ 57,360	\$ 85,476
UNRESTRICTED NET ASSETS					
Balance, beginning of year	\$ 541,076	\$ 1,300,378	\$ -	\$ 1,841,454	\$ 1,762,397
Excess of revenues over expenses	22,230	151,313	167	173,710	49,217
Transfers:					
Net assets invested in capital assets	28,116	-	-	28,116	28,539
BALANCE, END OF YEAR	\$ 591,422	\$ 1,451,691	\$ 167	\$ 2,043,280	\$ 1,841,454

See accompanying notes to the financial statements



WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.

STATEMENT OF CASH FLOWS

years ended March 31, 2013 and March 31, 2012

	General Fund	Loan Fund	Angel Investment Fund	2013 Total	2012 Total
<b>CASH FLOWS FROM (USED IN)</b>					
<b>OPERATING ACTIVITIES</b>					
Excess of revenues over expenses	\$ 22,230	\$ 151,313	\$ 167	\$ 173,710	\$ 50,518
Items not affecting cash					
Amortization of capital assets	47,774	-	-	47,774	45,001
Amortization of deferred contributions on capital assets	(19,236)	-	-	(19,236)	(16,462)
Provision for loan losses	-	162,553	-	162,553	234,610
Changes in non-cash working capital items					
Accounts receivable	744	7,282	(30)	7,996	(12,049)
Contributions receivable	-	-	-	-	46,200
Prepaid expenses	4,110	76	-	4,186	(7,950)
Government remittances receivable	(1,378)	-	-	(1,378)	-
Accounts payable	41,108	3,926	-	45,034	23,153
Government remittances payable	(1,709)	-	-	(1,709)	-
Accountable advance	38,729	-	-	38,729	11,271
	132,372	325,150	137	457,659	374,292
<b>CASH FLOWS FROM (USED IN)</b>					
<b>INVESTING ACTIVITIES</b>					
Increase in marketable securities	(4,449)	-	-	(4,449)	(1,599)
Loans disbursed	-	(2,496,900)	(12,000)	(2,508,900)	(3,012,974)
Loan repayments	-	1,816,035	291	1,816,326	1,634,177
Sale of realizable assets	-	20,000	-	20,000	-
Purchase of capital assets	(14,922)	-	-	(14,922)	(18,469)
	(19,371)	(660,865)	(11,709)	(691,945)	(1,398,865)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Contributions to loan fund	-	-	50,000	50,000	800,000
Contributions received related to capital assets purchased	14,500	-	-	14,500	18,469
	14,500	-	50,000	64,500	818,469
<b>INCREASE (DECREASE) IN CASH DURING THE YEAR</b>	127,501	(335,715)	38,428	(169,786)	(206,104)
<b>CASH, BEGINNING OF YEAR</b>	314,749	1,638,836	-	1,953,585	2,159,689
<b>CASH, END OF YEAR</b>	\$ 442,250	\$ 1,303,121	\$ 38,428	\$ 1,783,799	\$ 1,953,585

See accompanying notes to the financial statements

WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.

NOTES TO THE FINANCIAL STATEMENTS

year ended March 31, 2013

1. PURPOSE OF ORGANIZATION

Women Entrepreneurs of Saskatchewan Inc. (the "Organization") was incorporated March 14, 1995 under the Non-Profit Corporations Act of Saskatchewan and commenced operations on June 1, 1995. The Overarching End of the Organization is "A business culture in which the barriers to success, recognition and advancement of women entrepreneurs in Saskatchewan are eliminated".

2. ADOPTION OF A NEW ACCOUNTING FRAMEWORK

During the year ended March 31, 2013, the Organization adopted the new accounting standards for not-for-profit organizations (the "new standards") issued by the Canadian Institute of Chartered Accountants ("CICA"). In accordance with Section 1501 of the CICA Handbook, First-time Adoption for Not-for-Profit Organizations, ("Section 1501"), the date of transition to the new standards is April 1, 2011 and the Organization has prepared and presented an opening statement of financial position as at the date of transition to the new standards. This opening statement of financial position is the starting point for the entity's accounting under the new standards.

In its opening statement of financial position, under the recommendations of Section 1501, the Organization:

- (a) recognized all assets and liabilities whose recognition is required by the new standards;
- (b) did not recognize items as assets or liabilities if the new standards do not permit such recognition;
- (c) reclassified items that it recognized previously as one type of asset, liability or component of equity, but are recognized as a different type of asset, liability or component of equity under the new standards; and
- (d) applied the new standards in measuring all recognized assets and liabilities.

In accordance with the requirements of Section 1501, the accounting policies set out in Note 3 have been consistently applied to all years presented.

There was no significant impact of the adoption of the new standards on the statements of financial position as at April 1, 2011 or March 31, 2012 or the statement of operations and net assets or cash flows for the year ended March 31, 2012.



WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.  
NOTES TO THE FINANCIAL STATEMENTS  
year ended March 31, 2013

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations and reflect the following significant accounting policies.

*Use of Estimates*

The preparation of financial statements requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant items subject to such estimates and assumptions include the provision for doubtful loans and the carrying amounts of capital assets. Actual results could differ from those estimations.

*Fund Accounting*

Revenues and expenses related to service delivery and operating activities are reported in the General Fund.

The Loan and Angel Investment Funds report the assets, liabilities, revenues and expenses related to the Organization's loan and equity programs.

*Revenue Recognition*

The Organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Loan Fund contributions are recognized as direct increases in the Loan Fund.

Angel Investment Fund contributions are recognized as direct increases in the Angel Investment Fund.

*Financial Instruments*

Financial assets and financial liabilities are initially recognized at fair value. The Organization subsequently measures its financial assets and financial liabilities at amortized cost, except for marketable securities, which the Organization measures at fair value. Changes in fair value are recognized in the statements of operations and net assets.

Financial assets measured at amortized cost include accounts receivable, contributions receivable, loans receivable and government remittances receivable. Financial liabilities measured at amortized cost include accounts payable and government remittances payable.

WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.  
NOTES TO THE FINANCIAL STATEMENTS  
year ended March 31, 2013

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

*Loans Receivable*

Loans are stated at their principal amount, net of anticipated losses. A loan is classified as non-performing when management has determined that there is a reasonable doubt as to the ultimate collectability of principal or interest. When a loan is determined to be non-performing, interest on the loan is suspended. The provision for doubtful loans is established on a loan-by-loan basis for specifically identified probable losses on loans receivable. In addition, a general provision is provided against unidentified future losses.

The Organization evaluates each borrower's creditworthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary, by the Organization upon extension of credit is based on management's credit evaluation of the borrower. Collateral held varies but may include accounts receivable, inventory, property, plant and equipment and income-producing commercial properties.

The Organization's activity is centered on women entrepreneurs in Saskatchewan. The Organization maintains a diversified portfolio with no significant industry concentrations of credit risk. Loans are extended under the Organization's normal credit standards, controls, and monitoring features. Most credit commitments are short-term in nature, have fixed rates of interest, and maturities generally do not exceed five years.

*Interest Rate Policy*

Interest rates on all loans are fixed at the time of approval. There is no further accrual of interest on loans when there is doubt by management regarding the collectability of principal or interest. At that time, the reversal of any accrued and unpaid interest is reported as a reduction of current year's earnings. Subsequent collection of amounts due are reported as interest income only when management determines the collectability of the loan is no longer in doubt.

*Assets Held for Realization*

Assets acquired through foreclosure proceedings in respect of loans are included in assets held for realization at the lower of the carrying value of the loan at the date of acquisition or the estimated net proceeds from the sale of assets.

*Capital Assets*

Capital assets are recorded in the General Fund at cost. Amortization is provided on a straight-line basis over the assets' estimated useful lives, which are as follows:

Office furnishings	5 years
Signage	5 years
Leasehold improvements	5 years
Computer equipment	3 years
Computer software	5 years



**WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended March 31, 2013**

**4. LOANS RECEIVABLE**

Loans receivable consist of the following:

	March 31, 2013	March 31, 2012	April 1, 2011
Loans receivable - performing	\$ 5,735,620	\$ 5,111,385	\$ 3,869,706
Loans receivable - non-performing	61,994	92,148	70,650
	<u>5,797,614</u>	<u>5,203,533</u>	<u>3,940,356</u>
Less provision for doubtful loans - specific items	(511,442)	(467,320)	(354,584)
Less provision for doubtful loans - general provision	(125,007)	(105,069)	(78,814)
	<u>(636,449)</u>	<u>(572,389)</u>	<u>(433,398)</u>
	5,161,165	4,631,144	3,506,958
Less current portion	(1,139,781)	(1,198,570)	(1,072,959)
Long-term loans receivable, end of year	<u>\$ 4,021,384</u>	<u>\$ 3,432,574</u>	<u>\$ 2,433,999</u>

Loans in the non-performing category are loans that are in default. Performing loans are loans for which the Organization is receiving regular payments on.

The change in the provision for doubtful loans during the year is as follows:

	2013	2012
Provision for doubtful loans, beginning of year	\$ 572,389	\$ 433,398
Loans written off (net of assets seized)		
Provided for in previous years	(98,493)	(12,322)
Not provided for	-	(83,297)
	<u>(98,493)</u>	<u>(95,619)</u>
Current year increase in provision	162,553	234,610
Provision for doubtful loans, end of year	<u>\$ 636,449</u>	<u>\$ 572,389</u>

At March 31, 2013 the Organization had approved but not disbursed loans in the amount of \$203,800 (2012 - \$400,000).

**WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended March 31, 2013**

**4. LOANS RECEIVABLE (continued)**

The maturity dates and average effective interest rates for the loan portfolio are as follows:

	2014	2015	2016	2017	2018 and thereafter	2013 Total	2012 Total
Effective rate	7.11%	5.84%	5.87%	6.00%	5.98%	6.16%	6.47%
Carrying value	\$1,139,782	\$1,072,185	\$997,039	\$603,166	\$690,026	\$4,502,198	\$5,203,533

**5. CAPITAL ASSETS**

	2013			March 31, 2012	April 1, 2011
	Cost	Accumulated Amortization	Net Book Value	Net Book Value	Net Book Value
Office furnishings	\$ 21,945	\$ 19,093	\$ 2,852	\$ 3,992	\$ 5,132
Signage	9,403	5,974	3,429	4,801	6,173
Leasehold improvements	161,983	109,315	52,668	79,835	107,002
Computer equipment	85,445	65,531	19,914	29,474	27,485
Computer software	8,663	1,870	6,793	406	298
	<u>\$ 287,439</u>	<u>\$ 201,783</u>	<u>\$ 85,656</u>	<u>\$ 118,508</u>	<u>\$ 146,090</u>

**6. ACCOUNTABLE ADVANCE**

The accountable advance is equal to the amount advanced from Western Diversification ("WD") less the expenses for the period. The accountable advance, \$50,000 (2012 - \$11,271), is deducted from the next payment amount to be received from WD.

**7. DEFERRED CONTRIBUTIONS**

Deferred contributions are related to capital assets and include the unamortized portions of restricted contributions from the Department of Western Economic Diversification ("Western Diversification") toward the purchase of capital assets.

The changes for the year in the deferred contributions balance are as follows:

	2013	2012
Balance, beginning of year	\$ 33,031	\$ 32,075
Contributions from Western Diversification	14,500	18,469
Amounts amortized to revenue	(19,236)	(16,462)
Disposals	-	(1,051)
Balance, end of year	<u>\$ 28,295</u>	<u>\$ 33,031</u>



**WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended March 31, 2013**

**8. CONTRIBUTIONS**

Pursuant to a 1995 agreement with Western Diversification, the Loan Fund and General Fund start up and operating costs of the Organization were funded by Western Diversification for a period of five years. The original agreement expired in 2000 and it was renewed for another five-year term until 2005. This second agreement has been extended to March 31, 2014. Contributions are received or receivable based upon actual claims.

Contributions to the Loan Fund are received from Western Diversification and are conditionally repayable if certain conditions specified in the agreement for funding are not met. These contributions are restricted in that the contributions are only available for the purpose of making loans to businesses owned by women meeting the conditions established by the Organization's loan policy.

Revenues derived from fees for services and/or funds raised from other sources have been applied either to the enhancement of services incremental to the Organization or towards a GIC investment established to provide funding if the Western Diversification agreement was not extended in the future. The Organization is in compliance with the conditions of the Western Diversification Funding Agreement.

**Angel Investment Fund**

During the financial year ended March 31, 2013, the Organization received a monetary gift of \$50,000 from North Prairie Development.

A new fund called the Angel Investment Fund has been established. The intent of the Angel Investment Fund is to operate as an ongoing fund whereby the repaid fund loans, interest paid thereon, and any losses incurred will all be attributed back to the Angel Investment Fund.

The funds are restricted and loans from the Fund shall only be made to applicants who are also receiving a loan from the Organization for the same project and purpose and who do not have the cash resources necessary to meet the equity contribution requirement without assistance.

**9. COMMITMENTS**

The Organization is committed to facilities and certain office equipment leases from various suppliers. There were no new lease agreements in fiscal 2013. Future payments required over the next three years under these agreements are as follows:

2014	\$ 133,809
2015	104,392
2016	14,605

**WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended March 31, 2013**

**10. RELATED PARTY TRANSACTIONS**

The Company had the following expenses with a company owned by one of the directors.

	<u>March 31, 2013</u>	<u>March 31, 2012</u>
Board costs	\$ 6,070	\$ -
Marketing and research	2,850	-

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

**11. FINANCIAL INSTRUMENTS**

***Significant Terms and Conditions***

There are no significant terms and conditions related to financial instruments classified as current assets or current liabilities that may affect the amount, timing and certainty of future cash flows. Significant terms and conditions for the other financial instruments are disclosed separately in these financial statements.

***Concentration of Credit Risk***

Credit risk is the risk that the interest and/or principal, of a fixed income investment, will be defaulted upon and a loss incurred.

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of loans receivable. Management is not aware of any concentrations of loans to classes of borrowers or industries that would be similarly affected by economic conditions. Although the Organization's loan portfolio is diversified, a substantial portion of its borrowers' ability to honor the terms of their loans is dependent on business and economic conditions in Saskatchewan.

***Interest Rate Risk***

Interest rate risk refers to the adverse consequences of interest rate changes on the Organization's cash flows. This risk arises from differences in the timing and amount of cash flows related to the Organization's assets and liabilities.

To manage the interest rate risk, the Organization has adopted an approach whereby loans are given with an interest rate of prime plus 3%. Therefore, if the prime interest rate changes, the interest rate on the Organization's loans will also change.

***Liquidity Risk***

There are no significant terms and conditions related to financial instruments classified as current assets or current liabilities that may affect the amount, timing and certainty of cash flows.



WOMEN ENTREPRENEURS OF SASKATCHEWAN INC.

SCHEDULE OF EXPENSES

years ended March 31, 2013 and March 31, 2012

	2013	2012
<b>OPERATING</b>		
Board costs	\$ 18,255	\$ 11,019
Conferences and memberships	2,242	3,535
Insurance	6,437	8,419
Library	482	466
Marketing and research	63,550	53,065
Office rent (Note 9)	127,925	134,616
Office supplies	14,426	13,796
Postage and courier	4,206	5,889
Printing	10,717	9,614
Professional development	9,282	3,858
Professional fees	21,499	21,756
Salaries and benefits	295,923	313,927
Telephone	13,969	13,323
Travel	16,885	11,514
Utilities and maintenance	39,674	42,174
	<b>\$ 645,472</b>	<b>\$ 646,971</b>
<b>SERVICES TO CLIENTS</b>		
Annual general meeting	\$ 34,440	\$ 28,953
Consultants	54,209	50,162
Entrepreneur awards	13,500	10,500
Other	1,021	2,341
Publications	6,089	14,277
Research sponsorship	-	642
Rural events, circles and members	6,702	5,610
Salaries and benefits	264,527	247,870
Training	37,701	25,862
Youth initiatives	-	59
	<b>\$ 418,189</b>	<b>\$ 386,276</b>



START  
EXPAND  
SUCCEED



**Saskatoon**

108-502 Cope Way  
Saskatoon SK  
S7T 0G3  
T: 306.477.7173  
F: 306.477.7175

**Regina**

100-1919 Rose Street  
Regina SK  
S4P 3P1  
T: 306.359.9732  
F: 306.359.9739

1.800.879.6331  
[info@womenentrepreneurs.sk.ca](mailto:info@womenentrepreneurs.sk.ca)  
[www.womenentrepreneurs.sk.ca](http://www.womenentrepreneurs.sk.ca)