



2010 Annual Report



Reflections &
Aspirations

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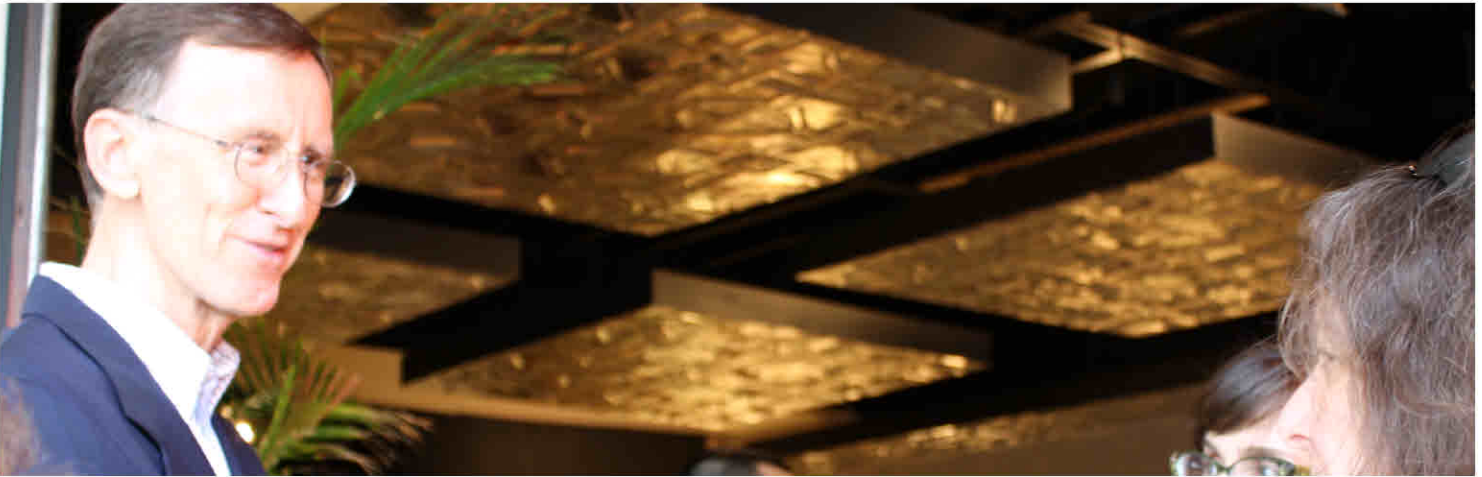
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Letter from the Chair



It has been an exciting year for Access. In July 2009 we entered into an agreement with the Black Creek Community Capacity Building Project to create a Black Creek Chapter of Access with a focus on serving the Jane-Finch community of Toronto with micro-loans. Black Creek's initiative led us to consider the formation of additional chapters as a way of making our microfinance experience and guarantee fund available to additional communities. Recognizing the benefit of a chapter-based approach to program expansion, we submitted a proposal to the Ontario Trillium Fund seeking funds to support this initiative. And this past November, we were advised that Trillium had awarded us a \$125,500 grant over three years to expand Access' microfinance program. Trillium has enthusiastically endorsed our vision of forming community-based chapters in neighbourhoods of Toronto and believes, like us, that by doing so we would make a significant contribution to economic development in the city. As a result of this funding, Alex Kjorven joined us in March 2010 as Development Manager with a mandate to establish six chapters and to increase our volume of lending.

This past year we continued to promote our microfinance services through various community organizations with a view to increasing their awareness of our services and encouraging them to refer potential clients to us. In the fall of 2009 we co-chaired with Rotary District 7070 the very first Toronto Microfinance Conference. As a result of this exposure we have brought recognition to our organization as a key player in urban micro lending and have attracted a number of new volunteers who share our passion for helping entrepreneurs.

We have benefitted from financial and volunteer support from many individuals and organizations who understands that the best form of assistance we can provide to anyone is to help them generate income so that they can be independent. I would like to express my appreciation for our faithful Board members and volunteers who have worked so hard and enthusiastically over the past year so that we can move forward together.

We are looking forward to the year ahead as we plan to ramp up our program activities by forging new partnerships, increasing our presence in the field of social finance and serving more clients than ever before. This report also identifies many of our existing clients: please help them to grow their businesses by using their services – you'll enjoy meeting them!

A handwritten signature in black ink, appearing to read "Michael Wills".

Michael Wills
Chair

Letter from Development Manager



It is not often that one is given an opportunity to build or create something in an area that they are really passionate about. Taking this position with Access was a chance for me to do just that, with an organization that could not only contribute positively to the economic development of Toronto communities, but also to the ever inspiring social finance landscape in Ontario.

Having been a volunteer for Access since early 2009, I learned a thing or two about this organization before becoming the first employee. First of all, there is incredible talent and commitment from a team of dedicated volunteers that work to deliver our services. Second, our work has made real, tangible differences in the lives of business owners in Toronto. Those two combined, it is easy to see that this is an organization with incredible potential. With the human resource and strategic objectives that we now have before us, I am very enthusiastic towards what can be achieved during this critical period of development.

In setting objectives for the coming year, I see the development of our organization on two key levels. At the foundational level, we will work towards improving operational processes from volunteer management to loan review. There is a need to build consistency in our tools and training for our volunteers and building efficiency in our evaluation processes as part of overall capacity building. We hope to be able to improve the way we measure the work we do and understand how we can do it better.

At the external level, we are now challenged to expand our business model to other communities in need of micro-lending services. By looking to become an active player in the social finance space, we hope to expand our partnership base with community organizations, business support services and financial institutions. We are looking to improve our communications with investors, donors and potential clients. The stories you read about in this report represent our efforts at improving the way we tell our story and engaging our clients in the process.

We are getting ready to work hard to build a strong organization that is ready to grow. This means being out there and making ourselves known. Get ready to see a lot more of us.

A handwritten signature in black ink, appearing to read "Alex Kjørven". The signature is fluid and cursive, with a long, sweeping underline.

Alex Kjørven
Development Manager

Marie Petigny



Marie Petigny is the owner of Grace Hair Studio, a stylish and welcoming hair salon specializing in the world of black hair, wigs, weaves and related hair care products. Fostering her love of hair since the early age of 12, Marie has studied in both Montreal and New York, working with industry professionals to master her craft. With unwavering ambition, Marie's commitment to her work has sparked the drive and confidence to not only open her own salon, but create a line of all natural hair care products that "fly off the shelf." Determined to make her dream into a full-time job, Marie engaged in local self-employment programs and committed to building a marketing strategy that she would later bring to ACCESS.

"ACCESS allowed me to open my own salon and realize my lifelong dream," says Marie, as she watches her salon begin to overbook with enthusiastic clients. "I no longer have to move to see my clients, they come to me." With a determination to give back to her community, Marie is currently a trainee of the Children's AID Society, in addition to being a self-proclaimed "therapist and psychologist" to her sometimes 8-hour hair appointments. Marie is thankful for what ACCESS has allowed her to do, but with all the current and future help Marie is giving her community, we can't help but thank her in return.

Leah Wilson



Leah Wilson is the president of Orgadry, an organic-based line of dry fit exercise undergarments. Her product line focuses on the body's specific measurements, in order to give men and women of every shape the ability to feel great and stay fit, while staying green from head to toe. Her products have been established in the environmentally forward markets of Alberta and British Columbia, but needed the extra boost to make a mark in the quick streets of Toronto.

And that's where ACCESS came in. Where banks were unable to lend to this business without any capital assets, ACCESS became the right fit for this ambitious designer. "It was the little things that we could put the money towards that could make the difference," says Wilson, attributing her micro-loan to the crucial branding elements that assisted in making her Toronto dream a reality. "We bought a new heat transfer machine, posters for the store, and our measuring tapes, which means our brand is stronger." As Leah continues to expand her product line and customer base, her hope is to see the product line one day sold through a national retailer.

Iftekhar Khan



Iftekhar Khan is the owner of Décor Spectrum, an import company that carries a large variety of beautifully handcrafted animal décor products. With a wide range of items that vary from stools, tabletops, vases, and even wall hangings, Iftekhar's artistic product line brings an authentic cultural-flair to any household. Iftekhar prides himself on using one hundred percent leather on the exterior of his product line, further emphasizing the natural quality of his products to the discerning consumer. He had found an exotic product and wanted to bring it to Canada. Getting started in this competitive market found Iftekhar needing help to bring in his shipments of inventory, which is where ACCESS comes in the picture.

"Without ACCESS, my business would be nothing," declares Iftekhar, as his micro loan was what gave him the support necessary to purchase inventory and participate in his first home show. While the commercial bank Iftekhar had approached was apprehensive about his business model, ACCESS saw the potential in this savvy entrepreneur, who had already overcome many barriers to do what he wanted the most. "I can be with my family. That's the number one thing," says Iftekhar when asked about why he likes being an entrepreneur. With more unique products on the way, as well as the ability to respond to custom and large orders, Iftekhar hopes for his one-of-a-kind products to mark their territory in the expanding kingdom of home furnishings.

Bernard Thibault



Bernard Thibault is the owner of Bernard Thibault Floral Artistry, a beautiful and unique floral shop located in the heart of Riverdale. With a focus on artistic and avant-garde displays, Bernard's store separates itself from the average floral shop with an ever-changing outdoor display that adds a breath of fresh air to the store's urban surroundings. Bernard's entrance into the community-oriented area of Riverdale was welcomed with open arms. Although an active member of the community, running a shop in the competitive floral market found Bernard needing a little push to maintain a healthy cash flow during the tough times of the recent recession.

"ACCESS helped me stay at the level of comfort that I like to be," says Bernard, who avoided cutting into his retirement savings by using the micro loan to keep his praised business afloat. "It helped me with the extra work that goes into the front of the store." Bernard's efforts to give back to the community have not gone unnoticed, as both his name and artistic work are well respected within the local neighbourhood. And with ACCESS's help, Bernard is able to finally do something he truly loves. "I would not change being an entrepreneur for anything." And it shows.

AUDITOR'S REPORT

**To the Members of
Access Community Capital Fund**

I have audited the statement of financial position of Access Community Capital Fund as at March 31, 2010 and the statement of operations and net assets for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2010, and the results of its operations, for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in blue ink that reads "David Bunker".

**Richmond Hill, Ontario
August 25, 2010**

**Chartered Accountant
Licensed Public Accountant**

**ACCESS COMMUNITY CAPITAL FUND
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2010**

ASSETS

	<u>2010</u>	<u>2009</u>
CURRENT		
Cash and Short-term Investments (Note 2)	\$ <u>276,935</u>	\$ <u>218,128</u>

LIABILITIES AND NET ASSETS

CURRENT		
Accounts Payable and Accrued Charges	\$ 4,290	\$ 7,337
Deferred Operating Grant (Note 4)	<u>31,000</u>	<u>-</u>
	35,290	7,337
LOANS PAYABLE (Note 5)	<u>191,703</u>	<u>166,962</u>
	226,993	174,299
NET ASSETS	<u>49,942</u>	<u>43,829</u>
	<u>\$ 276,935</u>	<u>\$ 218,128</u>

**ACCESS COMMUNITY CAPITAL FUND
STATEMENT OF OPERATIONS AND NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2010**

	<u>2010</u>	<u>2009</u>
<u>REVENUE</u>		
Donations	\$ 12,351	\$ 1,185
Guarantee and Loan Administration Fees	1,625	1,450
Interest Income	4,954	5,198
Other	<u>3,580</u>	<u>1,410</u>
	<u>22,510</u>	<u>9,243</u>
<u>EXPENSES</u>		
Program Costs	3,392	1,107
Interest Expense	452	1,588
Professional Fees	3,075	2,203
Insurance	1,793	1,663
Office and General	2,703	860
Defaulted Loans (Note 3)	4,982	9,327
Honorarium	<u>-</u>	<u>2,000</u>
	<u>16,397</u>	<u>18,748</u>
<u>EXCESS (DEFICIENCY) OF</u>		
<u>REVENUES OVER EXPENSES</u>	6,113	(9,505)
<u>NET ASSETS, Beginning of the Year</u>	<u>43,829</u>	<u>53,334</u>
<u>NET ASSETS, End of the Year</u>	<u>\$ 49,942</u>	<u>\$ 43,829</u>

ACCESS COMMUNITY CAPITAL FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2010

	<u>2010</u>	<u>2009</u>
<u>OPERATING ACTIVITIES:</u>		
Excess (Deficiency) of Revenues Over Expenses	\$ <u>6,113</u>	\$ <u>(9,505)</u>
<u>Changes In Working Capital:</u>		
Accounts Payable and Accrued Charges	(3,047)	(1,405)
Deferred Operating Grant	31,000	-
Refundable Deposits	-	(2,980)
	<u>27,953</u>	<u>(4,385)</u>
<u>INVESTING ACTIVITIES:</u>		
Loans Payable	<u>24,741</u>	<u>4,657</u>
<u>INCREASE (DECREASE) IN CASH</u>	58,807	(9,233)
<u>CASH AND SHORT-TERM INVESTMENTS,</u>		
Beginning of the Year	<u>218,128</u>	<u>227,361</u>
<u>CASH AND SHORT-TERM INVESTMENTS,</u>		
End of the Year	<u><u>\$ 276,935</u></u>	<u><u>\$ 218,128</u></u>

ACCESS COMMUNITY CAPITAL FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2010

1. PURPOSE OF ORGANIZATION:

Access Community Capital Fund (Access) is a not-for-profit community based Organization whose aim is to improve access to small business loans for viable, emerging small enterprises in Toronto by guaranteeing loans. Access is a registered charity under the Income Tax Act of Canada. The registration number is 868066911 RR0001.

These financial statements represent the combined operations of Access and its chapter the Black Creek West Microcredit Program.

2. CASH AND SHORT-TERM INVESTMENTS:

The market value of the cash and investments as at March 31, 2010 was \$276,935 (2009 - \$218,128). Details are as follows:

	<u>2010</u>	<u>2009</u>
Cash	\$ 98,870	\$ 61,555
G.I.C.'s	177,986	156,496
Alterna Savings Shares	<u>79</u>	<u>77</u>
	<u>\$ 276,935</u>	<u>\$ 218,128</u>

The GIC's bear interest at .90%, 1.00% and 4.10%, and are due between May 2010 and October 2011.

3. ALLOWANCE FOR NON-COLLECTABLE LOANS:

Access has created a program reserve fund (Fund) of not less than 20% of the initial principal amount of the business loans guaranteed by Access.

As part of the agreement in establishing the Fund, Access has agreed to guarantee all loans processed through the Fund if the loan is in excess of 60 days past due. It is agreed that the Alterna Savings is guaranteed repayment by Access only to the extent of the funds in the Fund. The total loans outstanding as at March 31, 2010 was \$36,090.

As at March 31, 2010 a specific reserve for non-collectable loans of \$3,250 (2009 - \$3,250), included in Accounts Payable and Accrued Charges, has been established.

**ACCESS COMMUNITY CAPITAL FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2010**

3. Continued:

The continuity of the reserve for non-collectable loans is as follows:

	<u>2010</u>	<u>2009</u>
Reserve Balance, Beginning of the Year	\$ 3,250	\$ 3,000
Increase in reserve	<u>-</u>	<u>250</u>
Reserve Balance, End of the Year	<u>\$ 3,250</u>	<u>\$ 3,250</u>

The continuity of Defaulted Loans expense is as follows:

Loans written off	\$ 4,982	\$ 9,227
Increase in reserve	<u>-</u>	<u>250</u>
Recovery of prior bad debt	<u>-</u>	<u>(150)</u>
	<u>\$ 4,982</u>	<u>\$ 9,327</u>

4. DEFERRED OPERATING GRANT:

Deferred Operating Grant is as follows:

	<u>2010</u>	<u>2009</u>
Ontario Trillium Foundation	<u>\$ 31,000</u>	<u>\$ -</u>

Continuity of Deferred Operating Grant for the year is as follows:

Deferred Operating Grant, Beginning of the year	\$ -	\$ -
Add – Received during the year	<u>31,000</u>	<u>-</u>
Deferred Operating Grant, End of the year	<u>\$ 31,000</u>	<u>\$ -</u>

5. LOANS PAYABLE:

The loans payable are for a fixed period and are repayable with accrued interest as follows:

	<u>2010</u>	<u>2009</u>
- Due within the next five years	\$ 74,520	\$ 22,800
- Due within one year	<u>117,183</u>	<u>144,162</u>
	<u>\$ 191,703</u>	<u>\$ 166,962</u>

Interest rates on the loans payable are between 0% and 3%.

**ACCESS COMMUNITY CAPITAL FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2010**

6. CONTRIBUTED SERVICES:

Because of the difficulty of determining the fair value of services provided by volunteers, contributed services are not recognized in the financial statements.

7. USE OF ESTIMATES:

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

8. FINANCIAL INSTRUMENTS:

Fair value estimates are made at the balance sheet date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying amounts for cash, accounts payable and accrued charges on the statement of financial position approximate fair value because of the limited term of these instruments.

9. CAPITAL MANAGEMENT AND ECONOMIC DEPENDENCE:

The Organization includes cash and short-term investments, accounts payable and accrued charges, deferred operating grant, and net assets in its capital management consideration. The Organization's objectives when managing capital are to safeguard its ability to continue as a going concern and continue to execute its mandate within the restrictions that the Organization is not in receipt of core funding.

The Organization monitors these items to assess its ability to fulfil its ongoing financial obligations. The Organization relies primarily on grants and donations to fund its operations and makes adjustments to its budgeted expenditures in light of changes. The Organization is not subject to externally imposed capital requirements.

Members



Board of Directors

Michael Wills
Duncan Fremlin
Janice Markandu
Gerry Campbell
Delilah Panio
Elizabeth Qualben
Tka Pinnock
Sue Grundy
Brenda Spotton Visano

Volunteers

Ahasan Chowdhury
Andrea Torre
Barry Rieder
Beverly Williams
Bob McKean
Brett Preston
Dilip Sharma
Don Brookes
Errol Liburd
Glenda Mallon
Graham Marr
Gresford Blades
Ian Whiteside
Irina Tsamtsourova
Janet Neilson
Jean Barrett
Jeffrey Szeto
Jennifer North

Staff

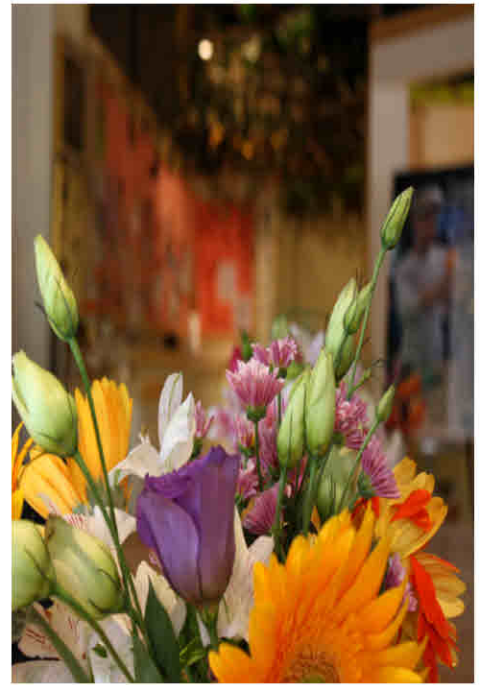
Alex Kjorven

Laura Heaphy
Mariluz Marquez
Melina Young
Moiria Mancera
Monica Yeung
Paul Bichler
Peter Ruta
Priscilla Ntiamoa
Robert Payne
Ronald Tsang
Sarah Kraftchuk
Scott Moore
Shelley Jia
Shinobu Oh
Susan Greer
Taras (Terry) Masliak
Vikas Jain
Vivian Huang



Access Community Capital Fund is a Canadian Registered Charity and is managed by a committed team of volunteers.

Access guarantees loans administered through Alterna Savings. The Fund was created by investments from socially minded individuals, organizations and businesses.



Access Community Capital Fund

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Charity Number: 868066911 RR001