

# 2016/17 ANNUAL REVIEW

# FUELING YOUNG ENTERPRISE





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## OUR STORY

Futurpreneur Canada has been fueling the entrepreneurial passions of young people in Canada since 1996. We're the only national non-profit organization that provides resources, mentoring and financing to aspiring business owners aged 18-39. Our internationally-recognized mentoring program matches young entrepreneurs with a business expert from our network of almost 3,000 volunteer mentors.

### OUR VISION:

Young entrepreneurs flourish within a fully supportive Canada and create economic and social value for Canadians and the world.

### OUR MISSION:

To play an integral role in the entrepreneurship experience of Canadians aged 18-39 by providing financing, mentoring and tools that will help them build sustainable businesses and create value.

VISIT OUR WEBSITE,  
[FUTURPRENEUR.CA](http://FUTURPRENEUR.CA),  
FOR MORE INFORMATION.



### A MESSAGE FROM OUR CEO

"The 2016/2017 fiscal year saw many milestones for our organization including our 20<sup>th</sup> anniversary, our 10,000<sup>th</sup> young entrepreneur and the launch of 1,068 Futurpreneur-supported businesses – more in one year than ever before. But this paints only a partial picture of our impact. We helped lead global initiatives like the G20 Young Entrepreneur's Alliance, curated Canada's contribution to Global Entrepreneurship Week, and piloted new offerings such as our Side Hustle pilot and Rock My Business Plan workshops. Youth entrepreneurship is alive and well in Canada, and we are excited to continue to grow the Futurpreneur community and its contributions to Canada and the world for years to come."

– *Julia Deans, CEO*



### A MESSAGE FROM OUR CHAIR

"Futurpreneur Canada had a record-breaking year with many causes for celebration but, as important, strengthened its capacity to provide more young people across Canada with the financing, mentoring and resources they need to start and grow businesses. We recognize and thank the people and organizations making this possible: the Government of Canada and other funders, our community partners, our mentors, our staff and, most of all, the young people who use our support to bring their business dreams to life."

– *John Risley, Chair,  
Board of Directors*

futurpreneur  
canada™

# OUR IMPACT TO DATE



Supported more than  
**10,250**  
young business owners\*



**380**  
active community and  
referral partners



Helped launch over  
**8,540**  
Canadian businesses\*



More than  
**3,000**  
skilled volunteer mentors



**5 jobs**  
are created by each  
business, on average†



**90,000**  
people have used our  
Interactive Business  
Plan Writer



More than  
**\$256  
million**  
in estimated tax revenue\*



**40%**  
of businesses supported  
in the last year are  
majority-owned by women

\*From inception in 1996 to March 31, 2017

†Within five years of launch



# HIGHLIGHTS OF OUR YEAR

Celebrating **20** years

Serving our  
**10,250<sup>th</sup>**  
young entrepreneur

Supporting the launch of

**1,068**  
new businesses  
- more than ever before

Top four sectors supported:

**service, retail, food and  
beverage, and health and  
wellness**

**40%**

of the businesses we supported were  
majority-owned by women

## HAPPY ANNIVERSARY!

In 2016, Futurpreneur celebrated 20 years of supporting young people in creating new businesses across Canada. Since our organization was founded in 1996, we have helped 10,250 aspiring entrepreneurs to launch their businesses and make their dreams a reality.

## THRIVING IN THE NORTH

For the third straight year, we partnered with Prince Rupert LNG to increase entrepreneurship in Northwest British Columbia. In 2017, we received added support from the Government of British Columbia allowing us to extend our reach to new regions including Kitimat and Smithers and to continue our outreach to Indigenous communities. At the third annual ThriveNorth Business Challenge, community members celebrated 14 finalists competing for \$43,000 in prize money to help launch and grow their businesses.

## MENTORING MATTERS

We wrapped up our first year of Mentor-Me NWT, a partnership with the Northwest Territories Business Development and Investment Corporation improving access to expertise and mentorship for young entrepreneurs in the Northwest Territories. The initiative includes four two-day business planning workshops for over 30 participants in Yellowknife and Inuvik. Through Mentor-Me NWT, we matched five young entrepreneurs with mentors, including our first Futurpreneur-supported business in NWT and the 10,000th entrepreneur to receive financing from Futurpreneur.

## GOING NATIONAL

With the support of the Government of British Columbia and RBC, we launched Rock My Business Plan business planning workshops in Nanaimo, Kelowna and Prince George. The successful pilot will lead to an expansion in rural BC and a national rollout in seven cities in the fall of 2017.

## ON THE ROAD AGAIN

We partnered with Amway for GEW Canada: On the Road, giving three young passionate entrepreneurs the opportunity to travel as GEW Ambassadors, get an inside look at small businesses across Canada, and use social media to showcase some of the great events and initiatives that happened during Global Entrepreneurship Week 2016.

## BUILDING MOMENTUM

Knowing that mentorship is a critical part of the success of entrepreneurs, we partnered with the Business Development Bank of Canada (BDC) to pair 150 early-stage entrepreneurs across the country with mentors for six months through our moMENTum initiative.

## DRIVING INNOVATION

Entering its sixth year, our initiative with Spin Master welcomed nine new innovative businesses, including our first business from Atlantic Canada. Through this partnership, more than 50 innovative businesses have benefitted from in-person coaching sessions with executives from Spin Master and other partners including Morrison Financial, Dentons and Deloitte.

## KEEPING TRENDY

Entrepreneurial trends are changing rapidly, and we're keeping on top of them! Seeing an increase in part-time businesses, we created a pilot offering to help part-time businesses meet their goals. Through our Side Hustle pilot, 25 young entrepreneurs received financing of up to \$15,000.

We also responded to the desire for more conversations about entrepreneurship and women with our "Be the Boss of You" campaign, supported by BDC, which reached women who may not yet have considered owning their own businesses. It attracted significant interest and a conversation on International Women's Day (#FuturIWD) that trended locally on Twitter.

# 10,000 SERVED



Since 1996, we have supported more than 10,000 young people with the launch and growth of their businesses across Canada. In the last 20 years, we have seen these young entrepreneurs and their businesses flourish into incredible success stories and help to shape Canada's economy and communities.

## ENTREPRENEURS DRIVE OUR ECONOMY

Just as it was when our organization was started 20 years ago, entrepreneurship is at the heart of Canada's economy. Small businesses account for 98% of all businesses nationally while providing 70% of all private sector jobs. These businesses generate the innovative ideas that help them grow and keep Canada competitive on the global stage.

## MEET OUR 10,000<sup>TH</sup> ENTREPRENEUR

Samantha Stuart joined a business planning bootcamp offered by Futurpreneur and the Northwest Territories Business Development and Investment Corporation to support the development of her new business, Samantha Stuart Photography. This Yellowknife entrepreneur came away from that bootcamp with the skills and confidence to triple her sales and apply for the Futurpreneur Start-up Program. Not only did this allow her to open her first commercial space, but it also made Samantha the 10,000<sup>th</sup> entrepreneur to receive financing and mentorship from Futurpreneur Canada.



Photo: Angela Gzowski



# THE MANY FACES OF SUCCESS



The most important success stories we can tell belong to the young entrepreneurs we support. These are stories of overcoming fear, learning from failure, and demonstrating inspiring resilience and incredible ingenuity. We're happy to share just a few of these young entrepreneurs' stories, along with their advice for those who dream of following in their footsteps.



### **REBECCA ATKINSON**

SOBER ISLAND BREWING COMPANY  
(SHEET HARBOUR, NOVA SCOTIA)

With a passion for her community and having studied tourism management, Rebecca Atkinson was motivated to create an opportunity for herself. Sober Island Brewing Company is a brewery inspired by an oyster stout she saw on tap while living abroad when she was younger. Given Nova Scotia's oyster industry, she knew that she needed to bring this brew back to her hometown. Having just launched in April 2016, the brewery is already expanding to enable Rebecca to brew more beer.

*"With the help of Futurpreneur and BDC, I was successful in also getting money from a local CEDIF known as FarmWorks. With that, I started Sober Island Brewing Company. Not only is the money crucial in the start-up of a business but the mentoring is invaluable. There are real struggles in opening a business and having someone with experience or knowledge in areas that you have not established yet and who you can turn to is paramount."*



### **MITCH SCHWARTZ & MORGAN ABRAHAM**

UGO SMOOTHIES  
(MONTREAL, QUÉBEC)

UGo Smoothies was developed when Mitch Schwartz and Morgan Abraham wanted to create a way for busy people to eat well on the go. Seeing a gap in today's food industry when it comes to healthy fast food, the partners knew they could bring something new to the market. UGo Smoothies offers vending machines that generate all-natural smoothies that are vegan, dairy-free and have no added sugar.

*"The Spin Master Innovation Fund enabled us to save money on short-term financing by allowing us the luxury of savings. We decided early on that the money would only be used in situations where it's guaranteed to come back so we used it to front salaries that were then reimbursed through government funding we received after landing the loan with Futurpreneur."*





**ELHAM AYOUBZADEH**  
ZVELLE  
(TORONTO, ONTARIO)

Zvelle is a luxury fashion and footwear brand for women sold exclusively online. Launched by Elham AyoubZadeh only two years ago, Zvelle has already received international attention after Sophie Gregoire Trudeau, the wife of Canadian Prime Minister Justin Trudeau, wore Zvelle shoes for multiple special events, including a visit to the White House.

*"The team at Futurpreneur is very passionate about supporting all their entrepreneurs and they always find ways to promote them and help make the right connections when necessary. I think of my Futurpreneur colleagues as an extension of my team."*

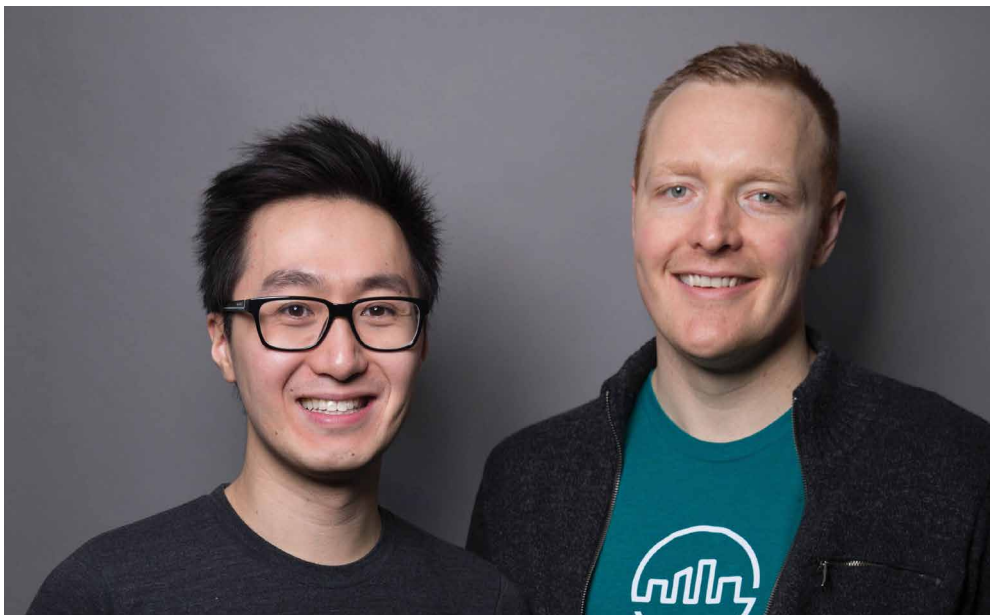


**KIERA FOGG**  
LITTLE BOX OF ROCKS  
(WINNIPEG, MANITOBA)

Growing up spending time in the wilderness of Northern Ontario, Kiera developed a strong interest in rocks and started collecting them. As she grew older, she became a more serious crystal collector and was inspired to start Little Box of Rocks. Little Box of Rocks is like a flower shop but with crystals, allowing customers to buy bouquets of crystals in a variety of themes for different occasions. The company has been featured in Vogue, Oprah Magazine, Chatelaine, and Gwyneth Paltrow's gift guide.

*"Futurpreneur has been an important key to my success, especially when I initially launched the company. As a new entrepreneur, I was so green. I really knew nothing about starting a business, especially the more technical aspects. What's so wonderful about Futurpreneur is that there is always someone available to point me in the right direction if I have a particular question or challenge."*





**RYLEY IVERSON, DAVIE LEE & CRAIG PAUL**  
TOWNFOLIO  
(SASKATOON, SASKATCHEWAN)

Realizing that economic developers may lack the time, budget or technical skills to effectively manage their public data and properly promote their community for investment, Ryley, Davie and Craig started Townfolio. Townfolio allows its growing network of over 200+ communities access hard-to-find information and discover local opportunities across the country.

*“The Spin Master Innovation Fund provided us with validation. The fund was a competitive process. We had to compete against some awesome start-ups and had to pitch to a panel and answer questions. This was all new to us. Being named one of the recipients has helped us build legitimacy in the eyes of customers, partners, and media faster.”*



**BRYCE WEEKS**  
CLEAR FLOAT SPA  
(CALGARY, ALBERTA)

After finding it difficult to reach a meditative state while struggling with the demands of everyday life, Bryce Weeks discovered floatation therapy. Floatation therapy lets clients enter saline water in which the buoyancy makes them float without any effort. After the stress-relieving benefits of floating soaked in, Bryce grew a passion to help others discover them. This passion is what led him to starting Clear Float Spa.

*“My mentor has been through the battle of starting a business. The reassurance that you are on the right path and that someone has been in a similar situation before is very comforting.”*

**ETIENNE CROTEAU**

FLAVOUR TRADER

(YELLOWKNIFE, NORTHWEST TERRITORIES)

After studying as a chef in Québec and working for two years in a spice company in Montréal, Etienne Croteau had a revelation: he loved spices and felt that they helped him discover a world of cultures. A job in event planning led Etienne to the Northwest Territories, where he introduced the fragrant world of spices to the people of Yellowknife. Flavour Trader offers gourmet meals-to-go, catering, a fragrant spice shop and cooking classes. It is also the first Futurpreneur-funded business in NWT.

*"I meet my mentor once a month. Sometimes, I find myself in a situation beyond my control, because I don't have the experience. I sit with him and we work together to find the best solutions."*





# MANAGEMENT COMMENTARY AND PRESENTATION OF CONDENSED FINANCIAL RESULTS

Maintaining adequate investments in programs and operations while delivering greater impact is our focus day in, day out.

## INVESTMENT OF RESOURCES

We invest our resources effectively and efficiently by leveraging our national partnerships, our extensive volunteer network and our co-lending partnership with the Business Development Bank of Canada.

For two consecutive years, we have reduced our average Start-up program and operating costs (by 11% in Fiscal 2016 and by 5% in Fiscal 2017) while continuing to increase our impact. In Fiscal 2017, we supported 6% more new businesses (1,068) than in the previous year (1,006).

The majority of our spending – 82% – is invested in programs for young entrepreneurs. We keep our administrative costs to 8% and invest the remaining 10% in promoting awareness of our offerings and in fundraising.

## FINANCIAL SOURCES OF SUPPORT

We continue to successfully diversify our resources and create more sustainable sources of support. Chief among these is our loan asset, which provides 51% of our annual cash needs. 83% of our loans are repaid and our model ensures that annual loan repayments, interest and fees received from young entrepreneurs are reinvested in helping the next cohort of applicants. Fundraising across all sectors provides the next largest source of support, with the final source being a bank line of credit we can access to secure additional loan capital for our young entrepreneurs.

## MAIN STREET AND COAST TO COAST

Our entrepreneurs come from all sectors and from across the country. Reflecting the main streets of the communities they serve, the most common sectors in 2016-17 were service, retail, food and beverage, and health and wellness. Quebec, Ontario and British Columbia were the provinces in which we supported the highest numbers of young entrepreneurs.

**Condensed Statement of Financial Position**

As at March 31, 2017 with comparative information for 2016

| ASSETS                                   | MARCH 31, 2017       | MARCH 31, 2016 |
|--|----------------------|----------------|
| <b>CURRENT</b>                           |                      |                |
| Cash and cash equivalents                | \$ 10,517,795        | \$ 12,132,818  |
| Loans                                    | 8,501,988            | 8,304,160      |
| Other current assets                     | 264,051              | 888,331        |
|  | <b>19,283,834</b>    | 21,325,309     |
| <b>LOANS, non-current</b>                | <b>15,752,166</b>    | 14,893,743     |
| <b>CAPITAL ASSETS, net</b>               | <b>531,372</b>       | 442,920        |
|  | <b>\$ 35,567,372</b> | \$ 36,661,972  |
| <b>LIABILITIES</b>                       |                      |                |
| <b>CURRENT</b>                           |                      |                |
| Bank indebtedness                        | \$ 4,230,000         | \$ 3,000,000   |
| Accounts payable and accrued liabilities | 818,290              | 796,618        |
| <b>DEFERRED CONTRIBUTIONS AND OTHER</b>  | <b>721,127</b>       | 1,070,264      |
|  | <b>5,769,417</b>     | 4,866,882      |
| <b>NET ASSETS</b>                        | <b>29,797,955</b>    | 31,795,090     |
|  | <b>\$ 35,567,372</b> | \$ 36,661,972  |

**Condensed Statement of Operations**

Year ended March 31, 2017 with comparative information for 2016

| REVENUE                                    | 2017                  | 2016         |
|--|-----------------------|--------------|
| Contributions and sponsorships             | \$ 8,990,318          | \$ 9,673,232 |
| Loan interest and fees income              | 2,132,822             | 2,018,537    |
| Investment and other income                | 172,024               | 312,398      |
|  | <b>11,295,164</b>     | 12,004,167   |
| <b>EXPENSES</b>                            |                       |              |
| Entrepreneur programs                      | 8,767,910             | 8,616,109    |
| Outreach initiatives                       | 1,720,238             | 1,732,080    |
| Partner development and fundraising        | 928,089               | 932,264      |
| Administration                             | 1,876,062             | 1,549,387    |
|  | <b>13,292,299</b>     | 12,829,840   |
| <b>DEFICIENCY OF REVENUE OVER EXPENSES</b> | <b>\$ (1,997,135)</b> | \$ (825,673) |

**FUTURPRENEUR CANADA**
**Condensed Statement of Cash Flow**

Year ended March 31, 2017 with comparative information for 2016

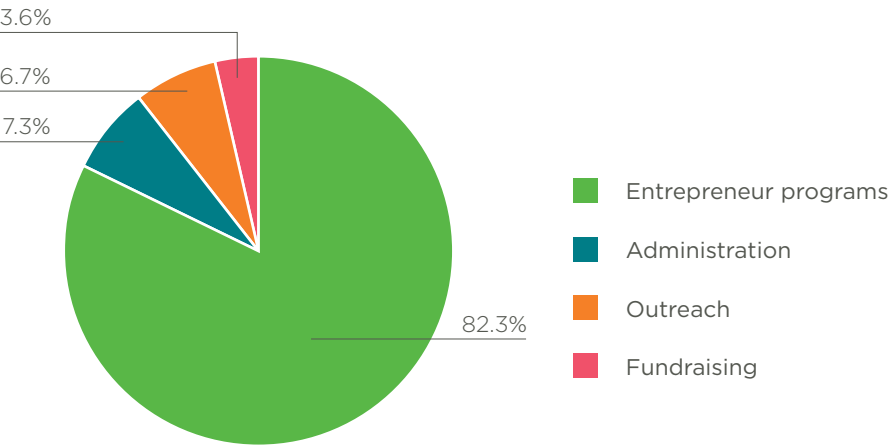
|   | 2017                 | 2016          |
|---|----------------------|---------------|
| <b>CASH PROVIDED BY (USED IN):</b>                      |                      |               |
| <b>OPERATING ACTIVITIES</b>                             |                      |               |
| Cash received from contributions and sponsorships       | \$ 9,321,139         | \$ 9,743,897  |
| Cash received from principal payments                   | 9,297,912            | 8,384,935     |
| Cash received from loan interest and fees               | 2,226,161            | 2,103,959     |
| Loan advances   | (12,261,750)         | (11,457,000)  |
| Other program and operating activities                  | (11,062,630)         | (11,223,037)  |
|   | <b>(2,479,168)</b>   | (2,447,246)   |
| <b>FINANCING ACTIVITIES</b>                             | <b>1,230,000</b>     | 3,000,000     |
| <b>INVESTING ACTIVITIES</b>                             | <b>(365,855)</b>     | (168,311)     |
| <b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b> | <b>(1,615,023)</b>   | 384,443       |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>     | <b>12,132,818</b>    | 11,748,375    |
| <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>           | <b>\$ 10,517,795</b> | \$ 12,132,818 |

A complete set of audited financial statements for the years ended March 31, 2017 and 2016 can be obtained by calling the Director of Finance at (416) 408-2923 ext. 2124



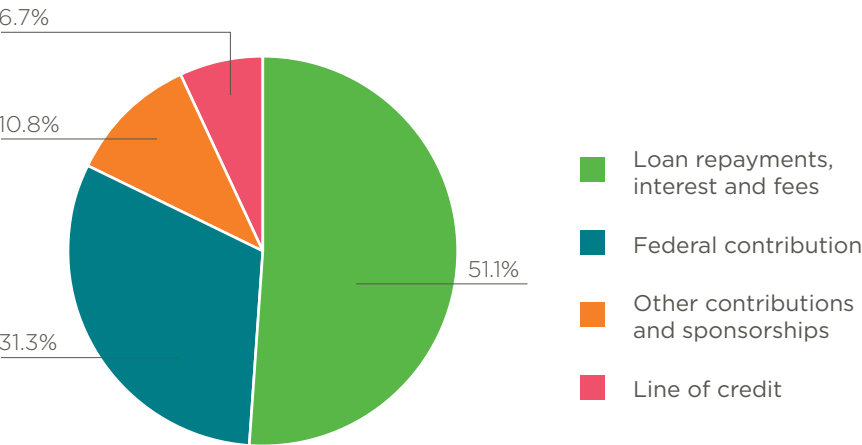
INVESTMENT OF RESOURCES

April 1, 2016 to March 31, 2017



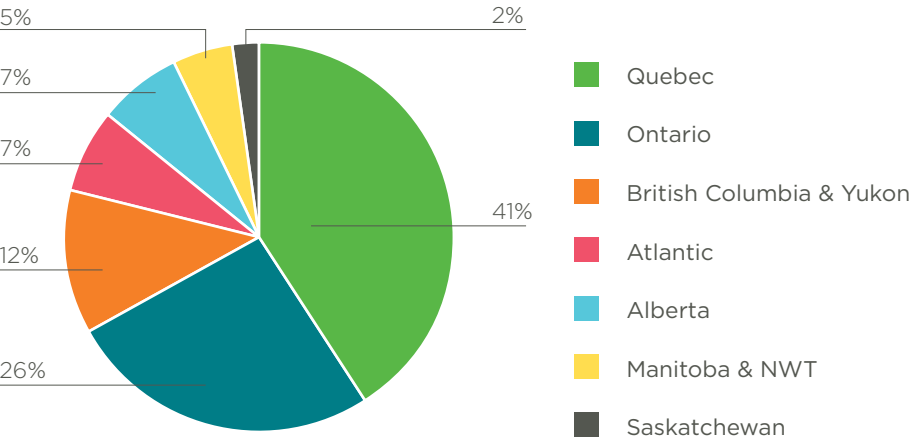
FINANCIAL SOURCES OF SUPPORT

April 1, 2016 to March 31, 2017



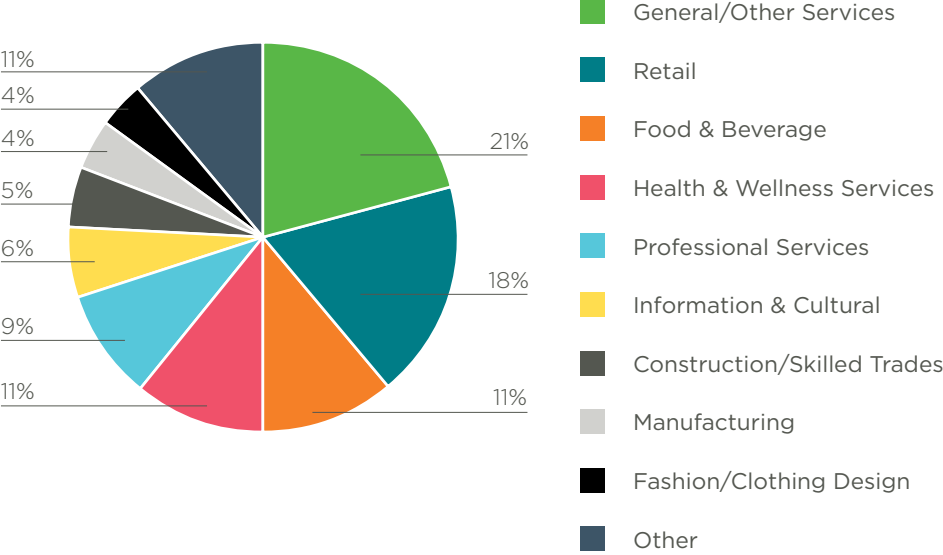
NEW BUSINESSES BY REGION

April 1, 2016 to March 31, 2017



NEW BUSINESSES BY INDUSTRY

April 1, 2016 to March 31, 2017



# OUR VALUED FUNDERS

We would like to thank all of our partners. The financial and in-kind commitments they made from April 1, 2016, to March 31, 2017, including multi-year commitments, helped us reach a record number of young entrepreneurs in 2016-17.

## \$1,000,000 +

Innovation, Science and Economic Development Canada (ISED)

## \$100,000 – \$250,000

BMO  
Business Development Bank of Canada  
Government of Alberta  
Government of Manitoba  
Meridian Credit Union  
Prince Rupert LNG  
RBC Foundation\*  
Scotiabank  
Secrétariat à la jeunesse du Québec  
Spin Master  
TD Bank

### In-Kind Support

Accenture  
Cisco  
Deloitte  
Dentons  
Royal Roads University  
The Keg  
The Printing House\*

## \$25,000 – \$99,999

Clearwater Fine Foods  
Government of British Columbia  
Morrison Financial  
Northwest Territories Business Development and Investment Corporation  
RBC  
The Keg  
TruShield

## UP TO \$25,000

Accenture\*  
Accenture Global  
Affinity Credit Union  
Amway Canada  
Canada Post  
Conexus Credit Union  
Government of Saskatchewan  
Shopify

\* Supporting Foundation for an Entrepreneurial Canada programs delivered by Futurpreneur Canada

### CONNECT WITH US IN PERSON:

#### Futurpreneur Canada

National Office  
133 Richmond Street West, Suite 700  
Toronto, ON M5H 2L2

Regional and satellite offices located in  
St. John's, Halifax, Quebec City, Montreal,  
Ottawa, Toronto, Mississauga, Winnipeg,  
Calgary, Edmonton, Vancouver, Terrace  
and Yellowknife.

**FIND US ONLINE:** [Futurpreneur.ca](http://Futurpreneur.ca) | [Facebook.com/Futurpreneur](https://Facebook.com/Futurpreneur) | [@Futurpreneur](https://twitter.com/Futurpreneur)



# KEEP SMALL BUSINESS ALIVE

20 YEARS OF SUPPORTING CANADA'S SMALL BUSINESS COMMUNITY.

