

Island Investment Development Incorporated



**Annual Report
2008/2009**



Message from the Minister



March 31, 2009

The Honourable Barbara A. Hagerman
Lieutenant Governor of Prince Edward Island

May it Please Your Honour:

Pursuant to the Annual Reporting Framework of the Financial Administration Act governing Crown Corporations, I am pleased to present to you, the Annual Report of Island Investment Development Inc. for the fiscal year ending March 31, 2009. As the Minister responsible for the corporation, I am pleased with the results of the organization over the past year as immigration plays an ever expanding role in our economic prosperity and is contributing greatly to the province's cultural diversity.

Sincerely yours,

A handwritten signature in cursive script that reads "Alan V. Campbell".

Alan Campbell
Minister Innovation and Advanced Learning

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Mandate: Island Investment Development Inc. is a crown corporation under the Ministry of Innovation and Advanced Learning and is responsible to implement and manage programs to increase Prince Edward Island's population through immigration. These programs are designed to educate, facilitate, attract and retain immigrants who will contribute to the economy and culture of Prince Edward Island.

Island Investment Development Inc. also administers the Island Funds and the Prince Edward Island Century 2000 Fund through the Federal Government's Immigrant Investor Program and is responsible for the delivery of the Prince Edward Island Provincial Nominee Program.



Mission: Island Investment Development Inc. mission is to undertake policy and program measures which will increase the number of Immigrant applicants wishing to immigrate to Canada and in particular Prince Edward Island. Island Investment Development Inc. will endeavor to increase not only the number, but also the quality of applicants best suited to adapt and

contribute to the Province's unique economy.

Vision: Utilizing our “flagship” Provincial Nominee Program, Island Investment Development Inc. will present to Prince Edward Island an educated/skilled, economically stable and culturally diverse population of newcomers ready to participate in helping our economy grow and prosper.

Overview

Prince Edward Island has continued to promote of immigration over the course of the past year (2008-09) with nominations on track to set a new record over last years' historical pace.

Immigration continues to play a significant role in the growth of our economy and is helping our province address the challenges facing our labour force. Industries such as Bioscience, Aerospace and Information Technology are expanding and diversifying the Prince Edward Island economy.



Trained professionals and trades people continue to be in very high demand. Many of these skill sets required by companies in these industries simply do not exist within

the Province at the levels required by industry. Increasingly companies are looking to the international community to source some of this talent.

The Government of Canada announced changes to immigration policy surrounding the Provincial Nominee Program, announced in September of 2008. These changes have significantly impacted the ability of Prince Edward Island to nominate, specifically in the Immigrant Partner category. As a result, nominations under this category were suspended on September 2, 2008.

Population Trending

Prince Edward Island continues to be challenged by changing provincial demographics, pointing toward an aging population. This population dynamic will be further challenged in the very near future by meeting the basic requirements of the workplace as “baby boomers” continue to retire.

Statistics Canada has published its preliminary provincial population data for the July 1, 2009 reporting period, and revised its 2007 and 2008 population estimates. As of July 1, 2009 Prince Edward Island’s population is estimated to be 140,985. This represents a yearly increase of 1,534 individuals or a 1.10% increase since the last reporting period of July 1, 2008. Prince Edward Island’s rate of growth was the highest in Atlantic Canada and just slightly below the National rate of 1.24%. This was the highest rate of growth in the

province since 1984. The majority of this growth can be attributed to record gains in international migration. During this period, 1,783 international immigrants came to the province, the highest level ever on record. There were 1,402 births and 1,250 deaths during this period, resulting in natural growth of 152 individuals.

Utilizing the most recent Census data of 2006, Prince Edward Island’s percentage share of the overall Canadian population stands at .43%.

Components of Growth 2007-2009

	2007	2008	2009
July 1st Population	138,127	139,451	140,985
Births	1,428	1,388	1,402
Deaths	1,187	1,217	1,250
Immigration (all categories)	738	1,282	1,793

Immigration

With the introduction of the Provincial Nominee Program in 2001, Prince Edward Island was afforded the opportunity to take a leadership role in determining its own destiny in the Immigration field. The ability to partner with Citizenship and Immigration Canada to identify and process applicants who wish to live in a smaller province such as Prince Edward Island has led to an increase in the number of newcomers to the province over the past several years.

Prior to the introduction of the Provincial Nominee Program, full responsibility for Immigration rested with the Federal Government and its lead department Citizenship and Immigration Canada. Within all Federal categories of Immigration, Prince Edward Island consistently received between 100 to 150 per year in total newcomers. The majority of these newcomers applied through the Federal Refugee category.

Our Programs

Island Investment Development Inc. operates the leading program driver of Prince Edward Island's immigration policy namely the Provincial Nominee Program. This program has transformed immigration right across the country since its introduction ten years ago. According to Citizenship and Immigration Canada annual (calendar year) reporting, in the programs inaugural year, PNP's represented just .3% of all Permanent Resident category



entrants in the country. By the end of calendar year 2008 this percentage has increased to an all time high of 9.1% or 22,418 individuals due to the ability of

Provinces to fill labour shortages directly through nominations.

Prince Edward Island accounted for 1456 of all permanent resident entries of the 247,243 Immigrants granted entry status in 2008 or .59% of the total allocation. This distribution represents a slightly larger proportionate "share" of permanent resident entries than our population would dictate.



Of these newcomers, 78% in calendar year 2008 came into Prince Edward Island via one of the Provincial Nominee Program streams. The remaining permanent residents gained status through a combination of Government Assisted Refugees, Federal Skilled Workers, or Federal Family Classes.

Immigrant Partner Category

The Immigrant Partner Category of the Prince Edward Island Provincial Nominee Program is geared toward prospective immigrants who propose to make a \$200,000.00 investment in a Prince Edward Island company and to take an active role in

the investee company. That role may be either as a director or as a senior manager defined at level "O" of the National Occupational Code.



All applications under the Immigrant Partner Category must go through a recognized Prince Edward Island Investment Intermediary. In order to qualify under this category, applicants must provide proof of business ownership (or management experience), education, personal net worth and family information. As evidence of good faith, the Province of Prince Edward Island requires the Principal Applicant to pay a \$25,000.00 deposit which is fully refundable, without interest, one year after landing should they meet the conditions precedent to refund.

Principal applicants without English or French language capability must make a \$20,000.00 Language Deposit and agree to study English and/or French. The Language Deposit is fully refundable one year after the official landing date in Canada; providing the principal applicant has met all conditions for refund.

The Immigrant Partner category underwent significant changes in 2008-09. Island

Investment Development Inc. became aware of major Federal operational changes coming to the economic streams of the Provincial Nominee Programs across the country. These changes, announced in March of 2008, resulted in increased interest from immigrants to put forward applications to the PNP program. This resulted in an increase in the number of applications to be processed.

Upon implementation of the Federal regulatory changes in early September of 2008, Island Investment Development Inc. suspended activity within the Immigrant Partner category.



Nominations over the past fiscal year have increased proportionately in this category, reaching 1877 by March 31st of this year, representing an increase of 1127 applicants or 150% over the 2007-08 numbers. Citizenship and Immigration Canada approvals over this same period have increased by 50% to 569 applicants. (Note: Due to processing at the Federal level, PNP nominations may not appear into the Federal queue until the following year.

Immigrant Partner

	2007-08	2008-09
Applications	997	1142
PEI Nominations	750	1877
PEI Withdrawn	70	110
PEI Declined	313	264
CIC Approved	380	569
CIC Declined	2	9
CIC Withdrawn	2	2
Canada Landed	323	455

Note: Lag times often occur over two fiscal periods between time of application submission and nomination.

Immigrant Connections

The Government of Prince Edward Island, through the Provincial Nominee Office, welcomes Canadian citizens and permanent residents, who have established themselves in Prince Edward Island to tell us who their “Connections” are, or who they would like Prince Edward Island to nominate.

There is qualifying criteria, for the “Champions”, the people who can make such a recommendation, as well as who can be nominated. The program looks for people and families who can earn a living on Prince Edward Island, and who will make a long term, meaningful commitment to both the Champions life and to the broader community.

This is an honor based program. Champion’s are not required to sign a formal agreement or provide a financial guarantee.

Family connections nominees must demonstrate, among many criteria, to have an offer of full time employment or demonstrate that they can economically establish within the province. They must also provide evidence of their intent to live on Prince Edward Island.

The Immigrant Connections category experienced a small decline in the number of applicants nominated over the past year. 21 nominations were made over the course of 2008-09, down from 28 from 2007-08. This represents a 25% decline.



Immigrant Connections

	2007-08	2008-09
Applications	25	33
PEI Nominations	28	21
PEI Withdrawn	2	5
Declined	5	21
CIC Approved	46	19
CIC Declined	1	3
CIC Withdrawn	0	1
Canada Landed	47	20

Note: As with all other processing at the CIC level, a lag time exists between the nomination submission and CIC approval stage, thus the reason for a higher approval level to nomination ratio in 2007-08.

A review of this category was conducted in 2008-09 looking at trends in the program over two fiscal years. Over the two fiscal years, 21 Principal Applicants were female and 28 male. This represents a 43% share of female applicants to 57% male.

The average age of all applicants over this period was 43.5 years of age. The average number of dependants attached to each application was 1.41 per Principal Applicant.

Education/Skills

Understandably, this category tracked at a lower education level attainment than others such as the skilled worker category; however, still at impressive levels nonetheless.

Highest Level of Education Obtained

	2007-08 by %	2008-09 by %	Average
PhD	7%	0%	3.5%
Masters	4%	10%	7%
Bachelor	5%	24%	14.5%
Diploma/Cert.	32%	24%	28%
Trade/Apprentice	11%	10%	10.5%
Secondary	14%	32%	23%
No Secondary	14%	0%	7%

Equally impressive is the surprising number of highly skilled Principal Applicants in this category in the National Occupation Codes higher skilled designations.

National Occupational Code of Applicants

NOC	2007-08	2008-09
"O" Management	8	3
"A" Usually Requires University	3	3
"B" Usually Requires College	12	9
"C" Usually Requires Secondary School	4	5
"D" On the Job Training	1	1

Champions

With respect to the residency of Champions sponsoring Principal Applicants in this category, the average number of years they have resided in Prince Edward Island over this period was 12 years. Brother/sister relationships appeared to be the most frequent association.

Relationship to the Principal Applicant

	2007-08	2008-09
Brother/Sister	8	9
Aunt/Uncle	4	5
Father/Mother	2	4
Son/Daughter	1	1
Nephew/Niece	1	1
Cousin	3	1
Spouse	2	0
Friend	1	0

Retention

Of the 50 applications that have been approved or pending, 41 have been identified as still living in Prince Edward Island representing a retention rate of 82%

Immigrant Entrepreneur

The Immigrant Entrepreneur program welcomes business owners with the drive, skills and marketable concepts to be successful in Prince Edward Island's unique economy. Entrepreneurs must meet the Prince Edward Island Provincial Nominee Program criteria, including a minimum net worth of \$400,000, a willingness to invest a minimum of \$200,000 to purchase no less than a 33 % share of an existing business and meet the maximum age (55) and education requirements. Of the original \$200,000 investment \$100,000, is held in escrow for a period of one year and returned upon the completion of one year of residency and the establishment of the business.

Applicants were required to participate in the Good Faith Deposit agreement and, where required by demonstrated ability, the Language Deposit agreement.

Traditionally, this program has experienced the smallest volume of applications of each of the four Provincial Nominee Program streams. In 2008-09, only one nomination was submitted.

A review of this category over the past three years was conducted by Island Investment Development Inc. Some of the key findings include the fact that the vast majority of immigrants recruited into this program emerge from agent referrals.

Immigrant Entrepreneur

	2007-08	2008-09
Applications	10	18
PEI Nominations	11	1
PEI Withdrawn	4	4
PEI Declined	10	20
CIC Approved	5	5
CIC Declined	0	0
CIC Withdrawn	1	0
Canada Landed	6	6

Nominations in this category come from a broad number of countries including China, South Korea, the United Kingdom, Russia, Iran and Syria. The average age of the entrepreneurs was 44.58, with the youngest aged 33 and the oldest 56.

These highly educated entrepreneurs consistently hold University Degrees, many at the doctoral or masters level in professions including many in the engineering and medical fields. The average years of education obtained by applicants overall was 15.5 years.

Skilled Worker

Prince Edward Island's increasingly diverse economy provides a variety of employment opportunities. Although the Province has an unemployment rate of just over 10%, fully half of the unemployment relates to individuals who participate in traditional, seasonal industries, such as fishing, farming, forestry and tourism. The other half - just over 5% of the Island's unemployment - relates to unemployment in manufacturing, retail and the services sector.

Unemployment at that level is not sufficient to provide the necessary workers required for the full economic spectrum.

Prince Edward Island is home to a small work force and, as such, labour market gaps are a reality. The Skilled Worker category of the Provincial Nominee Program is designed to help resolve labour shortages and allow fortunate applicants and their families to enjoy the richness of life in Prince Edward Island.

The Skilled Worker category is viewed as the primary source to access much needed labour for many in our newly emerging industries such as Bioscience, Aerospace and Information Technology. Significant

effort and resources are being expended to recruit and retain talented and qualified international professionals and skilled tradespeople. A highly competitive marketplace exists for the services of these workers, not only from other countries, but also from other Provinces within Canada.

Prince Edward Island has taken an active role in collectively marketing the region with our neighbouring provinces of New Brunswick, Nova Scotia and Newfoundland and Labrador. Under the auspices of the Agreement for Team Atlantic Immigration Promotion, Prince Edward Island now has



the support required to compete with other jurisdictions around the world for skilled workers. Since January of 2008, recruitment in this category has been co-ordinated through the Prince Edward Island Population Secretariat. Skilled Workers are now tracked via a sophisticated database enabling us to monitor the progress of skilled workers from initial contact through to the stage of arrival.

Skilled Worker nominations experienced an increase in the past year to 53 in 2008-09 up from 34 last year. This represents an increase of 56%.

Skilled Worker

	2007-08	2008-09
Applications	50	92
PEI Nominations	34	53
PEI Withdrawn	10	9
PEI Declined	15	8
CIC Approved	42	31
CIC Declined	1	2
CIC Withdrawn	1	1
Canada Landed	41	31

Much like other currently active Provincial Nominee Programs, Island Investment Development Inc. conducted an extensive review of the Skilled Worker category for the past three years which included direct verbal communications with the clients remaining in the Province.

Demographics of our Skilled Workers

Since April 1, 2007 to March 31st 2009 there have been 87 skilled workers who have come through the Provincial Nominee Programs Skilled Worker category. The vast majority of these applicants enter Canada through temporary work permit while they await processing toward permanent status.

Status in Country at Time of Nomination

	2007-08	2008-09
Temporary Work Permit	21	42
Post Grad. Work Permit	5	8
Nominated prior to arrival in PEI	8	3

Of these 87 applicants, 15 are female and 72 male. The average age of all skilled workers entering the province is 38 years.

The highest source country for Skilled Workers differs from other categories with the United Kingdom followed by the United States as the top two countries of origin. This differs from other Provincial Nominee Program categories where China leads, usually by a wide margin. In this case China is the third major source for Skilled Worker entries.

Regarding dependants, the average family size which accompanied each applicant was 1.5 dependants per applicant over the two fiscal year examination.

Education/Skills

Prince Edward Island tends to attract Skilled Workers at the higher end of the skill spectrum as identified by National Occupational Code levels 0, A and B (high skilled) as opposed to C or D (lower skilled).

National Occupational Code of Applicants

NOC	2007-08	2008-09
"O" Management	3	4
"A" Usually Requires University	18	17
"B" Usually Requires College	7	20
"C" Usually Requires Secondary School	5	11
"D" On the Job Training	1	1

Fully 55% of all applicants over this period possessed a university degree with 11.5% and 17.5% of those at the masters and PhD levels respectively.

Highest Level of Education Obtained

	2007-08 by %	2008-09 by %	Average
PhD	24%	11%	17.5%
Masters	12%	11%	11.5%
Bachelor	24%	28%	26%
Diploma/Cert.	21%	19%	20%
Trade/Apprentice	6%	14%	10%
Secondary	13%	17%	15%

The professions most commonly employing applicants to the Skilled Worker category include Natural and Applied Sciences (IT-Analysts), Social Science, Education, Government Services & Religion (Professors, Researchers, Pastors), Sales and Service (Chefs, Cooks, Tourism),

Business, Finance and Admin (Managers, Accountants) and Trades, Transport and Equipment (Trades and Trucking).

Recruitment of Foreign Workers

Recruiting Foreign Workers can take on several forms including company led recruitment initiatives, employment advertising, the internet, family/friend referral or general Recruitment Missions.

Island Investment Development Inc. attempted to survey all Skilled Immigrant applications over the past two years. An encouraging 73.5% response rate in 2007-08 and an even more impressive 85.2% response rate in 2008-09 was obtained. In both sample years the overwhelming number of responses listed advertising or contact from a family or associate as the most likely method of being recruited to Prince Edward Island.

Recruitment of Skilled Workers 2007-08

Advertising	10
Family member/friend/associate	5
Lawyer/consultant	3
Recruitment Missions	3
General job fair	2
Professional Trade link	1
Educational institution	1
Could not obtain a response	9
Total	34

Recruitment of Skilled Workers 2008-09

Advertising	14
Family member/friend/associate	14
Direct contact employer/employee	7
Professional Trade link	4
Lawyer/consultant	3
Recruitment Missions	3
Educational institution	1
Could not obtain a response	8
Total	54

Retention

Retention in the Skilled Worker category remains impressive and is trending upwards. In 2007-08, of the 34 applications that were either approved or pending, 22 were still living in Prince Edward Island by the end of fiscal year 2008-09. This represents a 69% retention rate. For 2008-09 itself, of the 50 applications approved or pending, 41 were still living in Prince Edward Island or an 82% retention rate at the end of the fiscal year.



PNP Impact

Island Investment Development Inc. tracks applications based on the information provided primarily by principal applicants. To gain a full understanding of the critical impact this program has had on the Prince Edward Island environment, a population based multiplier is used to estimate the average number of people associated with each principal applicant. For the purposes of generating the number of individuals landing in the province, the multiplier used is 2.4 dependants per principal applicant. This takes into account the average of all families arriving via any of the four PNP categories. 512 Canada Landed Immigrants declared Prince Edward Island as their intended destination through the four Provincial Nominee Program categories. Utilizing the multiplier, Island Investment Development Inc. estimates 1228 Immigrants will arrive in the province in 2008-09.

Principal Applicants and Dependents by Age

Nominations	2007-08	2008-09
Principal Applicant	823	1952
Spouse/Common Law Partner	744	1794
Dependents Aged 1-3	33	185
Dependents Aged 4-17 (school age)	657	1651
Dependents Aged 18-24	451	935
Dependents Aged 25+	73	91
Total Principal Applicants/Dependents	2781	6608

Countries of Origin

Prince Edward Island has been fortunate to attract newcomers from a wide array of countries around the world. This has led to an increasingly diverse population mix throughout Prince Edward Island.

Among the many countries of origin, certain trends are beginning to emerge surrounding the leading countries where the largest numbers of newcomers are being attracted to the Province. China, Korea and the Middle East consistently are tracking the largest volumes of applications to the Provincial Nominee Program in Prince Edward Island. China in particular, continues to outpace all other source countries of newcomers to the province as evidenced by the following table.

Principal Applicants by Top 10 Countries of Origin in 2008-09

	2007-08	2008-09
1.China	535	1392
2. Iran	100	291
3.Korea (South)	56	42
4.Taiwan	30	32
5. Egypt	4	19
5. Viet Nam	2	19
7. United Kingdom	13	17
8.Russia	6	14
9. India	3	12
10. Turkey	2	11

Business Investment

The Provincial Nominee Program has been a driver not only in advancing the capacity of our workforce and diversifying our population but also in stimulating business investment in local companies. As demonstrated in the Immigrant Entrepreneur category, newcomers are making investment in the local economy either through new business start ups or via the purchase of existing businesses. This element could become a key component of future succession planning as more and more Island business leaders move toward retirement.



Equally important has been the significant direct investment made to hundreds of Prince Edward Island companies over the past year through the Immigrant Partner category. These investments are available to qualifying companies through a third party contractual relationship to the investor.

Expansion in Immigrant Partner category nominations over the past year has translated into the increased amount of business investment made to local industry. The number of Island companies

participating this past year reached an all time high of 886 representing a 137% increase over the past year.

Immigrant Partner Business Investments

	2007-08	2008-09
Businesses	374	886

Fund Management and Lending

Island Investment Development Inc., through Prince Edward Island Century 2000 Fund Inc. ("PEICF"), receives repayable advances from the Federal Immigrant Fund which are, in turn, used to make strategic repayable loans to Prince Edward Island businesses in an effort to stimulate economic development.

General lending conditions associated with PEICF loans are as follows:

- Loans are available for a maximum term of 5 years, which matches PEICF's 5 year term with the Federal Immigration Fund;
- Loans bear interest at an annual rate of 4%. The annual rate is comprised of PEICF's cost of borrowing from the Federal Immigration Fund, the cost to administer the loan portfolio and the risk associated with lending activities;
- PEICF does not offer borrowers the option to refinance their loan with PEICF at the conclusion of their 5 year term; and
- All loans must be secured and, as such, PEICF seeks similar security packages as would be ordinarily

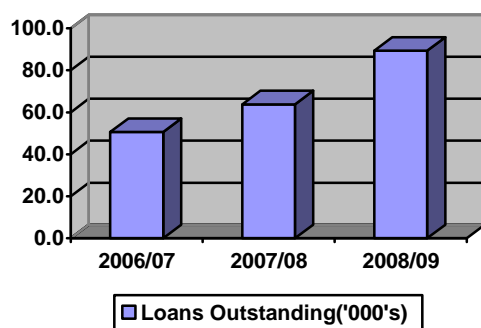
sought by a traditional chartered bank.

PEICF's lending activities are aligned with Prince Edward Island Business Development Inc.'s ("PEIBDI") strategic sectors of Aerospace, Renewable Energy, Bioscience, and Information Technology. On occasion, PEICF may also finance certain strategic projects that may fall outside of PEIBDI's strategic sectors, but have significant economic benefits to the Island community.

Some good examples of PEICF's strategic lending activities would be our participation in certain real estate development projects in Summerside, Stratford and Charlottetown that have resulted in the relocation of off-Island businesses and jobs to these communities.

Within PEIBDI's strategic sectors, PEICF strives to focus its lending activities on manufacturers, processors and service providers with business activities that target export, import replacement and value-added processing.

During fiscal 2008/09, PEICF's loan portfolio exhibited strong growth with 29 loans being approved for a total investment of \$94.1 million in Island businesses. Total investment increased 176% over the prior fiscal with an average loan size of \$3.2 million. Overall, the total number of loan accounts at year-end increased by 30% to 69 while the portfolio value (loans outstanding) grew by 40% to \$89.3 million in comparison to the prior fiscal year.



The strong growth in financing approvals is attributed to several large projects during the year and the reduction in the availability of financing in the marketplace due to the recession. At fiscal year-end, the financing approved for several large projects remained undisbursed, therefore, is not reflected in the value of loans outstanding.

In many instances PEICF works in partnership with traditional lending institutions, Federal Government agencies and other local economic development agencies to complete financing packages for projects.

PEICF's loan portfolio is managed by the Lending Services division of PEIBDI, the lead provincial crown corporation responsible for business development.

Temporary Foreign Workers

Under current Immigration regulations, responsibility for the Temporary Foreign Worker category resides with the Federal Government. Increasingly, provinces such as Prince Edward Island are being asked to examine certain responsibilities for

temporary foreign workers. Requests from employers, Federal officials and the workers themselves are leading to broadening of scope for programs like the Provincial Nominee Program. Many factors have led to this increase in interest in the category, not the least of which is the responsive nature of the category itself. It is a primary reason for Prince Edward Island adopting a two step approach to permanent residency, by first encouraging entry via temporary work permit as a "probationary period" of sorts for both the immigrant and the company.

Temporary Foreign Worker Entries to PEI by Calendar Year

	Jan1- Dec31, 2006	Jan1- Dec31, 2007	Jan1- Dec31, 2008
TFW new Entrants	210	218	443
% of Canada	.2%	.1%	.2%

This approach affords each party to the employment agreement the opportunity to explore not only the suitability of the work arrangement but also to experience the lifestyle enjoyed in Prince Edward Island.

In Prince Edward Island for calendar year 2008, the province received 443 new entry (new and/or returning vs. those here for longer than one year) Temporary Foreign Workers into the economy. This represents .2% of the entire Temporary Foreign Worker pool entering Canada at some point during the year.



Certain challenges do exist both with the two step approach and with true temporary (short term) work permits. Island Investment Development Inc. has worked over the past year with Federal officials of Human Resource and Skill Development Canada, Citizenship and Immigration Canada and Prince Edward Island's Department of Community and Cultural Affairs (Labour Relations Division) to discuss policy, share data, and recommend legislative change surrounding worker and employment protections. On a go forward, this relationship will be formalized through information sharing agreements, drafting a regulatory framework for worker protection and in the longer term possibly an Annex Agreement to facilitate a better working relationship surrounding Temporary Foreign Workers with the Federal Government, similar to existing agreements in Manitoba and British Columbia.

International Students

Like Federal responsibility for Temporary Foreign Workers, so too does the Federal government maintain jurisdiction over the

issuance of study permits to International Students. In Prince Edward Island for calendar year 2008, the province received 260 new entrants into our post secondary institutions. This represents .3% of the entire international post secondary student body entering Canada for the first time.

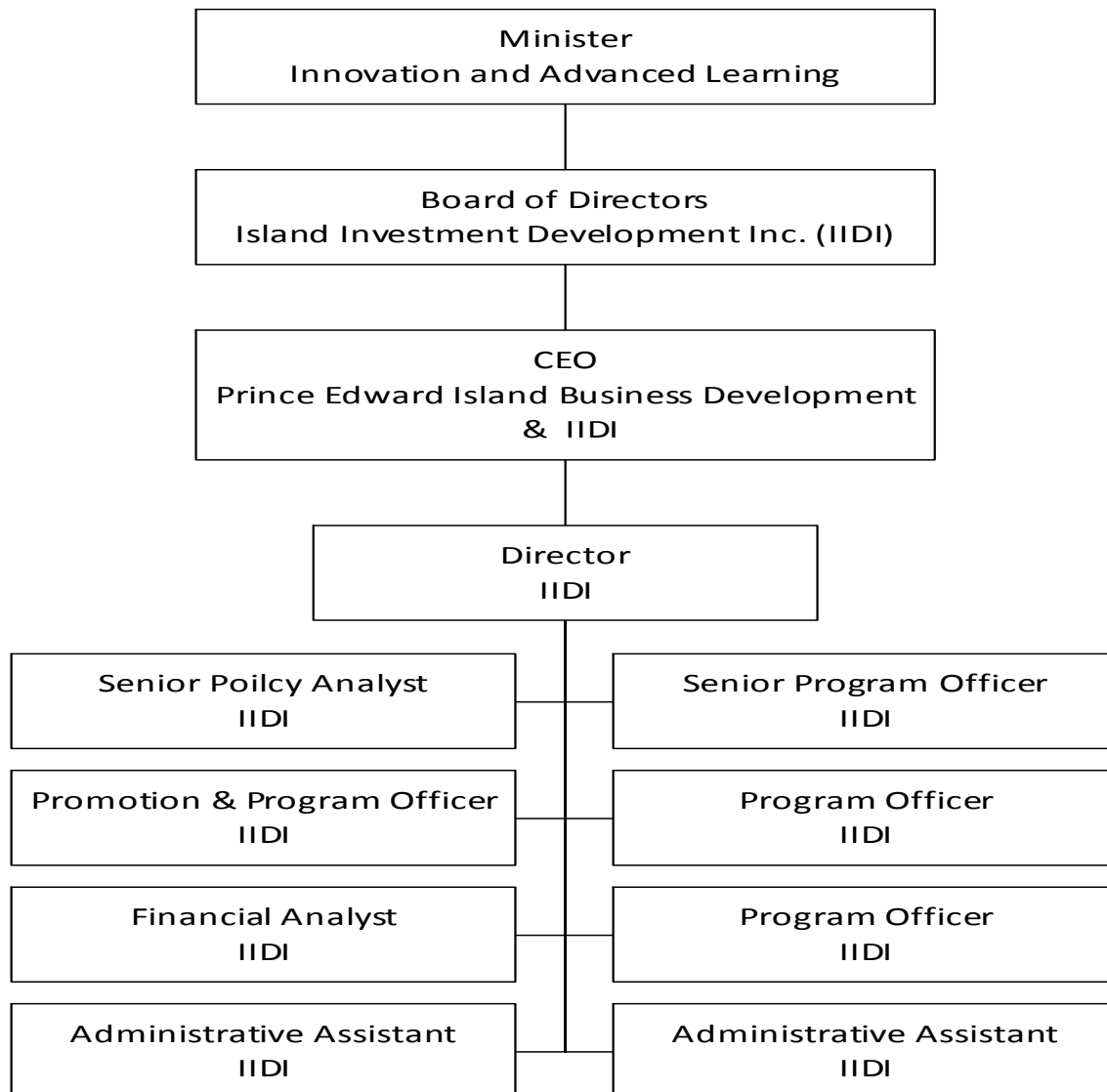
Foreign Student Entries to PEI by Calendar Year

	Jan1- Dec31, 2006	Jan1- Dec31, 2007	Jan1- Dec31, 2008
New Students	167	215	260
% of Canada	.2%	.3%	.3%

Island Investment Development Inc. not only recognizes the potential in attracting international students into the provinces' post secondary institutions, but also the possibility that these students might remain to fill valuable skilled positions in the long term. To this end, officials from Island Investment Development Inc. have conducted initial discussions with officials of the Office of Higher Education to establish a closer link between stakeholders in the education system and immigration. Island Investment Development Inc. will be exploring opportunities to include an International Student category under the current Provincial Nominee Program framework. This could help facilitate student entry into the labour market leading to permanent residency and Canadian Citizenship.

Appendix A

Organizational Chart Island Investment Development Inc.



Appendix A

Island Investment Development Inc.

Board of Directors

2008-09

Board Member	Department
Dr. Michael Mayne (Chairperson)	Innovation and Advanced Learning
Doug Clow	Provincial Treasury
Melissa MacEachern	Tourism
Neil Stewart	Innovation and Advanced Learning

Appendix B

Audited Financial Statements

Island Investment Development Inc.

Consolidated Financial Statements
March 31, 2009



ArsenaultBestCameronEllis
CHARTERED ACCOUNTANTS

A Member Firm of The AC Group of Independent Accounting Firms Limited

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May 8, 2009

Auditors' Report

**To the Board of Directors of
Island Investment Development Inc.**

We have audited the consolidated balance sheet of **Island Investment Development Inc.** as at March 31, 2009 and the consolidated statements of earnings, retained earnings and cash flows for the year then ended. These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. These consolidated financial statements are the responsibility of the company's management. 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 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 our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

ArsenaultBestCameronEllis

Chartered Accountants

Island Investment Development Inc.

Consolidated Balance Sheet

As at March 31, 2009

	2009 \$	2008 \$
Assets		
Current assets		
Cash	9,260,368	20,132,471
Marketable securities	87,183,439	52,633,919
Accounts receivable (note 10)	214,682	252,796
Accrued interest receivable (note 10)	467,565	522,978
Current portion of notes receivable	10,967,035	7,806,908
	<hr/>	<hr/>
	108,093,089	81,349,072
Notes receivable , less current portion (notes 4 and 10)	61,999,525	45,938,343
Deferred financing costs (note 5)	6,434,607	5,365,120
Restricted funds (note 9)		
Cash and marketable securities	106,368,628	25,413,982
Demand loan receivable (note 6)	6,998,621	15,000,000
Notes receivable (note 7)	5,930,688	17,453,490
	<hr/>	<hr/>
	295,825,158	190,520,007
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 10)	4,103,906	2,338,377
Current portion of notes payable	31,227,126	5,837,184
	<hr/>	<hr/>
	35,331,032	8,175,561
Notes payable , less current portion (note 8)	134,349,368	121,668,965
Restricted funds (note 9)	<hr/>	<hr/>
	118,647,208	57,867,472
	<hr/>	<hr/>
	288,327,608	187,711,998
Retained earnings	<hr/>	<hr/>
	7,497,550	2,808,009
	<hr/>	<hr/>
	295,825,158	190,520,007

Approved by the Board of Directors

Director

Director

Island Investment Development Inc.

Consolidated Statement of Retained Earnings

For the year ended March 31, 2009

	2009 \$	2008 \$
Retained earnings - Beginning of year	2,808,009	497,911
Change in accounting policy for financial instruments	-	(18,568)
Retained earnings as restated	2,808,009	479,343
Net earnings for the year	13,089,541	4,328,666
	15,897,550	4,808,009
Transfer (note 11)	8,400,000	2,000,000
Retained earnings - End of year	7,497,550	2,808,009

Island Investment Development Inc.

Consolidated Statement of Earnings

For the year ended March 31, 2009

	2009 \$	2008 \$
Revenue		
Interest on notes and loan receivable (note 10)	3,870,330	3,290,875
Investment income	4,478,564	2,363,142
Provincial Nominee Program fees	2,717,000	3,449,351
Provincial Nominee Program defaults (note 9)	4,644,882	2,098,095
Business processing fees	5,013,500	780,389
Interview fees	3,422,449	-
Settlement and retention fees	1,715,000	-
Education contribution	549,000	-
	<u>26,410,725</u>	<u>11,981,852</u>
Expenses		
Salaries	1,285,560	713,487
Management fees (note 10)	450,000	450,000
Interest and bank charges	4,306	999
Interest on long-term debt	-	4,438
Professional fees	107,075	84,174
Office	261,769	37,548
Meetings and conferences	3,904	3,716
Promotion and advertising	12,416	6,642
Equipment	23,940	58,005
Provision for possible losses	3,636,307	4,296,468
Consulting fees	371,623	38,359
Travel	490,413	55,882
Grants - private companies	571,829	175,437
Grants - related party (note 10)	1,400,000	-
Education contribution	2,172,945	390,314
Population secretariat (Schedule)	815,494	281,615
Rent	50,000	50,000
Amortization	1,989,259	1,456,986
	<u>13,646,840</u>	<u>8,104,070</u>
Operating earnings	12,763,885	3,877,782
Other income		
Unrealized gain on marketable securities	<u>325,656</u>	<u>450,884</u>
Net earnings for the year	<u>13,089,541</u>	<u>4,328,666</u>

Island Investment Development Inc.

Consolidated Statement of Cash Flows

For the year ended March 31, 2009

	2009 \$	2008 \$
Cash provided by (used in)		
Operating activities		
Net earnings for the year	13,089,541	4,328,666
Amortization	1,989,259	1,456,986
Unrealized gain on marketable securities	(325,656)	(450,884)
Provision for possible losses	3,636,307	4,296,468
	18,389,451	9,631,236
Net change in non-cash working capital items		
Decrease in accounts receivable	38,114	40,961
Decrease (increase) in accrued interest receivable	55,413	(403,328)
Increase in accounts payable and accrued liabilities	1,765,529	1,884,996
Decrease in accrued interest payable	-	(27,199)
	20,248,507	11,126,666
Financing activities		
Increase in long-term debt - net	38,070,345	40,394,100
Transfer	(8,400,000)	(2,000,000)
	29,670,345	38,394,100
Investing activities		
Decrease in restricted funds - demand loan receivable	8,001,379	-
Increase in marketable securities - net	(34,223,864)	(19,765,184)
Increase in restricted funds - cash and marketable securities	(80,954,646)	(14,571,583)
Decrease (increase) in restricted funds - notes receivable - net	14,229,445	(17,365,510)
Increase in restricted funds - liability	60,779,736	29,230,450
Increase in notes receivable - net	(25,564,259)	(6,527,502)
Increase in deferred financing costs	(3,058,746)	(3,210,638)
	(60,790,955)	(32,209,967)
Net change in cash	(10,872,103)	17,310,799
Cash - Beginning of year	20,132,471	2,821,672
Cash - End of year	9,260,368	20,132,471
Supplementary disclosure		
Interest received	8,404,307	5,271,011
Interest paid	3,258	5,437

Island Investment Development Inc.

Consolidated Schedule of Population Secretariat Expenses

For the year ended March 31, 2009

	2009 \$	2008 \$
Salaries	446,932	190,036
Office and miscellaneous	42,012	15,895
Equipment	11,038	-
Professional fees	61,058	(5,687)
Promotion and marketing	59,862	14,352
Travel and training	43,652	18,241
Consulting fees - People Project	32,747	48,778
Atlantic Provinces Partnership	75,000	-
Rent	43,193	-
	<hr/> 815,494	<hr/> 281,615

Island Investment Development Inc.

Notes to Consolidated Financial Statements

March 31, 2009

1 Basis of presentation

Consolidation

These financial statements include the operations of Island Investment Development Inc. and its wholly-owned subsidiary, Prince Edward Island Century 2000 Fund Inc. (Century 2000 Fund).

Corporate status

The company is a provincial Crown corporation established under the provisions of the Island Investment Development Inc. Act and is therefore a non-taxable entity under the provisions of the Income Tax Act.

The company is the corporate administrator of government-administered venture capital funds in the Province of Prince Edward Island with its purpose to invest in active business operations. The investments are made in typically new or expanding companies and, as such, there is a significant degree of credit risk. Credit risk is defined as the risk that the note holder will fail to discharge an obligation in whole or in part resulting in a financial loss to this company.

The company administers the Prince Edward Island Provincial Nominee Program on behalf of the Province of Prince Edward Island, and charges applicants under the program various fees to process the applications received.

The company also administers the Population Secretariat whose mandate is to expand the Province's population by focusing on retention, repatriating former residents and positioning Prince Edward Island as a niche destination for international immigrants.

2 Agent agreement

Prince Edward Island Century 2000 Fund Inc.

The Federal Minister of Citizenship and Immigration acts as an Agent for Prince Edward Island Century 2000 Fund Inc. (the Fund) by receiving investments from immigrant investors and disbursing them to the Fund in accordance with the allocation formula set out in the federal Immigration Regulations, 1978. All monies received by the Agent pursuant to the issuance of debt obligations by the Fund are to be held by the Agent in a separate account from the moment such monies are received, on behalf of the Fund. Certain facilitated investments are subject to a commission agreement whereby a 7% commission on the provincial allocation is paid to a party which facilitates an investment, effective for facilitated investments received on or after July 1, 2001. These commissions are paid out of the special account by the Agent on the first day of the second month following the issuance of a visa to the investor who made the facilitated investment, and are recorded as deferred financing charges by the Fund.

Island Investment Development Inc.

Notes to Consolidated Financial Statements

March 31, 2009

The Agent disburses the provincial allocation, less applicable commissions, to the Fund at the beginning of the five-year allocation period. The Agent issues a promissory note to the investor on behalf of the Fund. The Fund is obligated to repay the note, bearing interest at 0%, within 30 days after the expiry of the allocation period.

The Fund is required to repay the investor, through the Agent, the investor's provincial allocation within 90 days of receipt by the Agent of a request by the investor to withdraw his/her application for permanent residence, or upon the refusal of the application by the Minister.

3 Summary of significant accounting policies

Notes receivable

The notes receivable are recorded at amortized cost with interest recorded on an accrual basis. When there is an identifiable long-term impairment in value, the investments will be written down to their estimated fair value. Any write downs or losses on disposal will be recorded in the year they occur.

Provision for possible losses

Any provision for possible losses on the notes receivable is recorded in the statement of earnings based on historical trends and management's judgment.

Specific provision

A provision is recorded for specific notes receivable to reduce their carrying amount to an amount expected to be recovered from the notes in the event of an impairment in value. A variety of methods are used to determine the amount expected to be recovered from impaired notes receivable including estimated future cash flows and the estimated fair value of the underlying security and value of any collateral security taken. The specific provision at March 31, 2009 is \$2,977,863 (2008 - \$2,120,131).

General provision

A general provision is recorded for notes receivable on the basis that not all of the impairment in the notes receivable can be specifically identified. The general provision of \$13,389,462 (2008 - \$7,904,244) is based on past performance of similar notes, the level of the specific provision, management's judgment and the maturity and financial strength of the investees.

An impaired loan is a loan where, in management's opinion, there is no longer reasonable assurance as to the timely collection of the full amount of principal and interest.

Interest on notes payable

Interest expense on the notes payable is accrued from the date of the closing. Interest paid to refunded investors is calculated from the date funds are deposited by the escrow agent.

Island Investment Development Inc.

Notes to Consolidated Financial Statements

March 31, 2009

Deferred financing costs

The costs incurred in obtaining financing have been capitalized and are being amortized using the straight-line basis over sixty months, commencing with the issuance of the note payable for Century 2000 Fund.

Revenue recognition

Interest accrued on notes receivable is recognized as revenue in the period earned except where a loan is classified as impaired. Interest earned on an impaired loan is recognized as revenue only when it has been received.

Investment income and business processing fees are recorded in the period earned.

Provincial Nominee Program fees, business fees, interview fees, settlement and retention fees and education contribution are recorded as revenue when earned.

Provincial Nominee Program defaults are recorded as revenue in the year in which the deposit period ends and it is determined that the applicant does not meet the conditions for repayment.

Government assistance

Government assistance received as reimbursement of current year expenses is recorded as a reduction of the applicable expense for the year. During the year, the company received federal government assistance of \$288,606 (2008 - \$167,829) which has been recorded as a reduction of meetings and conferences expense of \$288,606 (2008 - \$167,829). Government assistance received for prior year expenses is recorded as other income.

Management estimates

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reported period. Actual results could differ from those reported.

Financial instruments

The company's financial instruments include cash, marketable securities, accounts receivable, accrued interest receivable, notes receivable, demand loan receivable, accounts payable and accrued liabilities, restricted funds and notes payable. They are classified as follows:

Marketable securities have been classified as "held for trading" and are carried at fair value, as represented by quoted market prices.

Notes receivable and demand loan receivable have been classified as "loans and receivables" and are recorded at amortized cost using the effective interest rate.

Island Investment Development Inc.

Notes to Consolidated Financial Statements

March 31, 2009

Notes payable and restricted funds are recorded at amortized cost using the effective interest method.

Due to their short-term nature, all other financial instruments are considered to be carried at amounts which approximate their fair value.

The company does not enter into financial hedging activities and does not engage in derivative transactions.

Financial risk management objectives and policies

Consistent with similar organizations, the company's risk management policies are part of the overall management of the company's operations. Management's direct involvement in day-to-day operations identifies risks and variations from expectations leading to changes in risk management activities, requirements and actions. As part of the overall management of the company's operations management considers avoidance of undue concentrations of risk, and employs appropriate investment and credit management policies to manage the company's exposure.

4 Notes receivable

General

The notes receivable bear interest at 4%, have various interest and principal repayment terms, and have due dates ranging from June 2009 to March 2013.

The notes receivable are invested in the following business sectors with terms to maturity as disclosed in note 13:

					2009	2008
	Total \$	Impaired loans included in total \$	General provision \$	Specific provision \$	Net \$	Net \$
Working capital	19,841,406	78,689	2,976,372	78,689	16,786,345	9,433,580
Manufacturing and processing	53,792,030	2,760,117	7,155,848	2,659,174	43,977,008	30,332,173
Shipbuilding/shipping	1,899,577	-	189,958	-	1,709,619	7,140,195
Tourism	4,566,561	240,000	1,646,156	240,000	2,680,405	3,091,199
Technology	750,000	-	75,000	-	675,000	1,783,649
Agriculture	535,893	-	53,589	-	482,304	65,425
Small business	5,078,418	-	393,539	-	4,684,879	1,143,030
Aerospace	2,870,000	-	899,000	-	1,971,000	756,000
	89,333,885	3,078,806	13,389,462	2,977,863	72,966,560	53,745,251
Less: Current portion	13,468,289	920,547	1,597,578	903,676	10,967,035	7,806,908
	75,865,596	2,158,259	11,791,884	2,074,187	61,999,525	45,938,343

Island Investment Development Inc.

Notes to Consolidated Financial Statements

March 31, 2009

Related party notes:

Included in working capital notes is a \$5,896,079 (2008 - \$981,832) note receivable due from The Charlottetown Area Development Corporation, a corporation which is 83% owned by the Province of Prince Edward Island.

Continuity of allowance for possible losses

	2009 \$	2008 \$
Allowance for possible losses - Beginning of year	12,731,018	8,434,550
Add: Provision recorded during the year	3,636,307	4,445,468
Recovery of provision for possible losses (loan written off during the year)	-	(149,000)
Allowance for possible losses - End of year	16,367,325	12,731,018

5 Deferred financing costs

	2009		2008	
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Century Fund 2000 Facilitation commissions	12,411,247	5,976,640	6,434,607	5,365,120
	12,411,247	5,976,640	6,434,607	5,365,120

6 Demand loan receivable - restricted funds

During the prior year, the company entered into an agreement with Prince Edward Island Business Development Inc., a provincial Crown corporation, to provide a \$15,000,000 revolving line of credit. The balance of the line of credit at March 31, 2009 is \$6,998,621 (2008 - \$15,000,000).

Interest is charged monthly at a rate equal to the Department of Provincial Treasury of Prince Edward Island's short-term lending rate and the total amount is repayable on demand.

The demand loan is secured by a promissory note for \$15,000,000 and a revolving credit agreement.

Island Investment Development Inc.

Notes to Consolidated Financial Statements

March 31, 2009

7 Notes receivable - restricted funds

	2009				2008	
	Total \$	Impaired loans included in total \$	General provision \$	Specific provision \$	Net \$	Net \$
Related party	5,930,688	-	-	-	5,930,688	17,443,490
Other	-	-	-	-	-	10,000
	5,930,688	-	-	-	5,930,688	17,453,490

The notes receivable bear interest at 4% and have various interest and principal payment terms, and have due dates ranging from April 2010 to January 2013. The principal amount due on the notes receivable in the 2010 fiscal year is \$3,232,359 (2009 - \$12,575,233).

The related party notes are due from Prince Edward Island Business Development Inc. and are unsecured.

8 Notes payable

	2009 \$	2008 \$
Non-interest bearing notes payable, nominally dated with dates ranging from April 1, 2003 to April 1, 2008, repayable in full in five years pursuant to the federally administered Immigrant Investor Program	165,576,494	127,506,149
Less: Current portion	31,227,126	5,837,184
	134,349,368	121,668,965

All notes payable are pursuant to the Immigrant Investor Regulations.

The Province of Prince Edward Island has provided a guarantee of the non-interest bearing notes payable to the Minister of Citizenship and Immigration (Agent) in the event of the failure of Prince Edward Island Century 2000 Fund Inc. to repay the notes payable to the Agent within 30 days following the end of the allocation period.

Interest expense on the notes payable is accrued from the date of closing. Interest paid to refunded investors is calculated from the date funds are deposited by the escrow agent.

Island Investment Development Inc.

Notes to Consolidated Financial Statements

March 31, 2009

The principal payments required on the long-term debt to meet retirement provisions is as follows:

	\$
Year ending March 31, 2010	31,227,126
2011	26,564,869
2012	17,757,580
2013	46,119,590
2014	43,907,529

9 Restricted funds

Restricted funds consist of the following amounts held under the Provincial Nominee Program:

	2009	2008
	\$	\$
Good Faith deposits	72,064,761	36,254,410
Entrepreneur Program deposits	1,480,651	1,869,716
Language deposits	45,101,796	19,743,346
	<u>118,647,208</u>	<u>57,867,472</u>

- a) Certain applicants under the Prince Edward Island Provincial Nominee Program have entered into a good faith deposit agreement with the company. Under this agreement, each applicant deposits \$25,000 with their application and it is held for a period of one year from the date the applicant is granted permanent resident status by the Government of Canada. At the end of this period, the deposit is returned to the applicant, plus interest, provided the applicant provides evidence that the conditions set out in the agreement have been met. In the case that the applicant does not meet the conditions for repayment, the company records the deposit amount, plus accrued interest, as revenue in the fiscal year in which the deposit period ends. During the year, one hundred and eighty-five applicants (2008 - forty-four) were refunded \$4,813,497 (2008 - \$1,147,144) and one hundred and forty-one applicants (2008 - seventy-six) defaulted totaling \$3,821,681 (2008 - \$2,057,246).
- b) Certain applicants under the Prince Edward Island Provincial Nominee Program - Entrepreneur Program have entered into an escrow agreement with the company. Under this agreement, each applicant deposits \$100,000 until such time as the conditions set out in the escrow agreement have been met. Once the conditions have been met, the deposit is returned to the applicant, plus interest. In the case that the applicant does not meet the conditions for repayment, the company records the deposit amount, plus accrued interest, as revenue in the fiscal year in which the deposit period ends. During the year, five applicants (2008 - one) were refunded \$522,194 (2008 - \$100,000) and no applicants (2008 - none) defaulted (2008 - nil).

Island Investment Development Inc.

Notes to Consolidated Financial Statements

March 31, 2009

- c) Certain applicants under the Prince Edward Island Provincial Nominee Program have entered into a language proficiency agreement with the company. Under this agreement, each applicant deposits \$20,000 with their application and it is held until one year after the applicant is granted permanent residents status by the Government of Canada. Once the conditions of the agreement are met, the deposit is returned to the applicant plus interest at 1%. If the conditions are not met, the company records the deposit amount, plus accrued interest, as revenue in the fiscal year in which the deposit period ends. During the year, one hundred and thirty-five applicants (2008 - sixty-six) were refunded \$2,714,635 (2008 - \$1,354,632) and forty applicants (2008 - two) defaulted totaling \$823,201 (2008 - \$40,849).

For all above-noted agreements signed prior to April 1, 2006, all interest earned on restricted funds is recorded as a trust liability when interest is received by the company. Interest is refunded to the applicant if the conditions for repayment are met.

For all above-noted agreements signed subsequent to April 1, 2006, the applicant's deposits are non-interest bearing with any interest earned on the deposits being recorded as revenue by the company.

Certain restricted funds have been invested in demand loans receivable and notes receivable as disclosed in the balance sheet and notes 4 and 7. Interest earned on these items related to non-interest bearing deposits is recorded as revenue on the Statement of Earnings.

	2009 \$	2008 \$
Total interest earned on demand loan and notes receivable	839,327	848,493
Amount related to interest bearing deposits held in trust	-	(170,201)
	<hr/>	<hr/>
Amount related to non-interest bearing deposits recorded as interest on notes receivable revenue	839,327	678,292

10 Related party transactions

Included in accounts receivable is nil (2008 - \$10,000) from the provincial Department of Agriculture.

Included in accrued interest receivable is \$39,196 (2008 - \$30,865) from Prince Edward Island Business Development Inc., a provincial Crown corporation, and \$20,097 (2008 - \$3,219) due from The Charlottetown Area Development Corporation.

Included in accounts payable and accrued liabilities is \$24,522 (2008 - \$2,000,142) to the Province of Prince Edward Island, \$1,731,567 (2008 - \$70,724) to Prince Edward Island Business Development Inc. and \$1,484,900 (2008 - nil) to the Department of Education.

Included in interest on notes and loan receivable is \$839,327 (2008 - \$1,040,164) from Prince Edward Island Business Development Inc. and \$145,627 (2008 - \$39,629) from The Charlottetown Area Development Corporation

Island Investment Development Inc.

Notes to Consolidated Financial Statements

March 31, 2009

Included in expenses are management fees of \$450,000 (2008 - \$450,000) and grants of \$1,400,000 (2008 - nil) paid to Prince Edward Island Business Development Inc.

During the year, the company made a grant of \$1,484,900 (2008 - nil) to the Department of Education, a department of the Province of Prince Edward Island.

The Charlottetown Area Development Corporation is 83% owned by the Province of Prince Edward Island.

11 Transfer to Province of Prince Edward Island

During the year, the company agreed to transfer \$8,400,000 (2008 - \$2,000,000) of retained earnings to the Province of Prince Edward Island - Department of Provincial Treasury. This transfer has been recorded in the Statement of Retained Earnings.

12 Commitments

Prince Edward Island Century 2000 Fund Inc. loans approved but not disbursed at March 31, 2009 amounts to \$7,711,206 (2008 - \$28,367,204).

Island Investment Development Inc.

Notes to Consolidated Financial Statements

March 31, 2009

13 Interest rate risk

The following table sets out the assets and liabilities on the earlier of contractual maturity or repricing date.

	Under 1 year \$	Over 1 to 5 years \$	Not interest rate sensitive \$	Total \$
Assets				
Cash	9,260,368	-	-	9,260,368
Marketable securities	87,183,439	-	-	87,183,439
Accounts receivable	214,682	-	-	214,682
Accrued interest receivable	-	-	467,565	467,565
Demand loan receivable	6,998,621	-	-	6,998,621
Effective interest rate	4.00%	-	-	-
Notes receivable	14,199,393	64,697,855	-	78,897,248
Effective interest rate	4.00%	4.00%	-	-
Restricted funds	-	-	106,368,628	106,368,628
Deferred financing costs	-	-	6,434,607	6,434,607
Total assets	117,856,503	64,697,855	113,270,800	295,825,158
Liabilities and surplus				
Accounts payable and accrued liabilities	-	-	4,103,906	4,103,906
Notes payable	31,227,126	134,349,368	-	165,576,494
Restricted funds	8,927,208	-	109,720,000	118,647,208
Effective interest rate	3.03%	-	-	-
Surplus	-	-	7,497,550	7,497,550
Total liabilities and surplus	40,154,334	134,349,368	121,321,456	295,825,158
Interest rate sensitivity gap	77,702,169	(69,651,513)	(8,050,656)	-