

**ALBERTA
OPPORTUNITY
COMPANY**

**ANNUAL REPORT
For the year ended
March 31, 1985**



ALBERTA OPPORTUNITY COMPANY

ALBERTA OPPORTUNITY FUND ACT

"There is hereby established a fund under the name of the Alberta Opportunity Fund, the total amount of which shall not exceed \$300,000,000, and which shall be held and administered by the Company with the object of promoting the development of resources and the general growth and diversification of the economy of Alberta."

The Alberta Opportunity Company reports to the Legislature through:

**THE MINISTER FOR TOURISM & SMALL BUSINESS,
THE HON. J. ALLEN ADAIR**



Heritage Fund

Alberta Heritage Savings Trust Fund

BOARD OF DIRECTORS

"The Board has direction and control over the conduct of the business and affairs of the Company" (Alberta Opportunity Fund Act).

Chairman: ROBERT W. CHAPMAN, Edmonton

Managing Director: ROY W. PARKER, Ponoka
LAWRENCE H. BAISLEY, Medicine Hat
RON H. BLAKE, Edmonton
W. GORDON BUCHANAN, High Prairie (retired during 1984)
JACK C. DONALD, Red Deer
JAMES D. FLETCHER, C.A., Grande Prairie
(MRS.) BERDIE H. FOWLER, Camrose
CHARLES T. HECKBERT, Vermilion (retired during 1984)
R. JAMES JENSEN, Edson
NORM A. LAWRENCE, P.Eng., Edmonton
W. PAUL LEFAIVRE, Edmonton
D. EDWIN LEWIS, Q.C., Calgary
ROBERT M. PARKYN, F.C.A., Lethbridge
JAMES L. SMITH, Calgary
ROLLIE R. JOHNSON, High Prairie
A. WAYNE TAYLOR, Fort McMurray



ALBERTA OPPORTUNITY COMPANY

MANAGING DIRECTOR'S REPORT

The year ended March 31, 1985, was one with both positive and negative results.

On the negative side the toll taken on small business in Alberta during the past several years manifested itself in the largest bad debt write-off and operating loss suffered by A.O.C. since its inception. The extent of losses suffered by A.O.C. and its customers during the recession was compounded by the fact that over 80 percent of its loans are made to customers in areas outside Calgary and Edmonton where normally thin markets for the sale of real estate and other assets further diminished and resulted in sharply lower asset values being obtained upon liquidation of businesses which were unable to survive the recession.

On the positive side, in Fiscal 1985, A.O.C. approved more loans on a year-to-year basis for the first time since Fiscal 1982. This increase, when combined with the fact that the percentage of loans approved per 100 applications increased to the highest level since Fiscal 1982, indicates to A.O.C. that a recovery is under way in the economy which appears to be continuing at an increasing pace in Fiscal 1986. It is A.O.C.'s view that this recovery will continue barring a return of higher interest rates and renewed difficulties in the oil patch. The positive attitude and confidence in the future which A.O.C. is hearing from most of its applicants across the province bodes well for the immediate future and indicates an improved psychological attitude in many areas of the small business community as opposed to the continuing uncertainty of one year ago.

During Fiscal 1985, A.O.C. continued to provide its support to the small business community by increasing the availability and breadth of its consulting services to clients and applicants. The strong and positive response to this service by its clients confirms to A.O.C. the need for such professional assistance to the small business community in many areas of its operations. A.O.C. now provides professional advice and counselling to hundreds of its customers and applicants annually, relating to such diverse fields as building construction, retail merchandising, manufacturing and industrial engineering, marketing, finance and accounting and business analysis. This assistance and advice is being provided in a "hands on" manner at the customer's place of business and is in addition to the normal counselling provided by A.O.C.'s lending staff.

The outlook for Fiscal 1986 and beyond appears to be significantly improved from one year ago when the economic outlook, while improving, was still tentative. Although many Alberta businesses are still suffering from the effects of the recession and some will inevitably disappear from the business scene, a significantly higher proportion of the remaining Alberta businesses have instituted efficiencies to operations and are poised to take advantage and profit from the increasing business activity and opportunity which are present and growing in today's business environment.

In summary, it is A.O.C.'s view that the outlook for small business in Alberta is better now than it has been for the past three to four years.



R.W. Parker
Managing Director

18431-0000-00

0000-0000-0000



ALBERTA OPPORTUNITY COMPANY
BALANCE SHEET AS AT MARCH 31, 1985

| ASSETS | 1985 | 1984 |
|---|-----------------------|-----------------------|
| Cash | \$ 5,993,700 | \$ 5,995,900 |
| Deposits on property, prepayments and accounts receivable | 256,500 | 245,200 |
| Inventory financed | 4,500 | 89,700 |
| Property held for sale | 3,835,500 | 2,665,500 |
| Loans receivable (Note 3) | 142,772,200 | 155,858,600 |
| Office equipment and leasehold improvements (Note 4) | 354,700 | 393,400 |
| | <u>153,217,100</u> | <u>165,248,300</u> |
| Trust assets (Note 10) | 139,700 | 127,400 |
| | <u>\$ 153,356,800</u> | <u>\$ 165,375,700</u> |

The accompanying notes are part of these financial statements.

Accepted on behalf of the Board:



Director



Director



ALBERTA OPPORTUNITY COMPANY
BALANCE SHEET AS AT MARCH 31, 1985

| LIABILITIES | 1985 | 1984 |
|--------------------------------|-----------------------|-----------------------|
| Payables and accrued expenses | \$ 2,809,400 | \$ 3,060,300 |
| Bank guarantees called | 2,148,400 | 595,900 |
| Long term debt (Note 5) | 167,200,000 | 168,200,000 |
| Accumulated deficit (Note 9) | (18,940,700) | (6,607,900) |
| | <u>153,217,100</u> | <u>165,248,300</u> |
| Trust liabilities (Note 10) | | |
| Due to the Province of Alberta | 139,700 | 127,400 |
| | <u>\$ 153,356,800</u> | <u>\$ 165,375,700</u> |

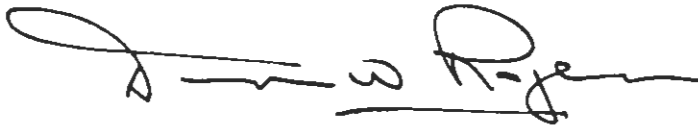
AUDITOR GENERAL'S REPORT

AUDITOR'S REPORT

To the Board of Directors of the
Alberta Opportunity Company

I have examined the balance sheet of the Alberta Opportunity Company as at March 31, 1985 and the statements of income and expenses and source and application of funds for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Company as at March 31, 1985 and the results of its operations and the source and application of its funds for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.



Edmonton, Alberta
May 8, 1985

F.C.A.
Auditor General



ALBERTA OPPORTUNITY COMPANY
STATEMENT OF INCOME AND EXPENSES
FOR THE YEAR ENDED MARCH 31, 1985

| | <u>1985</u> | <u>1984</u> |
|---|------------------------|---------------------|
| Income: | | |
| Interest revenue | \$ 20,142,000 | \$ 21,746,700 |
| Guarantee fees | 28,600 | 28,300 |
| Grant from the Province of Alberta (Note 8) | 8,470,600 | 8,400,000 |
| | <u>28,641,200</u> | <u>30,175,000</u> |
| Expenses: | | |
| Interest expense | 20,026,400 | 20,173,600 |
| Staff - Schedule 1 | 3,865,000 | 3,926,200 |
| Other manpower - Schedule 2 | 751,800 | 645,800 |
| Communications - Schedule 3 | 515,400 | 465,400 |
| Other operating expenses - Schedule 4 | 752,000 | 824,300 |
| | <u>25,910,600</u> | <u>26,035,300</u> |
| Income before the undernoted: | 2,730,600 | 4,139,700 |
| Loss on disposal of inventory financed | (15,800) | (576,900) |
| Income (loss) on property held for sale | (987,000) | 63,300 |
| Provision for doubtful accounts (Note 3) | (17,733,600) | (4,367,300) |
| Bad debt recoveries | 2,073,000 | 461,500 |
| Net loss for the year | <u>\$ (13,932,800)</u> | <u>\$ (279,700)</u> |

ALBERTA OPPORTUNITY COMPANY
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED MARCH 31, 1985

| | <u>1985</u> | <u>1984</u> |
|---|----------------------|----------------------|
| Source of Funds: | | |
| From operations: | | |
| Net loss for the year | \$ (13,932,800) | \$ (279,700) |
| Add: Non cash transactions: | | |
| Provision for doubtful accounts (Note 3) | 17,733,600 | 4,367,300 |
| Loss (income) on property held for sale | 971,500 | (77,900) |
| Depreciation and amortization | 99,000 | 132,300 |
| | <u>4,871,300</u> | <u>4,142,000</u> |
| Borrowers repayment | 22,831,600 | 19,858,100 |
| Grant from the Province of Alberta (Note 8) | 1,600,000 | 1,600,000 |
| From the Province of Alberta (Note 5): | | |
| Issue of debentures | 35,000,000 | 42,000,000 |
| Less: Debenture repayments | 36,000,000 | 35,000,000 |
| | <u>(1,000,000)</u> | <u>7,000,000</u> |
| Total source of funds | <u>\$ 28,302,900</u> | <u>\$ 32,600,100</u> |
| Application of funds: | | |
| Loans disbursed | \$ 27,478,800 | \$ 29,558,100 |
| Increase in other assets | 824,100 | 3,042,000 |
| Total application of funds | <u>\$ 28,302,900</u> | <u>\$ 32,600,100</u> |



ALBERTA OPPORTUNITY COMPANY
SCHEDULE OF EXPENSES
FOR THE YEAR ENDED MARCH 31, 1985

| | <u>1985</u> | <u>1984</u> |
|-------------------------------|---------------------|---------------------|
| Schedule 1 | | |
| Staff: | | |
| Salaries and wages | \$ 3,350,000 | \$ 3,377,300 |
| Pension plans | 234,100 | 232,800 |
| Unemployment insurance | 66,700 | 60,600 |
| Medical and group insurance | 89,200 | 88,100 |
| Workers' Compensation Board | 9,200 | 10,700 |
| Educational assistance | 3,800 | 2,500 |
| Recruitment | 1,100 | 3,600 |
| Relocation | 110,900 | 150,600 |
| | <u>\$ 3,865,000</u> | <u>\$ 3,926,200</u> |
| Schedule 2 | | |
| Other manpower: | | |
| Board of Directors fees | \$ 140,700 | \$ 139,900 |
| Legal | 566,400 | 451,800 |
| Consultants | 40,700 | 49,000 |
| Credit reporting agencies | 4,000 | 5,100 |
| | <u>\$ 751,800</u> | <u>\$ 645,800</u> |
| Schedule 3 | | |
| Communications: | | |
| Telephone | \$ 46,700 | \$ 52,900 |
| Mail | 18,800 | 19,100 |
| Travel | 208,500 | 202,400 |
| Advertising | 241,400 | 191,000 |
| | <u>\$ 515,400</u> | <u>\$ 465,400</u> |
| Schedule 4 | | |
| Other operating expenses: | | |
| Occupancy | \$ 414,400 | \$ 427,500 |
| Data processing | 27,800 | 9,100 |
| Office Supplies and services | 59,800 | 71,400 |
| Vehicle and equipment | 107,600 | 108,300 |
| Fees and subscriptions | 20,400 | 19,800 |
| Depreciation and amortization | 99,000 | 132,300 |
| Insurance | 22,500 | 17,400 |
| Legal settlements | — | 36,700 |
| Miscellaneous | 500 | 1,800 |
| | <u>\$ 752,000</u> | <u>\$ 824,300</u> |



ALBERTA OPPORTUNITY COMPANY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 1985

Note 1 Authority

The Alberta Opportunity Company operates under the authority of the Alberta Opportunity Fund Act, Chapter A-34, Revised Statutes of Alberta 1980, as amended.

Note 2 Significant Accounting Policies

Inventory financed:

Inventory financed by the Company is valued at the lower of cost or net realizable value.

Property held for sale:

Property held for sale by the Company is valued at the lower of cost or net realizable value.

Allowance for doubtful accounts:

The provision for doubtful accounts is determined following a detailed review of the accounts and is based on the Company's historical experience.

Office equipment and leasehold improvements:

Office equipment owned by the Company is valued at cost less accumulated depreciation. Depreciation is calculated on a diminishing balance basis at rates of 20% and 30% per annum.

Leasehold improvements are valued at cost less accumulated amortization. Amortization is calculated over the remaining term of each lease which ranges from 1 to 9 years.

Note 3 Loans Receivable

| | <u>1985</u> | <u>1984</u> |
|---------------------------------------|-----------------------|-----------------------|
| Loans and accrued interest receivable | \$ 160,418,200 | \$ 169,411,500 |
| Less: Allowance for doubtful accounts | 17,646,000 | 13,552,900 |
| | <u>\$ 142,772,200</u> | <u>\$ 155,858,600</u> |

The allowance for doubtful accounts is detailed as follows:

| | <u>1985</u> | <u>1984</u> |
|----------------------------|----------------------|----------------------|
| Balance, beginning of year | \$ 13,552,900 | \$ 17,437,000 |
| Provision | 17,733,600 | 4,367,300 |
| Accounts written off | (13,640,500) | (8,251,400) |
| Balance, end of year | <u>\$ 17,646,000</u> | <u>\$ 13,552,900</u> |

Note 4 Office Equipment and Leasehold Improvements

| | <u>1985</u> | <u>1984</u> |
|--------------------------------|-------------------|-------------------|
| Office equipment | \$ 541,400 | \$ 494,200 |
| Less: Accumulated depreciation | 256,900 | 183,200 |
| | <u>284,500</u> | <u>311,000</u> |
| Leasehold improvements | 139,200 | 134,900 |
| Less: Accumulated amortization | 69,000 | 52,500 |
| | <u>70,200</u> | <u>82,400</u> |
| | <u>\$ 354,700</u> | <u>\$ 393,400</u> |

Note 5 Long Term Debt

The following debenture debt series comprise debentures issued in varying amounts, rates of interest and maturity dates to the Province of Alberta and held by the Alberta Heritage Savings Trust Fund:

| | <u>Issued</u> | <u>Interest Rates</u> | <u>Maturity Dates</u> | <u>Balance Outstanding</u> |
|----------|----------------------|-----------------------|---------------------------------|----------------------------|
| Series A | \$ 50,000,000 | 9.90% | March 31, 1989 | \$ 50,000,000 |
| Series B | 76,000,000 | 10.84 to 18.40% | June 15, 1985 to June 15, 1987 | 26,400,000 |
| Series C | 118,000,000 | 10.84 to 13.50% | Sept. 30, 1987 to Mar. 31, 1990 | 90,800,000 |
| | <u>\$244,000,000</u> | | | <u>\$ 167,200,000</u> |

| Principal repayments by fiscal year ending March 31, | | | |
|--|---------------|------|-----------------------|
| | | | |
| 1986 | \$ 38,800,000 | 1989 | 63,000,000 |
| 1987 | 33,000,000 | 1990 | 7,000,000 |
| 1988 | 25,400,000 | | <u>\$ 167,200,000</u> |



ALBERTA OPPORTUNITY COMPANY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 1985

The Company has been informed by the Province that the holder of the Series B debentures will not accept early redemption of the debentures although this is allowed for under the terms of the debentures. The Company will then maintain the debentures until their maturity at the repayment terms in effect at issue dates and forgo any interest rate reductions which may be available through early redemption and concurrent refinancing of the debt.

Note 6 Contingent liabilities

Guarantees of bank loans:

The Company is contingently liable as a guarantor of bank loans aggregating \$1,435,000 (\$2,652,500 - 1984).

Legal actions:

There are 26 claims totalling approximately \$6,215,000 (20 claims totalling approximately \$5,500,000 - 1984) against the Company and/or its various agents. The Company considers that a valid defense exists in each instance and no material loss is anticipated.

Note 7 Commitments

Authorizations undischursed:

| | <u>1985</u> | <u>1984</u> |
|------------|----------------------|----------------------|
| Loans | \$ 11,072,000 | \$ 10,485,400 |
| Guarantees | 425,000 | 265,000 |
| Inventory | — | 1,029,700 |
| | <u>\$ 11,497,000</u> | <u>\$ 11,780,100</u> |

Note 8 Grant from the Province of Alberta

An agreement has been reached whereby the Province of Alberta will provide financing designed to eliminate the deficit balance existing at March 31, 1983 of approximately \$8,000,000 by way of providing an annual grant of \$1,600,000 in each of the five years ending March 31, 1988.

The agreement also provides for additional financing by way of an annual grant to the Company for the assistance of small business. For the year ended March 31, 1985 \$8,470,600 (\$8,400,000 - 1984) was provided by way of a grant for this purpose.

Note 9 Accumulated Deficit

| | <u>1985</u> | <u>1984</u> |
|------------------------------------|------------------------|-----------------------|
| Balance, beginning of year | \$ (6,607,900) | \$ (7,928,200) |
| Grant from the Province of Alberta | 1,600,000 | 1,600,000 |
| Net loss for the year | (13,932,800) | (279,700) |
| Balance, end of year | <u>\$ (18,940,700)</u> | <u>\$ (6,607,900)</u> |

Note 10 Trust Assets and Liabilities

Under the authority of Order in Council 989/71 the Alberta Commercial Corporation, a predecessor organization, administered funds deposited with the Company by the Human Resources Development Authority for the creation of employment opportunities for local people including those of native origin.

Trust funds under administration:

| | <u>1985</u> | <u>1984</u> |
|---|-------------------|-------------------|
| Cash and short term deposit | \$ 139,700 | \$ 127,400 |
| Loan receivable less allowance for doubtful account of \$48,000 (\$45,300 - 1984) | — | — |
| | <u>\$ 139,700</u> | <u>\$ 127,400</u> |

Note 11 Comparative Figures

The 1984 figures have been restated where necessary to conform to 1985 presentation.

Note 12 Financial Statement Review

These financial statements, which have been prepared by the Company, have been reviewed by both the Management of the Company and the Audit and Budget Committee of the Board on May 8, 1985 and their acceptance by the Board of Directors was recommended. The Board of Directors accepted these financial statements on May 8, 1985.





ALBERTA OPPORTUNITY COMPANY
FIVE-YEAR STATISTICS SUMMARY
FOR YEARS ENDED MARCH 31

| HIGHLIGHTS | 1981 | | 1982 | | 1983 | | 1984 | | 1985 | |
|-------------------------------------|-------|-------------|------|-------------|-------|-------------|------|-------------|------|-------------|
| | # | \$ | # | \$ | # | \$ | # | \$ | # | \$ |
| New Loan & Guarantee Authorizations | 304 | 31,864,600 | 311 | 41,722,700 | 280 | 47,199,100 | 254 | 28,744,900 | 292 | 29,180,900 |
| Year-to-Year % Increase (decrease) | (18%) | (17%) | 2% | 31% | (10%) | 13% | (9%) | (39%) | 15% | 2% |
| Total Outstanding and Commitments | 1502 | 132,539,800 | 1653 | 156,314,000 | 1736 | 187,215,900 | 1721 | 183,979,500 | 1615 | 173,402,500 |
| Year-to-Year % Increase (decrease) | 6% | 9% | 10% | 18% | 5% | 20% | (1%) | (2%) | (6%) | (6%) |

| FINANCIAL | 1981 | | 1982 | | 1983 | | 1984 | | 1985 | |
|---|--------------|-------|--------------|-------|--------------|-------|--------------|-------|----------------|--------|
| TOTAL REVENUE | \$11,113,800 | | \$13,771,300 | | \$18,171,200 | | \$21,775,000 | | \$20,170,600 | |
| Year-to-Year % Increase | 30% | | 24% | | 32% | | 20% | | (7%) | |
| EXPENSE: % to Revenue | | | | | | | | | | |
| Staff Salaries and Expense | \$2,260,100 | 20% | \$2,855,700 | 21% | \$3,419,700 | 19% | \$3,926,200 | 18% | \$3,865,000 | 19% |
| Other Operating Expense | 1,310,000 | 12% | 1,379,400 | 10% | 1,664,700 | 9% | 1,935,500 | 9% | 2,019,200 | 10% |
| Interest Expense | 10,175,700 | 92% | 12,688,700 | 92% | 16,901,800 | 93% | 20,173,600 | 93% | 20,026,400 | 99% |
| Provision for Loan Losses | 4,744,700 | 43% | 3,175,000 | 23% | 8,931,400 | 49% | 4,367,300 | 20% | 17,733,600 | 88% |
| Miscellaneous Expense (Income) | (61,200) | (1%) | (392,600) | (3%) | 612,300 | 3% | 52,100 | 0% | (1,070,200) | (5%) |
| TOTAL EXPENSE | 18,429,300 | 166% | 19,706,200 | 143% | 31,529,900 | 173% | 30,454,700 | 140% | 42,574,000 | 211% |
| NET INCOME (LOSS) On Operations | (7,315,500) | (66%) | (5,934,900) | (43%) | (13,358,700) | (73%) | (8,679,700) | (40%) | (22,403,400) | (111%) |
| Grant from Province of Alberta: Assistance to Small Business | 4,950,000 | 45% | 4,950,000 | 36% | 4,950,000 | 27% | 8,400,000 | 39% | 8,470,600 | 42% |
| NET INCOME (LOSS) | (2,365,500) | (21%) | (984,900) | (7%) | (8,408,700) | (46%) | (279,700) | (1%) | (13,932,800) | (69%) |
| YEAR-END BALANCES | | | | | | | | | | |
| Loans & Interest Receivable | 117,219,900 | | 135,074,200 | | 167,962,800 | | 169,411,500 | | 160,418,200 | |
| Undisbursed Loan Commitments | 13,883,900 | | 20,438,300 | | 17,532,800 | | 11,780,100 | | 11,497,000 | |
| Advances from Province of Alberta | 107,412,400 | | 126,112,400 | | 161,512,400 | | 168,512,400 | | 167,512,400 | |
| Ret. Earnings (Accum. Deficit) | 1,465,400 | | 480,500 | | (7,928,200) | | (6,607,900) | | * (18,940,700) | |
| Allowance for Doubtful Accounts | 9,377,600 | | 10,805,900 | | 17,437,000 | | 13,552,900 | | 17,646,000 | |

PERSONNEL

| | | | | | |
|----------------------------|----|------|----|------|------|
| Ponoka & Head Office Staff | 50 | 53.5 | 57 | 57.5 | 55.5 |
| Branch Staff | 31 | 42 | 46 | 42.5 | 43.5 |

* Includes \$1,600,000 of grant from the Province of Alberta to assist in the reduction of the deficit making a total of \$10,070,600 received by way of grants during 1985. (\$10,000,000 in 1984)





ALBERTA OPPORTUNITY COMPANY

APPLICATIONS AND AUTHORIZATIONS

| | 1981 | | 1982 | | 1983 | | 1984 | | 1985 | |
|----------------------------------|------|-------------|------|-------------|------|-------------|------|-------------|------|-------------|
| | # | \$ | # | \$ | # | \$ | # | \$ | # | \$ |
| TOTAL APPLICATIONS | 923 | 140,712,300 | 965 | 196,676,000 | 1167 | 237,682,000 | 1095 | 211,790,900 | 1070 | 167,437,400 |
| Average Amount | | 152,500 | | 203,800 | | 203,700 | | 193,400 | | 156,500 |
| APPLICATIONS AUTHORIZED | 353 | 36,531,400 | 354 | 46,040,500 | 345 | 53,537,200 | 308 | 37,613,900 | 349 | 41,195,100 |
| % to Total Applications | 38% | 26% | 37% | 23% | 30% | 22% | 28% | 18% | 32% | 25% |
| APPLICATIONS DECLINED | 415 | 73,090,300 | 456 | 103,322,500 | 634 | 144,793,800 | 631 | 146,532,000 | 585 | 95,973,900 |
| % to Total Applications | 45% | 52% | 47% | 53% | 54% | 61% | 58% | 69% | 55% | 57% |
| APPLICATIONS WITHDRAWN | 155 | 31,090,600 | 155 | 47,313,000 | 188 | 39,351,000 | 156 | 27,645,000 | 136 | 30,268,400 |
| % to Total Applications | 17% | 22% | 16% | 24% | 16% | 17% | 14% | 13% | 13% | 18% |
| NOT ACCEPTED AFTER AUTHOR. | 49 | 4,666,800 | 43 | 4,317,800 | 65 | 6,338,100 | 54 | 8,869,000 | 57 | 12,014,200 |
| % to Applications Authorized | 14% | 13% | 12% | 9% | 19% | 12% | 18% | 24% | 16% | 29% |
| NET NEW AUTHORIZATIONS | 304 | 31,864,600 | 311 | 41,722,700 | 280 | 47,199,100 | 254 | 28,744,900 | 292 | 29,180,900 |
| Average Amount | | 104,800 | | 134,200 | | 168,600 | | 113,200 | | 99,900 |
| Median Amount | | 59,400 | | 72,800 | | 54,300 | | 55,700 | | 50,600 |
| PURPOSE OF AUTHORIZATIONS (\$) | | | | | | | | | | |
| To Establish a New Business | 27% | 8,619,800 | 38% | 15,846,100 | 12% | 5,645,100 | 10% | 2,765,800 | 18% | 5,112,300 |
| To Expand an Existing Business | 60% | 19,145,600 | 44% | 18,302,100 | 74% | 34,974,700 | 64% | 18,332,400 | 62% | 18,082,700 |
| To Purchase an Existing Business | 13% | 4,099,200 | 18% | 7,574,500 | 14% | 6,579,300 | 26% | 7,646,700 | 20% | 5,985,900 |

ALBERTA OPPORTUNITY COMPANY

REGIONAL DISTRIBUTION OF AUTHORIZATIONS

| | 1981 | | 1982 | | 1983 | | 1984 | | 1985 | |
|---------------------------|------|------------|------|------------|------|------------|------|------------|------|------------|
| | # | \$ | # | \$ | # | \$ | # | \$ | # | \$ |
| Northern Alberta | 101 | 12,894,800 | 77 | 10,689,900 | 59 | 9,270,200 | 63 | 6,935,400 | 86 | 9,924,200 |
| % to Total | 33% | 40% | 25% | 26% | 21% | 20% | 25% | 24% | 29% | 34% |
| Central Alberta | 62 | 5,293,800 | 85 | 14,241,400 | 65 | 19,094,900 | 63 | 5,236,000 | 67 | 6,224,200 |
| % to Total | 21% | 17% | 27% | 34% | 23% | 40% | 25% | 18% | 23% | 21% |
| Southern Alberta | 86 | 9,182,600 | 106 | 12,572,200 | 94 | 8,296,300 | 77 | 9,209,200 | 76 | 9,298,000 |
| % to Total | 28% | 29% | 34% | 30% | 34% | 18% | 30% | 32% | 26% | 32% |
| Sub-Total Non-Metro Areas | 249 | 27,371,200 | 268 | 37,503,500 | 218 | 36,661,400 | 203 | 21,380,600 | 229 | 25,446,400 |
| % to Total | 82% | 86% | 86% | 90% | 78% | 78% | 80% | 74% | 78% | 87% |
| Edmonton | 20 | 2,200,600 | 17 | 2,033,400 | 26 | 4,172,700 | 14 | 2,095,800 | 20 | 1,429,000 |
| % to Total | 7% | 7% | 6% | 5% | 9% | 9% | 6% | 7% | 7% | 5% |
| Calgary | 35 | 2,292,800 | 26 | 2,185,800 | 36 | 6,365,000 | 37 | 5,268,500 | 43 | 2,305,500 |
| % to Total | 11% | 7% | 8% | 5% | 13% | 13% | 14% | 19% | 15% | 8% |

CUMULATIVE TO MARCH 31, 1985

(Including all prior years' authorizations by Alberta Opportunity Company and its predecessor Alberta Commercial Corporation)

| Total | | Northern Alberta | | Edmonton | | Central Alberta | | Calgary | | Southern Alberta | |
|------------|-------------|------------------|-------------|----------|------------|-----------------|------------|---------|------------|------------------|------------|
| # | \$ | # | \$ | # | \$ | # | \$ | # | \$ | # | \$ |
| 3526 | 383,965,800 | 970 | 108,131,100 | 354 | 35,226,100 | 862 | 97,919,900 | 437 | 44,613,000 | 903 | 98,035,700 |
| % to Total | | 28% | 28% | 10% | 9% | 24% | 25% | 12% | 12% | 26% | 26% |





ALBERTA OPPORTUNITY COMPANY

DISTRIBUTION OF AUTHORIZATIONS BY SIZE

| | 1981 | 1982 | 1983 | 1984 | 1985 |
|------------------------|------|------|------|------|------|
| \$0 to \$50,000 | 45% | 39% | 47% | 45% | 50% |
| \$50,001 to \$100,000 | 23% | 28% | 25% | 25% | 24% |
| \$100,001 to \$200,000 | 20% | 17% | 14% | 17% | 15% |
| \$200,001 to \$500,000 | 10% | 13% | 10% | 9% | 10% |
| Over \$500,000 | 2% | 3% | 4% | 4% | 1% |

FINANCING BY PROJECT AND SOURCE

| Project | 1981 | | 1982 | | 1983 | | 1984 | | 1985 | |
|------------------------|------------|-------------------|------------|-------------------|------------|-------------------|------------|-------------------|------------|-------------------|
| | % | \$ | % | \$ | % | \$ | % | \$ | % | \$ |
| Land | 14 | 6,166,000 | 14 | 8,501,200 | 5 | 4,908,100 | 10 | 4,073,900 | 9 | 3,546,700 |
| Buildings | 38 | 16,761,800 | 46 | 27,392,200 | 10 | 9,539,500 | 25 | 10,190,700 | 22 | 8,883,600 |
| Machinery and Vehicles | 22 | 9,682,400 | 18 | 10,734,000 | 20 | 18,357,600 | 20 | 8,196,300 | 23 | 8,979,200 |
| Working Capital | 21 | 8,906,700 | 12 | 7,184,300 | 44 | 41,081,200 | 22 | 8,616,700 | 22 | 8,852,500 |
| Miscellaneous | 5 | 2,266,400 | 10 | 5,802,100 | 21 | 19,864,000 | 23 | 9,161,900 | 24 | 9,340,000 |
| TOTAL | 100 | 43,783,300 | 100 | 59,613,800 | 100 | 93,750,400 | 100 | 40,239,500 | 100 | 39,602,000 |
| Financing | | | | | | | | | | |
| A.O.C. — Loan | 71 | 30,982,600 | 69 | 41,437,700 | 47 | 44,151,600 | 70 | 27,999,900 | 69 | 27,290,900 |
| A.O.C. — Guarantee | 2 | 882,000 | 1 | 285,000 | 3 | 3,047,500 | 2 | 745,000 | 5 | 1,890,000 |
| New Equity Investment | 17 | 7,292,900 | 20 | 11,620,300 | 20 | 18,213,900 | 14 | 5,747,700 | 11 | 4,450,100 |
| Other Lenders | 6 | 2,713,100 | 5 | 3,216,900 | 28 | 26,577,300 | 9 | 3,598,900 | 7 | 2,963,800 |
| Miscellaneous | 4 | 1,912,700 | 5 | 3,053,900 | 2 | 1,760,100 | 5 | 2,148,000 | 8 | 3,007,200 |
| TOTAL | 100 | 43,783,300 | 100 | 59,613,800 | 100 | 93,750,400 | 100 | 40,239,500 | 100 | 39,602,000 |

| AUTHORIZATIONS BY INDUSTRY SECTOR | | 1981 | 1982 | 1983 | 1984 | 1985 |
|--------------------------------------|-----|------------|------|------------|------|------------|
| Manufacturing | % | \$ | % | \$ | % | \$ |
| Food & Beverage | 3 | 976,700 | 2 | 840,800 | 3 | 1,641,700 |
| | | | | | | 171,000 |
| | | | | | | |
| Agricultural Products & Machinery | 2 | 672,000 | — | 2,600,000 | — | — |
| | | | | | | 80,000 |
| Furniture & Wood Products | 4 | 1,109,500 | 2 | 846,000 | 3 | 1,512,000 |
| | | | | | | 403,500 |
| | | | | | | 2 |
| Metal Fabrication & Machinery | 10 | 3,118,300 | 5 | 2,128,600 | 26 | 12,264,700 |
| | | | | | | 2,264,000 |
| | | | | | | 8 |
| Structure & Vehicle Manufacture | 1 | 444,000 | 1 | 320,000 | 1 | 249,000 |
| | | | | | | 293,000 |
| | | | | | | 3 |
| Textiles & Clothing | 4 | 1,400,000 | — | 162,000 | 4 | 1,855,000 |
| | | | | | | 100,000 |
| | | | | | | — |
| Petrochemical & Plastic Products | — | 30,000 | — | — | 2 | 1,003,100 |
| | | | | | | 200,000 |
| | | | | | | — |
| Other Manufactured Products | 4 | 1,243,000 | 7 | 2,806,600 | 3 | 1,646,000 |
| | | | | | | 1,134,500 |
| | | | | | | 3 |
| TOTAL MANUFACTURING | 28 | 8,993,500 | 17 | 7,104,000 | 48 | 22,771,500 |
| | | | | | | 4,566,000 |
| | | | | | | 16 |
| Service | | | | | | |
| Tourist & Entertainment | 17 | 5,511,900 | 31 | 12,783,200 | 12 | 5,749,400 |
| | | | | | | 6,948,100 |
| | | | | | | 24 |
| Construction | 2 | 740,600 | 3 | 1,205,900 | 3 | 1,545,500 |
| | | | | | | 1,379,800 |
| | | | | | | 5 |
| Transportation | — | — | 1 | 486,000 | 8 | 3,550,000 |
| | | | | | | 280,000 |
| | | | | | | 2 |
| Business Services | 12 | 3,920,200 | 19 | 7,771,800 | 8 | 3,687,400 |
| | | | | | | 5,360,500 |
| | | | | | | 19 |
| Personal Services | 22 | 6,813,700 | 14 | 5,959,600 | 13 | 6,025,700 |
| | | | | | | 6,032,300 |
| | | | | | | 21 |
| Other Services | 19 | 5,884,700 | 15 | 6,412,200 | 8 | 3,869,600 |
| | | | | | | 4,178,200 |
| | | | | | | 14 |
| TOTAL SERVICE | 72 | 22,871,100 | 83 | 34,618,700 | 52 | 24,427,600 |
| | | | | | | 24,178,900 |
| | | | | | | 84 |
| TOTAL AUTHORIZATIONS | 100 | 31,864,600 | 100 | 41,722,700 | 100 | 47,199,100 |
| | | | | | | 28,744,900 |
| | | | | | | 100 |
| | | | | | | 29,180,900 |
| | | | | | | 25,904,200 |
| | | | | | | 89 |
| | | | | | | 6,234,500 |
| | | | | | | 22 |
| | | | | | | 5,927,200 |
| | | | | | | 20 |
| | | | | | | 4,432,400 |
| | | | | | | 15 |



ALBERTA OPPORTUNITY COMPANY

HEAD OFFICE

PONOKA
5110 - 49 Avenue, P.O. Box 1860, T0C 2H0
Telephone (403) 783-4481

Managing Director: Roy Parker
Deputy Managing Director - Loans: Jim Anderson
Deputy Managing Director - Administration: Brian Parsk, C.A.
Deputy Managing Director - Support Services: Don Trenerry
Credit Superintendents: John Kennedy, Amir Dattoo
Comptroller: Jim Gill

BRANCHES

PONOKA
P.O. Box 1860
5110 - 49 Ave., T0C 2H0
Telephone (403) 783-4481
Manager: Hugh Boyd

EDMONTON
19th Floor, Capitol Square
10065 Jasper Ave., T5J 3B1
Telephone (403) 427-2140
Manager: Art Foulston

GRANDE PRAIRIE
10135 - 101 Ave., T8V 0Y4
Telephone (403) 539-5220
Manager: Ron Fredrickson

PEACE RIVER
2nd Floor, Heart Business Centre
10011 - 102 Ave., T0H 2X0
Telephone (403) 624-6387
Manager: Jim Douglas

ST. PAUL
#200, 4341 - 50 Ave.
P.O. Box 1990, T0A 3A0
Telephone (403) 645-6356
Manager: Doug Gillies

EDSON
107A - 50 St.
P.O. Box 2940, T0E 0P0
Telephone (403) 723-6260
Manager: Bob Harris

RED DEER
#504, Parkland Square Building
4901 - 48 St., T4N 6M4
Telephone (403) 340-5551
Manager: Doug Niemetz

VERMILION
#16, 5125 - 50 Ave., T0B 4M0
Telephone (403) 853-2911
Manager: Garry Noe

CALGARY
Ste. 110 - 10333 South Port Road, T2W 3X6
Telephone (403) 297-6437
Manager: Bill Conroy

LETHBRIDGE
#201, 714 - 5 Ave. South, T1J 0V1
Telephone (403) 381-5474
Manager: Wayne Blair

MEDICINE HAT
Ste. 202, Royal Bank Building
578 - 3rd St. S.E., T1A 0H3
Telephone (403) 529-3594
Manager: Gordon Taylor

BROOKS
Box 307
408 - 1 St. West
Brooks School District Office, T0J 0J0
Telephone (403) 362-3500
Manager: Wayne Eisbrenner