



Annual Report

April 1st, 2023 to March 31st, 2024

Serving the South Coast (Coast of Bays Region)

Working with entrepreneurs and businesses since 1988



Think Business... Think CBDC

For more info about **CBDC South Coast** visit: www.CBDCSouthCoast.ca

Providing Flexible Financing and Advice to Business



Chairperson's Message



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The Community Business Development Corporation (CBDC) South Coast serves Bay d'Espoir, Connaigre Peninsula to Hermitage Bay and Fortune Bay North Shore. It is my pleasure to highlight the results for the 2023-2024 year ending March 31st, 2024.

The loan review committee approved 14 business loans with a total value of \$1,218,401. The corporation disbursed 14 small business loans totaling \$1,108,179 contributing to the support of 39 jobs. The organization started in 1988 and has been doing locally administered business lending since the late 1990s during which time \$21.8 million (to Mar 31st, 2024) has been provided in business loans to entrepreneurs and businesses.

The value of loans managed by the organization as at year ending March 31st, 2024, was \$3.6 million. It is a successful revolving loan fund as during the year, in addition to the funds disbursed in new business loans, over \$702,581 was received in loan payments from clients from April 1st, 2023 to March 31st, 2024. At fiscal year end, the organization managed nearly \$6.25 million in assets.

During the current corporation business planning period 2020-2025 (April 1st, 2020 to March 31st, 2025), the Board of Directors has approved as of September 30th, 2024, over \$4.3 million in business loans of which over \$4.1 million has been disbursed by the management and staff of the organization. The forgoing loans disbursed to our clients impacted upon 175 jobs (existing and/or new) connected to their businesses and enterprises.

I would also like to thank everyone that contributed to the goals of the organization in the last year. That includes our partners, our valued clients, our professional staff and our dedicated volunteer Board of Directors. I would particularly like to acknowledge a key partner, the Atlantic Canada Opportunities Agency (ACOA), for their ongoing support and commitment.

The board and staff both look forward to continuing to fulfill a role supporting businesses and the economy of the region.

Sincerest Regards,

Herb Dunphy
Chairperson

CBDC South Coast

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promotion économique
du Canada atlantique

Canada

SUMMARY STATISTICS (Apr 1, 2023 – Mar 31, 2024)

Year: 2022-2023		
	\$	#
BUSINESS SUPPORT		
Business Loans/Accounts Disbursed (\$/#)	1,108,179	14
Total Principal Repayment (\$ total paid/# paid in full)	483,476	10
Total Interest Payment (\$)	210,435	
Jobs Created/Maintained (#)		39

Note 1: The amounts in the above report cover lending activity. Please refer to the Financial Report section (page 6) for an excerpt from the audited financial statements.

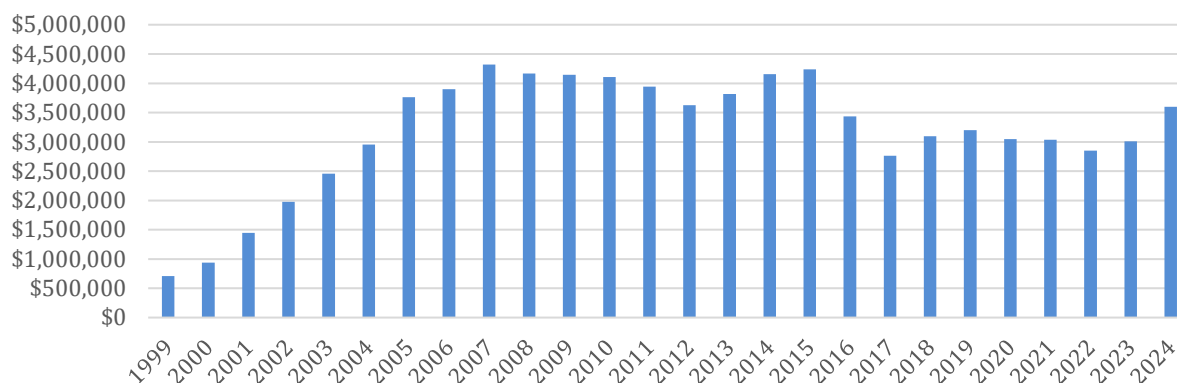
SUMMARY STATISTICS (Inception to March 31, 2024)

Years: 1996 to 2022 (Since Local Loan Fund Inception)		
	\$	#
BUSINESS SUPPORT		
Business Loans/Accounts Disbursed (\$/#)	21,842,034	459
Total Principal Repayment (\$ total paid/# paid in full)	16,725,864	398
Total Interest Payment (\$)	5,662,589	
Jobs Created/Maintained (#)		1474

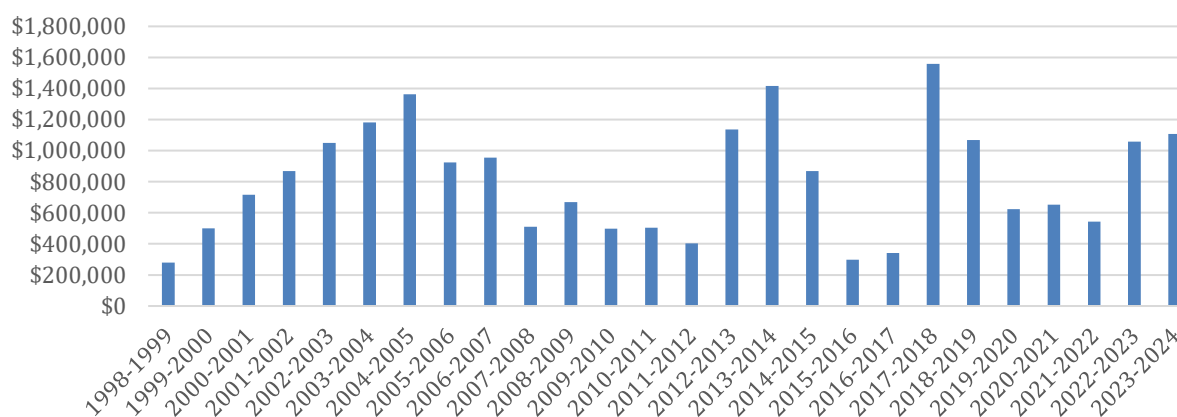
Loans from 1988 to 1995 came via recommendation to the business development organization located in central. The statistics above are from 1996 to the year of this report.

BUSINESS LENDING BY YEAR

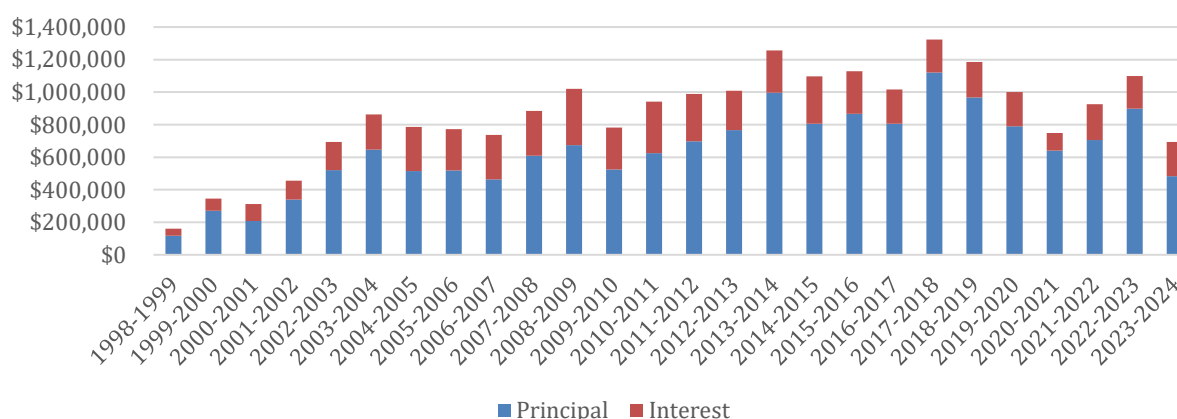
Annual Loan Portfolio Balance (Mar 31st)



Annual Loan Disbursements (To Clients)



Annual Loan Payments (From Clients)



Who We Are



We are part of Community Business Development Corporations (CBDCs), a network of independent, not-for profit organizations that work in cooperation with all levels of government and the private sector to meet the needs of small business. In Newfoundland and Labrador, there are 15 corporations, each dedicated to small business development and job creation. There are 41 CBDCs in Atlantic Canada and 268 like organizations across Canada collectively known as the Community Futures Network of Canada.



MANDATE

CBDC South Coast has a mandate to stimulate private sector employment within its geographical jurisdiction of the Coast of Bays by providing small businesses with financial assistance, information support, advisory and counseling services, and general business advice.

APPROACH

The CBDC South Coast strives to maintain existing businesses and support new viable business opportunities that will not have an adverse negative impact on existing businesses. The CBDC South Coast also engages in other activities that support the business sector and/or employment.

MISSION

To foster and support small business development thus increasing the value of the regional economy, enhancing local employment opportunities, and building stronger communities.



ABOUT US

The CBDC South Coast has been helping businesses since 1988, proudly serving the entrepreneurs and the communities of the south coast of Newfoundland, the Coast of Bays region. We offer tailored business financing solutions and extensive business support services that makes us different than your typical business lending institution and/or typical business service organization. The primary goal of our organization is to help entrepreneurs, businesses, and social enterprises to do business.



What We Offer

BUSINESS LOANS

Business loans to both new and existing businesses. Business loans can be provided for business start-up, expansion, and/or business improvement.

BUSINESS LOAN PRODUCTS (Tailored to Clients, Businesses, and Projects)

CBDC First-Time Entrepreneur Loan - Financing and support for first-time business owners.

CBDC General Business Loan - Financing for existing businesses and entrepreneurs.

CBDC Innovation Loan - Financing for development and/or adoption of new technology.

CBDC Youth Loan - Financing for young entrepreneurs from 19-34 years of age.

CBDC Social Enterprise Loan - Financing for not-for-profits conducting business activities.

More information about CBDC Loan Products can be found at www.CBDCSouthCoast.ca.

GENERAL BUSINESS LOAN OPTIONS (For Existing Businesses/Entrepreneurs)

Loans can be used for start-up or business purchase, maintenance or expansion, share or asset purchase, and/or working capital. There are also “new” options available:

Ready Capital - “Just in time” working capital via pre-approved credit with a loan that is ready when your business requires it. Funds match your business plans on your terms.

Operating Capital - Revolving working capital pre-approved operating line giving the business operating capacity on the go with funds to maintain and grow the business.

SMALL BUSINESS COUNSELING, CLIENT SERVICES, AND TRAINING

Small business counseling and client services are provided to individuals and businesses. There are also partner agencies to which clients can be referred as required/beneficial.

ENTREPRENEURIAL TRAINING FUND (ETF)

Eligible clients and entrepreneurs may be able to avail of non-repayable contribution toward the cost of business skills training.

CONSULTING ADVISORY SERVICES (CAS)

Eligible businesses and non-for-profit organizations may be able to avail of non-repayable contribution toward a portion of consultant fees for eligible projects.

SELF-EMPLOYMENT ASSISTANCE (SEA)

Qualifying unemployed individuals looking to start or take over an existing business can receive non-repayable financial assistance and counseling support during the first year of operating a business.

LENDING TO NON-PROFIT ORGANIZATIONS (Social Enterprise Loans)

Business financing can be provided to community recreational facilities, community enterprises, service clubs, tourism attractions, and various other non-profit producers or providers of revenue generating products and services.



Financial Report



Statement of Revenues and Expenditures (Excerpt of Financial Statements)

SOUTH COAST COMMUNITY DEVELOPMENT CORPORATION

Statement of Revenue and Expenditure

Year Ended March 31, 2024

	Operating Fund	Investment Fund	FramED Fund	2024	2023
Revenues					
ACOA operating contribution	\$ 200,000	\$ 0	\$ 0	\$ 200,000	\$ 190,776
Self-employment benefit program	55,728	0	-	55,728	55,728
Atlantic Association CBDCs CFoT Funding	50,000			50,000	-
Atlantic Association CBDCs RRRF					
RRRF loan loss provision offset		(527)		(527)	(258)
Investment income-loan portfolio		116,896	121,779	238,675	202,638
Investment income-other interest		70,607	70,763	141,370	66,104
Recoveries of loans written off					
Fee for service	14,550	-	-	14,550	11,250
Administration fees - Consultant Advisory					
Service Program	400			400	-
Recoveries Consultant Advisory Service	5,000			5,000	-
Administration fees - Business Valuation	-			-	600
Recoveries Business Valuation Program	-			-	7,500
Other revenues	17		-	17	12,510
Total Revenues	325,695	186,976	192,542	705,213	546,848
Expenses					
Advertising	4,415	-	-	4,415	13,379
Amortization	2,416	-	-	2,416	4,328
Bank charges	240	809	186	1,235	941
Business Valuation Program costs	-	-	-	-	7,500
Collection costs	-	-	-	-	-
Consultant Advisory Services costs	5,000	-	-	5,000	4,812
Credit bureau reports	-	-	-	-	-
Dues and fees	2,459	-	-	2,459	2,459
Entrepreneur Training Fund	-	-	-	-	4,313
Insurance	3,274	-	-	3,274	3,122
Loan (recovery) loss provision	-	59,079	18,760	77,839	27,556
Loan (recovery) loss provision - RRRF	-	(527)		(527)	(258)
RRRF loan forgiveness	-	-	-	-	-
Meetings and seminars	17,367			17,367	18,077
Office supplies	16,407	-	-	16,407	13,285
Professional fees	9,913	-	-	9,913	5,698
Rent	21,716	-	-	21,716	21,716
Self-employment benefit program	55,728	-	-	55,728	55,728
Telephone	6,354	-	-	6,354	6,557
Travel and board meetings	3,140	-	-	3,140	4,492
Wages and benefits	190,359	-	-	190,359	184,080
Total Expenses	338,788	59,361	18,946	417,095	377,785
Excess (deficiency) of revenue over expenses	\$ (13,093)	\$ 127,615	\$ 173,596	\$ 288,118	\$ 169,063

Balance Sheet (Excerpt of Financial Statements)

SOUTH COAST COMMUNITY DEVELOPMENT CORPORATION Statement of Financial Position Year Ended March 31, 2024

	Operating Fund	Investment Fund	FramED Fund	2024	2023
Assets					
Current					
Cash and cash equivalents	\$ 127,017	\$ 456,304	\$ 800,644	\$ 1,383,965	\$ 1,627,805
Receivables					
Interest & fees	-	44,479	83,464	127,943	99,703
Government assistance	4,644	-	-	4,644	18,576
Government remittances	5,014	-	-	5,014	5,465
	136,675	500,783	884,108	1,521,566	1,751,549
Loans (Notes 4,6)	-	1,846,651	1,338,159	3,184,810	2,642,321
RRRF Loans (Notes 4, 5)	-	-	-	-	3,769
Investments - ACCBIF (Note 7)	-	787,500	750,000	1,537,500	1,537,500
Assets held for resale (Note 8)	-	-	-	-	-
Capital assets (Note 9)	5,390	-	-	5,390	7,806
	\$ 142,065	\$ 3,134,934	\$ 2,972,267	\$ 6,249,266	\$ 5,942,945
Liabilities					
Current					
Payable and accrual	\$ 7,615	\$ 0	\$ 0	\$ 7,615	\$ 13,507
Deferred government assistance	27,864	-	-	27,864	-
Inter-fund payable (receivable)	-	-	-	-	-
Current portion of long term debt (Note 13)	-	-	-	-	-
	35,479	-	-	35,479	13,507
Due to AACBDC - RRRF (Note 12)	-	-	-	-	3,769
Due to ACCBIF (Note 13)	-	-	-	-	-
	35,479	-	-	35,479	17,276
Equity					
Fund balances					
Externally restricted					
Capital contributions (Note 10)	-	1,207,173	1,100,000	2,307,173	2,307,173
Surplus (deficit)	-	1,927,761	1,872,267	3,800,028	3,570,159
Invested in capital assets	5,390	-	-	5,390	7,806
Unrestricted	101,196	-	-	101,196	40,531
	106,586	3,134,934	2,972,267	6,213,787	5,925,669
	\$ 142,065	\$ 3,134,934	\$ 2,972,267	\$ 6,249,266	\$ 5,942,945

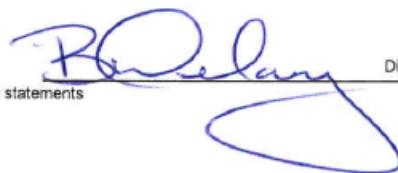
Commitments (Note 17)

On Behalf of the Board



Director

See accompanying notes to the financial statements



Director

The Organization



BOARD OF DIRECTORS (As At March 31st, 2024)

Herb Dunphy, Chairperson
Una Walsh, Vice Chairperson
Bernetta Delaney, Treasurer
Derrick Baker, Secretary
Clarence Kelly, Director
Wilfred Roberts, Director
Wayne Jackman, Director



Wilfred Roberts and Herb Dunphy

Since year end March 31st, 2024, Wilfred Roberts completed his service terms with the board of directors. Both board and staff would like to acknowledge and thank him for his invaluable contribution and leadership over the years. The board has since welcomed Cecil Meade as the newest director. The board and staff look forward to working with Cecil.

STAFF



Jamie LeRoux, the organization's Executive Director, has been with the corporation since 2002. He is responsible for the management and administration of the organization as well as directly serving business clients. He provides support to the Board of Directors on the governance of the organization.



Geraldine Willcott, the organization's Development Officer, has also been with the corporation since 2002. She is responsible for business lending administration and business support programs & services as well as directly serving business clients. She provides support with the management and administration of

HOW TO CONTACT US

Visit the CBDC South Coast business office located at the Regional Resource Centre in St. Alban's or call us at (709) 538-3846 or call 1-888-303-2232 (toll free from anywhere in the Coast of Bays Region).

For **on-line information** visit our website at: www.CBDCSouthCoast.ca



Timeline of the Local “Community Futures”

Historical Timeline & Key Time Periods

In 1988, a Community Futures Organization was established to foster employment and opportunity for the region stemming in part from economic downturn in part of the region.

From 1991 to 2009, there was support provided to the Gaultois Community Development Fund (CDF).

Up until 1995, there were two committees and legal corporate entities that evolved. The Community Futures Committee (and organization) was focused on employment via training and economic development and the Business Development Centre business advisory committee (and organization) focused on business development. The business committee made recommendations through which the final approval and funds came from the Grand Falls Business Development Centre. At the time, it was the same for Baie Verte and area in which final approval went through central region.

In 1995, the two legal entities of Community Futures and Business Development Centre were amalgamated into one organization, the South Coast Community Development Corporation (SCCDC). The resulting one board and organization receiving \$980,000 in funds for a local loan fund.

In 1997, the SCCDC on behalf of ACOA administered additional funds (Seed Program) repayable to ACOA for youth loans and later over the years included first time entrepreneur loans. The end result was a rollover of funds in 2011 to the SCCDC of \$305,000 (as per the new investment model).

In 1998, the SCCDC began to be the deliverer of the Employment Assistance Services (EAS) program. Over the years the SCCDC has been involved in other projects, programs, and services with many funders. The EAS program concluded in 2013 (after devolution by the federal gov't to the province).

Around 1999, the marketing efforts of Atlantic and provincial association branded the trade name of CBDC where it became the prefix in the trade name (CBDC South Coast, CBDC Central, etc.).

Around 2000, with no new monies from ACOA to put into loans, the Atlantic Canada Community Business Investment Fund (ACCBIF) was created whereby all 41 CBDCs became members. CBDCs with surplus investment funds lent to the fund and those needing additional funds to meet demand borrowed from the fund. The CBDC South Coast has borrowed and subsequently repaid in the more than half dozen years or so to follow about \$1.5 million. In recent years to the present time, the CBDC South Coast had invested up to \$2 million at one time into this fund for other CBDCs to borrow.

In 2001, the Fisheries Restructuring Adjustment Measures – for Economic Diversification (FRAM-ED) was created from a federal-provincial agreement (80/20) where many CBDCs operating in fishery sector areas received additional loan funds. The CBDC South Coast obtained \$1.1 million.

In 2011, CBDCs while working with ACOA began operating in a new investment and operational model which was voted on by the Atlantic CBDC membership. This model specifies a funding formula for the operational contract amounts and moved from loan programs to loan products.

As of 2024, the CBDC South Coast has done \$21.8 million in loans and the organization has grown to \$6.25 million (loan portfolio and funds available for lending, etc.).

Summary: Since 1995 (establishment of local loan fund), a total \$2.38 million was received in funds for business loans and \$21.8 million in lending was done to March 31st, 2024 while also leveraging \$1.5 million in borrowed funds as well at times to meet loan demand (now since repaid). In recent years, the organization has lent up to as much as \$2 million to other CBDCs via the Atlantic investment fund.



Board, Staff & Clients (Past and Present) – It's All About “Community Futures”

Since 1988 there has been many hundreds of people that were a part of the local “community futures” movement and contributing in their own way to the organization and/or region. First, it started with some concerned citizens worried about employment and economic opportunity, or rather lack of, during a period of downturn that led to the creation of what was the beginning of the organization that continues today. Their approach was not to do nothing but try something, explore all the options, and they indeed did that!

Following their success in starting the “Community Futures” organization, in the years and decades that followed many dozens of folks were volunteers serving on associated boards and committees connected to and within the organization. All of the volunteers had one thing in common – they cared about their region and communities and lent their knowledge and experience to keep communities moving forward by their support of business development.

There are also many dozens of different folks that worked on staff with the many different offices, programs, services, and/or projects and activities over the decades. The common goal – “to work and live in strong communities” while helping others to be able to do the same through the results of their work.

Last, but not least, there are the many clients. All clients want to do well for themselves, their businesses, and communities. All involved played a significant role in “Community Futures”.



Grass roots decision making and local expertise making a difference!

Tough Times, Strong People and Perseverance

The downturn in post construction period of hydro development took its toll on the Bay d’Espoir area of the region. In the 1980s, many folks and local committees came together to determine options for employment and economic opportunity as many construction jobs were concluded. The forestry sector had also significantly declined over the decades previous. One of the results of the effort of the folks that organized was the establishment of the Community Futures movement for the entire south coast by the setting up of two organizations/committees in legal name called “The Bay d’Espoir Connaigre – Fortune Bay North Community Futures Committee Inc.” and “South Coast Business Development Centre Inc.”. These organizations focus on support of employment and business in the region and would later by 1995 amalgamate into one entity the “South Coast Community Development Corporation” also known as the local Community Business Development Corporation, CBDC South Coast.

Since the struggles of the 1980s in Bay d’Espoir, the other areas of the south coast region including Connaigre and Forth Bay North Shore have seen challenges in the fishery sector. In the entire region, economic difficulty, and loss of employment in various industries have been met head on via local people, communities, sub-regional and regional development associations, and many others. The Community Futures organization in this region, as exists across Canada in like organizations, focused on providing access to business capital, counselling, and various business support programs and services. The major focus has been on business development as pertains to maintaining and growing business capacity particularly where other options were less available. The Community Futures organization has been known over the years as character lenders as well as developmental lenders. The organization serves new and existing businesses and all entrepreneurs.

The Board of Directors the CBDC South Coast always made decisions in support of contributing to businesses in all sectors in both good times and bad times. In good times the role is about helping seize opportunities and during bad times the role is about getting through to the better times. The board and staff (past and present) of the CBDC South Coast firsthand have seen the entrepreneurial spirit of the business sector and the resolve of industries in action supporting “community futures”.

Much More Than Business Development

In the long history of the organization, there have been much more than purely a business focus. The mandate is about supporting employment via supporting the business sector. However, the organization is very proud to have also been a part of so many other programs and services. This includes especially the Employment Assistance Services (EAS) or outreach offices as there were also known. The EAS offices were career counselling offices focused on supporting folks with improving their employment and careers through counselling, training, and other services. They were invaluable over the years and particularly during more difficult times when many folks were impacted by economic downturn in the region. Some of these type services evolved into Service Canada Community Partner Offices providing access points to information on government of Canada programs and services for business, individuals, and families. The EAS offices and Service Canada Community Offices were delivered together for a period. The EAS offices existed in the region even before the CBDC South Coast became involved. Changes to government approaches in the last decade, at both federal and provincial levels, combined with use of technology via services online have led to the conclusion of community service delivery across the province and the country. The CBDC South Coast was one of a few CBDCs that were involved in the delivery of these activities to the respective region. The EAS was the most significant service delivered outside of the core CBDC services. Many individuals and thus families were impacted positively by this service especially in economic downturn.



CBDC South Coast / South Coast Community Development Corporation (An ACOA Partner)

2023-2024 Annual Report & Profile (*Publication Distribution Date: October 2024*)

1.888.CBDC (2232) from within the Coast of Bays Region or (709) 538-3846

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