



Annual Review 2017

Nova Scotia Association of Community Business Development Corporations



Nova Scotia Association of CBDCs

Community Business Development Corporations (CBDCs) are not-for-profit organizations that help strengthen and diversify rural communities by providing financing, business counselling and training to entrepreneurs. There are 13 CBDCs serving the needs of small businesses in rural Nova Scotia. Each CBDC is locally owned and operated. Investment decisions are made by local volunteers who are sensitive to the needs of the community.

Services include:

Financial assistance to a maximum of \$150,000, available in the forms of loans, loan guarantees and equity financing. In certain circumstances, CBDCs can provide financial assistance that exceeds \$150,000.

Business counselling & advice for small businesses and people interested in starting a business. We want businesses to succeed and we give high priority to the advisory role of our mandate. Advisory assistance usually takes the form of guidance and coaching, and sometimes advocating on behalf of our clients to other lending establishments or regulatory agencies.

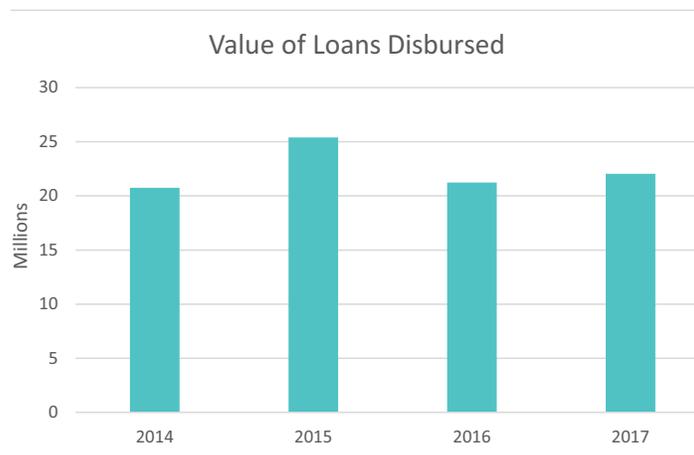
Business management skills training to individuals and small business owners/managers.

The Government of Canada provides CBDCs with operational support through the national Community Futures program. In Nova Scotia, the program is administered by the Atlantic Canada Opportunities Agency. CBDCs are part of a national network of 269 corporations, each dedicated to the development of rural Canada.

The 13 Nova Scotia CBDCs are members of the Nova Scotia Association of CBDCs, an organization that supports the common needs of the network. Through the Association, CBDCs regularly meet to discuss local business development opportunities, best practices and operational issues. Through provincial committees, volunteers and staff work together on various initiatives such as professional development and marketing activities. The Association also manages several business development programs, including a Consulting Advisory Services Program, a Youth Internship program and Skillsonlinens.ca.

Highlights

Nova Scotia's 13 CBDCs approved 440 loans totaling \$22,045,511 in investments to small and medium-sized businesses. These investments resulted in the creation and/or maintenance of over 1,500 jobs and helped businesses leverage \$15,421,104 from other sources. Fifty three percent of the applications approved were for new start-ups.



CBDCs have access to an Atlantic wide Entrepreneurial Training Fund. This program provides funding support for business owners to improve their business management skills. In 2016-17, 140 clients accessed this fund. The Association also manages the Skillsonlinens.ca project, an online training platform made available through the Department of Labour and Advanced Education. Over 23,000 users have signed up and have completed thousands of courses (all available at no cost to Nova Scotia residents).

Delivered on behalf of Employment Nova Scotia, the Self-Employment Benefits program provides qualifying people with income support, one-on-one business counselling and business skills training while they get their businesses up and running. All 13 CBDCs deliver this program. In 2016-17, CBDCs helped 372 Nova Scotians make the step to self-employment.



Provincial Projects

Students in Business

The Students in Business program continued for another year, issuing 10 loans for a total of \$46,100 in assistance. This brings the total number of businesses assisted since inception to 991, with \$3,875,955 disbursed. During this time frame there have been 119 write-offs totaling \$334,887. This represents 8.6% of the total amount disbursed and loans approved, indicating a program success rate of 91.4%.

Consulting Advisory Services (CAS)

CBDCs have access to a consulting advisory services program for small business owners and non-profit organizations in rural Nova Scotia. This program provides 75% of consulting fees to a maximum of \$5,000 for diagnostic assessments, export readiness assistance and business management skills assessment. In 2016-17 CBDCs approved 87 applications for a total of \$360,000 in assistance.

Skillsonlinens.ca

The Association manages the agreement between the Department of Labour and Advanced Education and Bluedrop Learning Networks. The project launched in October 2012 and has seen over 23,000 users added in that time. The platform offers free online training and the ability to track employee training. This past year custom courseware was developed in partnership with the Department of Seniors, Department of Education and Early Childhood Development and the Youth Initiatives Division of LAE.



Youth Internship Program

Small and medium sized businesses (SMEs) and community economic development (CED) organizations had access to a Youth Internship Program this past year. Eighteen interns were placed with CED organizations and twenty interns were placed with SMEs. The program provides 90% of wage costs for 12 months for a CED organization to hire a recent graduate (SME reimbursement rate is 50%). Interns have been hired in a number of industries like manufacturing, ocean tech, hospitality, publishing and marketing. The program provides valuable work experience to new grads and helps to retain youth in our rural communities. A number of the internships have completed and some businesses have hired the intern as a permanent full time employee.

CBDC programs and services complement traditional banks and credit unions. When traditional lenders cannot offer complete commercial financing, CBDCs are here to help. Working with and investing in our clients, CBDCs help entrepreneurs when they need it most. Many CBDC referrals come from local banks, credit unions, accountants and lawyers.

CBDC Guysborough County

Profile: Bond and Hart's Convenience

Located in the town of Canso, Guysborough County, Bond & Hart's Convenience (formerly known as Taylor's Convenience) was always a great place for the locals to pick up a few groceries or grab a snack. But, since Michelle Hart took over the business in February 2014, this convenience store has become even more convenient.

Starting the business was not without its challenges. Keeping the shelves stocked, knowing how much of each item to purchase, planning ahead to be sure to not to run out of a product. It's a huge learning curve.

Michelle credits her staff and CBDC Guysborough for her success in opening and operating the business.

"Wanda MacDonald and Dorothy Bennett from the CBDC were great. Not just with financial assistance, they also helped me with my business plan and other training such as cash flow analysis. They are always there for me if I need help. Without them I would never have been able to purchase the business!"

CBDC Guysborough County

46 Main Street
Guysborough, NS
B0H 1N0
Ph: 902-533-2770

Investment Activity

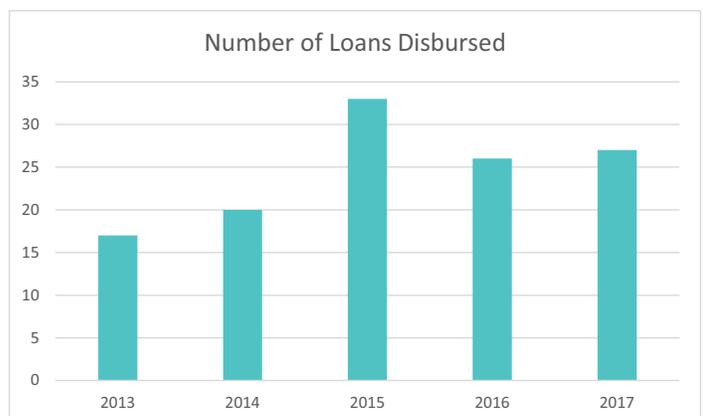
Applications Received	30
Applications Disbursed	27
Total Value of Assistance	\$1,080,089
Average Size of Loan	\$40,003

Businesses Assisted

New Start-up	10
Existing	17
Clients Counselling	114

Jobs

Jobs Created	26
Jobs Maintained	93
Investment per job	\$9,076



Loans approved since inception: 501

Value of loans approved since inception: \$16.6

A profile in success - Big G's Pizza

For Ghandi Mohrez, a new life in Canada has taken a few twists and turns. But the mechanical engineer from Syria who immigrated to Nova Scotia in 2000 with his wife Dima Khalil is happy to be running his own restaurant in Guysborough, and to call that community “home.”

He's in no doubt that they owe their success, in part, to the Community Business Development Corporation (CBDC).

Unlike the banks he had approached for a loan to help renovate his restaurant – Big G's Pizza – Mohrez says, “CBDC looked at me as a value to the community.”

“They looked at me as a job provider, and as a person who can accept the challenges proudly and succeed. They looked at my history, instead of looking at my numbers. In other words, they believed in me. And that means a lot to us.”

Mohrez had realized soon after immigrating it would be difficult to land a job quickly in his area of expertise, given accreditation and language issues. So he ended up working in a pizza restaurant in Halifax for the first couple of years, developing both his language and business skills. When a family member offered him a job at the former Guysborough Pizza, which he owned, Mohrez and Khalil moved to the town in 2002 and he began employment there. When the owner offered to sell him the restaurant business and property, he welcomed the chance. “I took it over, and the opportunity to be a business owner, and we started from there,” he recalls.

They changed the name to Big G's and expanded the menu to include a variety of seafood and Mediterranean dishes, which proved popular with customers.

As newcomers running a business in a rural community, there were challenges. “But we made it through that.”

Five years ago, they decided that if they were to be really successful, however, they would need to renovate. However, although he held a mortgage on the property, the banks were not keen to extend a further loan. Mohrez found out about the Guysborough branch of CBDC through their customers.

Khalil is looking to develop another revenue stream – retail and wholesale Mediterranean desserts and sauces under the Big G's brand name, incorporating prized family recipes so now they are looking to renovate their

dining space and kitchen to accommodate the dessert and sauce business.

“I would like to see it on the shelves in all of the grocery stores in Nova Scotia,” says Mohrez. However, they will take that “step by step,” he adds. Mohrez sees the family being there for at least another 15 years. “Or more. Our dream has no limitation, to be honest with you.”

Big G's employs three people full time, year-round, not including Mohrez, and six during the busy summer season. The restaurant owner notes that they were “honoured” to be a past winner of the Seven Wonders of Guysborough County. “For us, Guysborough County is our home. Especially with the two kids who were born in Guysborough. And at CBDC, they can see that. Banks cannot. That's why we believe in them, and hopefully they believe in us. They gave us the energy to stay for many, and many more years,” says Mohrez.



Community Development Fund (CDF) Results

CDF Loans Approved: 5

CDF loans Disbursed: 5

CDF Amount Disbursed: \$435,000

CDF Loans Approved but not disbursed: \$385,000

SEB Clients: 9

CBDC Guysborough County - What We Offer

CBDC Small Business Loans offer flexible repayment terms designed to meet your individual business needs.

General Business Loans

Offer financing up to \$225,000 in the form of repayable loans, loan guarantees and equity participation.

First Time Entrepreneur Loans target entrepreneurs starting their own business or purchasing an existing business and are in need of start-up capital.

Youth Loans offer financial assistance to youth aged 18 – 34 for business start up, modernization or expansion. Up to \$225,000 is available per applicant in the form of a repayable personal loan.

Innovation Loans offer financing for the adoption of innovative technology designed to enhance the productivity and competitiveness of your business.

Social Enterprise Loans offer financial support to non-profit organizations producing goods or services to the market economy, redirecting their surpluses in pursuit of social, environmental or community goals.

Revolving Credit Loans offer a convenient way to access working capital, whether you need to balance out cash flow or respond quickly to a new opportunity.

Community Development Fund Loans offer additional financial assistance up to \$225,000 in the form of repayable loans to businesses and offers financial assistance in terms of loans or bridge financing to non-profit associations.

Contract Services:

Self Employment Options is a program that helps individuals create jobs for themselves through self-employment. Upon approval for this program, assistance may consist of income support, small business training opportunities and business counseling.



Core and Contract Staff 2016-2017

The CBDC Guysborough County staff consists of three full time employees. Last year's employees are listed below.

Core Staff:

Wanda MacDonald	Executive Director
Kelsey Taylor	Community Development Officer
Lisa Doiron	Office Manager

The Corporation is located at: 46 Main Street, Guysborough, N.S.
The business hours are from 8:30 a.m. to 4:30 p.m., Monday through Thursday and 8:30 a.m. to 4:00 p.m. on Friday.

The mailing address is:

P.O. Box 199, Guysborough, NS BOH 1N0
Phone: (902) 533-2770 or 1-888-303-2232
Fax: (902) 533-2016
E-mail: wanda.macdonald@cbdc.ca



The Atlantic Canada Opportunities Agency is pleased to provide financial support to the CBDCs in Atlantic Canada