



2019 Annual Report



APRIL 1ST, 2018 - MARCH 31ST, 2019

GROWTH OPPORTUNITIES LTD.

INVESTMENT PERFORMANCE

VALUE OF APPROVED LOANS

\$752,000

VALUE OF DISBURSEMENTS

\$1,444,555

TOTAL VALUE OF BUSINESSES ASSISTED

\$1,171,073

VALUE OF LEVERAGED FUNDS

\$1,195,910

Front cover photo by
Catherine LeBlanc



Joey Robichaud Photography

About the Digby-Clare CBDC

We are part of Community Business Development Corporations, a network of 41 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. Digby-Clare CBDC is dedicated to development of small business and assisting entrepreneurs in accessing financing and other business training and resources.

Other information deemed relevant to stakeholders may be included, such as a report on operations for manufacturing firms or corporate social responsibility reports for companies with environmentally or socially sensitive operations. In the case of larger companies, it is usually a sleek, colorful, high-gloss publication.

Our Mission

To provide innovative financial assistance, business training and counseling to aspiring entrepreneurs and existing businesses in Digby-Clare for the purpose of stimulating the local economy.

Corporate Objectives

- Investment in local businesses by means of loans or loan guarantees or equity participation;
- Providing support for businesses through advice, training and planning aids;
- Working with local sources to create new businesses;
- Fostering and developing local management capabilities;
- Training and education to enable potential job creators to establish and maintain viable businesses;
- Working with all sectors of the community to create an infrastructure that will support increased economic loads and more employment.

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CHAIRPERSON'S MESSAGE

Gail Smith



This is my first year as Board Chair after serving four years on the board, including three as Vice-Chair of the Community Business Development Corporation supporting the Digby and Clare area. I would like to thank the dedicated team of volunteers who, along with staff, have worked diligently to help local business establish, expand and thrive in beautiful Digby County.

We will complete our three-year strategic plan this year, which has focused on increasing marketing efforts to improve visibility and public awareness of the services offered to new entrepreneurs and existing local businesses. Through our Facebook page and web-site, as well as other social media and local newspapers, we have focused on client success stories and sharing information on the numerous training, internships, funding and marketing opportunities that come to us from our many government and educational partners. And of course much of our market outreach occurs through the CBDC staff as they help new and existing businesses meet their goals. As a result we have exceeded our three-year targeted loan growth of 60 loans by 8% with 65 loans being added to the portfolio.

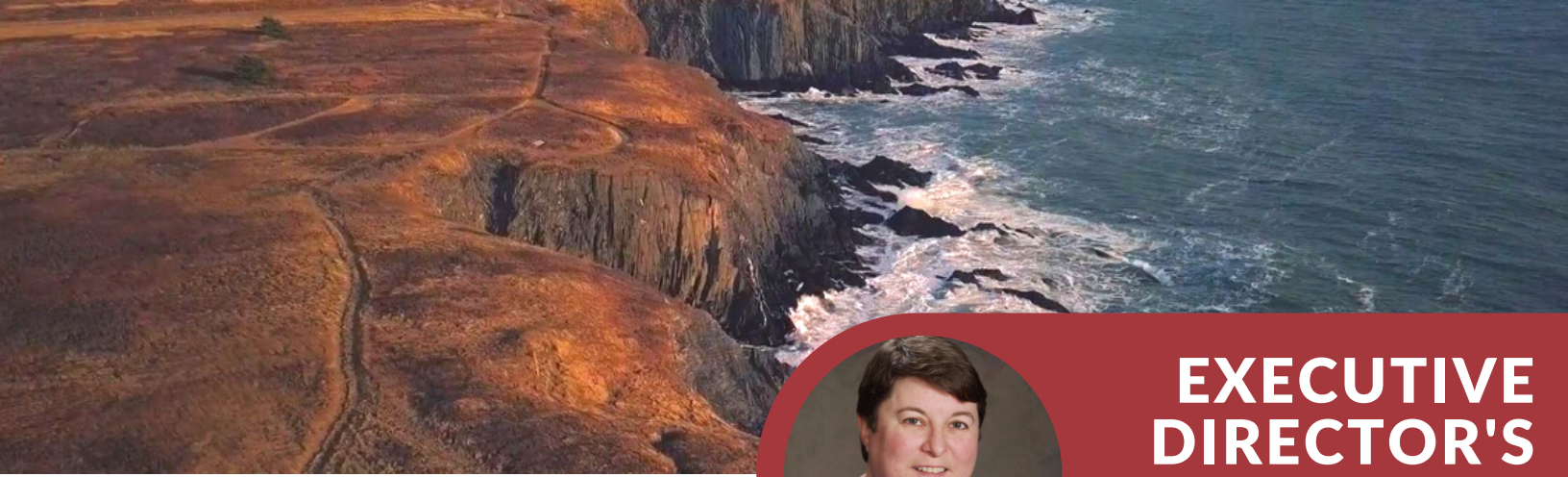
The development of staff and Board succession plans were also primary goals of our three-year strategic plan. Accessing local business knowledge through the recruitment of qualified volunteers to join our board is critical to the organizations decision making and governance. This past year we have seen a smooth rotation of new members as others complete their

terms. A key focus of the board this year has been on the upcoming recruitment of a new Executive Director this summer and fall to replace our Executive Director who will be retiring at the end of the year.

As always, the CBDC looks for ways to partner and collaborate with individuals and agencies that foster business development. Community participation and partnerships have included membership in the Digby and Area Board of Trade, tourism associations in both municipalities, the Clare Chamber of Commerce, the CDENE, Western Regional Enterprise Network, the Town of Digby and the Municipalities of Digby and Clare.

It has been my pleasure to work with this dedicated volunteer Board and the knowledgeable and committed staff at the Digby-Clare CBDC. The time, energy and insightful consideration our Board members in evaluating the investment opportunities presented, and participating in our strategic plan development and implementation, is greatly appreciated. I would also like to thank the hard working and experienced staff. Their community outreach, and focus on client needs, has been the backbone of the organization within our community.

Gail Smith



EXECUTIVE DIRECTOR'S REPORT

Julie MacLean

This will be my last year with Digby Clare CBDC as I will be retiring in December. I have really enjoyed my 14 years with this dynamic community centered organization. I will miss it but know that it will continue to serve our community for many years to come.

As we celebrate, the 34rd anniversary of the Digby-Clare CBDC we are happy to still be supporting local small businesses in our rural community. Over this time, we have provided 577 loans valued at over \$16,000,000 for Digby-Clare businesses. We currently have a loan portfolio of more than \$4,000,000. Our volunteer Board of Directors is comprised of local Business Owners and Professionals committed to contributing to sustainable economic development of our community by providing financial and advisory services to small businesses.

Over the past year, \$752,000.00 in loans were approved by the Board to assist 19 community businesses. This resulted in 109 jobs being created or maintained throughout Digby County. We have also helped 28 individuals enrolled in the Self Employment Benefits program. We work with these client to help them refine and execute their business plan for the forty weeks of the program. This involves formal training opportunities as well as informal mentorship as they drop in or call for assistants with issues they are facing.

Support and follow through are essential to helping new businesses get off the ground. Workshops, training sessions and specialized consultation are an integral part of our program. We offer training sessions that also provide networking opportunities with others just starting out. In fact one such series of training prompted the participants to create a networking group to continue to help each other with their businesses.

Throughout the year, we have enhanced client services by expanding our training, counseling and mentoring services to improve business management skills in the community. A total of 118 business counselling sessions as well as 35 individual clients have received training through our in house training sessions. We have done this by expending our full \$12,000 Entrepreneurial Training Fund as well as assisting 8 local businesses and non- profit organizations with the \$38,500 CAS (Consulting and Advisory Services) funds.

Throughout the year, we continued our efforts and our partnership with the Conseil de développement économique de la Nouvelle-Écosse (CDÉNÉ), SchoolsPlus and the Conseil scolaire acadien provincial (CSAP) to offer business camps to the youth of grades 3-6 within Clare's elementary schools. Approximately 80 students were given the opportunity to learn about the world of business and explore their entrepreneurial spirit.

As part of our succession plan, we have hired two Administrative Assistants as a job share and who have been trained in all aspects of the office to ensure we preserve the instructional memory as our senior staff begins to transition towards retirement over the next few years.

I would like to thank the board and staff for their dedication to the organization. With this fantastic team, everything is possible.

J. MacLean



Our Team

Photo by Catherine LeBlanc

Local Decision Making

Digby-Clare CBDC is driven by a dynamic volunteer Board of Directors comprised of community leaders and local business people who are sensitive to the needs of our business community. Investment decisions are based on in-depth knowledge of the local markets and business climate.



Julie MacLean
Executive Director



Wanda Pulley
Development Officer



Rose Madden
Development Officer



Judy Best
Bookkeeper



Tricia Titus
Administrative Assistant



Jody Wheelhouse
Administrative Assistant

OPERATIONAL ACTIVITY

99 Clients provided business counselling

118 Business counselling sessions provided

78 Monitoring engagements

Board of Directors

- Gail Smith, Chair
- Marcel Saulnier, Vice-President
- Edwin Chisholm, Secretary/Treasurer
- Pamela Bouttell, Director
- Renette Cormier, Director
- June Deveau, Director
- Brian Joudrey, Director
- Guy LeBlanc, Director
- Elie Thimot, Director
- Phillis Vree, Director
- Sara Wilkinson, Director



Our Loan Products

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

General Business Loans

Offer financing up to \$150,000 in the form of repayable loans, loan guarantees and equity participation.

Youth Loans

Youth Loans offer financial assistance to youth aged 18 - 34 for business startup, modernization or expansion. Up to \$20,000 is available per applicant in the form of a repayable personal loan.

First Time Entrepreneurship Loans

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

Clean Technology Initiative

Up to \$150,000 for projects to help promote the development of clean technology in Atlantic Canada. The clean tech program allows access to outside expertise to assist in addressing timely issues, opportunities and/or challenges related to their use of clean technologies.

Innovation Loans

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

Social Enterprise Loans

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.

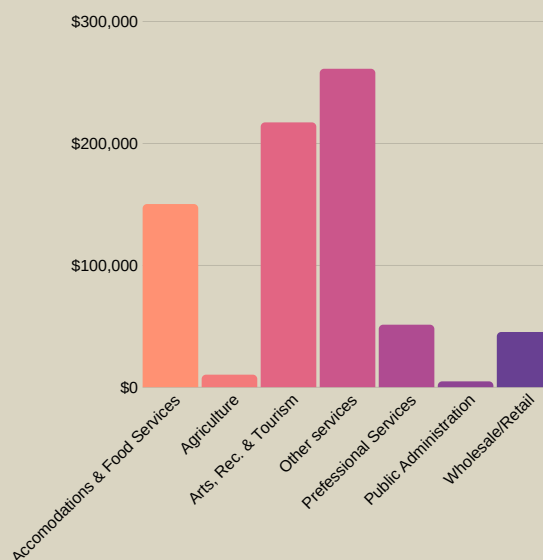
INVESTMENT FUND ACTIVITY

23 Applications received

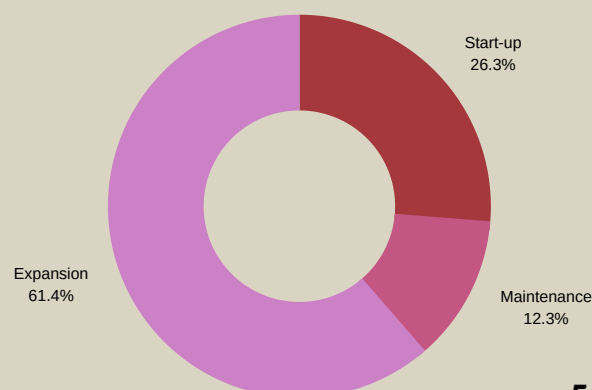
19 Applications approved

24 Loans disbursed

BUSINESS SECTORS



INVESTMENT ACTIVITY IMPACT SUMMARY





Small Business Training & Workshops

CLIENT TRAINING

9

**BUSINESS SKILLS
WORKSHOPS**

35

**CLIENTS WHO
RECEIVED TRAINING**

6

**ENTREPRENEURIAL TRAINING
FUND INTERVENTIONS**

\$12,000

**VALUE OF ENTREPRENEURIAL
TRAINING FUND INTERVENTIONS**

8

**CONSULTANT ADVISORY SERVICES
PROGRAM PROJECTS (CAS)**

\$38,500

**VALUE OF CONSULTANT
ADVISORY SERVICES PROGRAM
INTERVENTIONS (CAS)**

130

TOTAL TRAINING HOURS

Business Skills Workshops

Starting a new business can become overwhelming and daunting. The Digby-Clare CBDC provides counselling, technical assistance and workshops to help get a new business started on the right foot or to assist a growing business upgrade their skills and knowledge.

Most of our workshops cover the topics of Marketing for small business and basic bookkeeping. We also bring in outside expertise to cover topics such as taxation and demystifying financial statements.

This year, we invited Jane Collins to present her Self-Employment Success workshop. Participants were inspired to set purposeful goals to prevail and move forward in business. Throughout the workshop, participants were shown the importance of mindsets and how to change them to meet their needs when it comes to the various roles a business owner plays.



SEB is a program offered by Employment Nova Scotia that assists unemployed eligible individuals in creating jobs for themselves by starting a business.

Self-Employment Benefit Program (SEB)

Melvin Chiasson - Digby Deals

With over 20 years' experience in sales and customer service and after having managed a local thrift store that had recently closed, Melvin decided to open his own outlet specializing in quality secondhand items.

He approached the Digby-Clare CBDC for a small loan and the SEB program. The funds helped him purchase signs, advertising and inventory. Now in its second year in business, Digby Deals is filled with unique treasures; each one with its own story to tell. You're greeted with friendly service and a wealth of knowledge on each unique piece.

"I am grateful for the help and support I received from the CBDC when I was developing my business"



Denise Flynn - Corberrie Cider Co.

In 2002, Denise and her husband Derek purchased property on Orchard Lane located in Corberrie. After a few years of nurturing the 5-acre orchard back to health, many apples were sold direct to consumers and through local retail stores. Denise knew that many second-grade apples could be used to make a value added product, such as cider.

After completing a cider making course in 2017 and having already invested a significant amount of time and money in the development of the orchard and cidery, Denise reached out to the Digby-Clare CBDC for financing and the SEB program.

"Without the financial support and the SEB program, starting my business would have been a lot more difficult, if not impossible to start. The CBDC provided me that extra little help to make my dream possible."

SEB ACTIVITY

28

clients assisted



Eliza Desmarais Sohma Naturals

BY: GAYLE WILSON

From the get-go, Eliza Desmarais has been determined to be much more than the proverbial pretty face in the organic skincare industry. And CBDC Digby Clare has been there to help her do that.

As the saying goes, beauty is only skin deep, and for Desmarais substance is what counts. She's working hard to ensure her Digby-based business, Sohma Naturals, is not seen as just another cottage industry making sweet smelling soaps on a kitchen stove.

Rather, she wants Sohma to be regarded as a professional company offering tried and tested comfort to people wanting genuine skincare products.

As part of that, Desmarais has built a self-contained "lab" in the basement of her home and obtained a site licence from Health Canada. She follows the EU Cosmetic Directive procedures, such as calculating sensitizers and allergens, and keeps her lab separate from the living space, with testing equipment. The EU is one of the only regulated areas of the world in cosmetics.

And she's gone the distance with her eczema

cream, completing the onerous application for a Natural Product Number (NPN) from Health Canada, which she recently received.

NPNs are mandatory for products sold with medical claims attached to them, although Desmarais notes that other producers have sold them without them.

"I see people in the market all the time that are not Health Canada compliant."

Desmarais's development of Sohma Naturals has been coloured by a commitment to integrity of ingredients, expertise and production from the start.

She chose to venture into natural cosmetics after she became pregnant and felt the Registered Massage Therapy career she had worked at for the previous 16 years would be challenging to maintain as a new mother.

It wasn't a stretch to lean toward natural products, since her mother has owned a health food store and clinic and distributed health supplements in Digby and across Canada for the past 20 years or so.

At the same time, Desmarais was determined to steer her daughter's father away from commercial



products toward a healthier regimen. She started experimenting with a few ingredients and came up with some blends that seemed to work for him.

“I suppose he was the catalyst for all of this.” says Desmarais of Sohma Naturals.

In 2016, she signed on for nine different on-line courses on cosmetics formulation, covering such issues as stability testing and preservation, “and the actual chemistry and science behind making the formulas.”

Having studied engineering at Dalhousie University, which included chemistry, Desmarais was adept at getting her head around the science behind skincare products.

With some financial backing from her mother, in early 2017 Desmarais and her partner built a self-contained laboratory in the basement of their home. High amperage electrical panels were installed for the specialized equipment she has purchased, such as an induction burner and a dedicated, high-temperature, high-power dishwasher.

The lab is also outfitted with High Energy Particle Air (HEPA) filter, incubator, stainless steel work tables, a digital scale, a high shear mixer, and a regular kitchen mixer that she intends to upgrade at some point.

In the initial stages, Desmarais distributed some of her formulations among friends and acquaintances to get their feedback.

“Basically, the whole community was my guinea pig. I gave away a lot of freebies.”

However, once satisfied with the formula, she pursued the requisite Cosmetic Notification Form Identification Number (CNFIN) from Health Canada, which is easily applied for online.

From a compliance perspective, everyone is required do it for everything from a bath bomb to body butter, she advises.

“But not everybody does.”

Desmarais has also undertaken a lot of research of her own, which led her to get in touch with a Swiss doctor who did a study of the healing properties of 126 honeys from around the world, including the famous Manuka honey from Australia and New Zealand. And ultimately this led her to incorporating Ikaria honey into her signature cream – Blu Mel – which is for seriously dry skin.

Coming from one of the Blue Zones of the world where people live the longest, the Greek island of Ikaria, Ikaria honey has the traditional healing properties of other honeys, including naturally occurring hydrogen peroxide, however it is renowned to be among the purest in the world and free from neonicotinoids, the pesticides that have been killing off bees.

“We started getting people trying it on various skin conditions only by happenstance, and we started finding they had immediate remarkable results on everything from rosacea, psoriasis, rashes, cellulitis and diabetic ulcers,” explains Desmarais.

Her eczema cream was tested on more than a dozen recipients with eczema specifically.

“They all tested five different formulas to narrow it down to the best one. A large majority kept reporting one particular formula out of the five that showed the most improvement. This is how we came to finalise the formula for the eczema (cream),” she says.

Next was the onerous task of getting Health Canada approval on the product. She hired a consultant who specialized in assisting producers to navigate Health Canada’s compliancy procedures, and found an external lab at Université Sainte Anne in Clare for testing for such components as heavy metals and water (an ongoing requirement), and completed the NPN application form, which was “about 85 pages,”

She received the product registration a month and a half ago.

“Everything is done, so we’re good to go,” she says.

After spending about \$20,000 setting up her lab, buying ingredients for the products and hiring the consultant, Desmarais needed more funds to move the operation forward, including paying a graphic designer to help develop her branding.

“That’s when I turned to CBDC and said, ‘I just need a little bit of a loan. I need help. I need a few more bits of equipment and stuff like that.’”

She secured a \$5,000 loan through the organization.

“Just enough to get me through the labels and a bit of the equipment that I needed,” she says.

CBDC Digby Clare also connected the entrepreneur with Employment Nova Scotia’s Self Employment Benefits Program, which extended her maternity leave Employment Insurance a little bit longer.

And it introduced her to helpful workshops covering aspects of running a business, such as having an online marketing presence.

Now that Desmarais has the core of her product and business in good shape, she’s working on ensuring Sohma Naturals has a face forward.



Our Partners





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Opportunities
Agency

Agence de
promotion économique
du Canada atlantique

The Atlantic Canada Opportunities Agency is pleased to support the network of Community Business Development Corporations in Atlantic Canada.