



Community Business Development Corporation
ATLANTIC ASSOCIATION

2021/2022 ANNUAL REPORT

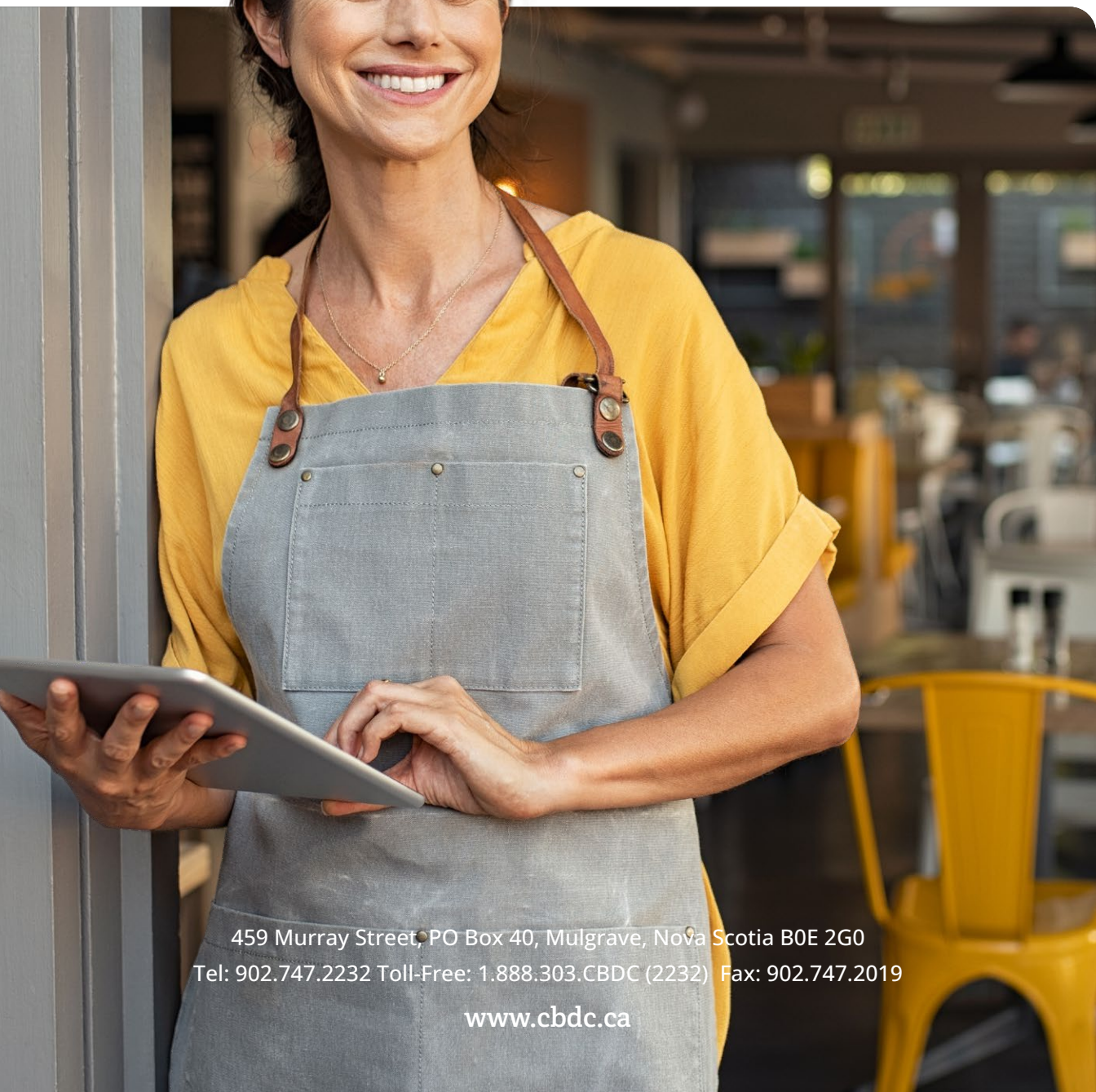


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Community Business Development Corporations make an impact in Atlantic Canada.

A MESSAGE FROM THE PRESIDENT

Atlantic Canadians are no strangers to hard times.

From the cod moratorium and shuttered coal mines to restrictions on exporting timber and potatoes, our provinces' economic prospects, especially in rural communities, haven't always been so rosy. CBDCs came into existence to address the economic hardship facing our communities and the knock-on effects of a lack of opportunity, such as out-migration.

Caught in a negative feedback loop of a lack of opportunity leading to more people leaving, and more people leaving leading to a weaker economy and therefore less opportunity, something needed to be done.

With a mission to encourage and support business development, providing jobs, opportunities and a healthy economy for the region, CBDCs were created by communities in their communities.

Since the incorporation of the first CBDC over 35 years ago, our network has provided rural small business owners access to the financing they could not get from traditional institutions. CBDCs are patient lenders, with local volunteer boards of directors making investment decisions. We have always focused on the full impact of business creation and business success in the communities where they are started.

The challenges of the COVID-19 pandemic came to a people and a region accustomed to dealing with challenges. The CBDC network and our clients met the challenges of the pandemic head-on.

CBDCs reacted quickly to clients' changing needs. We were well-positioned as an organization to address small businesses' financing requirements and provide the training, counselling and advice to businesses.

CBDCs offer an end-to-end service model of business, community and ultimately economic development, provided across the entire life cycle of the business. Our focus is on community. We take care in considering the impact investment decisions will have on our communities, setting CBDCs apart from conventional approaches to business lending. The CBDC approach is personal, not driven by central decision-makers using algorithms without care or consideration for the character or need of the borrower or community.

As we leave our second year of the pandemic and put it further behind us, CBDCs have had 12 months of changes and progress. We've positioned ourselves to meet our communities' ongoing needs and to continue supporting small businesses as they modernize, digitize and position themselves to compete in the world economy.

It has been my pleasure to serve as your Association president. Thank you to all the staff and board members of the CBDC network, and I look forward to working with you as we continue the meaningful work that we do. Last but not least, thank you to the Atlantic Canada Opportunities Agency for their support.



NEVILLE ROBINSON
President, AACBDC

A MESSAGE FROM THE CHIEF OPERATING OFFICER

In 2021-2022, changes continued apace, and the velocity of the CBDC organization, and our client's needs, did not slow. This past fiscal year, CBDCs provided the third and final round of Regional Relief and Recovery Fund (RRRF) financing and closed out the program. Throughout the duration of the RRRF program, CBDCs received a cumulative 4,046 applications, approving 2,108 of them, for a total funds disbursed of \$84,481,945. Overall, CBDCs in Atlantic Canada were able to support 8,346 jobs through the RRRF program.

To continue to offer the character-based, patient lending that's the hallmark of CBDCs, we repeated a third round of our interest relief program. Cumulatively, CBDCs have offered \$9,658,835 of loan relief, deferring 2,402 client payments.

2020-2021 was challenging and complex for CBDCs in Atlantic Canada, making us a stronger and more robust organization. CBDCs assisted small businesses navigating the COVID-19 pandemic on three fronts last year. First, through our generous and community-focused loan relief to over 2,000 businesses, we deferred loan payments for our existing clients and stopped the interest on those payments. This unique position on loan payments and interest meant CBDCs did not charge any interest to our clients, for a cost savings for them of \$8 million. Second, we administered the Federal Government's Regional Relief and Recovery Fund program, serving over 3,000 clients. During the last fiscal year, CBDCs provided over \$69 million in RRRF to small businesses in Atlantic Canada. Our third line of support during the 2020-2021 fiscal year was through our usual business; CBDCs collectively assisted 953 entrepreneurs and invested in excess of \$49.9 million into the economy of rural Atlantic Canada.

The Atlantic Canada Community Business Investment Fund (ACCBIF) Board of Governance also enjoyed another successful fiscal year. In 2021-2022 ACCBIF approved 7 investment loans totalling \$7.5 million, and we advanced \$5,450,000 to the CBDCs. At the end of the fiscal year, loans receivable was \$24,111,076, and cash and investments totalled \$23,161,650. As of March 31st, the central fund had 17 CBDCs borrowing, and 16 CBDCs invested \$29,678,928 into it. The ACCBIF Board has been very responsive to changes in market trends to ensure investment capital is well-positioned for member CBDC use well into the future.

The Entrepreneurial Training Fund (ETF) continues to provide the necessary funding to CBDCs to enhance the entrepreneur's business skills throughout rural Atlantic Canada. During 2021-2022, the demand for the ETF program remained strong as we processed 295 ETF claims totalling \$352,564 with 832 participants receiving training through the program.

As of fiscal year-end, the Risk Mitigation Fund (RMF) program managed 1,396 loans with a disbursed value of \$87,666,295. The program paid out 489 claims totalling \$4,112,058 since its inception. There were 2,058 loans removed or paid in full totalling \$65,251,314.

The Governance and Education Committee produced and developed training for both board and staff that aligned with the 2021-2022 workplan. With respect to Governance training, during the fiscal year 2021-2022, six governance virtual sessions were held, and an online Basic Governance for Board Members program was accessible for the entire year to CBDC board members. A Roberts Rules of Order cheat sheet was sent to all 41 CBDC boards from the G&E Committee. During the latter part

of the year, the CBDC Model Policies were reviewed by a steering committee and a governance consultant to ensure relevance and adherence to the ACOA-CBDC Contribution Agreement. A policy workshop will be delivered in the Fall of 2022 with the results of this work.



With respect to staff training, the Governance and Education Committee circulated quarterly the Training Resource Library that houses links to all the videos and pdf tools created for staff and board, including TEA training. In collaboration with the MIS committee, the Cyber Awareness Newsletter was also shared quarterly with the membership to help reduce cyber risks within the CBDC network. The following additional virtual initiatives were completed: 14 staff completed the Certificate in Financial Management with Saint Mary's University, 3 staff completed A Manager and Leader with the University of Moncton, the CBDC Business Lending Program was offered with 13 participants, the Coaching and Counselling Program was offered twice, with a total of 25 participants. We have continued our partnership with the Pan West Community Futures Lending Institute (CFLI) to offer the basic certification program for staff. An information session was held on Social Succession, a Lunch n Learn held on HST/ Source Deductions, and in partnership with the Credit Union system, Commercial Loan Collections, Applied Delinquency & Collections and Small Claims and Security Realization courses were delivered to over 130 staff members. Recognizing the affects of the pandemic, new initiatives were presented including Mental Heath First Aid Certification for 21 participants, 10 Ways to Create Time for Wellness workshop for 46 participants, a Time & Stress Management workshop to 15 staff members and a Retirement Preplanning webinar to 35 staff.

In fiscal year 2021-2022, the Atlantic Communications Committee (ACC) undertook an ambitious and innovative communications strategy meant to build relationships within the Atlantic Canadian business community and demonstrate a broad contribution to helping small businesses thrive. Of the 24 strategy objectives 22 were met, the CBDC Documentary was not completed due to restrictions relating to COVID-19 during the time allocated for

its creation and Lunch n' Learns were not booked due to lack of demand. The ACC undertook four new projects in 2021-2022, providing social media service to CBDCs, the CBDC Podcast, the Summer Travel Series, and the Atlantic Shop. The Business Award of Distinction was reinvigorated. Updates to the CBDC websites and print materials were made, and there were three new learning resources added to the CBDC Learning Library. In adopting this type of strategy, we reclaimed the website views we had lost during the pandemic, and indeed increased the users of our cbdc.ca website by over 10,000, while continuing to grow our following across all social media platforms.

The Atlantic Canada Site Certification Program was officially launched in September 2020. The program's overall objective is to increase foreign direct investment (FDI) and investment readiness in Atlantic Canada through a cooperative inter-provincial effort to connect investors to development-ready, high-quality sites across the region. To date, we have 62 users creating landowner accounts, with 42 sites across Atlantic Canada applying for certification. There are currently eight sites that have received their official stamp as being an Atlantic Canada Certified Site. We look forward to advancing program objectives and certifying more sites throughout the 2022-2023 fiscal year.

In addition to the Atlantic Canada Certified Sites Program, we have also managed the Atlantic Canada Advantage Project which has developed value propositions for key sectors. The project objectives are to develop digital assets to promote the merits of the oceans, cybersecurity and aerospace and defense sectors throughout the Atlantic region.

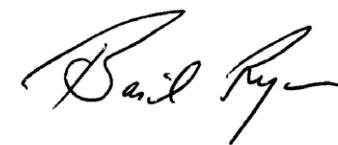
The Management Information Systems (MIS) Committee spent 2021-22 implementing and finalizing many of the initiatives from 2020-21. Security has been the focus. Centralized servers

have been migrated to an Azure environment. An IT Navigator was hired to perform onsite assessments. These assessments remediated as many security and operational issues as possible. A follow-up plan to address any outstanding issues is currently in development. A Security Operations Center (SOC) service has been added to our security suite. This service provides a monitoring service to address any suspicious activities in our network. Board and Staff licensing has been upgraded to include advanced security monitoring (by the SOC). For VPN users, a MultiFactor Authentication requirement has been added.

The MIS committee engaged a third party to try to hack into our system. The report found a few improvements and a framework to address these is currently underway. These third-party testers also ran a 'phish' test. The results of this test have proven that further user training is required. A training strategy is currently being reviewed.

Not all initiatives were security focused. A new SharePoint site, to replace the CBDCZone website, is in development.

As we continue to adjust to our new normal and focus on the challenging business of helping businesses go through challenging financial times, it is my honour to work with the amazing staff and board members of the CBDC network. I'm proud of the work we've done these past two years during the pandemic, and I know we all stand ready to continue to make a difference and an impact to rural Atlantic Canadian business owners.



BASIL RYAN
Chief Operating Officer, AACBDC



**A MESSAGE FROM THE HONOURABLE GINETTE PETITPAS TAYLOR
MINISTER OF OFFICIAL LANGUAGES AND MINISTER RESPONSIBLE
FOR THE ATLANTIC CANADA OPPORTUNITIES AGENCY**



Atlantic Association of Community Business Development Corporations

2021-2022 Annual Report

A strong economy requires resilience and prosperity at the local level. That is why the work of Community Business Development Corporations (CBDCs) is essential to growing Atlantic Canada's economy.

As the landscape shifts and we navigate pandemic recovery, your dedicated support for your clients remains constant.

I see firsthand your impact on the region, and I thank you for your tireless commitment. Your efforts complement the Government of Canada's ongoing actions to ensure long-term economic prosperity.

I am particularly proud of the collaborative relationship between the CBDCs and ACOA, which helped more than 1,050 SMEs over the past year through your delivery of the Community Futures Program.

Together, we will continue to build a stronger Atlantic Canadian economy. One that fosters job growth and strengthens our communities. One that provides everyone a fair chance to succeed.

The Honourable Ginette Petitpas Taylor, PC, MP

Canada

Risk Mitigation Fund

As of March 31, 2020, the Risk Mitigation Fund ceased booking loans under this initiative. Due to the uncertainty of the pandemic, the Risk Mitigation Fund also stopped offering extensions on all loans. This past year has been spent removing loans due to expiries and repayments as well as adjusting claims.
As of March 31, 2022, the results of the RMF are as follows:

Loans registered since inception**4,454**

RMF Reserve Based on
Monte Carlo Simulation**\$12,241,486**

Active Loans to March 31, 2021**1,276**

RMF Reserve Based on
Monte Carlo Simulation **\$5,141,614**

RMF Claims Paid and Payable **543**

Claim Payable and
Paid Amount **\$4,600,189**

RMF Claims Pending Approval **11**

RMF Loans Removed/Paid in Full **2,624**





Regional Relief and Recovery Fund



3,708

Applications Received



2,108

Applications Approved



\$84,481,945

Funds Disbursed



8,346

Jobs Supported

CBDC Loan Relief

Relief supported by AACBDC

\$5,364,608



Relief supported by CBDCs

\$4,294,227

Savings to Clients:

\$9,658,835

Nova Scotia SUCCESS STORY

T.A.N. FAIR TRADE PRODUCTS LTD.

Dedication + hard work + determination = success



Since T.A.N. Fair Trade Products Ltd launched its first micro-roastery in Wolfville, NS, in 2007, the words T.A.N. Coffee and “fresh coffee” have become synonymous, and lovers of the company’s heady brews have taken notice.

Today, LayYong Tan – the owner and driving force behind the company – has four local full-service cafés in the Annapolis Valley with successful operations in Wolfville, Windsor, Coldbrook and Kentville. He employs 25-30 full and part-time employees.

Tan says, “Our core concept is to create the shortest supply chain between producers and consumers while retaining the best possible quality, and therefore the best price to both the producers and the best value to the consumers.”

T.A.N. Coffee imports 100% certified organic and fair-trade coffee and tea, and markets them directly to consumers and to wholesale customers across Nova Scotia. The company embraces fair trade as a vital mechanism that promotes social justice and environmental sustainability and is committed to providing customers with ethically sourced and superior grade fair trade products, including coffee, tea, and spices.

“Our single-origin fair trade coffee has wowed even the most exacting coffee aficionados,” Tan adds. The company’s coffee buyer is an international coffee judge, and the senior roaster belongs to the SCAA roasters’ guild. “All our coffees are craft roasted in small batches, which ensures that our customers get the freshest cup of coffee with optimal smoothness, body, flavor and aroma.” It’s easy to see why “Fresh is best” is the company motto.

Operating a business in rural areas has certain challenges from having a smaller customer base to dealing with staff shortages. Tan has overcome this by developing a reputation for having quality products. His company has also found a place in the hearts of communities in the Annapolis Valley. He’s done this by hosting events in the cafés, offering space for local artists to display and sell their work, and purchasing many of the ingredients for his menus from local producers. “Our cafés are community gathering places where people know they will get delicious and ethical food and drinks.” T.A.N. Coffee also offers catering and coffee supplies for many community markets, meetings, and social activities.

At a personal level, the founder/CEO of the company has contributed countless hours serving on a variety of boards and agencies over the years, such as: being involved in Rotary for 10 years, Board Member for the Wolfville Farmers’ Market for 6 years, Board Member for the Acadia Cinema Coop for 6 years, Board Member for Mermaid Theatre for 6 years, and Member of the Town of Wolfville Economic Development Committee for 6 years.

Although T.A.N. Coffee is currently recovering from the pandemic and an extended period of high inflation, plans are underway to expand outside of the Annapolis Valley. Although it was risky business to get up and running, Tan has found the end results to be satisfying. “The greatest reward is to operate a business that provides for my family, and a business that provides employment for our rural communities.”

REPORT: Nova Scotia



At a Glance:



488

Applications Received



\$27,923,382

Total Value of Assistance



1,574

Clients Provided Training



350

Loans Disbursed



\$19,661,113

Total Value of Leveraged Funds



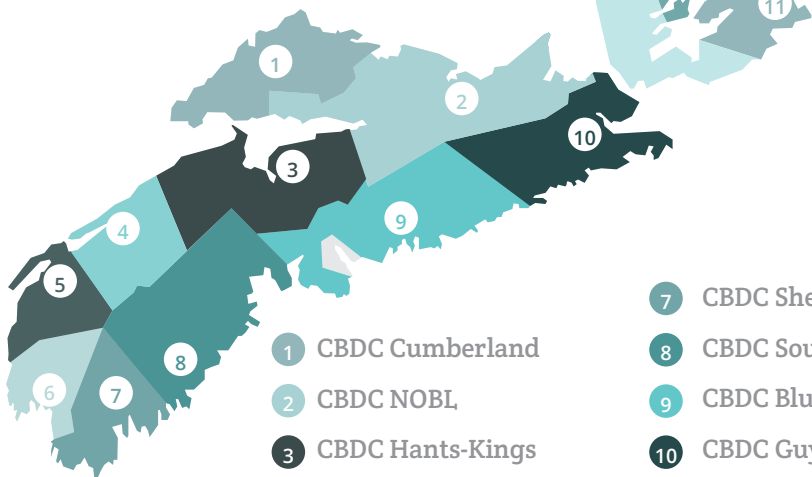
1,735

Clients Provided Business Counselling



1,397

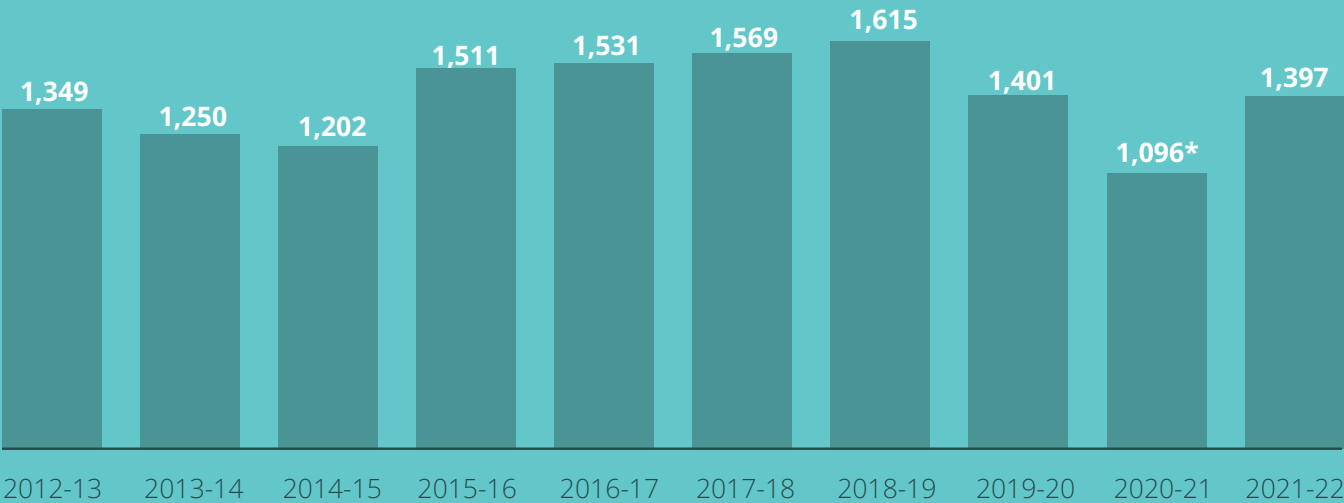
Jobs Created and Maintained



- 1 CBDC Cumberland
- 2 CBDC NOBL
- 3 CBDC Hants-Kings
- 4 Annapolis Ventures
- 5 Digby-Clare CBDC
- 6 CBDC Yarmouth

- 7 CBDC Shelburne
- 8 CBDC South Shore
- 9 CBDC Blue Water
- 10 CBDC Guysborough County
- 11 Coastal Business CBDC
- 12 CBDC Northside Victoria
- 13 InRich CBDC

Jobs Created and Maintained (NS)



Prince Edward Island SUCCESS STORY

YOU MOVE HEALTH & WELLNESS

You Move Health & Wellness is on the move!



Eight years ago, Amy and Geoffrey Irving co-founded You Move Physiotherapy. Eventually Amy – a trained physiotherapist – opened a modest 1000-square-foot clinic in Alberton, Prince Edward Island; within two years, she had outgrown her space. The young entrepreneur relocated and expanded the operation to include administrative support as well as a chiropractor and another physiotherapist.

More recently, the physiotherapist expanded for the third time and operates in a new state-of-the-art, 5000-square-foot facility in Bloomfield. She rebranded to You Move Health & Wellness with a staff that includes three physiotherapists, a chiropractor, registered massage therapist, and registered acupuncturist. Aside from more treatment rooms and a large reception area, the facility also features a gymnasium area for conditioning and rehab programming, and a dedicated space used for education and information sessions as well as class-based programming.

Although recruitment of health care professionals in a rural area along with finding accessible space with adequate parking can be challenging, Amy says that being able to offer services to all ages in

Western PEI is hugely rewarding. “Whether clients have pre- or post-surgical issues, repetitive strain injuries, workplace injuries, motor vehicle accidents, sports injuries, or various other conditions – their needs can be taken care of.”

Amy is proud of her excellent team of professionals who collaborate, refer, and align to provide the best treatment and outcomes for their clients. “I believe that physiotherapy treatment combined with a focus on each client’s specific goals, evidence-based research, and therapist facilitation results in the best outcomes.” Hence her move to expand and align both physical health and mental health components – and to become a one-stop centre for health and wellness.

You Move Health & Wellness currently offers some mental health services, but Amy’s goal is to focus on growing that aspect of the business by hiring a full-time mental health counsellor. The business is also planning to recruit another physiotherapist and a registered massage therapist (RMT). Staff will also offer various classes and exercise programming such as Yoga and Pilates.

Amy Irving is a board member of the PEI Physiotherapy Association and sits on the Western Hospital Foundation Board. Her husband, Geoffrey Irving, is on the board of the West Prince Chamber of Commerce. Amy also takes part in professional development opportunities whenever possible. To date, these have included Acupuncture, Chronic Pain Management, McKenzie Mechanical Diagnosis, Mulligan Concept Training and a 200-hour Yoga Teacher Training course.

You Move Health & Wellness provides physiotherapy coverage to hospital patients, as well as patient care through contract work to local manors. Amy also offers clinical placements for university students, as well as volunteer placements.

She wishes to acknowledge her support system and says, “The staff at CBDC have provided valuable services and start-up resources. They’ve continued to assist throughout our expansions. I am also blessed to have an amazing support system full of entrepreneurs that have supported me through the development and growth of the clinic.”

Indeed, You Move Health & Wellness is on the move!

REPORT: Prince Edward Island



At a Glance:



136
Applications Received



\$7,260,547
Total Value of Assistance



212
Clients Provided Training



99
Loans Disbursed



\$6,404,178
Total Value of Leveraged Funds

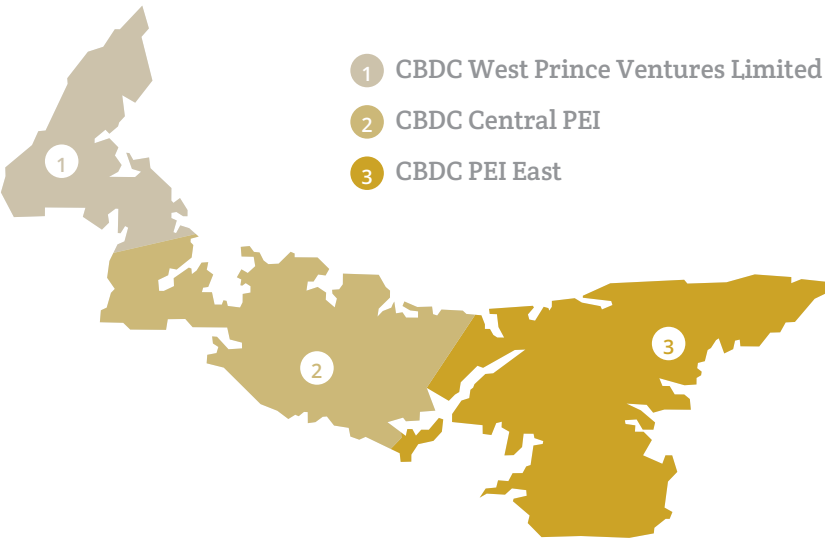
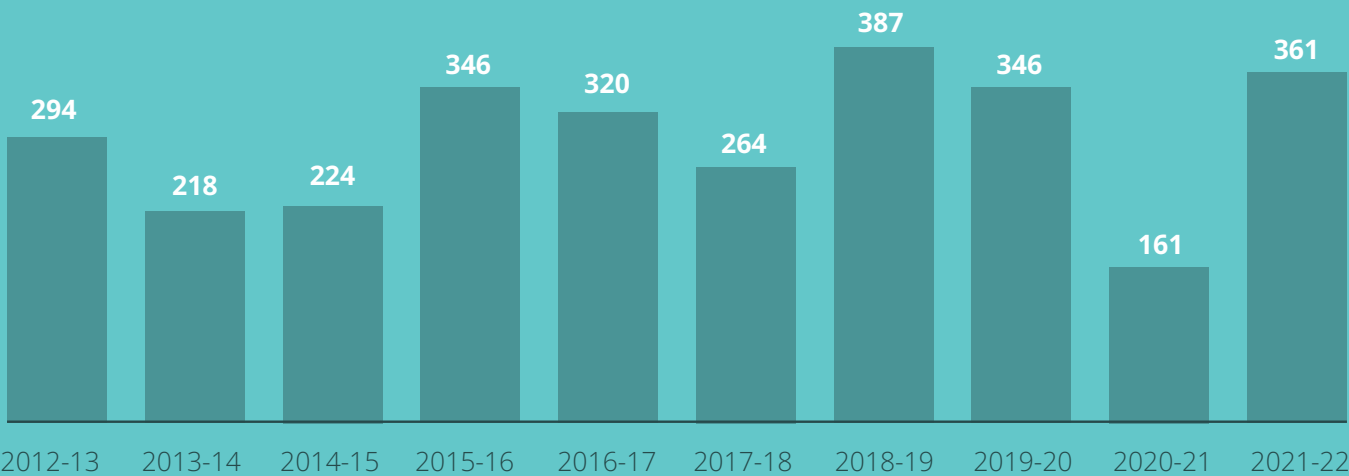


658
Clients Provided Business Counselling



361
Jobs Created and Maintained

Jobs Created and Maintained (PEI)



Newfoundland & Labrador SUCCESS STORY

HICKEY'S GREENHOUSES

Stars on the horticultural horizon



If you do a Google search for Hickey's Greenhouses in NL, the first thing you'll see on the company's home page is Happiness Grows Here. Immediately under that you'll read, "Serving green thumbs since 1990."

For over 30 years, Len and Elaine Hickey have poured their hearts and souls into their horticultural business. They've also served several thousand customers and have gained their admiration.

In the early years, it wasn't a bed of roses. Len recalls getting mired down in bureaucratic procedures from various levels of government which required numerous permits and licenses – all costly both timewise and money-wise. "Every time we thought we were on our way, something we hadn't anticipated would trip us up."

Yet, Len adds that the upside was how everyone eagerly supported them. Residents were happy to see jobs created and to have the means and resources to improve their properties. The community helped the Hickeys keep their dreams alive.

Fast forward to 2005 when the couple expanded their operations to a second location in Conception Bay South (CBS), about 100 km away. The number of hours this couple has spent on the road is legendary.

Today, both locations are described as seasonal wonderlands, no matter which season you visit. The company offers a wide variety of products ranging from annuals/perennials, vegetables, herbs and florals to compost/mulch, trees and shrubs. And that's only part of what's available to consumers. Gardening accessories, eco-friendly patio furniture, fountains, stoneware, home/garden décor and giftware are also available.

Len and Elaine are big supporters of charities and community events. In addition to cash donations (or contributing products) they also help gardening clubs and share their gardening knowledge with others.

As well, they are an equal opportunity employer. One of their longest serving staff has a disability and others are part of the Genesis Employment Corporation, which helps to provide employment for people living with a developmental disability.

Currently the Hickeys employ 11-20 staff depending on the season, and a few have been with them for 20 years or more.

A major expansion is on the horizon as Len and Elaine are developing six acres near their CBS location which will include new grow houses. This will not only increase the number of staff but will also bring them into the multimillion-dollar sales bracket resulting in significant economic spinoff in a region strategically focused on strengthening the agricultural sector.


Their plans tick off all the boxes: sustainability, diversity and inclusion, agricultural development and the green economy, innovation, and succession. Part of the expansion will also include educational classes, teaming up with other community groups for charitable events, participating in farmers markets and food drives.

Stepping in to eventually take the reins, is their eldest son Aaron. Although all siblings in the Hickey family played major roles in the business while growing up, Aaron has both the entrepreneurial bug and still has a green thumb. He will continue the family tradition showing what passion and pluck can accomplish in the agricultural sector.


REPORT: Newfoundland & Labrador

At a Glance:

 **321**
Applications Received

 **\$19,285,156**
Total Value of Assistance

 **317**
Clients Provided Training

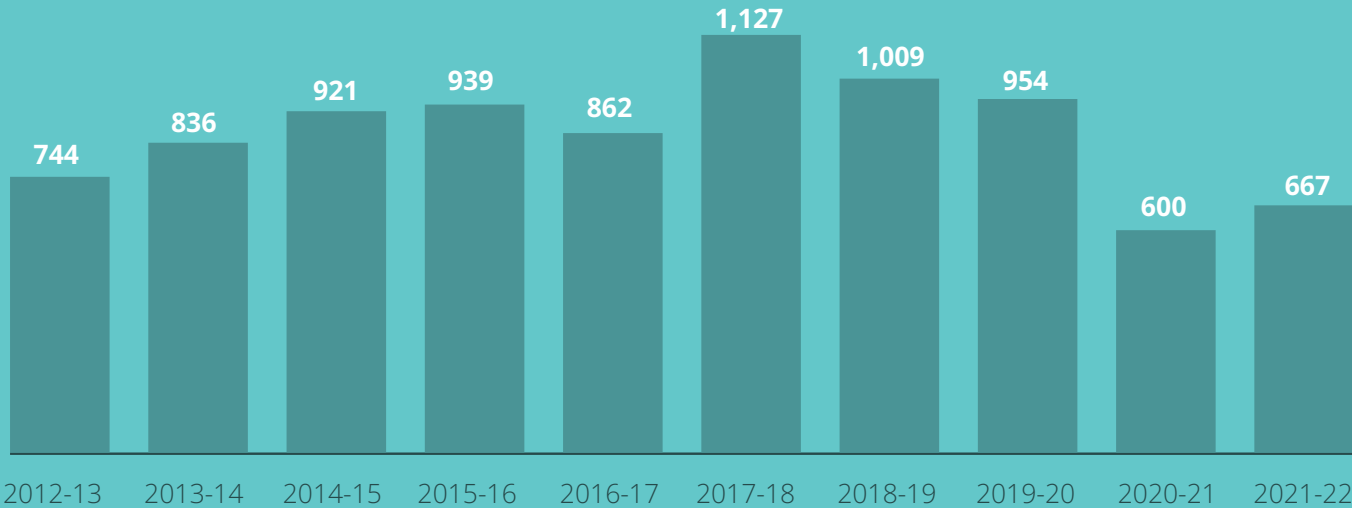
 **242**
Loans Disbursed

 **\$10,980,157**
Total Value of Leveraged Funds

 **1,071**
Clients Provided Business Counselling

 **667**
Jobs Created and Maintained

Jobs Created and Maintained (NL)



1 CBDC Labrador

2 CBDC Nortip

3 CBDC Humber

4 CBDC Long Range

5 CBDC Gateway

6 CBDC South Coast

7 CBDC Burin Peninsula

8 CBDC Avalon West

9 CBDC Celtic

10 CBDC Cabot

11 CBDC Trinity Conception

12 CBDC Eastern

13 CBDC Gander Area

14 CBDC Central

15 CBDC Emerald

New Brunswick SUCCESS STORY

ECO VALLEY RESTORATIONS

Leading the way with an innovative cleaning solution



Steven Walsh is a pro at many levels. He owns and manages Eco Valley Restorations, an industrial cleaning company located in Grand Falls, NB. His company uses dry ice as the medium to clean rather than chemicals which end up in a landfill.

Walsh explains, “Using dry ice to blast-clean is ecofriendly compared to other methods. We’re also unique in that we’ve set ourselves up with the best possible tools, training, and experience. As a result, we get called to solve problems that contractors with other methods cannot deliver on.”

An impressive feature of Walsh’s company is that it’s the only International Suppliers Network (ISN) Safety Certified dry ice blasting contractor east of Ontario. Some companies such as General Motors use the ISN to establish the “trustworthy” status of a new vendor.

Walsh credits “relationship management” at the key factor in his company’s success.

“Without a relationship, your product is irrelevant,” this entrepreneur says, adding, “Our relationship management and constant contact with clients has catapulted us to the top of the industry.”

As a result, Eco Valley Restorations Inc. now has clients throughout Atlantic Canada, has branched out into Ontario and Quebec, and is sub-contracting with companies across Canada and the United States.

Walsh says that each job has its challenges and unique set of variables that need to be evaluated. But it’s become clear that his company is getting industry recognition and that’s a result of the blood, sweat and tears he’s invested. “We have worked very hard over the last four years building our relationships with clients, and it’s starting to show.”

Of course, there have been a few goofs along the way. “A funny story happened awhile ago. It wasn’t funny at the time but was easily remedied. After driving three hours for a job, we realized upon arrival that we forgot our blaster – our number one piece of gear! We lost a full day of production, but we also laughed about it and will never make that mistake twice.”

Asked about challenges, Walsh says that one of the biggest challenges was in the startup phase because potential clients had never heard about dry ice blasting-cleaning. Educating them took time. “This led to cash flow issues but I was determined to make this work. Failure for me has never been an option.”

Going forward, Walsh is exploring the prospect of adding laser treatments to his eco-friendly cleaning line-up as it also contributes zero downstream waste. As he builds his company, he’s also conscious of supporting local business even though most of his work is elsewhere. “I believe in supporting businesses where I reside regardless of price because money does not buy a relationship or service.” He also helps some families gear up for winter, and his company contributes to various food drives.

Walsh’s advice to anyone considering starting a business? “Nothing can happen without having a plan. A wish without a plan is just a dream. So take action!”

REPORT: New Brunswick



At a Glance:



526

Applications Received



\$28,117,292

Total Value of Assistance



401

Clients Provided Training



389

Loans Disbursed



\$29,741,293

Total Value of Leveraged Funds



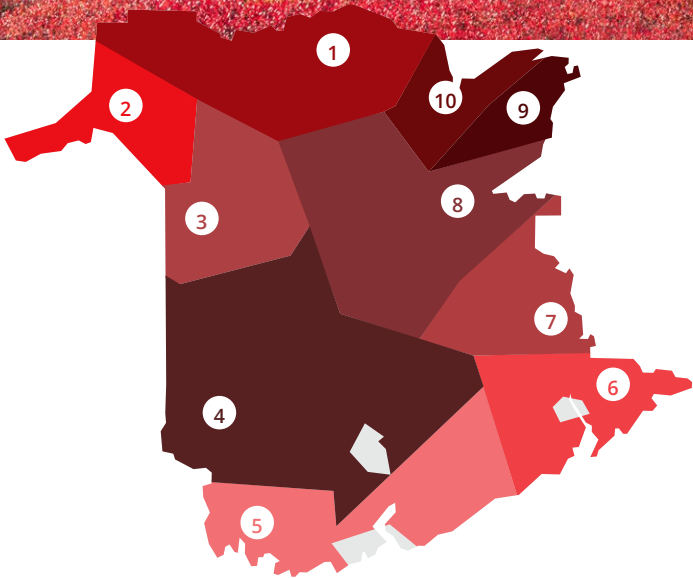
1,222

Clients Provided Business Counselling



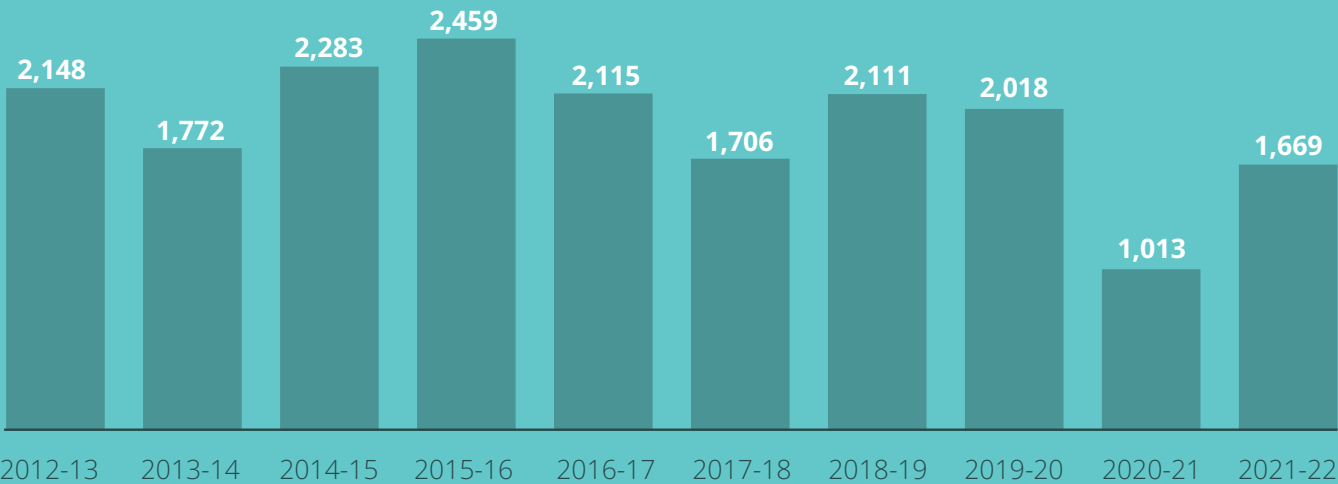
1,669

Jobs Created and Maintained



- 1 CBDC Restigouche
- 2 CBDC Madawaska
- 3 CBDC Victoria Madawaska-South
- 4 CBDC Southwest
- 5 CBDC Charlotte/Kings
- 6 CBDC Westmorland Albert
- 7 CBDC Kent
- 8 CBDC Northumberland
- 9 CBDC Péninsule acadienne
- 10 CBDC Chaleur

Jobs Created and Maintained (NB)



A scenic coastal landscape featuring a blue body of water, a green forested hillside, and a rocky coastline. In the foreground, there are blurred golden-brown grasses. A red rectangular box with rounded corners is positioned in the upper center, containing the text "Financial Highlights" in white serif font.

Financial Highlights

ACCBIF At A Glance

During 2021-22, the ACCBIF Board of Governance approved



9 loans for a total value of assistance of

\$10 million

17

CBDCs borrowing from ACCBIF



16

CBDCs lending to the central fund



Loans receivable

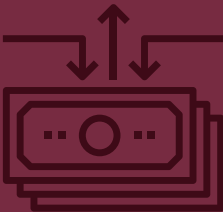
\$24,111,076

as of March 31, 2022

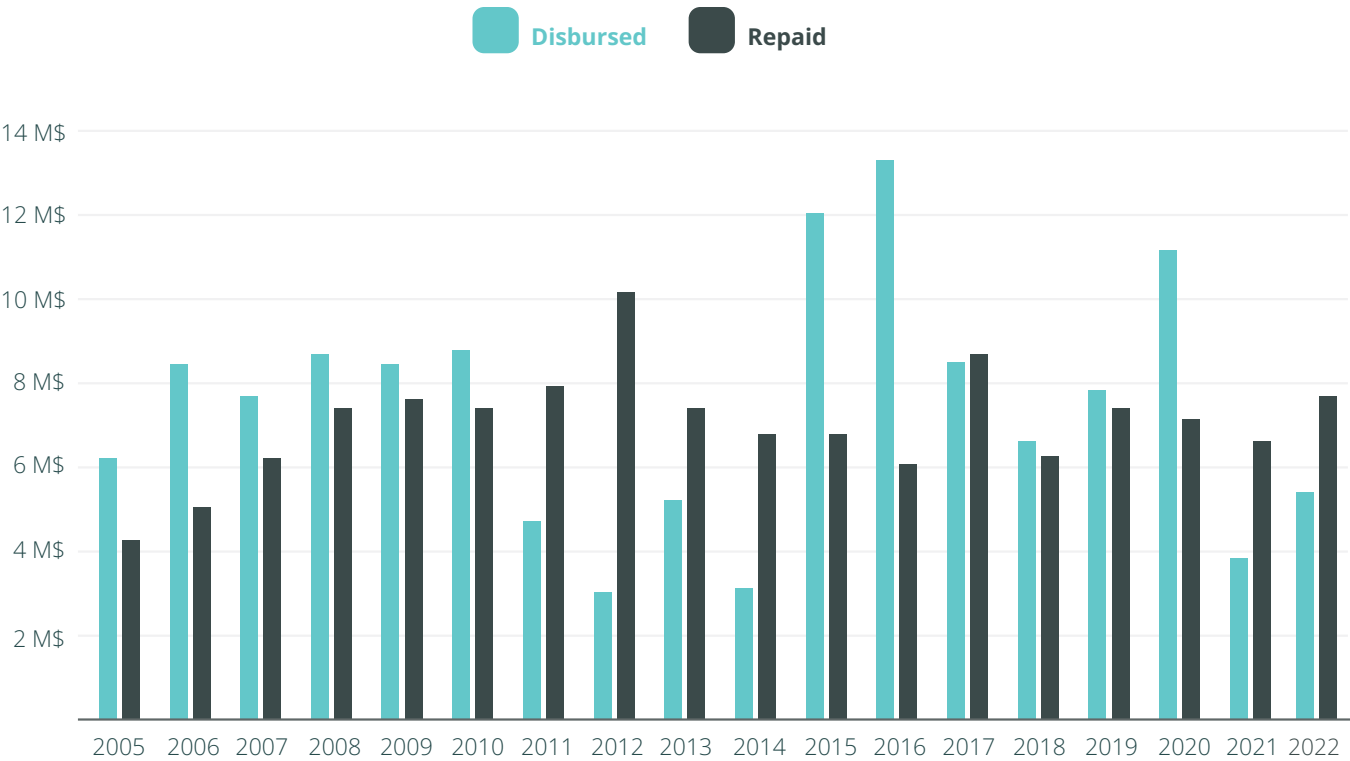
ACCBIF owes the CBDCs

\$29,678,928

as of March 31, 2022



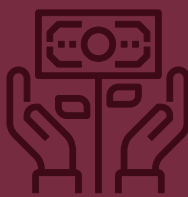
ACCBIF Investment Fund Disbursed & Repaid



CBDC Activity At A Glance

Throughout the duration of the 2021-22 fiscal year, CBDCs of Atlantic Canada have assisted

1,471 small and medium-sized rural businesses in Atlantic Canada



\$82,586,377
invested into the small business community in rural Atlantic region

38,000
Entrepreneurs

have been assisted by the CBDCs of Atlantic Canada since the inception of the **Community Futures Program**

\$1.5 billion + injected into the rural Atlantic Canadian Economy

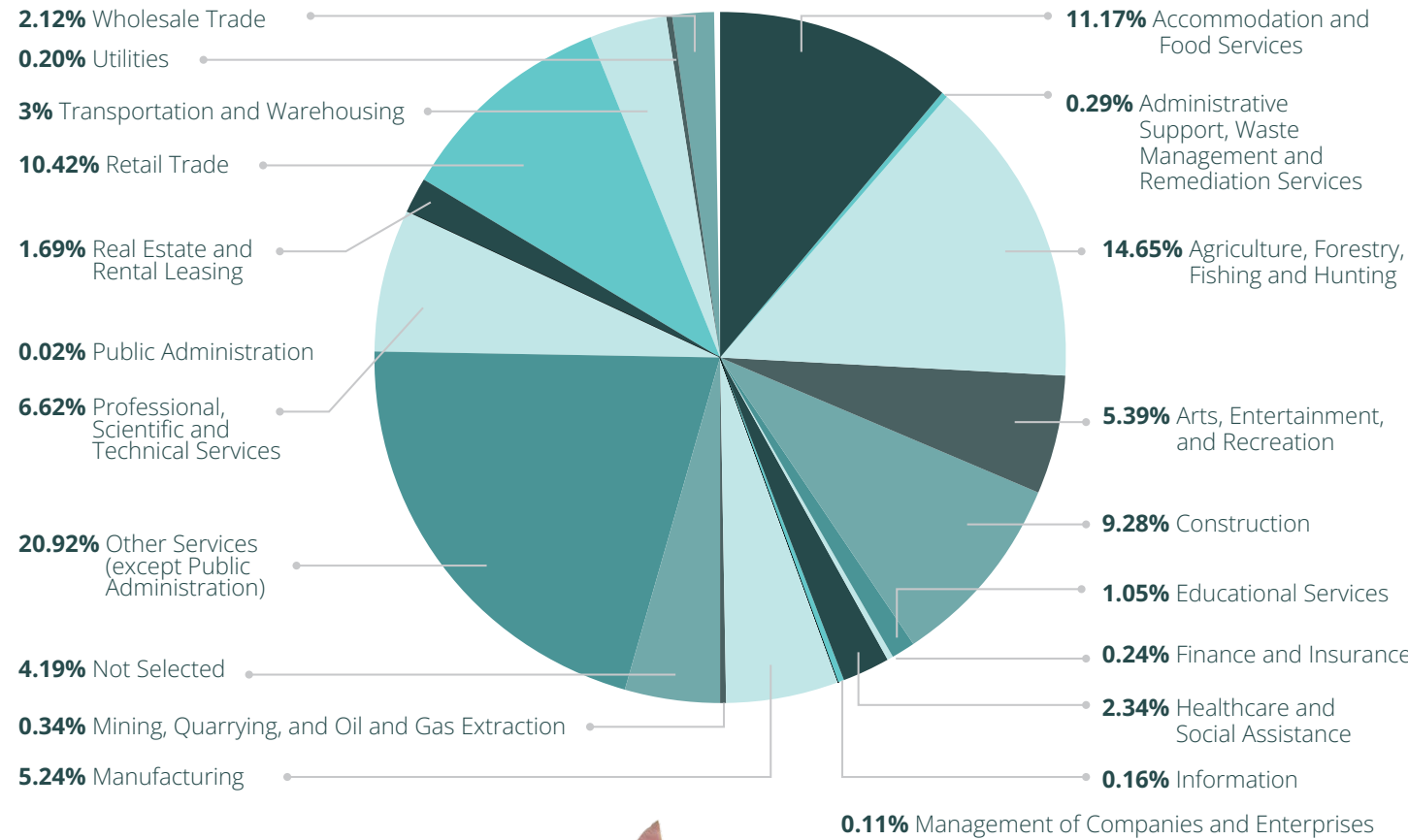
As of March 31, 2022, the CBDCs collectively manage

5,430 loans with a total value of

\$289,183,854



Loans Disbursed by Sector 2021-2022





Atlantic Region Impacts

2021-2022



1,471

Applications Received



1,240

Applications Approved



1,052

Loans Disbursed



\$82,586,377

Total Value of Assistance
Based on Loans Disbursed



4,686

Clients provided
business counselling



2,504

Clients provided
training



1,316

Jobs Created



2,778

Jobs Maintained



4,094

Total Jobs



Financial Statements

Independent Auditors Report

To the Members of Atlantic Association of
Community Business Development Corporations,

Opinion

We have audited the financial statements of Atlantic Association of Community Business Development Corporations, which comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

Atlantic Association of Community Business Development Corporations has not identified and classified all its financial instruments, and recorded its financial instruments at fair value. Rather, all financial instruments are recorded at historical cost. The company has not specifically disclosed information that enables

users of its financial statements to evaluate the significance of financial instruments for its financial position and performance, including exposure to risks, methods of determining fair value and other relevant information. This basis of accounting used in these financial statements differs from Canadian generally accepted accounting principles for not for profit organizations.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

MacDonald +
Murphy Inc.

Chartered Professional Accountants
Licensed Public Accountants

Antigonish, Nova Scotia
2022

YEAR ENDED MARCH 31, 2022 ATLANTIC ASSOCIATION OF CBDCS
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

	Operating Fund	Investment Fund	Total 2022	Total 2021
Revenue				
ACOA contribution	\$ 2,371,374	\$ 13,350,000	\$ 15,721,374	\$ 84,096,198
Membership fees and dues	12,550		12,550	12,800
Other revenues (schedule 1)	61,833		61,833	61,281
Interest on loans		431,929	431,929	371,052
Interest, other	9,705	241,401	251,106	530,741
Unrealized gains (losses) on investments		(83,330)	(83,330)	
	2,455,462	13,940,000	16,395,462	85,072,072
Expenses				
Advisory	5,224	22,000	27,224	1,768,125
Allowance for loan forgiveness		2,603,325	2,603,325	15,284,500
Amortization	35,248		35,248	10,109
Annual general meetings	2,006		2,006	3,038
Insurance	4,035		4,035	4,083
Interest on loans		260,512	260,512	428,217
Interest relief on loans		796,332	769,332	4,595,276
Loan administration fees		752,000	752,000	4,265,000
Loan forgiveness, realized		811,161	811,161	41,864
Loan loss reserve fund payouts		762,242	762,242	424,615
Office	9,351		9,351	6,259
Other (schedule 1)	18,089		18,089	10,892
Professional fees	73,792		73,792	132,645
Project expenses (schedule 1)	1,979,115		1,979,115	2,100,785
Provision for doubtful loans (recovery)		847,169	847,169	4,262,637
Rent and equipment lease	45,795		45,795	37,032
Salaries and benefits	927,841		927,841	809,903
Telephone	10,946		10,946	10,656
Translation	31,776		31,776	55,792
Travel, Meetings, and Training	46,337		46,337	12,875
	3,189,555	6,827,741	10,017,296	34,264,303
Excess (deficiency) of revenues over expenses	(734,093)	7,112,259	6,378,166	50,807,769
Contribution to operating fund from investment fund	773,907	(773,907)		
	39,814	6,338,352	6,378,166	50,807,769
Fund balance, beginning year	552,511	77,365,452	77,917,963	27,110,194
Fund balance, end of year	\$ 592,325	\$ 83,703,804	\$ 84,296,129	\$ 77,917,963

YEAR ENDED MARCH 31, 2022 ATLANTIC ASSOCIATION OF CBDCS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Operating Fund	Investment Fund	Total 2022	Total 2021
ASSETS				
Current				
Cash and term deposits <i>(note 3)</i>	\$ 1,614,018	\$ 29,984,591	\$ 31,598,609	\$ 35,882,748
Accounts receivable <i>(note 4)</i>	809,807	97,450	907,257	960,236
Interfund receivable <i>(note 5)</i>	22,165	4,445	26,610	864,884
Prepaid expenses	5,500		5,500	5,500
Principal due within one year on investments <i>(note 8)</i>		6,596,025	6,596,025	6,659,010
	2,451,490	36,682,511	39,134,001	44,372,378
Funds held in trust <i>(note 6)</i>	613,112		613,112	563,250
Capital assets <i>(net of amortization, note 7)</i>	211,961		211,961	21,791
Investments- loans <i>(note 8)</i>		17,638,132	17,638,132	19,894,105
Investments- other <i>(note 9)</i>		4,959,686	4,959,686	
Regional Relief & Recovery <i>(note 10)</i>		56,340,097	56,340,097	49,565,033
		78,937,915	78,937,915	69,459,138
	\$ 3,276,563	\$ 115,620,426	\$ 118,896,989	\$ 114,416,557
LIABILITIES				
Current				
Accounts payable and accruals	\$ 622,554	\$ 678,029	\$ 1,300,583	\$ 6,350,173
Unearned revenue <i>(note 11)</i>	1,444,127		1,444,127	1,403,859
Interfund payable <i>(note 5)</i>	4,445	22,165	26,610	864,884
Principal due within one year on long-term liability <i>(note 12)</i>		27,678,928	27,678,928	24,178,928
	2,071,126	28,379,122	30,450,248	32,797,844
Long-term liability <i>(note 12)</i>		3,537,500	3,537,500	3,137,500
FUND BALANCES				
Externally restricted <i>(note 13)</i>	641,064	83,105,092	83,746,156	77,387,308
Unrestricted	564,373	598,712	1,163,085	1,093,905
	1,205,437	83,703,804	84,909,241	78,481,213
	\$ 3,276,563	\$ 115,620,426	\$ 118,896,989	\$ 114,416,557
Commitments <i>(note 14)</i>				

YEAR ENDED MARCH 31, 2022 ATLANTIC ASSOCIATION OF CBDCS
CONSOLIDATED STATEMENT OF CASH FLOWS

	Operating Fund	Investment Fund	Total 2022	Total 2021
Operating activities				
Excess of revenues over expenditures	\$ (734,093)	\$ 7,112,259	\$ 6,378,166	\$ 50,807,769
<i>Item not affecting cash:</i>				
Amortization	35,248		35,248	10,109
Provision for doubtful loans		903,866	903,866	4,262,637
Allowance for loan forgiveness		2,603,325	2,603,325	15,284,500
Loan forgiveness realized		811,161	811,161	41,864
Unrealized (gains) losses on investments				
Changes in non-cash working capital				
Transfer from (to) funds	773,907	(773,907)		
Accounts receivable	24,665	28,314	52,979	419,517
Prepaid expenses				(2,500)
Interfund receivable	(13,863)	13,863		(640,558)
Accounts payable	249,640	(5,299,231)	(5,049,591)	5,076,021
Unearned revenue	40,268		40,268	(30,132)
Interfund payable				640,558
	375,772	5,399,650	5,775,422	75,869,785
Financing and investing activities				
Purchase of equipment	(225,417)		(225,417)	(16,708)
Loans from CBDcs		3,900,000	3,900,000	1,450,000
Decrease (increase) in investments other		(4,959,686)	(4,959,686)	3,296,007
Loan repayments from CBDcs		7,712,261	7,712,261	6,745,476
Loan advances to CBDcs		(5,450,000)	(5,450,000)	(3,900,000)
RRRF loans advanced		(15,025,356)	(15,025,356)	(69,456,589)
RRRF loans paid		3,988,637	3,988,637	331,708
	(225,417)	(9,834,144)	(10,059,561)	(61,550,106)
Net increase (decrease) in cash	150,355	(4,434,494)	(4,284,139)	14,319,679
Cash and terms deposits <i>(beginning of year)</i>	1,463,663	34,419,085	35,882,748	21,563,069
Cash and terms deposits <i>(end of year)</i>	\$ 1,614,018	\$ 29,984,591	\$ 31,598,609	\$ 35,882,748



Programs & Services

Who We Are

CBDCs are not-for-profit organizations run by volunteers from the local business community who firmly believe in improving the economic viability of their region. Located throughout rural Atlantic Canada there are 41 CBDC offices dedicated to the development of small business and assisting entrepreneurs in accessing financing and other business training and resources.

What We Do

As Community Business Development Corporations (CBDCs), our objective is to help build stronger communities in Atlantic Canada by stimulating private sector employment in our rural areas. CBDCs work throughout rural Atlantic Canada in the creation, expansion and modernization of small and medium-sized businesses.

What We Have to Offer Entrepreneurs

CBDCs have much to offer both new and existing entrepreneurs as you will see by our line-up of stellar products.



CBDC General Business Loan

The CBDC General Business Loan is designed to assist entrepreneurs to obtain financing for their business when traditional avenues of financing are not available. It can be used for key events in the business life cycle such as business creation, purchase, and business succession planning.



CBDC Social Enterprise Loan

Tailored financing designed to assist social enterprises in rural-based communities in Atlantic Canada.



Self-Employment Benefit (SEB) Program*

The SEB Program often provides a much-needed catalyst for new entrepreneurs, helping them to realize their goal of becoming a business owner by providing them with financial and coaching support during the planning and start-up phases of their business.



CBDC First-Time Entrepreneur Loan

Targeted financing for those first-time entrepreneurs starting or purchasing their very first business.



CBDC Innovation Loan

To assist in the development of the knowledge-based economy in the adoption and commercialization of technology by rural businesses.



Consultant Advisory Services (CAS)

Gives CBDCs the ability to offer consultant advisory services to small and medium-sized businesses and not-for-profit organizations throughout the Atlantic region. New and existing clients of CBDCs will be able to access technical and financial assistance by engaging consultants to assist them with various issues.



CBDC Youth Loan

Tailored business solutions for young entrepreneurs ages 18-34 interested in starting, expanding or modernizing projects that require financing to get the business moving.



Skills Training

Tailored skills training in special areas such as market development, bookkeeping, feasibility studies and business analysis.



Business Counselling

Business counselling in the form of advice to new and established entrepreneurs throughout Atlantic Canada.

** SEB is funded by the government of Canada through the Canada-Provincial Governments Labor Market Agreements.*

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