

ANNUAL REPORT

2016-2017

Investing in the
Entrepreneurial Spirit



Community Business Development Corporation
Corporation au bénéfice du développement communautaire
Northumberland

CBDC Northumberland



CBDC Northumberland Inc. has now completed thirty-one years of operation. In an attempt to summarize our work during the past fiscal year, I will provide an overview of the Corporation's major activities.

During the past twelve (12) month period from April, 2016 to March, 2017, the Corporation received 361 service inquiries from clients approaching the Corporation for the first time. The assistance thus provided, resulted in the creation/maintenance of a minimum of 137 employment positions. As for the number of jobs that were created, I think that it is important to note that CBDC Northumberland Inc. did not create all the above mentioned jobs, but rather these jobs were created by the business people that the Corporation assisted with its technical and/or financial services.

Under the various programs, we deliver on behalf of the Federal and Provincial governments; there were 24 projects that received direct funding from

the Corporation's Investment Fund in the amount of \$1,521,000. Our administration and delivery of the Self Employment Benefit (SEB) Program has resulted in an additional 27 project approvals, resulting in financial assistance of a minimum of \$472,500. Each investment was made with the understanding that it would benefit both the business and the community in their entirety.

The last fiscal year has been satisfying in many ways, and we are undertaking the next fiscal year with determination and enthusiasm. I feel we have within our reach all that is required for continued success: an excellent Board of Directors for the coming year, a good working relationship with the different public and private agencies throughout the region, and finally... the entrepreneurial spirit that is definitely alive on the Miramichi today.

Greg McNulty
General Manager



Community Business Development Corporation
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Northumberland

The CBDC Northumberland functions according to its purpose within the boundaries of Northumberland County, with the exception of the Parish of Rogersville, but including that portion of York County that is

included in the provincial electoral constituency of Southwest Miramichi-Bay du Vin.

Investments in the region for the year 2016-2017

Requests processes

Applications received	44
Applications approved	24
Amounts invested	\$1,521,000

Number of business counselling sessions

Number of clients	50
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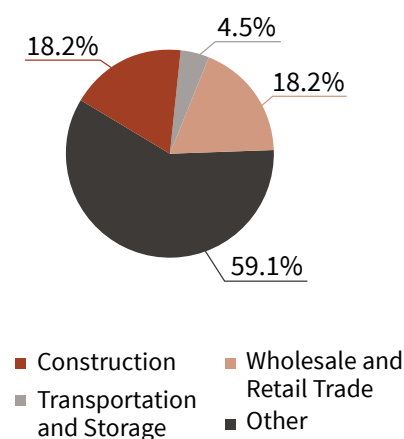
Impact on businesses

New businesses	17
Existing businesses	5
Total	22

Impact on employment

Jobs created	51
Jobs maintained	16
Total	67

Loans by Sector



Training sessions

Number of sessions	4
Amounts granted	\$4,818

Self-Employment Benefit

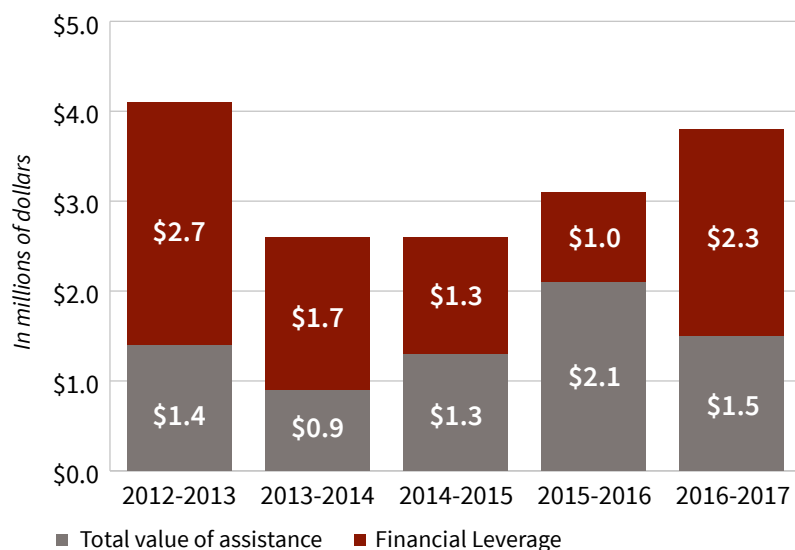
Applications approved	27
Value of assistance	\$472,500

Consulting Advisory Services

Number of clients	2
Amounts granted	\$12,620

Building strong entrepreneurial leverage in the Northumberland region

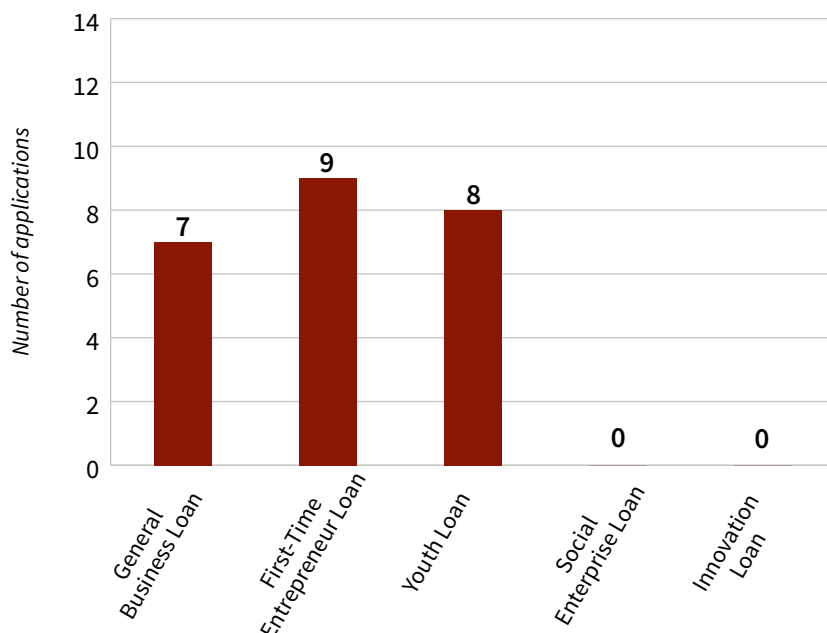
The total value of assistance from the CBDC and financial leverage over the past five years



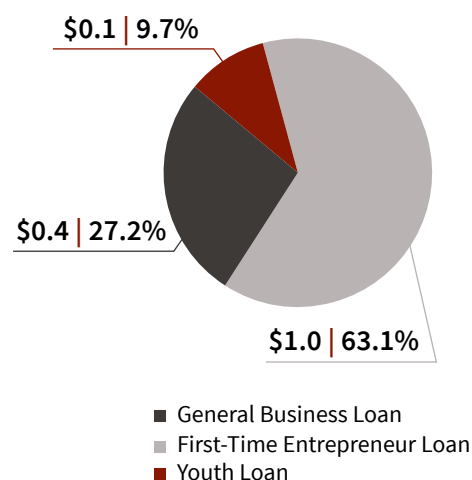
An increase of **135.7%** (**\$1,331,885**) of money invested in financial leverage is observed compared to the previous year.

Since inception, CBDC Northumberland has injected **26.6 million dollars** in the community.

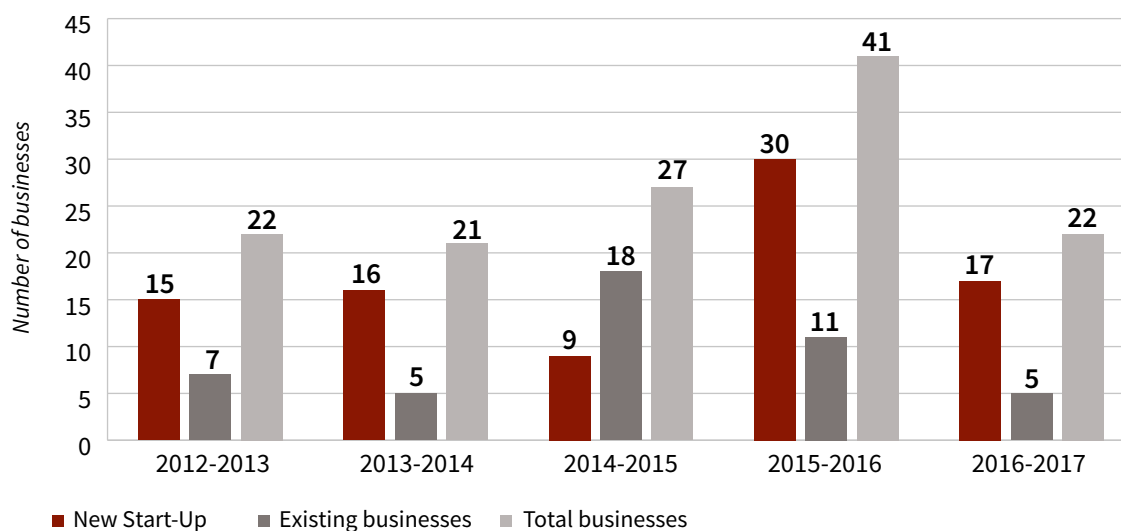
Number of applications approved for each CBDC loan product



Breakdown of amounts disbursed per loan product (in millions of dollars)



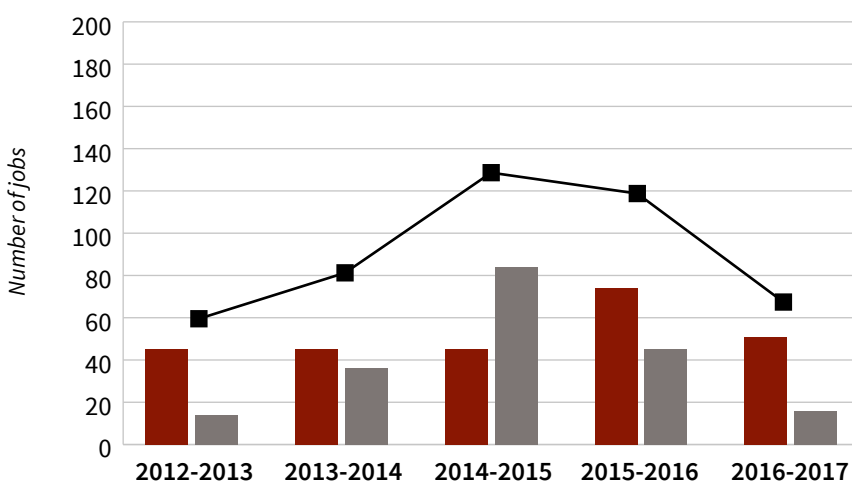
The number of businesses who received financial assistance over the past five years



Although the number of businesses who received financial assistance has decreased during the past year, the value of assistance to businesses seeking to expand has increased **27%** compared to the previous year, a total dollar value of **\$259,000**.

Although the level of jobs created and maintained has declined over the past three years, CBDC Northumberland has significantly increased its Net Funds available (**\$409,282**), which may strengthen investments towards the community in the near future.

Jobs created and maintained in the community over the last five years



■ Jobs created	45	45	45	74	51
■ Jobs maintained	14	36	84	45	16
– Total	59	81	129	119	67

Celebrating 31st Anniversary

Since 1985, CBDC Northumberland Inc. has helped potential and existing entrepreneurs in the region to access capital and other business resources. We are a not-for-profit organization run by a team of 12 volunteers from the local business community who firmly believe in improving the economic viability in the region by investing in small and medium-sized enterprises. Investment decisions are made by

our Board of Directors sensitive to the needs of the Northumberland region. These directors are volunteers from the business sector dedicated to making the community a better place in which to live and work. Beyond a doubt, the strength of CBDC Northumberland Inc. is in our volunteer board; they have an intimate knowledge of the local markets, the business environment and the people in their communities.



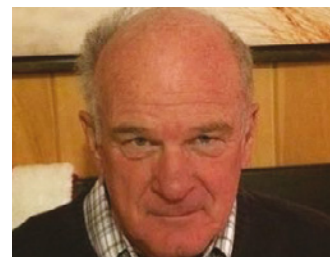
Alphonse Turbide
Chairperson



Ron Morrison
Vice-Chairperson



Therese Savoie
Secretary



Russell Vye
Treasurer



Sharon Deroche
Director



David Hamilton
Director



Grant Ross
Director



Clarissa Harris LeBreton
Director



Les Saunders
Director



Wayne Bushey
Director



Tara Ross-Robinson
Director



Lynn O'Neill
Director

As CBDC Northumberland Inc. moves forward after thirtyone years of operation, our focus will continue to be on servicing the business community at an optimal level. This will be accomplished by offering reliable assistance to our clients, by arranging adequate and creative financial packages, and by continuing to improve our relationships with private and public agencies, and thus, encouraging the local entrepreneurs to take advantage of our services.

The past thirty-one years have been satisfying in many ways, and we are undertaking future years with determination and enthusiasm. We believe that we have within our reach all that is required for continued success: an excellent Board of Directors, a good working relationship with the different public and private agencies throughout the region and, finally, the entrepreneurial spirit that is definitely alive on the Miramichi today. CBDC Northumberland Inc. is a

valuable resource for business people and more are utilizing our financial and technical expertise to help start or expand a business. We, through this type of assistance, are fulfilling our mandate to help establish and/or expand businesses.

Our Board of Directors consisting of 12 members are knowledgeable in finance, planning, small business development, insurance, and marketing.

It is worthwhile to congratulate our staff: General Manager - Greg McNulty, Project Analysts - Pauline Tenass and Jaime Doucet, and our Administrative Assistant - Cheryl Daigle for their dedication and hard work. And a very big thanks to the CBDC's many clients and the public in general, because we urge you to take advantage of our technical and financial services and to support us in our quest for the economic development of the region.

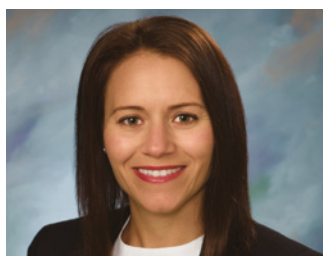
The CBDC Northumberland's Team



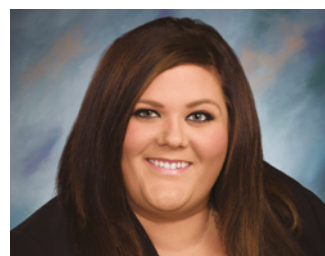
Greg McNulty
General Manager



Pauline Tenass
Project Analyst



Jaime Doucet
Project Analyst



Cheryl Daigle
Administrative Assistant



A variety of products and services for the success of our entrepreneurs



*Community Business Development Corporation
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Business Management Skills Training

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

Consulting Advisory Services

Assistance provided through an external counselling agent in various fields of expertise to improve business performance. A certain financial contribution is requested from client.

Business Counselling

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

Self-Employment Benefit Program

Allows participants to continue to receive their Employment Insurance Benefits while they are getting their business up and running. Also offers a weekly allowance for the business start-up if the person has received Employment Insurance Benefits over the past few years (according to the existing policy).

General Business Loan

Business is booming and you need funding for an expansion of your existing premises or have to construct a new building. Perhaps it's time to purchase new equipment and additional materials in order to fulfill increased customer demand for your product. This more flexible loan can even facilitate the acquisition of an existing business.

First-Time Entrepreneur Loan

Offers counselling services for individuals who wish to become a self-sufficient and profitable business owner.

Do you currently reside in a rural area and have recently made the decision to take the plunge into becoming a business owner? If your answer is a resounding yes, this is the perfect loan to put your plans into action!

Youth Loan

Provides start-up capital for youth between the ages of 18 to 34 who experience difficulty obtaining necessary financing.

Social Enterprise Loan

Tailored to social enterprises operating in rural communities where people are able to live, work and enjoy social activities in their region.

Innovation Loan

Helps promote the development of the knowledge-based economy and aids in the adoption or commercialization of new technologies. You have an idea for a new product or service, or an idea to modify an existing product or service? Contact your CBDC!

Contact Us

For more information on the programs offered by your CBDC, contact us or visit the following link:

 (506) 778-2121

 www.northumberlandcbdc.ca

 Atlantic Association of CBDCs / NB CBDC

 CBDCAtlantic / NB CBDC

 1773 Water Street, Miramichi, NB E1N 1B2

CBDC Northumberland Inc.
Statements of Revenue and Expenditure and Changes in
Fund Balances
Year Ended March 31

	Operating Fund	Investment Fund	2017 Total	2016 Total
Revenues	\$ 374,882	\$ 529,350	\$ 904,232	\$ 813,164
Expenses				
Advertising	10,343	-	10,343	11,118
Amortization	5,582	-	5,582	5,582
Bank charges	3,373	4,691	8,065	8,137
Dues and fees	2,695	-	2,695	2,695
Equipment rental	9,047	-	9,047	7,446
Insurance	2,530	-	2,530	2,778
Interest expense – ACCBIF	-	23,199	23,199	19,036
Loan loss provision (Note 4)	-	155,920	155,920	340,780
Miscellaneous	7,921	-	7,921	7,546
Office supplies	11,661	-	11,661	11,964
Professional fees	13,303	-	13,303	9,567
Rent	35,193	-	35,193	34,844
Repairs and maintenance	12,482	-	12,482	12,461
Self-employment training	5,418	-	5,418	10,297
Telephone	14,269	-	14,269	12,754
Training	4,308	-	4,308	1,250
Travel and board meetings	16,396	-	16,396	25,976
Utilities	4,128	-	4,128	4,242
Wages and benefits	327,135	-	327,135	318,618
Total Expenses	<u>485,784</u>	<u>183,810</u>	<u>669,594</u>	<u>847,091</u>
Excess of (expenditures over revenue) revenue over expenditures before contribution	(110,902)	345,540	234,638	(33,927)
Contribution to operating from Investment fund	<u>100,000</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>
Excess of (expenditures over revenue) revenue over expenditures	<u>\$ (10,902)</u>	<u>\$ 245,540</u>	<u>\$ 234,638</u>	<u>\$ (33,927)</u>
Fund balance, beginning of year	\$ (32,067)	\$ 1,261,570	\$ 1,229,503	\$ 1,263,430
Excess of (expenditures over revenue) revenue over expenditures	<u>(10,902)</u>	<u>245,540</u>	<u>234,638</u>	<u>(33,927)</u>
Fund balance, end of year	<u>\$ (42,969)</u>	<u>\$ 1,507,110</u>	<u>\$ 1,464,141</u>	<u>\$ 1,229,503</u>

See accompanying notes to the financial statements.

CBDC Northumberland Inc.

Statement of Financial Position

March 31

	<u>Operating Fund</u>	<u>Investment Fund</u>	<u>2017 Total</u>	<u>2016 Total</u>
Assets				
Current				
Cash and term deposits	\$ (72,969)	\$ 590,024	\$ 517,055	\$ 565,656
Receivables				
Interest & fees	-	49,180	49,180	45,715
Other receivables	64,173	-	64,173	53,467
Prepaid expenses	<u>2,802</u>	<u>-</u>	<u>2,802</u>	<u>2,574</u>
	(5,994)	639,204	633,210	667,412
Loans (Note 4)	-	6,412,693	6,412,693	6,094,847
Investments- ACCBIF (Note 5)	-	37,500	37,500	37,500
Capital assets (Note 6)	<u>6,089</u>	<u>-</u>	<u>6,089</u>	<u>8,372</u>
	<u>\$ 95</u>	<u>\$ 7,089,397</u>	<u>\$ 7,089,492</u>	<u>\$ 6,808,131</u>
Liabilities				
Current				
Payable and accrual	\$ 43,064	\$ 1,808	\$ 44,872	\$ 41,424
Current portion of long term debt (Note 10)	<u>-</u>	<u>460,706</u>	<u>460,706</u>	<u>461,379</u>
	43,064	462,514	505,578	502,803
Long term debt (Note 10)	<u>-</u>	<u>954,979</u>	<u>954,979</u>	<u>911,031</u>
	43,064	1,417,493	1,460,557	1,413,834
Equity				
Fund balances				
Restricted (Note 7)				
Capital contributions	-	4,164,794	4,164,794	4,164,794
Surplus (deficit)	-	1,507,110	1,507,110	1,261,570
Unrestricted	<u>(42,969)</u>	<u>-</u>	<u>(42,969)</u>	<u>(32,067)</u>
	<u>(42,969)</u>	<u>5,671,904</u>	<u>5,628,935</u>	<u>5,394,297</u>
	<u>\$ 95</u>	<u>\$ 7,089,397</u>	<u>\$ 7,089,492</u>	<u>\$ 6,808,131</u>