South Coast Community Development Corporation

CBDC South Coast

Annual Report

April 1st, 2024 to March 31st, 2025

Serving the South Coast (Coast of Bays Region)

Working with entrepreneurs and businesses since 1988

Think Business… Think CBDC

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

Providing Flexible Financing and Advice to Business

Chairperson's Message

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Atlantic Canada Opportunities Agency / Agence de promotion économique du Canada atlantique

Canada

The Community Business Development Corporation (CBDC) South Coast serves Bay d'Espoir, Connaigre Peninsula to Hermitage Bay and Fortune Bay North Shore. It is my pleasure to highlight the results for the 2024-2025 year ending March 31st, 2025.

The loan review committee approved 18 business loans with a total value of $1,459,787. The corporation disbursed 20 small business loans totaling $1,482,338 contributing to the support of 59 jobs. The organization started in 1988 and has been doing locally administered business lending since the late 1990s during which time $23.3 million (to Mar 31st, 2025) has been provided in business loans to entrepreneurs and businesses.

The value of loans managed by the organization as at year ending March 31st, 2025, was $3.85 million. It is a successful revolving loan fund as during the year, in addition to the funds disbursed in new business loans, over $1,300,399 was received in loan payments from clients from April 1st, 2024 to March 31st, 2025. At fiscal year end, the organization managed nearly $6.57 million in assets.

During the corporation five-year business planning period 2020-2025 (April 1st, 2020 to March 31st, 2025), the Board of Directors has approved $5.7 million in business loans of which over $4.8 million has been disbursed by the management and staff of the organization. The forgoing loans disbursed to our clients impacted upon 218 jobs (existing and/or new) connected to their businesses and enterprises.

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

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

Sincerest Regards,

Herb Dunphy
Chairperson

SUMMARY STATISTICS (Apr 1, 2024 – Mar 31, 2025)

Year: 2024-2025	$	#
BUSINESS SUPPORT		
Business Loans/Accounts Disbursed ($/#)	1,482,388	20
Total Principal Repayment ($ total paid/# paid in full)	1,066,524	16
Total Interest Payment ($)	275,035	
Jobs Created/Maintained (#)		**59**

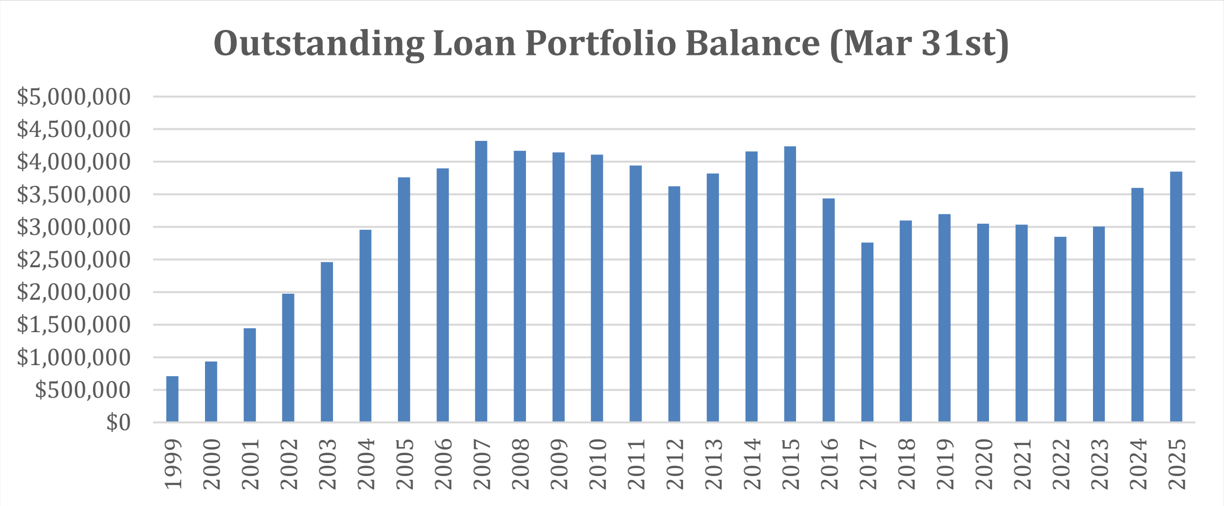
Note 1: The amounts in the above report cover lending activity. Please refer to the Financial Report section (page 6) for an excerpt from the audited financial statements.

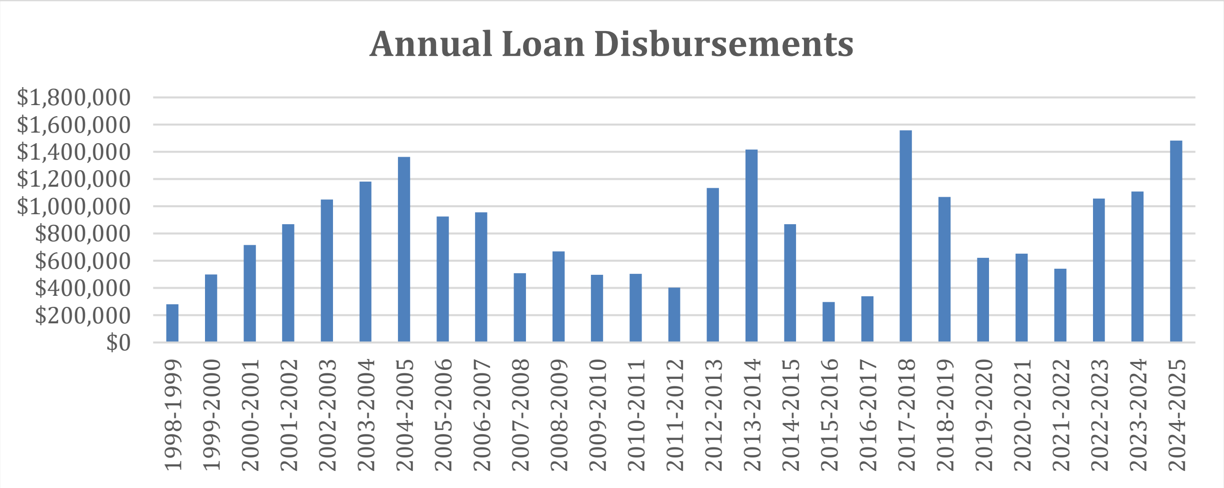
SUMMARY STATISTICS (Inception to March 31, 2025)

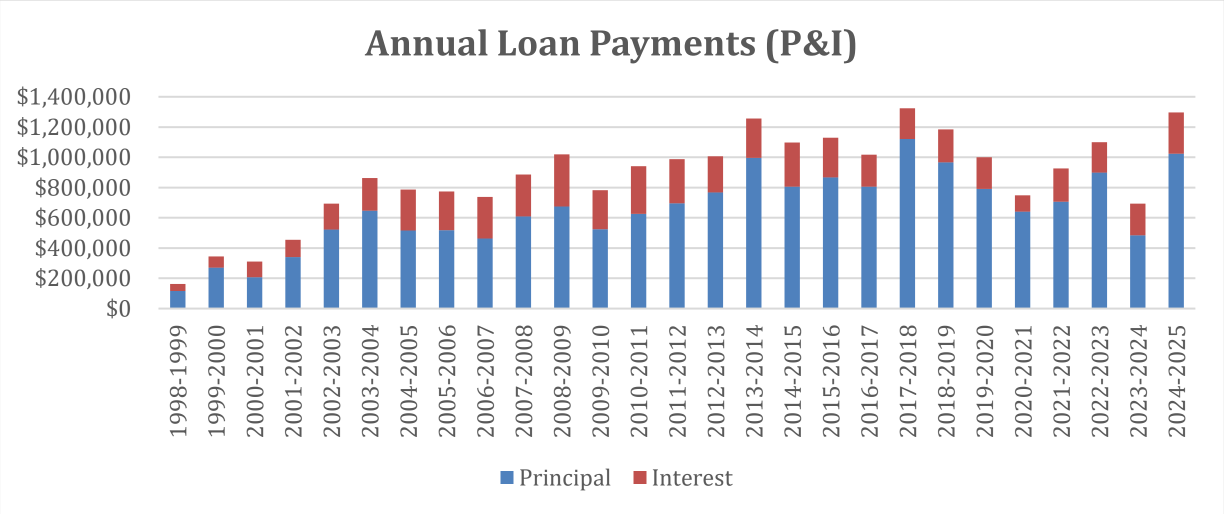
Years: 1996 to 2025 (Since Local Loan Fund Inception)	$	#
BUSINESS SUPPORT		
Business Loans/Accounts Disbursed ($/#)	23,324,422	479
Total Principal Repayment ($ total paid/# paid in full)	17,792,385	414
Total Interest Payment ($)	5,937,624	
Jobs Created/Maintained (#)		**1533**

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

BUSINESS LENDING BY YEAR







Who We Are

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

MISSION

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

MANDATE

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

APPROACH

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

ABOUT US

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

What We Offer

BUSINESS LOANS

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

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

CBDC First-Time Entrepreneur Loan - Financing and support for first-time business owners.
CBDC General Business Loan - Financing for existing businesses and entrepreneurs.
CBDC Innovation Loan - Financing for development and/or adoption of new technology.
CBDC Youth Loan - Financing for young entrepreneurs from 19-34 years of age.
CBDC Social Enterprise Loan - Financing for not-for-profits conducting business activities.
More information about CBDC Loan Products can be found at www.CBDCSouthCoast.ca .

GENERAL BUSINESS LOAN OPTIONS (For Existing Businesses/Entrepreneurs)

Loans can be used for start-up or business purchase, maintenance or expansion, share or asset purchase, and/or working capital. There are also "new" options available:
Ready Capital - "Just in time" working capital via pre-approved credit with a loan that is ready when your business requires it. Funds match your business plans on your terms.
Operating Capital - Revolving working capital pre-approved operating line giving the business operating capacity on the go with funds to maintain and grow the business.

SMALL BUSINESS COUNSELING, CLIENT SERVICES, AND TRAINING

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

ENTREPRENEURIAL TRAINING FUND (ETF)

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

CONSULTING ADVISORY SERVICES (CAS)

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

SELF-EMPLOYMENT ASSISTANCE (SEA)

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

LENDING TO NON-PROFIT ORGANIZATIONS (Social Enterprise Loans)

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

Financial Report

Statement of Revenues and Expenditures (Excerpt of Financial Statements)

SOUTH COAST COMMUNITY DEVELOPMENT CORPORATION
Statement of Revenue and Expenditure
Year Ended March 31, 2025

	Operating Fund	Investment Fund	FramED Fund	2025	2024
Revenues					
ACOA operating contribution	$ 200,000	$ 0	$ 0	$ 200,000	$ 200,000
Self-employment benefit program	55,728	-	-	55,728	55,728
Atlantic Association CBDCs CFoT Funding	50,000			50,000	50,000
Atlantic Association CBDCs RRRF					
RRRF loan loss provision offset		-		0	(527)
Investment income-loan portfolio		160,080	134,388	294,468	238,675
Investment income-other interest		56,609	67,481	124,090	141,370
Fee for service	19,950	-	-	19,950	14,550
Administration fees - Consultant Advisory Service Program	400			400	400
Revoveries Consultant Adisory Service	5,000			5,000	5,000
Recoveries - Entrepreneur Training Program	612			612	-
Other revenues	605		-	605	17
Total Revenues	332,295	216,689	201,869	750,853	705,213
Expenses					
Advertising	1,970	-	-	1,970	4,415
Amortization	1,463	-	-	1,463	2,416
Bank charges	-	965	-	965	1,235
Collection costs	-	-	-	-	-
Consultant Advisory Services costs	5,000	-	-	5,000	5,000
Credit reports and security fees	3,495	-	-	3,495	3,240
Dues and fees	2,209	-	-	2,209	2,459
Entrepreneur Training Fund	612	-	-	612	-
Insurance	3,370	-	-	3,370	3,274
Loan (recovery) loss provision	-	16,267	18,848	35,115	77,839
Loan (recovery) loss provision - RRRF				0	(527)
Meetings and seminars	26,831			26,831	17,367
Office and general supplies	14,849	-	-	14,849	13,167
Professional fees	10,250	-	-	10,250	9,913
Rent	21,716	-	-	21,716	21,716
Self-employment benefit program	55,728	-	-	55,728	55,728
Telephone	6,836	-	-	6,836	6,354
Travel and board meetings	2,147	-	-	2,147	3,140
Wages and benefits	201,324	-	-	201,324	190,359
Total Expenses	357,800	17,232	18,848	393,880	417,095
Excess (deficiency) of revenue over expenses	$ (25,505)	$ 199,457	$ 183,021	$ 356,973	$ 288,118

See accompanying notes to the financial statements

Balance Sheet (Excerpt of Financial Statements)

SOUTH COAST COMMUNITY DEVELOPMENT CORPORATION
Statement of Financial Position
Year Ended March 31, 2025

	Operating Fund	Investment Fund	FramED Fund	2025	2024
Assets					
Current					
Cash and cash equivalents	$ 74,529	$ 674,154	$ 578,921	**$ 1,327,604**	$ 1,383,965
Receivables					
Interest & fees	-	52,002	96,374	**148,376**	127,943
Government assitance	13,932	-	-	**13,932**	4,644
Government remittances	6,091	-	-	**6,091**	5,014
	94,552	726,156	675,295	**1,496,003**	1,521,566
Loans (Notes 4,6)	-	1,807,747	1,729,993	**3,537,740**	3,184,810
RRRF Loans (Notes 4, 5)	-	-	-	-	-
Investments - ACCBIF (Note 7)	-	787,500	750,000	**1,537,500**	1,537,500
Assets held for resale (Note 8)	-	-	-	-	-
Capital assets (Note 9)	3,927	-	-	**3,927**	5,390
	$ 98,479	$ 3,321,403	$ 3,155,288	**$ 6,575,170**	$ 6,249,266
Liabilities					
Current					
Payable and accrual	$ 4,305	$ 105	$ 0	**$ 4,410**	$ 7,615
Deferred government assistance	-	-	-	-	27,864
Inter-fund payable (receivable)	-	-	-	-	-
Current portion of long term debt (Note 13)	-	-	-	-	-
	4,305	105	-	**4,410**	35,479
Due to AACBDC - RRRF (Note 12)	-	-	-	-	-
Due to ACCBIF (Note 13)	-	-	-	-	-
	4,305	105	-	**4,410**	35,479
Equity					
Fund balances					
Externally restricted					
Capital contributions (Note 10)	-	1,207,173	1,100,000	**2,307,173**	2,307,173
Surplus (deficit)	-	2,114,125	2,055,288	**4,169,413**	3,800,028
Invested in capital assets	3,927			**3,927**	5,390
Unrestricted	90,247	-	-	**90,247**	101,196
	94,174	3,321,298	3,155,288	**6,570,760**	6,213,787
	$ 98,479	$ 3,321,403	$ 3,155,288	**$ 6,575,170**	$ 6,249,266

The Organization

BOARD OF DIRECTORS (As At March 31st, 2025)

Herb Dunphy, Chairperson
Una Walsh, Vice Chairperson
Bernetta Delaney, Treasurer
Derrick Baker, Secretary
Wayne Jackman, Director
Cecil Meade, Director

Clarence Kelly and Herb Dunphy

During fiscal year ending March 31st, 2025, Clarence Kelly completed his service terms with the board of directors. Both board and staff would like to acknowledge and thank him for his invaluable contribution and leadership over the years. During the same fiscal year board has welcomed Cecil Meade as the newest director. The board and staff look forward to working with Cecil.

STAFF

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

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

HOW TO CONTACT US

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

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

Timeline of the Local "Community Futures"

Historical Timeline & Key Time Periods

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

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

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

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

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

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

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

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

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

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

As of 2025, the CBDC South Coast has done $23.3 million in loans and the organization has grown to $6.57 million (loan portfolio and funds available for lending, etc.).

Summary: Since 1995 (establishment of local loan fund), a total $2.38 million was received in funds for business loans and $23.3 million in lending was done to March 31st, 2025 while also leveraging $1.5 million in borrowed funds as well at times to meet loan demand (now since repaid). In recent years, the organization has lent up to as much as $2 million to other CBDCs via the Atlantic investment fund.

The People

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

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

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

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

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

Grass roots decision making and local expertise making a difference!

Tough Times, Strong People and Perseverance

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

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

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

Much More Than Business Development

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