



Baffin Business
Development Corporation

ANNUAL REPORT 2022





About Baffin Business Development Corporation (BBDC)

BBDC is a non-profit, community-owned organization operating since 1991, and is one of three Community Futures (CF) organizations working in Nunavut. BBDC provides financial assistance and advisory services to new or expanding small businesses throughout the Qikiqtani region. Through the administration of an investment fund, BBDC provides loans, loan guarantees, or equity investments to eligible companies to a maximum of \$250,000 per business.

BBDC assists communities in building their local economies through assistance for business start-ups and expansion. The range of services provided include:

- Business loans,
- Developing local economies through the creation of private-sector employment,
- Counselling and advice to small and medium-sized businesses,
- Providing developmental support and training to Nunavummiut and businesses, and
- Delivering a range of business information services.

The Corporation is governed by a regionally based, six-member Board of Directors. Directors serve on a volunteer basis and are selected for their knowledge of business and the unique challenges associated with starting and operating a successful business in the Qikiqtani region.



Our Vision Statement

The Baffin Business Development Corporation will support the development of the economy and job creation by offering a range of business services to the Qikiqtani region of Nunavut.



Our Mission Statement

The Baffin Business Development Corporation is a business service, lending, and counselling agency whose mandate is support the development and growth of businesses in the Qikiqtani region.



Our Values and Principles

Baffin Business Development Corporation will:

- Provide the support necessary for individuals and businesses to achieve success and be self-reliant,
- Accept a higher level of risk than the commercial financial institutions,
- Recognize that individuals are the critical factor in successful business development,
- Respect the cultural values of the Qikiqtani region,
- Recognize the importance of both traditional and non-traditional economies and the value of community involvement in improving the quality of life for Qikiqtani residents,
- Work with partner organizations to proactively identify emerging business opportunities and position the organization to respond effectively,
- Respect and honour clients and maintain the security and confidentiality of their information,
- Operate in a transparent, accountable, and professional manner.



Message from BBDC

Baffin Business Development Corporation (BBDC) is pleased to present the Annual General Report for 2022, marking 31 years of helping entrepreneurs in the Qikiqtani. Over these 31 years, BBDC has supported 1145 businesses with over \$58 million of financing and assisted thousands more, offering advice, resources, referrals, training, and mentorship services.

BBDC began in 1991 as one of the now 268 locally directed Community Futures Development Corporations (CFDC's) across Canada, providing support and financing for small enterprises in rural and remote communities across the nation. For years, CFDC's across Canada, led by volunteers, contribute over \$300 million in loans to small and medium size businesses and several million for community economic development projects. Additionally, and for the past 20 years, BBDC has is a one of 56 members of the National Aboriginal Capital Corporation, being recognized twice as a top-performing Aboriginal Financial Institution (AFI) in Canada.

BBDC is financially supported by several partners, including the Department of Economic Development & Transportation,

Government of Nunavut; Canadian Northern Economic Development Agency; Aboriginal Affairs and Northern Development Canada; National Aboriginal Capital Corporation Association and Nunavut Business Credit Corporation. These partnerships have enabled BBDC continued expansion of services and access to capital for our clients.

In March 2020, the COVID-19 pandemic affected the world. BBDC partnered with other Territorial and National organizations to rollout information services and relief programs to assist our businesses, entrepreneurs, individuals, and their families to manage through these unprecedented times. BBDC's first response was to provide immediate loan payment deferrals, interest relief funding, and assistance with application processes for businesses trying to navigate



the numerous, and sometimes confusing, COVID-19 relief programming. Most effective was our management of two emergency loan programs, mirroring the Canada Emergency Business Account (CEBA) loan program. These two programs contributed \$1.19 million to 20 businesses in the region hit the hardest by COVID-19 restrictions and impacts over the past 2 years.

At the close of the fiscal year 2021/22, BBDC remains proud of the determination of the Nunavut business community to survive, recover and even thrive through the impacts of the COVID-19 pandemic.

Building Nunavut Together, the Government of Nunavut's slogan, is even more important this year than ever as we move into the stabilization and recovery phase of the pandemic effects. With our partners at all levels of government in the Territory, we continue to be confident in our vision to serve communities and businesses with an Inuit, youth, and women entrepreneur focus. We look forward too many more years of supporting business in the region.



Corporate Profile 2022

Operating Budget

\$900,000

Assets

\$7M

11 Loans approved totalling \$1.3M

Outstanding loans receivable \$2.5M



Governance

6 board positions

with staggered terms of 3 years



Staff

3 full time

Membership

Open membership
all Qikiqtani Region residents

Major Source of Funding

Department of
Economic Development
and Transportation,

Government of Nunavut

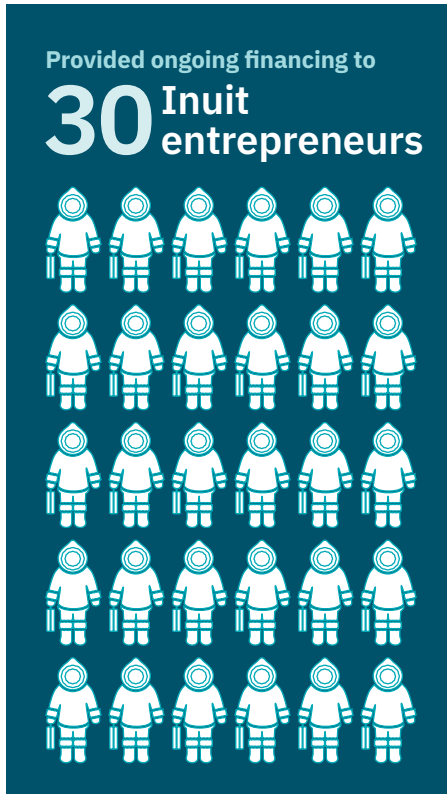
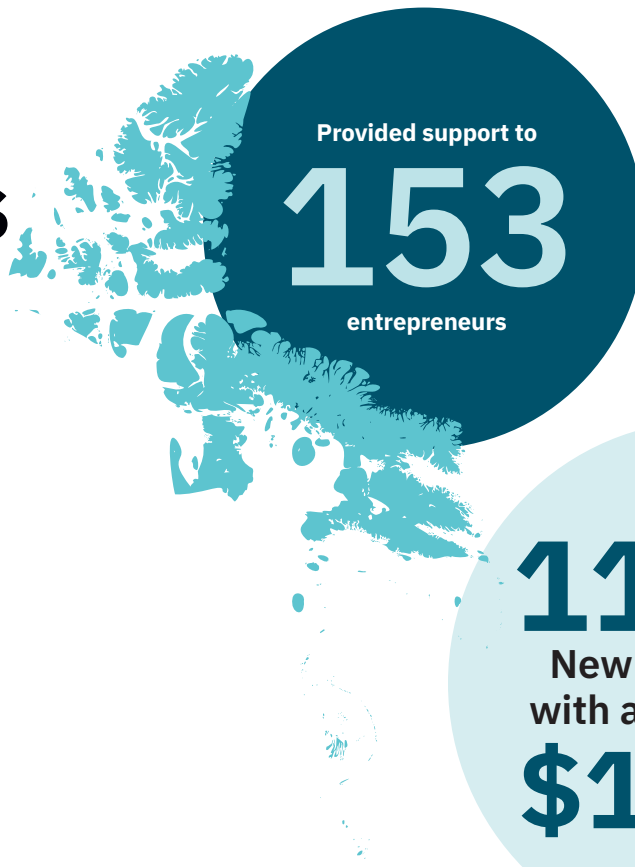


Programs and Services

- Business development repayable loans, guarantees, and equity investments of up to \$250,000.
- Business support and counselling services to help individuals develop business ideas, start-up, expand and solve problems.
- Referrals, liaison with, and support to other funding agencies and Economic Development Officers.
- Youth entrepreneurship support and mentoring.
- Business policy development, lobbying, advocacy, and networking.
- Training for business clients and continued professional development for staff of BBDC.
- Operation of the Canada-Nunavut Business Service Centre (CNBSC) in partnership with Canadian Northern Economic Development Agency and Department of Economic Development and Transportation, Government of Nunavut. CNBSC offers a myriad of information for entrepreneurs and individuals via walk-ins, calls, emails, and internet resources.
- Commissioner of Oaths services free of charge
- The Nunavut Entrepreneurial Incentive grant programming in partnership with Nunavut Community Futures Association and Department of Family Services, Government of Nunavut, providing financial support for Nunavummiut launching a new business. The \$5,000 incentive will offset the incremental costs of some living costs and business expenses.
- The Advisory and Mentorship Program (AMP) in partnership with Nunavut Community Futures Association and Canadian Executive Service Organization (CESO). AMP provides free mentorship opportunities via CESO Advisors across Nunavut to individuals, business owners, organizations, corporations, hamlets, not-for-profits and social enterprises.
- Indigenous Women Entrepreneurship (IWE) Program supporting Indigenous women engaging in entrepreneurship in Nunavut. With the financial support of National Aboriginal Capital Corporation Association, BBDC launched this program which provides workshops, training, mentorship and a micro-loan fund for Indigenous women entrepreneurs. The program will be offered for three years and will serve Indigenous women across Nunavut.

BBDC is a not-for-profit Incorporated Company and the Community Futures Development organization for the Qikiqtani region of Nunavut.

2022 Highlights

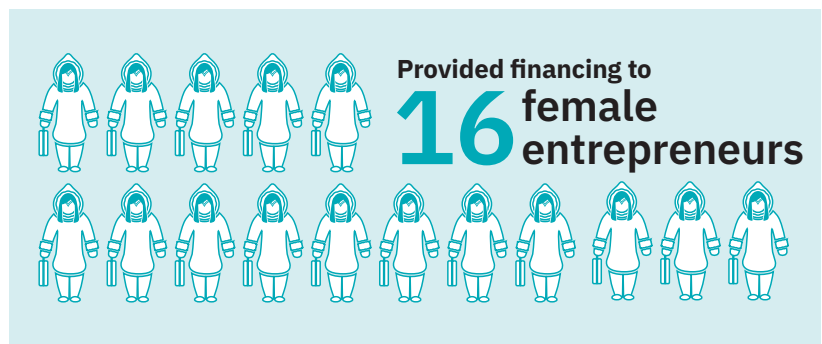


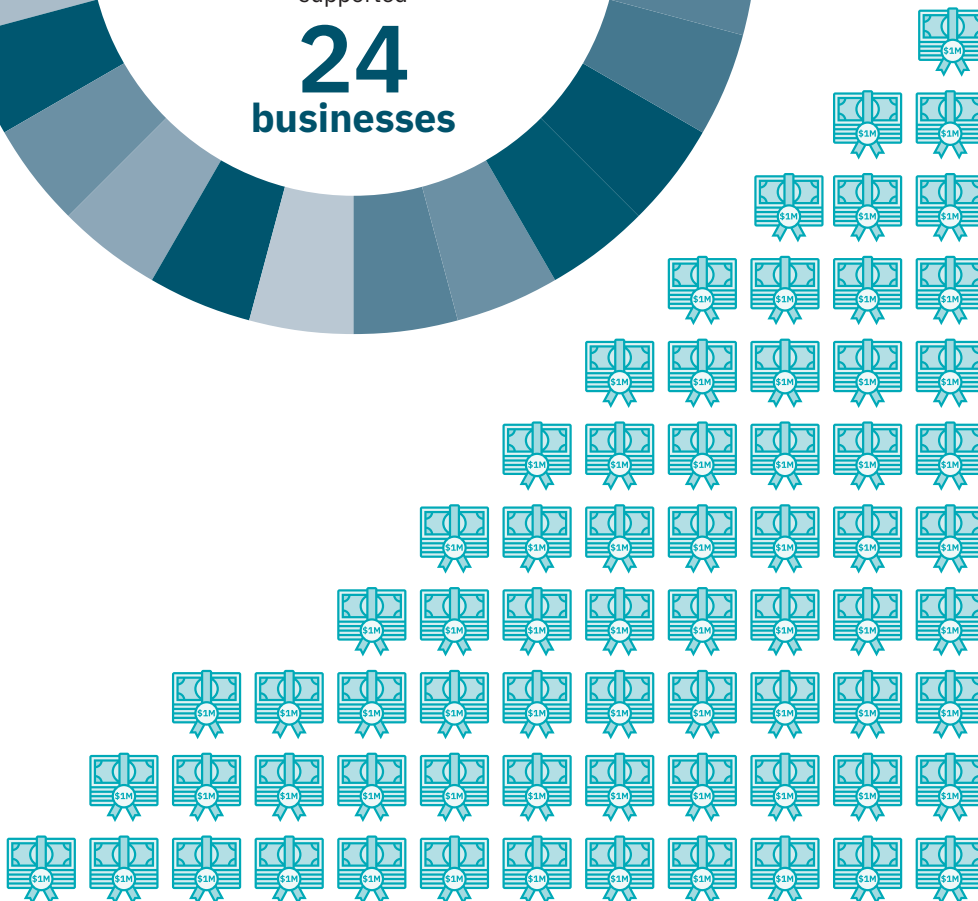
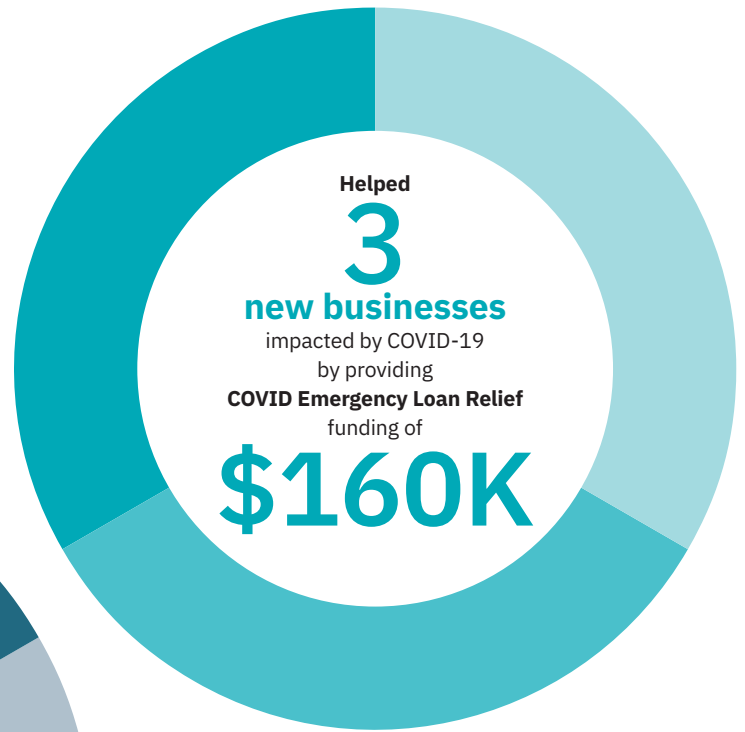
Operated the **Canada-Nunavut Business Service Centre** in partnership with Economic Development and Transportation, Government of Nunavut and Canadian Northern Economic Development Agency, serving

71 client inquiries



Assisted and provided funding to **2 new entrepreneurs** through the Nunavut Entrepreneurship Incentive program of **\$5,000 each**





Cumulative
financial
support of
\$59
Million
to
1,200
businesses in
Nunavut.

BBDC Scholarship

The Baffin Business Development Corporation (BBDC) Scholarship was created in 2018 to support students pursuing a post-secondary education in the Business/Commerce fields. Over these years, the scholarship assisted 5 students in various disciplines of study related to business.

The 2021, the BBDC Scholarship was awarded to Sherri Kalliraq. Congratulations Sherri and all the best in your studies!

2018 – Anastasia Webb

2019 – Mansoon Rana, Grace Nowdluk
and Kathryn Devereaux

2021 – Sherri Kalliraq



BBDC Loan Portfolio

BBDC's loan fund program is the option for businesses that are not yet ready for mainstream borrowing. This often includes start-up businesses or businesses in their early years of development and growth. Despite the continued affects of the pandemic on business, BBDC's 2021/2022 loan activities were consistent with previous years.

In 2021/2022 BBDC board of directors approved 8 regular loans at a value of \$1,150,000. In addition, 20 COVID-19 emergency loans were provided at a value of \$1,190,000.

At year-end, BBDC's total loan portfolio is \$2.91 million, down from the previous year by \$450,000. This includes COVID-19 Emergency Loan Program funds as well as BBDC regular loan clients. Many of BBDC's loan clients have moved on to other development lenders due to growth requiring a higher level of access to capital. Other clients have moved to those mainstream lenders as they grow and enter their next phase of business development. Either way, it is considered an accomplishment as BBDC fulfills its role in the business borrowing and growth continuum.

BBDC is a member of the Nunavut Community Futures Association, the Community Futures Network of Canada, and the National Aboriginal Capital Corporation Association.

A person in a kayak is being pulled across a snowy field by a team of sled dogs. The scene is set in a snowy, open landscape with a low, snow-covered hill in the background. The sky is a mix of orange and blue, suggesting a sunset or sunrise. The dogs are harnessed together and are pulling the kayak forward. The person in the kayak is wearing a dark jacket and a hat, and is holding a paddle. The dogs are of various breeds, including huskies and malamutes, and are all running towards the right side of the frame.

BBDC's mandate is to provide financial assistance and advisory services to new or expanding small businesses that will create new wealth and new jobs for residents of the region.

Partnerships

Thank you to the following for your continued positive relationships and support provided to BBDC. It takes a collaborative effort from all Nunavut economic, business, and social partners to make a thriving business community.

- Atuqtuarvik Corporation
- Business Development Bank of Canada
- Baffin Regional Chamber of Commerce
- Community Futures Network of Canada
- Canadian Northern Economic Development Agency
- CESO Indigenous and Northern Services
- Department of Economic Development and Transportation
- Economic Developers Association of Canada
- Government of Nunavut
- Iqaluit Chamber of Commerce
- Kakivak Association
- Kitikmeot Community Futures Inc.
- Kivalliq Business Development Center
- National Aboriginal Capital Corporations Association
- Nunavut Economic Developers Association and Economic Development Officers
- Nunavut Business Credit Corporation
- Nunavut Film
- Nunavut Tunngavik Incorporation
- Nunavut Community Futures Association
- Travel Nunavut

Membership Organizations

Nunavut Community Futures Association

The Nunavut Community Futures Association is comprised of the 3 CF's, one in each region of Nunavut:

- Kitikmeot Community Futures Inc. – Cambridge Bay
- Kivalliq Business Development Centre – Rankin Inlet
- Baffin Business Development Corporation – Iqaluit

This territorial association allows us to assist one another, share best practices, and have a collective voice at the territorial and national front. The association supports each AFI and provides partner programming such as the Nunavut Entrepreneurship Incentive grant and the Advisory and Mentorship Program.



Community Futures Network of Canada (CFNC)

BBDC is one of 267 non-profit offices across Canada that provide small business services to people living in rural and remote communities. Each office delivers small business loans, tools, training, and events for people wanting to start, expand, sell or wind down a business. The Community Futures program is the longest, continuously run, government-funded program, working closely with the Regional Development Agencies, Territorial Governments and continually lobbies the Federal Government for support for rural and remote Canadian businesses.



The Regional Relief and Recovery Fund, supporting business affected by COVID-19 since May 2020, was exclusively negotiated and delivered through Community Futures offices throughout Canada, providing millions of dollars in interest free loans and grants.

More information about CFNC can be found on their website <https://communityfuturescanada.ca>

National Aboriginal Capital Corporation Association

BBDC is also one of 52 Aboriginal Financial Institutions (AFI) across Canada and one of 5 in Nunavut. Each AFI is unique with respect to the services, types of funding, and client focus offered to First Nation, Inuit, and Métis entrepreneurs and community businesses and is independent and accountable to their community. As an AFI, BBDC is a member of the National Aboriginal Capital Corporation Association (NACCA). NACCA is a strong voice in Ottawa and across the nation, lobbying the Federal level to support Indigenous businesses in many ways, including financing, procurement, and entrepreneurial development.



This is a valuable networking group and provides AFI's access to several client-focused funding programs. In 2021/22, this included the:

- Indigenous Business Stabilization Program- Emergency COVID-19 Loan;
- COVID- 19 Loan Interest Relief Program
- Training Funds accessible to AFI's for capacity development
- Indigenous Women Entrepreneurship Initiative providing training and a access to a micro-loan fund
- Indigenous Growth Fund providing capital to AFI's to support entrepreneurs in starting or expanding their business.

More information about NACCCA can be found on their website <https://nacca.ca>

BBDC administers an investment fund valued at over 7 million dollars used to provide loans, loan guarantees, or equity investments to eligible businesses to a maximum of \$250,000.



Board of Directors

Our Board of Directors, with over 52 years combined service with BBDC, is comprised of 6 members, drawn from strong leaders and entrepreneurs from the business community in the Qikiqtani. Together, they provide BBDC with expertise and insight on business services, management, strategic planning, and policy development through solid governance.

As a Community Futures Network of Canada Member, BBDC's board is strictly volunteer and elected at the Annual General Meeting on a staggered term basis.

2022 Board of Directors are:

- Pitseolak Shoo, Chair - Iqaluit
- Frank May, Vice-Chair - Arctic Bay
- Monica Ell-Kanayuk, Secretary/Treasurer - Iqaluit
- Steve Birrell, Director - Iqaluit
- Jeff Peyton, Director - Pangnirtung
- Solomon Allurut, Director - Sanirajak

2022 BBDC staff whom are so pleased to assist our clients:

Carol Tootoo,
Office Administrator

Missy Ellsworth,
Officer Manager/
Corporate Secretary

Valerie Kosmenko,
Chief Executive Officer



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BAFFIN BUSINESS
DEVELOPMENT CORPORATION