



Baffin Business
Development Corporation

ANNUAL REPORT 2023



At the Baffin Business Development Corporation, our vision is to foster economic growth and promote job creation in the Qikiqtani region of Nunavut by providing a comprehensive range of business services.



Welcome to the Annual General Report of Baffin Business Development Corporation (BBDC), a non-profit organization that has been serving our communities since 1991. As one of the three Community Futures (CF) organizations operating in Nunavut, BBDC focuses on providing financial assistance and advisory services to new or expanding small businesses in the Qikiqtani region.

At BBDC, we believe in the potential of every entrepreneur and strive to provide the necessary resources and support to turn their dreams into reality. Through our experience and commitment, we offer financial assistance and advisory services to both new and expanding small businesses. Our comprehensive investment fund allows us to provide loans, and loan guarantees to eligible companies, with a maximum support of \$250,000 per business.

Our primary objective is to assist communities in developing their local economies by nurturing business start-ups and encouraging expansion. To achieve this, BBDC offers a wide range of services tailored to meet the unique needs of our region. These services include:

- **Business loans:** We provide crucial financial support to entrepreneurs, helping them overcome barriers and seize opportunities for growth.
- **Developing local economies through private-sector employment:** We work towards creating job opportunities in the private sector, contributing to the economic growth of our communities.
- **Counseling and advice:** Our team provides guidance and advice to small and medium-sized businesses, helping them navigate challenges and make informed decisions.
- **Developmental support and training:** We are committed to empowering Nunavummiut and businesses by offering comprehensive training programs and developmental support, equipping them with the skills and knowledge needed for success.
- **Business information services:** Through our extensive network and resources, we deliver a wide range of business information services, ensuring entrepreneurs have access to the latest trends, insights, and valuable resources.

At the heart of BBDC is a regionally based, six-member Board of Directors, whose voluntary dedication is instrumental in shaping our organization's success. These individuals are carefully selected for their deep understanding of business and their knowledge of the unique challenges associated with operating in the Qikiqtani region.

As we reflect on the achievements of the past year, we are inspired by the unwavering determination and resilience demonstrated by the entrepreneurs we serve. Their remarkable progress and accomplishments fuel our motivation to continue our vital work, supporting the growth and prosperity of our communities.

We extend our sincere gratitude to our dedicated team, our partners, and our valued stakeholders for their unwavering support in our mission. Together, we will continue to build a vibrant and thriving business community in the Qikiqtani region.

On behalf of the entire BBDC team, we look forward to another year of transformative partnerships and boundless possibilities.

Programs and Services

- Provision of business development repayable loans, and guarantees of up to \$250,000.
- Provision of business support and counseling services aimed at assisting individuals in developing business ideas, initiating start-ups, expanding their enterprises, and addressing challenges.
- Facilitation of referrals, liaison, and support to other funding agencies and Economic Development Officers.
- Provision of support and mentoring for youth entrepreneurship.
- Delivery of training programs for business clients.
- Operation of the Canada-Nunavut Business Service Centre (CNBSC) in collaboration with the Canadian Northern Economic Development Agency and the Department of Economic Development and Transportation, Government of Nunavut. CNBSC offers a comprehensive range of information for entrepreneurs and individuals through walk-ins, calls, emails, and internet resources.
- Provision of Commissioner of Oaths services at no cost.
- Referrals to the Advisory and Mentorship Program (AMP) in partnership with the Nunavut Community Futures Association and Catalyse+. AMP offers free mentorship opportunities through Catalyse+ Advisors across Nunavut, catering to individuals, business owners, organizations, corporations, hamlets, not-for-profits, and social enterprises.
- Delivery of the Indigenous Women Entrepreneurship (IWE) Program, which supports Indigenous women engaged in entrepreneurship in Nunavut. With financial support from the National Aboriginal Capital Corporation Association, BBDC has launched this program, providing workshops, training, mentorship, and a micro-loan fund specifically for Indigenous women entrepreneurs. The program will be available for four years and will serve Indigenous women across Nunavut.
- Engagement in business policy development, lobbying, advocacy, and networking.

BBDC operates as a not-for-profit Incorporated Company and serves as the Community Futures Development organization specifically designated for the Qikiqtani region of Nunavut.



Corporate Profile 2023

Operating Budget
\$1.1M

Assets
\$7.4M

22 Loans approved totalling **\$2M**

Outstanding loans receivable **\$3M**

 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,**

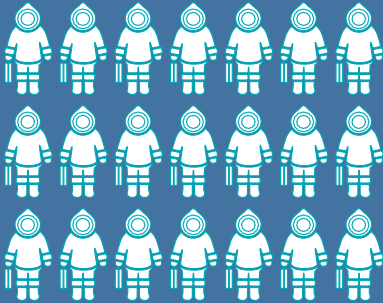
Government of Nunavut



2023 Highlights

Provided ongoing financing to

21 Inuit Owned Businesses

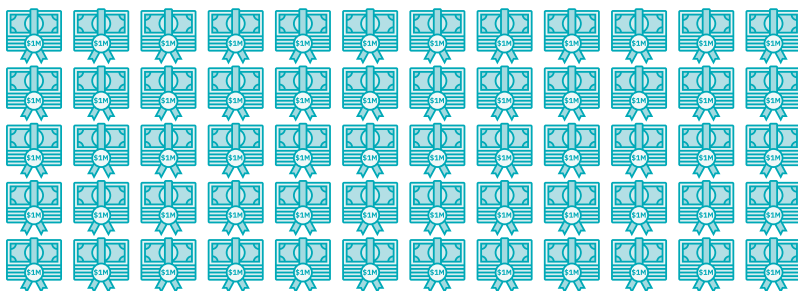


22 22 money bag icons, each with a dollar sign.

New loans issued
with a total value of

\$2M

Cumulative financial support of
\$60 Million
to 1,220 businesses in Nunavut.



Provided support to

143

entrepreneurs



Secured a capital
micro loan/grant pool of

\$160K

specific for Indigenous
Women Entrepreneurs

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

80 client inquiries

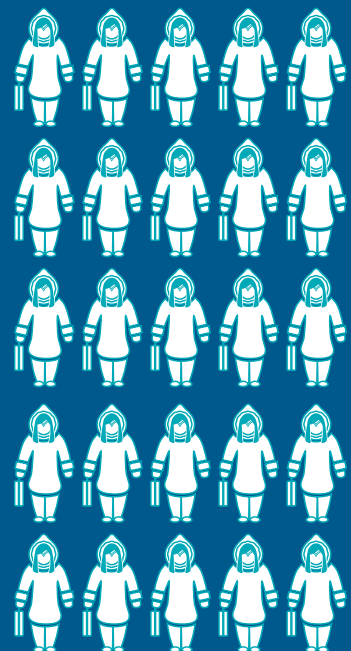
Over

220

jobs in Nunavut
positively impacted

Provided financing to

25 female entrepreneurs



BBDC Loan Portfolio

BBDC's loan fund program caters to businesses in the early stages of development, including start-ups seeking alternative borrowing options. Despite the ongoing challenges posed by the pandemic, BBDC's loan activities in the fiscal year 2023 remained consistent with previous years. This report focuses on client development and the continuum of the business life cycle, highlighting BBDC's role in facilitating growth and progress.

Loan Activities:

During the fiscal year 2023, the BBDC board of directors approved a total of 12 regular loans, amounting to \$1,150,000. Additionally, the organization provided 9 COVID-19 emergency loans worth \$550,000. These initiatives reflect BBDC's commitment to supporting businesses during challenging times and enabling them to overcome obstacles.

Loan Portfolio:

As of the year-end, BBDC's total loan portfolio stands at \$3 million, representing an increase of .5 million compared to the previous year. Many of BBDC's loan clients transition to other developmental and mainstream lenders due to their growth and increased need for as they progress to the next phase of their business development. This transition is a testament to BBDC's success in fulfilling its role as a facilitator of business borrowing and growth.

Client Development and Continuum of the Business Life Cycle:

BBDC recognizes the significance of client development and the different stages of the business life cycle. Many of our loan clients have outgrown BBDC's services and have successfully transitioned to other lenders capable of meeting their evolving financial needs. This progression highlights BBDC's instrumental role in nurturing businesses during their early years, enabling them to secure the necessary capital and expertise for sustainable growth. We consider this a notable achievement as it signifies BBDC's contribution to the comprehensive continuum of business development and borrowing.

BBDC's loan program continues to serve as a vital resource for businesses in their early stages of development. The fiscal year 2023 witnessed steady loan activities, demonstrating BBDC's resilience in supporting businesses amidst the challenges posed by the pandemic. With a total loan portfolio and investment fund of over 7 million, BBDC remains committed to fostering client development and facilitating the continuum of the business life cycle. As businesses grow and seek greater access to capital, BBDC takes pride in its role as a stepping stone to mainstream lenders, enabling businesses to flourish and contribute to the economy at large.

BBDC holds memberships in prominent organizations such as the Nunavut Community Futures Association, the Community Futures Network of Canada, and the National Aboriginal Capital Corporation Association.

Our Principles

At Baffin Business Development Corporation, we are guided by the following principles:

- Empowering individuals and businesses to achieve self-reliance and success through our unwavering support.
- Embracing a higher level of risk compared to commercial financial institutions to enable entrepreneurial endeavors.
- Recognizing that individuals play a crucial role in the prosperous development of businesses.
- Respecting the cultural values specific to the Qikiqtani region.
- Acknowledging the significance of both traditional and non-traditional economies, as well as community involvement in enhancing the quality of life for Qikiqtani residents.
- Collaborating with partner organizations to proactively identify emerging business opportunities and positioning ourselves to respond effectively.
- Honoring and preserving the confidentiality and security of our clients' information while maintaining utmost respect for them.
- Conducting our operations in a transparent, accountable, and professional manner.

BBDC's primary objective is to extend financial support and offer advisory services to emerging or expanding small businesses within the region. The aim is to foster the generation of fresh economic prosperity and employment opportunities for Nunavummiut.

BBDC incorporates Environmental, Social, Governance, and Indigenous (ESGI) metrics into our lending and purchasing decisions, reflecting our commitment to consider not only environmental, social, and governance factors but also indigenous involvement, knowledge, values, and practices for more responsible and sustainable financial choices.

BBDC manages an investment fund worth more than 7 million dollars, which is utilized to provide eligible businesses with loans, or loan guarantees.

Scholarship

The Baffin Business Development Corporation (BBDC) Scholarship, established in 2018, demonstrates a strong commitment to supporting youth in their pursuit of post-secondary education, with a specific focus on the fields of Business/Commerce. Over the years, this scholarship program has made a significant impact by providing valuable assistance to seven students pursuing various business-related disciplines.

In recognition of academic excellence and dedication, we take great pride in announcing that the prestigious BBDC Scholarship for the year 2022 has been awarded to **Colleen Kangok** and **Macintosh Pavia**. We extend our warmest congratulations to Colleen and Macintosh for this outstanding accomplishment and wish them every success in their respective educational journey. It is firm belief that their studies will not only contribute to their personal growth but also hold immense potential for positively shaping their communities as a whole.



Membership Organizations

Nunavut Community Futures Association

The Nunavut Community Futures Association comprises three Community Futures organizations, one located in each region of Nunavut:

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

This territorial association facilitates mutual assistance, the sharing of best practices, and a unified representation at both territorial and national levels. The association provides support to each Community Futures organization and offers partner programs 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 throughout Canada that deliver small business services to individuals residing in rural and remote communities.

Each office provides small business loans, tools, training, and events for those interested in starting, expanding, selling, or winding down a business.

Established in 1985, the Community Futures Program is the longest-running government-funded program, closely collaborating with the Regional Development Agencies and Territorial Governments. It continually advocates for support for rural and remote Canadian businesses from the Federal Government.



The Regional Relief and Recovery Fund, exclusively negotiated and implemented since May 2020, has been providing assistance to businesses affected by COVID-19 through Community Futures offices across Canada, offering millions of dollars in interest-free loans and grants.

For more information about CFNC, please visit their website at <https://communityfuturescanada.ca>

National Aboriginal Capital Corporation Association

BBDC is also one of the five Aboriginal Financial Institutions (AFI) in Nunavut and one of 52 across Canada. Each AFI has its own unique set of services, funding options, and client focus for First Nation, Inuit, and Métis entrepreneurs and community businesses. As an AFI, BBDC is a member of the National Aboriginal Capital Corporation Association (NACCA). NACCA serves as a strong advocate in Ottawa and nationwide, lobbying the Federal Government to support Indigenous businesses in areas such as financing, procurement, and entrepreneurial development.



This association provides valuable networking opportunities and grants AFIs access to various client-focused funding programs. In the 2023 period, these programs included:

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



For further information about NACCA, please visit their website at <https://nacca.ca>

Board of Directors

Our Board of Directors at BBDC has a collective tenure of 37 years, demonstrating their long-standing commitment to our organization. Their invaluable knowledge in business support, management, strategic planning, and policy development greatly enhances BBDC's operations and governance.

As a member of the Community Futures Network of Canada, BBDC adheres to the highest standards of board governance. Our board members serve on a strictly voluntary basis and are elected during the Annual General Meeting, ensuring a fair and democratic process. To promote continuity and stability, the board operates on a staggered term basis.

2023 Board of Directors:

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

Each board member brings a wealth of experience and a deep understanding of the local business landscape, ensuring that BBDC receives strategic guidance and sound decision-making at the highest level. Their unwavering dedication to our organization and the community we serve is instrumental in driving our mission forward.

2023 BBDC staff whom are so pleased to assist our clients:

Valerie Kosmenko,
Chief Executive Officer

Carol Tootoo,
Office Administrator

Missy Ellsworth,
Officer Manager/Corporate Secretary



The Baffin Business Development Corporation is dedicated to facilitating the progress and expansion of businesses in the Qikiqtani region. As a business service, lending, and counseling agency, we strive to fulfill our mandate of supporting the development and growth of enterprises.

**BAFFIN BUSINESS
DEVELOPMENT CORPORATION**

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