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Kitikmeot  
Community  
Futures  
Incorporated

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## INTRODUCTION

Incorporated in December 2006, Kitikmeot Community Futures Inc. (KCFI) is a community economic development agency that focuses on creating and supporting small and medium size businesses in the Kitikmeot Region of Nunavut. We are a non-profit corporation funded by the Government of Nunavut's Department of Economic Development and Transportation. We offer a wide range of services including developmental lending, technical and advisory services, business start-up and expansion planning, financial services, and training. As a developmental lender, we can help clients that would otherwise not receive financing. Our bookkeeping division provides full bookkeeping services to businesses and non-profit community organizations. KCFI is directed by a volunteer Board of Directors, elected from its membership, and supported with paid staff. KCFI is also host to the Canada Nunavut Business Service Centre.

### Mission Statement

Kitikmeot Community Futures Inc. strives to build partnerships to develop a sustainable economy that addresses the social, economic and environmental opportunities of the Kitikmeot Region.



## OBJECTIVES OF THE ORGANIZATION

KCFI is dedicated to creating and maintaining small business for economic prosperity. KCFI finances small to medium sized businesses through term loans, lines of credit, loan guarantees, and bid bond and performance bond guarantees. We also offer fee for service bookkeeping to small businesses and community organizations. KCFI will provide technical assistance to small businesses and facilitate, sponsor, and promote government and private regional projects to realize the objective of building economic capacity in the region. To promote a healthy and diverse economy, we will:

- Identify viable business development opportunities in the region and provide financial and technical assistance necessary for their enhancement;
- Act as sponsor and/or contractor for economic focused projects that receive funding from public or private sources which benefit the region;
- Utilize all available government resources to promote socioeconomic benefit to the region;
- Be a catalyst in increasing participation by the public, private, and labour sectors and groups in the region with changes to and coordination of services and programs relating to employment;
- Assist employers to develop projects designed to promote healthy small businesses;
- Promote regional objectives that the Board of Directors of KCFI deems appropriate within the mandate of KCFI.

The Government of Nunavut's vision in ***Turaaqtavut***, identified a priority to "diversify and improve economic opportunities to encourage community self-reliance and provide local employment" through Pivaalirutivut. KCFI is well aligned with *Turaaqtavut* and specifically the Inuit value of Qanuqturniq: being innovative and resourceful. This mandate is also consistent with the Federal Government's focus on Innovation. Our mandate is to support businesses by giving them the tools to be successful.



## PARTNERSHIPS

Our partnerships and affiliations are important to us. Without them we would not be as successful in meeting the needs of our clients. Collaboratively we strengthen our resources for mutual benefits to our organizations and optimize the services we can provide to our clients.

### **Nunavut Community Futures Association**

Nunavut has a Community Futures Organization in each region.

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

The Nunavut Community Futures Association allows us to share best practices and have a joint voice in territorial and national fronts for the common good of all Community Future (CF) organizations. The Association not only supports the individual and unique needs of the CFs in their respective regions but is able to deliver territory wide programs and services through the CFs.

### **Community Futures Network of Canada (CFNC)**

The Community Futures program is the longest, continuously run, government funded program. Formally established in 1985, the CF Program takes a community-based approach to community economic development by creating and implementing unique solutions to local challenges in rural and remote communities in Canada. Driven by over 2800 volunteers, the 268 CF organizations across Canada have impacted over 125,000 small and medium sized (SMEs) businesses by investing over \$4 billion in financing. This money has helped leverage an additional \$6 billion, contributed to the rural and remote communities' economy.

This year alone, we collectively lent over \$326 million to 5,607 clients, which leveraged an additional \$548 million and helped create over 19,000 jobs and maintained an additional 23,000 jobs. The Conference Board of Canada has estimated that every \$1 contributed to a CF organization has generated \$16 in loans and loan leverages. In addition to the financial assistance, businesses supported by CFs have a longer survival and growth rate.

CFNC membership consists of the CF Associations across Canada which represent the individual CFs. CFNC works closely with the Regional Development Agencies and continues to lobby the Federal Government for support for rural and remote Canadian businesses.

## National Aboriginal Capital Corporation Association (NACCA)



Each CF in Nunavut is also considered an Aboriginal Financial Institution (AFI) and are members of the National Aboriginal Capital Corporation Association. There are 52 AFIs in Canada. Of those, five are in Nunavut. NACCA is a strong voice in Ottawa always lobbying the Federal Government to support Indigenous businesses. As members we attend the General Managers meeting and Indigenous Economic Development Forum as well as the AGM. This past year the AGM was hosted by a member AFI in Vancouver. NACCA is preparing to host this group in the next few years.

This is a valuable networking group and gives us access to additional funding programs. NACCA also hosts our loan management system which is integrated to provide streamlined reporting and offers enhanced features such as Equifax reporting.

NACCA also hosts some educational opportunities through webinars and other events. This year we were privileged to attend a Leading People and Investing to Build Sustainable Communities course at Harvard University in Boston. This was co-sponsored by AFOA Canada. Another course was planned for 2020 but has been postponed until 2021.



## **Government of Nunavut – Department of Economic Development and Transportation**

We value our relationship with the Department of Economic Development of Transportation (ED & T), Government of Nunavut, Head Office, Iqaluit and Regional Office, Kugluktuk. We are partners in program delivery and appreciate the support and cooperation we receive from the staff.

### **Other partners in no particular order:**

- Nunavut Business Credit Corporation
- Atuqtuarvik Corporation
- Nunavut Development Corporation
- Nunavut Economic Developers Association
- CanNor
- KIA
- Nunavut Arctic College
- Nunavut Tourism
- Baffin Regional Chamber of Commerce
- Kitikmeot Chamber of Commerce
- The Hamlets in the Kitikmeot
- NWT CFs

Each of these partners, in their own way, are important to us in our program delivery.

# CANADA NUNAVUT BUSINESS SERVICE CENTRE

KCFI is pleased to host the Canada Nunavut Business Service Center. A small library and desk space with a computer and printer are available for public use. This year we served 32 clients via phone, email, and in person, for a variety of topics, from business start up to expansion, funding resources, and advice on accounting or program software. Our computer is also loaded with a resume writing program to assist people looking for work. They can then use their email to apply for jobs online and come in and check for responses.

We are also pleased to provide services as Commissioner of Oaths.

We are pleased to offer the CNBSC space for the Volunteer Income Tax program. We work with a local volunteer to assist her in providing this service. This year she served over 180 clients. It brings a lot of traffic to the office, thus enhancing awareness of all our programs. Due to COVID-19 she was unable to use the office to meet with the public like usual, but we continued to provide a drop off and pickup point for her.

We take the CNBSC banners to the Kitikmeot Regional Career Fair and Trade Shows, promoting entrepreneurship as a career option. This year we represented NCFCA under this banner at the Northern Lights Trade Show in Ottawa. This brought a lot of awareness to the north and we were able to make many contacts.



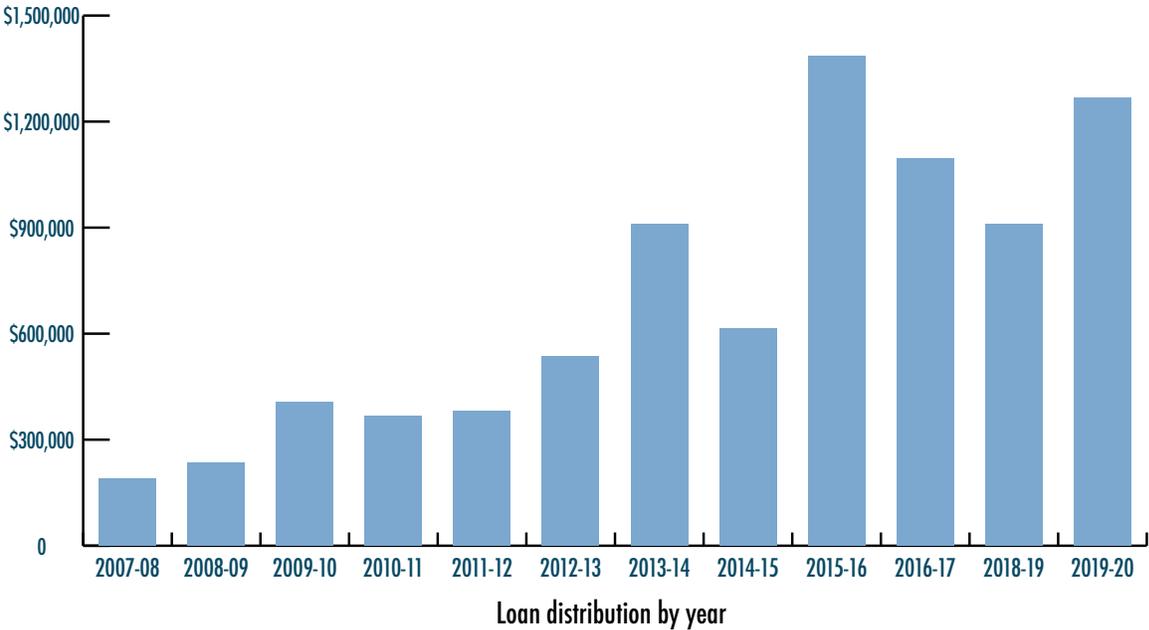
## Loans

Our mandate is to provide loans to small and medium sized businesses that are unable to obtain funding for their business ventures through traditional main-stream lenders.

After a few years of economic slowdown across the North, we saw an increase in loans again this year. This fiscal year the Board approved a total of 6 loans for a total of \$1,266,000.00. These loans helped leverage an additional \$270,500 for their projects. Our total loans receivable at year end was \$1,361,711.00. We have two loans in default for a total of \$6,048 although we have allowed for a loan loss provision of \$75,000.

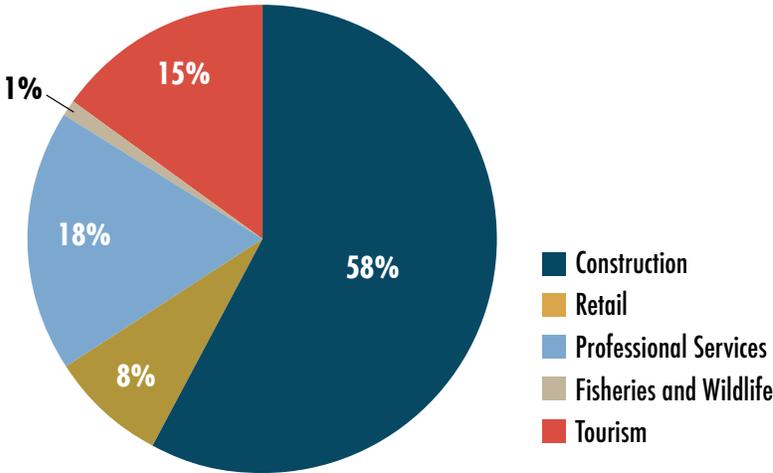
Our loan portfolio has now topped the \$3 million mark at \$3,061,429.00.

In our 13 years of operation we have distributed \$9,146,422 in loans in the Kitikmeot Region. These loans have leveraged a significant additional amount of money and has helped create and maintain many jobs.



### Sector Distribution

While the construction industry still dominates the sector distribution, we are seeing marginal increases in other sectors. We are pleased to have been able to support and add two Social Enterprises to our portfolio.



# TRAINING

We recognize that education is an important tool for building capacity. The Government of Nunavut has identified education and training for meaningful employment through Sivumuaqpalliajjutivut as another priority in Turaaqtavut. To this end we provide training whenever we can, and partner with other organizations to provide comprehensive training opportunities to strengthen basic computer and financial literacy skills.

This year we provided the following training:

- A two-week Basic Accounting Course in Gjoa Haven. A total of 5 participants completed the course. Sponsored by KIA.
- A one-week Microsoft Office programs course to NAC ABE and Foundations students in Cambridge Bay. Nine students participated in the class, learning basic Word, Excel and PowerPoint.
- A two-week Basic Accounting course was started in Cambridge Bay with 7 students attending, but we were cut short due to the COVID-19 shut-down. Sponsored by KIA.
- We participated in and lent support to the DEA Assistants training course.
- Daycare Manager training in our office and on site at the daycares. This is constant and ongoing. In partnership with KIA.



Participants in Gjoa Haven for Basic Accounting



## BOOKKEEPING DIVISION

We began the bookkeeping division because we saw a need for financial assistance for businesses and community organizations. We currently have nine regular clients from whom we provide day to day bookkeeping, audit preparation, and all government and regulatory filings. While these clients are all community not-for-profit organizations, we spend a significant amount of time tutoring and advising businesses in their day to day bookkeeping. Our goal is always to make clients self-sufficient in managing their own finances, but we are always available to help and advise in any way we can.

## ADDITIONAL HIGHLIGHTS AND EVENTS FOR 2019-20

Here are a few additional events we participated in and some highlights of the year.

- Assisted in planning and attended the Kitikmeot Career Fair, sponsored by KIA.
- Participated on the planning committee for the Kitikmeot Trade Show. It is always a highlight to sponsor and attend KTS. This year we also did a presentation.
- Attended as an exhibitor in the Northern Lights Tradeshow in Ottawa
- Presented at the NEDA conference
- Participated in Community Consultation meetings
  - Apprenticeship program
  - NAC Strategic Planning
  - Hamlet Planning sessions
- Installed a new loan management system
- Began consultations for remote backups and a new website



# COVID-19

In mid March the world nearly came to a halt as the COVID-19 pandemic spread. We were left scrambling to figure what this meant for us and our clients. Our office continued to work, and we quickly rallied with other organizations to gather and disseminate information as simply and quickly as we could. We also continued to find ways to support our business clients, especially those most direly affected by the sudden shutdown. This pandemic will continue to dominate our lives for some time to come.

# OUR VOLUNTEER BOARD OF DIRECTORS 2019-20

Name	Position	Community
Helen Koaha	Chair	Cambridge Bay
Peter Akkikungnaq	Secretary-Treasurer	Gjoa Haven
Sandi Gillis	Vice-Chair	Cambridge Bay
Wilf Wilcox	Director	Cambridge Bay
Charlie Cahill	Director	Gjoa Haven
Amanda Doiron	Director	Cambridge Bay
Jim MacEachern	Director	Cambridge Bay

## STAFF



From left to right:

**Brenda Sitatak** – Finance Assistant

**Kim Blackburn** – Administrative Assistant

**Marg Epp** – Executive Director

