



2005 HIGHLIGHTS...

2005 was the 12th year of operation for the Huron Business Development Corporation. Once again, the Board and Staff of the HBDC were kept busy working with organizations and individuals throughout Huron County to strengthen the local economy. In 2005, HBDC experienced the following milestones:

- * 40,688 individual client contacts were served at the Huron Business Centre in 2005, topping the previous year's record of 31,213.
- * 345 individual consultations were held with small business clients seeking to start a new business venture, or expand the one they are currently operating.
- * 540 people attended workshops on a variety of business management topics ranging from marketing to bookkeeping as part of the ever-popular "Better Business" seminar series.
- * 254 young people took part in HBDC's youth engagement strategies, including the Girls Unlimited Non-traditional Careers Workshop, FIRST Robotics, the Technology Skills Summer Camp, Student Healthcare Placements, and the Summer Company Program.
- * 25 healthcare workers enrolled in the 4-year Registered Practical Nurse Training program delivered by Georgian College and sponsored through the HealthKick Huron initiative.
- * 292 Huron County residents found new jobs this year with the support of employment services provided at HBDC's Seaforth and Clinton Employment Resource Centres.
- * A total of \$653,657 in loans was made to Huron County businesses in 2005, helping to create and maintain another 51 jobs in the region.
- * HBDC worked with a total of 50 community partners on 27 individual economic development initiatives. By investing a total of \$39,340 in support of these projects, the HBDC was able to leverage an additional \$1,365,420 for its partners from other private and public sector sources.
- * In total, HBDC helped to grow the local economy by assisting 395 businesses in their efforts to start-up or expand. In turn, 414 jobs were created or maintained in Huron County. Our average cost to the public in generating these jobs was \$2,880 - a modest sum when you consider that these jobs are now contributing an additional \$9 million in annual income to the Huron County economy!

A MESSAGE FROM THE PRESIDENT...



On behalf of the Board of Directors of the Huron Business Development Corporation, I am pleased to present our Annual Report for the year ending December 31, 2005.

The past year was one of co-operation and concern. Co-operation among our many partners, to bring counties together in joint ventures, such as wind energy development, agricultural services potential, and skills training in education and healthcare. At the same time, HBDC has concern for the county's businesses, farms and residents who have critical needs, not being met quite quickly enough.

We will continue to work diligently addressing economic growth matters, throughout Huron County. By inspiring new programs and projects, by extending business development loan funds, and by participating in the global network of rural development practitioners, our expert staff keeps HBDC on the leading edge of competence.

The volunteer directors appreciate our staff, and Industry Canada's Community Futures Program for investing the time and money to make Huron County a better place.

Pamela Stanley, President

Director	Sector	Region
Pamela Stanley, President	Business Consulting	Central
Donna Taylor, Vice-President	Retail/Healthcare	North
John Gillespie, Secretary	Labour Market Adjustment	South
Rick Hundey, Treasurer	Municipal Economic Development	South
Lynne Armstrong	Employment Services	North
Bruce Schmidt	Agri-Business	North
Bonnie Baynham	Youth	South
Graeme Craig	Financial Services	Central
Susan Meyers	Community Service	Central
Stephen Burns	Engineering/Construction	Central
Bonnie LaFontaine	Hospitality	North
Lorri Lowe	Small Business/Accounting	Central
Dave Urlin	County of Huron Representative	
Scott Tousaw	County of Huron Representative	
Staff and Resource		
Jim Niesen, Business and Loans Manager		
Paul Nichol, Economic Development Manager		
Brenda McGregor, Office Administration		
Lisa Harper, Information Manager		
Joyce Holwerda, Industry Canada		

Enhancing The Success Rate of Local Business Ventures...

Each year, the Huron Business Development Corporation hosts a series of small business seminars that provide local business owners with quality expertise on business management issues. In 2005, over 540 participants attended these seminars, including October's **Small Business Summit** where Globe & Mail columnist Jeffrey Simpson (pictured) offered his insights into the nature of the changing global economy. As part of this event, business owners and community leaders took part in a series of interactive workshops on marketing, economic development and youth retention.

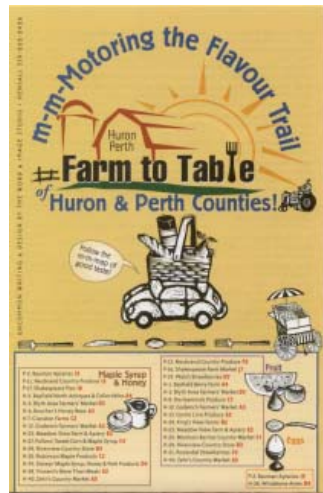


In April 2005, the community of Brussels took a close look at itself as part of a **1st Impressions** exchange with Watford as well as a **Downtown Market Assessment** with the support of the Ontario Ministry of Agriculture, Food & Rural Affairs and the HBDC. Both these exercises have given local entrepreneurs valuable information on the nature of the local market, its spending patterns, as well as a shortlist of unmet business opportunities that can be taken advantage of. Plans are now in the works to create a series of these downtown market assessments across Huron County so that potential entrepreneurs can have access to sound market information before launching their ventures.



Capturing New Markets For Local Products...

Building on the success of the Huron Good Food Box Program, local agri-food partners developed a user-friendly guide to locating farm fresh produce in Huron and Perth Counties. 100,000 copies of the **Farm-to-Table Map** were distributed to local tourism operators, information kiosks, and Ontario Travel Centres. In addition, the map was showcased at the 2005 International Plowing Match near Listowel. This exposure has given the 60 participating food producers a higher profile among the region's food buying public.



Midwestern Ontario is home to almost 1/4 of the nation's beef cattle. With so much supply readily available at our doorstep, it made sense for a group of community leaders and farmers to explore the feasibility of a locally-owned and operated **Beef Packing Plant**. A feasibility study was commissioned to look at the potential for a new plant located just west of Brussels. The results are promising - pointing to a profitable export market for Ontario beef in Japan and other eastern rim countries. Plans are now in the works to form a local processing co-operative that will raise investment funds for the proposed venture.



Engaging More Young People In The Local Economy...

Attracting and keeping healthcare professionals is a challenge facing all rural communities throughout Ontario. And without a long-term healthcare strategy in place, efforts to stimulate the local economy are in vain. For that reason, the HBDC has played an active role in launching **HealthKick Huron - A Skills for Healthcare Attraction & Retention Pilot**. One of the goals of HealthKick is to encourage more of our young people to pursue careers in healthcare by giving them an opportunity to work at local healthcare facilities. Last year, 12 young people took advantage of summer placements at local hospitals, clinics and pharmacies.



It's no secret that local employers are facing severe labour shortages in the skilled trades. But what's encouraging is...something is being done about it! Last year, the HBDC worked with local partners to sponsor several career awareness events, including **Options Unlimited**, **FIRST Robotics** and the first ever **Technology Skills Summer Camp** at St. Anne's Catholic Secondary School in Clinton. These programs have proved very popular with our youth and continue to generate long-waiting lists for future events. In the long-run, this will result in more of our young people - men and women - staying in Huron County to pursue careers in the skilled trades.





Developing A Highly Skilled Regional Workforce...

Understanding the training needs of local employers and their workforce is crucial to ensuring a long-term competitive workforce. In 2005, the HBDC, Avon Maitland District School Board, Local Training Board 18 and Fanshawe College asked employers and residents what training they required. The results are contained in the **Huron Perth Community Skills Map** that outlines both training needs and assets by community. Plans are now in the works to satisfy this demand by offering several new training opportunities in the region, including both on-line and traditional formats.



As part of the HealthKick Huron Initiative, local partners worked with Georgian College to bring a new 4-year **Registered Practical Nurse Training Program** to the area. 25 eager students have signed up for this program, being offered in Seaforth. Student testimonials are giving the program high grades with most citing how convenient it is to have this type of training available so close to home. By helping local healthcare professionals upgrade their skills, we are helping to ensure that this region has access to a quality healthcare system. HealthKick Huron is co-funded by the Huron East / Seaforth Community Development Trust, the Province through its RED program and HBDC.



Building Knowledge & Networks for Community Economic Development...

Many communities can learn from Huron County's rich historical, social, and cultural environment. In 2005, the HBDC helped a local group explore post-secondary learning opportunities based on these regional assets. Access to local education opportunities is usually cited as a key factor in Huron's long-standing issue of youth out-migration. As a result, the **Lake Huron Learning Collaborative** was founded this year and has already started to forge innovative partnerships with educational institutions, including the University of Western Ontario, to offer more post-secondary programs in the local area.



There is a new player in the field of renewable energy. **Countryside Energy Co-operative Inc.** was officially incorporated in August 2005 with a mandate to develop a locally-owned energy co-operative. With the Province of Ontario now guaranteeing a long-term set price for energy produced by community-owned ventures, Countryside Energy has been able to finalize its business plan and develop a share offering for local investors. This will allow community residents a bigger stake in the region's burgeoning renewable energy sector, returning profits to the local community while creating new and highly skilled jobs for local residents.



Providing Access To Capital For Small Business...



For small businesses, access to capital continues to be a concern. A 2003 study by the CFIB, Banking on Competition, found that between 2000 and 2003, the decline rate for business financing applications at major Canadian banks increased by 50%. To be sure, this increase had much to do with uncertain economies and a

number of catastrophic events affecting both Canada and the world. Even so, the vulnerability of small business to external factors and a limited financial capacity to 'ride out the storm' is clearly illustrated.

However, through its Community Futures Program, the Federal Government has established a loan fund in Huron that complements conventional lenders. This loan pool provides small businesses with access to capital when ideas abound but prevailing economic and business environments slow, or even prevent them from taking root. Managed by the Huron Business Development Corporation (HBDC), this fund now exceeds \$2.6 million. Since inception, HBDC has advanced over \$5.7 million in 130 loans to ongoing businesses employing nearly 400 people.

Daebar Products is a typical HBDC client. Owned by Brad Smith and Angela Doucette, Daebar is a specialized machine shop that designs and manufactures custom products from various materials, including metals and plastics. Some of these products are 'one-offs' or 'few-offs' that will be used in equipment repair or maintenance. Others will be used as samples and prototypes.

On the horizon? A company website and AUTOCAD services are priorities. ISO registration and the addition of an automated CNC machine are long term goals. With ideas such as these and continuing support from HBDC,



Daebar Products will contribute to Huron's prosperity for years to come.



Huron

Business Development Corporation

A Community Futures Development Corporation

FINANCIAL STATEMENTS

HURON BUSINESS DEVELOPMENT CORPORATION
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
 For the year ended December 31, 2005

	GENERAL FUND	OTHER FUNDS	INVESTMENT FUND	2005 TOTAL	2004 TOTAL
REVENUES					
Federal Government Contributions	268,750	573,843	500,000	1,342,593	597,346
Ontario Government Contributions	-	-	-	-	3,600
Municipal Government Contributions	-	3,750	-	3,750	43,688
Transfers	(29,836)	29,836	-	-	-
Other Contributions	132	87,800	-	87,932	12,086
Service Charges	1,337	-	-	1,337	1,074
Office Services Recovered	74,033	-	-	74,033	63,114
Project Management	25,010	-	-	25,010	16,964
Consulting	-	-	-	-	8,595
Project Wage Recoveries	41,899	-	-	41,899	47,597
Investment Income	-	-	15,078	15,078	9,604
Loan Interest Income	-	-	111,998	111,998	101,669
Loan Administration Charges	-	-	17,269	17,269	13,074
Loan Administration Transfer	17,269	-	(17,269)	-	-
	\$398,594	\$695,229	\$627,076	\$1,720,899	\$918,411
EXPENSES					
Salaries and Benefits	217,864	345,344	-	563,208	428,743
Occupancy and Equipment	88,083	69,357	-	157,440	122,740
Directors' Expenses	6,632	-	-	6,632	4,027
Community Development	48,736	278,620	-	327,356	155,749
Loan Management	-	-	109,313	109,313	15,489
Administration	36,888	17,807	6,483	61,178	64,652
	\$398,203	\$711,128	\$115,796	\$1,225,127	\$791,400
NET REVENUE (DEFICIT)	\$391	(\$15,899)	\$511,280	\$495,772	\$127,011
FUND BALANCES					
Beginning of Year	9,755	(11,258)	2,159,032	2,157,529	2,030,518
End of Year	\$10,146	(\$27,157)	\$2,670,312	\$2,653,301	\$2,157,529

Note to Financial Summary

The audited financial statements for the Huron Business Development Corporation are prepared by the Chartered Accounting firm of Vodden, Bender & Seebach, LLP.

The statement shown here is a partial representation of the financial position of the Corporation. For complete details, copies of the Auditor's Report and all associated financial statements are available upon request.

AWARDS & ACHIEVEMENTS

2005 was another award-winning year for the Huron Business Development Corporation. At the Ontario Association of Community Futures Development Corporations (OACFDC) Annual Conference held in Timmins, Ontario, the HBDC came home with some additional hardware - the **2005 Community Futures Achievement Award**. This Award is given each year by the OACFDC and Desjardins Credit Union to honour the CFDC that best exemplifies the Community Futures mandate - local solutions for local economies. This year's award was presented to a partnership between HBDC and the Perth Community Futures Development Corporation in recognition of the many joint projects we have spearheaded

together over the years, including the Huron Perth Farm-to-Table Map, the FIRST Robotics competitions, small business expos, Countryside Energy Co-operative, and many, many more. This is the second time in 3 years that HBDC has received this coveted award from its peers.



A BIG THANKS TO OUR COMMUNITY PARTNERS...

- Agricultural Adaptation Council
- Agriculture & Agri-food Canada
- Avon Maitland District School Board
- Bruce/ Grey/Huron/Perth/Georgian Triangle Training Board
- Brussels Livestock Inc.
- County of Huron
- County of Perth
- DMFTA Technologies
- Exemplary Consultants of London
- Fanshawe College
- Foundation for Enriching Education
- Georgian College
- Giffels & Associates
- Goderich & District Chamber of Commerce
- G.P.A./Advisory Services
- Harry Cummings & Associates
- Heritage & Culture Partnership
- Huron County Small Business Enterprise Centre
- Huron East Chamber of Commerce
- Huron East/Seaforth Community Development Trust
- Huron Farm-to-Table Network
- Huron Federation of Agriculture
- Huron Manufacturing Association
- Huron Perth Catholic District School Board
- Huron Tourism Association
- Huron United Way
- Industry Canada
- International Trade Canada
- Junior Achievement of Southwestern Ontario
- Lake Huron Learning Collaborative
- Lambton College
- Lloyd Crawford Consulting
- Municipality of Huron East
- Municipality of North Huron
- Office of Learning Technologies
- Ontario Co-operative Association
- Ontario Ministry of Agriculture, Food & Rural Affairs
- Ontario Ministry of Economic Development & Trade
- Ontario Rural Learning Association
- Ontario Sustainable Energy Association
- Ontario Trillium Foundation
- Ontario Youth Apprenticeship Program
- Perth Community Futures Development Corporation
- Perth County Visitors Association
- Rural Economic Development Program
- Service Canada
- South Huron Chamber of Commerce
- Toronto Renewable Energy Co-operative
- Tourism Goderich
- Town of Goderich

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