



FUELING IMPACT

FINANCING OPPORTUNITIES FOR SOCIAL ENTERPRISES

PRESENTERS: KERI SANDERMAN, SARAH GUMPINGER



OUR MISSION

Innovate for Impact advances social enterprise development in the Kootenays by supporting purpose-driven innovators with the **tools, training, and community** to build impactful, sustainable ventures.



WHAT WE DO

- 1** INCUBATION PROGRAMS FOR EARLY-STAGE SOCIAL ENTERPRISES AND EMERGING ENTREPRENEURS
- 2** BI-MONTHLY WORKSHOPS
- 3** QUARTERLY COMMUNITY OF PRACTICE
- 4** ANNUAL SOCIAL IMPACT SUMMITS
- 5** YOUTH PROGRAM
- 6** WORK-INTEGRATED LEARNING OPPORTUNITIES FOR POST-SECONDARY STUDENTS
- 7** REGIONAL SOCIAL HACKATHON



When local people
**drive community
change**, rural
regions thrive.

JOIN OUR MOVEMENT 





Rethinking financing

Today's roadmap

01

Shift the mindset

02

Build revenue clarity

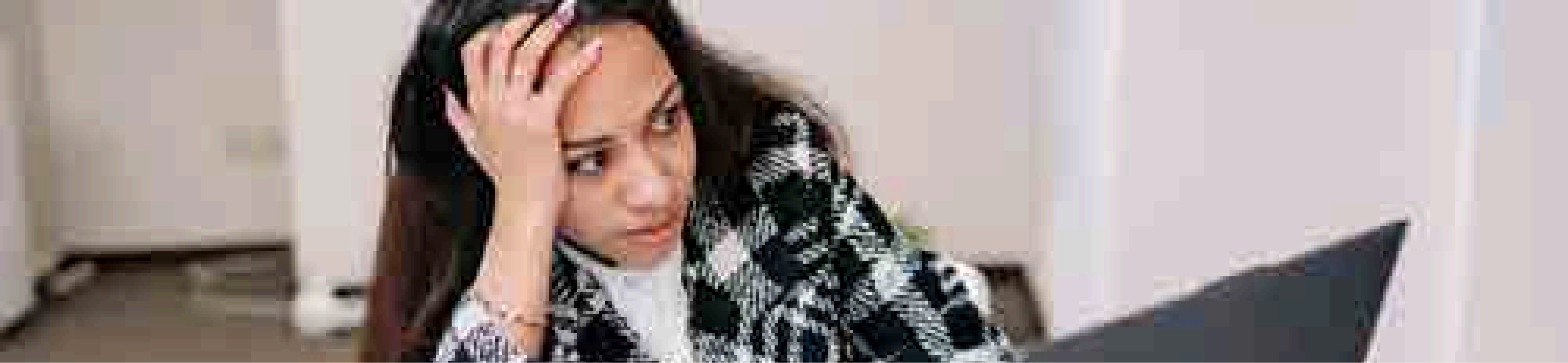
03

Match financing to stage

“

I have an idea.
How do I get
funding?”

”



Why grant logic breaks down

01

GRANTS FUND
ACTIVITIES

02

FINANCING FUNDS
BUSINESS MODELS

But remember...

social
enterprises are
businesses with
a purpose



Defining the value proposition

01

A PRODUCT

02

A SERVICE

03

A COST
SAVING

04

A RISK
REDUCTION



Who has the problem?

- Who experiences the pain?
- Who benefits the most?
- Who pays?

When payers are different...



THIRD PARTY
PAYER
MODELS



SUBSIDIZED
MODELS



Who would feel the pain
most if your organization
disappeared?

Revenue starts with the “customer”



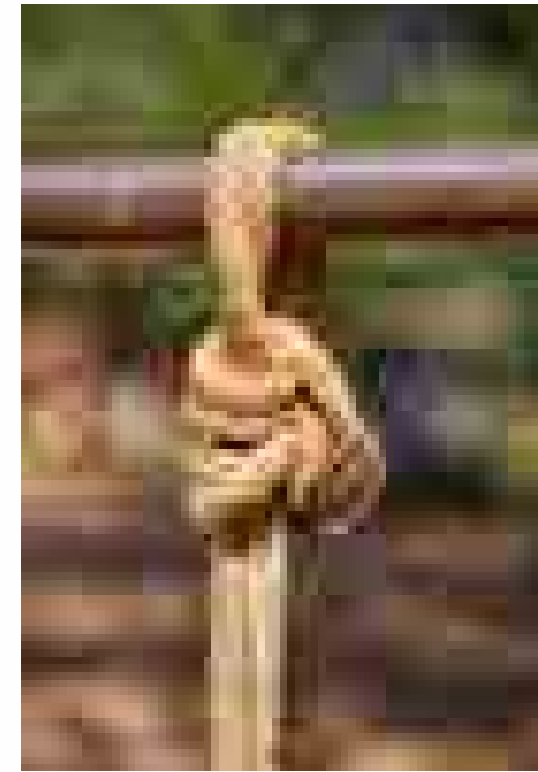
Direct sales



Third party payers



Subsidized revenue



Blended revenue



Cross subsidization



Price & Willingness to Pay

- Reflect alternatives
- Reflect budgets
- Reflect perceived value



Revenue = price \times volume \times timing



Understanding True costs

- Staff
- Operations
- Overhead
- Administration



Naming the Revenue Gap

Grants

Contracts

Philanthropy

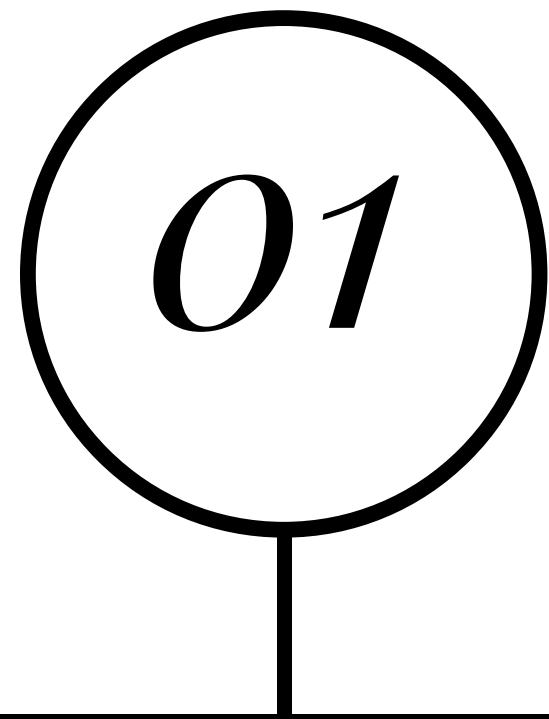
Patient Capital

Cross subsidization

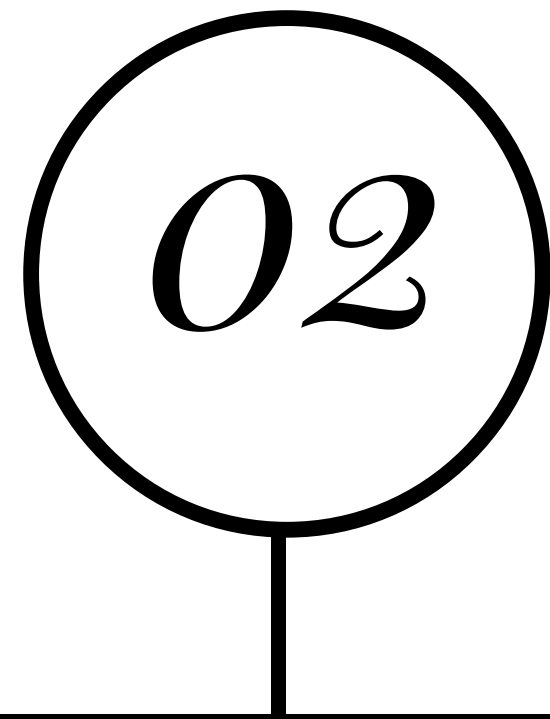
Cashflow vs. Profitability

- 01* Profit \neq cash
- 02* Debt is a tool

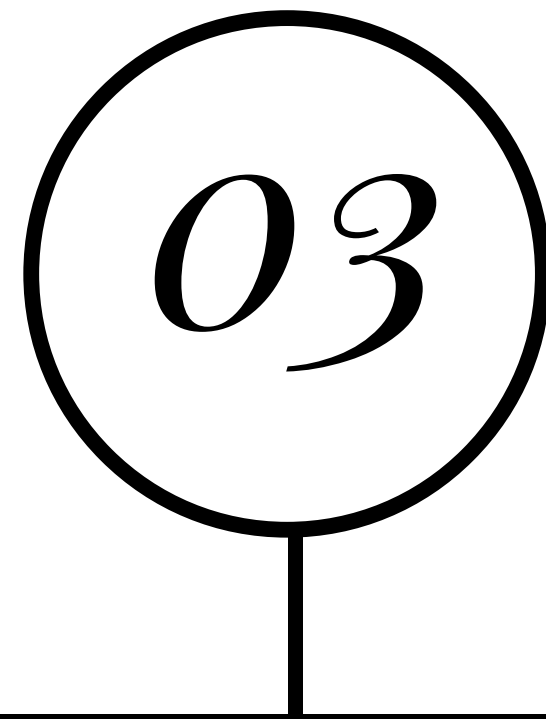
Aligning your Plans



Business
Plan



Strategy
Plan



Financial
Plan



Impact
Plan



Different Funders, Different Priorities

All expect alignment

Funders



01

Government &
Public Sector



02

Philanthropy &
Foundations



03

Investors &
Impact
Investors



04

Lenders

Financing Pathways



Grants



Loans & Impact
Investing



Community Bonds

Community Bonds



MOBILIZE LOCAL
CAPITAL

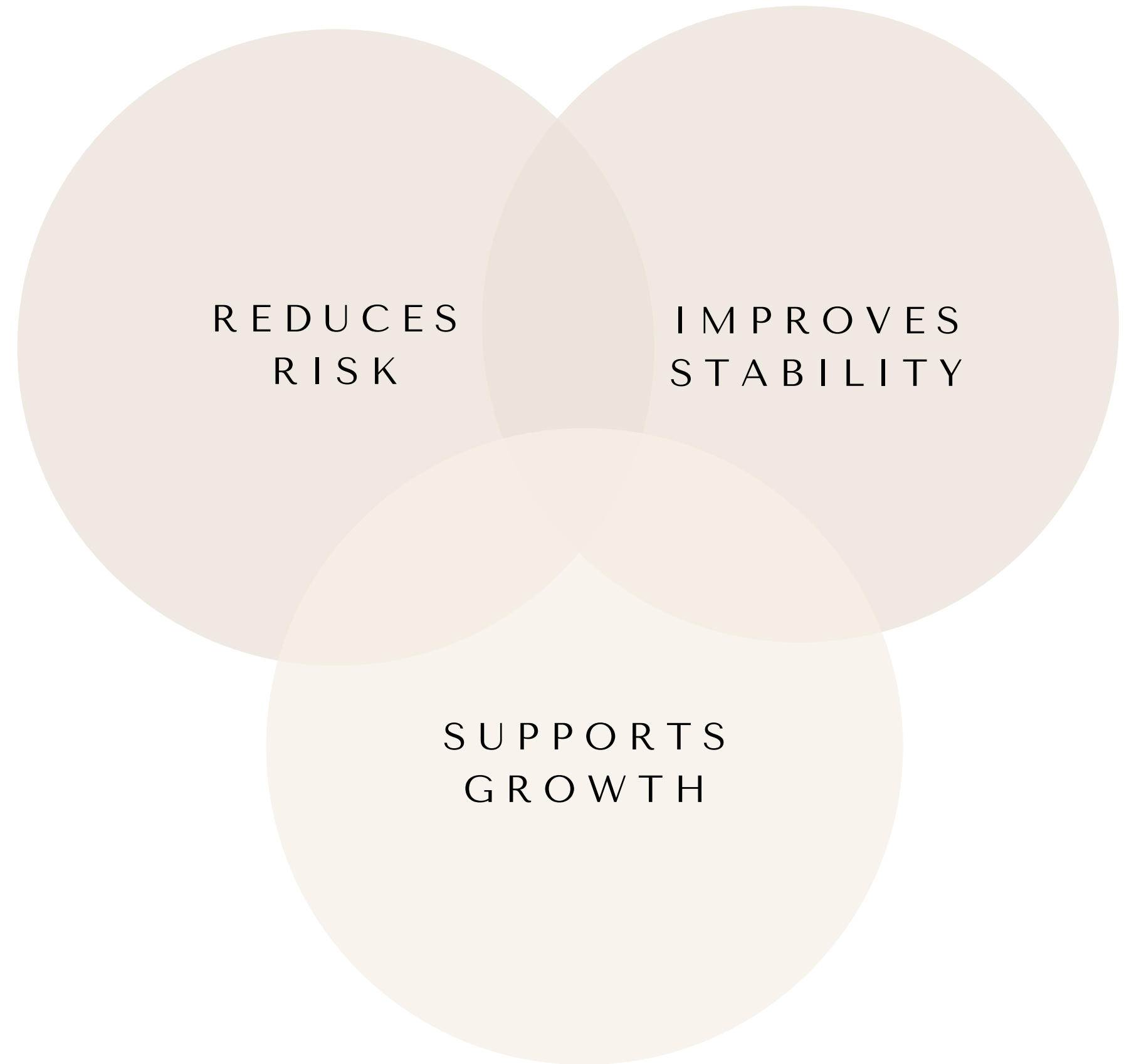


ALIGN WITH
MISSION & PLACE



BUILD
ACCOUNTABILITY

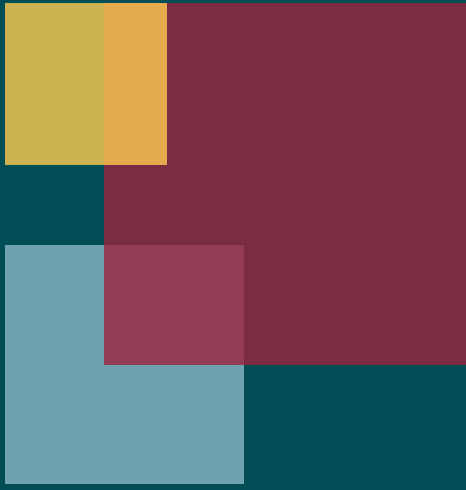
Layering Funding Sources





Putting it all together

- Be clear on your model
- Ensure viability
- Plan for repayment
- Measure impact
- Don't chase mismatched money



Financing Options



WHAT SMALL BUSINESS LENDERS LOOK FOR

CommunityFutures' 5 "C"s of Lending...

CHARACTER

- Your credit history
- Your experience & education
- Letter of support
- References

CAPACITY

- Your team
- Business Plan
- Cash Flow Forecasts
- Ability to repay loan
- Ability to pay yourself

CONDITIONS

- Market Research
- Competition
- Regulations
- Risk analysis
- Barriers to entry

CAPITAL

- Your personal networth
- Your investment in the business
- Your ability to reinvest if needed

COLLATERAL

- Assets you will pledge as security
- Your personal guarantee

Your Financing Options...

Personal Investment

- Personal savings
- Home equity

Patient Capital

- Family
- Friends

Developmental Lenders

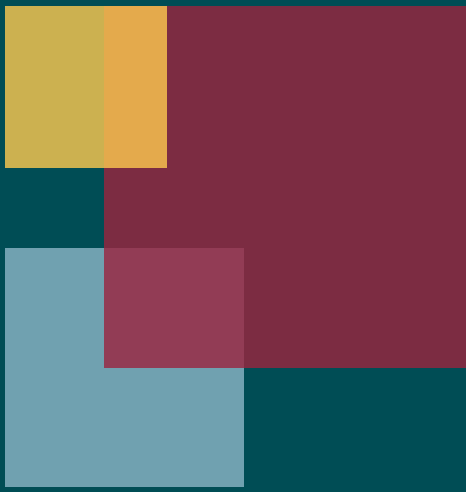
- Community Futures
- WEBC
- Futurpreneur
- BDC

Traditional Lenders

- Banks
- Credit Unions

Dangerous Lenders

- Credit cards
- Private equity lenders
- Factoring lenders



Kootenay Resources

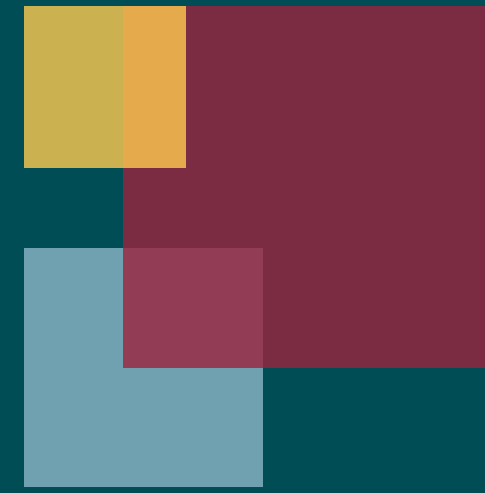
Community Futures
Boundary
(Grand Forks & Area)

Community Futures
Central Kootenay
(Nelson & Area)

Community Futures
East Kootenay

Community Futures
South Kootenay
(Trail & Area)

Community Futures
Revelstoke



Online Resources



myCommunityFutures – Provides you access to valuable workshops at no cost to support you in your business growth.

 **Innovate
for Impact**



Stay updated!

**THANK
YOU**

