

UNCAPPED

Growth Capital Program

Program presentation
Impact Hub Ottawa, 10 Jan 2019



CSED is a not-for-profit organization that seeks to maximize the impact of the social enterprise sector by offering a continuum of support at all stages of development, from seed to scale

We believe in the power of the social enterprise sector and its ability to make the world a better place.

WE ALL PROFIT.

Who are you?

Please share your name and affiliation.

My story



The Otesha Project



Cycle Salvation

Hult International Business School

Whiz Kids Workshop

Right Bike



CSED

Program design

What is social finance?

Social finance is a tool that seeks to mobilize private capital for the public good. It creates opportunities for investors to finance projects that benefit society and for community organizations to access new sources of funds.



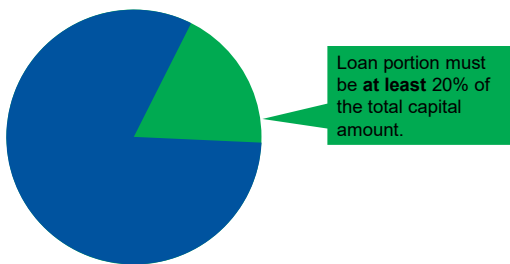
Purpose

- To enable the start-up, growth and scaling of Ottawa-based social enterprises
- To socialize loan capital as an appropriate tool for social enterprises to grow
 - Introduce social enterprises to the processes and expectations of traditional lenders



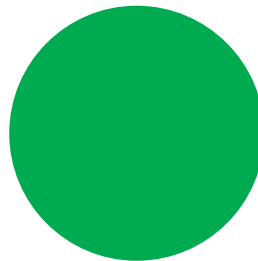
Scenarios

Grant/loan hybrid



- Available to charities and nonprofits with a charitable partner.
- Grant portion up to a maximum of \$10k.
- Loan portion up to a maximum of \$25k.

Loan



- Available to charities, nonprofits and for-profit businesses.
- Loan up to a maximum of \$25k.

Terms

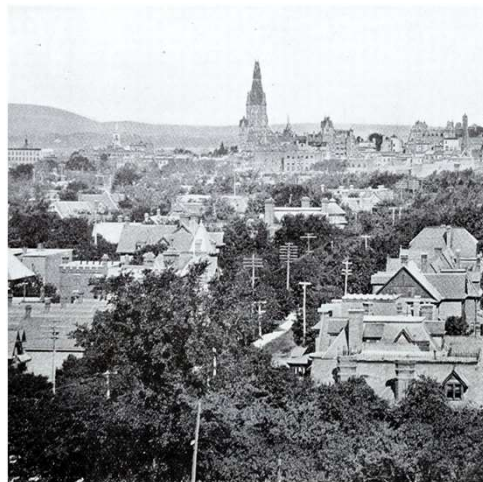
- Insurance

Loan terms

- 1 - 5 year terms
- Fixed interest rate of prime + 2 - 6%

Eligibility requirements

- Charity, nonprofit or business with a clearly demonstrated social/environmental mission
- Based in Ottawa with Ottawa social/environmental impact in Ottawa



Partners



Grant capital partner partners



Loan capital partner



What is social enterprise?

Buy Social Certification

- Has an embedded social, environmental or cultural mission
- At least 50% of revenue comes from selling goods/services
- At least 50% of profits go into executing mission
- Operates with transparency and responsibility
- Has documentation that demonstrates its social impact
- Pay Buy Social's annual certification fee



Application process

Application stages



1. Expression of interest



2. Draft application



3. Final application



4. Funding Review Committee



5. Capital partners



6. Disbursement

Documents

For capital requests with a loan portion of less than \$10,000:

- CSED UNCAPPED application form
- Business Model Canvas
- Most recent audited financial statements or Notice to Reader
- Two year projected cash flow
- Articles of incorporation
- Board of Directors resolution
- Alterna Business loan application (nonprofits and charities disregard point on Personal Net Worth Statement)
- Agreement with charitable partner (for nonprofit organizations requesting grant capital)
- Confirmation of Consent for Obtaining and Sharing Personal Information (only for charities and nonprofits that are less than one year of operation)

For capital requests with a loan portion of \$10,000 or more:

All of the above documents, plus:

- SWOT analysis
- List of Board Members
- Resume of Executive Director

Additional documents for capital requests from for-profit businesses:

- Confirmation of Consent for Obtaining and Sharing Personal Information
- Personal Net Worth Statement

Questions you'll be asked

What is your organization's mission and primary activities?

How you measure your impact?

What's your value proposition?

What's your target market?

What market research have you done?

What's your customer outreach and launch strategy?

Who will be involved in the project?

Who are your partners?

What business outcomes do you expect?

How will you sustain the results?

What are the assumptions and risks?

Timeline

- Application rounds about every two months.
- Timeline for the January 2019 round:
 - 17 Jan (end of day) - Applicant deadline for draft application packages
 - 18 - 20 Jan - CSED staff provides feedback
 - 22 Jan (end of day) - Applicant deadline for final application packages
 - 22 - 23 Jan - CSED prepares packages for Funding Review Committee
 - 23 Jan - CSED sends packages to Funding Review Committee
 - 28 Jan - Funding Review Committee meeting
 - 29 Jan to 1 Feb - CSED follows up with applicant with decisions and next steps
- Next round in late February or March

Examples

Example 1:**Water Rangers****Mission:**

To build the tools to help citizens and scientists easily record and analyse water data so that they can use the data to learn about problems, share discoveries and engage with their neighbours.

Use of capital:

Build their online store and buy initial inventory of test kits.

Example 2:**Krackers Katering****Mission:**

To provide supportive employment and training to individuals who have experienced barriers to employment, including people with mental illness and other challenges.

Use of capital:

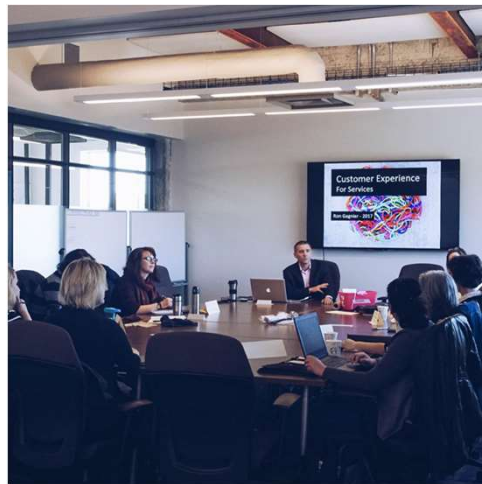
Kitchen upgrades.



Other SE resources

Other CSED offerings

- Coaching
- Vouchers for expert assistance
- Social Enterprise 101
 - monthly @ Invest Ottawa
 - for boards of directors
- Social Procurement Roundtable
- Buy Social Certification
- Unleashed: The Social Enterprise Event
- Accelerator + Hyper-Accelerator
- Mentorship
- Cluster meetings
- Newsletter



Other sources of capital

- Grant capital
 - Microgrants: Awesome Ottawa, Soup Ottawa, Just Change
 - Foundations: United Way Ottawa, Ottawa Community Foundation, McConnell Foundation, Ontario Trillium Foundation
 - Conseil de la coopération de l'Ontario
 - Procurement Investment Readiness Fund
- Loan capital
 - Futurepreneur
 - Banks: Alterna Savings, Vancity, BDC
 - Ottawa Community Loan Foundation
 - Conseil de la coopération de l'Ontario

Missed any key sources?

Reminder...

Questions?



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