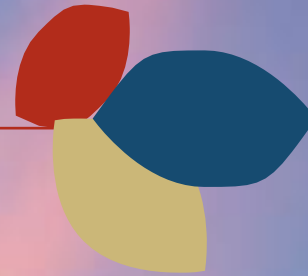


Helping communities grow



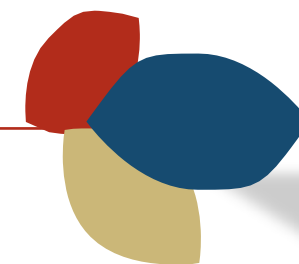
2024

A YEAR IN REVIEW

**COASTAL BUSINESS
OPPORTUNITIES INCORPORATED**
A COMMUNITY BUSINESS
DEVELOPMENT CORPORATION
(CBDC)



Message from the Chair



It has been my pleasure to serve as Chair of Coastal Business CBDC this past year. The year was an encouraging one as the business community continued to recover from pandemic shock and the aftermath of Hurricane Fiona. We happily witnessed a significant increase in activity last year along with a renewed sense of optimism amongst our entrepreneurs.

Coastal Business assisted 84 local businesses in fiscal 2024 through the provision of loans, training, and advisory services. Our investment activities alone translated into the creation and maintenance of 116 jobs for our community.

For the year ending March 31, 2024, Coastal Business approved 24 loans for a total of \$3,053,124 of which \$1,582,485 was disbursed. Cumulatively we disbursed 1,183 loans and reported a net cost per job of \$293. This figure continues to clearly brand Coastal Business as one of the most efficient job creation programs in the area.

The dedication and professionalism of our directors and staff have been prime factors in our success. I wish to thank and congratulate each of you for your continued dedication. I would like to acknowledge the support provided by the Atlantic Canada Opportunities Agency (ACOA). Its continued assistance allows us to deliver valuable business services throughout the community.

As we reflect on our achievements, we must also acknowledge the challenges that lie ahead. We remain committed to adapting and evolving in response to changing needs and circumstances. Let us continue to be enthusiastic in our vision as we reflect on our operating results for the year ending March 31, 2024.

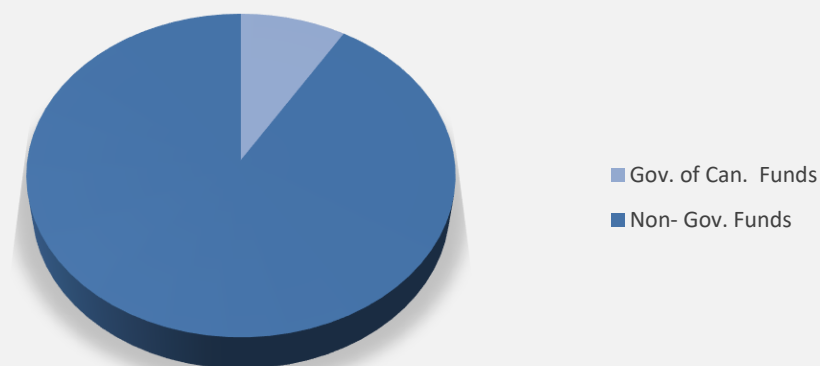
Jim Addicott
Chair

Coastal Business believes that local decision making and support yield better outcomes for entrepreneurs than those made remotely. Reports from Statistics Canada appear to support this belief. On numerous occasions over the past several years key indicators were measured using Statistics Canada data. The performance measurement strategy used these key indicators to evaluate results for CBDC-assisted firms, all of which were measured using Statistics Canada data. The performance results for CBDC-assisted firms were evaluated against a “comparable group” of firms: a set of firms that were similar in size and age that operated in the same industrial sector and geographical locations. The data provided by Statistics Canada was not only broken down by sector and firm size, but also by age and gender.

This statistical analysis consistently reveals that CBDC-assisted firms outperform the comparable group for all the key indicators. The most recent results are highlighted to the right.

Knowledgeable and dedicated local volunteer Board Members who make investment decisions for our community are central to our success. Under their governance and guidance Coastal Business has, since its inception, issued loans totaling \$38,688,445 of which \$3,374,999 was provided by Canada. This means that for every dollar invested in local businesses by this CBDC, the Government of Canada contributed less than \$0.09.

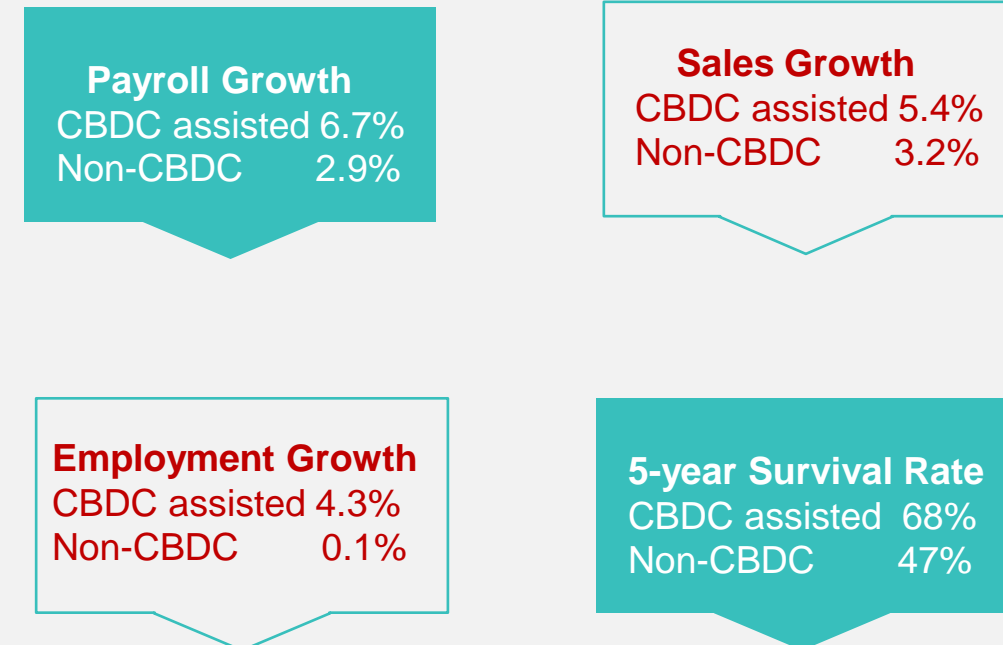
Investment Dollars provided by the Government of Canada



“Local People know where the ice is thin.”

Coastal Business is governed by a volunteer Board of Directors – local entrepreneurs and business professionals dedicated to the development and growth of our community.

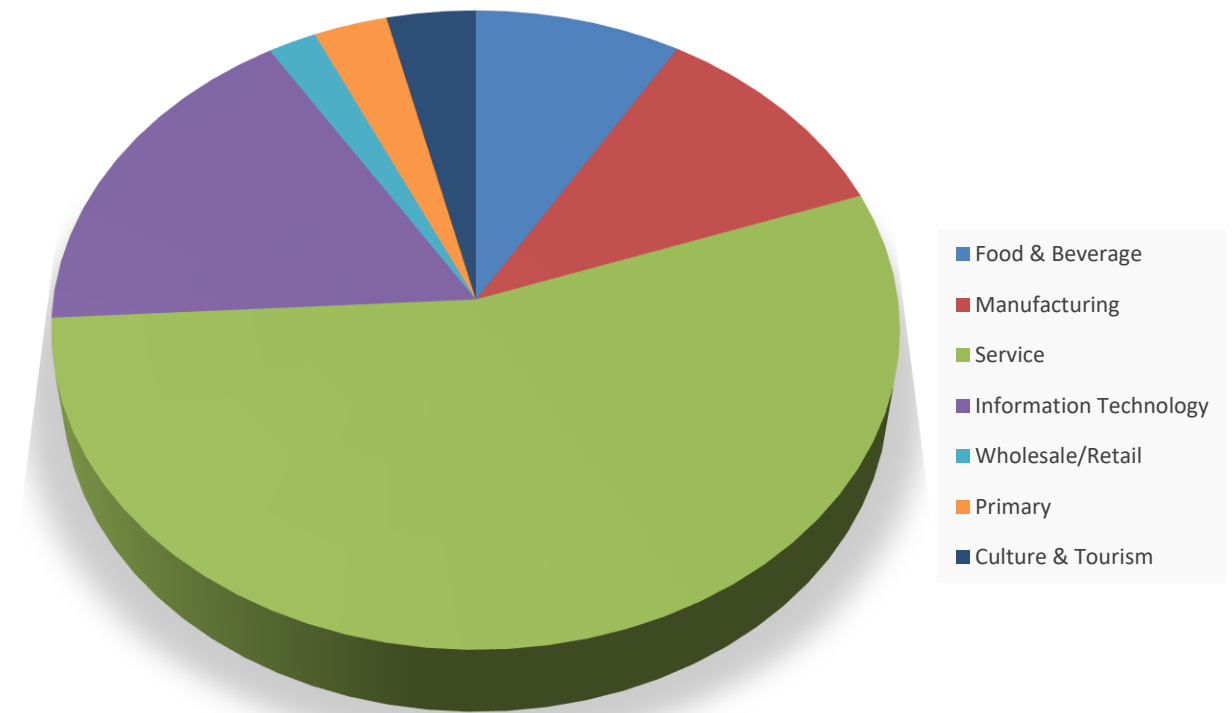
CBDC clients experience higher employment, payroll, and sales growth than non-CBDC assisted businesses.



In the thirty-nine years of operation to 31 March 2024, Coastal Business Opportunities Incorporated invested in 684 businesses loosely classified below. There were 1,183 actual loans disbursed meaning approximately 42% of loans were to repeat borrowers.

Sector	Number	Dollars	%
Food & Beverage	66	3,393,324	8.8%
Manufacturing	73	4,008,592	10.4%
Service	352	21,588,644	55.8%
Wholesale/Retail	149	6,303,899	16.3%
Primary	20	820,172	2.1%
Culture & Tourism	9	1,043,292	2.7%
Information Tech	15	1,530,522	3.9%
	684	38,688,445	100.0%

Loans By Sector



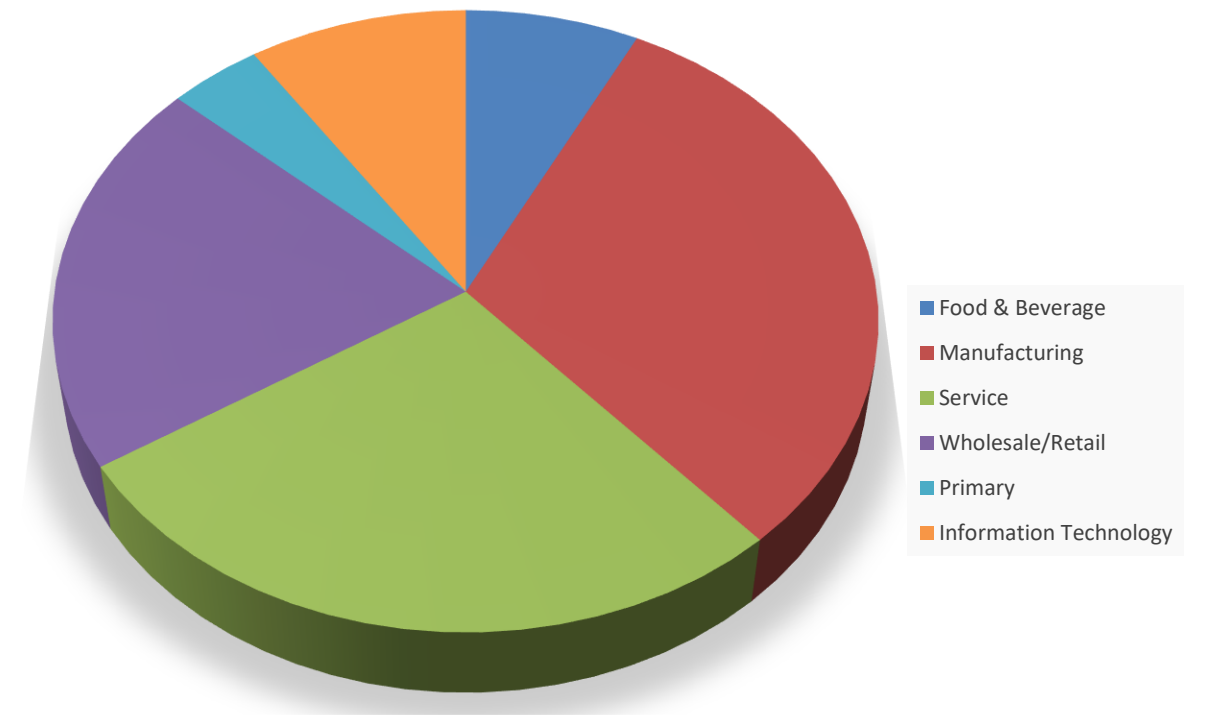
Of the \$38,688,445 invested, 94.7% was via loans and 5.3% was via equity financing (fixed dividend redeemable preferred shares for the most part). These funds also leveraged \$37,624,515 for local business.

For the fiscal year ending 31 March 2024 Coastal Business issued 17 loans totaling \$1,582,485 of which 6 were issued to new clients.

To date, investments in 191 of the 684 businesses in which Coastal Business invested were written off. An analysis of these write offs is as follows:

Sector	Number	Dollars	% o
Food & Beverage	22	301,756	7.3%
Manufacturing	30	1,252,885	30.3%
Service	77	1,203,499	29.1%
Wholesale/Retail	48	835,933	20.2%
Primary	8	161,630	3.9%
Information Technology	6	379,900	9.2%
	191	4,135,603	100.0%

Loan Write Off by Sector



Overall, since inception, this represents a failure rate of almost 28% by business count and 11% of the funds invested. This failure rate is not unreasonable, having regard for Coastal Business's purpose and local economic conditions. It is also worth noting that write-offs in about 60% of the businesses were for amounts less than or equal to \$10,000 and 34% were for amounts of \$5,000 or less.

For the fiscal year ending 31 March 2024, Coastal Business expensed \$7,515 as a provision for loss on investments and is currently carrying an allowance of \$471,890 against its receivables. This allowance includes 19 loans with an outstanding value of \$982,731. The allowance represents approximately 48% of the total outstanding value of those loans and 12% of the total outstanding value of the loan portfolio.

After allowing for job losses due to business failures, Coastal Business was instrumental in the cumulative creation/maintenance of 3,159 employment positions at a net investment of \$293 per job:

	<u>Amount Invested</u>	<u>Jobs</u>	<u>Cost per job</u>
2023/24	\$ 1,582,485	116.0	\$13,642
Cumulative	\$38,688,445	3,159.0	\$12,247

Cumulative investment		\$38,688,445	\$12,247
Recoveries & Revenues:			
Loan principal & Equity	\$28,259,040		
Investment revenues	<u>9,503,334</u>	<u>37,762,374</u>	<u>11,954</u>
Net		<u>\$ 926,071</u>	<u>\$ 293</u>

In addition to the 2023/24 jobs reported above, the delivery of the Self-Employment (SE) program resulted in the creation of an additional 6 jobs.

Also, Coastal Business provided training to 4 businesses under existing programs and 121 training interventions for SE and general clients.



Coastal Business certainly addressed its training mandate during the year with 121 training interventions. Relevant training was delivered to small business owners and those beginning self-employment through the SE Program. The SE program's training component consisted of practical group training seminars while the Entrepreneurial Train Fund (ETF) support consisted of customized training.

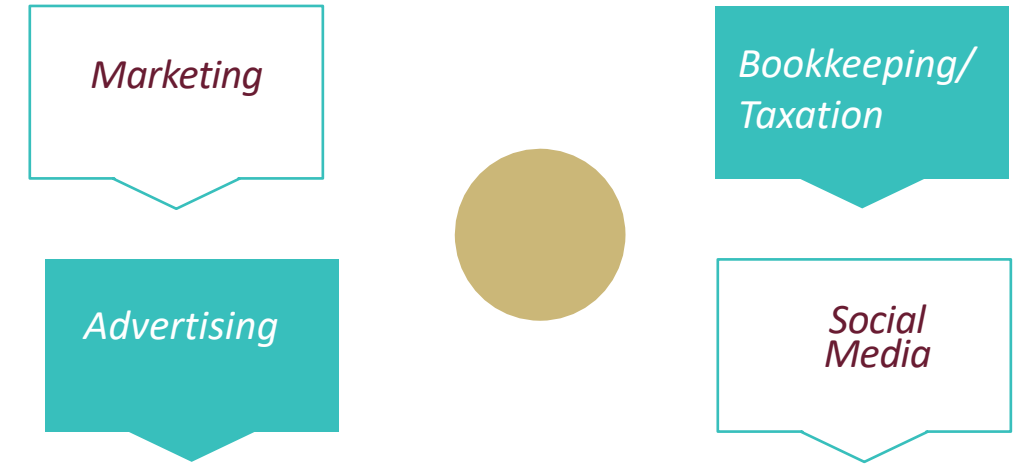
Coastal Business uses a hybrid method of delivering training, providing both in-person and virtual training opportunities.

Thirty-five (35) practical seminars were provided during the year. There were 18 basic areas addressed:

- | | |
|---------------------|---------------------------------|
| Bookkeeping | Taxation |
| Finance | Marketing/Social Media |
| Advertising | Occupational Health & Safety |
| WHMIS | First Aid |
| Legal Issues | Human Resources |
| Conflict Resolution | Negotiating Skills |
| Stress Management | Customer Service |
| E-commerce Security | Professional Selling Techniques |
| Time Management | Communication Skills |

As usual, training opportunities in financial and marketing topics had the greatest percentage of attendees.

MOST FREQUENTLY REQUESTED TRAINING TOPICS



The following chart contrasts performance targets with actual results. Coastal Business experienced a significant increase in activity in fiscal 2024 with a 100% variance in the number of loans approved and a 205% increase in the dollar value of loans approved. Amount disbursed \$1,582,485

	Projected	Actual	Variance
Number of loans approved	12	24	12
Value of loans approved	\$1,000,000	\$3,053,124	\$2,053,124
Number of clients receiving training	25	31	6
Leverage per CBDC dollars approved	0.25	0.35 ¹	0.10

¹ For every \$1 approved by Coastal Business, another \$0.35 was leveraged from other sources.

5.3% of Investments via equity

Amount disbursed \$1,582,485

17 loans disbursed

42% repeat customers





FINANCIAL ASSISTANCE

Helping communities grow



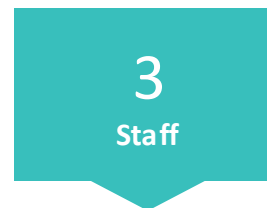
Financial Support



2023-24



Highlights



"It was excellent – they were really good. Coastal CBDC were the only ones who believed we could do it – and we did it!"



CONSULTING ADVISORY SERVICES

Helping communities grow



CAS/CB-CAP

The Consulting and Advisory Services initiative (CAS) and the Cape Breton Consulting Assistance Program (CB-CAP), both supported by ACOA, are offered for the benefit of small and medium-sized enterprises, social enterprises and not-for-profit organizations.

14
Projects
APPROVED

\$89,709
APPROVED
FUNDING

5
CAS

9
CB-CAP

Most Requested Topics

Financial

Human
Resources

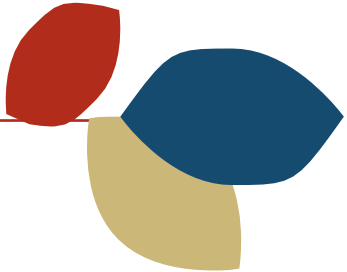
Marketing/
Re-branding

*“The consultant's stewardship of this project was exemplary. He provoked deep conversations and arrived at clear and thorough results about the core aspects of this project. It was clear to me that he has incredible depth in the space. I will surely contact him again should the need or opportunity arise.
Thank you!”*



TRAINING & ADVISORY SERVICES

Helping communities grow



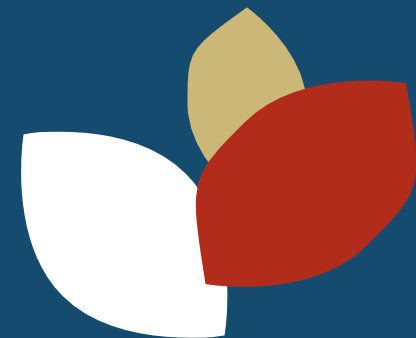
General & ETF Training



Advisory



"I've taken a number of classes through a program they offer which has helped with bookkeeping, marketing and human resources. They just give you that sense of security that you don't have to worry about anything because they are there to help you through the whole process. You know they have your back!"



Helping communities grow



**Atlantic Canada
Opportunities
Agency**

**Agence de
promotion économique
du Canada atlantique**

Canada 

The Atlantic Canada Opportunities Agency is pleased to support the CBDCs in Atlantic Canada