



2022 Annual Report



Support



Educate



Develop



Assist

Where success is shared.

Contents

Where success is shared.

We strive to inspire at both local and regional levels through inclusive socio-economic development and partnerships with members and allies.

03 Chair Message

04 CEO Message

05 Refining the Path Forward

09 Celebrating Saskatchewan Success Stories

13 2022 Board of Directors

14 2022 Strategic Partners

15 2022 Corporate & Institutional Members

16 Financials



Chair Message

Where success is shared.

The time has come to pass the leadership torch of SEDA. During my time as Chair, we have faced each challenge together as an organization with a clear vision and refined our strategic path forward to a solutions-based economy.

In September of 2021, SEDA facilitated an exploratory meeting with leaders from all sectors of our economy. We discussed the potential to collaboratively drive beneficial change in economic and social policy, practices, and values in Saskatchewan.

SEDA's mission is to accelerate generational prosperity. To do that we leverage our national and international networks so we can support Saskatchewan's leaders. We build resilience in communities and regions across our province.

Transforming our communities can only happen when we embrace collaboration and a collective vision to create generational prosperity. SEDA recognizes this in the work we do with our members, our community stakeholders, and our strategic partners. The entire province benefits when we work together.



We still have many challenges to overcome. There is a digital divide in our province. Through *Connected Saskatchewan* and the *Broadband Action Committee*, SEDA is working to draw attention and create solutions to close the gap.

The *Connected Saskatchewan Program* supports the socio-economic health and competitiveness of municipalities and First Nations. I encourage you to watch the *Connected Saskatchewan* series of videos on SEDA's YouTube channel.

Businesses may also apply for the *Canada Digital Adoption Program* that is being delivered through *Connected Saskatchewan*. SEDA is a major driving force focused on changing our digital future.

It has been an honour to serve this province as Chair of SEDA. I am pleased to stay for one more term as Treasurer. I am truly amazed to watch as this very lean and agile organization continues to have such a profound impact on community and economic development for generations to come.

Jackie Wall
SEDA Chair

"Transforming our communities can only happen when we embrace collaboration and a collective vision to create generational prosperity."

CEO Message

Where success is shared.

The year 2022 stands out as the beginning of a transition out of pandemic-related disruption and a movement toward renewal. We are in the early years of what is being called a decade of change.

There is now greater awareness of how our systems are not serving everyone—that neither the government, the market, nor civil society can solve complex challenges alone. These challenges include affordable housing, food security, and wealth inequality, to name only a few.

A lack of cohesive vision for rural and remote Saskatchewan is evident, and sparks concern for what 2050 (or even 2030) may look like as our robust natural resources sector increases in prominence and climate change enhances our quotient for residential attraction.

The labour market has shifted—quite likely permanently. Employers, including municipalities, cannot expect to fulfill their requirements as they did in the past. This shift in the market requires non-traditional approaches to recruiting—and retaining—the most suitable team members. New approaches include migrating job descriptions into solutions – and outcome – based fulfillment strategies.

“We are in the early stages of what is being called a decade of change.”

SEDA had our own shifts in 2022 as well. We transitioned into new offices in Saskatoon and brought on new team members to implement programs such as the *Canada Digital Adoption Program: Grow Your Business Online*. We have long been digital-first, operating as a hybrid organization for the past 12 years. As a social enterprise, it has allowed us to recruit an effective team and remain agile, operating effectively to serve our members and partners.

The complex challenges we face cannot be addressed in isolation. We need to engage cross-sector teams aimed at developing solution-focused socio-economic approaches. This is SEDA’s call to action in 2023, and we seek like-minded partners.

Verona Thibault
SEDA Chief Executive Officer



Refining the Path Forward

SEDA operates as a high-impact organization with a self-reliant culture and uses entrepreneurial methods to advance vital socio-economic initiatives across Saskatchewan. In 2022, we developed and adopted new governance and operational policies.

With 2022 marking the final year of our previous strategic plan, we spent time developing a new strategic framework using the balanced scorecard approach. The new plan will guide our work for 2023-2025, wrapping around SEDA's 40th anniversary in 2024.

We maintain the vision of **being a recognized leader in growing successful communities** and work to fulfill our mission of **accelerating generational prosperity**. Our new key focus areas—Support, Educate, Develop, and Assist—are based on a foundation of creating and sustaining links between members, partners, and allies. They also provide clarity and direction yet leave room for flexibility as we deliver programs and services.

SEDA brings innovative, multi-disciplinary expertise and market-driven solutions to address community development. However, such work does not take place in a vacuum. With the potential for increased cross-sectoral and collaborative approaches towards socio-economic policies, practices, and values, SEDA also needs an enhanced outlook to guide our work in the coming years. The adapted prosperity pyramid is being integrated into some of SEDA's coming work and will continue to be an important aspect of the organization's evolution.

We work behind the scenes provincially, and alongside local leaders at a community level. Supporting the strategic capacity of

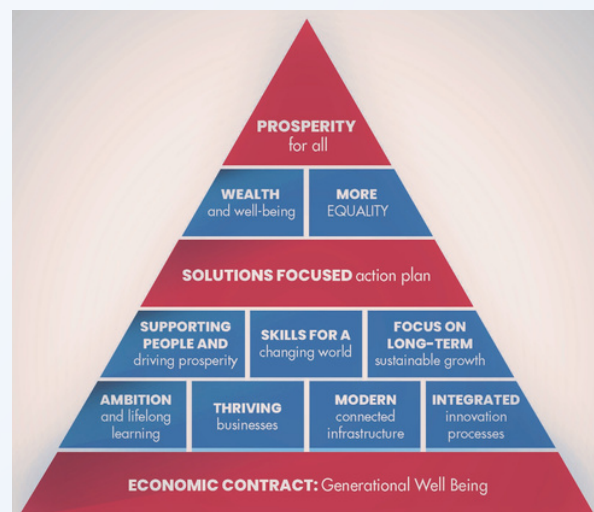


Support

members and partners through provision of programs, tools and resources is a central to fulfilling our mandate.

We provide that support in several different ways, including community consulting, online and in-person learning, and community and business development programs. Solution driven, we strive to create breakthroughs by filling gaps in the marketplace and brokering new initiatives with partners in the private, public and non-profit sectors.

In 2022, SEDA participated on a team from the three prairie regions to build a picture of the current capacity of community economic development service delivery and identify gaps and opportunities for enhancements. As part of this project led by Prairies Economic Development Canada (PrairiesCan), SEDA interviewed 22 organizations.





Educate

We teach and provide resources so our members may shape their own future. This teaching and sharing happens in large ways and small, because shared learning results in an understanding of how we can act collectively to achieve a common goal.

Ensuring we have high-quality learning opportunities means not just developing and delivering programming, but also revisiting it. In 2022, we reviewed the *Introduction to Community and Economic Development* online program. Across the four modules—Establishing a Foundation, The Professional, The Planning Continuum, and Economic Development Strategies—there are 22 lessons, and we updated the manual for each. The accompanying video sessions will be updated in the coming year.

We partnered with Community Futures Meridian Region to provide a one-day livestream of the Franklin Covey *Speed of Trust® Foundations* workshop in February. The workshop helps organizations discover how trust is the essential ingredient for any high-performance, successful organization, and learn how to build trust faster.

SEDA continued to deliver of the *Destination Creation Program* in 2022. Colleagues from three Saskatchewan Community Futures organizations have now picked up the program and are using it to support the health and long-term viability of businesses in their regions.

As part of Economic Development Week 2022, we worked with the Golden Shovel Agency to share a free webinar: *Why Economic Developers Should Enter the Metaverse*. The session focused on why communities and economic developers need to be engaged in what could become the next “internet of things.”

Through the weekly *Inspiration File* newsletter, we continue to share relevant events and education opportunities that may benefit our members—from hour-long webinars to multi-day conferences.



Develop

We help members gain a competitive edge by providing research, coaching, consulting, special programs, and project management. Multiple projects continued, began, or took shape in 2022.

SEDA has been working as part of the *Canada Digital Adoption Program*, partnering with the Government of Canada, Saskatchewan Polytechnic, Economic Development Regina, and Digital Main Street. Through the *Grow Your Business Online* program, micro-grants of up to \$2,400 can be accessed to help businesses with the costs of adopting digital technologies. Businesses can invest the micro-grant funds in software, cyber security, technology infrastructure, platform subscriptions, licenses, and more.

The program also provides support and advice through a network of advisors. Saskatchewan students and recent graduates can join that network, where they learn about the program, various e-commerce solutions and tools, the basics of cyber security, communication skills, and help determine individual businesses needs and values.

This program helps strengthen both the local businesses and the local workforce to help support e-commerce in Saskatchewan. In 2022, we received applications from 344 businesses, and 264 were accepted into the program. A total of \$103,026 in grants went to eligible businesses, and 176 of them met with an e-commerce advisor during the year.

Our *Connected Saskatchewan Program* focuses on better broadband—both coverage and speed—in Saskatchewan, which ties to larger efforts to support the socio-economic health and competitiveness of communities, First Nations, and regional organizations. Although broadband may not be considered a core local utility, we encourage municipalities and First Nations to consider the role they want to play in determining their digital future.

We launched the second of three phases in 2022, focused on digital enablement. It aims to enable all people, communities, businesses, and sectors to use technology to improve well-being; increase the awareness of what is possible; improve socio-economic performance; overcome barriers; and build a digital community. To support those aims, we created a handbook, e-business tool kit, and a series of explainer videos; all these tools are available on the *Connected Saskatchewan* microsite.

A virtual *Saskatchewan Social Enterprise Hub* launched in September, to nurture growth of social enterprises in the province. The social enterprise model is an effective option to support community well-being and sustainability, often providing services that would not otherwise exist. Social enterprises can play a significant role in addressing gaps locally and regionally, and there are already several examples around Saskatchewan.

To lay the foundation for success, SEDA sought to engage as many organizations as possible to build the hub. Five founding partners sponsored the website—Aboriginal Friendship Centres of Saskatchewan, Community Futures Saskatchewan, Saskatchewan Indigenous Economic Development Network, Saskatchewan Parks and Recreation Association, and SEDA—and we continue to seek more partners. With social enterprise at the nexus of the private, public, and civil sectors, the focus on collaboration is vital to the success of this project. The founding partners formed an advisory group to guide the next steps.

During a two-and-a-half-year *Rural Cluster Development* project, SEDA will develop action plans with local businesses to support and grow strategic clusters in five rural Saskatchewan regions. The plans will include a broad range of economic sectors, including manufacturing, value-added agriculture, forestry, critical minerals, digital technology, and clean energy. The project officially launched in the first days of 2023, but the groundwork for that launch happened through 2022.

Cluster development encourages firms and institutions to undertake joint actions that could ultimately benefit the industry players

along with the communities where they work. The cluster format helps remove bottlenecks that often limit the growth of small businesses, and easing that constriction can trigger better performance in socio-economic, and often environmental, terms.

SEDA, with support from Prairies Economic Development Canada and the Province of Saskatchewan, will be working with in-house specialists to help the five regions develop clusters which in turn can lead to economic growth and competition in their areas. Shared strategies can address common challenges in new ways and encourage communities and nearby institutions to support place-based solutions.



Assist

SEDA focuses on providing the necessary tools, resources, and connections for Alliance members to thrive.

Of course, a major point of connection for members and partners in 2022 was the return of our in-person conference. The *Provincial Summit on Growing Communities One Idea at a Time* took place on September 27 and 28 at the Dakota Dunes Resort. The summit was itself a partnership, with Community Futures Saskatchewan acting as co-host along with SEDA and our ongoing partner Saskatchewan Indigenous Economic Development Network.

More than 200 delegates registered to take in presentations ranging from a panel on co-operatives and a livestream keynote on how to build the future we want, to a session on workforce development and a keynote on the sacred path of disruption.

We continue to build and maintain strategic relationships with private, public, and non-governmental sectors, especially by sitting on several councils and committees:

- Canadian Healthy Communities Initiative adjudication committee
- Provincial Broadband Coalition
- Saskatchewan Polytechnic President's Council
- Honouring Her Spark project with the Aboriginal Friendship Centres of Saskatchewan

As subject matter experts and innovators, SEDA is intent on driving new thinking on the future of regional economies. As part of this work, we met with the federal Minister of Rural Economic Development Gudie Hutchings via virtual roundtable in April. We shared details on SEDA's work and impact to establish that credibility at the federal level with elected decision makers.

We also aim to work with innovator staff from like-minded organizations to discuss common ground and potential collaboration. In 2022, that included discussing a potential data hub with Tech for Good Canada.

"SEDA focuses on providing the necessary tools, resources, and connections for Alliance members to thrive."

Celebrating Saskatchewan Success Stories

In our *Inspiration Files* newsletter, we often feature *Stories from the Field*, highlighting success stories from around the province.

In 2022 we shared dozens of articles, including a new wellness centre in the RM of Enniskillen and a resident who was turning his small hamlet into a tourist destination.

We also use our blog and social media to share longer-form stories from around the province, and regularly share highlights on our social media channels.

As we celebrated Economic Development Week from May 9 to 13, 2022, we shared a toolkit of resources, and encouraged members to share their own successful initiatives and ideas. The *Bright Ideas Challenge* was our way of gathering the

good ideas and successes members created and discovered during an especially difficult couple of years.

SEDA is pleased to recognize outstanding achievement each year. The annual *Awards of Excellence* are our way to formally celebrate the province's best economic development work. There were more than a dozen nominations for 2022, ensuring the jury had plenty of excellence to review. We also adjusted population categories this year, so the larger category aligned with the same population cutoff as cities: 5,000.

In the Community Projects and Marketing Innovation categories, we give out two awards each, based on population.



Community Project Award Winners 2022

This award recognizes a community or regional partnership that works together in ongoing economic development work and activities. It rewards such things as strategic planning processes, business retention, expansion or attraction, tourism development, and community engagement.



Population Under 5,000

Carlton Trail College and RM of Prince Albert
*Heavy Equipment Operating Training
Partnership*



Population Over 5,000

Saskatchewan Food Industry
Development Centre
The AWESOME Project

Marketing Innovation Award Winners 2022

This award recognizes innovative and effective marketing initiatives used for attracting, retaining, and fostering business as well as communication vehicles used by economic development organizations.



Population Under 5,000

Town of Coronach
Branding



Population Over 5,000

FDC Regional Economic Development Commission
Investment Readiness Toolkit

John P. Sutherland Lifetime Achievement Award



2022 Winner
Darrell Balkwill

The late John Sutherland, long-time employee for the Canadian National Railway, was instrumental in the establishment of and fundraising for SEDA. His personal commitment to and support of the Alliance and our members have had a lasting impact on economic development in Saskatchewan.

The award recognizes lifetime achievement and excellence within the field of community and economic development in Saskatchewan.

Chair's Award

This award was introduced in 2021, giving the SEDA Board Chair or Board of Directors as a collective whole the option to present an award to recognize individuals, organizations, or communities who have demonstrated a multiyear commitment to the vitality, growth, and sustainability of their locale and the province.



2022 Winner
South Saskatchewan Ready
Economic Partnership

Professional Accreditation

Congratulations to Lauren Johnson from the Town of Shaunavon and Tammy MacDonald from the Town of Esterhazy, who successfully sat the certification exam and received the Professional Community and Economic Developer of Saskatchewan (PCED.SK) certification in 2022!

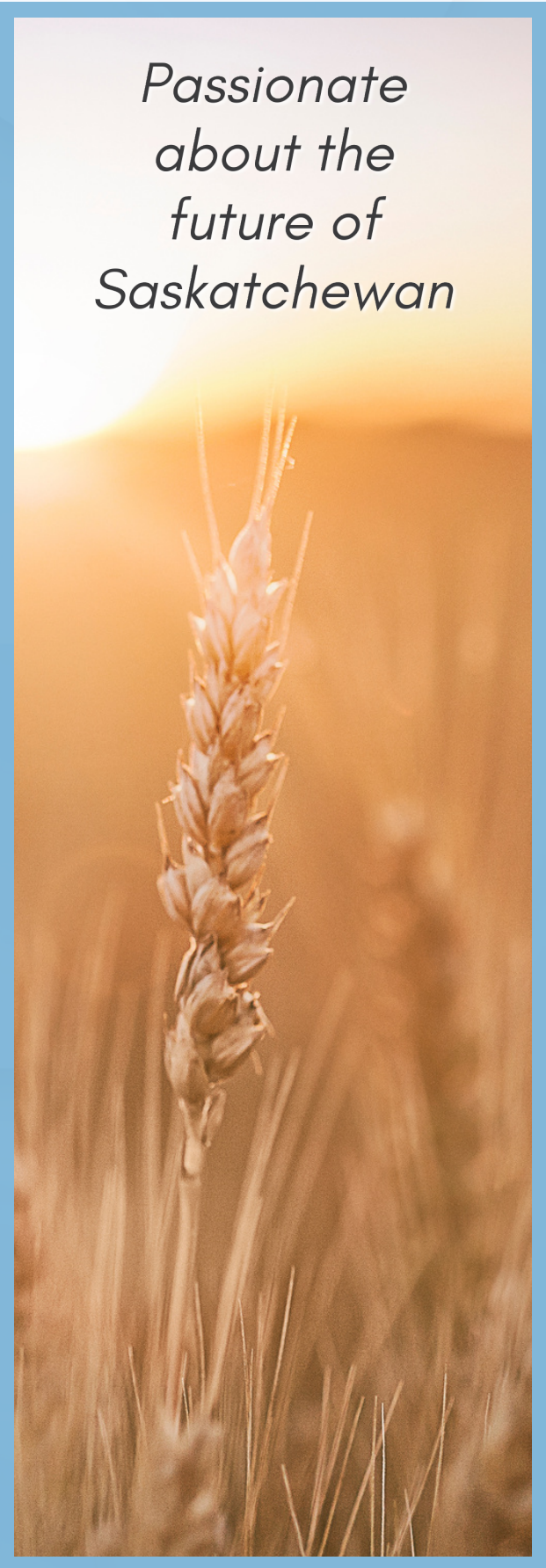


Lauren Johnson
Town of Shaunavon



Tammy MacDonald
Town of Esterhazy





*Passionate
about the
future of
Saskatchewan*

Executive

Chair

Jackie Wall

Executive Director, Estevan Chamber of Commerce

Vice Chair

Jim Dixon Ec.D, CEcD

Manager of Economic Development, City of Moose Jaw

Treasurer

Nicole Lerat

Chief Administrative Officer, Town of Rosethorn

Directors at Large

Christina Birch

*Regional Economic Development Coordinator,
Community Futures Sunrise*

Monica Brunet PCED.SK

Director Citizen Engagement, Métis Nation Saskatchewan

Michelle McKenzie

Mayor, Town of Maple Creek

Patricia Jackson

Mayor, Town of Kipling

John Gunderson

Mayor, Town of Watrous

Sean Wallace

Managing Director, South Saskatchewan Ready

Ex-Officio

Ashley Charles

Saskatchewan Indigenous Economic Development Network

Arla Cameron

*Director of Community Economic Development & External
Relations, Prairies Economic Development Canada*

2022 Strategic Partners



Diamond Partner



The Province of Saskatchewan remains focused on advancing economic growth to generate wealth and opportunity in Saskatchewan. Advancing and regulating responsible resource development; developing, attracting, and retaining skilled workers; and enhancing economic growth and competitiveness in the province are key mandates.

Gold Partner



FlexNetworks owns, manages, and operates extensive fiber optic networks in Saskatchewan, Manitoba, and Ontario. Privately held, FlexNetworks thrives on providing scalable and flexible solutions to meet current and future connectivity needs for communities, organizations, service providers, and carriers.

Gold Partner



SaskPower is Saskatchewan's leading electricity supplier since 1929. They support growth and work to make life better for over half a million customers. They take care of over 157,000 kilometers of lines and other equipment that brings power to customers, and can also connect to the grids in Manitoba, Alberta and North Dakota.

Gold Partner



SaskTel and its wholly owned subsidiaries offer a wide range of Information and Communications Technology products and services including competitive voice, data and Internet services, wireless data services, maxTV services, data centre services, cloud-based services, security monitoring services, advertising services, and international software and consulting services.

Sliver Partner



Effective marketing demands powerful messaging in order to overcome competing voices. WJ guides clients through the process of being heard by their target markets and provoking action.

Sliver Partner



At 5by5, they specialize in creating custom solutions to help organizations gain success. They build software and technical solutions that specifically suit the needs of the clients.

2022 Corporate & Institutional Members

SEDA Corporate and Institutional Members demonstrate a heightened interest in, understanding of, and commitment to community economic development.

- **Carlton Trail College**
- **CHS Consulting**
- **Deloitte**
- **Great Plains College**
- **HMC Management**
- **Immigrate**
- **Innovation Credit Union**
- **Martin Charlton Communications**
- **Ministry of Trade and Export Development**
- **Northbound Planning Ltd.**
- **Peace Hills Trust**
- **Prairie Wild Consulting**
- **Preferred Choice**
- **SaskWater**
- **Schollie Research & Consulting**
- **SMEDCO**
- **Southern Sask Realty/ Canora Storage Company Inc.**
- **Tourism Saskatchewan**

*By working together we
can successfully
move our
communities forward.*



Saskatchewan Economic Development Association Incorporated

(Operating as Saskatchewan
Economic Development Alliance)

Auditor's Report
Financial Statements
December 31, 2022

Where success is shared.

INDEPENDENT AUDITOR'S REPORT

To the Directors of **Saskatchewan Economic Development Association Incorporated**
(Operating as **Saskatchewan Economic Development Alliance**)

Report on the Financial Statements

Opinion

We have audited the financial statements of **Saskatchewan Economic Development Association Incorporated**, which comprise the statement of financial position as at **December 31, 2022** and the statements of revenue, expenditures and surplus, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Saskatchewan Economic Development Association Incorporated** as at **December 31, 2022** and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of **Saskatchewan Economic Development Association Incorporated** in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Independent Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and the use of the going concern basis of accounting unless management either intends to liquidate the entity or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Saskatoon, Saskatchewan
March 6, 2023

Chartered Professional Accountants

SASKATCHEWAN ECONOMIC DEVELOPMENT ASSOCIATION INCORPORATED

(Operating as Saskatchewan Economic Development Alliance)

STATEMENT OF FINANCIAL POSITION

December 31, 2022

with comparative figures for 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 1,608,983	135,421
Short-term investments (Note 3)	100,000	-
Accounts receivable (Note 4)	35,286	44,719
Inventory	-	385
Prepaid expenses	<u>6,363</u>	<u>4,749</u>
Total current assets	1,750,632	185,274
Capital assets (Note 6)	<u>1,855</u>	<u>392</u>
	<u>\$ 1,752,487</u>	<u>185,666</u>
<u>LIABILITIES AND SURPLUS</u>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 53,855	13,999
Deferred contributions (Note 7)	1,541,929	-
Deferred revenue - membership and registration (Note 8)	<u>13,619</u>	<u>31,978</u>
Total current liabilities	1,609,403	45,977
Surplus	<u>143,084</u>	<u>139,689</u>
	<u>\$ 1,752,487</u>	<u>185,666</u>

See accompanying notes to the financial statements.

SASKATCHEWAN ECONOMIC DEVELOPMENT ASSOCIATION INCORPORATED

(Operating as Saskatchewan Economic Development Alliance)

STATEMENT OF REVENUE, EXPENDITURES AND SURPLUS

Year Ended December 31, 2022
with comparative figures for 2021

	<u>2022</u>	<u>2021</u>
Revenue:		
Advertising	\$ 374	-
Canada Digital Adoption Program Funding (Note 9)	646,676	-
Cluster development project funding (Note 10)	20,445	-
Federal Program Funding	-	70,333
Investments	891	153
Memberships	94,403	84,324
Provincial program funding	-	5,000
Project management fees	23,692	41,059
Registration	85,298	38,419
Sponsorship	61,500	42,819
	<u>933,289</u>	<u>282,107</u>
Expenditures:		
Amortization	763	784
Bad debt expense	37	-
Canada Digital Adoption Program Delivery (Schedule 1)	646,676	-
Cluster development project expense (Note 10)	20,455	-
Contract services	109,352	139,714
Facilitating fees	22,878	4,125
Insurance	3,379	3,087
Interest and bank charges	2,400	1,857
Marketing	6,633	7,279
Memberships	990	428
Office and general	6,963	4,518
Publication	60	528
Professional fees	3,053	2,968
Program delivery (general) expense	36,844	99,648
Rental	7,400	800
Telephone	2,465	2,743
Travel and meeting expenses	6,045	95
Venue / hospitality expenses	53,501	7,604
	<u>929,894</u>	<u>276,178</u>
Excess of revenue over expenditures	3,395	5,929
Surplus, beginning of year	<u>139,689</u>	<u>133,760</u>
Surplus, end of year	<u>143,084</u>	<u>139,689</u>

See accompanying notes to the financial statements.

SASKATCHEWAN ECONOMIC DEVELOPMENT ASSOCIATION INCORPORATED

(Operating as Saskatchewan Economic Development Alliance)

STATEMENT OF CASH FLOWS

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u>	<u>2021</u>
Operating activities:		
Excess of revenue over expenditures	\$ 3,395	5,929
Item not involving an outlay of cash:		
Amortization	<u>763</u>	<u>784</u>
	4,158	6,713
Changes in non-cash working capital:		
Short-term investments	(100,000)	-
Accounts receivable	9,434	(29,280)
Inventory	385	(385)
Prepaid expenses	(1,614)	5,915
Accounts payable and accrued liabilities	39,855	4,038
Deferred revenue	(18,358)	16,967
Deferred contributions	<u>1,541,929</u>	<u>-</u>
	1,475,789	3,968
Investing activities:		
Additions to capital assets	<u>(2,227)</u>	<u>-</u>
Increases in cash during the year	1,473,562	3,968
Cash position, beginning of year	<u>135,421</u>	<u>131,453</u>
Cash position, end of year	<u>\$ 1,608,983</u>	<u>135,421</u>

Cash position is comprised of cash in bank less outstanding cheques.

SASKATCHEWAN ECONOMIC DEVELOPMENT ASSOCIATION INCORPORATED

(Operating as Saskatchewan Economic Development Alliance)

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. DESCRIPTION OF BUSINESS

The Saskatchewan Economic Development Association Incorporated, the "Association", is a member-driven organization that provides skills, knowledge, resources and connections required to embrace change and build a sustainable future for Saskatchewan. The Association operates under the name "Saskatchewan Economic Development Alliance".

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The financial statements reflect the following significant accounting policies:

(a) Investments

Investments for which there are quoted prices in an active market are carried at fair value. Investments for which there is not an active market are carried at amortized cost except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of revenues.

(b) Capital assets

The Association capitalizes assets valued at \$500 or greater. All capital assets shall provide a future economic benefit to the Association. All assets are amortized over their estimated useful lives using the straight line method as follows:

Computer	3 years
Equipment	3 years

(c) Revenue recognition

The Association follows the deferral method of accounting for contributions. Contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Government grants related to current expenditures are recorded as revenue in the current year. Grants received in the year for expenditures to be incurred in the following fiscal year are recorded as deferred revenue. Membership fees are recognized over the term of the membership. Registration fees are recognized when the services have been provided. Project management fees are recognized over the term of the projects as services are provided.

(d) Donated materials and services

The Association benefits from the contribution of materials and services. These financial statements reflect the value of in-kind donations received during the year to the extent that the materials and services would be paid for in the normal course of the organization's operations and fair value of the donated materials and services can be reasonably estimated.

SASKATCHEWAN ECONOMIC DEVELOPMENT ASSOCIATION INCORPORATED

(Operating as Saskatchewan Economic Development Alliance)

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(e) Financial instruments

Financial instruments, including cash, short term investments, accounts receivable, accounts payable, and accrued liabilities are initially recorded at their fair value and are subsequently measured at amortized cost, net of any provisions for impairment.

(f) Measurement uncertainty

The preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

3. SHORT TERM INVESTMENTS

Short-term investments consists of a GIC. The GIC has an interest rate of 1%, maturing March 2023.

4. ACCOUNTS RECEIVABLE

	<u>2022</u>	<u>2021</u>
General	\$ 22,332	42,254
Accrued interest	778	-
GST receivable	<u>12,176</u>	<u>2,465</u>
	<u>\$ 35,286</u>	<u>44,719</u>

5. ECONOMIC DEPENDANCE

The Association receives significant grant funding from various organizations. As a result, its ability to continue operations at the current level is dependent on receiving this funding in the future. These grants can be cancelled if the Association does not meet terms and conditions as set out in each grant agreement. As at the date of these financial statements, management believes the Association is in compliance with the terms and conditions set out in the grant agreements.

SASKATCHEWAN ECONOMIC DEVELOPMENT ASSOCIATION INCORPORATED

(Operating as Saskatchewan Economic Development Alliance)

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

6. CAPITAL ASSETS

		<u>2022</u>		<u>2021</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Equipment	\$ 2,481	1,863	618	-
Computer hardware	<u>3,838</u>	<u>2,601</u>	<u>1,237</u>	<u>392</u>
	<u>\$ 6,319</u>	<u>4,464</u>	<u>1,855</u>	<u>392</u>

7. DEFERRED CONTRIBUTIONS

	<u>Balance, beginning of year</u>	<u>Additions</u>	<u>Disbursements</u>	<u>Balance, end of year</u>
Canada Digital Adoption Program Grant	\$ -	1,496,929	-	1,496,929
Rural Cluster Project Funding	<u>-</u>	<u>45,000</u>	<u>-</u>	<u>45,000</u>
	<u>\$ -</u>	<u>1,541,929</u>	<u>-</u>	<u>1,541,929</u>

8. DEFERRED REVENUE - MEMBERSHIP AND REGISTRATIONS

	<u>Balance, beginning of year</u>	<u>Additions</u>	<u>Disbursements</u>	<u>Balance, end of year</u>
Membership Deferred Revenue	\$ 18,730	13,619	18,730	13,619
Online Economic Development Courses	<u>13,248</u>	<u>-</u>	<u>13,248</u>	<u>-</u>
	<u>\$ 31,978</u>	<u>13,619</u>	<u>31,978</u>	<u>13,619</u>

SASKATCHEWAN ECONOMIC DEVELOPMENT ASSOCIATION INCORPORATED

(Operating as Saskatchewan Economic Development Alliance)

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

9. CANADA DIGITAL ADOPTION PROGRAM FUNDING

The Government of Canada partnered with the Association, Saskatchewan Polytechnic, Digital Main Street, and Economic Development Regina to deliver the Grow Your Business Online grant to small businesses across the country. The program will be available until March 2025, subject to remaining grant availability.

During the year ended December 31, 2022, the Association received the Canada Digital Adoption Program (CDAP) grant in the amount of \$2,143,605 (2021 - \$nil) from the Government of Canada which can be used to help small and medium scale enterprises with the costs related to adopting digital technologies as well as support and advice from a network of e-commerce advisors. \$1,496,929 (2021 - \$nil) of the amount received was deferred to 2023 as the grants will be recognized into revenue when the related expenses are incurred in 2023. As such only \$646,676 (2021 - \$nil) was recognized into revenue in 2022.

10. CLUSTER DEVELOPMENT PROJECT

Prairies Economic Development Canada provided federal funding for \$20,455 to be used to establish industry clusters in five rural Saskatchewan regions for the Phase 1. \$20,455 (2021 - \$nil) was spent on the delivery of the cluster development project.

The Government of Saskatchewan (Ministry of Trade and Export Development) provided Saskatchewan Economic Development Association with a funding of \$45,000 for the Phase 2 of the cluster project. This grant will provide Saskatchewan's small and rural communities with a framework and tools to support existing and emerging industry clusters. \$45,000 (2021 - \$nil) of the amount received was deferred to 2023 as the grants will be recognized into revenue when the related expenses are incurred in 2023.

SASKATCHEWAN ECONOMIC DEVELOPMENT ASSOCIATION INCORPORATED

(Operating as Saskatchewan Economic Development Alliance)

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

11. FINANCIAL INSTRUMENTS

The Association as part of its operations carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant currency or credit risks arising from these financial instruments except as otherwise disclosed. The carrying value of the Association's cash, accounts receivable and accounts payable approximate their fair value due to their short-term nature.

Risks and concentrations

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposure and concentrations at December 31, 2022.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its accounts payable.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amounts of financial assets on the statement of financial position represent the Association's maximum exposure at the financial statement date. The credit risk on cash and investments is limited because the counterpart is a financial institution with high credit rating assigned by national credit-rating agencies.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Association is not exposed to any significant market risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its fixed and floating interest rate financial instruments.

SASKATCHEWAN ECONOMIC DEVELOPMENT ASSOCIATION INCORPORATED

(Operating as Saskatchewan Economic Development Alliance)

SCHEDULE OF CANADA DIGITAL ADOPTION PROGRAM DELIVERY EXPENSES

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u>	<u>2021</u>
Expenses:		
Business grant disbursement	\$ 103,026	-
Digital Main street licensing delivery	35,071	-
Delivery partners salaries and wages	211,426	-
Other participant costs	10,147	-
Professional fees	9,362	-
Project costs	31,320	-
Recruitment and management	19,213	-
Student disbursement fund	<u>227,111</u>	<u>-</u>
	\$ <u>646,676</u>	<u>-</u>

See accompanying notes to the financial statements.