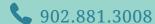


INFORM • CONNECT • ACCELERATE

ANNUAL REPORT

FISCAL YEAR 2016-2017



- www.westernren.ca
- **()** 220-368 Main Street, Yarmouth
- wren@westernren.ca

LEADERSHIP MESSAGE

PAM MOOD Chair, Liaison & Oversight Committee

Our team has made great advances in our three-year strategy for the region and we look forward to continuing this trend.

We are very pleased to welcome Barrington to the Western REN as we enter our second year of operations.

WARNER COMEAU Chair, Board of Directors

We have developed strong momentum in our first full year of operations. As our network and partnerships expand and strengthen, the work continues to gain traction, leading to solid benefits for the region's businesses and economy.

Angélique LeBlanc Chief Executive Officer

We are very proud of the what our regional team has accomplished this year. The model of the Regional Enterprise Networks is garnering more support and buyin, leading to many exciting partnerships.



2016-2017

- Western Region
- History
- Method
- Structure
- Team
- Strategy
- Highlights
- Looking Forward
- Board of Directors
- Financial Statements

The Western Region includes all six (6) municipal units of Digby and Yarmouth Counties.

AT A GLANCE

As of April 1, 2017, the Western Region also includes Barrington Municipality.





Traditional economic drivers such as fish harvesting and processing are still very relevant to the current economy.





2016-201

BRIEF HISTORY

The Western REN

Since adopting the three-year Regional Economic Development Strategy in 2015, the Western REN and partners have gained much momentum implementing that strategy. See "Highlights".

The recent release of the 2nd Business Plan for 2017-2018 demonstrates how far the organization has come and what its focus will be.

2016 saw some changes from the municipal elections; the partnership continues to strengthen, with region-wide projects bringing real benefits to regional businesses and communities.

At the very end of the 2016-2017 year, municipal partners also welcomed the Municipality of the District of Barrington to the Western REN table, effective April 1, 2017.

Building Nova Scotia's new economy is about sharing information, developing new partnerships, and innovating with an entrepreneurial spirit.

This is especially true in rural areas where market forces will not drive investments the same way as in urban centres.

As a hub for communications, networking, and partnerships the Western REN creates an environment for informed group decisions and actions.

METHOD

Inform – curate and share regional economic information.

We identify issues and gain available intelligence, including what has already been achieved or attempted.

Connect – create partnering opportunities specific to business and industry needs.

We present the curated information and facilitate an industry- or issuespecific exploration.

Accelerate - proactively uncover regional issues and catalyze partnerships toward shared resolutions.

We bring identified challenges and uncovered solutions to sector groups and the Province for resolution.



Member Municipalities

- Municipality of the District of Argyle
- Municipality of the District of Clare
- Municipality of the District of Digby
- Municipality of the District of Yarmouth
- Town of Digby
- Town of Yarmouth
- Municipality of the District of Barrington (as of April 1, 2017)











PLAN

The three-year strategic plan categorized actions under the **STRATEGIC** following themes.

BusinessNow

Supporting existing businesses is a core activity. Combining the professional Business Retention and Expansion visitation program with innovative teams and networks addresses sector-and region-wide dynamics.

We identify challenges, we streamline process, we network.

Investment Readiness

Another core activity is fostering a healthy regional economic climate; inviting investments in new businesses. Working with our municipal partners we build our capacity to capture investment opportunities.

We build tools, we develop strengths, we create opportunity.

Innovative Partnerships & Communications

Finding new ways to tackle old problems is critical! This must be done in partnerships. We are a hub for developing new relationships and building trust among the communities we serve, both public and private.

We inform, we connect, we accelerate.

Download our Strategy at westernren.ca

Highlights

The first year of operations in the Western REN Regional Economic Development Strategy built momentum within each of its strategic themes.

HIGHLIGHTS 2016-2017

BusinessNow

- Launched Productivity Pilot Project seven companies across region adopting a corporate culture of Continuous Improvement
- Business Retention and Expansion services have reached over 100 companies. Referrals and follow up actions have lead to significant investments, improvements, and growth in our BRE clientelle.
- Business Directory

Investment Readiness

- Investment Readiness Assessment completed regional proposal template created and shared with municipal partners
- Lead funding application for high-speed, rural internet
- Maintain and update data for Regional Economic Profile and quarterly Labour Market Dashboard
- Soft launch of Commercial and Industrial Land Asset Database

Innovative Partnerships and Communications

- 3rd Annual Summit hosted in Meteghan
- Launch Western REN Connector Program
- Full year of bi-monthly newsletters, a growing subscription list
- Work with other RENs to raise profile of regional economic development on the Provincial radar



Looking Ahead

2017-2018

LOOKING AHEAD

Inform

Business Plan 2017-2018

Accelerate

Opportunities

Workforce

In keeping with our Inform, Connect, Accelerate Method – this year our work is focussed on defining and supporting Opportunities for Investment, overcoming Workforce Challenges, and building the foundation for an Investment Ready region.

Connect

	COLLICOT	
	Opportunities A	R&D Capacity
Business Rete	Connecto ty Projects ntion & Expansion ling Talent (Fall Sun	
		e nternet

Download our Business Plan 2017-2018

AT ITS CORE, THE WESTERN REN IS ABOUT PARTNERSHIPS

There is no Silver Bullet

This will take everyone working together.

The rising tide floats all ships

What is good for neighbouring regions is good for this region too.

Goal alignment builds momentum

Working together on shared priorities creates efficiencies.

ClareACOA
ArgyleCBDCNSBI
IndustryAssociations
UniversitéSainte-Anne
LAECDENEDOB
NSCCBDCDigbyNSOI
PrivateSector
DMABarrington
BREClientsYarmouth

BOARD OF

DIRECTORS

2016-2017



Year 1 of 2nd Term (3yr)

















FINANCIALS

Western Regional Enterprise Network

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Independent Auditors' Report

Grant Thornton LLP 328 Main Street, PO Box 297 Yarmouth, NS B5A 4B2

T (902) 742-7842 F (902) 742-0224 www.GrantThornton.ca

To the Chairman and Members of the Western Regional Enterprise Network

We have audited the accompanying financial statements of the Western Regional Enterprise Network, which comprise the statement of financial position as at March 31, 2017, the statement of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Western Regional Enterprise Network's preparation and fair presentation of the financial statements 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 Western Regional Enterprise Network's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Western Regional Enterprise Network as at March 31, 2017, and the results of its operations, changes in net financial assets and statement of cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Grant Thornton LLP

Yarmouth, Canada June 13, 2017

Chartered Professional Accountants Licensed Public Accountants

Western Regional Enterprise Network Management's Responsibility for Financial Reporting

March 31, 2017

The financial statements are the responsibility of the Board of Directors and have been prepared in compliance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the CPA of Canada. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current account period cannot be finalized with certainty until future periods.

The Board of Directors maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

Director:

Second Supplier CEO:

On behalf of the Western Regional Enterprise Network:

Year Ended March 31		Budget		2017		2016
Revenues						
Municipality of the District of Argyle	\$	51,790	\$	50,824	\$	51,743
Municipality of the District of Clare		52,753	52.	52,990		52,705
Municipality of the District of Digby		45,771		45,957		45,730
Municipality of the District of Yarmouth		62,208		62,498		62,152
Town of Digby		19,679		19,732		19,66
Town of Yarmouth		45,299		45,499		45,258
Province of Nova Scotia		277,500		277,500		277,249
Conditional project funding (Note 5)	_		_	283,919	_	1
-		555,000	-	838,919	_	554,498
Expenditures Advertising		34,000		21,147		29,898
Accounting fees		19,500		19,350		19,350
Consulting support		28,000		32,255		16,706
Interest and bank charges		1,000		02,200		347
Information technology		6,500		10,748		8,415
Insurance		2,000		2,052		1,868
Miscellaneous		,		_,,		643
Office		14,500		6,360		6,187
Professional dues		3,000		1,931		2,293
Professional fees		7,500		10,445		6,319
Rent		20,000		14,577		10,387
Repairs and maintenance		3,000		9,823		7,012
Conditional project expenditures (Note 5)		*		299,134		5
Strategic planning		22,500		7,212		67,024
Telephone and utilities		6,000		3,772		3,628
Travel and conferences		48,500		26,431		30,951
Training		12,000		7,426		2,069
Wages and benefits	-	327,000	_	314,067	_	238,575
	_	555,000	_	786,730	-	451,672
Annual surplus	\$			52,189		102,826
Accumulated surplus, beginning of year			-	194,162	-	91,336
Accumulated surplus, end of year			\$	246,351	\$	194,162

Western Regional Enterprise Network Statement of Financial Position

March 31	2017	2016
Financial Assets		
Cash and cash equivalents	\$ 274,477 \$ 203	3,837
Accounts receivable	95,835 46	5,218
HST receivable	27,448 8	3,888
	397,760 258	3,943
Financial Liabilities		
Payables and accruals	38,525 66	6,664
Deferred revenues	114,939	
	153,464 66	6,664
NET FINANCIAL ASSETS	244,296 192	2,279
Non-Financial Assets		
Prepaid expenses	2,055 1	,883
ACCUMULATED SURPLUS	\$ 246,351 \$ 194	,162

On behalf of the Board

_Chairman

Director

Western Regional Enterprise Network Statement of Change in Net Financial Assets

March 31	В	udget	-	2017		2016
Annual surplus	\$	×	\$	52,189	\$	102,826
Change in prepaid expenses				(172)	_	(15)
Increase in net financial assets	\$	-		52,017		102,811
Net financial assets, beginning of year	2000			192,279		89,468
Net financial assets, end of year			\$	244,296	\$	192,279

Western Regional Enterprise Network Statement of Cash Flows March 31 2016 2017 Increase (decrease) in cash and cash equivalents Operating activities Annual surplus 52,189 102,826 Changes in non-cash operating working capital Accounts Receivable (49,617)(46, 218)HST receivable (18,560)(4,861)Prepaid expenses (172)(15)Deferred revenues 114,939 (48,518)Payables and accruals (28, 139)46,782 Net increase in cash and cash equivalents 70,640 49,996 Cash and cash equivalents Beginning of year 203,837 153,841 End of year 274,477 203,837

Western Regional Enterprise Network Notes to the Financial Statements

March 31, 2017

1. Nature of operations

The Western Regional Enterprise Network (the "Enterprise") was created to cultivate close working relationships with the business community and key partners to support the development and attraction of new businesses, and retain and expand existing businesses. The Enterprise supports local businesses in navigation, and making referrals to programs and services. The Enterprise proactively and assertively seeks to connect community strategic assets with new investment and ongoing investments from existing business. The Enterprise informs partners and stakeholders about local business climate conditions, as well as regional challenges and opportunities. The Enterprise will work with partners and stakeholders to provide investment readiness support including site identification and selection information.

The Enterprise was incorporated on May 29, 2014 under the Societies Act of Nova Scotia as a Municipal Corporation and as such is exempt from income tax.

2. Summary of significant accounting policies

The financial statements of the Enterprise are the representations of management prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The Enterprise applies the Public Sector Accounting Handbook without the 4200 series.

Significant aspects of the accounting policies adopted by the Enterprise are as follows:

Contribution revenue

Contributions from provincial or municipal units without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized. Contributions with eligibility criteria are recognized as revenue when the transfer is authorized and all eligibility criteria have been met. Contributions with stipulations are recognized as revenue when the transfer is authorized and all stipulations have been met.

Contributions with eligibility criteria or stipulations in which either the eligibility criteria or stipulations have not been met are recorded as deferred revenue until the eligibility criteria or stipulations have been met. Contributions received that have time periods are recognized in accordance with the agreement.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

Use of estimates

In preparing the Enterprise's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported amounts of revenue and expenses. Actual amounts could differ from these estimates.

Western Regional Enterprise Network Notes to the Financial Statements

March 31, 2017

5. Conditional project funding and expenditures

		onnector ogram	- 82	ir argo	Rural Internet	ICCI Project	Process Improvement	Total
Revenues								***************************************
ACOA	\$		\$	- 9	6 -	\$ -	\$ 97,941	\$ 97,941
Rural Municipalities		-			57,697			57,697
Global Affairs Canada		-			-	13,320	-	13,230
Province of NS		5,947		10,000	-	-	47,670	63,617
Yarmouth Airport Corp.		5 . 60		5,964	-	: ·	140	5,964
Fish packers		-		-	-	-	30,000	30,000
User fees	_	(* 0)				-	15,470	15,470
Total Revenues	\$	5,947	\$	15,964 \$	57,697	\$ 13,230	\$ 191,081	\$283,919
Total Expenditures	\$	5,947	\$	15,964 \$	57,967	\$ 28,445	\$ 191,081	\$299,134

The following summarizes the special projects being managed by the Enterprise:

Connector Program:

This program is an expansion of the National Connector Program, which is a referral process that puts newcomers to a community in touch with local employers, community leaders and business professionals.

Air Cargo:

This program was a study to understand the viability to attract air cargo to Yarmouth and establish the airport as a transportation hub.

Rural Internet:

This program coincides with the launch of the Connect to Innovate program announced in December 2016 by Innovation, Science and Economic Development Canada. On behalf of the municipalities of Argyle, Barrington, Clare Digby and Yarmouth. The Enterprise will lead this program to develop infrastructure to improve rural internet in the area.

ICCI Project:

This program will map out existing supply chains in this region, which will enable the region to better understand its value proposition and develop strategic investment targets, as well as, enhance capacity and capability to support new investments in the region. This program is funded 50% by external parties, the other 50% of the expenditures will be covered by the Enterprise's annual funding.

Process Improvement:

This program is a pilot project designed to help local companies develop a continuous improvement system to enhance products, services or processes primarily within seafood processing companies.

Any expenditure funds for any special project in excess of external funding will be covered by the Enterprises annual funding.

Western Regional Enterprise Network Notes to the Financial Statements

March 31, 2017

2. Summary of significant accounting policies (continued)

Financial instruments

The Enterprise has classified its financial instruments as follows:

Financial asset / liability

Classification/ Measurement

Cash and cash equivalents Accounts receivable Payables and accruals Deferred revenue

Cost/Amortized cost Cost/Amortized cost Cost/Amortized cost Cost/Amortized cost

3. Commitments

The Enterprise leases a Toshiba photocopier under the terms of a 48 month lease expiring in January 2020. Lease payments are made on a monthly basis in the amount of \$173.50 plus applicable taxes.

4. Company co-funded employee retirement plan

The Enterprise provides its employees with an RPP matching plan. As of March 31, 2017, there were no required future contributions in respect of past service and all contributions required under the plan had been funded.

During the fiscal year, the Enterprise contributions \$15,760 (2016 - \$7,079) towards the pension plan.



























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