

Annual Report 2018-2019

Our Promise

We are committed to our people, our communities, and our province.

We work with and for Nova Scotians so that we can make a difference, together.

For Nova Scotia businesses looking to expand, we will nurture growth and innovation, and help to uncover export opportunities around the world.

For international companies considering a new home, we will facilitate their journey to unveil success in the province we call home.

We believe when there is a win for Nova Scotia, we all win.

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COVER PHOTOS

Bottom centre: John Houston/
Atautsikut Production Ltd.

Message from the Board Chair & President and CEO

As the business development agency for the Province of Nova Scotia, we work with companies who do great things.

Aligning and Focusing

Since 2015, NSBI has been on a trajectory to evolve our focus and grow as an organization. In keeping with the recommendations of the OneNS Coalition and NSBI's mandate, we have widened our view to ensure that our programs and services tackle some of the most challenging issues that Nova Scotia businesses face along their export journey, and it's working.

We know this, because we listen to our clients.

Building Export Capacity and Productivity and Innovation

We have continued to hone how we search out, nurture, and grow the exporters in our province, and we work alongside companies in all regions across the province and gain valuable insights that enable us to adapt our service offering.

As an economic driver within Nova Scotia's innovation and economic development ecosystems, our role is to help businesses across the province find new and innovative ways to achieve growth.

Through the Innovation Rebate Program (IRP), clients around the province have wholeheartedly responded to the need to invest to drive more innovation and increase competitiveness. With five companies with approved funding commitments for this past fiscal year, and another nine approved for the next two years, the IRP is helping businesses increase their innovation capacity through private-sector capital investments and adoption of new technologies and business processes.

Companies seeking to accelerate innovation and commercialization also leveraged our Productivity and Innovation Voucher Program (PIVP). In 2018-2019, NSBI approved 60 PIVP applications, resulting in 28 new linkages between industry and academic institutions. Through this program, companies as diverse as those looking to extend battery life to those perfecting a natural tick repellent, are tapping into the wealth of research expertise within our university and community college infrastructure.

Maximizing Return on Investment

Historically, NSBI measured our investment attraction efforts through the number of payroll rebate transactions signed. Over the past several years, we've evolved our measurement to highlight the projected return on investment from our payroll rebate transactions.

The payroll rebate transactions signed in 2018-2019 are projected to contribute a 75.4% average return on investment for the Province in the coming years. We will continue to build upon this and will measure the employment income projected from the FDI transactions we complete, and have set a target for employment income within groups currently under-represented in Nova Scotia's workforce.

Capitalizing on Global Opportunities

The need to be globally competitive has never been more critical and Nova Scotia's exporters have great opportunities in front of them.



Marie Mullally
Board Chair

Laurel Broten
President and CEO

With new trade agreements coming into force, we spent this past year working with businesses to expand their reach and sell their products and services to key markets. The work we are doing is responding to the unique advantage that our companies have. Nova Scotia companies, as well as all businesses across Canada, have fewer barriers to working and connecting in the European Union because of the Comprehensive Economic and Trade Agreement (CETA). However, the rest of the world may not be far behind and when that happens, there will be increased competition. The time is now for Nova Scotia companies to chart their path to export growth in these key markets.

Our experience tells us that diversifying export markets will not only help our companies with revenue growth, but will also reduce risk for our exporters. In 2018-2019, 21% of our clients reported that they sold products or services to a new international market.

Working for Nova Scotians

As Nova Scotians, we are committed to our people, our communities, and our province. It's hard to think about this past year, without thinking about how far we have come as an organization.

Our activities from the fiscal year 2018-2019, the work of preceding years, and the demonstrated partnerships, adaptations, and innovations we have committed ourselves to at NSBI are the clearest ways we show our long-term commitment to seeing Nova Scotia businesses succeed – and Nova Scotia succeed as a result.

At the same time throughout Nova Scotia, there is an evolution underway of what it means to grow the economy and exports from our province's many regions. Improvements to employment attachment, population growth, strategic sector growth, and economic participation ultimately will benefit more and more Nova Scotians.

We will continue along our journey to better define and measure NSBI's work in export development and investment attraction. Together with our clients and partners, we collectively have our eyes focused on the horizon to what's possible, what we can do, what we can change, and never lose sight of the good work our businesses and partners have been building along the way.

Marie Mullally
Board Chair

Laurel Broten
President and CEO

Board of Directors

Due diligence and adherence to rigorous corporate governance guides the actions of Nova Scotia Business Incorporated's private-sector Board.

Comprised of respected leaders from communities across Nova Scotia, the Board of Directors provides guidance and governance to Nova Scotia Business Incorporated in fulfilling its mandate.

In 2018-2019 the Board of Directors met to:

- Oversee the corporate governance framework
- Review and approve interim and annual financial reports
- Facilitate the strategic business planning process and provide strategic guidance and oversight
- Identify and monitor risks facing the corporation
- Monitor the integrity of the corporation's internal control systems
- Approve financial transactions within Board limits

Marie Mullally, Board Chair

Appointed Director, December 2014
HR Governance Committee

- CUA, President & CEO
- Nova Scotia Gaming Corporation, Former President & CEO
- Halifax International Airport Authority, Chair
- FICANEX Services Inc., Board of Directors

Bert Frizzell, Vice Chair, Past Board Chair

Appointed Director, September 2011
HR Governance Committee

- The Shaw Group Ltd., Vice Chair, Past Chair
- The Shaw Group Ltd., Former President & CEO
- Acadia University, Board of Governors
- Heritage Gas, Board of Directors
- LED Roadway Lighting Ltd., Board of Directors
- West Bedford Holdings Ltd., Board of Directors

Brenda Belliveau, CPA, CA

Appointed Director, September 2016
Audit Committee

- PwC Atlantic Canada, Managing Partner and Tax Leader
- Mount Saint Vincent University, Board of Governors

Paul Belliveau, FCPA, FCA

Appointed Director, February 2013
Audit Committee, Chair

- Belliveau Veinotte Inc., Partner
- Bridgewater Development Association, Past Chair
- Lunenburg County Lifestyle Centre, Former Chair
- The AC Group of Independent Accounting Firms Ltd., Executive Officer
- Now Lunenburg County, Board of Directors

Sandra Greer, ICD.D

Appointed Director, September 2016 Investment Attraction Committee

- Amirix Systems Inc. (now InnovaSea Systems), Former President & CEO
- Nova Scotia Power Inc., Board of Directors
- InnovaSea, Board of Directors
- IORE, Board of Directors
- Acadia University, Former Board of Governors
- Nova Scotia Community College (NSCC), Board of Governors, Former Board Chair
- Canadian Foundation for Innovation, Former Board Member
- Industrial Expansion Fund (IEF), Advisory Panel, Former Member

Tom Hickey

Appointed Director, December 2015 Investment Attraction Committee, Chair

- T. Hickey Enterprises, President & CEO
- Atlantic Road Construction, CEO
- Atl-Refac Ltd., Board Chair
- Frontline Asphalt Ltd., CEO
- Nova Paving Ltd., Board Chair
- Iconic Brewing Co., Board Chair

Cheryl Hodder, QC, ICD.D

Appointed Director, November 2012 HR Governance Committee, Chair

- McInnes Cooper, Partner
- McInnes Cooper, Board of Directors, Vice Chair
- Mount Allison University, Board of Regents
- Compute Canada, Board of Directors
- Film and Creative Industries Nova Scotia, Past Chair

Ray Ivany, ICD.D

Appointed Director, December 2010 Investment Attraction Committee

- Acadia University, Former President & Vice-Chancellor
- Nova Scotia Community College (NSCC), Former President & CEO
- Workers' Compensation Board of Nova Scotia, Former Chair
- Natural Sciences and Engineering Research Council of Canada, Past Council Member
- Nova Scotia OneNS Commission on Building our New Economy, Past Chair
- Nova Scotia Power Inc., Board of Directors
- Bank of Canada, Board of Directors

Ronald E. Smith

Appointed Director, May 2011 Audit Committee

- Maritime Tel & Tel Ltd., Former CFO
- Emera Inc., Former CFO
- Canada Pension Plan Investment Board, Former Board of Directors
- Alamos Gold Inc., Board of Directors
- Pro Real Estate Investment Trust, Board of Trustees
- Covalon Technologies Ltd., Board of Directors
- Public Service Superannuation Plan Trustee Inc., Chair
- Acadia University, Board of Governors, Past Chair
- The Arthritis Society, Past National Chair
- Western Regional Economic Network, Chair of the Board of Directors
- IWK Health Centre, Board of Directors
- Develop Nova Scotia, Board of Directors

Committees & Officers

The Audit, Human Resources Governance, and Investment Attraction Committees serve to assist the Board in carrying out its responsibilities.

Audit Committee

Paul Belliveau, Chair
Brenda Belliveau
Ron Smith

The Audit Committee oversees NSBI's financial reporting, assesses its internal controls and risk environment, and reviews the audit report prepared by the corporation's external auditor.

Human Resources Governance Committee

Cheryl Hodder, Chair
Bert Frizzell
Marie Mullally

The Human Resources Governance Committee assists the Board of Directors of NSBI in fulfilling its obligations by ensuring that the necessary policies are in place for the effective management of NSBI's human resources, by providing oversight in relation to NSBI's employee compensation framework, including executive compensation and developing and monitoring the Board's approach to corporate governance.

Investment Attraction Committee

Tom Hickey, Chair
Sandra Greer
Ray Ivany

The Investment Attraction Committee provides stewardship and oversight to NSBI's business development incentive framework, activities and guidelines. The Committee will provide oversight and guidance to management in the development and implementation of strategic initiatives, new tools and incentives in order to drive business development activity, foster economic growth and increase prosperity in the Province.

**NSBI by
the Numbers**

32.1%
increase in actual
export sales overall



304
companies tapped
into **Export Growth
Program**

27
NSBI clients identified
as **new exporters**
Goal: 15 new exporting clients

75.4%
Average ROI to the
province on payroll rebate
transactions
Goal: 40%

16 NSBI high potential cluster
clients who identify as **new
exporters**
Goal: 10 new exporting clients

60
INNOVATION

Productivity and
Innovation Vouchers
in clients' hands, and
**resulted in 28 new
linkages** between
businesses and Nova
Scotia's universities
and colleges
Goal: 50 vouchers

22.6%
increase in actual payroll
generated by NSBI
clients overall
Goal: 15 %



84
unique self-
identified
businesses of
diversity used
NSBI programs/
services

21%
of clients exported to an additional
country in Fiscal 2018-2019
Goal: 10%

Iris Booth

Halifax, NS

- ConnectNS Program
- Trade Market Intelligence
- Small Business Development Program
- Export Growth Program
- Trade Missions



“The NSBI team makes you feel connected to something bigger.”

Mastering picture-perfect innovation

Iris Booth has undergone dramatic growth and change in its target customer since starting in 2015 as a retail business that offered headshots for \$20 in professional photobooths. Today, the company builds its photobooths to order and sells them to large corporations, who in turn install them in their offices and license the software from Iris Booth. “We’re full steam ahead with the corporate market,” says creator Sue Siri.



About 95% of Iris Booth’s revenue now comes from outside Nova Scotia, with about 90% from outside Canada.

Just this year, the company added another revenue stream – a short-term rental market for conferences and trade shows. A new, portable booth was launched at the World Economic Forum Annual Meeting in Davos, Switzerland, and Iris Booth has already taken it to several shows around North America.

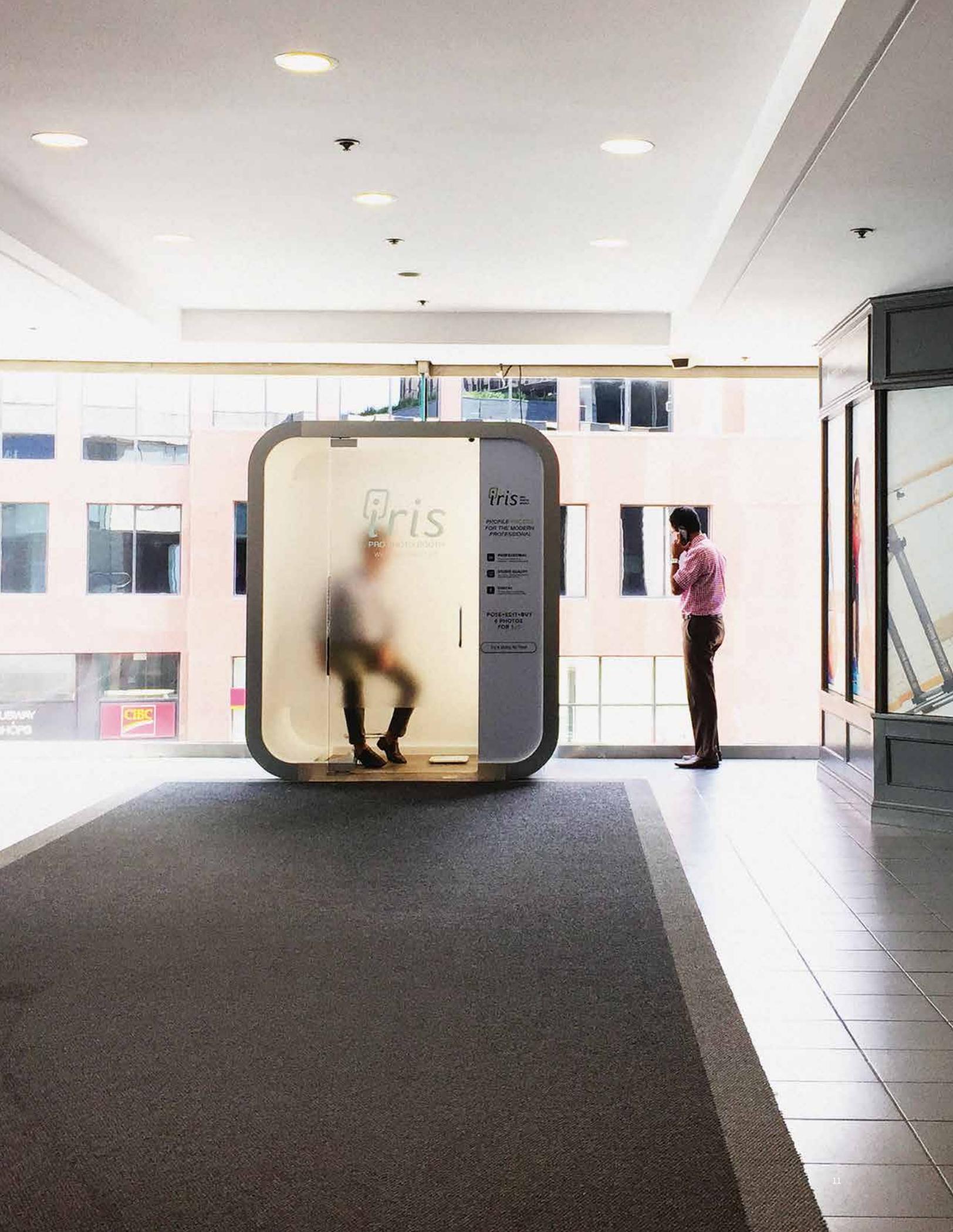
Innovation is the company’s competitive advantage, Siri explains. “If you have a product that’s unique and cutting edge, people will find you whether you’re sitting in New York City or Halifax, Nova Scotia.”

Since her earliest discussions with NSBI in 2016, Siri has tapped into different programs to help her business expand. “NSBI has been wonderful to work with,” she says. “When you’re an entrepreneur, having that support is really important, because you can feel isolated. The NSBI team makes you feel connected to something bigger.”

The **Export Growth Program** has been vital, she adds. “It’s critical to get in front of people, not just once or twice. To be able to follow up and sit down and develop relationships is the only way to grow the business. Having the financial support to do that kind of travel has allowed us to grow stronger, faster and further than we could have without NSBI.”

New markets present new challenges, but NSBI was always there to put Siri in touch with someone who could help, she says. “Through the **ConnectNS Program**, NSBI connected me with a lawyer in Dallas who helped me register in different states, get paperwork through and find insurance.”

With only four on staff, Iris Booth works with many partners, including lawyers, accountants, engineers, and manufacturers. “And all of them, every one, is right here in Nova Scotia,” Siri says with pride. “We make every single piece of this in Nova Scotia.”



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- PROFESSIONAL
- PRIME QUALITY
- INSTANT

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CIBC

**Canadian Maritime
Engineering**
Sydney, NS

- Payroll Rebate
- Innovation Rebate Program



Shipshape in North Sydney

Canadian Maritime Engineering (CME) is underway with a large capital investment to expand its North Sydney Shipyard with the help of the [Innovation Rebate Program](#) from NSBI. CME, whose head office is in Dartmouth, provides marine refit and repair services as well as new manufacturing of marine vessels for commercial and offshore use across Canada.



“We’ve found NSBI tremendous to work with. They’ve come in to really look at our operations and understand who we are as a company, so they can figure out the best way to help us.”

“Strategically, the North Sydney operation is well positioned in a deep harbour that’s also protected, with access to the major shipping lanes on the East Coast that go between the U.S. and Newfoundland and into the St. Lawrence River,” says Tony Kennedy, CME’s president and co-owner.

The company is investing \$3.16 million to increase its capacity to manufacture vessels such as commercial work boats, fishing vessels, tugs and barges.

“We do a large amount of work on naval ships, coast guard, commercial cargo, oil & gas vessels, fishery and aquaculture vessels,” Kennedy says. “We’re also pursuing new opportunities with offshore wind and hydro power.”

Innovation is vital if you want to export, he says. “Because offshore wind is still new, it is underserved, but a huge market for it is emerging on the Eastern Seaboard of North America. Part of our innovation will be to improve the construction process for manufacturing and handling of components we are building. To compete worldwide, we have to be at the top of our game with the best solution and a quality product.”

One of CME’s bigger hurdles is the financial resources to continue growing its business. “That’s why NSBI has been helpful,” Kennedy says. “We’re a small, privately held, Canadian-owned company. All the money we make goes back into expanding and growing our business.”

The capital investment fueling the physical expansion and upgrades underway now is only the latest part of CME’s evolving story. The story started with the company focusing on its people, and it previously tapped into another NSBI tool – the **payroll rebate** – for that.

“From about four full-time employees in 2016, we’ve grown to 32 full-time equivalents today. Safety training and technical training are a major upfront investment in employees,” he explains. “Having that employee payroll rebate is a huge help for us as we expand our employee base.”

“We’ve found NSBI tremendous to work with,” he adds. “They’ve come in to really look at our operations and understand who we are as a company, so they can figure out the best way to help us. I can’t say enough how much their financial support has meant to us.”



CME

CME SHIPYARD

152924

CONDIS II

UOAR SMER

I.M.O. :8818570

Aerotec Engines Fall River, NS

- Scale-Up Hub
- Export Growth Program



The sky's the limit

*An NSBI pilot project has led to spectacular growth for Aerotec Engines. **Scale-Up Hub Cambridge**, a 2018 pilot in Massachusetts, was designed to help high-tech, innovative companies tap into northeastern U.S. markets. Aerotec, based in Beaver Bank, overhauls and repairs piston engines in planes such as Cessnas and Pipers owned by flight schools, commercial operators and private pilots.*



“We have the potential to be one of the biggest in the world, and we wouldn’t be where we are now if it weren’t for NSBI.”

“In 12 months, we generated an additional \$1.2 million in sales,” says Phil Burchinshaw, Aerotec’s director of sales and marketing. “We acquired 15 new customers in Vermont, Maine, New Hampshire, and Massachusetts, including the biggest flight school in New England.”

During the pilot project, Aerotec maintained an office on the MIT campus in Cambridge, MA. Part of the added value for companies participating in the pilot, was working with a consultant on the ground that was retained by NSBI to drive leads and sales for participating companies. Working with NSBI, Consultant Christine Carr of Launch Mechanics, the Canadian Consulate, and aviation specialists, Aerotec reached out to prospects across New England, and began building a connected network.

“It was hugely successful,” Burchinshaw says. “We told our story, how Aerotec was founded 22 years ago by Jason Crowell, starting with one engine in a tiny hangar at the airport. Now we have over 10,000 square feet and own over 100 engines – which is part of what makes us unique. Overhauling an engine takes four to eight weeks, and for a flight schools, having an aircraft down means lost income. At Aerotec, we build up one of our engines for the customer ahead of when they need it and swap the engines out on exchange.

“The entire team at NSBI helped us,” he adds. “What’s beautiful is that they see where we are and where we can go. They introduced us to the **Export Growth Program** that helps fund travel. Last year I covered 60,000–70,000 kilometres all over New England, meeting with customers and prospects. It was fantastic.”

The best thing about doing business from Nova Scotia is the people, the can-do attitude, and the location, Burchinshaw believes. “Geographically, we’re closer to New England than to Ontario.”

He expects Aerotec Engines to be number one in Canada by volume this year. “This is an established market, but Aerotec is just blowing the doors off,” he says. “We have the potential to be one of the biggest in the world, and we wouldn’t be where we are now if it weren’t for NSBI.”

AEROTEC

Engines Limited



Inside NSBI: Export

NSBI helps businesses build and execute export growth strategies. We help them grow and manage their export capacity, build scale, and diversify their markets.

We work to nurture new and grow existing exporters.

At each stage along a company's export journey, NSBI has programs and services targeted to match their needs as they progress forward.

Finding Firsts

Making sure that we find and nurture new exporters has been a key part of our focus, but it hasn't been easy. A few years ago, we recalibrated, changed and expanded our service offering to ensure that we have the right toolkit to make a difference, and our approach is paying off. In 2018, the number of new international exporters grew from 970 to 1,017.

Our capacity building export development team focuses exclusively on companies at the earliest stages to find and grow exporters. This means providing the opportunity to learn and get educated on the fundamentals of exporting. Our job is to help them get the information they need through any number of our export workshops, connecting them to training opportunities, and helping to ensure that they are setting down the right path.

We also recognized that in order to find and grow new exporters, we had to look for new global opportunities and bring those to our clients. As a result, we have a strategy associated with finding diverse exporters, defined as business of diversity, who are 51% owned and operated by Aboriginal and/or Indigenous Persons, Persons with Disabilities, LGBT+, Veterans, Visible Minorities and Women. Last year, we led two supplier diversity missions, and had a total of 84 unique self-identified businesses of diversity use our programs and services.

Exporters Never Need to Feel Alone

We know that exporting is not easy, so we work with businesses to ensure that they are prepared to endure the level of commitment and effort needed to grow through export. We work to understand, so that we can guide them to the resources they need, and help them build an export plan. We roll-up our sleeves working with, and enabling them to keep pace with the constant change in global markets.

NSBI programs and services tackle the most challenging issues facing firms along the export journey by providing them with access to the people, technology, partners, and services they need to succeed. Some of these key programs and services we use include international business development education, export growth program funding, trade missions, market intelligence, logistics support, and export-guided assessment tools.

Whether they are new to exporting, or exporting is just part of their day-to-day operations, our programs and services are designed to help companies of all sizes develop their export capacity and diversify their markets. We are dedicated to helping them at every stage of the export journey.

For our more experienced exporters, the Export Growth Program supports them to travel and explore markets of opportunity to make connections, build partnerships and grow export sales. With businesses operating in our focused sectors, our export team becomes an extension of theirs, as we work alongside and travel to key markets. For those looking to gain an international presence, the Cambridge Scale-Up Hub helps them drive export sales.

Ready, set, GROW

To be ready when opportunity knocks, we help exporters do the homework on growth scenarios so they know how to meet market demand if, and when, it's needed. And when that growth happens, NSBI is there to support productivity and innovation growth with programs such as the Innovation Rebate Program and Productivity and Innovation Vouchers. At NSBI, we want every business in the province to know export success is possible.

NSBI programs and services tackle the most challenging issues facing firms along the export journey by providing them with access to the people, technology, partners, and services they need to succeed.

Inside NSBI: Investment Attraction

NSBI attracts foreign direct investment to Nova Scotia in support of the province's goal to grow our economy and strengthen our ecosystems. In a world where global competition for talent is fierce, we compete against multiple regions nationally and globally to attract innovative exporters to Nova Scotia.

Increasingly Sophisticated

Part of NSBI's mandate is focused on attracting new, export-oriented companies into our province - also known as foreign direct investment or FDI. Attracting successful exporters to Nova Scotia builds our economy.

We use an evidence-based approach to identify the right kind of businesses for Nova Scotia. Today, NSBI leverages data to drive a sophisticated lead generation technique.

Triangulating data, software models and experience, helps us to create more precision in identifying companies. We want companies who align with our business strengths, skills, and resources.

We use an evidence-based approach to identify the right kind of businesses for Nova Scotia... We want companies who align with our business strengths, skills, and resources.

Planning for Benefit and Impact

In years past, NSBI's barometer for performance was based on increasing the number of transactions alone to measure our impact. What has evolved over time is a method that is focused on projections of our client's business growth generating a stronger return on investment to the province.

Our FDI transactions in 2018-2019 are projected to contribute a 75.4% average return on investment in the coming years for the Province. However, we felt there was still room for improvement.

Our next step is measuring the employment income associated with the FDI transactions we complete. Employment income captures the root of what we aim to achieve through our investment attraction work: driving the creation of high-value jobs that will maximize employment outcomes for Nova Scotians.

Jobs and a More Connected Private Sector

A sometimes-overlooked benefit associated with companies growing in Nova Scotia through FDI is the "strategic coupling" that occurs between these international companies, their local suppliers, post-secondary institutions and local research and development.

This collaboration attracts prospects that contribute to cluster development. The result: companies expanding their operations to Nova Scotia, are incented for their long-term success and contribution to the ecosystem. They are adding to the mix of exporting firms that are creating well-paying jobs in strategic sectors, strengthening our existing clusters.

Surrette Battery Company

Springhill, NS

- ConnectNS Program
- Small Business Development Program
- Export Growth Program
- Trade Missions
- Productivity & Innovation Voucher Program
- Payroll Rebate
- Innovation Rebate Program



Expanding rural power

*Surrette Battery Company is growing. With the help of NSBI's **Innovation Rebate Program**, the company is expanding its Springhill facility and incorporating advanced technologies into its production line. Not only will this increase productivity and capacity, it will help create up to 18 skilled, full-time positions.*



“NSBI has been a tremendous partner. Their innovation over the years should be commended. They’ve looked at market and customer needs, and they’ve adjusted accordingly.”

Canada’s only independent battery manufacturer, Surrette makes and exports premium deep-cycle lead-acid batteries for renewable energy, rail, marine, and motive power applications around the world.

Since 2003, brothers John David Surrette and Jamie Surrette have led the company their grandfather started in New England in 1935. The business relocated to Springhill in 1959, where their father ran it from 1961 until 2003.

99% of Surrette’s batteries are exported beyond Atlantic Canada.

“Our distribution network includes stocking warehouses in 20 countries and sending shipments to 37 countries in the past year,” Jamie Surrette says. “If you want to expand beyond your local market, innovation is imperative.”

NSBI’s rebate has transformed the business, he says. “**The Innovation Rebate Program** will accelerate our pace by at least two years. It’s tremendous.”

With three phases of growth planned, the additional production capacity from the completed first phase is already being fully used. Phase two, providing additional building and equipment for the second production line, should wrap up in June, and then phase three will start to expand the warehousing and shipping/logistics.

“NSBI has been a tremendous partner,” Surrette says. “Their innovation over the years should be commended. They’ve looked at market and customer needs, and they’ve adjusted accordingly.”

Surrette Battery has grown from fewer than 50 employees in 2003 to 88 today. “The output of the plant facility is nearly four times what it was in 2003,” Surrette says, “and NSBI has been there throughout that entire period.”

When people ask Surrette how the company can compete from Springhill, he doesn’t hesitate. “Springhill is a hard-working community. We’re very, very lucky. Our people are talented and committed, and they take on a lot of responsibility.”



Rolls
 BATTERY ENGINEERING
 BY *Surrette*  MADE IN CANADA  

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 Springhill, Nova Scotia B0M 1X0
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Rolls

**Sensor
Technology Ltd.**
Dartmouth, NS

- Investment Attraction
- Project Management
- Trade Missions



“Without NSBI, I don’t think
this would have started.”

Making a sound move to Nova Scotia

When the head of an Ontario-based ocean technology company – where the nearest ocean is a plane ride away – is asked why she isn’t in Nova Scotia, she gave the question serious thought.

“I met NSBI at an ocean business trade show,” says Niru Somayajula, president and CEO of Sensor Technology Ltd. “They made me think this might be a good place for us to establish a presence in Atlantic Canada.”



Sensor Technology makes underwater communication sensors for markets that include defence, oil and gas, oceanography, and fishing – fish conservation as well as commercial fishing. Specifically, the company designs and manufactures piezoelectric ceramics, custom acoustic transducers and custom hydrophones. Piezoelectric ceramic is the acoustic heart of most underwater sensors.

NSBI told Niru about COVE, the Centre for Ocean Ventures and Entrepreneurship in Dartmouth that’s a collaborative facility for applied innovation in the ocean sector. Last November, Sensor Technology opened a small footprint there – but it didn’t stay small.

What started as one desk for Somayajula’s flying visits has grown to a manufacturing facility and a staff of seven, including Somayajula, who now spends 40% of her time here. The company recently took over a larger facility in COVE and plans to employ ten people by year end. “Finding good people has been an easy task,” she says. “That’s huge for us.”

Working in ocean tech in Ontario can feel isolated, she explains. “We picked COVE to give my people a home base in Atlantic Canada where they can collaborate with other engineers who face similar challenges. Problems get solved faster when you have other people to talk to.”

The company has now split its product line into two. The piezoelectric ceramics remain in Ontario, and the underwater sensors are assembled in Nova Scotia. “To be so close to our customers will result in better products for us and for them. Being able to work face to face with our customers is game changing,” she says.

“Without NSBI, I don’t think this would have started,” she adds. “I can’t say enough good things about them. They’ve helped us to grow faster than if we’d tried to do this on our own.”



Atlantica Construction

Dartmouth, NS

- Export Growth Program
- Trade Missions



North to Nunavut

“Before I look at any market or opportunity, the first call I make is to NSBI,” says Christopher Curtis, business development manager for the Refuel Systems division of Atlantica, Nova Scotia’s largest combined-trades contractor.

Right now, the market Curtis is looking at is Nunavut.



“We were looking at Canada as the primary market but North America as a whole. That led me to NSBI. There’s an immense amount of business intelligence within their walls.”

“When we started Refuel Systems, we were looking at Canada as the primary market but North America as a whole,” he says. “That led me to NSBI. There’s an immense amount of business intelligence within their walls. When you’re exporting and moving into other regions, the number one questions are, ‘Can we do the project well?’ and ‘Are we going to get paid for doing it?’ NSBI helps us answer those questions with a high degree of certainty that we’re making a good choice.”

With vast experience in working in Nunavut, NSBI understands this market and is a crucial resource for clients looking to explore the opportunity.

Atlantica’s connection to Nunavut began three years ago, when a NSBI **trade mission** brought deputy ministers and business leaders from Nunavut to Halifax. “They all made presentations and talked about what was required in the north,” Curtis says. “And then we sat down and had one-on-one discussions. A lot of their essential infrastructure – water and power – was built in the 1960s and 70s and is near the end of its life.”

Nunavut presents challenges to contractors, including the short construction season and the high cost of travel. Even so, Atlantica has sent people to the Nunavut Trade Show and Conference for the past three years. “In order for people to know you there, you’ve got to be there,” he says. “NSBI’s **Export Growth Program** has been invaluable.”

Through research, Curtis learned that much of the needed infrastructure could be built far more cheaply in the south and then shipped and assembled in the north, greatly reducing the territorial government’s costs to build the infrastructure.

Now Atlantica is starting to quote on projects in Nunavut.

For Nova Scotians, the key benefits when companies move into new markets are work, jobs, and innovation, Curtis says. “It means more people working at our plants because we’re expanding. It means training. And here in Halifax, we have a state-of-the-art computer-aided design (CAD) department. Being able to invest in innovations comes from our success in markets. And NSBI assisting us with that success is huge, because it enables us to make those investments.”



Program Funding

Export Growth Program (EGP)

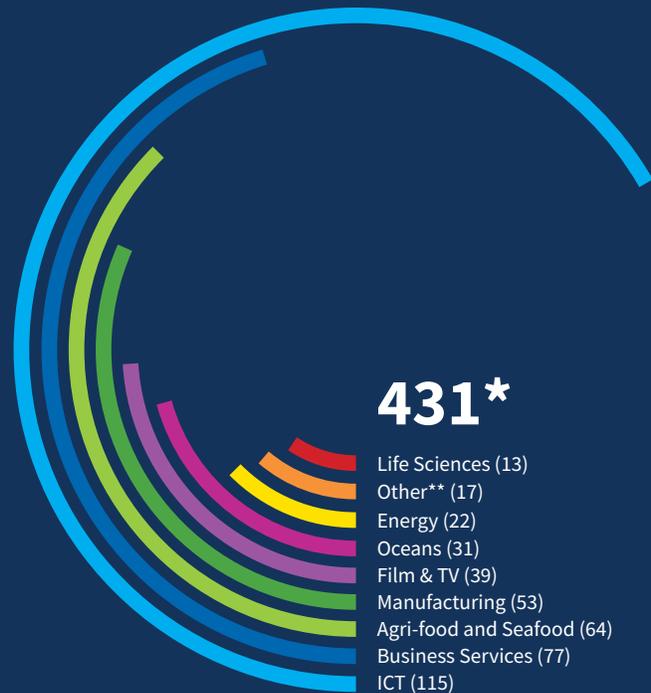
\$2,978,385*

Total Approved Application Funding

The Export Growth Program contributes up to 50% of eligible costs to a maximum of \$15,000. A business with revenue growth of at least 15% in its previous complete fiscal year may be eligible for up to 50% of eligible costs to a maximum of \$25,000.

* This is the number of approved applications. NSBI disbursed 404 EGP applications in 2018-2019 for a total of \$1,738,431, as per claims.

** Other sectors include Aerospace & Defence; Clothing & Textiles; Engineering & Professional; Transportation & Logistics; Creative Industries; and Mining & Mineral Products



Small Business Development Program (SBDP)

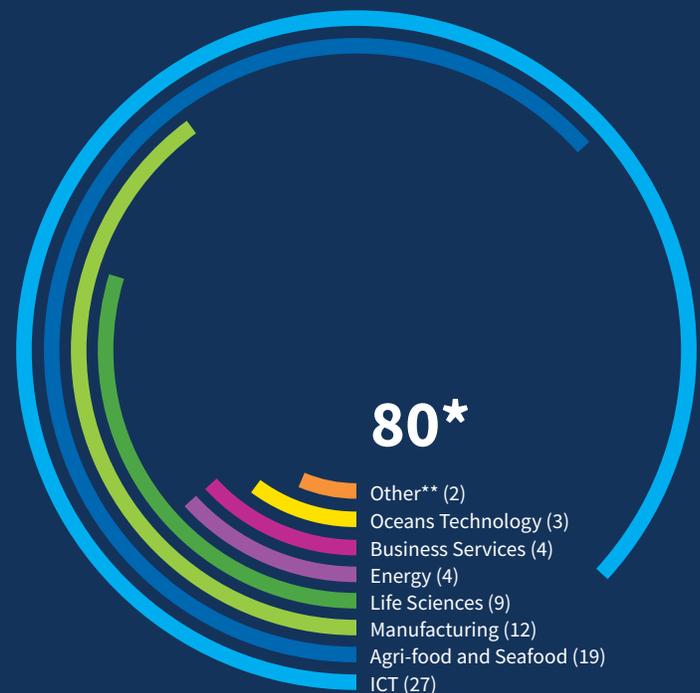
\$935,345*

Total Approved Application Funding

The Small Business Development Program contributes up to 50% of eligible project costs to a maximum incentive of \$15,000. A business with revenue growth of at least 15% in its previous complete fiscal year may be eligible for up to 50% of eligible costs to a maximum of \$25,000.

* This is the number of approved applications. NSBI disbursed 75 SBDP applications in 2018-2019 for a total of \$791,187, as per claims.

** Other sectors include Engineering & Professional; and Travel & Accommodation.



Productivity and Innovation Voucher Program (PIVP)

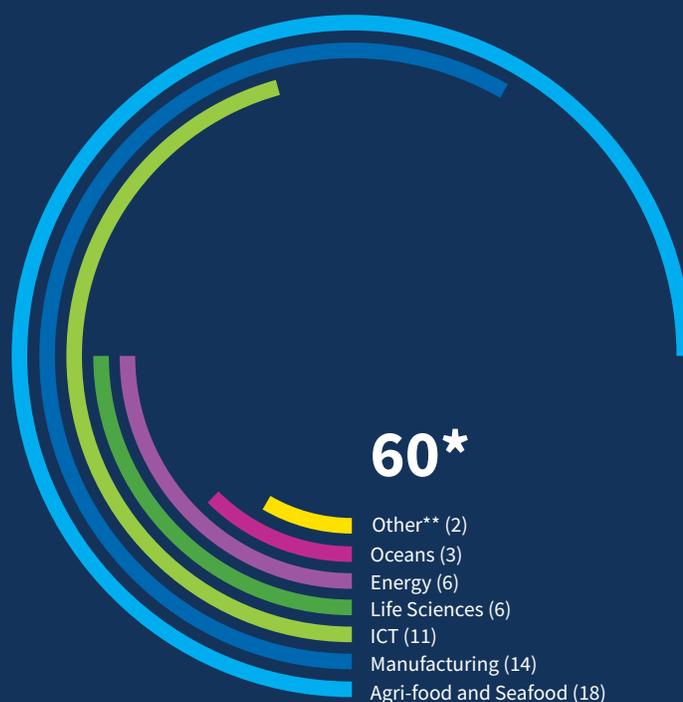
\$1,120,000*

Total Approved Application Funding

The Productivity and Innovation Voucher Program provides vouchers up to \$15,000 for new projects and up to \$25,000 to build on work already done.

* This is the number of approved applications. NSBI disbursed 59 PIVP applications in 2018-2019 for a total of \$1,079,536, as per claims.

** Other sectors include Business Services; and Chemicals & Plastics.



Innovation Rebate Program (IRP)

The Innovation Rebate Program provides a 25% rebate of eligible project costs for investments ranging between \$2,000,000 – \$15,000,000.

Approved Funding Commitments

Company	Sector	County	Approved Amount
2018-2019			
Agropur Cooperative	Agri-food	Colchester	\$1,843,776
John Ross & Sons Ltd.	Advanced Manufacturing	Halifax Regional Municipality	\$1,070,296
Kohltech International Ltd.	Advanced Manufacturing	Colchester	\$843,388
Maritime Labels & Packaging	Advanced Manufacturing	Halifax Regional Municipality	\$540,335
Oxford Frozen Foods Ltd.	Agri-food	Cumberland	\$702,205
			\$5,000,000
2019-2020			
A.F. Theriault & Son Ltd.	Advanced Manufacturing	Digby	\$1,536,878
Canadian Maritime Engineering Ltd.	Advanced Manufacturing	Cape Breton	\$756,473
Kenney & Ross Ltd.	Advanced Manufacturing	Shelburne	\$636,884
Scotian Gold Cooperative Ltd.	Agri-food	Kings	\$477,333
Surette Battery Company Ltd.	Advanced Manufacturing	Cumberland	\$1,200,248
			\$4,607,815
2020-2021			
Benjamin Bridge Vineyards	Agri-food	Kings	\$1,317,375
Dartmouth Metals and Bottle Ltd.	Advanced Manufacturing	Halifax Regional Municipality	\$596,613
Michelin North America (Canada) Inc. - Granton	Advanced Manufacturing	Pictou	\$3,569,500
Ocean Crisp Apple Company Inc.	Agri-food	Kings	\$1,168,766
			\$6,652,254
Total			\$16,260,069

Straight from our clients

Thank you!!! Grateful for NSBI's support as we grow

Made with Local
via Twitter

We could not do this without your incredible team's wisdom, programs and support.

7Virtues
via Instagram

Thank you, @NSBI! What we do wouldn't be possible without support from community partners like you.

It was so exciting to have the opportunity to pitch my business in Toronto this morning with @NSBI

Brittany Pickrem
via Twitter

Struck by the big data skills in Halifax, Canada - the warmth of the people, the thriving fintech scene and the collaborative vocational centric universities, community college and local government - thanks for a great visit Nova Scotia

RBC | Financial Services
via LinkedIn

REDSpace
via Twitter

Trade shows such as these are critical to NS companies such as ours, as without the assistance and support we wouldn't be visiting key markets such as China.

Victoria Co-operative Fisheries
via Twitter

Thank you @NSBI for supporting us through your export education programs. Growing a business in Nova Scotia means balancing a local focus with a global reach.

NovaBox
via Twitter

We have had fantastic results and appreciate all the support NSBI has provided to Aerotec Engines.

Aerotec Engines
via Facebook

Investment Attraction & Project Management Activity

Strategic Investment Fund Transactions

The following business development incentives in the form of payroll rebates were approved during the fiscal year of 2018-2019. Payroll rebates are disbursed through the Strategic Investment Fund.

Company	County	Maximum Amount
eEye Inc. (BeyondTrust)	Halifax	\$3,120,563
The Manufacturers Life Insurance Company (Manulife)	Halifax	\$9,877,500
MobSquad	Halifax	\$2,084,130
Monkedia LLC	Halifax	\$610,350
REDspace Inc.	Halifax	\$1,497,500
Savormetrics Inc.	Halifax	\$619,650
Influitive Corporation	Halifax	\$448,000
DiLytics Inc.	Halifax	\$382,200
Introhive Services (NS) Inc.	Halifax	\$691,800
Proposify	Halifax	\$1,057,400
The Sydney Call Centre Inc.	Cape Breton	\$2,475,000
Ping Identity Canada Inc.*	Halifax	(\$1,130,625)
Total Maximum Committed		\$22,864,093

*Client withdrew from the agreement.

Project Management Activity

Project Management Activity is achieved in instances where NSBI played a significant role in attracting the company's growth in Nova Scotia without providing an economic incentive.

Company	County
Sensor Technology Ltd.	Halifax
Propipe Ltd.	Halifax
Invisible Agents LLC	Halifax
Nova Innovation CAN Ltd.	Halifax
Gael Force Group Ltd.	Cape Breton
Columbus AI LLC	Halifax
Accenture	Halifax

Manulife Financial Corporation

Halifax, NS

• Payroll Rebate



“Our continued partnership with NSBI represents an important opportunity to access a highly educated and skilled talent pool.”

Championing inclusion, attracting talent, contributing to the big-picture goals in Nova Scotia

Manulife Financial Corporation (Manulife) has had a significant presence in Halifax since 2005, and has become one of the largest financial services employers in Nova Scotia.

“We’re proud of our presence in Halifax, where hundreds of employees currently contribute to the global success of our company,” says Mike Doughty, President & CEO, Manulife Canada. “To attract the best talent, we need to create a welcoming and inclusive environment.”

Recognized as one of Canada’s Best Diversity Employers and Best Places to Work for LGBTQ Equality, Manulife supports several grassroots employee resource groups like the Global Women’s Alliance, PROUD (Professionals Reaching Out for Unity and Diversity), PACES (Pan-Asian Community for Employee Success), Family Connections, GenerationNEXT and VIBE (Valuing the Inclusion of Black Employees).

The organization’s impressive commitment to sustainability, diversity and inclusion is spelled out in its 2018 Sustainability Report and Public Accountability Statement. “Our mission – decisions made easier, lives made better – is not just a tagline; it’s part of our DNA,” said Doughty.

Women make up 42% of independent directors on its board, 24% of vice president roles and above, and 43% of the manager, director and assistant vice-president roles in Canada.

Manulife has grown in Nova Scotia since entering into a **payroll rebate** agreement with NSBI in 2014. That same year, the OneNova Scotia Commission published its report identifying challenges facing Nova Scotia and outlined 19 ambitious, visionary goals for Nova Scotia’s future, such as increased immigration, youth employment, and retention of international students.

“Nova Scotia is a great province to invest and grow with a strong business community, supportive government policies and excellent academic institutions,” said Doughty. “Our continued partnership with NSBI represents an important opportunity to access a highly educated and skilled talent pool.”

In 2018, Manulife demonstrated its enthusiasm for Halifax by establishing a global operations hub. Manulife and NSBI renewed the performance-based payroll agreement which would support up to 600 additional positions over the next five years. As a result, Manulife intends to add staff in Halifax to support operations in Canada and around the world.

The Manulife story reflects the good times happening in Nova Scotia. In 2019, the province’s population is at its highest, more youth and immigrants are choosing to live here, and there are historic levels of full-time employment. Companies like Manulife are doing their part to drive these results.



 Manulife

Manulife
2717

AtlanTick Repellent Products Inc.

Mahone Bay, NS

- Export Growth Program
- Productivity & Innovation Voucher Program



“We’re grateful for the support, because it means we can grow. It means people value what we’re doing.”

Innovation partners with science

In 2019, the threat of Lyme Disease in Nova Scotia has jumped to its highest category ever for most of the province. Blacklegged ticks, which spread the disease, are expanding their territory steadily and swiftly.



AtlanTick Repellent Products, based in Mahone Bay, sells a variety of tick-safety products online and in retail stores. The company’s website also offers free information on prevention and proper tick removal.

“Some natural products on the market make claims that aren’t scientifically proven,” says Nancy Thompson, VP Operations. ‘Buyers want evidence, especially when it comes to something like preventing tick-borne disease.’

AtlanTick has developed a natural tick repellent that is undergoing federal testing by Health Canada’s Pest Management Regulatory Agency. The company hopes for federal approval in time for next year’s tick season.

“Innovation is the defining feature behind our spray,” says Thompson and NSBI’s **Productivity and Innovation Voucher Program (PIVP)** has enabled AtlanTick to work with Acadia University for that very reason.

“We’ve been able to access that program to test our original formulas and find the one that worked best, then again to improve on that formula to create a natural repellent that’s 97.5% effective – that’s the one that’s with the federal regulators now and is not yet available for sale.”

The company has been approved for a third round of PIVP support to develop different applications for the formula. “We’re still accessing that support to help us grow and contribute to research into Lyme disease,” she says. “The Acadia researchers are learning more about ticks with this work.”

Being able to access R&D resources at Acadia has been pivotal to the success of the company, she adds. “Without the science, which differentiates us from everybody else, we wouldn’t be where we are right now.”

NSBI’s **Export Growth Program** and **Trade Market Intelligence** have also been invaluable, Thompson says. “NSBI people have been helpful and kind. We’re grateful for the support, because it means we can grow. It means people value what we’re doing.”



SHAKE
WELL

ATLANTICK
OUTDOOR SPRAY

MADE IN NOVA SCOTIA
WITH ATLANTIC SALT WATER

LEMONGRASS
60ML

InTouch Communications

Halifax, NS

- Supplier Diversity Engagement Plan
- Export Growth Program



Diverse and thriving

Karim George thrives on challenge. The founder, creative director and executive director of InTouch Communications Inc. emigrated to Canada from Egypt with a few hundred dollars in his pocket. His brother-in-law – at the time enrolled at Dalhousie University – told him Halifax was a lovely city and invited him to at least try it for a couple of weeks. A couple of weeks turned into 10 years.



“From day one, NSBI has been helpful and supportive.”

After working with Scotiabank, he opened his own business in 2012. Since then, InTouch has expanded to employ 11 people on contract, part-time, and full-time. And just this year, George was a finalist for the business leader of the year award with the Halifax Chamber of Commerce.

Based in Halifax, InTouch provides custom marketing services, from small-business branding, social media and video production to managing major marketing campaigns across the country. “We’re different because we’re a small group of very talented individuals, and we’re affordable, creative, and quick,” George says.

When one of his consultants, Uprise Consulting, mentioned supplier diversity and urged him to participate in NSBI’s **diversity trade mission**, Spring 2019, he immediately signed up.

Supplier diversity and inclusive procurement reaches out to groups traditionally underrepresented in the supply chain of purchasing processes of major corporations or governments. Although supplier diversity is still a relatively new concept in Canada, it is gaining momentum.

During 2016 - 2017, NSBI began research and planning for ways to help businesses in underrepresented groups export more, and NSBI put its Diversity Engagement Plan into operation starting last year.

Held in Toronto, NSBI’s trade mission was centred around the Canadian Aboriginal and Minority Supplier Council (CAMSC) Diversity Procurement Fair and the WBE Canada Breakfast with Brands: Automotive Industry.

A one-day, mandatory preparation session in Halifax prior to the mission, gave participants an overview on how to work supplier diversity conferences and business fairs, develop relationships and prepare for meetings with corporates. Within a week of that session, InTouch became CAMSC certified as a business of diversity.

“The full day we spent preparing for the trade mission was absolutely amazing,” George says. “Every single piece of information they gave us, I implemented in my pitch, presentation and capability statement. And it worked. During that mission, I sat down one-on-one with people from eight large corporations. We are now having healthy conversations with two of them.”

Now George has received confirmation that NSBI’s **Export Growth Program** will support trips he takes this year for export initiatives. “From day one, NSBI has been helpful and supportive,” he says.



int
COMMU

**Arcadia
Entertainment**
Springhill, NS

- Export Growth Program
- Nova Scotia Film & Television Production Incentive Fund
- Eastlink TV Independent Production Fund Program



Two decades of visual storytelling

As Arcadia Entertainment celebrates its 20th anniversary, its people can take pride in producing and delivering more than 500 programs to international broadcasters, mainly Discovery and National Geographic.



“The Film Fund enables us to compete in the global market. In return, we bring capital back to Nova Scotia. We’re creating jobs and building a talent pool for our unique corner of the TV business.”

What makes Arcadia unusual is that it’s a 360° production company. “All our cast, crew and workers, from conception to the last bit of closed captioning, work in this building,” says John Wesley Chisholm, Arcadia’s president and creative director. “They travel to where the story is and come back to Halifax to make the show.”

Arcadia’s 36 full-time, permanent staff are working on six different factual TV series including Hope For Wildlife, now commissioned for its tenth season. The company has also been commissioned by Discovery Science US and NBC-U to produce a two-hour special on the rebuilding of Notre-Dame Cathedral in Paris.

Since Arcadia exports all its shows, two NSBI programs are particularly important: the **Export Growth Program**, which helps fund travel to markets, and the **Nova Scotia Film & Television Production Incentive Fund (Film Fund)**.

“TV is a specialized business of buying and selling ideas in global markets,” Chisholm says. “The three pillars of the community – producers, broadcasters and distributors – get together to form alliances that will get projects fully funded. Without travelling to these face-to-face meetings, we wouldn’t sell any TV shows.”

The Film Fund levels the playing field for a regional rural producer, he believes. “It is absolutely crucial. We’re a thousand miles from our nearest customer, and we don’t have access to the same talent, tools and connections as others do. The Film Fund enables us to compete in the global market. In return, we bring capital back to Nova Scotia. We’re creating jobs and building a talent pool for our unique corner of the TV business.”

Nova Scotia is a great place to develop ideas, he says. “We are halfway between New York and London, but we have a mix of minds and manners that is typical of the whole world. And Nova Scotians are great storytellers.”

Chisholm sees today as a golden age for factual television. “It’s where the greatest opportunities in creative jobs lie. It produces a product that’s of interest to the world. And we’re really, really good at it in Nova Scotia.”



Nova Scotia Film & Television Production Incentive Fund

Approved Funding Commitments

Production Company	Production Name	Type of Production	Funding Amount Committed
Aboriginal Day Live 2017 NS Inc.	Aboriginal Day Live 2017	Other	\$74,285
Atautsikut Production Ltd.	Atautsikut/ Leaving None Behind	Documentary	\$144,934
Spice Goddess TV Inc.	Bad Chad	TV Series	\$279,204
Fundy Media Inc.	Bay of Fundy: Highest Tides in the World	Documentary	\$75,237
Bone Cage Productions Inc.	Bone Cage	Feature Film	\$50,000
Skye Larke Productions Limited	Bridge Over The Atlantic	Documentary	\$31,248
Skye Larke Productions Limited	Bridge Over The Atlantic - Live	Documentary	\$8,585
Cavendish NS Productions Limited	Cavendish	TV Series	\$958,149
DHX-Search It Up Productions Inc.	Diggstown	TV Series	\$1,499,343
Drag Kids Media Inc.	Drag Kids	Documentary	\$114,912
Drunk Puppet Show Inc.	Drunk Puppet Show	TV Series	\$256,000
3313268 Nova Scotia Limited	En route pour rire	TV Series	\$105,909
Fence Post3 Productions Inc.	Eyes For The Job Season 3	TV Series	\$238,482
ComedyTV 19 Inc.	Halifax Comedy Festival 2019	TV Series	\$156,152
Hard Time 1 Productions Inc.	Hard Time	TV Series	\$403,204
Fancy Monster Media Inc.	Here, I Am	TV Series	\$214,048
Hope For Wildlife 9 Productions Inc.	Hope For Wildlife Season 9	TV Series	\$491,274
Dream Street OL Pictures Inc.	I Want to be Old like Olive	Documentary	\$105,326
Portcullis Motion Pictures Limited	Learning The Ropes	TV Series	\$311,584
Tell Tale Entertainment Inc.	Lobster Catch	TV Series	\$127,592
Maritime Ink Productions Ltd.	Maritime Ink	TV Series	\$191,559
Maritime Museums Productions Limited	Maritime Museums	TV Series	\$227,200
Exploding Brick Productions Inc.	Millennials: What do they know?	TV Series	\$215,056
Mr. D S8 Productions Limited	Mr. D VIII	TV Series	\$1,363,704
Houseplant Films Inc.	Murmur	Feature Film	\$47,757
NSK9 Productions Limited	NSK9	TV Series	\$201,299
Pure Season 2 Inc.	Pure Season 2	TV Series	\$2,412,692
Beyond2 Productions Inc.	Redneck Psychic Season 1	TV Series	\$278,403
RK1 Productions Inc.	Ricky's Kitchen	TV Series	\$449,820
Pinniped Productions Inc.	Seals of Sable	Documentary	\$152,500

Production Company	Production Name	Type of Production	Funding Amount Committed
Pinniped Productions Inc.	Seals of Sable	Documentary	\$152,500
Short Stop Pictures XI Ltd.	Short Film Face Off 2018	TV Series	\$78,590
Spirit Talker Films Inc.	Spirit Talker	TV Series	\$327,222
Unconditional Love Pictures Inc.	Stage Mother	Feature Film	\$607,112
SN Series 1 Productions Inc.	Swarnet Studios	TV Series	\$356,616
Cut/Off/Tail Pictures Inc.	The Crescent	Feature Film	\$74,328
Tell Tale International Inc.	The Curse of Oak Island Season 6	TV Series	\$3,970,883
The Fantastic Hour Digital Inc.	The Fantastic Hour	Other	\$23,393
Downsize Me Media Inc.	The House Whisperer	TV Series	\$150,896
LH Productions Limited	The Lighthouse	Feature Film	\$1,673,440
Mill Film NS Inc.	The Mill	Documentary	\$84,031
DHX-Hour Productions (NS) XXVI Inc.	This Hour Has 22 Minutes XXVI	TV Series	\$2,800,577
Vase Films Inc.	Tin Can	Feature Film	\$177,941
TCAK TV Inc.	What Happened to Holly Bartlett	Documentary	\$315,000

Total

\$21,825,487



Corporate Results

2018-2019

Measures	Targets	Results
Annual increase in NSBI client reported export sales	15% increase in the actual export sales of NSBI's clients overall, and by clients within high potential clusters (ICT, Oceans, and Seafood & Agri-food)	32.1% increase in actual export sales overall 32.8% increase in high potential clusters
Number of NSBI clients becoming new exporters	A minimum of 15 NSBI clients become new exporters, with a minimum of 10 clients within high potential clusters (ICT, Oceans, and Seafood & Agri-food) becoming a new exporter	27 NSBI clients identified as becoming new exporters 16 within high potential clusters identified as new exporters
Actual Payroll generated by NSBI clients	15% increase in the actual payroll generated by NSBI clients overall, and by clients within high potential clusters (ICT, Oceans, and Seafood & Agri-food)	22.6% increase in actual payroll generated by NSBI clients overall 22.2% increase in actual payroll by NSBI clients in high potential clusters
Return on Investment (ROI) of payroll rebate transactions	Achieve an average ROI to the province of 40% on payroll rebate transactions	Average ROI to the province of 75.4% on payroll rebate transactions
Linkages between businesses and Nova Scotia's universities and colleges	NSBI will issue 50 Productivity and Innovation Vouchers with a total value of \$1 million to create stronger ties between businesses and Nova Scotia's universities and colleges	NSBI issued 60 Productivity and Innovation Vouchers with a total approved value of \$1,120,000 The vouchers resulted in 28 new linkages between businesses and Nova Scotia's universities and colleges
Diversification of export markets	A minimum of 10% of NSBI clients diversify markets through exporting to an additional country	21% of clients exported to an additional country in 2018-2019

Corporate Results Discussion & Analysis

We see our success through the success of the companies we work so closely with throughout the year.

Our annual results are measured by way of survey, which focuses on three key areas: export and employment growth; research and development partnerships; and diversification of markets. A breakdown is provided on progress achieved within the high potential clusters (HPC) of ICT, Oceans, and Seafood & Agri-food. Internal metrics are used to track the return on investment of NSBI's new payroll rebate agreements signed over the 2018-2019 Fiscal year.

Export Growth

NSBI, alongside our government, industry partners and community, has performed a key role in building export capacity. We are happy to share that in the fourth year into our renewed focus the results continue to show.

NSBI continues to support and grow new exporters, which is evidenced by the 27 clients who reported export sales in 2018, which did not export outside Nova Scotia in 2017. We also continue to work with clients in finding opportunities and growing revenues through export. This is apparent in the value of export sales of our clients, which has increased by 32.1% in 2018, compared to 2017, and actual payroll generated by NSBI clients overall increased by 22.6% in 2018 compared to 2017, exceeding our target of 15%.

Increasing Investment

In 2018-2019, the average projected return on investment of NSBI's payroll rebate transactions was 75.4%. For new agreements signed during the 2018-2019 Fiscal year, NSBI played an integral role in attracting seven new companies to Nova Scotia through project management activities, and leveraged NSBI's payroll rebate tool to incent 12 companies to establish operations in communities across the province.

Nova Scotia's High Potential Clusters

NSBI stands behind the province's efforts to build competitiveness and grow the HPC of ICT, Oceans, and Seafood & Agri-food. NSBI's clients in the HPC reported a 32.8% increase in actual export sales, and a 22.2% increase in actual annual payroll growth in 2018, compared to 2017. Of the 27 NSBI clients who become new exporters in 2018, 16 were from the HPC.

Driving Innovation and Productivity

Fiscal 2018-2019 marked the second year for NSBI's delivery of the Productivity & Innovation Voucher Program. This program helps small and medium sized businesses build stronger linkages with Nova Scotia's universities and colleges to innovate and grow. NSBI approved 60 Productivity & Innovation Vouchers with a total value of just over \$1.12 million. These vouchers resulted in 28 new linkages between businesses across Nova Scotia and our universities and colleges.

Fiscal 2018-2019 also marked the launch of the Innovation Rebate Program, a financial incentive that enables companies to increase innovation capacity through private-sector capital investments or adoption of new technologies and business processes. In its first year, NSBI approved funding commitments for 14 companies with anticipated completion dates spanning the next two years.

Diversification of Markets

In 2018-2019, we continued to support businesses in their effort to increase the number of export markets. By diversifying sales and building a larger customer base, companies will reduce business risk. In 2018-2019, 21% of our clients reported having diversified their export markets or increasing the number of countries they exported to, exceeding our target of 10%.

Looking Ahead

We will continue to deliver the Productivity and Innovation Voucher Program and the Innovation Rebate Program to increase our companies' ability to be globally competitive.

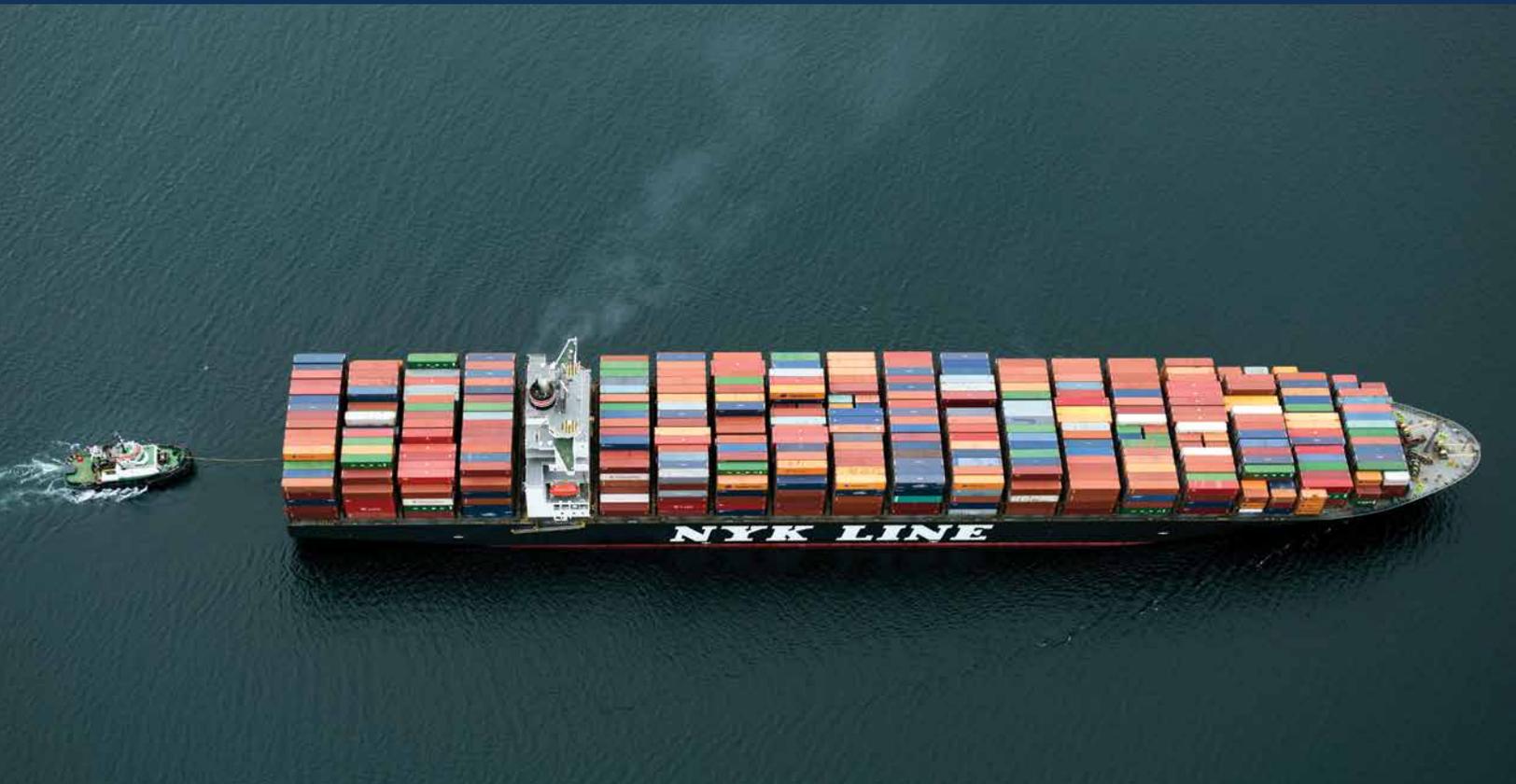
Our new initiatives for 2019–2020 will support companies as they look to scale operations and increase sales.

Alongside our partners, our work to help already successful exporters scale-up and sell more products and services outside our borders remains a priority. We will work to develop a tailored approach for high potential exporting firms to build the management expertise necessary to address obstacles standing in the way of export growth.

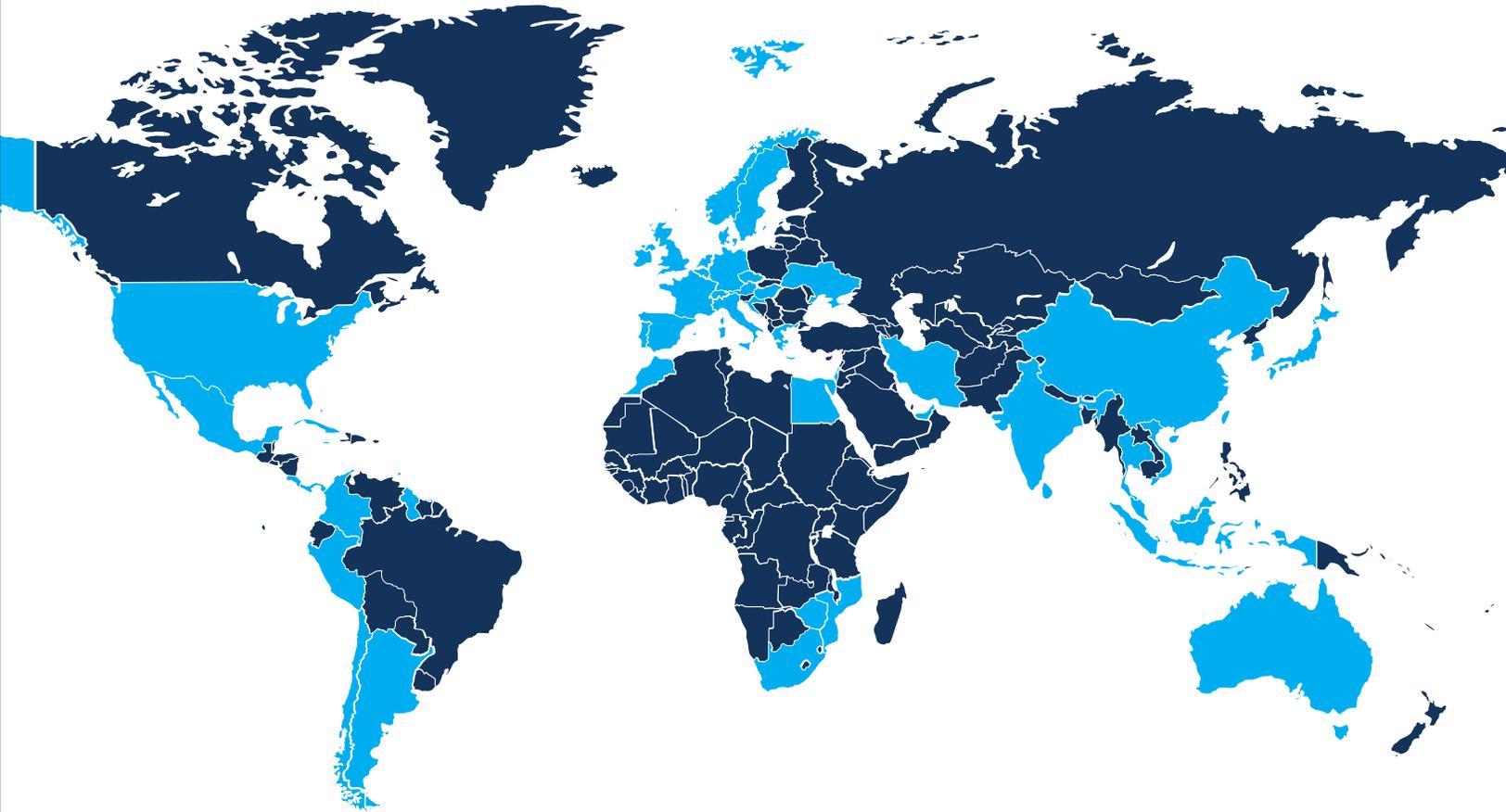
Scale-Up Hub Cambridge will build on its success from the past year, as we explore the expansion of the Scale-Up model to a second market to help reduce the risk for companies as they seek to drive export sales.

We look forward to working with new and existing Nova Scotia businesses and reporting on our collective efforts and success in the year ahead.

By driving increased exports, sourcing key foreign direct investments and encouraging innovation in all sectors, we feel confident that we are building a strong future for our province.



Where we worked globally



NSBI doing business across the globe through export development and investment attraction

Shaded regions represent markets where NSBI targeted its investment attraction efforts and/or supported clients to engage in in-market business development initiatives.

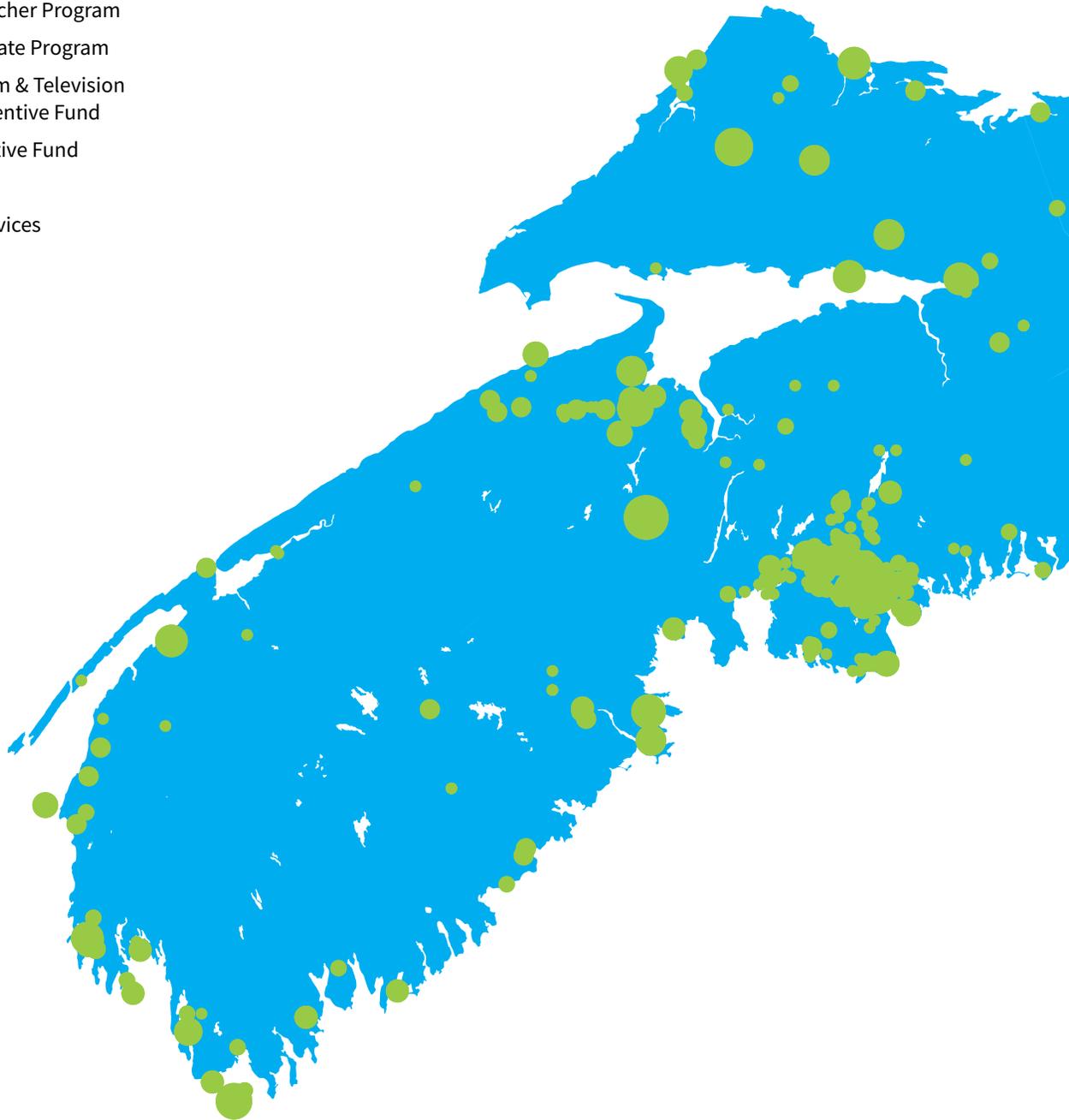
List of countries

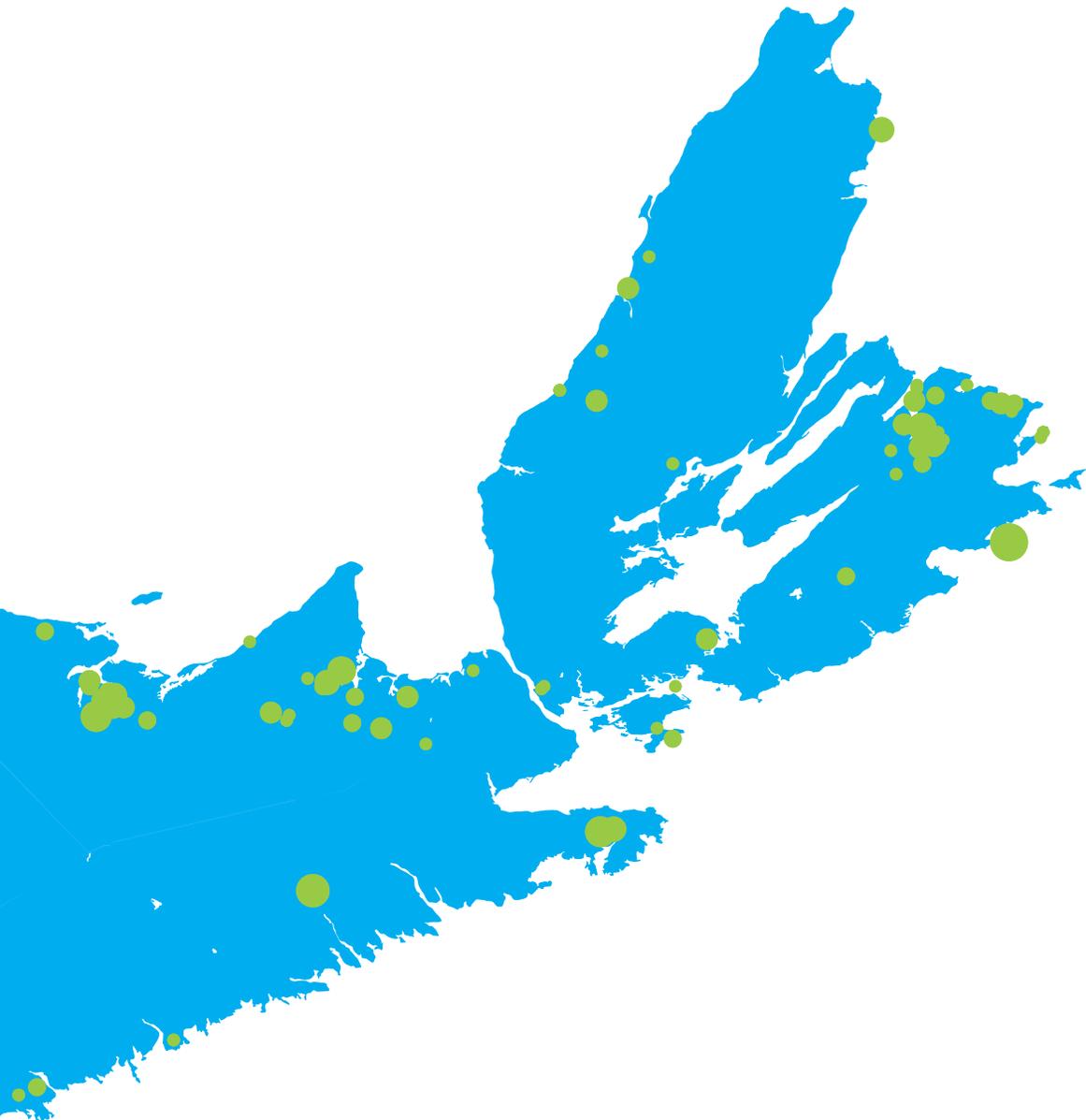
Argentina	Germany	Malta	Spain
Australia	Greece	Mexico	Sri Lanka
Austria	Guyana	Morocco	Sweden
Bahamas	Hong Kong	Mozambique	Switzerland
Belgium	Hungary	Netherlands	Taiwan
Chile	India	Norway	Thailand
China	Indonesia	Panama	Trinidad and Tobago
Colombia	Iran	Peru	Ukraine
Costa Rica	Ireland	Portugal	United Arab Emirates
Croatia	Israel	Saint Lucia	United Kingdom
Cuba	Italy	Saint Vincent and the Grenadines	United States
Czech Republic	Jamaica	Singapore	Vietnam
Denmark	Japan	South Africa	Zimbabwe
Egypt	Luxembourg	South Korea	
France	Malaysia		

Where we worked in Nova Scotia

Location of NSBI clients accessing the following programs and services:

- Small Business Development Program
- Export Growth Program
- Trade Market Intelligence Services
- Productivity and Innovation Voucher Program
- Innovation Rebate Program
- Nova Scotia Film & Television Production Incentive Fund
- Strategic Incentive Fund
- Trade Missions
- Facilitation Services





**Program and Service
Utilization Volume**

- 1
- 5
- 10
- 15

District of Saint Mary's
Municipality of the District of St. Mary's, NS

- Investment Attraction
- Project Management



“Working with NSBI has been great. They’re helpful and supportive. It’s been a good experience.”

Charting a course for export

Sometimes a story is as much about the journey as the destination.

November 2018, in Shanghai, China, the municipality and its economic development arm, the Eastern Strait Regional Enterprise Network, signed a development Memorandum of Understanding with Zhongshou Taiyang Health Enhancement & Technology Group (Canada) Ltd.

The Canadians were part of an NSBI trade mission to China to explore opportunities for cooperation. This initiative with District of St. Mary's is one example flowing from NSBI's overall strategy on diversifying markets for both trade and investment.

NSBI worked over the past year to bring the players together. Prior to the signing, NSBI met with the company and local levels of government in Nansha District, a district of Guangzhou in Guangdong Province to assess interest and fit, and to start the relationship.

Grace Chum, CEO of the Chinese-Canadian company that signed the MOU with the Municipality says she hopes to see a bloodworm farm established here.

While many Nova Scotians may be familiar with bloodworms as bait for sport fishing, these small sea creatures can be valuable in other, sometimes unexpected, ways.

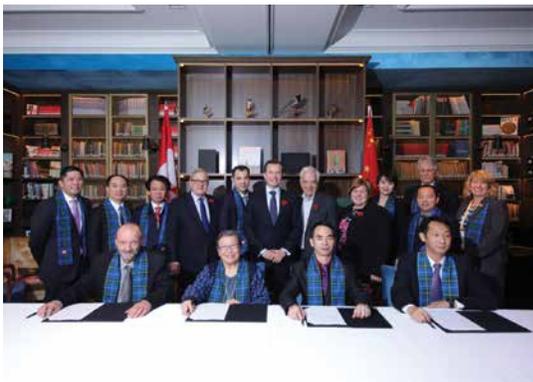
“Bloodworms can be used to replace blood and plasma in medical applications and as ingredients in health food supplements,” Chum says. “Nova Scotia’s clean natural environment makes this one of the best places to grow bloodworms.”

Most coastal land in China is polluted with heavy metals and not suitable for growing bloodworms for medical use, she says. “I talked to NSBI, and they said St. Mary’s might be a good location. So we entered into an MOU.”

“We’ve been talking to Grace for about a year,” says Marvin MacDonald, the Municipality’s chief administrative officer. “She seems personally committed to work with us to create jobs. I very much appreciate that, and we applaud her for that kind of commitment.”

Although various permits and other hurdles are still to be overcome, Chum says the company hopes to establish three businesses: a bloodworm farm, an operation to grow medicinal plants, and a health-enhancement centre. In turn, MacDonald also sees opportunities for knowledge transfer and education, not only in training for local people but in doing research with St. FX and Dalhousie.

“Working with NSBI has been great,” he adds. “They’re helpful and supportive. It’s been a good experience.”





A.F. Theriault & Son Ltd.

Meteghan River, NS

- ConnectNS Program
- Small Business Development Program
- Export Growth Program
- Trade Missions
- Productivity & Innovation Voucher Program
- Payroll Rebate
- Innovation Rebate Program



Craftsmanship for 80 years

By the time most of us reach our 80th birthday, we might be forgiven for putting our feet up and taking it easy. For A.F. Theriault & Son Ltd., Nova Scotia's oldest and largest family-owned shipyard, last year's 80th anniversary marked new vitality and new investment.



“The team at NSBI has been very helpful throughout the whole expansion.”

After working closely with NSBI Regional team member on detailing the company's growth plans, A.F. Theriault & Sons Ltd. was the first client approved by NSBI for its **Innovation Rebate Program**, which provides incentives to companies in Nova Scotia that undertake capital investments to increase their competitiveness in global markets.

A.F. Theriault & Son made a \$6.65-million capital investment that included more than doubling its marine railway's capacity and enabled the company to produce larger boats and to work on several projects at the same time.

Now the expansion work is almost complete, says managing director Gilles Theriault, and the company is growing. “The NSBI program made a great difference,” he says. “It felt good to know that the Nova Scotia government is on our side. The team at NSBI has been very helpful throughout the whole expansion.”

Over its 80-year history, the company has built more than 900 vessels of up to 45 metres (150 feet) at its yard in Meteghan River.

“How much we diversify often surprises people,” Theriault says. “We're a one-stop shopping boatyard, dealing with aquaculture, fishing vessels, and commercial vessels. We build steel, aluminum, and fiberglass boats. We provide a full retail service to the public. And we have a full repair facility. So we can design and build a boat from scratch, and then after it's built we can service it on our repair site.”

Community is key to the company's success, he believes. “We live in a very special part of southwestern Nova Scotia,” he says. “Clare is a beautiful place to bring up your family. It's safe and secure. There's good education. There's good work around. Many factors make us appreciate our roots and support our community. Our people are dedicated, committed, and creative in their work with us.”

Theriault's commitment to his community and his staff is about making sure that Nova Scotians can stay in Nova Scotia and work, and new Nova Scotians can call it home. “That's the bottom line,” he says. “Our goal is to keep our people in our community employed – to make it work together with our community and our team.”



Hutchinson Maple Products

Aylesford, NS

- Trade Market Intelligence
- Small Business Development Program
- Export Growth Program
- Trade Missions
- Nova Scotia Export Achievement Awards



Bringing sweetness to the world

When Hutchinson Maple Products goes to Anuga 2019 in Cologne, Germany, this October, they'll be sharing specialty Nova Scotia sweetness with some serious food lovers. Anuga is the world's largest food trade show, hosting more than 7,400 exhibitors and around 165,000 visitors.



“Without NSBI and the Exporter of the Year Award, I don't know where we would be today.”

Hutchinson produces a certified organic, all-natural maple syrup and a specialty PURE Infused Maple Syrup line from Hutchinson Acres, the farm owned and run by Chris and Anna Hutchinson. “It's all single-origin maple syrup, and we sell to markets across Canada, in Europe and in the Middle East,” Anna says.

Diversifying into a specialty line has allowed Hutchinson Maple Products to expand not only throughout Nova Scotia but beyond the province's borders.

The PURE lavender maple is always a show favourite, she says. “Not everybody loves the smell of lavender. But the taste of it? It's beautiful. When people try it, the reaction is, ‘Oh, wow!’ It's the one we sample most, because people are so curious about it.”

Being able to access NSBI's programs and services has been essential to their exporting success, Anna explains. “It's the only way we can do exports. If we don't let people know we're here, we'll never grow.”

Winning the 2017 Nova Scotia Exporter of the Year award was “amazing and a dream come true for a small business like us,” she says. The award included two Air Canada tickets to anywhere the airline flies. Anna and Hutchinson's sales manager, Leanne Dobrota, flew to Dubai, where they secured their first customer in the Middle East. On a side trip, they secured a customer in Amsterdam.

“Without NSBI and the Exporter of the Year Award, I don't know where we would be today,” Anna says. “NSBI did a lot of publicity and got our story out there. It has helped a huge amount.”



Eastlink TV Independent Production Fund Activity

Approved Funding Commitments

Film Production: Amount Legal Name Company of Production Company	Parent Company	Film Production	Film Production: Type of Production	Funding Committed
Pure Season 2 Inc.	Two East Productions Inc.	Pure S2	TV Series	\$165,000
Mr. D S8 Productions Limited	Topsail Productions Ltd.	Mr. D Season 8	TV Series	\$165,000
Total				\$330,000



Consolidated financial statements of Nova Scotia Business Incorporated

March 31, 2019

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Management's Report

Management's Responsibility for the Consolidated Financial Statements

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal consolidated financial statements on a quarterly basis and external audited consolidated financial statements yearly.

The external auditors, Deloitte LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Nova Scotia Business Incorporated and meet with them when required.

On behalf of Nova Scotia Business Incorporated



Laurel C. Broten
CEO



Ferdinand Makani
Controller

Independent Auditor's Report

To the Board of Directors of
Nova Scotia Business Incorporated

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Nova Scotia Business Incorporated (the "Corporation"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and changes in accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2019, and the results of its operations, changes in net financial assets and its cash flows for the year then ended, in accordance with Canadian public sector accounting standards ("PSAS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 the Corporation 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, 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 Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities 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 GAAS 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 GAAS, 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 Corporation'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 Corporation'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 Corporation 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.

The image shows a handwritten signature in cursive script that reads "Deloitte LLP".

Chartered Professional Accountants
June 19, 2019

Nova Scotia Business Incorporated

Consolidated statement of operations and changes in accumulated surplus

Year ended March 31, 2019

(In thousands of dollars)

	Budget (Unaudited)	2019	2018
Notes	\$	\$	\$
Revenue			
Provincial			
Nova Scotia Film and Television Production grant	20,000	22,202	19,800
Operating grant	21,877	21,739	16,163
Strategic investment grant	16,597	13,781	12,891
Loan valuation allowance grant	1,000	1,000	1,000
Miscellaneous	106	374	236
Capital grant	—	—	317
Other	1,041	1,696	1,631
Interest on loans receivable	972	1,125	1,170
Nova Scotia Independent Production Fund ("NSIPF") revenue (Schedule 1)	—	337	462
Gain on sale of tangible capital assets	—	301	19
Federal	430	294	1,305
Recovery of equity investments and development loans	75	94	98
Investment (loss) income	15	—	(1,379)
	62,113	62,943	53,713
Expenses			
Operating expenses (Schedule 2)	22,874	22,413	16,667
Nova Scotia Film and Television Production incentives	20,000	22,202	19,800
Strategic investments	16,597	13,781	12,891
Provision for credit losses and payment of guarantees	1,000	4,883	5,469
Nova Scotia Business Fund: other expenses (Schedule 3)	814	556	678
Nova Scotia Independent Production Fund ("NSIPF") expenses (Schedule 1)	—	337	462
Transfer payments to the Province of Nova Scotia (Recovery)/Provision for accrued interest receivable	20	—	(1,354)
	61,305	64,473	54,948
Annual operating (deficit) surplus	808	(1,530)	(1,235)
Accumulated surplus, beginning of year	11,820	11,820	13,055
Accumulated surplus, end of year	12,627	10,290	11,820

The accompanying notes are an integral part of the consolidated financial statements.

Nova Scotia Business Incorporated**Consolidated statement of changes in net financial assets**

Year ended March 31, 2019

(In thousands of dollars)

	Budget (Unaudited)	2019	2018
	\$	\$	\$
Annual operating (deficit) surplus	808	(1,530)	(1,235)
Change in tangible capital assets			
Acquisitions of tangible capital assets	—	—	(317)
Amortization of tangible capital assets	45	212	49
Gain on sale of tangible capital assets	—	(301)	(19)
Proceeds from sale of tangible capital assets	—	301	335
Net change in tangible capital assets	853	(1,318)	(1,187)
Change in other non-financial assets			
Acquisitions of prepaid assets	—	(47)	(31)
Use of prepaid assets	—	31	34
Net change in other non-financial assets	—	(16)	3
Decrease in net financial assets	853	(1,334)	(1,184)
Net financial assets, beginning of year	10,825	10,825	12,009
Net financial assets, end of year	11,678	9,491	10,825

The accompanying notes are an integral part of the consolidated financial statements.

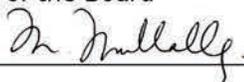
Nova Scotia Business Incorporated
Consolidated statement of financial position

As at March 31, 2019
(In thousands of dollars)

	Notes	2019 \$	2018 \$
Financial assets			
Cash and cash equivalents	13	32,620	28,355
Accrued interest receivable		85	89
Other receivables		1,340	753
Receivables - NSIPF		25	2
Due from the Province of Nova Scotia		36,317	36,289
Loans receivable	3 and 6	17,587	19,261
Equity investments	4 and 6	350	6,509
		88,324	91,258
Liabilities			
Accounts payable and accrued liabilities		44,063	40,343
Accounts payable and accrued liabilities - NSIPF		8	8
Deferred revenue		406	397
Deferred revenue - NSIPF		333	273
Employee benefits and other liabilities	15	910	1,329
Due to shareholder	7	32,632	37,072
Film production assistance commitments payable		74	133
Film production assistance commitments payable - NSIPF		106	543
Transfer payments payable to the Province of Nova Scotia	2	301	335
		78,833	80,433
Net financial assets		9,491	10,825
Non-financial assets			
Tangible capital assets	5	752	964
Prepaid expenses		47	31
		799	995
Accumulated surplus			
Contractual obligations	9		
Contingencies	10		

The accompanying notes are an integral part of the consolidated financial statements.

On behalf of the Board

 _____, Director

 _____, Director

Nova Scotia Business Incorporated
Consolidated statement of cash flows

Year ended March 31, 2019
(In thousands of dollars)

	Notes	2019 \$	2018 \$
Operating transactions			
Annual operating (deficit)		(1,530)	(1,235)
Items not affecting cash and cash equivalents			
Amortization of tangible capital assets		212	49
Amortization of loan valuation allowance receivable		(1,000)	(1,000)
Redemption of shares		194	—
Allowance for credit losses and provision for payment of guarantees		4,884	5,469
Gain on sale of tangible capital assets		(301)	(19)
		2,459	3,264
Change in other	13	2,190	318
		4,649	3,582
Capital transactions			
Additions of tangible capital assets		—	(317)
Proceeds from sale of tangible capital assets		301	335
		301	18
Investing transactions			
Loan advances		(27)	(3)
Shares redemption		16	—
Principal received on loans		2,766	3,550
		2,755	3,547
Financing transaction			
Principal repayments to the Province of Nova Scotia		(3,440)	(3,088)
		(3,440)	(3,088)
Increase in cash and cash equivalents		4,265	4,059
Cash and cash equivalents, beginning of year		28,355	24,296
Cash and cash equivalents, end of year		32,620	28,355

The accompanying notes are an integral part of the consolidated financial statements.

Nova Scotia Business Incorporated

Notes to the consolidated financial statements

March 31, 2019

(In thousands of dollars)

1. Business overview

Nova Scotia Business Incorporated (the "Corporation") is a corporation, wholly-owned by the Province of Nova Scotia (the "Province") with an independent Board of Directors. The Corporation was established pursuant to the *Nova Scotia Business Incorporated Act*, Chapter 30 of the Acts of Nova Scotia, 2000.

The Corporation's mission is to help Nova Scotia businesses grow exports through access to business advisory services, skill development and training to build trade capacity, market intelligence, financing, and support in accessing global markets, with a focus on developing new exporters and attracting innovative, globally competitive companies to establish a business location in Nova Scotia. The Corporation is not subject to provincial or federal taxes.

On April 9, 2015, the Nova Scotia provincial government tabled the March 31, 2016 budget in the House of Assembly, which included the elimination of the Film and Creative Industries Nova Scotia ("FCINS") agency's funding and a plan to cease its operations. Legislation, Bill No. 108 passed by the Government of Nova Scotia, introduced in the spring assigned all assets and liabilities of FCINS to the Corporation effective April 9, 2015 including those of the restricted independent production fund ("IPF").

On April 1, 2016 with the consent of the Province pursuant to Section 68(1) of the Finance Act, the Corporation incorporated a wholly owned subsidiary, Nova Scotia Independent Production Fund ("NSIPF"). On June 9, 2016, NSIPF was certified by the Canadian Radio-Television and Telecommunications Commission ("CRTC") and was added to the list of independent production funds to administer The Eastlink TV Independent Production Fund Program. As a result, the assets and liabilities of the IPF were assigned to and became assets and liabilities of NSIPF effective June 9, 2016.

NSIPF's purpose continues to be as was FCINS's as an IPF, to support Nova Scotia and Canadian television programming by receiving contributions as a restricted independent production fund under the Broadcasting Distribution Regulations and to distribute such contributions to productions determined to be eligible for funding in accordance with the requirements of the CRTC.

2. Summary of significant accounting policies

Basis of accounting

The consolidated financial statements of the Corporation have been prepared by management in accordance with Canadian public sector accounting standards ("PSAS") as established by the Public Sector Accounting Board ("PSAB").

The Corporation follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and/or the creation of a legal obligation to pay.

Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net financial assets and cash flows of the reporting entity. The reporting entity is comprised of the following entities which are owned or controlled by the Corporation:

- Nova Scotia Business Incorporated
- Nova Scotia Independent Production Fund

Inter-departmental and inter-entity balances and transfers between the entities have been eliminated on consolidation.

Nova Scotia Business Incorporated
Notes to the consolidated financial statements

March 31, 2019

(In thousands of dollars)

2. Summary of significant accounting policies (continued)

Cash and cash equivalents

Cash includes petty cash and amounts on deposit with financial institutions. Cash equivalents include short-term highly liquid investments with a term to maturity of 365 days or less at acquisition. All are measured at fair market value.

Loans receivable

Loans receivable are recognized at amortized cost using the effective interest rate method. Loans receivable are classified as impaired when, in the opinion of management, there is reasonable doubt as to the timely collection of the full amount of principal and interest. A specific valuation allowance is established to reduce the recorded value of the impaired loan to its estimated net recoverable value.

A general allowance of 5% of cost is recorded to reflect anticipated future losses for all loans receivable which do not have a specific allowance.

Initial and subsequent changes in the amount of valuation allowance are recorded as a charge or credit to the statement of operations.

Loans receivable are written off after all reasonable restructuring and collection activities have taken place, and management believes that there is no realistic prospect of recovery. Once all or a part of a loan receivable has been written off, the write-off is not reversed, unless the loan receivable is recovered, in which case the recovery is credited to the statement of operations upon receipt.

Equity investments

Investments in equity instruments of private enterprises are carried at cost with realized gains and losses recognized in the statement of operations in the period they are derecognized.

Investments in equity instruments of private enterprises are classified as impaired when, in the opinion of management, there has been a loss in the value of the equity instruments that is other than a temporary decline. A specific valuation allowance is established to reduce the recorded value of the impaired investments to their estimated net recoverable value.

A general allowance of 10% of cost is recorded to reflect anticipated future losses for all investments in private enterprises receivable which do not have a specific allowance.

A write-down of an investment to reflect a loss in value is not reversed if there is a subsequent increase in value.

The investments and loans receivable are reviewed twice yearly for potential declines in value.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Nova Scotia Business Incorporated
Notes to the consolidated financial statements

March 31, 2019

(In thousands of dollars)

2. Summary of significant accounting policies (continued)

Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of assets. The cost, less residual value, of the tangible capital assets, excluding land, is amortized over their estimated useful lives as follows:

<u>Asset</u>	<u>Basis</u>	<u>Rate</u>
Buildings	Declining balance	5%
Wharves	Declining balance	5%
Utilities	Declining balance	4-15%

Assets not in use are not amortized until the asset is available for productive use.

In previous fiscal years, the Department of Transportation and Infrastructure Renewal had operational responsibility for the industrial parks and buildings. Certain revenues and expenses associated with the operation of the industrial parks and buildings were accounted for by the Department of Transportation and Infrastructure Renewal and were not reflected in the Corporation's financial statements. However, effective April 1, 2014, the Corporation took over the operational responsibilities of these assets and their related expenses and revenues are now recorded in these consolidated financial statements.

Proceeds from the sale of assets less closing costs are remitted to the Province of Nova Scotia in the form of transfer payments. In the current year, the transfer payments payable to the Province of Nova Scotia was \$301 (2018 - \$335).

Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded in revenues at their fair value at the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value.

Due to shareholder

Amounts due to the Shareholder, which are comprised of non-interest bearing debt with no set terms of repayment, are recorded at amortized cost.

Government transfers

Government transfers are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. The transfer payments recorded by the Corporation are flow-through arrangements of proceeds from the sale of crown assets which the Corporation administers and are remitted to the Province of Nova Scotia. In accordance with PS 3410, government transfers do not include flow-through arrangements where a government agrees to act merely as an intermediary to administer funds on behalf of another party and has no ability to make decisions regarding the use of the funds.

Similarly, when funds are received as a result of an administrative flow-through arrangement in which a recipient government serves only as a cash conduit (i.e., it has no direct financial involvement in the program nor decision-making capability in relation to the program) the receipt and disbursement of cash would not be recognized as transfers in that recipient government's consolidated financial statements.

Nova Scotia Business Incorporated
Notes to the consolidated financial statements

March 31, 2019

(In thousands of dollars)

2. Summary of significant accounting policies (continued)

Revenue recognition

Government contributions are recognized as revenue in the period the transfer is authorized, and all eligibility criteria have been met, except when, and to the extent, the transfer includes stipulations which have not yet been met.

Government contributions with stipulations are initially deferred and recognized as revenue as the related stipulations are met:

- (a) Operating grants have no criteria or stipulations and the Corporation recognizes revenue on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.
- (b) Strategic investment grants are recognized when expenditure is recorded in accordance with the Corporation's approved budget and shall be provided in accordance with policies, guidelines and procedures set out in the Corporation's business plan.
- (c) Nova Scotia Film and Television Production grants are earned in accordance with the Corporation's approved annual budget and when the eligible producers have completed the final print stage of the approved production.
- (d) Loan valuation grant is provided by the Province of Nova Scotia to offset the provision for credit losses and payment of guarantees.
- (e) Miscellaneous consists of various contracts for trade programs. Revenue is recognized in the period the transfer is authorized, and all eligibility criteria have been met, except when and to the extent the transfer includes stipulations which have not yet been met.

Interest revenue on the loans receivable is recognized on an accrual basis unless the ultimate collectability of the loan is in doubt. When a loan is classified as impaired, interest revenue is no longer recognized, and any interest income that is accrued is reversed. A loan is considered impaired when there is risk of loss to the Corporation of the full and timely collection of principal and interest; generally, when it is more than three months in arrears. In the event a loan is no longer considered to be impaired, interest revenue is recognized in the year of recovery.

Provision for credit losses and payment of guarantees

The provision for credit losses is partially offset by a non-cash loan valuation allowance contribution from the Province of Nova Scotia. The contribution is recorded as both a receivable and revenue.

Employee future benefits

The Corporation provides certain employee benefits which will require funding in future periods. These benefits include vacation pay and public service awards. Upon retirement, qualifying employees are eligible for a public service award equal to one week's salary per year of service to a maximum of 26 weeks. Management recognizes compensation expense on an accrual basis with actuarial assessments being carried out every three years. The next assessment is due in the 2021 fiscal year.

Last year, the Province extended a one-time payout in lieu of public service award on retirement to eligible non-union and management employees, paid in the current fiscal year. About 95% of the Corporation's eligible employees elected for this offer in the amount of \$412.

Nova Scotia Business Incorporated
Notes to the consolidated financial statements

March 31, 2019

(In thousands of dollars)

2. Summary of significant accounting policies (continued)

Employee future benefits (continued)

Permanent employees of the Corporation participate in the Public Superannuation Fund (the "Plan"), a contributory defined benefit pension plan administered by the Province of Nova Scotia, which provides pension benefits based on length of service and earnings. Contributions to the Plan are required by both the employees and the employer. The costs of the employer pension benefits are the Corporation's contributions due to the Plan in the period. The Corporation is not responsible for any under-funded liability, nor does the Corporation have any access to any surplus that may arise in this Plan.

The Corporation accounts for severance pay on an accrual basis and the amount is calculated based upon accumulated unused sick leave or on years of service. The amount is payable when the employee ceases employment with the Corporation.

Use of estimates

The preparation of the consolidated financial statements 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 date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Significant estimates included in the consolidated financial statements relate to the valuation of the loans receivable and equity investments. Actual results could differ materially from these estimates.

Impairment of long-lived assets

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Corporation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

3. Loans receivable

	Note	2019	2018
		\$	\$
Principal due		29,480	32,893
Allowance for credit losses	6	(11,893)	(13,632)
		17,587	19,261

Interest charged on these loans ranges from 0% to 10% (2018 – 0% to 10%). Repayment terms are negotiated on specific loans and would normally not exceed 20 years. The level of security on loans is also negotiated between the Corporation and the debtor based on the risk associated with the individual loan. The security can include life insurance, company assets, personal guarantees or the value of the parent company. Security can range from an unsecured position to a fully secured position.

Nova Scotia Business Incorporated
Notes to the consolidated financial statements

March 31, 2019

(In thousands of dollars)

4. Equity investments

	Note	2019 \$	2018 \$
Common shares		11,156	11,156
Preferred shares		8,206	13,416
Convertible debentures and promissory notes		—	2,000
		19,362	26,572
Allowance for credit losses	6	(19,012)	(20,063)
		350	6,509

Certain equity investments have conversion options and warrants attached.

5. Tangible capital assets

	Cost \$	Accumulated amortization \$	2019 Net book value \$	2018 Net book value \$
Land	82	—	82	82
Buildings	873	695	178	187
Wharves	1,752	1,294	458	482
Utilities	419	385	34	213
	3,126	2,374	752	964

6. Allowance for credit losses and payment of guarantees

	Notes	Gross balance outstanding \$	Specific allowance \$	General allowance \$	Total allowance \$	2019 Net balance outstanding \$
Loans receivable	3	29,480	10,978	915	11,893	17,587
Equity investments	4	19,362	19,012	—	19,012	350
		48,842	29,990	915	30,905	17,937

	Notes	Gross balance outstanding \$	Specific allowance \$	General allowance \$	Total allowance \$	2018 Net balance outstanding \$
Loans receivable	3	32,893	12,637	995	13,632	19,261
Equity investments	4	26,572	20,063	—	20,063	6,509
		59,465	32,700	995	33,695	25,770

During the year, investments and other assets in the amount of \$7,673 (2018 - \$nil) were written off resulting in a net change of \$2,790 after including the existing allowance of credit losses and provision for payment of guarantees in the amount of \$4,883.

Nova Scotia Business Incorporated
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March 31, 2019

(In thousands of dollars)

7. Due to shareholder

The Corporation signed a Memorandum of Understanding effective March 31, 2016 with the Province allowing and changing the treatment and recognition of the former long-term debt with the Province. The outstanding notes payable balance of \$50,706 as at March 31, 2016 between the Corporation and the Province was converted into a non-interest bearing shareholder loan with no set terms of repayment. As a condition of this conversion, the Corporation was required to reduce its Loan Valuation Allowance receivable due from the Province by applying it against the outstanding notes payable to the Province. As at March 31, 2019 the amount due to shareholder was \$32,632 (2018 – \$37,072).

8. Share capital

The Corporation is authorized to issue 100 Class A common shares with a par value of \$1 each. At year-end, 100 common shares have been issued to the Province. Share capital is grouped with accumulated surplus on the statement of financial position.

9. Contractual obligations

The Corporation provides strategic investments that permit approved businesses to receive a percentage of payroll taxes paid as a rebate. Expenses incurred by the Corporation are match-funded by the Province of Nova Scotia in the form of a Strategic Investment Grant.

As at March 31, 2019, transactions were approved with maximum annual payments over the next six years of \$92,321 (2018 – \$95,797) as shown below:

	<u>\$</u>
2020	28,018
2021	24,198
2022	14,919
2023	13,436
2024	9,091
2025	<u>2,659</u>
Total	<u>92,321</u>

The Corporation is the administrator of the Nova Scotia Film and Television Production Incentive Fund ("NSFPIF") which was established during 2016 to support the film and television production industry in the Province and to create economic value for Nova Scotians. Expenses incurred by the Corporation will be match-funded by the Province of Nova Scotia in the form of an NSFPIF grant. Eligible corporations that have a permanent establishment in Nova Scotia will be able to apply to the NSFPIF to receive support on completion date of the targeted production based on the following funding streams:

- Base funding of 26% of all eligible Nova Scotia costs for indigenous/co-productions;
- Base funding of 25% of all eligible Nova Scotia costs for foreign/service productions.

Additional incentives over the base funding can be earned for rural production work, shoots more than 30 days, and for Nova Scotia content.

Nova Scotia Business Incorporated
Notes to the consolidated financial statements

March 31, 2019

(In thousands of dollars)

9. Contractual obligations (continued)

As at March 31, 2019, the following commitments in the amounts of \$10,454 (2018 – \$7,958) were recognized at the yearend date based on Letters of Intent over the next two years:

	\$
	<u>10,227</u>
2020	10,227
2021	<u>227</u>
	<u>10,454</u>

10. Contingencies

Guarantees

All guarantees expired in the current year. These were secured by various assets, and proceeds from liquidation were expected to offset a portion of any possible payments under guarantees.

Litigation

The Corporation is co-defendant with the Province of Nova Scotia and Industrial Estates Limited in a dispute regarding environmental contamination on land previously owned by Industrial Estates Limited. The Corporation believes that any losses incurred related to this claim will be fully funded by the Province of Nova Scotia.

The Corporation is unable to form an opinion in regard to the likelihood of loss arising from the above litigation. Consequently, no provision for any possible loss has been recorded in these consolidated financial statements.

In addition, there are other outstanding claims against the Corporation for events that have arisen in the normal course of carrying on the operations of the Corporation. It is not possible at this time to determine the amount that may be assessed, or the impact to the Corporation's consolidated financial statements, with respect to these claims.

11. Financial instruments

Fair value measurements in connection with the allowance for credit losses recognized in Notes 3 and 4 are categorized using the fair value hierarchy that reflects the significance of inputs used in determining the fair values:

- Level 1 - unadjusted quoted prices in the active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly or indirectly; and
- Level 3 - inputs for assets and liabilities that are not based on observable market data.

Cash and cash equivalents have been recorded as Level 1 using the fair value hierarchy.

Financial risk factors

Risk management relates to the understanding and active management of risks associated with all areas of the business and the associated operating environment. The Corporation's Nova Scotia Business Fund assets are primarily exposed to credit, interest rate, market price and liquidity risk.

Nova Scotia Business Incorporated
Notes to the consolidated financial statements

March 31, 2019

(In thousands of dollars)

11. Financial instruments (continued)

Financial risk factors (continued)

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable to meet a commitment that it has entered into with the Corporation. To mitigate this risk, the Corporation has developed the following policies:

Before financing is approved, a risk assessment is performed on the client. Each application is designated a risk rating based on the industry and business, quality of management, financial performance, the level of other creditor involvement and shareholder participation, and environmental risks. The terms and conditions of the approved financing are reflective of the assessed risk. Applications with unacceptable levels of risk are not approved.

Clients are usually limited to a total of \$15 million in financing from the Corporation's Nova Scotia Business Fund. Three clients have exceeded this total in the past; two were approved in the Nova Scotia Business Development Corporation Fund and transferred to the Nova Scotia Business Fund via legislation on November 6, 2001 and both were paid out in a previous year. A third client, that was authorized financing of \$15,100 approved in fiscal 2011, currently has an outstanding balance of \$7,410 (2018 – \$7,910) which is now below the \$15,000 financing limit threshold and has been fully disbursed.

The risk rating for all clients is monitored on an on-going basis. Clients identified as higher risk are further assessed at year end to determine the extent of potential loss, taking into account the value of the security pledged in support of the financial assistance. This assessment could result in a reduction in the carrying value of the investment via the provision for credit losses.

Interest rate risk

Interest rate risk is the risk that the market value of the Corporation's investments and debt will fluctuate due to changes in the market interest rates. It is management's opinion that the Corporation is not exposed to significant interest rate risk arising from financial instruments.

Market price risk

Market price risk is the risk that the value of an investment will fluctuate as a result of changes in the market prices, whether those changes are caused by factors specific to the individual financial instrument, its issuer or factors affecting similar financial instruments traded in the market. As these equities are carried at fair value with the fair value changes recognized in the statement of remeasurement gains and losses, all changes in the market conditions will directly result in an increase (decrease) of accumulated remeasurement gains (losses).

Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity requirements are managed through the receipt of provincial grants, income generated from loans receivable and equity investments, and principal repayments received on loans receivable. These sources of funds are used to pay operating expenses and debt servicing payments to the Province of Nova Scotia. In the normal course of business the Corporation enters into contracts that give rise to commitments for future payments which also impact the Corporation's liquidity. The Corporation also maintains cash on hand for liquidity purposes and to pay accounts payable and accrued liabilities.

Nova Scotia Business Incorporated
Notes to the consolidated financial statements

March 31, 2019

(In thousands of dollars)

11. Financial instruments (continued)

Financial risk factors (continued)

The following table summarizes the fixed contractual maturities for all financial liabilities as at March 31, 2019:

	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	2019 Total	2018 Total
	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	44,063	—	—	—	44,063	40,343
Accounts payable and accrued liabilities - NSIPF	8	—	—	—	8	8
Employee benefits and other liabilities	687	223	—	—	910	1,329
Transfer payments payable to the Province	301	—	—	—	301	335
Deferred revenue	12	294	—	100	406	397
Deferred revenue - NSIPF	333	—	—	—	333	273
Due to shareholder	1,910	13,338	5,000	12,384	32,632	37,072
Film production assistance commitments payable	74	—	—	—	74	133
Film production assistance commitments payable - NSIPF	106	—	—	—	106	543
	47,494	13,855	5,000	12,484	78,833	80,433

12. Nova Scotia Business Fund

The Nova Scotia Business Fund (the "Fund") is comprised of investments approved under the direction and management of the Corporation and investments transferred from the Nova Scotia Business Development Corporation Fund ("NSBDC") on November 6, 2001. The following is a summary of the Fund as at March 31, 2019:

	NSBI portfolio		NSBDC portfolio		2019 Net total	2018 Net total
	Gross	Less allowance for credit losses	Gross	Less allowance for credit losses	Net total	\$
	\$	\$	\$	\$	\$	\$
Assets						
Loans receivable	19,528	7,116	9,952	4,777	17,587	19,261
Equity investments	19,362	19,012	—	—	350	6,509
Industrial parks & buildings	—	—	752	—	752	964
Financing authorized but unadvanced and unutilized guarantees	—	—	—	—	—	1,000
	38,890	26,128	10,704	4,777	18,689	27,734
Funding authorized and committed						
Fund balance authorized, net of write-offs					181,741	189,414
Less: uncommitted balance of fund					132,147	127,985
Committed fund balance					49,594	61,429
Less: allowance for credit losses and provision for payment of guarantees					30,905	33,695
					18,689	27,734

Nova Scotia Business Incorporated
Notes to the consolidated financial statements

March 31, 2019

(In thousands of dollars)

13. Supplementary cash information

Cash and cash equivalents include:

	2019	2018
	\$	\$
Cash	24,620	20,355
Short-term investments	8,000	8,000
	32,620	28,355

Changes in other

	2019	2018
	\$	\$
Accrued interest receivable	5	57
Other receivables	(586)	(479)
Other receivables – NSIPF	(23)	30
Due from the Province of Nova Scotia	(28)	(13,387)
Prepaid expenses	(16)	3
Accounts payable and accrued liabilities	3,719	14,773
Accounts payable and accrued liabilities - NSIPF	—	3
Deferred revenue	9	68
Deferred revenue – NSIPF	60	56
Employee benefits and other liabilities	(419)	64
Transfer payments payable to the Province of Nova Scotia	(35)	(810)
Commitments payable – operating	(59)	(57)
Commitments payable – NSIPF	(437)	(3)
	2,190	318

During the year, cash received for interest income was \$1,130 (2018 – \$1,080).

	2019	2018
	\$	\$
Non-cash investing transactions		
Conversion of convertible debentures to loan	—	2,800
Conversion of working capital to loan	500	200

14. Related party transactions

As at year-end, the total amount outstanding to companies that were controlled by, or otherwise not independent of, certain directors of the Corporation was \$12,495 (2018 – \$12,495) for financial assistance. All these investments have specific allowances recorded against them totaling \$12,495 (2018 – \$6,529).

In previous years, the Corporation occupied premises for which no rental fee for the lease of these premises was charged by the Province of Nova Scotia which was estimated at \$494 in 2018. However, effective April 1, 2018 with a new landlord acquiring these premises, the Corporation is now responsible for payment and recording of this cost on its books.

The Corporation receives legal services free of charge from the Province of Nova Scotia. Management estimates the annual cost of these services is approximately \$322 (2018 – \$322).

These transactions were carried out in the normal course of operations and on terms and conditions that would be similar to those of non-related parties.

Nova Scotia Business Incorporated
Notes to the consolidated financial statements

March 31, 2019

(In thousands of dollars)

15. Employee benefits, post-retirement benefits and other liabilities

The employee benefits, post-retirement benefits and other liabilities, reported on the statement of financial position, are made up of the following:

	2019	2018
	\$	\$
Public service awards and service payouts	299	692
Vacation pay	250	267
Other payroll accruals	361	370
	910	1,329

Pension benefits

All full-time employees are entitled to receive pension benefits pursuant to the provisions of a pension plan established under the Public Service Superannuation Act ("PSSP") based on the employees' length of service and earnings. The plan is funded by the employee and the employer contributions. The employer's contributions for 2019 were \$655 (2018 - \$661) and are recognized as an operating expense in the year.

16. Film production development loans

Film production development loans previously committed by FCINS were provided to eligible producers to support essential process of the development which takes an idea through the stages of research, writing, market analysis and costing, which must precede the completion of the production financing arrangements. Support for the development of a project does not necessarily imply support for a production. Film production development loans are interest free and are to be repaid the earlier of the first day of principal photography or on the optioning, sale or transfer of the property to a third party.

During the year, the Corporation did not recover any development loans (2018 - \$26). As at March 31, 2019, \$7 (2018 - \$7) remains undisbursed and is included in commitments payable. There were no film production development loans disbursed, assumed and originated at year-end (2018 - \$nil).

17. Film production equity investments

Film production assistance previously committed by FCINS, in the form of equity investments were provided to eligible producers for the financing of productions that will provide employment and economic benefit to Nova Scotians. Equity investments are made with conditions of repayment through participation in revenues by projects. Revenue is recorded as reported by producers.

During the year, the Corporation received \$93 (2018 - \$68) in recovery of equity investments resulting in a cumulative recoupment, assumed and originated, as at March 31, 2019, of \$4,620 (2018 - \$4,527). Also as at March 31, 2019, \$67 (2018 - \$126) remains undisbursed and is included in commitments payable. Total film production equity investments disbursed, assumed and originated, at year end were \$46,907 (2018 - \$46,864).

Nova Scotia Business Incorporated
Notes to the consolidated financial statements

March 31, 2019

(In thousands of dollars)

18. Nova Scotia Independent Production Fund ("NSIPF")

NSIPF through The Eastlink TV Independent Production Fund Program provides production assistance in the form of film production equity investments to eligible producers for the financing of production that will support employment and economic benefits to Nova Scotia. Film production equity investments are made with the condition of repayment through participation in revenues by projects. Revenue is recorded as reported by producers. Funds received by NSIPF are externally restricted and included on the statement of financial position in cash and cash equivalents and are deferred until committed.

During the year, the Corporation through its subsidiary, NSIPF, received \$329 (2018 – \$512) from the funding partner to invest in qualifying projects, and \$61 (2018 – \$1) in the recovery of equity investments. The cumulative total of equity investments made by the IPF, assumed and originated, as at March 31, 2019 is \$5,264 (2018 – \$4,934). As at March 31, 2019, \$181 (2018 – \$120) was recouped and \$106 (2018 – \$543) remains undisbursed and is booked as a commitments payable.

Nova Scotia Business Incorporated**Schedule 1 – Schedule of the Nova Scotia Independent Production Fund
("NSIPF") revenues and expenses**Year ended March 31, 2019
(In thousands of dollars)

	2019	2018
	\$	\$
Revenue		
Eastlink contributions	268	456
Recovery of equity investments	61	1
Interest income	8	5
	337	462
Expenses		
Equity investments	330	455
Administrative expenses	7	7
	337	462

The accompanying notes are an integral part of the consolidated financial statements.

Nova Scotia Business Incorporated
Schedule 2 – Schedule of operating expenses

Year ended March 31, 2019
(In thousands of dollars)

	Budget (Unaudited)	2019	2018
	\$	\$	\$
Business development	11,487	11,715	6,840
Salaries and benefits	8,926	8,439	8,319
Office	970	942	467
Travel	903	629	669
Telecommunications and technical support	392	536	397
Other	155	108	(74)
Legal and audit	42	44	49
	22,874	22,413	16,667

The accompanying notes are an integral part of the consolidated financial statements.

Nova Scotia Business Incorporated**Schedule 3 – Schedule of Nova Scotia Business Fund: other expenses**

Year ended March 31, 2019

(In thousands of dollars)

	Budget (Unaudited)	2019	2018
	\$	\$	\$
Repairs, maintenance, salaries and other	718	343	601
Amortization	45	212	49
Legal	50	—	26
Recovery of commissions and other fees	1	1	2
	814	556	678

The accompanying notes are an integral part of the consolidated financial statements.

We are privileged to work alongside businesses.

We are proud of their success and the positive impacts they are making on our economy for all Nova Scotians today and for generations to come.

Nova Scotia Business Inc.

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