

**Report of Recipient's Progress  
on Economic Development Assistance Agreement**

Province of Nova Scotia

*(subsection 5(2) of the Accountability in Economic Development Assistance Act, and  
the Accountability in Economic Development Assistance Regulations)*

Under the Act, the Minister is responsible for publishing a report that documents the progress made by a recipient of economic development assistance in meeting the targets or timelines defined in their economic development assistance agreement. Progress must be published on a 6-month cycle and is summarized below for the reporting period for this report, as specified in Part 2 of this form.

**Part 1 – Recipient Company Details**

<b>Company</b>	BDO Canada LLP – Lixar Fuelled by BDO
<b>Fund name</b>	Strategic Investment Funds
<b>Type of assistance</b>	Payroll Rebate
<b>Agreement date</b>	June 24, 2021
<b>Agreement business activities</b>	Payroll investments in Nova Scotia. Business development, retention, and expansion in the ICT sector.

**Part 2 – Reporting Period for this report**

A recipient of economic development assistance from the Province of Nova Scotia is required by law to submit a report every 6 months on their progress in meeting the targets or timelines defined in their agreement with the Province. The reporting period for this report is indicated below.

<b>Reporting Period</b>	<b>Due Date</b>	<b>Year</b>
<input checked="" type="checkbox"/> October 1 to March 31	by May 1	2023
<input type="checkbox"/> April 1 to September 30	by November 1	2023

### Part 3 – Progress of Recipient for Reporting Period

The following table summarizes the recipient’s progress report to the Minister for the reporting period for this report, as specified in Part 2. The information contained in this Table was submitted by the recipient and the recipient is responsible for its accuracy.

**Table 2**

Targets / Timelines	Progress made during Reporting Period	Comments
For the company to have made incremental payroll investments in Nova Scotia.	5 full-time employees were hired between October 1, 2022 and March 31, 2023. During this time, 1 full-time employee exited the business voluntarily. Net effect is incremental hires, notionally of positive 4 people.	BDO attrition rates returned to normal levels in H2 of 2022 and general market slow downs (given fear of recessions) also slowed down overall “hyper inflated tech” market activity that lead to the “war on talent”.
To be eligible for an earned incentive, for the payroll investments to be in the range of a minimum of \$350,000 for completed Program Year 1, up to a stretch maximum of \$2,800,000 for completed Program Year 5 and a minimum of 5 FTEs for completed Program Year 1, up to a stretch maximum of 40 FTEs for completed Program Year 5.	Average base salary of the new hires was \$101,400. Average base salary of those who exited was \$85,000.	We will likely be ~\$1.8M short on our payroll target for NS for Year 2 for reasons mentioned previously.
For the business to continue to operate, develop or expand in the ICT sector.	Operation and expansion in the ICT sector are a given for Lixar fuelled by BDO, which will achieve continued growth for 2023. Growth will include not just increased activity in its core fields of service like data, cloud app dev, biz apps but also expansion into new service offerings like cyber security / low code no code enablement (e.g. power platform) and of course, generative AI.	

### Part 4 – Status of agreement with recipient at end of this reporting period

The status of the agreement between the recipient and the Province, as determined by the Minister, is:

- Open - undisbursed
  - Open – partially disbursed
  - Open – fully disbursed
  - Completed
  - Cancelled / Withdrawn
- Amount disbursed- \$0

Comments (if applicable)

No claim as of March 31, 2023