ENSURING A CONNECTED, SECURE AND EQUITABLE DIGITAL FUTURE FOR EVERY ALBERTAN.
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Conversation with the President & CEO

I feel very fortunate to be working with such a smart, dedicated, and fun group of individuals at Cybera! Amidst a year of incredible challenges and changes, it’s important to stop and celebrate the successes (big and small) that our community has achieved, and the great people who made that happen.

Our team of talented individuals — combined with Cybera’s culture of open ideas and exploration — is the secret sauce that keeps us moving forward. To support both (and do what we can to ward off the burnout affecting so many in the public and technology landscapes), we have continued to offer a hybrid working environment, and moved to a four-day workweek over the summer.

We have also brought our operational teams closer together, to collaborate more efficiently for our community. This has allowed us to better manage the network and build core services, such as a local security operations centre to protect our higher education community. It has also given us room to explore
new technologies and yes, occasionally make mistakes — understanding why something didn't work is vital for innovation! We continue to be creative and curious while tackling the biggest challenges our community faces.

Over a year into our 2022-2025 Strategic Roadmap, I’m thrilled to see the progress Cybera has made in its many goals and initiatives. We have begun (and even completed) over 70% of the activities listed within Cybera’s five key pillars (see page 12 for more details). This has included some huge strides in our data science / data literacy outreach programs, the offerings available through the Alberta ShareIT Program, as well as our core connectivity and cybersecurity infrastructure. There’s still a lot to do, and we expect certain goals to evolve or be dropped as the technology and needs of our community changes, but I’m pleased to say Cybera has never offered more value to its members than it does today.

In the coming year, we’ll be looking more closely at our membership model (which hasn’t been updated in over a decade!) to determine if we’re serving the different sectors in our community to the best of our abilities, and in the fairest way. Stay tuned for more details.

Lastly, keep your eyes out for Cyberans popping up in your regions! Between our conferences, workshops, hackathons, and other speaking opportunities, we’re out there sharing our knowledge and skills like never before. It’s a testament to how much we’re growing and embracing new opportunities, while working to keep all Albertans up to speed on what’s happening!

Barb Carra
President and CEO
Connect

To meet the growing bandwidth needs of our members, Cybera made several improvements to its network over the last fiscal year, including upgrading Calgary’s core router and installing new network switches in Red Deer. We are also working to upgrade the Edmonton router in fall 2023. These upgrades will bring our upstream connectivity capabilities up to 400 Gbps.

We have also launched a new network portal to give members a more comprehensive overview of their services, while being simpler to access.

Tech Exploration

To further enhance our network security, the network team trialled various Distributed Denial-of-Service (DDoS) solutions, and are now looking to deploy a managed DDoS mitigation service for members.

A. Member organizations
   110

B. Albertans connected to Cybera’s network
   +771,000

C. Data transported in 2022
   61.6 PB
The network team also performed a high level investigation into Low Earth Orbit (LEO) satellites as a connectivity option for remote Albertans.

National Initiatives
Alongside our ongoing support for the National Research and Education Network (NREN) digital mapping project, Cybera has been providing project management for two national initiatives:

1. Resource Public Key Infrastructure (RPKI): NREN partners are working with Canadian institutions to ensure their IP addresses are correctly registered by the end of 2023, to avoid increased ARIN fees and internet traffic disruptions.

2. Cloud Connect: The NREN is investigating the demand and feasibility of establishing a direct connection from member institutions to cloud providers such as AWS and Azure via the Research and Education Network.

D. Gross member savings from network services $+4.1 million
E. Research and Education Network-connected members 97
F. Internet Buying Group member organizations 75
G. Peering-only service member organizations 17
Skills

While artificial intelligence continues to dominate conversations about the future of work and innovation, Cybera’s skills initiatives have been providing the training and experience with these tools to keep Albertans up to speed.

Furthermore, with a user base of +4,800, the Rapid Access Cloud is increasingly being used by researchers and classrooms to carry out advanced research work, and explore the potential of big data tools.

Data science work integrated learning

In October 2022, Cybera’s Applied Data Science Lab held its inaugural internship cohort. Thanks to new funding from Alberta Innovates and PrairiesCan, we were able to expand on our previous data science internships, offering an intensive six-month work integrated learning project for nine aspiring data scientists and two Alberta businesses.

Callysto

With renewed funding from the CanCode program, Callysto saw its most successful training year to

A. Gross member savings from Rapid Access Cloud ~$1.8 million
B. Gross savings for Alberta institutions using data science services $473,500
C. Job ads scraped daily by SkillUp platform ~58,000
date, with over 37,000 students and 1,400 teachers introduced to the free, web-based platform. Our goal with Callysto is to help Grades 5-12 students improve their computational thinking skills by using data science in the classroom. Our efforts have also focused on reaching teachers and students in rural communities through hackathons.

The Callysto team also released a series of curricula-based data visualizations that delve into real world events and issues, including natural disasters, climate change, wealth and happiness, and the history of residential schools.

SkillUp: Analyzing job ad data for Albertans

Cybera’s development team is in the final stages of developing a platform to provide information on labour force skills gaps and opportunities. To be launched in the next fiscal year, the SkillUp platform looks at live job ad data to determine what skills are being sought after by employers. The goal is to assist Albertans looking to find or change careers, as well as educators looking to update their training programs.
Cybera’s *Strategic Roadmap* is the guiding light for our operations: setting a course for where we want the organization to be in three years. It also sets ambitious goals for what we would like Alberta’s digital landscape to look like in the near future and beyond.

We are now midway through our 2022-25 Roadmap. Looking over the specific targets, our team is pleased with the overall progress Cybera has made.

We have begun (and even completed) over 70% of the activities listed within Cybera’s five key pillars: Network, Skills, Security, Collaboration, and Advocacy.

Where we are ahead of expectations:

- Expand eduroam (secure internet roaming) to an additional three municipalities and seven education institutions
  - We currently connect two municipalities and 15 educational institutions, with two more educators completing their setup
Explore the creation of a regional Security Operations Centre in Alberta
   ▶ Work to build the SOC in Alberta have already begun

Grow the ShareIT catalogue of procurement offerings to 35
   ▶ We now have 40 purchase agreements in the catalogue

Train 40 interns and 10 companies across Alberta in data science
   ▶ 24 interns and six companies have gone through our Applied Data Science Lab

Train 2,000+ teachers and 32,000+ grades 5-12 students in data science / computational thinking
   ▶ We've already reached 1,450 teachers, and 37,000+ students

Work with the Government of Alberta to implement a new provincial broadband strategy
   ▶ The provincial broadband strategy (featuring several suggestions from Cybera) launched in 2022

You can see the full three-year roadmap and how Cybera is progressing on each target by visiting cybera.ca/SRHR25.
Collaboration

In Fall 2022, Cybera’s team journeyed more than 4,160 km to visit 21 ShareIT member organizations, gathering valuable feedback and strengthening these vital relationships.

Shared procurement

In the last fiscal year, the ShareIT team completed four shared procurement projects: end-user computing hardware (version two), networking hardware (version two), endpoint detection & response, and the IT services roster. The roster was a particularly ambitious project, representing the largest ShareIT collaborative project to date. Thanks to its addition, the catalogue of offerings within the ShareIT program has jumped to 40 contracts.

A. ShareIT member spend $22.3 million (19% increase over the previous year)
B. ShareIT member savings $12.8 million
C. ShareIT member organizations 65
   1. 26 Post Secondary
   2. 39 K-12
Shared learning
In January 2023, Cybera partnered with the Canadian University Council of Chief Information Officers to expand participation in its Special Interest Groups program to all post-secondary institutions in Alberta. The goal of this pilot is to establish a national network of IT professionals from higher education to promote knowledge sharing and problem-solving.

eduroam everywhere
In the last fiscal year, two more institutions joined the list of eduroam providers in the province. Staff and students from participating institutions will now be able to seamlessly connect to the WiFi when visiting NorQuest College and Red Deer Polytechnic.

D. New contracts added 14
E. PD&T sessions held 14 (495 course participants)
F. Shared procurement working group participants 206
G. Participants in CUCCIO Special Interest Groups pilot 176
H. Alberta organizations providing eduroam 18
Advocacy

We were proud to host Service Alberta Minister Nate Glubish at the 2022 Alberta Rural Connectivity Forum, where he acknowledged existing broadband funding gaps in the province. Following the event, the provincial government announced $36 million for broadband deployment in communities ineligible for support through the national Universal Broadband Fund.

At a federal level, the CRTC declared a 10% reduction in wholesale internet rates in March 2023, to bolster competition among internet service providers. Cybera has been actively advocating for improved support of wholesale internet services, and applauded this shift to championing smaller providers.

Finally, to help reduce the growing digital divide in the City of Calgary, Cybera is participating in its digital equity advisory committee, to help it build a strategy for issues such as addressing digital access in the city.

A. Presentations / workshops delivered 75 (including TNC 2022, the world’s largest education networking conference)

B. Visitors to Cybera’s website +34,000 (11% increase over previous year)
Connecting community leaders
In May 2022, Cybera and our University of Alberta partners co-hosted the first in-person Alberta Rural Connectivity Forum. The event brought together 150 community leaders from across the province to share connectivity challenges and brainstorm potential solutions.

The impressive turnout testified to the growing reputation of the Alberta Rural Connectivity Coalition, whose membership now includes 61 education institutions, municipalities, and charity groups.

Cyber Summit
Despite the cold and snow, over 250 people made it out to our November conference (an in-person record for the Cyber Summit!). During the conference, speakers and panelists discussed a variety of issues related to the state of the internet, including cybersecurity, digital privacy, and misinformation.

C. CRTT submission: Consultation on Telecom Services in the Far North (October 2022)
D. Federal submissions:
1. Review of the Competition Act (March 2023)
2. ISED consultation on policy direction for CRTC on competition, affordability, and consumer rights (July 2022)
3. Public Safety Canada Consultation on Canada’s approach to Cyber Security (August 2022)
Security

The last fiscal year saw Cybera launch a number of cybersecurity services, including Threat Feed for Education and the Cybera Security Nexus (which includes support for the design, build, and monitoring of an Information Security Management System, and its related activities).

We are also working with our members to build a regional SOC (security operations centre). The goal of the rSOC is to help higher education institutions in the province to detect and respond to cybersecurity incidents, with 24/7 support.

NREN collaborations

The public, research, and education sectors in Canada are facing unprecedented threats at almost every level. Across the National Research and Education Network (NREN), collaboration has been key to addressing these rising threats. In the last year, Cybera worked with our national partner, CANARIE, to offer additional cybersecurity services to Alberta's connected post-secondary institutions through the Cybersecurity Initiatives Program.

A. Gross member savings from security services +$945,000
B. Virtual Firewall Service members 35
C. Cybersecurity webinars held 2
D. CIRA DNS Firewall Service participating organizations 18
This program included the National Cybersecurity Assessment, a strategic opportunity that will drive future cybersecurity investment for higher education across Canada.

We are also supporting several important NREN cybersecurity initiatives, including:

- Offering project management and technical expertise for the Cybersecurity Analyst project.
- Operating as Lead Technical Architect and Governance, Risk, and Compliance Analyst for the National Cybersecurity Assessment.
- Working with national partners to plan a federated Security Operations Centre.

Sharing cybersecurity best practices

The AB SecureIT project has branched out! We have begun hosting quarterly cybersecurity webinars and discussions among IT leaders in the K-12 and post-secondary sectors.
The Board of Directors

The Board of Directors met four times during the reporting period. At the 2022 AGM, we welcomed Darren Schell, Associate Vice-President of IT at the University of Lethbridge, and bid farewell to Mark Humphries (who formerly held that role for the University). Helen Wetherley Knight (founder of H Knight Consulting) also stepped down from the board during the last fiscal year. We thank them both for their valuable contributions to Cybera’s operational and strategic plans!

The 2022-23 Board of Directors

Mike MacGregor (Chair)
Vice Provost and AVP of Information Services and Technology (IST) at the University of Alberta

Edward Lipin (Vice Chair)
Director of Technology at Medicine Hat Public School Division.

Susan Skone
Associate Vice-President (Research) at the University of Calgary

Roy Daykin
Chief Financial Officer and Vice President, Corporate Services at SAIT

Solange Gagnebin
President at High Level Analytics

John Schutte
Director of Information Technology at Calgary Catholic School Division

Helen Wetherley Knight
Founder, H Knight Nonprofit Consulting

Darren Schell
Associate Vice-President Information Technology at the University of Lethbridge.

Trevor Butler
General Manager of Information Technology Services & Digital Transformation at the City of Lethbridge.
Member organizations

Post-Secondary Institutions
Alberta University of the Arts
Ambrose University
Athabasca University
Banff Centre for Arts and Creativity
Bow Valley College
Burman University
Concordia University of Edmonton
Keyano College
The King’s University
Lakeland College
Lethbridge College
MacEwan University
Medicine Hat College
Mount Royal University
NAIT
NorQuest College
Northern Lakes College
Northwestern Polytechnic
Olds College of Agriculture & Technology
Portage College
Prairie College
Red Deer Polytechnic
SAIT Polytechnic
St. Mary’s University
University of Alberta
University of Calgary
University of Lethbridge

Public and Not-for-Profit Organizations
Alberta Innovates
Blue Mountain Power Co-op
Edmonton Public Library
French National Centre for Space Studies (CNES)
Genome Alberta
German Aerospace Center
Grande Prairie Public Library
MindFuel
Northern Lights Library System
OpenBSD Foundation
Peace Library System
Pinnguaq Association
Platform Calgary
Red Deer Public Library

Municipalities, Towns and Counties
City of Calgary
City of Edmonton
City of Lethbridge
City of Red Deer
Clearwater County
Lac La Biche County
Town of Drayton Valley
K-12 School Districts
Alberta Conference SDA Church
Aspen View Public Schools Division No.78
Battle River School Division No.31
Black Gold Regional Division No.18
Buffalo Trail Public Schools
Calgary Board of Education
Calgary Catholic School District
Calgary Classical Academy
Calgary Girls’ School
Canadian Rockies School District No.12
Chinook’s Edge School Division No.73
Clearview Public Schools
Conseil scolaire Centre-Nord
Conseil scolaire FrancoSud
East Central Alberta Catholic Schools
Edge School for Athletes
Edmonton Public Schools
Evergreen Catholic Regional Division No.2
Foothills School Division No.38
Fort McMurray Public School District
Fort Vermilion School District No.52
Foundations for the Future Charter Academy
Glenmore Christian Academy
Grande Prairie & District Catholic Schools
Grande Prairie Public School District No.2357
Grande Yellowhead Public School Division
Grasslands Regional School Division No.6
Greater St. Albert Roman Catholic Separate School District No. 734
High Prairie School Division No.48
Holy Family Catholic Regional Division No.37
Holy Spirit Roman Catholic Separate School Division
Horizon School Division No.67
Kee Tas Kee Now Tribal Council Education Authority
Lethbridge School District No.51
Livingstone Range School Division
Living Waters Catholic Regional Division No.42
Medicine Hat Catholic School Board
Medicine Hat School District No.76
Northern Gateway Public Schools
Northern Lights School Division No.69
Northland School Division No.61
Palliser Regional Schools No.26
Parkland School Division No.70
Peace River School Division No.10
Peace Wapiti School Division No.76
Pembina Hills Public Schools
Prairie Land School Division
Prairie Rose School Division No.8
Red Deer Catholic Division No.39
Red Deer Public Schools
St. Albert Public Schools
St. Paul Education
St. Thomas Aquinas Roman Catholic Division No.38
STEM Innovation Academy
Stoney Education Authority
Sturgeon Public School Division No.24
Wetaskiwin Regional Public Schools
Wild Rose School Division No.66
Wolf Creek Regional Division No.32

Private Organizations
Whipcord Ltd.
ENFOCOM International Corporation
To the Members of Cybera Inc.

Opinion
We have audited the financial statements of Cybera Inc. (the Entity), which comprise:

- the statement of financial position as at March 31, 2023
- the statement of operations for the year then ended
- the statement of changes net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “Auditors' Responsibilities for the Audit of the Financial Statements” section of our auditors' report.

We are independent of the Entity 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 Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Entity’s financial
reporting process.

Auditors’ 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 generally accepted auditing standards will always
detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in
the aggregate, they could reasonably be expected to influence the economic decisions of
users taken on the basis of the financial statements.

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

We also:

• Identify and assess the risks of material misstatement of the financial statements,
  whether due to fraud or error, design and perform audit procedures responsive to
  those risks, and obtain audit evidence that is sufficient and appropriate to provide a
  basis for our opinion.
  The risk of not detecting a material misstatement resulting from fraud is higher
  than for one resulting from error, as fraud may involve collusion, forgery, intentional
  omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design
  audit procedures that are appropriate in the circumstances, but not for the purpose of
  expressing an opinion on the effectiveness of the Entity’s internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of
  accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management’s use of the going concern basis of
  accounting and, based on the audit evidence obtained, whether a material uncertainty
  exists related to events or conditions that may cast significant doubt on the Entity’s
  ability to continue as a going concern. If we conclude that a material uncertainty exists,
  we are required to draw attention in our auditor’s report to the related disclosures in
  the financial statements or, if such disclosures are inadequate, to modify our opinion.
  Our conclusions are based on the audit evidence obtained up to the date of our
  auditor’s report. However, future events or conditions may cause the Entity to cease to
  continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements,
  including the disclosures, and whether the financial statements represent the
  underlying transactions and events in a manner that achieves fair presentation.

• 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.

Chartered Professional Accountants
Calgary, Canada
July 12, 2023
Statement of Financial Position
March 31, 2023, with comparative information for 2022

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<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
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<tr>
<td>Current Assets:</td>
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<tr>
<td>Cash and cash equivalents</td>
<td>$2,331,279</td>
<td>$679,572</td>
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<td>Short-term investments (note 7)</td>
<td>4,123,184</td>
<td>4,958,259</td>
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<td>Accounts receivable and accrued receivables (note 2)</td>
<td>719,882</td>
<td>764,578</td>
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<td>Prepaid expenses</td>
<td>106,810</td>
<td>111,984</td>
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<td>7,281,155</td>
<td>6,514,393</td>
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<td>Property and equipment (note 3)</td>
<td>66,013</td>
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<td></td>
<td>7,347,168</td>
<td>6,572,702</td>
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<td><strong>Liabilities and Net Assets</strong></td>
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</tr>
<tr>
<td>Current liabilities:</td>
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<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$346,424</td>
<td>$541,269</td>
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<td>Deferred revenue (note 4)</td>
<td>5,101,085</td>
<td>3,583,589</td>
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<td></td>
<td>5,447,509</td>
<td>4,124,858</td>
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<td>Net assets (note 5)</td>
<td>1,899,659</td>
<td>2,447,844</td>
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<td>Economic dependence and government assistance (note 6)</td>
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<td></td>
</tr>
<tr>
<td>Commitments (note 9)</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>7,347,168</td>
<td>6,572,702</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.

Approved by the Board:

Signed (Mike MacGregor, Chair)  Signed (Roy Daykin)
### Statement of Operations
March 31, 2023, with comparative information for 2022

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
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<tr>
<td>Grant</td>
<td>$1,598,890</td>
<td>$1,564,294</td>
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<td>Project</td>
<td>5,122,794</td>
<td>4,397,490</td>
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<td>Membership</td>
<td>629,891</td>
<td>612,790</td>
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<td>Interest</td>
<td>86,239</td>
<td>28,056</td>
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<tr>
<td>Other</td>
<td>32,439</td>
<td>34,804</td>
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<tr>
<td>CEWS (note 6)</td>
<td></td>
<td>340,089</td>
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<tr>
<td><strong>Total</strong></td>
<td>7,470,253</td>
<td>6,977,523</td>
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<table>
<thead>
<tr>
<th><strong>Expenses:</strong></th>
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</thead>
<tbody>
<tr>
<td>Project</td>
<td>$4,158,907</td>
<td>$3,838,634</td>
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<td>Project and partnership development</td>
<td>1,302,774</td>
<td>1,273,280</td>
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<tr>
<td>Infrastructure</td>
<td>1,224,249</td>
<td>1,083,911</td>
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<td>General and administrative</td>
<td>780,529</td>
<td>713,585</td>
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<td>Marketing and communications</td>
<td>504,824</td>
<td>391,350</td>
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<tr>
<td>Depreciation</td>
<td>47,155</td>
<td>61,827</td>
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<tr>
<td><strong>Total</strong></td>
<td>8,018,438</td>
<td>7,362,587</td>
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</table>

| **Deficiency of revenues over expenses** | $ (548,185) | $ (385,064) |

See accompanying notes to financial statements.

### Statement of Changes in Net Assets
March 31, 2023, with comparative information for 2022

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, beginning of year</td>
<td>$2,447,844</td>
<td>$2,832,908</td>
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<tr>
<td>Deficiency of revenues over expenses</td>
<td>(548,185)</td>
<td>(385,064)</td>
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<tr>
<td><strong>Net assets, end of year</strong></td>
<td>$1,899,659</td>
<td>$2,447,844</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
## Statement of Cash Flows
March 31, 2023, with comparative information for 2022

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash provided by (used in):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deficiency of revenues over expenses</td>
<td>$(548,185)</td>
<td>$(385,064)</td>
</tr>
<tr>
<td>Add item not affecting cash:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>47,155</td>
<td>61,827</td>
</tr>
<tr>
<td></td>
<td>$(501,030)</td>
<td>$(323,237)</td>
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<tr>
<td>Changes in non-cash working capital:</td>
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<tr>
<td>Accounts receivable</td>
<td>44,696</td>
<td>21,353</td>
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<td>Prepaid expenses</td>
<td>5,174</td>
<td>132,089</td>
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<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$(194,845)</td>
<td>242,826</td>
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<tr>
<td>Deferred revenue</td>
<td>1,517,496</td>
<td>1,688,777</td>
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<tr>
<td></td>
<td>871,491</td>
<td>1,761,806</td>
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<td>Investing:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from short-term investments</td>
<td>1,220,892</td>
<td>1,901,716</td>
</tr>
<tr>
<td>Purchases of short-term investments</td>
<td>$(385,817)</td>
<td>(3,027,893)</td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td>$(54,859)</td>
<td>(25,928)</td>
</tr>
<tr>
<td></td>
<td>780,216</td>
<td>(1,152,105)</td>
</tr>
<tr>
<td>Increase in cash and cash equivalents</td>
<td>1,651,707</td>
<td>609,701</td>
</tr>
<tr>
<td>Cash and cash equivalents, beginning of year</td>
<td>679,572</td>
<td>69,871</td>
</tr>
<tr>
<td>Cash and cash equivalents, end of year</td>
<td>$2,331,279</td>
<td>$679,572</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
Notes to Financial Statements
March 31, 2023, with comparative information for 2022

General:
Cybera Inc. ("Cybera") was incorporated on January 12, 1994 under Part II of the Canada Corporations Act as a corporation without share capital as WurcNet Inc. In 1999 it changed its name to Netera Alliance Inc. and in 2007 it changed its name to Cybera Inc. Cybera was continued under the Canada Not-For-Profit Corporations Act on November 27, 2013.
Cybera is an Alberta-based, not-for-profit alliance that manages large-scale inter-institutional information and communication technology projects, including research networks, high performance computing resources, digital content projects and collaboration facilities.
The objectives of Cybera are to provide information and communications infrastructure, project management, advocacy and technical expertise to leverage the resources, skills and services of its members, without preference or partiality to any individual member.
As a not-for-profit organization, the income of Cybera is not subject to tax under paragraph 149(1)(l) of the Income Tax Act (Canada).

1. Significant accounting policies:

   (a) Basis of presentation:
The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants ("CPA") Handbook.

   (b) Revenues:
Revenue from membership dues is recognized evenly over the term of the membership.
Project and grant revenues, which are comprised of contributions towards project and infrastructure costs, are recognized using the deferral method. Under this method, restricted contributions are recognized as revenue when the related project costs are incurred. Restricted contributions received in a period before the related expenses are incurred are accumulated as deferred revenue. Unrestricted contributions are recognized as revenue when received or receivable.
Interest income is recognized when earned.

   (c) Project expenses:
As part of the development of applications for high-speed networks, Cybera provides funding for certain research and development projects. Cybera charges costs incurred on these projects to operations as incurred. Typically, Cybera does not retain ownership rights in the results of these projects, rather, these rights reside with the project participants on a basis defined in the respective project agreements.

   (d) Cash and cash equivalents:
Cybera considers deposits in banks, certificates of deposit and short-term investments with original maturities of three months or less as cash and cash equivalents.

   (e) Short-term investments:
Short-term investments have original maturities of over three months and less than a year.

   (f) Property and equipment:
Property and equipment are recorded at cost. Depreciation of computer equipment is provided using the straight-line method at a rate of one-third of cost per year.

   (g) Donations of services:
Cybera receives from its members and others, donations of professional time and services. The value of these donations is not included in these financial statements as the related fair value cannot be reasonably determined.
(h) Use of estimates:
The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Estimates include the valuation of accounts receivable, estimated life of property and equipment and accrued liabilities. Actual results could differ from those estimates.

(i) Financial instruments:
Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. Cybera has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest rate method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, Cybera determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount Cybera expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(j) Government assistance:
Cybera applies for financial assistance under available government programs. Government assistance is recorded in income for the period to which it relates.

2. Accounts receivable:
Included in accounts receivable are government remittances receivable of $12,302 (2022 – $68,622), which include amounts receivable for input tax credits.

3. Property and equipment:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Accumulated depreciation</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>$1,095,846</td>
<td>$1,029,833</td>
</tr>
</tbody>
</table>

4. Deferred revenue:
Deferred revenue represents restricted contributions received that relate to expenses of future years. Contributions are recorded as deferred revenue until the related expenditures have been incurred.

The components of deferred revenue as at March 31 were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Balance, beginning of year</td>
<td>$3,583,589</td>
</tr>
<tr>
<td></td>
<td>(Less: amounts recognized as revenue in the year)</td>
<td>(2,226,453)</td>
</tr>
<tr>
<td></td>
<td>Add: amounts received related to expenses of future periods</td>
<td>$3,743,949</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$5,101,085</td>
</tr>
</tbody>
</table>
5. Net assets:
In the event of dissolution or winding-up of Cybera, all of its remaining assets, after payment of its liabilities, would be distributed to other not-for-profit organizations by the Board of Directors.

6. Economic dependence and government assistance:
Cybera’s future operations are dependent on continued funding from the Alberta Government.
Cybera periodically applies for financial assistance under available government incentive programs. During the year, the Government of Canada created the Canada Emergency Wage Subsidy ("CEWS") program to provide wage assistance to entities who experienced a drop in revenues resulting from the COVID-19 pandemic. During the year ended March 31, 2022, Cybera met the eligibility requirements for certain months and applied for CEWS. As at March 31, 2023, Cybera recognized CEWS revenue of $nil (2022 – $340,089), of which $nil (2022 – $340,089) was received in the year ended March 31, 2023.

7. Short-term investments:
Short-term investments represent term deposits with original maturity dates of more than three months and maturing within one year of the statement of financial position date. The interest rates on these short-term investments are between 2.6% and 5.3% per annum.

8. Financial instruments and related risks:
Fair value of financial assets and financial liabilities:
Financial instruments include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and short-term investments. The fair value of these financial instruments approximates their carrying value due to their short-term nature.

(a) Credit risk:
Accounts receivable are subject to minimal credit risk as the majority of the receivables are from government-sponsored institutions. Cash and cash equivalents and short-term investments are held at financial institutions that are considered to be creditworthy by Cybera.

(b) Interest rate risk:
Interest rate risk arises from the holdings of fixed income securities. For every 0.25% change in interest rates, the annual change in interest income would be approximately $11,659 (2022 – $14,095).

(c) Liquidity risk:
Liquidity risk is the risk that Cybera will be unable to fulfill its obligations on a timely basis or at a reasonable cost. Cybera is not exposed to significant liquidity risk and manages its liquidity risk by monitoring its operating requirements.
There has been no change to the risk profile when compared to prior year.

9. Commitments:
Cybera is committed under a long-term office lease agreement. Estimated payments with respect to the lease commitments for office premises over the next three years are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$32,532</td>
</tr>
<tr>
<td>2025</td>
<td>$32,532</td>
</tr>
<tr>
<td>2026</td>
<td>$18,977</td>
</tr>
</tbody>
</table>

10. Comparative Figures:
Certain comparative figures have been reclassified to conform to the current year’s presentation.
The story of our network over the past decade

- April 2013: Data transmitted that month — 909 TB
- November 2013: 36 institutions connected
- January 2015: Cybera connects to Calgary Internet Exchange
- December 2015: Cybera connects to Edmonton Internet Exchange
- November 2016: First connection to First Nations school (Stoney Education Authority)
- December 2018: New point of presence in Red Deer
- March 2020: COVID school closures begin
- September 2021: Network capacity doubled
- March 2023: Data transmitted that month — 8.28 PB