



## Livestock Research Innovation Corporation

### Annual Report 2023

LRIC is supported in part by the Sustainable Canadian Agricultural Partnership (Sustainable CAP) a five-year (2023-2028), \$3.5 billion investment by federal-provincial and territorial governments to strengthen competitiveness, innovation, and resiliency of Canada's agriculture, agri-food and agri-based products sector. This includes \$1 billion in federal programs and activities and a \$2.5 billion commitment that is cost-shared 60 per cent federally and 40 percent provincially/territorially for programs that are designed and delivered by the provinces and territories.



## A Year of Change

A new [agreement with OMAFRA](#), a new [strategic plan](#), [new staff](#) and new partnerships all came about last year. With our focus on incremental improvement of the innovation system for Ontario's livestock sector, LRIC is actively engaged in all parts of the system: funding, research priorities, project management, GRIP (getting research into practice) and commercialization. We continue to make connections across industry, academia and government, bringing synergy to common objectives.



## Foreword

The value that Livestock Research Innovation Corporation (LRIC) brings has been recognized by OMAFRA through an increased annual funding level for our current transfer payment agreement. This increase in funding allowed us to hire Kelly Somerville, an excellent addition to the LRIC team. I want to thank the Minister and Ministry staff for their continued support.

The Board reviewed our strategic plan and held a special meeting of members to present the approved final version. Our focus is firmly set on five areas: member services; research services; strategic intelligence; engagement and collaboration; and GRIP (getting research into practice). We provide monthly updates to all members and interested parties and welcome feedback at any time.

Our International Research Advisory Committee (IRAC) met in person for the first time in five years. We were sure to invite LRIC members and other key individuals to play a key part in discussions. The Board has asked IRAC to define actions that we need to be taking today and into the future to ensure that those around in thirty years will say that they received tremendous value from the new livestock research facilities.

Our Emerging Issues Committee was renamed and reconstituted as the Emerging Trends and Opportunities Committee (ETOC). Membership on this committee is outstanding and I want to thank these very busy individuals for committing their valuable time.

I am pleased to report that our Early Career Research Award, focused on cross sector research has increased on value from \$70,000 to now a budgeted amount of \$110,000. This award is open to participants in our Mentorship program which has been tremendously successful with twenty early career faculty benefitting from the program in its four years. Building understanding of, and positive connections with, industry benefits both researchers and industry for years to come.

This year, we initiated an innovation farm tour program aimed at building connections across industry, academia and government and to get some boots dirty. Tours to date have been nothing short of excellent with many connections being made and knowledge of industry challenges and opportunities expanding between academia, government and industry.

I would like to thank all of you for the privilege to serve as Chair with a strong and talented Board of Directors and to the LRIC staff team for the work they do on our behalf.

Don Gordon  
LRIC Chair

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## **Our Commitment**

### **Drive innovation in Ontario's livestock sector.**

- Provide services to members
- Provide research services
- Gather strategic intelligence
- Increase engagement and collaboration
- Improve GRIP

## **Founding Members**

Beef Sector	Beef Farmers of Ontario
Dairy Sector	Dairy Farmers of Ontario
Pork Sector	Ontario Pork
Poultry Sector	Chicken Farmers of Ontario, Egg Farmers of Ontario, Turkey Farmers of Ontario & Ontario Broiler Hatching Egg and Chick Commission

## **Partner Members**

Ontario Sheep Farmers  
Veal Farmers of Ontario  
Ontario Aquaculture Association  
Farm Health Guardian  
Canadian Global Food Animal Residue Avoidance Database  
Alberta Innovates  
Alltech  
AgSights  
Meat and Poultry Ontario  
Grand Valley Fortifiers  
Ontario Forage Council  
Equine Guelph  
Life Sciences Ontario

## **Financial Contributors**

Ontario Ministry of Agriculture, Food and Rural Affairs  
Agriculture and Agri-Food Canada

## Board Members

Don Gordon, Chair	Dairy Farmers of Ontario
RJ Taylor, Vice Chair	Ontario Aquaculture Association
Richard Horne	Beef Farmers of Ontario
Tara Terpstra	Ontario Pork
Brian Miller	Poultry Sector Organizations
Ian Ross, Grand Valley Fortifiers	Appointed
Jim White	Appointed
Franco Naccarato, Meat and Poultry Ontario	Appointed
Jean Szkotnicki	Appointed

## Committees

### Governance Committee

Don Gordon	Chair
Richard Horne	
Brian Miller	
Tara Terpstra	
Jim White	
Mike McMorris*	

### Finance and Audit Committee

Richard Horne	Chair
Don Gordon	
Brian Miller	
RJ Taylor	
Mike McMorris*	

### Emerging Trends and Opportunities Committee

Ian Ross	Chair
Ted Bilyea	
Stacie Sopinka	
Dave Vandenberg	
Arnold Drung	
Rene Van Acker	
Paul Uys	
Franco Naccarato	
Mike McMorris / Jean Howden*	

### International Research Advisory Committee

Jim White	Chair
Stan Blade	University of Alberta
Paul Dick	Paul Dick and Associates
Brian Lindsay	Global Dairy Platform, UK
Steve Miller	University of New England, Australia
Dawn Howard	National Office of Animal Health, UK
Don Gordon	Dairy Farmers of Ontario
Mike McMorris / Jean Howden*	

\* ex-officio, non-voting member

## Business Report

### Research Services

We reviewed all 27 livestock-related research proposals submitted by University of Guelph faculty to the Alliance funding program. In addition, we organized and brought forth the results of over 75 additional industry reviews.

Research software and services utilized by EFO, DFO, BFO, and OP.

### Improving the Innovation System

Our International Research Advisory Committee (IRAC) has turned their focus to the future. Specifically, what do we need to be doing today and into the future to ensure that in thirty years, people say that we derived tremendous value from the new livestock research facilities. During their meeting in July, the committee met and had discussions with many industry, academia and government staff and representatives.

### Emerging Trends and Opportunities

This committee was renamed and reconstituted with a stellar membership. Their task is to cast an eye three to five years out, identify trends and opportunities facing Ontario's livestock sector and to recommend LRIC actions as they see appropriate. In part due to the leadership of LRIC, the Canadian Agri-Food Policy Institute prepared a report on the [\*Forces Impacting Animal Agriculture in Canada\*](#). LRIC hosted a session with industry, academia, and government to explore the “now what” for research and innovation from the report.

### Mentorship

This program has tremendous industry and University support and will have lasting impact through the connections and relationships that it supports. In order to foster cross sector research, we offer the Early Career Research Award. We have strong partner support for this award with contributions from Grand River Agricultural Society, Western Fair District, Ontario Agricultural College (OAC), and Ontario Veterinary College (OVC). This year, Dr Emma Borkowski was the recipient for her work in [gastrointestinal nematodes \(GINs\)](#).

### Innovation Farm Tour Program

LRIC initiated a farm tour program to build better research through increased understanding of farm realities. Participation builds bridges across industry, academia and government. Our first tour was to a Dairy farm. Demonstrating how research and innovation fit within livestock production at the farm level is a tangible way to improve GRIP and highlight where there is potential for improvement in getting research adopted on farm.

### **Horizon Series Webinars**

This series of webinars is focused on the big things facing livestock production. Our sixteenth webinar was focused on cybersecurity. Total viewership (attending or viewing the recordings online) is now at 1820. All webinars and those with associated white papers are available at: [https://www.livestockresearch.ca/white\\_papers](https://www.livestockresearch.ca/white_papers) .

### **Engineering Opportunity**

Many challenges and opportunities facing livestock producers could have an engineering solution. We canvassed many progressive producers across sectors to gather their own challenges and opportunities. This list, as well as the summary by theme across sectors was presented to the Deans of Engineering at the Universities of Guelph, Waterloo and Windsor. Our goal is to open the eyes of engineering faculty to the opportunities in the livestock sector.

### **Communications**

It is critical that members know what LRIC is doing on their behalf and so we place a large emphasis on communication, making use of many channels. Our monthly member reports are now more focused and quickly readable. These are copied to a large group of people involved in livestock production. We distribute leading edge information with our monthly *Livestock Innovation* newsletter, on our LinkedIn and Twitter accounts and through regular Research Scouts bringing topics of interest from around the world to Ontario. In addition, we provided many articles for member magazines, as well as Opinion Editorials for *Farmtario* (Appendix 1).

### **Getting Research Into Practice (GRIP)**

GRIP is a significant focus for LRIC and we have been active in many initiatives in this area. Our second annual GRIP roundtable was very successful and drew people from industry, OMAFRA and academia. A key role that LRIC will play going forward is bringing together those interested in a new way of doing GRIP. LRIC also performs a review process for the livestock proposals submitted to the OMAFRA Knowledge Translation and Transfer (KTT) funding.

### **Member requests**

LRIC acted on members requests dealing with several issues. Though our initial meeting with the President of the University of Guelph dealt with communications around the decision of the University of Guelph Daycare to switch to a vegetarian diet, we have since had the opportunity to tour her, along with the Vice President of Research, for two full days to dairy, pork, beef and aquaculture farms. Our initial project focused on effective deadstock management led to a second OMAFRA funded project looking at the prospect of centralized transfer centers in order to reduce the cost of pick-ups.

## Appendix 1

### Articles

- Ontario Farmer, April 4: Building a bridge between research and livestock sector  
[https://livestockresearch.ca/article/building\\_a\\_bridge\\_between\\_research\\_and\\_livestock\\_sector](https://livestockresearch.ca/article/building_a_bridge_between_research_and_livestock_sector)
- Ontario Farmer, April 11: Food digestibility as important as ingredients, research shows  
[https://livestockresearch.ca/article/food\\_digestibility\\_as\\_important\\_as\\_ingredients\\_research\\_shows](https://livestockresearch.ca/article/food_digestibility_as_important_as_ingredients_research_shows)
- Ontario Farmer, April 11: Data simple answer but what's the question  
[https://livestockresearch.ca/article/data\\_simple\\_answer\\_but\\_what\\_s\\_the\\_question](https://livestockresearch.ca/article/data_simple_answer_but_what_s_the_question)
- News release, May 8 – Symposium focuses on telling the good news story about livestock  
[https://livestockresearch.ca/article/news\\_release\\_symposium\\_focuses\\_on\\_telling\\_the\\_good\\_story\\_of\\_livestock](https://livestockresearch.ca/article/news_release_symposium_focuses_on_telling_the_good_story_of_livestock)
- Ontario Farmer, May 2 – Livestock meeting focuses on getting research from the lab to the farm  
[https://livestockresearch.ca/article/livestock\\_meeting\\_focuses\\_on\\_getting\\_research\\_from\\_the\\_lab\\_to\\_the\\_farm](https://livestockresearch.ca/article/livestock_meeting_focuses_on_getting_research_from_the_lab_to_the_farm)
- Ontario Beef – Beef farmers fund research into agricultural plastics alternatives  
[https://www.livestockresearch.ca/article/beef\\_farmers\\_fund\\_research\\_into\\_agricultural\\_plastic\\_alternatives](https://www.livestockresearch.ca/article/beef_farmers_fund_research_into_agricultural_plastic_alternatives)
- Livestock, climate and sustainability; Canadian Poultry  
- [https://livestockresearch.ca/article/livestock\\_climate\\_and\\_sustainability](https://livestockresearch.ca/article/livestock_climate_and_sustainability)
- Ultra-processed foods impact digestion and human health, says expert; AGM presentation summary for website and newsletter  
- [https://livestockresearch.ca/article/ultra\\_processed\\_foods\\_impact\\_digestion\\_and\\_human\\_health\\_says\\_expert](https://livestockresearch.ca/article/ultra_processed_foods_impact_digestion_and_human_health_says_expert)
- Livestock Research Innovation Corporation elects new leadership; News Release  
- [https://livestockresearch.ca/article/news\\_release\\_livestock\\_research\\_innovation\\_corporation\\_elects\\_new\\_leadership](https://livestockresearch.ca/article/news_release_livestock_research_innovation_corporation_elects_new_leadership)
- Taking a fresh look at deadstock; Ontario Dairy Farmer  
- [https://livestockresearch.ca/article/taking\\_a\\_fresh\\_look\\_at\\_deadstock](https://livestockresearch.ca/article/taking_a_fresh_look_at_deadstock)
- LRIC names Early Career Research Award recipient; News Release  
- [https://livestockresearch.ca/article/news\\_release\\_lrlic\\_names\\_early\\_career\\_research\\_award\\_recipient](https://livestockresearch.ca/article/news_release_lrlic_names_early_career_research_award_recipient)
- Working to safeguard the future of animal agriculture; Ontario Farmer  
[https://www.livestockresearch.ca/article/working\\_to\\_safeguard\\_the\\_future\\_of\\_animal\\_agriculture](https://www.livestockresearch.ca/article/working_to_safeguard_the_future_of_animal_agriculture)
- Ontario Dairy Farmer, July 2023: How to motivate change on the farm  
- [https://livestockresearch.ca/article/how\\_to\\_motivate\\_change\\_on\\_the\\_farm](https://livestockresearch.ca/article/how_to_motivate_change_on_the_farm)
- CBC News: We need to talk about mRNA vaccines in the meats we eat, says Guelph Veterinary professor  
[https://livestockresearch.ca/article/we\\_need\\_to\\_talk\\_about\\_mrna\\_vaccines\\_in\\_the\\_meats\\_we\\_eat\\_says\\_guelph\\_veterinary\\_professor](https://livestockresearch.ca/article/we_need_to_talk_about_mrna_vaccines_in_the_meats_we_eat_says_guelph_veterinary_professor)
- Canadian Poultry July/August: Plant-based doesn't mean healthier  
- <https://mydigitalpublication.com/publication/?m=1191&i=797286&p=8&ver=html5>
- Dairy Farmers of Ontario producer newsletter: Dairy Farmers Support Research Into Ag Plastics Alternatives
- Ontario Sheep Farmers: Producers have deadstock options, but coordinated approach and Calf Care Corner (VFO), August 2023: [https://livestockresearch.ca/article/new\\_approaches\\_to\\_calf\\_nutrition](https://livestockresearch.ca/article/new_approaches_to_calf_nutrition)

- Milk Producer (DFO), Late summer 2023: [https://livestockresearch.ca/article/dairy\\_farmers\\_support\\_research\\_into\\_ag\\_plastic\\_alternatives](https://livestockresearch.ca/article/dairy_farmers_support_research_into_ag_plastic_alternatives)
- Ontario Farmer September 12, 2023: [https://www.livestockresearch.ca/article/global\\_food\\_system\\_can\\_rise\\_to\\_challenges\\_new\\_research\\_shows](https://www.livestockresearch.ca/article/global_food_system_can_rise_to_challenges_new_research_shows)
- News release: September 18, 2023 [https://www.livestockresearch.ca/article/news\\_release\\_livestock\\_research\\_innovation\\_corporation\\_hires\\_industry\\_services\\_manager](https://www.livestockresearch.ca/article/news_release_livestock_research_innovation_corporation_hires_industry_services_manager)
- Canadian Poultry September 2023 [https://www.livestockresearch.ca/article/bridging\\_the\\_gap\\_between\\_research\\_and\\_poultry](https://www.livestockresearch.ca/article/bridging_the_gap_between_research_and_poultry)
- Canadian Poultry, October 2023: [https://www.livestockresearch.ca/article/getting\\_research\\_to\\_the\\_farm](https://www.livestockresearch.ca/article/getting_research_to_the_farm)
- Recommendations for developing a path forward for deadstock – Ontario Beef - [https://livestockresearch.ca/article/recommendations\\_for\\_developing\\_an\\_ontario\\_path\\_forward\\_for\\_deadstock](https://livestockresearch.ca/article/recommendations_for_developing_an_ontario_path_forward_for_deadstock)
- Getting Research to the Farm – Canadian Poultry - [https://livestockresearch.ca/article/getting\\_research\\_to\\_the\\_farm](https://livestockresearch.ca/article/getting_research_to_the_farm)
- News release - [https://livestockresearch.ca/article/news\\_release\\_province\\_renews\\_funding\\_for\\_livestock\\_research\\_innovation\\_corporation](https://livestockresearch.ca/article/news_release_province_renews_funding_for_livestock_research_innovation_corporation)
- Ontario Beef October/November - [https://livestockresearch.ca/article/recommendations\\_for\\_developing\\_an\\_ontario\\_path\\_forward\\_for\\_deadstock](https://livestockresearch.ca/article/recommendations_for_developing_an_ontario_path_forward_for_deadstock)
- Ontario Beef: Looking Past the Headlines at Livestock, Climate and Sustainability [https://livestockresearch.ca/article/looking\\_past\\_the\\_headlines\\_at\\_livestock\\_climate\\_and\\_sustainability](https://livestockresearch.ca/article/looking_past_the_headlines_at_livestock_climate_and_sustainability)
- Charting a path forward with Research and Innovation, Milk Producer [https://issuu.com/milkproducer/docs/milk\\_producer\\_january/21](https://issuu.com/milkproducer/docs/milk_producer_january/21)
- Milk Producer: *Recommendations for developing an Ontario path forward for deadstock* [https://livestockresearch.ca/article/path\\_forward\\_for\\_deadstock](https://livestockresearch.ca/article/path_forward_for_deadstock)
- Ontario Beef: *Research and innovation key to successful future for Canadian livestock industry* [https://livestockresearch.ca/article/research\\_innovation\\_key\\_to\\_successful\\_future\\_for\\_canadian\\_livestock\\_industry\\_report\\_says](https://livestockresearch.ca/article/research_innovation_key_to_successful_future_for_canadian_livestock_industry_report_says)

## **2023 Financial Statement**

**LIVESTOCK RESEARCH INNOVATION CORPORATION**  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2024

**LIVESTOCK RESEARCH INNOVATION CORPORATION**  
**INDEX TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of: Livestock Research Innovation Corporation

### **Opinion**

We have audited the accompanying financial statements of Livestock Research Innovation Corporation, which comprise the statement of financial position as at March 31, 2024 and the statements of changes in net assets, revenues and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Livestock Research Innovation Corporation as at March 31, 2024 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations.

### **Basis of Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Livestock Research Innovation 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 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 organization's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization'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 generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 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 organization'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 organization'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 organization 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.



Guelph, Ontario  
May 28, 2024

Chartered Professional Accountants  
Licensed Public Accountants

**LIVESTOCK RESEARCH INNOVATION CORPORATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2024**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 389,484	\$ 468,625
Short term investments (note 4)	204,335	0
Accounts receivable	148,000	180,515
Government remittances recoverable	10,725	14,553
Prepaid expenses	<u>683</u>	<u>519</u>
	753,227	664,212
<b>CAPITAL ASSETS</b> (note 5)	<u>1,039</u>	<u>2,564</u>
	<u>\$ 754,266</u>	<u>\$ 666,776</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 22,612	\$ 80,806
Deferred Early Career Research Award payable	0	20,000
Deferred research funding (note 8)	<u>308,532</u>	<u>180,382</u>
	<u>331,144</u>	<u>281,188</u>
<b>NET ASSETS</b>		
<b>INTERNALLY RESTRICTED OPERATING RESERVE FUND</b>	275,000	225,000
<b>INTERNALLY RESTRICTED STRATEGIC INVESTMENT FUND</b>	75,000	75,000
<b>UNRESTRICTED NET ASSETS</b>	<u>73,122</u>	<u>85,588</u>
	<u>423,122</u>	<u>385,588</u>
	<u>\$ 754,266</u>	<u>\$ 666,776</u>

See notes to the financial statements

**LIVESTOCK RESEARCH INNOVATION CORPORATION**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2024**

	Unrestricted	Internally Restricted Operating Reserve Fund	Internally Restricted Strategic Investment Fund	2024	2023
<b>NET ASSETS, beginning of year</b>	\$ 85,588	\$ 225,000	\$ 75,000	\$ 385,588	\$ 379,104
Excess of revenues over expenditures for the year	37,534	0	0	37,534	6,484
Transfers (note 7)	<u>(50,000)</u>	<u>50,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET ASSETS, end of year</b>	<u>\$ 73,122</u>	<u>\$ 275,000</u>	<u>\$ 75,000</u>	<u>\$ 423,122</u>	<u>\$ 385,588</u>

See notes to the financial statements

**LIVESTOCK RESEARCH INNOVATION CORPORATION**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**FOR THE YEAR ENDED MARCH 31, 2024**

	<b>2024</b>	<b>2023</b>
<b>REVENUES</b>		
Grants - Ontario Ministry of Agriculture, Food and Rural Affairs	\$ 400,000	\$ 300,000
Member contributions	165,750	166,000
Other grants (note 6)	111,450	130,150
Interest income	16,123	6,255
Other revenue	121	47,845
Grants - Agricultural Adaptation Council	<u>0</u>	<u>5,400</u>
	<u>693,444</u>	<u>655,650</u>
<b>EXPENDITURES</b>		
Salaries	355,373	341,132
Project expenses	142,405	195,751
Administrative services	45,039	34,255
Travel	35,217	10,982
Outreach and communication	30,824	29,855
Meetings	14,016	2,654
Software licenses and services	12,165	11,339
Professional fees	6,640	6,080
Telecommunications	3,860	2,917
Insurance	3,558	4,034
Office	2,140	826
Amortization	1,525	7,429
Interest and bank charges	1,525	1,403
Memberships and sponsorships	1,390	32
Mentorship program	<u>233</u>	<u>477</u>
	<u>655,910</u>	<u>649,166</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES for the year</b>	<u>\$ 37,534</u>	<u>\$ 6,484</u>

See notes to the financial statements

**LIVESTOCK RESEARCH INNOVATION CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2024**

	<b>2024</b>	<b>2023</b>
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Excess of revenues over expenditures for the year	\$ 37,534	\$ 6,484
Items not requiring an outlay of cash		
Amortization	1,525	7,429
Deferred capital funding	<u>0</u>	<u>(5,400)</u>
	<u>39,059</u>	<u>8,513</u>
Changes in non-cash working capital		
Accounts receivable	32,515	4,476
Government remittances recoverable	3,828	(12,440)
Prepaid expenses	(164)	2,991
Accounts payable and accrued liabilities	(58,194)	61,811
Deferred Early Career Research Award payable	(20,000)	0
Deferred research funding	<u>128,150</u>	<u>(130,279)</u>
	<u>86,135</u>	<u>(73,441)</u>
	<u>125,194</u>	<u>(64,928)</u>
<b>CASH USED IN INVESTING ACTIVITIES</b>		
Additions to capital assets	0	(1,865)
Short term investments	<u>(204,335)</u>	<u>0</u>
	<u>(204,335)</u>	<u>(1,865)</u>
<b>NET DECREASE IN CASH</b>	(79,141)	(66,793)
<b>NET CASH, BEGINNING OF YEAR</b>	<u>468,625</u>	<u>535,418</u>
<b>NET CASH, END OF YEAR</b>	<u>\$ 389,484</u>	<u>\$ 468,625</u>

See notes to the financial statements

**LIVESTOCK RESEARCH INNOVATION CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2024**

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**1. NATURE OF ORGANIZATION**

Livestock Research Innovation Corporation is a not for profit organization incorporated under the laws of Ontario without share capital on August 2, 2012. Livestock Research Innovation Corporation is exempt from income tax pursuant to section 149(1)(e) of the Income Tax Act. Its purpose is to determine research needs and capacities and to direct research priorities for the betterment of the livestock value chain.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations and include the following significant accounting policies:

(a) REVENUE RECOGNITION

The organization follows the deferral method of accounting for contributions. Externally restricted research funding and bursaries are deferred and recognized as revenue in the year in which the related expenditures are incurred. Externally restricted funding for the purchase of capital assets is deferred and recognized as revenue on a straight-line basis in accordance with the amortization of the related assets. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(b) CAPITAL ASSETS

Capital assets are recorded at cost and amortized on the basis of their estimated useful life using the following methods and rates:

Computer hardware	- 3	years straight line basis
System software	- 6	years straight line basis

Amortization is recorded at 50% of the above rates in the year of addition.

(c) FINANCIAL INSTRUMENTS

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. If an impairment has occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. The amount of the write-down is recognized in net surplus. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net surplus.

**LIVESTOCK RESEARCH INNOVATION CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2024**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(c) FINANCIAL INSTRUMENTS (continued)

Transaction costs

The organization recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(d) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for not for profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant areas requiring management's estimates include accounts receivable, accrued liabilities and the useful lives of capital assets. Actual results could differ from those estimates.

(e) FUND ACCOUNTING

General operating fund

The general operating fund reports resources available for the organization's general operating activities.

Operating reserve fund

The operating reserve fund reports resources that are held for future use, at the Board's discretion, for the purpose of funding unbudgeted deficits or losses of external funding to avoid a lapse in research activity, as well as capacity building opportunities such as research, development of staff, or infrastructure needs. This fund is internally restricted.

Strategic Investment fund

The strategic investment fund reports resources that are held for key investments into the livestock sector in order to expand research or provide benefit to the sector as a whole. This fund is internally restricted.

**3. FINANCIAL INSTRUMENTS**

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from the financial instruments.

The extent of the organization's exposure to these risks did not change in 2024 compared to the previous period.

The organization does not have a significant exposure to any individual customer or counterpart.

**LIVESTOCK RESEARCH INNOVATION CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2024**

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**4. SHORT TERM INVESTMENTS**

Short term investments consist of:

	<b>2024</b>	<b>2023</b>
Meridian GIC, interest at 5.00% compounded annually, maturing March 19, 2025	\$ 100,163	\$ 0
Meridian GIC, interest at 4.30% compounded annually, maturing April 12, 2024	26,043	0
Meridian GIC, interest at 4.30% compounded annually, maturing April 12, 2024	26,043	0
Meridian GIC, interest at 4.30% compounded annually, maturing April 12, 2024	26,043	0
Meridian GIC, interest at 4.30% compounded annually, maturing April 12, 2024	<u>26,043</u>	<u>0</u>
	<u><u>\$ 204,335</u></u>	<u><u>\$ 0</u></u>

**5. CAPITAL ASSETS**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net 2024</b>	<b>Net 2023</b>
Computer hardware	\$ 9,340	\$ 8,301	\$ 1,039	\$ 2,564
System software	<u>64,800</u>	<u>64,800</u>	<u>0</u>	<u>0</u>
	<u><u>\$ 74,140</u></u>	<u><u>\$ 73,101</u></u>	<u><u>\$ 1,039</u></u>	<u><u>\$ 2,564</u></u>

**6. OTHER GRANTS**

During the year, the organization received funding for the following projects:

	<b>2024</b>	<b>2023</b>
Deadstock: Taking stock and planning the future	\$ 61,450	\$ 77,650
Early career research fund	<u>50,000</u>	<u>52,500</u>
	<u><u>\$ 111,450</u></u>	<u><u>\$ 130,150</u></u>

**7. TRANSFERS**

During the prior year, the Board authorized a \$50,000 transfer from the unrestricted fund to the operating reserve fund, representing an ongoing expansion of research in the livestock sector.

**LIVESTOCK RESEARCH INNOVATION CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2024**

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**8. DEFERRED RESEARCH FUNDING**

Deferred research funding, which consists of the unexpended portion of research funding that relates to future research expenditures, less amounts recognized for current period expenditures, is as follows:

	<b>2024</b>	<b>2023</b>
Balance, beginning of the year	\$ 180,382	\$ 310,661
Total amounts received during the year	187,701	7,721
Less amounts spent on research in the period	<u>(59,551)</u>	<u>(138,000)</u>
Balance, end of year	<u>\$ 308,532</u>	<u>\$ 180,382</u>

This funding is held by the organization on behalf of Egg Farmers of Ontario, pursuant to a Memorandum of Agreement between the two parties, to be used towards research projects as directed by Egg Farmers of Ontario. The organization does not maintain direction or control over these funds, and accordingly, this research funding and the related expenditures are not recorded in the organization's revenues and expenditures.

Included in the amounts received in the year is interest earned on the funds held of \$10,271 (2023 - \$7,721).